

**ARTZ**

DEVELOPMENT

# *225 S Pine Town Homes*

Investment Opportunity

**\$1.055MM**

Total Investment

**5.1% – 6.0%**

Net Cap Rate (Long-Term)

**14.4% – 19.8%**

4-Year IRR; @10% appreciation/yr; No leverage

**Denver Heights**

San Antonio, TX

**2 Units**

AAA Duplexes

**April 2026**

Offering Date

## \$1.055MM

**Total Investment**

#201 1: 1,778sf | #202: 1,824 sf

## AAA Duplexes

**2 Residential Units**

3B/2.5B; 3B/2.5B

## Denver Heights

**Location**

0.8 mi from River Walk & Spurs Arena

## 5.1% – 6.0%

**Net Cap Rate (LT Rental)**

vs. San Antonio Market Gross Cap Rate: ~5.1%

## 5.5% – 7.6%

**Net Cap Rate (ST Rental)**

Short-term / Airbnb strategy

## 16.3% – 28.2%

**4-Year IRR**

16.3% all-cash on cash | 28.2% w/ financing 65%

# WHY NOW — THE MARKET OPPORTUNITY



## Project Marvel

**\$4.0 Billion Development**

The newly approved Spurs Arena and surrounding entertainment district is a once-in-a-generation catalyst. **225 S Pine sits just 0.8 miles away** — in the direct path of appreciation.

Project Marvel is the most significant public-private partnership in San Antonio's history, designed to solidify the city as a top-tier destination for sports, conventions, and entertainment.



### The Anchor: Spurs Arena \$1.3B

A state-of-the-art **Spurs NBA arena** built on the 13-acre site of the former Institute of Texan Cultures. Professional sports arenas are proven drivers of active property values. Our surrounding 60-acre district will feature a mix of hotels, housing, and luxury retail, creating a "**live-work-play**" ecosystem that extends into **Denver Heights**

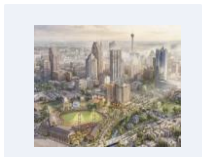
### Convention & Entertainment Expansion \$1.7B

**Henry B. Gonzalez Convention Center (HBGC):** A planned 200,000 sq. ft. expansion to accommodate multiple simultaneous Tier-1 conventions  
**The John H. Wood Courthouse** transformation into a 5,000-seat music venue, attracting year-round foot traffic independent of the NBA season

### Connectivity: Reconnecting the East Side

**Seamless Integration:** The goal is to eliminate the physical barrier of I-37, effectively making Denver Heights a natural extension of the Downtown Urban Core. For properties on **S Pine**, this means **direct, walkable access to billions in new amenities.**

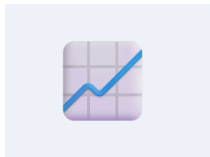
# WHY NOW — THE MARKET OPPORTUNITY



## Missions Baseball Stadium

**\$1.0 Billion Development**

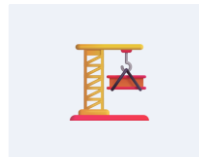
Located near San Pedro Creek Culture Park (1.5 miles away). Design to enhance downtown area, this development will create jobs and increase both property demand and local property values. The project features a hotel, housing units and a commercial hub design to attract residents and visitors.



## Proven Appreciation

**72.9% in 4 Years**

ARTZ's prior projects in Denver Heights delivered exceptional returns. Tower View sold at \$203/sqft (2021); Olive Suerte sold at \$351/sqft (2024) — demonstrating real, realized gains.



## Inflation Hedge

**12% Annual Cost Growth**

**Property Price Appreciation** is highly correlated to Construction Materials costs which have risen 12% per year in the past five years. New tariff policies on foreign materials reinforce this trend. Buying a completed, built-to-last asset today locks in tomorrow's replacement value.



## Income Growth

**+> Inflation**

Monthly Leases are inflation proven as they grow in accordance with:  
1) New Contracts based on the Property Price Appreciation;  
2) Contract Renewals, equivalent to not less than inflation

# THE UNITS — PROPERTY DETAILS

## Duplex

### Unit #201

3 Bed / 2.5 Bath

1,778 sqft living + 720 sqft rooftop

Monthly Rent **\$3,600/mo**

Annual Rent **\$43,200/yr**

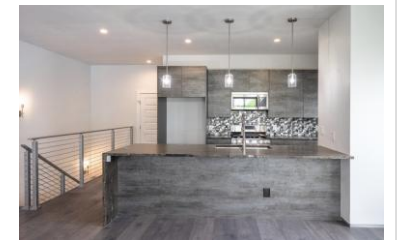
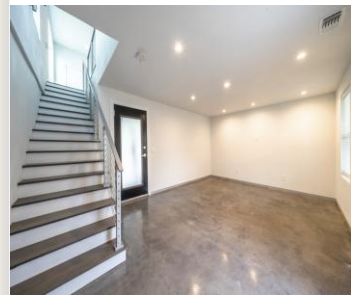
### Unit #202

