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Construction of apartments is under way in San Ramon

BY BLANCA TORRES

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St. Anton Partners recently broke ground on a 293-apartment complex in San Ramon — a signal that developers and investors' hunger for activity is beginning to materialize.

The firm, based in Sacramento, bought the site at Albion Road and Ivy Hill Way in 2009 and was finally able to secure financing at the end of last year.

"Apartments are leading us out of the recession," said Steve Eggert, a principal with St. Anton. "They are probably the healthiest of all real estate classes right now."

The \$57 million project — Highland Point Apartments — is 65 percent market rate, with the remaining units set aside for low-income and very-low-income residents.

The project fulfills part of the affordability requirement for Windemere, a massive housing development of 5,170 mostly single-family residences that was developed by Lennar Homes, Centex Homes and Brookfield Homes.

Eggert said San Ramon is ripe for new apartments because of its proximity to Bishop Ranch, a sprawling business park, and appeal to "echo boomers" — children of Baby Boomers looking to live on their own.

Citibank provided a \$48.6 million loan through the New Issue Bond Program, a federally funded program that offers fixed-rate mortgages for affordable housing projects.

St. Anton is building the project with its in-house construction team, Hurley Construction, and expects to complete it in mid-2012.



Eggert

The firm is looking for new development sites throughout California, especially in the Bay Area.

St. Anton also owns Ridgeway Apartments in Marin City, a 220-unit property it bought and renovated a few years ago.

Not only is occupancy high, but lenders are loosening up and offering more capital, Eggert said.

The firm is not alone in its interest, said Todd Vitzhum, a broker with CB Richard Ellis who specializes in multifamily properties.

"Activity will heat up this year," Vitzhum said. "We're talking to multiple groups looking to develop apartment sites in various A markets throughout the Bay Area."