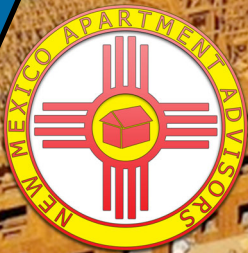


4517 Quaker Heights Pl. NW
Albuquerque, NM 87120



Additional resources

Register for More Information: www.nmapartment.com/quakerheights

Western Trails NW

Quaker Heights Place NW

Ativo Senior & Assisted Living

Units: 43

Land Size: 1.4891 ac

Ask Price: \$1,200,000

Zoning: MX-T

**Development site for 43 Units
In an Underserved market**

Albuquerque is an underserved market that needs 16,268 more additional multifamily rental units and is experiencing phenomenal rent growth from all of the new Netflix, Intel, Amazon and other jobs

EDITORIAL

HOUSING CRISIS

More inventory the real key to tackling soaring rents

There's a housing crisis in Albuquerque, and it doesn't just involve those living on the streets or in their cars.

Out of sight but top of mind for untold thousands of New Mexicans are soaring rental costs. According to Rent.com, the average monthly rent for a one-bedroom apartment in the Duke City has gone up 42% during the pandemic. Mayor Tim Keller says rent in Albuquerque has increased an average of 22% just this year.

Renters of one-bedroom apartments in Albuquerque are paying an average monthly rent of \$1,155. That's up from \$1,064 a year ago and \$812 at the outset of the pandemic.

According to Albuquerque leaders, half of all renters in the city are paying more than 30% of their monthly income for housing — in addition to higher prices for everything else amid the worst inflation in 40 years. That's unsustainable.

The New Mexico Supreme Court in 2020 placed a moratorium on eviction cases related to nonpayment of rent. It was a necessary pandemic safeguard, but the moratorium was phased out this spring and now many Albuquerque residents are seeing their monthly rental costs increase by more than \$200.

A lot of renters are making hard choices, such as Albuquerque's Mia Augustson, who told a Journal reporter she and her spouse have given up their car, put off some health care and called off a planned 20th anniversary celebration after their landlord raised their rent earlier this year by more than \$200.

And while the idea of rent control emerged in Albuquerque as a remedy, it's a seeming short-term fix with long-term negative consequences. It bears pointing out that efforts at rent control in major cities across the U.S. have failed to address the need for more, and more affordable, housing inventory while creating an underground subleasing market.

In fact, local commercial developers and apartment managers say that even the words "rent control" have a chilling effect on expanding housing stock. The last thing the city needs is to put up a "closed for business" sign to investors and developers when the Albuquerque area needs between 13,000 and 33,000 more units. The City Council was correct to overwhelmingly reject a rent control resolution last month by a 7-2 vote.

So what should be done?

The Keller administration has proposed a Housing Forward ABQ initiative that could help with what the mayor calls the "low-hanging fruit" of converting hotels/motels into apartments. If successful, the effort could increase some housing stock in the short term, revitalize blighted areas, keep private properties on the tax rolls and ramp up housing and construction jobs through training programs.

It's an interesting proposition because the city has had real successes converting problem and underutilized properties.

For example, the Metro Redevelopment Agency in 2016 purchased and rehabilitated the blighted El Vado motel into a boutique hotel with commercial tenants.

The El Vado Place apartments have 32 units, 24 of which are affordable.

A similar development is underway for the Imperial Inn in East Downtown. It is a mixed-use development with 16 residential suites, 52 guest rooms, and more than 4,000 square feet of rentable commercial space for retail and restaurants. And the Sundowner was formerly a 110-room motor-court motel on Route 66 that was rehabilitated in 2014 into 71 mixed-income rental units, 60 of which are affordable.

All were vacant or run-down before their conversions, and all are public-private partnerships.

The aim of the city's Housing Forward ABQ initiative is to create 5,000 new housing units by 2025 above what the private housing market will provide. Two years ago, a study found Albuquerque was shy 15,500 affordably priced units to meet the need of its poorest residents. Albuquerque officials say that gap has only widened, and Keller recently said "this is a massive problem structurally."

The initiative also includes converting commercial and office buildings into apartments, and modifications of the city's Integrated Development Ordinance to allow for more "casitas" on single-family properties and to adjust parking requirements to promote higher-density housing. It makes sense to update the IDO to allow more flexibility, such as not requiring full kitchen facilities in converted housing units. For many, a microwave and toaster oven suffice in place of a full oven and stove.

And there is clearly a need. The City Council has appropriated \$15 million for housing vouchers, but city leaders say it's often difficult for voucher recipients to find rental properties that accept them. Meanwhile, city leaders estimate there are 22,000 unhoused households needing permanent supportive housing.

