

Friday, November 30, 2007

## European developer breaks ground here

\$300 million spec project to encompass 120 acres

San Antonio Business Journal - by [Tricia Lynn Silva](#)

A company with its home base in the Netherlands is coming to San Antonio in a very big way.

The firm, **Wereldhave**, has broken ground on a new project called éilan. The development will span 120 acres of land along the northeast quadrant of Loop 1604 and La Cantera Boulevard -- just a few miles north of the Loop 1604/Interstate Highway 10 intersection on the city's Northwest Side.

Wereldhave's project will bring together several uses under one master-planned concept -- including office, retail and residential spaces and a grocery component.

All told, éilan will encompass some 1.8 million square feet of space, according to Carmen Taveras-Cruz, managing director for Wereldhave's office in Purchase, N.Y.

And it's all being built on a speculative basis.

Site work on the acreage will begin next month, says Taveras-Cruz, who puts development costs -- including construction and the land purchase -- at more than \$300 million.

### Worldly strategy

The bulk of éilan -- some 1 million square feet -- is slated to enter the market at the end of 2009, Taveras-Cruz says. That stretch of the project will include a hotel, about 500 for-rent residential units, and retail and office spaces.

All of Wereldhave's projects are self financed. As a result, the firm's construction time line is not contingent on getting anchor tenants in place that can help secure financing for its developments.

The balance of éilan, about 900 additional residential spaces, will be built as demand dictates, Taveras-Cruz says.

The project will be centered around a piazza, or plaza. The set up will be conducive to the pedestrian-friendly atmosphere Wereldhave plans to create with éilan.

The project will also include a trolley that will take patrons and tenants to other parts of the 120-acre project.

Wereldhave, which was founded in 1930 in The Hague, Netherlands, develops projects solely for its own investment portfolio, Taveras-Cruz says. All of its real estate is developed on a for-rent basis.

That strategy, she adds, enables Wereldhave to maintain full control of the quality and look of the final product.

Wereldhave may be new to San Antonio, but the company is no stranger to the Lone Star State. The company owns several office and retail assets in Austin and Dallas.

Wereldhave began eyeing the San Antonio market about eight years ago, Taveras-Cruz says. In the interim, the city has gone from a quaint community to a dynamic metro that now has the demographics and the demand to support a speculative project on the scale of éilan.

"We are extremely excited about this project," Taveras-Cruz adds. "We hope it will be embraced by the community."

As for the look of éilan, Taveras-Cruz describes it as "transitional Mediterranean: A place where Old-World charm meets contemporary style."

### **Matter of timing**

San Antonio is a growing city -- ideal for a project like éilan, Taveras-Cruz says.

And the site her firm has chosen for its debut development is hard to beat.

The topography of the land will enable Wereldhave to offer tenants some great views of the city. And the firm is taking great care to protect the natural beauty of the tract, says David Neugebauer, senior vice president and senior project manager with locally based Project Control. Neugebauer will oversee all aspects of construction on éilan.

People in San Antonio are looking to work close to home. A project like éilan will give them a place to work, live and play, all in one high-end development, Neugebauer adds.

The slate of developments -- both existing and planned projects -- that dot the landscape along the I-10/Loop 1604 corridor speak to the strength of the area, according to real estate officials.

"You see what's out there -- The Rim, The Shops at La Cantera -- this is the natural line of growth," says Mark Krenger, a partner with locally based **Travis Commercial Real Estate Services**.

Travis Commercial is marketing the office portion of éilan, says Krenger. Heading up the assignment is Steve Thomas, who is also a partner in the firm. Plans for this portion of Wereldhave's project call for 200,000 square feet of space -- to be spread out over two, Class A office buildings.

It's been some 10 years since the I-10 thoroughfare saw a new, true Class A office property enter the market, Krenger says. And Wereldhave's plans indeed fit the criteria for a high-end office product, he adds.

But what of the development efforts on tap by éilan's neighbors? Both The Rim and The Landmark -- a new mixed-use project by San Antonio firms Galo Properties and **Fulcrum Development** -- are also marketing themselves around the live-work-play lifestyle.

The fact that Wereldhave plans to get some real estate on the ground soon could also work to the advantage of those neighboring projects, Krenger says.

"We have done all of our homework," Taveras-Cruz says. "And we've been doing (large-scale communities) for quite some time."

*All contents of this site © American City Business Journals Inc. All rights reserved.*