

Hwy 211 & Potranco Rd

42.31 Ac Hard Corner

SAN ANTONIO, TEXAS

42 Acres For Sale Along Hwy 211 & Potranco Rd

19 Active Subdivisions in a 3 mi radius averaging \$298k & 556 closings/year per MetroStudy

Six Curb Cuts on Potranco Rd & Two on Hwy 211

\$46.3 Million Potranco Rd Expansion Underway

\$24.4 Million Hwy 211 Expansion Construction Starts Q1 2019



Landon Kane

First American Commercial Property Group

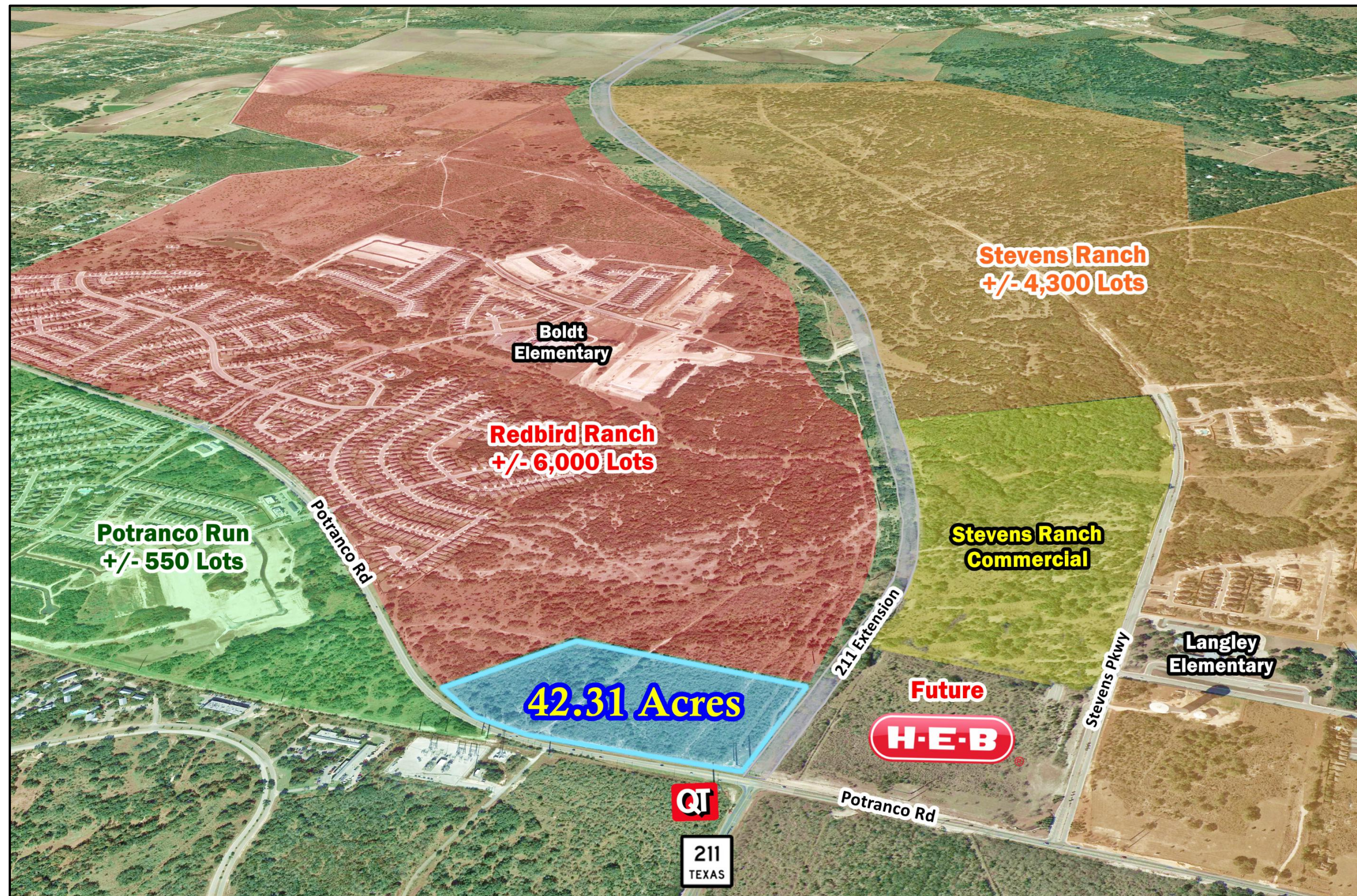
18618 Tuscany Stone, Ste. 210 | San Antonio, TX | 78258