Keller says about 40 new people move into the Albuquerque area every day. Todd Clark of New Mexico Apartment Advisers points out jobs from Netflix, Amazon, Facebook and Intel are great, but they also create pressure on the housing market. "The reason we have double-digit rent growth and 30% appreciation in single-family (units) is because we have all these phenomenal new jobs that our economy hasn't seen in well over a decade," he said.

And a housing shortage makes it more difficult to create and attract jobs.

Albuquerque, like many other cities in New Mexico, has underutilized commercial and office properties. Downtowns are struggling all over the state and need revitalization. And the housing crisis needs to be addressed to meet immediate housing needs — from perennially expensive Santa Fe to the currently booming oil patch.

Albuquerque's effort at public-private property conversions could fill in the immediate gaps and work as a template for other communities. Only through boosting the housing inventory will skyrocketing rental costs stabilize and ensure more people have a steady place to live.

EBA For Albuquerque Area

updated 10/29/2022

	# of new jobs	Basic	Basic Jobs	Non Basic Jobs	Total Jobs
F.A.A.(I).N.G effect					
Facebook Construction (est.)	500	N		500	500
Facebook Data Center Operations	35	Y	35		35
Fidelity Investments	240	S	106	134	240
Amazon Fulfillment Center - Project Chico	1,500	Y	1,500		1,500
Amazon Sortation Center - Project Nico	200	Y	200		200
Amazon Los Lunas - Project Charlie	600	Y	600		600
Amazon Airport	?				
Intel Construction	1,000	N		1,000	1,000
Intel Expansion	750	Y	750		750
NBC Universal Studio	330	Y	330		330
NetFlix Construction	1,000	N		1,000	1,000
NetFlix Production	1,500	Y	1,500		1,500
Lancs Industries	70	Y	70		70
LQ Digital	100	Y	100		100
Blue Halo additional jobs (over 260)	64	Y	64		64
MTX Group Inc (Downtown)	250	Y	250		250
Manna Capital LL	950	Y	950		950
Curia	270	Y	270		270
Vexus Fiber Optic	200	N		200	200
KAFB Space Force	100	Y	250		250
	9,659	-	6,975	2,834	9,809
EBM (Bernalillo County)					
Total New Jobs			7.84	1.00	57,515
P/E Ratio =					2.17
Total New People					124,808
# of persons per household					2.52
Total New Households					49,527
% that own					35%
# of new single family residences needed					32,193
% that rent					
					35%
# of new apartments needed at 100% occupancy					17,334
Occupancy Rate at ideal market balance					95%
# of new apartments needed at 95% occupancy					18,247
# of apartments built in 2020-2022					1,979
NEW Gap					16,268

For Sale - 4517 Quaker Heights PI NW

A 1.4891 acre development site, plans for 43 units

Located at 4517 Quaker Heights PI NW, Albuquerque, NM 87120

NM Apartment Advisors and Maestas Real Estate Services are proud to bring to 1.4891 acre development site zoned Mixed Use Transitional with building concept plans. Almost shovel ready! Welcome to 4517 Quaker Heights PI NW - located on Albuquerque's growing westside along the same boulevard that leads to Intel and in close proximity to thousands of recently announced new jobs.

Current owner has building plans / floor plans for 43 units on this site. The development model supports a price of \$1,196,553.

Do not miss out on this rare opportunity to build into the #1 market in the country for rent growth.

Development Highlights

Ask price : **\$1,200,000**

\$/unit: \$36,364

\$/acre: \$805,856

\$/sf: \$18.50

Projected Average Rent: \$1,972

Average two bedroom rent for new
construction:

Projected Rent per sf: 1.98/sf

Total Bldg. Size 42,837 sf

Zoning: Mixed Use
Transit (MX-T)

Deliverables from the Owner/Developer:

- Site Plan for 43 units
Including 10 towhouse style units with garages
- Floorplans
- Renderings



Anita Maestas

Qualifying Broker

Maestas Real Estate Service

NMREC License #16029

505-463-3565

anita@maestasrealty.com

www.maestasrealty.com

Todd Clarke CIPS

CEO

NM Apartment Advisors Inc.

