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Global, local investors team up to buy Stone Oak apartments

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An international investment firm formed a joint venture with local investors to buy a 326-unit apartment property in Stone Oak.

The joint venture — which consists of global firm PCCP, LLC and local property management/investment firm Kairoi Residential — acquired The Boulevard at Sonterra at 210 East Sonterra Blvd. with plans for renovation, PCCP announced Tuesday.



PCCP, LLC

A joint venture has acquired an apartment complex in Stone Oak worth \$42 million.

“Kairoi is the hometown team and we are thrilled to have such a skilled partner that knows the dynamics of the market so thoroughly,” said Tina Ramos, vice president with PCCP, said in a statement. “Over the coming months we will execute a value-add business plan that capitalizes on the asset’s strong location, renter base and positioning within the submarket.”

The property was assessed in 2019 with a total value of \$42.5 million, according to the Bexar County Appraisal District. A warranty deed filed with Bexar County shows that the joint venture secured a \$23.3 million loan Jan. 29 from CBRE Multifamily Capital Inc. to finance the transaction.

The previous owner was Short Real Estate, based in Waco, which purchased the property in February 2016. Before that, it was owned by LaSalle Investment, an independent subsidiary of Jones Lang LaSalle Incorporated (NYSE: JLL), which

purchased the apartment complex in 2013 following a string of owners that defaulted on loans and declared bankruptcy.

Kairoi plans to complete strategic renovations of the property's exterior and unit interiors, Madison Marceau, the company's president of acquisitions, wrote in an email to the Business Journal. Marceau said Kairoi has been working to acquire the apartments since third quarter last year.

Will Balthrope, Drew Kile, Drew Garza and Jordan Featherston of Institutional Property Advisors, a division of Marcus & Millichap, represented Short Real Estate and procured the joint venture as the buyer.

Monthly rents range from \$825 for a one-bedroom, one-bathroom unit at 648 square feet to \$1,720 for a three-bedroom, two-bathroom unit at 1,506 square feet. Kairoi manages the property.

This is PCCP's first multifamily acquisition in San Antonio in many years, said a company spokesperson.

Kairoi, which split from Lynd Corporate in 2017, has 94 multifamily assets across 10 states and has completed more than \$3 billion in acquisition transactions, according to the company's website. With this transaction it owns 18 properties in San Antonio, which include Villas of Henderson Pass, Salado Crossing and Terrace at River Oaks.

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