Ph: 210.496.7775 | Fax: 210.496.3256

lkane@dirdealers.com



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Size: 42.31 Acres

Zoning: None; San Antonio ETJ

Ag Exempt: Yes

Utilities: Water – SAWS
Sewer – SAWS
Electric - CPS

Prospective buyer should use a professional to closely examine the availability and capacity of the utilities to the property to determine if they are suitable for the buyer's intended use.

Frontage: 2,445' on Potranco Rd; 1,865' on Hwy 211

Traffic Counts: 12,571 VPD on Potranco Rd; 9,573 VPD on Hwy 211 (TxDOT 2016)

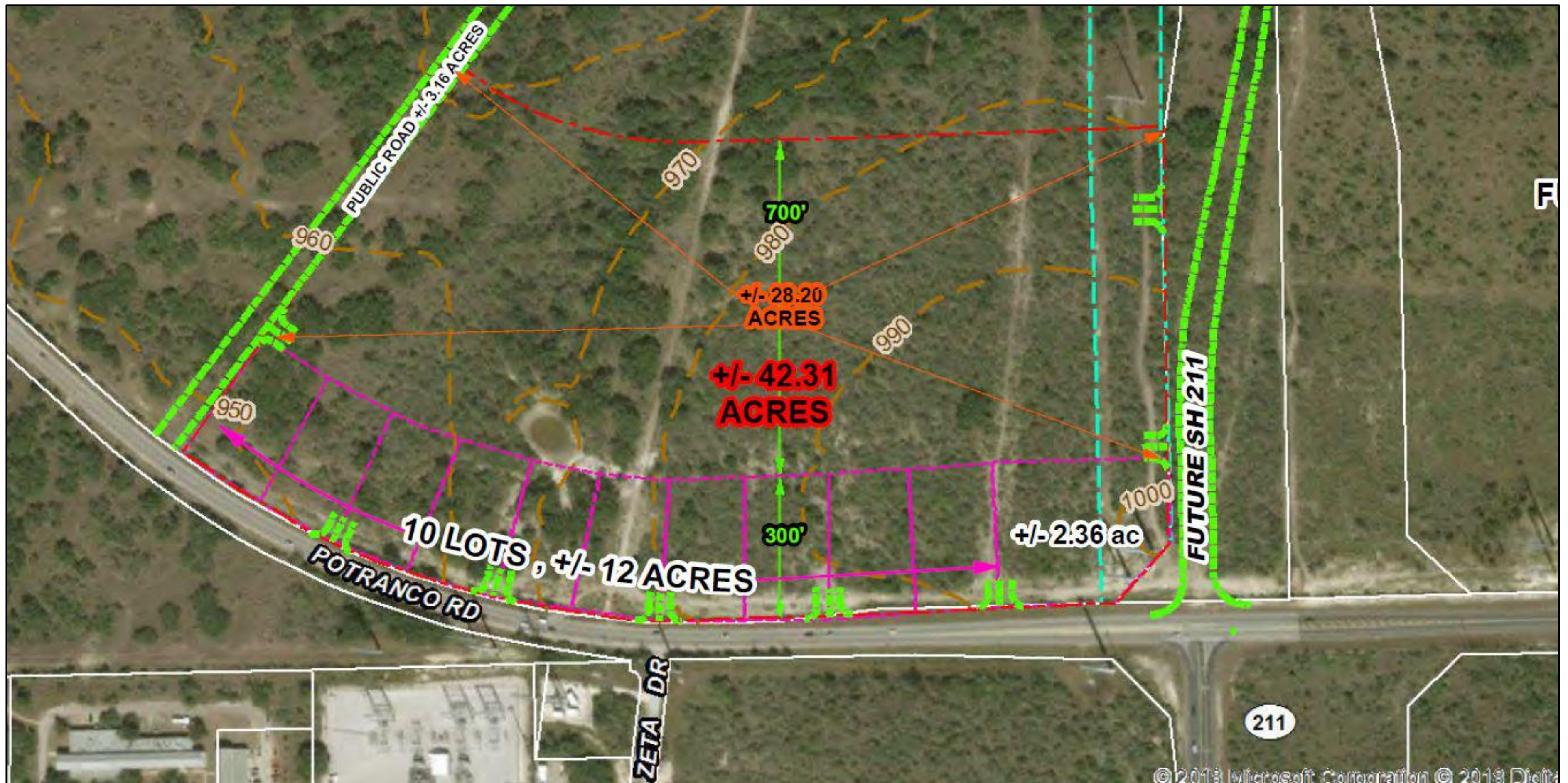
Access: Six curb cuts on Potranco Rd; Two curb cuts on Hwy 211