NMREC License #13711

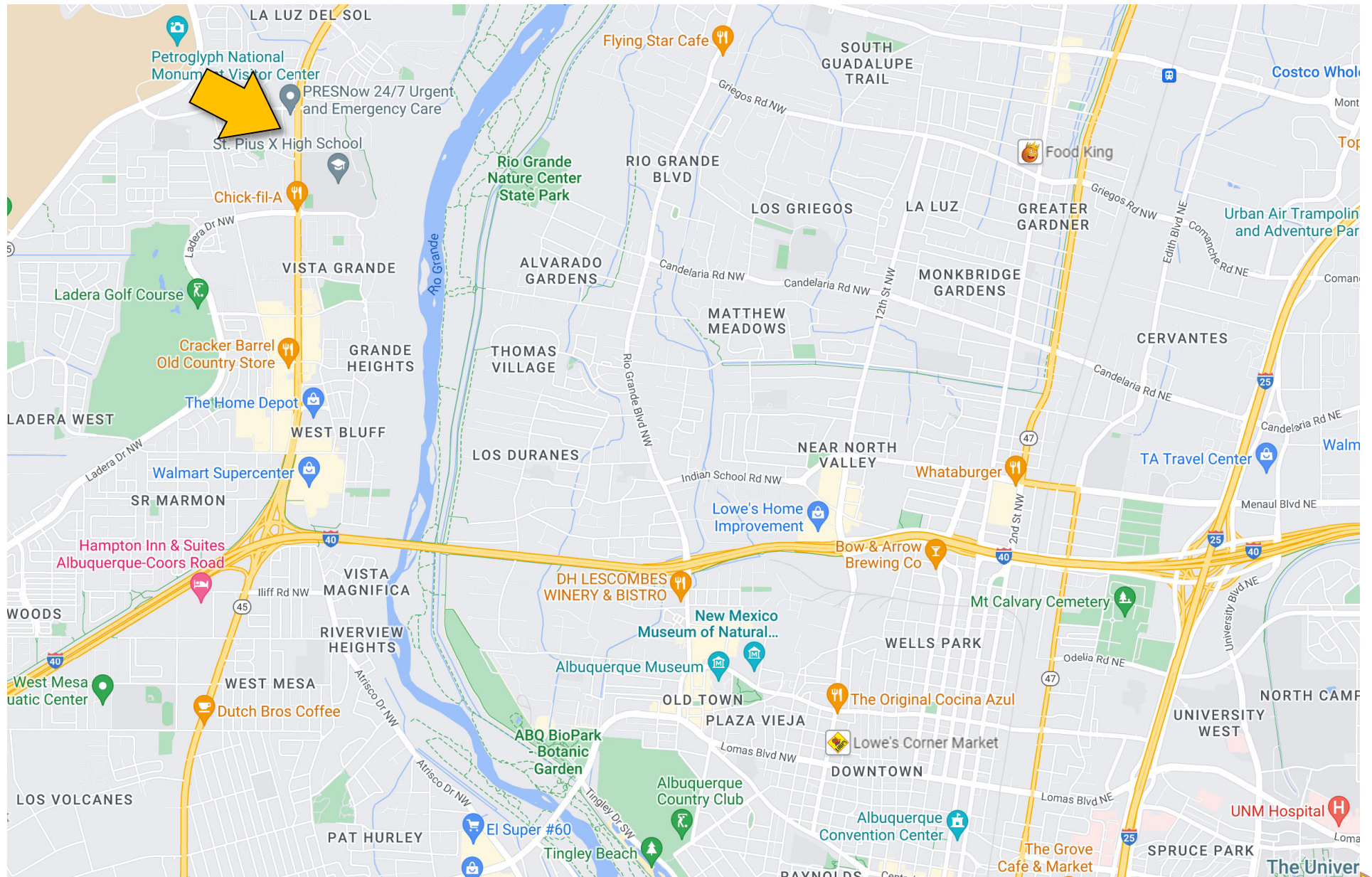
505-430-TODD (8643)

tclarke@nmapartment.com

www.nmapartment.com



For Sale - 1.4891 acre development site for 43 Units - \$1,200,000



Financial Analysis Executive Summary Western Trails

Community Summary

Community Name: Western Trails
 Address: Western Trails
 Developer: 0
 Date of Analysis: 11/10/2023
 Est. Project Start: 6/1/2024
 # of Units: 43
 Gross Building Area: 42,837 +/- sf
 Total Land Area: 64,865 +/- sf

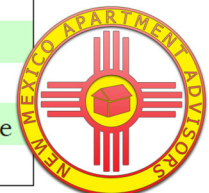
Financial Summary

Market Value Using CAP=	\$	13,382,334	Value 2 years after construction
Market Value using Back Door Approach =	\$	8,944,997	
Total Development Expense =	\$	9,188,582	includes land
Most that can be paid for land using back door approach =	\$	1,196,553	\$18.45 /sf \$27,827 /unit
Minium Rent needed to make deal viable using Front Door Approach =	\$	2,103	\$2.11 /sf

