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<https://www.bizjournals.com/sanantonio/news/2021/12/30/flagship-downtown-apartment-project-sells.html>

Flagship downtown apartment project sells to another Dallas firm

Encore SoFlo marked a key shift in downtown residential development.

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A major recent residential project near H-E-B LP's downtown campus has a new owner, but both the buyer and the seller share a hometown.

Dallas-based SPI Advisory LLC along with joint-venture partners acquired the 339-unit Encore SoFlo apartments at 326 S. Flores St. Dec. 17, according to a LinkedIn post from the firm.

Completed in late 2019 by Dallas-based Encore Enterprises Inc., the complex marked one of the first major multifamily projects in its portion of the Central Business District.

The property holds an assessed value of \$64 million, according to the Bexar County Appraisal District. Newmark Group Inc.'s Central



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The recently completed Encore SoFlo apartment complex downtown has sold.

Texas team brokered the deal.

Absorbing an entire city block, the apartments surround a pool and patios with fountains and relaxation areas.

“The idea there was to provide an urban oasis where you can go after a hard day to your apartment and sit by the pool,” said [Charlie Keels](#), president of multifamily for Encore, in early 2020. “You don’t really feel like you’re in the middle of downtown.”

As part of San Antonio's Center City Housing Incentive Program, the \$60 million project received approximately \$6 million in municipal incentives in 2017. The incentive package included a 15-year tax rebate, city fee waivers and San Antonio Water impact fee waivers to help minimize Encore's financial risk of developing downtown.

A similar development, the 341-unit Heritage Plaza by Austin-based Cypress Real Estate Advisors [completed in 2020](#), sits directly east of the property along Dwyer Avenue.

SPI Advisory said it has acquired 1,160 units over the last seven months. That includes the Southtown Flats apartment complex along Probandt Street and Birwood Heights, a property just north of Shavano Park.

The firm, led by longtime commercial real estate banker [Michael Becker](#), has offices in Dallas and Austin. SPI has \$1.5 billion in assets under management totaling nearly 7,100 residential units throughout Texas, according to its website.

Encore is now developing a [five-story, 386-unit apartment complex](#) along the Broadway corridor near Pearl, estimated to cost at least \$90 million.

San Antonio is [one of the most popular markets](#) with apartment investors this year, with a surge of interest in Texas markets for their stability coming out of the pandemic. The local market in 2021 doubled its 2019 multifamily sales activity at \$3.6 billion in volume, according to CoStar Group research.

Throughout the pandemic, downtown's multifamily market continues to see interest from developers and investors.

Local firm Weston Urban plans to build a 32-story luxury apartment tower at 305 Soledad St. That project could break ground soon after receiving the approval of the Historic and Design Review Commission in mid-December.

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