15 Minute Drive To:

- Microsoft's \$1 Billion Data Center
- Kelly & Lackland Air Force Bases
- Toyota Manufacturing Plant
- South Texas Medical Center
- Hyatt Hill Country Resort
- Baptist & Christus Santa Rosa Hospitals
- Southwest Biomedical Research Center
- Westover Hills
- Takata Seatbelts
- Frost Bank Data Center
- Chase Data Center
- Valero Data Center
- Lowe's Data Center

Pricing: \$5.00/SF or \$9,215,118.00

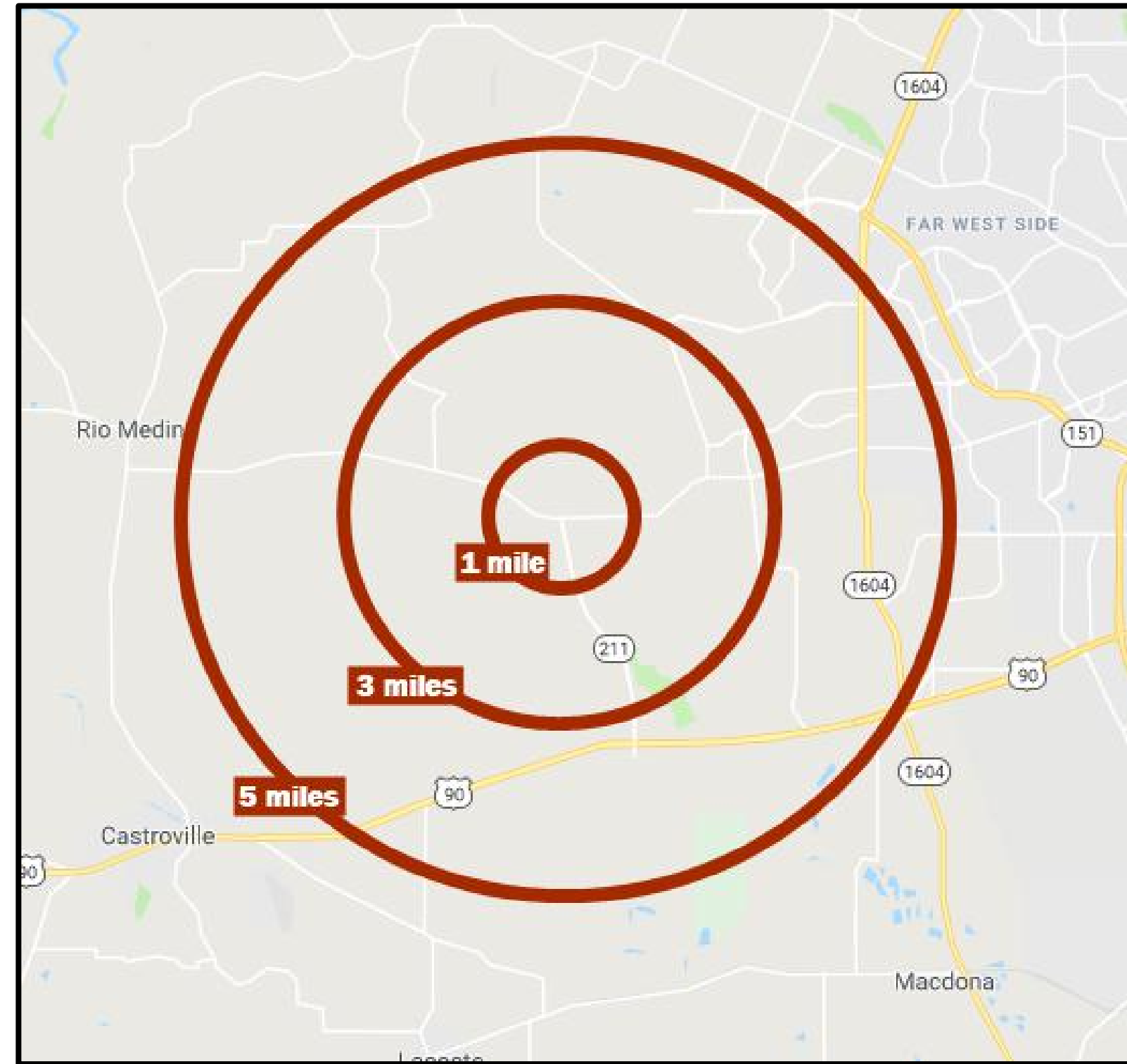
Site Plan



Aerial



Demographics



2017	1 Mile	3 Miles	5 Miles
Population	1,157	19,547	71,563
Households	346	6,108	22,762
Families	295	4,880	18,191
Average Household Size	3.34	3.19	3.11
Owner Occupied Housing Units	316	4,879	17,670
Renter Occupied Housing Units	30	1,229	5,092
Median Age	32.9	33.3	33.5
Median Household Income	\$106,298	\$86,176	\$77,368
Average Household Income	\$112,295	\$93,748	\$91,267

Developers Ready For Growth Surge in Far West Side

By: Richard Webner; San Antonio Express News
January 20, 2017

Miles beyond San Antonio’s city limits on the far West Side, developers are laying the groundwork for tens of thousands of new homes for up to 80,000 people —more than the population of New Braunfels. Relatively little has been built so far in the area, 4 miles west of Loop 1604, sandwiched roughly between U.S. 90 to the south and Potranco Road to the north. But investors think it’s destined to be San Antonio’s next growth center, thanks to its good school districts, abundance of beautiful land and lack of environmental regulations that limit growth on the far North Side. The state and Bexar County have budgeted \$140 million to expand and extend the area’s highways, opening up thousands of acres to development.

A dozen master-planned communities are being built, with a total of 27,740 homes that would hold about 80,000 residents, according to data compiled by Metrostudy, a housing research firm. “It’s one of the few areas left for growth to happen that has some kind of access into the city,” said Char Miller, a former Trinity University professor who has written books about San Antonio. “Partly, what we’re looking at is developers going after cheap land, as they’ve done since the ‘40s, pushing the city farther beyond its original limits.”

The far West Side’s growth stalled in the wake of the housing crisis but is picking up steam again, developers say. It has become wealthier than San Antonio as a whole, with a median income of \$72,307 in 2015, 55 percent above the city’s median earnings of \$46,744.