Financial Benchmarks Based on Back Door Value

Definitions

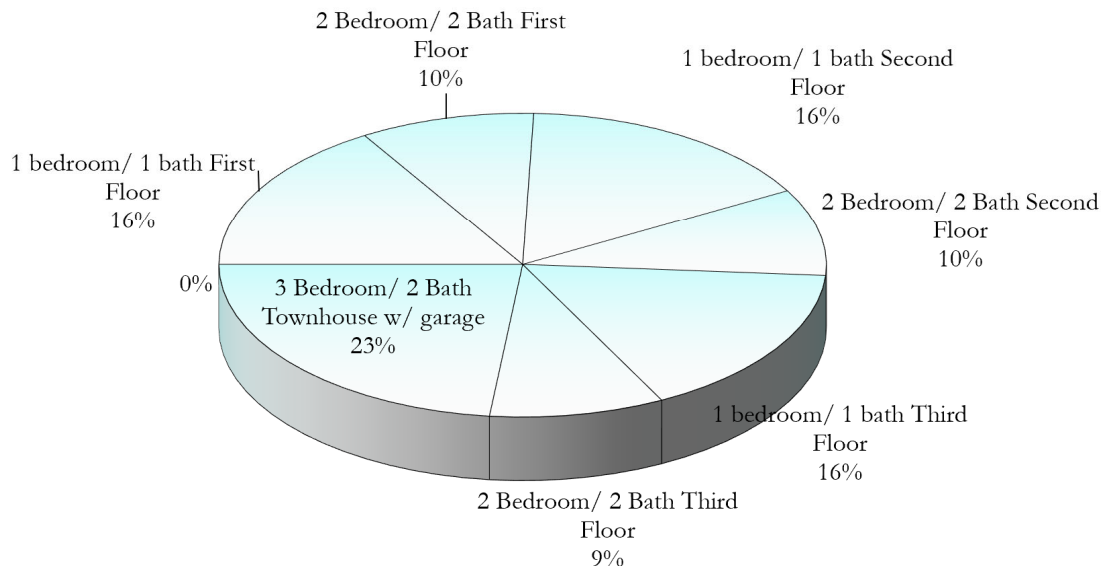
GRM=	8.79	Price / Annual Gross Income
CAP RATE=	8.0%	Net Income / Price - based on development cost
Cash On Cash=	10.5%	CFBT / Down Payment
5 Yr IRR=	41.1%	Return on investment from cash flows & appreciation
10 Yr IRR=	28.6%	Return on investment from cash flows & appreciation
Expenses/unit=	\$6,214	
Price/Sf =	\$209	
Price/Unit=	\$208,023	
Overall DCR=	1.49	Debt Coverage Ratio - amount of cushion between Net Income
Overall LTV=	75%	Loan to Value



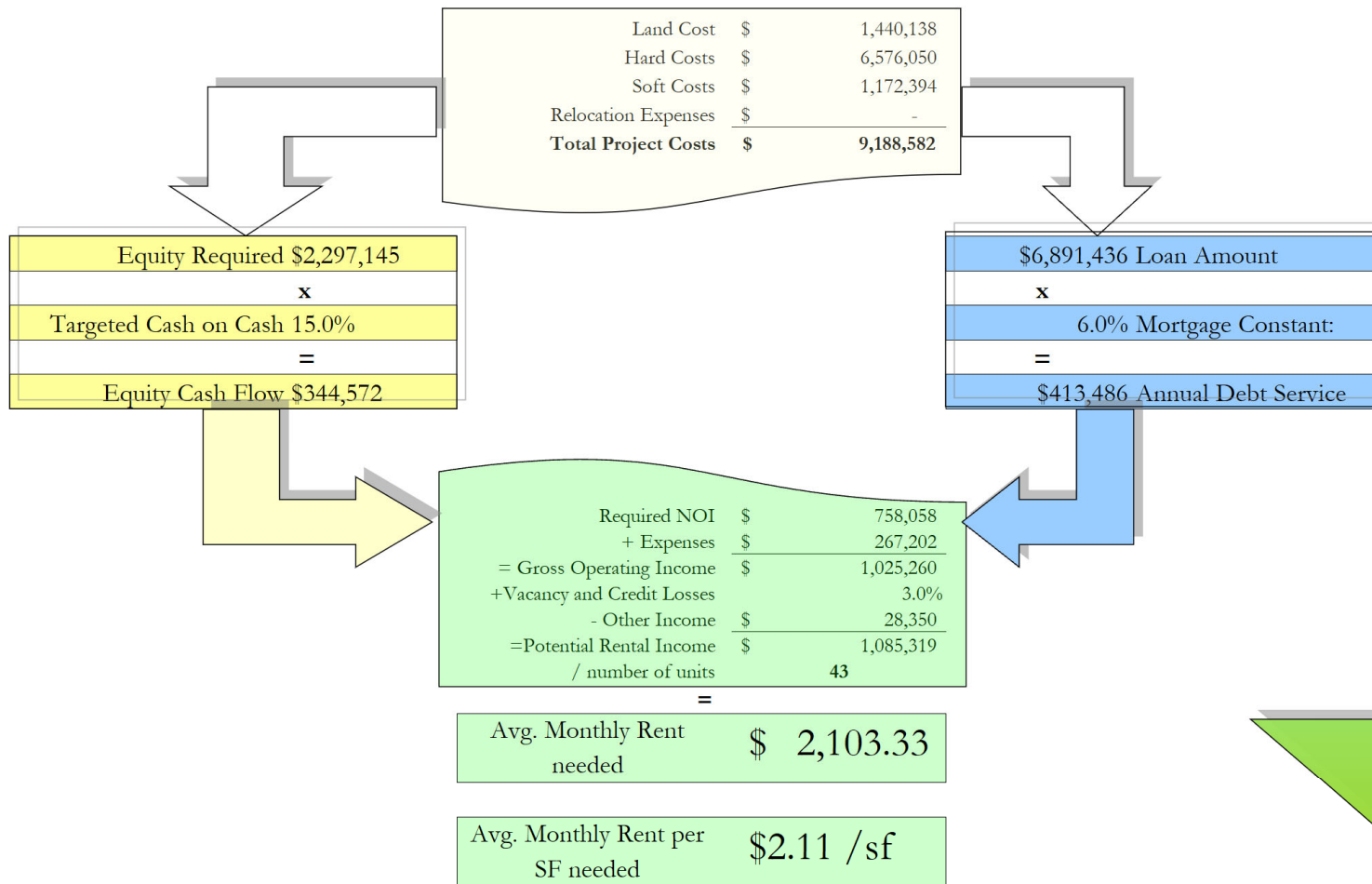
For Sale - 1.4891 acre development site for 43 Units - \$1,200,000

