

The sky's the limit for condo developer

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If residential developers are racing to reach new heights in San Antonio, FaulknerUSA could take the lead.

The Alteza Condominiums will take floors 25 to 34 atop the planned 1,000-room Grand Hyatt Convention Center Hotel.

Alteza is the Spanish word for height or highness, and so far it promises to be closer to the heavens than any other residential development in San Antonio.

Austin-based FaulknerUSA released details of the 147-unit condo project this week.

The city of San Antonio is funding most of the \$285 million building, with bonds totaling \$208 million; \$77 million will come from private equity.

"It's going to be an ultra-luxury building. There's a real commitment on Faulkner's part to make it an exciting building," said Dallas-based Al Coker, a sales and marketing consultant for the developer.

"I think it's going to be the premier address in San Antonio."

When the Alteza sales office opens on the 23rd floor of the Tower Life Building sometime around February, prices for the condos will start near \$400,000. Faulkner tapped Dallas-based architects ZERO3 to design eight penthouses, which will sell for about \$2.5 million each.

The condos will range from about 750 square feet for a one-bedroom to more than 4,000 square feet for the penthouses, which are still in the design phase.

Condo owners will have their own building entrance, which will lead to an elevator bank separate from the hotel.

"Most of them will be well under the \$1 million range," Coker said. Faulkner expects to finish the hotel and condo in mid-2008.

San Antonio is catching up with other Texas cities in the demand for downtown living.

There were 2,043 residential units downtown, most of them rental units, when the Downtown Alliance last counted in May. An additional 530 units were under construction and 1,174 were proposed.

That's not quite enough to meet demand, said Lisa Schmidt, a real estate agent with Phyllis Browning Co. who specializes in the downtown market.

Downtown condos are selling for between \$215 and \$500 per square foot, she said.

"The response to what we have had come online has been very robust," she said.

For example, about 10 of the 28 ultra-luxury units planned for Piazza San Lorenzo, a condo project with River Walk frontage, have been presold, said Tanya Rabia of RBK Development. Units there start at about \$635,000.

Even a "to-die-for" three-story penthouse with a 1,200-square-foot terrace, priced at \$7.1 million, has gotten some nibbles, said John R. Kazanjian, RBK's chief executive officer.

Another downtown condo project, Vidorra, two 20-story condominium towers with units starting at under \$300,000, is preselling rapidly in its first phase as well. More than 60 of the approximately 150 units planned have already been sold.

"We're thrilled with the response we're getting even without a big marketing campaign," said Kazanjian of Piazza San Lorenzo. "We see that there is a strong demand for downtown living."

Schmidt agrees. "The fact that people are buying them tells you something," she said.

Coker sees it too.

"I think San Antonio is a sleeping giant," he said.

Coker expects empty nesters, young professionals, Mexican nationals and companies looking for VIP apartments to buy the Alteza condos.

Alteza residents will be able to access the hotel's 24-hour concierge service on an a la carte basis, meaning they don't have to pay a monthly fee but can pay for services as they use them.

That includes last-minute catered dinner parties, dog walking and laundry service.

The condos will have their own rooftop pool, fitness center and green space, but also will have access to all of the hotel's amenities, Coker said.

Miami-based Arquitectonica and San Antonio-based Kell Muñoz Architects designed the building's exterior and most of the interior.

The building also will feature restaurants, retail and office space on the bottom four floors, Coker said.

"You really have a building on top of a building," he said.