

AT&T has dropped the price for CEO Randall Stephenson's former Olmos Park to \$1.5 million. It paid \$1.7 million.



AT&T Stuck With Some High-End Homes In San Antonio

[By Jennifer Hiller](#) - Express-News

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Count AT&T among San Antonio's high-end home sellers weighed down with unwanted properties.

Nine months after announcing that its headquarters would move to Dallas, the company still is trying to unload CEO Randall Stephenson's former Olmos Park home, which it purchased for \$1.7 million when the house did not sell quickly.

AT&T also is trying to shed the former home of Senior Executive Vice President and General Counsel Wayne Watts, for which it paid \$660,000, according to regulatory documents filed Wednesday with the Securities and Exchange Commission.

The Stephenson and Watts homes are among the 102 company-owned properties in the San Antonio area, according to John Flournoy, managing partner of the Phyllis Browning Co.

And they are up for sale in a market crowded with pricey properties.

“There's an inventory buildup at the higher-end of homes over \$1 million because of the AT&T move,” Flournoy said. “There's a lot of houses still for sale, and it's impacted other homeowners.”

The luxury market, which includes homes priced higher than \$1 million, has about 48 months of inventory, he said.

After the telecommunications giant announced last June it would move its headquarters, employee homes flooded the local market. Prices started in the \$100,000s, but many high-end properties owned by executives were concentrated in neighborhoods inside Loop 410 such as Alamo Heights, Terrell Hills and Olmos Park; in neighborhoods inside Loop 1604 such as Shavano Creek and Bentley Manor in Shavano Park; and in The Dominion outside Loop 1604.

Company employees were motivated to sell and armed with generous company incentives that

allowed them to list their homes at below-market prices.

AT&T paid for closing costs; and if employees lost money on a deal, then AT&T reimbursed them for the difference.

And if employees still couldn't find a buyer offering at least 90 percent of the appraised value, AT&T would purchase the home at the higher price of two independent appraisals – which is what happened to Stephenson.

The company's relocation to Dallas hasn't been cheap.

It likely will lose money on the sale of Stephenson's former home. While the company paid \$1.7 million, the home had a list price Thursday of \$1.5 million, down from an August list price of \$1.6 million.

AT&T also paid \$141,618 to transfer Stephenson to Dallas and nearly \$264,000 to move three other top executives, including moving costs, house hunting fees and temporary living expenses, a moving allowance and closing costs on the purchase of a home in the Dallas area, according to regulatory filings.

Some AT&T top executives did sell their San Antonio homes, but at a cost to the company.

The company lost \$67,317 on the sale of Senior Executive Vice President-External and Legislative Affairs James Cicconi's home and \$150,000 on the sale of President and CEO of Mobility and Consumer Markets Ralph de la Vega's home. It broke even on the \$4.49 million sale of the home owned by Rayford Wilkins Jr., CEO of diversified businesses.

But in all three cases, AT&T paid the executives a 3 percent home sale bonus because they had found buyers willing to pay no less than 90 percent of the appraised value.

Executive-level homes rarely sell rapidly. The time it takes to sell a home typically increases dramatically with price, as more and more buyers are priced out of the market and buyers can become choosier.

Still, many of the AT&T homes have found buyers.

Flournoy said agents at Phyllis Browning have sold 80 AT&T homes so far, and that other brokers have sold homes as well.

“Our market is OK. It's not great,” Flournoy said. “We're still selling a lot of houses, but some of these will not sell for a year or two or longer.”

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