Unit ID	Unit Type	Style	# of Units	Square Feet	Rent	Rent/ SF	Total Square Feet		Total Monthly Rent	Total Annual Rent
A1	1 bedroom/ 1 bath	First Floor	7	729	\$1,725	\$2.37	5,103 sf		\$12,075	\$144,900
B1	2 Bedroom/ 2 Bath	First Floor	4	1,044	\$2,025	\$1.94	4,176 sf		\$8,100	\$97,200
A2	1 bedroom/ 1 bath	Second Floor	7	729	\$1,770	\$2.43	5,103 sf		\$12,390	\$148,680
B2	2 Bedroom/ 2 Bath	Second Floor	4	1,044	\$2,070	\$1.98	4,176 sf		\$8,280	\$99,360
A3	1 bedroom/ 1 bath	Third Floor	7	729	\$1,815	\$2.49	5,103 sf		\$12,705	\$152,460
B3	2 Bedroom/ 2 Bath	Third Floor	4	1,044	\$1,815	\$1.74	4,176 sf		\$7,260	\$87,120
C1	3 Bedroom/ 2 Bath	Townhouse w/ garage	10	1,500	\$2,400	\$1.60	15,000 sf		\$24,000	\$288,000
Totals			43	Avg. =	\$1,972		42,837 sf		\$84,810	\$1,017,720
Averages							996 sf		\$1,972	
									\$1.98 /sf	

Unit Mix Summary



Front Door Approach : Western Trails



Front Door Approach

Takes inputed land, acquisition, and development expenses

Partitions total by debt & equity components

multiplies components by desired debt/equity yields

Derives NOI
Builds up to Gross Income

Divide by # of Units
& 12 months
for average monthly rent needed

Register for documents available to qualified developers in confidential document center:
www.nmapartment.com/quakerheights



Back Door Approach : Western Trails

Potential Rental Income	\$	1,017,720
Vacancy Loses		3.0%
Effective Rental Income	\$	957,166
Other Income	\$	28,350
Gross Operating Income	\$	985,516
Operating Expenses	\$	267,202
Net Operating Income	\$	718,314

Back Door Approach

Takes inputted rents
deducts expnses
services NOI

Partitions NOI into
ADS & CFBT

Divides ADS & CFBT
by equity/Debt yields

Arrives at Maximum
Amount for equity and
debt components

Total

Divided by size of land

Annual Debt Service \$574,651

Cash flow before Tax \$143,663

Cash on Cash Target 15.00%

=

Justified Equity Amount \$957,751

Debt Cover Ratio 1.25

Annual Debt Service \$574,651

Mortgage Constant 7.19%

=

Justified Loan Amount \$7,987,245

Justified Total Cost	\$	8,944,997
Development Budget	\$	9,188,582
Surplus/Shortfall	\$	(243,585)
All Costs except Land	\$	7,748,444

