

Wood Partners Buys Site for \$90M Apartments

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By *Bob Howard*



SAN DIEGO-Multifamily developer Wood Partners LLC has acquired a 5.9-acre fully entitled site for a \$90 million, 379-unit luxury apartment complex in the 244-acre San Diego Spectrum development and plans to start construction by Sept. 1. Director Brian Hansen of the Marietta, GA-based development firm points out that financing for the \$90 million project—which includes the purchase price, permitted set of full design plans, and construction costs—was secured within 60 days.

“Some people were skeptical that a private developer could come in and raise close to \$90 million in 60 days,” Hansen says. “We have strong financial partners that were able to perform their due diligence quickly and perform in an extraordinary manner.” Hansen adds that the general contractor “also did an excellent job in working with our team to finalize a construction contract in quick order.”

Construction of the four-story podium project, which will include two separate apartment buildings over two levels of basement garage with 750 parking spaces, is expected to be completed in time for the first units to become available for lease in the first quarter of 2012. The development site at 8798 Spectrum Center Blvd. in the master-planned San Diego Spectrum business and residential community is “located in the middle of a major employment hub with easy access to all the major points of San Diego, particularly downtown San Diego, the local beaches and Mission Valley,” Hansen points out.

The property was owned by Sunroad Enterprises, a local real estate development firm that envisioned the apartment complex as part of its 40-acre office, residential and retail center that was stalled during the recession. Wood Partners will revive the apartment community using the original plans and building permits, which it also purchased.

The complex will be built around a pool area with cabanas, a spa, barbeque pits, a waterfall and trellises. A two-story club house with reclaimed Teak flooring will feature a glass wall and an outdoor deck that overlooks the pool, in addition to a fitness center and wireless Internet access. Wood Partners also will build a two-acre public park on a parcel of land in front of the project that is being designed and will be owned by the City of San Diego.

This is the first development acquisition by Wood Partners in San Diego, but it won't be the last, according to Frank Middleton, the company's regional director for the West Coast. "We see a lot of promise in San Diego," Middleton says. "It always has been and still remains a market where a lot of people want to live and we're seeing good forecasts for its recovery. On the financial side, things are still tight, but San Diego seems to be a market where investors are interested in placing capital."