While developers and analysts agree that the far West Side has a bright future, the area faces challenges. It has almost no retail shops and few offices, but developers say they’re confident those will come as the population grows. They’re hopeful that expansions of 211, Loop 1604 and Potranco Road will alleviate the traffic congestion that has ensnared much of the North Side.

Velocity of growth

“The velocity of home growth is going to produce a tremendous amount of population in that area ... I think a lot of the retailers are seeing those people, and that traffic, and they’re saying, ‘This is an area we want to be in,’” said John Anderson, regional director of development for Weingarten Realty, which co-owns 150 acres of land there. “As Highway 211 expands and connects all the way up to Culebra (Road), that will be a major transportation game-changer.”

One of the far West Side’s new residents is Maritza Arroyo, who moved in November to the Ladera master-planned community because she wanted to escape the congestion of the city. Her former home near the crossing of Loop 1604 and U.S. 90 felt like it was in the country when she moved there in 2006, but the neighborhood became overdeveloped, she said. Her breaking point was when a strip mall started construction across the street from her home.

“I saw a lot of little changes happening — gas stations, Whataburger. A lot of things getting closer and closer. I didn’t want to be there, in the middle of the chaos,” said Arroyo, who plans to retire from the U.S. Army in February after 25 years of service. “I wanted to be in an area that was more full of nature, more trees, less traffic, away from the city.”

Arroyo and her husband spent \$334,000 for a five-bedroom home where they live with three of their children. They relish the sense of privacy they get in their neighborhood, where few homes have been built so far; they let their two German shepherds roam around nearby vacant lots. Arroyo enjoys drinking coffee or wine on their patio, which has a beautiful view of gently-sloping hills.

But Arroyo knows the rustic atmosphere won’t last. The hill across from her patio is slated to be developed with homes, she said. The new residents will bring more traffic, and Texas 211 is already busy during rush hour.

“I don’t want to feel like an animal, stuck in traffic all the time,” she said. “It’s going to grow too big, too large. We’re not going to have that peaceful environment that we have right now.”

Top-selling market

The West Side has been the top-selling housing market in San Antonio for decades, and the growth keeps pushing farther and farther out, said Jack Inselmann, regional director of Metrostudy. One or two small neighborhoods were already outside Loop 1604 by the late ’80s, but growth really accelerated in the years before the housing crisis, picking up again as the broader housing market recovered over the last few years.

Developers say it’s inevitable that San Antonio’s sprawl will reach all the way to Texas 211, almost 20 miles from downtown. The U.S. 281 and Interstate 35 corridors have become clogged with traffic, and growth along Interstate 10 is limited by Camp Bullis and difficult Hill Country terrain. Alamo Ranch, a neighborhood just north of 211 on the far Northwest Side, is becoming crowded after growing rapidly over the last decade.

“We’re built out all the way to New Braunfels, we’re built out almost all the way to Boerne already,” said Speer, the president of Briggs Ranch Realty. The growth is “coming our way, and it’s coming rapidly.” The far West Side is also blessed with good schools in the Northside Independent School District and Medina Valley Independent School District, and it has easy access to jobs at Westover Hills, Kelly Air Force Base and Lackland Air Force Base, developers say. The drive to downtown from Briggs Ranch takes about 25 minutes, a little bit longer than the drive from areas around the Dominion or Stone Oak on the far North Side.

Developers also point out that the area is relatively easy to develop because of its abundance of land. Unlike the North Side, developers don’t have to grapple with regulations protecting Camp Bullis, the Edwards Aquifer and endangered species such as the golden-cheeked warbler.

The area’s population has skyrocketed lately: It grew by 76 percent from 2005 to 2015 to almost 11,000 people, data from the U.S. Census Bureau show.