Justified Land Cost	\$	1,196,553
Per Sf	\$	18.45
Per Acre	\$	803,541
Per Unit	\$	27,827



For Sale - 1.4891 acre development site for 43 units - \$1,200,000

Development Hard Costs

New Construction	\$6,425,550	\$	150.00	\$	149,431	69.9%
Rehabilitation						
Lead Based Paint Risk Assessment						
Lead Based Paint Interim Controls or Abatement						
Lead Based Paint Clearance Testing						
Demolition						
Soil Testing						
Construction Loan Origination Fee						
On Site improvements						
General Requirements						
Construction Interest						
Excise Tax						
Land Fill Fee						
Builders Risk						
Impact Fee (est.)	\$150,500	\$	3.51	\$	3,500	1.6%
Other						
Other						
Other						
Other						
Subtotal	\$6,576,050	\$	153.51	\$	152,931	71.6%

Related Soft Costs

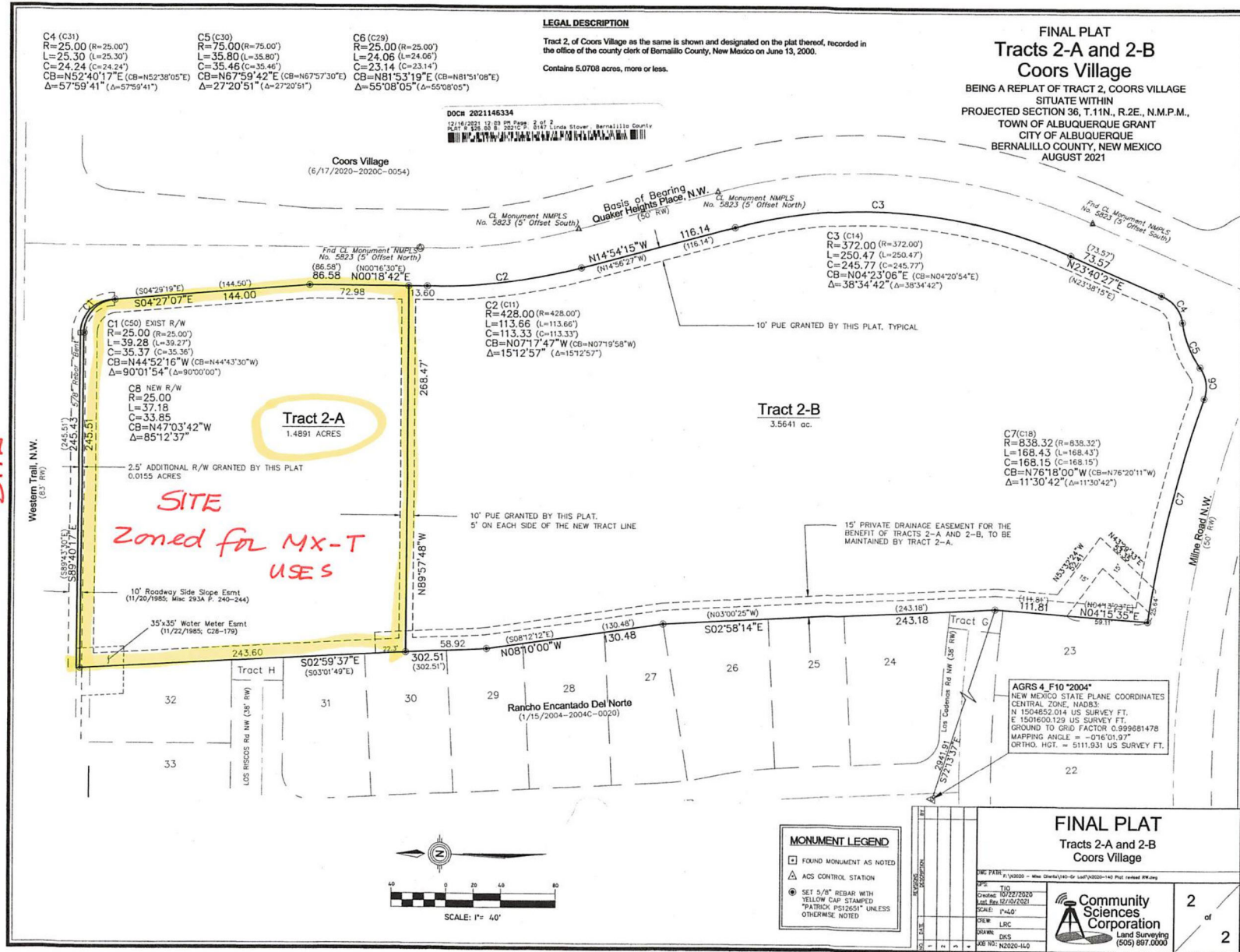
Phase I Environmental Site Assessment						
Architectural - Design						
Architectural - Supervision						
Initial Flood Insurance Premium						
Permanent Loan Origination Fee						
Title Insurance						
Recording & Legal Fee's						
Building Permit Fee						
Attorney's Fees						
Property Appraisal						
Market Study						
Cost Estimating Fee						
BSPRA/SPRA (Identify of Interest)						
Overhead	\$328,803	\$	7.68	\$	7,647	3.6%
Developer's Fee	\$328,803	\$	7.68	\$	7,647	3.6%
General Liability Insurance	\$65,000	\$	1.52	\$	1,512	0.7%
Gross Receipts Tax	\$449,789	\$	10.50	\$	10,460	4.9%
Builder's Profit	see sources and uses					
Consultant Fee's						
Audit Fee						
Affirmative Marketing Fee						
Other						
Other						
Subtotal	\$1,172,394	\$	27.37	\$	27,265	12.8%

