

Investment Overview

Apartment and Grounds:

The Pecan Valley Property is ideally situated in the Lions Park Area of South San Antonio and surrounded by graceful cedars and ancient live oaks. The 379 apartment units are creatively designed to maximize the views around the Historic Pecan Valley Golf Course. The twelve different floor plans offer something for everyone, from a 745 sq. ft. one bedroom/one bathroom on up to a very spacious 1,650 sq. ft. three bedroom/two bathroom unit. The apartments offer residents numerous amenities including fully-equipped, all-electric kitchens with built-in pantries; spacious walk-in closets; washer and dryer connections in many units; outside storage on the patios or balconies; and incredible views of the golf course. Outside, residents enjoy the sparkling swimming pool, picnic area, beautifully landscaped grounds, covered parking, five laundry facilities, and a spacious clubhouse and leasing center. The property has recently undergone a \$1.5 million renovation and is in excellent condition with roof and siding replacements, interior upgrades, improvements to the HVAC systems, and parking lot repairs.

Pecan Valley Golf Course:

Perhaps the finest feature of this property is its peaceful and serene setting around the historic Pecan Valley Golf Club. Originally constructed in 1963, the Pecan Valley Golf Course was the host to the 50th PGA Championship as well as the 2001 USGA Amateur Public Links Championship. The course was recently restored to its original grandeur with a \$6 million renovation and was recently rated the #1 Public Daily Fee golf course in the state of Texas. The Pecan Valley Golf Course is also rated one of the top 50 golf courses in America by *Golf Digest*.

Property Location:

The location of this property is nothing short of incredible. The Lions Park Area of South San Antonio is surrounded by massive development with enormous near-term growth prospects. Brooks Air Force Base has been transformed into Brooks City-Base with over 1300 acres ripe for redevelopment. DPT Laboratories has already committed to build a large warehouse and production facility for research and development that represents over \$24 million in initial investment. Currently under construction is the 750,000 sq. ft. City Base Landing shopping center, home to a massive Wal-Mart SuperCenter and other major "big box" tenants and restaurants such as Best Buy, Office Depot, Chili's, Starbucks, Broadway & Wells Fargo Banks, Longhorn Café, and countless other smaller retailers. The development is already 90% leased with projections of additional expansions to the center.

Other noteworthy projects underway at Brooks City Base include:

- 1) Baptist Health System's new 175-bed hospital, which will eventually be expanded up to 400 beds, is located here,

- 2) The Emergency Operation Center (EOC), which is the planned anchor of the planned Emergency Preparedness Institute, is being relocated here,
- 3) A Bio Safety Level 3 Laboratory for SAMPH is being renovated,
- 4) Somerset Academy, a charter school, will locate on the southeast corner of the base, and
- 5) The NSA is converting the old Sony semiconductor plant, which lies just minutes from Pecan Valley, into its new regional headquarters.

All of these initial new projects are expected to add over 5,000 jobs to the local economy with over 2,000 of them being in the highly paid medical professional and research fields.

Additionally, the Pecan Valley Property is less than twenty minutes from Texas A&M University's new 400-acre extension campus, the mega employment centers of the new Toyota Plant, and downtown. All of this new development is likely to have a very positive effect on the Pecan Valley Apartments.

Conclusion:

The property has simply everything an investor would want: a below replacement cost price, immaculately maintained golf course views, a solid return today with tremendous upside, and an overall location in the midst of massive redevelopment. This is truly one of those opportunities to own an irreplaceable building in an irreplaceable location poised for higher than average growth due to the revitalization of the surrounding area.