The number of homes sold in the 78245 ZIP code, which includes the far West Side and areas within Loop 1604, rose 68 percent between 2006 and 2016, according to data from the San Antonio Board of Realtors. In the ZIP code of 78253, which spans between Potranco Road and Culebra Road west of Loop 1604, sales surged 232 percent. That’s far above the increase of 18 percent in the San Antonio-New Braunfels metro area during the same time frame.

The far West Side is slightly more white and less Hispanic than the city of San Antonio. Its population was 56.9 percent Hispanic in 2015, while the city’s was 63.3 percent, according to the census data. While the region has been developing fast, the bulk of its growth still lies ahead. Developers from across the U.S. and Europe have bought land and are waiting for the right time to build.

The right time

McCombs Enterprises, the real estate firm headed by billionaire B.J. “Red” McCombs, owns 1,760 acres, and a landholder for local developer Zachry Holdings owns nearly 1,800. Ciri, a Native American tribe from Alaska, is developing the 1,100-acre Ladera master-planned community, and an affiliate of French bank BNP Paribas owns 174 acres at the crossing of 211 and Potranco Road. Another residential community is being built in the Texas Research Park, a 1,200-acre research campus created in the ’80s. About a decade ago, its executives decided to open up most of the land for private development. For many of the investors, the right time to build depends on when Bexar County and the Texas Department of Transportation finish roughly \$140 million of highway expansion projects that would open up their land for development. The investors are footing some of the bill through a public improvement district they created to collect taxes to pay for infrastructure. At a cost of \$70 million, Loop 1604 is being turned into an expressway, with frontage roads and overpasses, from Culebra Road to U.S. 90, easing the commute to workplaces on the Northwest Side, said Renee Greene, director of Bexar County Public Works. The project is expected to be completed in 2020. By 2018, Potranco Road will be expanded from two lanes to four, at a cost of \$46.3 million. In a proposed \$24.4 million project, Texas 211 would be extended 7.6 miles to Culebra Road, turning it into what many see as the beginning of another outerloop for San Antonio, beyond Loop 1604. The project is awaiting environmental approval by the U.S. Fish and Wildlife Service, Greene said. “The great news for us is that will activate our land, because currently there’s not a good thoroughfare to access it,” said Harry Adams, executive vice president of real estate and development for McCombs Enterprises. “When this road finally goes through in the next 12 to 18 months, we’ll be ready to either sell (our land) or to develop it out.”

Need for retail, offices

While developers think the crossing of Texas 211 and Potranco Road will grow into a retail hub, there isn’t a single shop, restaurant or dry cleaner there now, and it’s about 15 minutes away from the closest supermarket. Most of the real estate along the two roads is occupied by dandelions. The stores will come soon enough, developers say. Weingarten Realty, a Houston-based retail development firm, co-owns about 150 acres at 211 and Potranco with Dallas developer Chip Fields. Weingarten invested in the property in 2007, thinking that it would start developing it in a matter of months, but the housing crisis changed its plans, said John Anderson, the regional director of development. Momentum started to pick up again in the last year or so, Anderson said. The area has reached a tipping point now that enough residents have moved in to make it profitable for retail. “We have several thousand homes out here already, and retailers are figuring out that people don’t want to drive too far,” said Deborah Bauer, president of Drake Commercial Group, who does a lot of brokerage work in the area. “It’s now reaching where the numbers work for the big boxes, the grocery stores, the Home Depots, the Lowe’s.” Weingarten is trying to close a deal with a grocery store chain to build on the land, Anderson said, declining to name the chain. Restaurants and other small retailers are also showing interest. The firm plans to build out between 350,000 and 400,000 square feet of retail over the next five to seven years, as well as office space and possibly apartments. H-E-B also has staked a claim in the area. The grocery chain owns 4.3 acres of land on Potranco just east of Texas 211, but it doesn’t yet have plans for the site, spokeswoman Dya Campos said.