Relocation Costs

Temporary Relocation Expenses						
Permanent Relocation Expenses						
Other						
Other						
Subtotal	\$0					

Total Total \$9,188,582 \$ 214.50 \$ 213,688 100.0%





Adjoining retirement/skilled nursing facility under construction

ALBUQUERQUE, N.M. — Insight Senior Living has broken ground on Ativo of Albuquerque, a three-story independent living, assisted living and memory care community in Albuquerque.

Situated on 6.5 acres, Insight Senior Living will be the operator and Link Senior Development arranged financing. Ativo of Albuquerque will offer 144 apartments.

The community is scheduled to open in winter 2024.

—<https://rebusinonline.com/insight-senior-living-breaks-ground-on-144-unit-ativo-of-albuquerque-seniors-housing-community/>



Reasons to invest in Albuquerque, NM

Albuquerque is home to

Three of the six F.A.A.N.G. tech companies:



Facebook

Data Center

A



Distribution center under construction—announced 1,000 new jobs

A

Apple

N



announced \$1 Billion of new programming

G

Google

Due to Sandia and Los Alamos National (nuclear) Laboratories - New Mexico has more PhDs per capita than any other state.

#3rd place in United States for Film and TV

The city has made a major investment in its transportation corridor - along historic Route 66 the new A.R.T. or Albuquerque Rapid Transit has been installed - a \$130M investment and upgrade into this transit corridor. Did you know that apartment communities in the top 10% of walk, bike or transit scores achieve 25% higher rents?

Albuquerque offers over 300 days of sunshine, ski and golf in the same day, hundreds of miles of biking/hiking trails, more parks/open space per person and North America's largest bosque forest.

Forbes

Best Places for Business
#1
ALBUQUERQUE,
NEW MEXICO

Albuquerque, New Mexico in the news

- ☑ **9th best mid-sized city of the Future**
Foreign Direct Investment magazine—03/2015
- ☑ **6th best city to travel to for food snobs**
Travel+Leisure—03/2015
- ☑ **America's best city for Global Trade for Skilled Workforce**
Global Trade magazine—11/2014
- ☑ **3rd best city for rent growth**
All Property Management as reported in ABQ Journal—10/2013
- ☑ **6th best city in US for connecting workers to jobs using Public Transportation**
Brookings Institute—July 2012
- ☑ **One of the 10 best park systems in the nation**
Trust for Public Land—2012
- ☑ **3rd most fittest city**
Men's Fitness Magazine—2012
- ☑ **3rd best city to make movies**
Moviemaker.com—June 2012
- ☑ **Top 25 best places to Retire**
CNNMoney.com—Sept. 2011
- ☑ **15th best city in Bloomberg's Business Week (best cities)**
Bloomberg's Business Week—2011
- ☑ **#17th best bike friendly city**
Bicycling Magazine—2010
- ☑ **Top Ten for Being a Healthy Community**
Outside Magazine—#6—August 2009
- ☑ **One of the Best Cities in the Nation**
Kiplinger Magazine—#2—July 2009
- ☑ **Top 10 places to Live**
U.S. News & World Report—June 2009
- ☑ **AAA rates Albuquerque 2nd in vacation affordability**
American Automobile Association—June 2008
- ☑ **UNM Anderson School Ranked in Global 100**
Aspen Institute, October 2007

Kiplinger

Millionaires in America 2020: All 50 States Ranked | Slide 9 of 52

44. New Mexico



MILLIONAIRE HOUSEHOLDS: 40,450

TOTAL HOUSEHOLDS: 813,135

Concentration of Millionaires: 4.97%

RANK: 43 (+1 from last year)

