Executive Summary – The Spur at Alamo Ranch

SLAMM Group LLC investors decided to take on a construction project in San Antonio Texas. The tract of land which the investors considered would best fit the need for this type of multi-family housing project is in the 1604 & 151 area. The Spur at Alamo Ranch is to be a Class A apartment complex catering to nearby professionals that work for companies such as Microsoft, Chase Financial, Methodist and Baptist Healthcare hospital, just to name a few. We purchased the 31.27 acre section of land that was pre-zoned for multifamily housing at a mere $3.50/sq ft. We put together our Construction Financing, a Lease Detail, and a Development Budget, along with other projection sheets only to find that our project is not feasible. Had our project been feasible, we would have then proceeded to our loan commitment in writing from Real Web Funds Commercial Mortgage on April 19, 2010. The loan consists of an 18 month construction loan and a 30 yr loan for $30,741,920 all at a 5.70% interest rate. Expected ground breaking was scheduled for June 1, 2010. Rent was to be $800 for a studio, $950 for a 1 bedroom/1 bath, $1280 for a 2 bedroom/1 bath, $1375 for a 2 bedroom/2 bath, and $1610 for a 3 bedroom/2 bath. Once we had our numbers calculated we visited the City of San Antonio Planning and Development Services Department to obtain our building permits. We contacted Lyda Swinerton for our construction contract. The Spur at Alamo Ranch is going to be a first class, 300 unit complex complete with a 5000 square foot community center. Once construction was done, inspectors would be used to assure the city, tenants and builders that everything has been inspected and ready for move – in. Managers would ideally like to be at 95% occupancy. The estimated occupancy for The Spur’s first few years is 59.7% for year one, 72.7% for year two, and 84.8% for year three. After that the property is expected to stabilize and be at an acceptable 94.6% occupancy rate for years four through six.