Affordability

Another challenge facing the area is affordability. A shortage of affordable homes across San Antonio is hurting sales and threatening the city’s reputation for cheap housing, experts say. New homes priced below \$200,000 are becoming hard to find, Inselmann said in January, and it doesn’t look like the far West Side will reverse the trend. “How quick or how well (the area develops) is going to be dependent on what kind of price range they’re hitting out there,” Inselmann said. There are also relatively few jobs on the far West Side, although some businesses are opening or expanding offices there. Microsoft is building a \$1 billion data center at Texas Research Park that’s expected to employ about 150 workers when it’s done in five years or so. The area’s other major employers are Citicorp Data Systems, a call center campus serving Citibank customers, and the Texas Research Park, which is home to technology and medical companies. The research park has about 350 employees, while Citicorp had about 4,000 employees as of 2004; the company didn’t respond to requests for comment. Employers will come after more residents move in, developers say. Yet the area is at risk of becoming congested as its population grows. Traffic has surged on the far West Side so far this decade: the average number of daily drivers on U.S. 90 just west of Loop 1604 increased 42 percent from 35,000 in 2010 to 49,700 last year. On Texas 211 just south of Potranco Road, the number of cars nearly doubled from 6,700 to about 9,600, while on Potranco the number of daily drivers grew by more than 50 percent, from 8,000 to about 12,100. “For every home out there, you’re putting one if not two cars on the road,” said Miller, the former Trinity University professor. “It’s going to be the new North Side, in terms of housing, in terms of population surge and in terms of commuting and traffic.”

‘Heaven on Earth’

For Ray Meyer and his wife Beverly, much of the appeal of the far West Side is that it lacks the overcrowding of the North Side. They considered building their retirement home in the wealthy North Side enclave of the Dominion, but they chose instead to settle in the Briggs Ranch master-planned community because they liked its giant lot sizes and its landscape of live oaks, mountain laurels, hackberry trees and the occasional prickly pear, Ray Meyer said. Three years ago, they put the finishing touches on a 3-acre homestead costing just over \$1 million, with a pool, a smokehouse and a patio overlooking miles of hills. “We’re both from a farming and ranching background. When we got out here, it was just like a big ranch — it’s very wooded, beautiful mountain lulls, beautiful oak trees,” said Meyer, who formerly worked as a roofing contractor in Castroville. “I think this is as close to living in heaven on Earth as there is.” About 150 homes, 350 townhomes and an upscale apartment complex have been built so far at Briggs Ranch, at the northeast corner of U.S. 90 and Texas 211. The community still has a lot of growing to do — when all is said and done, it could include between 2,800 and 3,500 residential units, said Carter Speer, president of Briggs Ranch Realty. Meyer knows that a lot of new people will move to his neighborhood, but he isn’t worried about losing his bucolic paradise. He’s confident that his large lot size and nearby golf courses will act as buffers against development. “As I look out on Highway 90, I know what’s coming — traffic is increasing, and it will continue to,” Meyer said. “But that’s everywhere in San Antonio. This is still one of the better areas.”

Location Overview



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America's 21st Century City, San Antonio, is a global city with a dynamic economy & workforce; a deep cultural heritage & diverse communities that are resilient & welcoming. It is one of the strongest fiscally managed cities in the country with a vibrant business climate & a 'AAA' general obligation bond rating from all three major rating agencies. San Antonio is a city that nurtures entrepreneurship, encourages investment & funds infrastructure. America's seventh-largest city offers growth opportunities in bioscience, financial services, aerospace, cybersecurity, energy, transportation, manufacturing & healthcare. In 2015, UNESCO designated San Antonio's 18th century Spanish colonial missions as a World Heritage Site – the first in Texas. Proudly called Military City, USA, it is home to one of the largest populations of active duty military, veterans, & crucial military commands. In 2018, the city celebrates its 300th anniversary, honoring its rich past & a bright future.

OFFERING MEMORANDUM

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San Antonio, TX 78245



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