3 Bed / 2.5 Bath

1,824 sqft living + 720 sqft rooftop

Monthly Rent **\$2,900/mo**

Annual Rent **\$34,800/yr**



## PORTFOLIO TOTAL:

\$6,500/mo | \$78,000/yr Annual Rent | \$53,423 NOI | 5.1% Net Cap Rate

# FINANCIAL RETURNS

## 225 S Pine vs. Benchmarks

**77.6–167.9%**

**Cash-on-Cash (5yr)**

Full equity or leveraged

**16.3–28.2%**

**IRR (4 Year)**

Internal Rate of Return

**5.1% – 6.0%**

**Net Cap Rate**

LT rental to ST rental | SA market: ~5.1%

## HOW IT COMPARES

Investment	Annual Return	Notes
<b>225 S Pine St (this deal)</b>	<b>16.3% – 28.2%</b>	<b>4-Year IRR (leveraged)</b>
S&P 500 – Past 5 Years	15.3%	Historical annualized
S&P 500 – Past 10 Years	11.1%	Historical annualized
FTSE NAREIT All Equity REITs	5.5% – 12.6%	Varies by period
San Antonio Market Gross Cap Rate	~5.1%	Average multifamily

# BUILT TO LAST — COMMERCIAL-GRADE QUALITY

*"It's not only about the investment — it's about how it was built." Lower holding costs. Higher durability. Better long-term returns.*



## Commercial Foundation

4–5 ft deep with 36–42" rebar/concrete beams. Third-party lab-tested fill dirt. Built for decades, not years.



## Fire & Waterproof

Fired rated panels. 1-hr rated walls and subfloors. Load bearing metal studs. Fully sealed all joints — dramatically reduces long-term maintenance and insurance costs.



## Energy Efficient

6-inch spray foam insulation (R20 walls, R16 subfloors). Dramatically lower utility costs for tenants — a key rental retention factor.



## Premium Finishes

10-12 ft ceilings. Mezzanines. Custom cabinetry. Unique finishes — no cookie-cutter design.



## Niche Market Design

Targets DINK households (30s) and Empty Nesters (55+) — the two fastest-growing renter demographics with highest retention rates.



## Reduced Holding Costs

Commercial-grade build reduces capital expenditures over time. Designed to minimize maintenance calls — protecting your cash flow.



## 0.8 Miles to River Walk

Direct proximity to San Antonio's premier tourist and entertainment corridor — ideal for short-term rental demand.



## 0.7 Miles to Future Spurs Arena

Project Marvel (\$4B) will bring a new NBA arena, expanded convention center, and a land bridge over I-37 connecting the east side to downtown.



## Active Revitalization Zone

Denver Heights is undergoing rapid revitalization. New residents, businesses, and public art investments are transforming the neighborhood.



## Highway Access

Convenient access to I-37 and major arterials. Near parks, restaurants, and entertainment. Strong commuter appeal.

## PROVEN APPRECIATION

Tower View Townhomes

**\$203/sqft**

Sold January 2021



Olive Suerte Townhomes

**\$351/sqft**

Sold December 2024

**72.9%**

in 4 years

# ARTZ DEVELOPMENT — TRACK RECORD

*Every ARTZ project in Denver Heights has outperformed market expectations.*



## ARTZ Plaza

630 Montana St

Mixed-Use

Completed



## Olive / Suerte Townhomes

S. Olive & Suerte

Residential

Completed



## The Boheme

811 Montana St

Townhomes

Completed



## S. Pine Townhomes

225 S. Pine St

Residential

Completed

*ARTZ Development: We don't build structures — we create communities. Unique spaces for unique lifestyles.*

# INVESTMENT STRUCTURE

Bank Financing Available — Both Buildings Acquired Together

BANK FINANCING AVAILABLE

## Full Portfolio — Both Buildings

# \$1,055,000

**\$53,423/yr**

Combined NOI

**5.1% – 6.0%**

Net Cap Rate Range

**2 Units**

Across 1 Building

*Both units must be acquired together. Units are built, leased, and generating cash flow immediately upon closing.*

# NEXT STEPS

225 S Pine is a rare, ready-to-produce asset in an appreciating market with a credible developer and proven track record.

**01**

## Schedule a Site Tour

Walk the units, meet the team, and experience the build quality firsthand.

**02**

## Review Due Diligence Package

Full financials, lease agreements, property taxes, and construction specifications available on request.

**03**

## Close & Generate Returns

Units are built and leasing. Cash flow begins immediately upon closing.

**Gerardo Ituarte Hesles | Managing Partner**

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