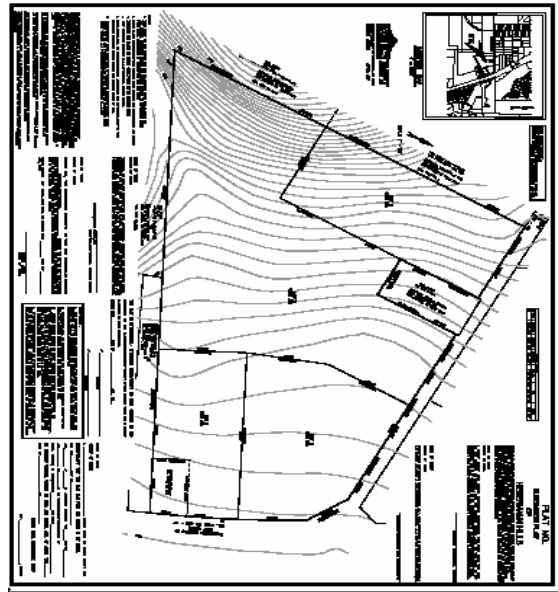


IH-10 ENTITLEMENTS- 30 ACRES, SATX – Dominion Vistas

The Challenge

A CPA client came to CRG with a 50 acre land contract that he wanted CRG to develop. The CPA had signed the contract without inspecting the site. Our initial analysis determined that the lack of utilities, zoning, and topography on the site made development of the site as a stand alone parcel uneconomical. The client challenged us to come up with a solution to the issues.



Our Strategy

CRG suggested trying to purchase adjoining parcels and spread the utility development costs over a larger area. Our research led us to four adjacent tracts that were not for sale but had potential for development. The property owners were contacted and an extensive feasibility period was negotiated. Ultimately the adjacent 30 acres was substituted for the initial 50 acres. CRG saw the opportunity to subdivide the property into 4 to 5 lots for sale. In order to accomplish this CRG managed the development process, which included- re-zoning from single family to multifamily (19 acres) and commercial (10 acres), including negotiations with neighborhood associations, surveys, designing the project land plan, managing the engineers overseeing the plat process, managing the sewer extension design, submitted and obtaining a USA Agreement with SAWS, and finally marketing the development parcels for sale.

Results

CRG spent 6 months negotiating contracts on four parcels. Once under contract, zoning was completed in 75 days, plat was submitted after 30 days and the final USA agreement was obtained within 9 months. The property was sold ten (10) months later for an un-leveraged annualized cash on cash return of 75% to the partnership.