MEDIAN INCOME FOR ALL HOUSEHOLDS:

\$47,169

MEDIAN HOME VALUE: \$174,700

New Mexico is a land of stark contrasts when it comes to its millionaire population. Los Alamos, New Mexico – best known for the world-famous Los Alamos National Laboratory – seems like an unlikely place to find a lot of millionaires. **But at 13.2%, it has the second-highest concentration of millionaires per capita of any city in the U.S.**

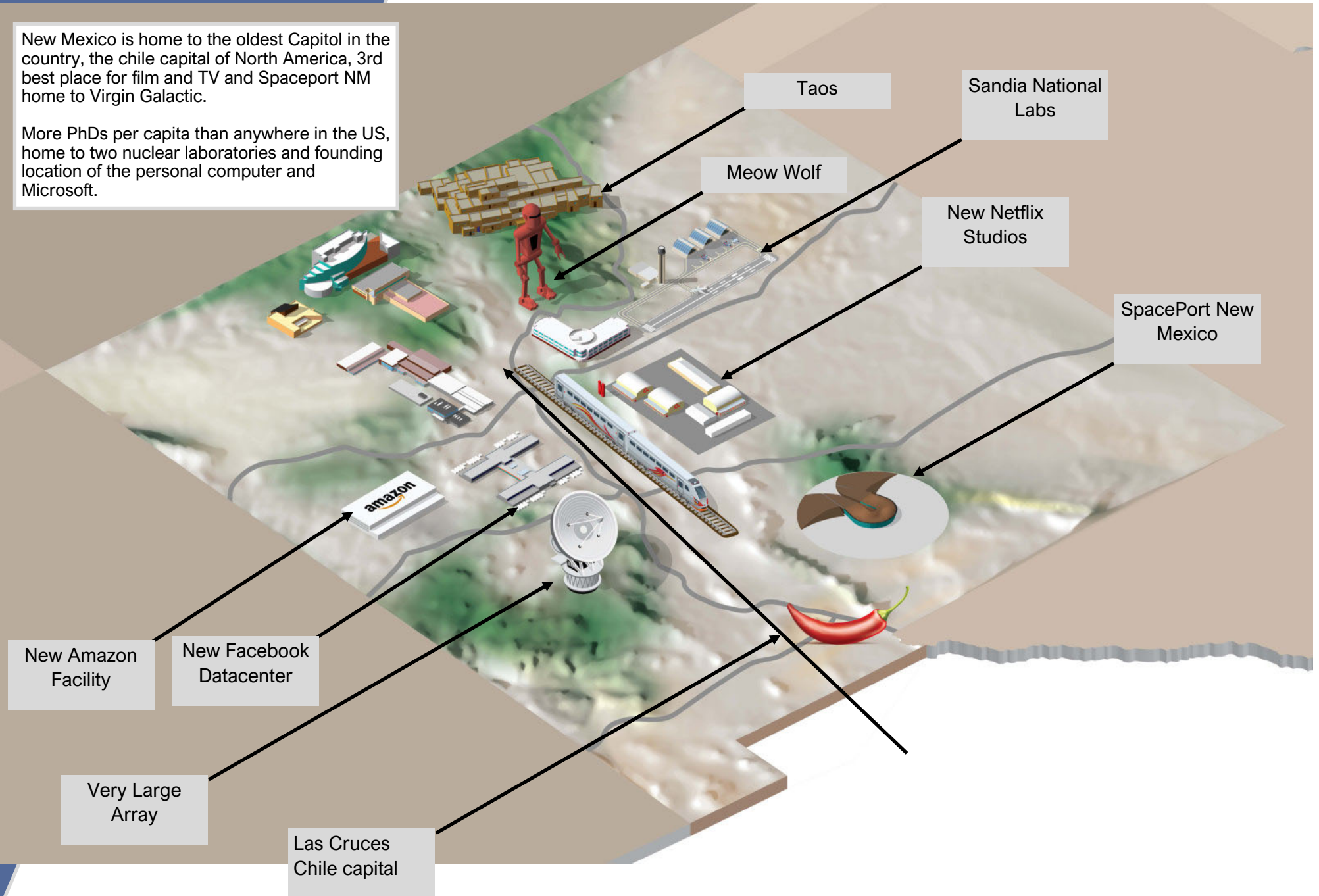
In addition to medicine, top-paying jobs are found in general internal medicine, engineering management and psychiatry.

Yet outside of Los Alamos, the state's concentration of millionaires puts it in the bottom 10 in the U.S. Fewer than 1 in 20 households claiming investable assets of \$1 million or more.

New Mexico is on the international map

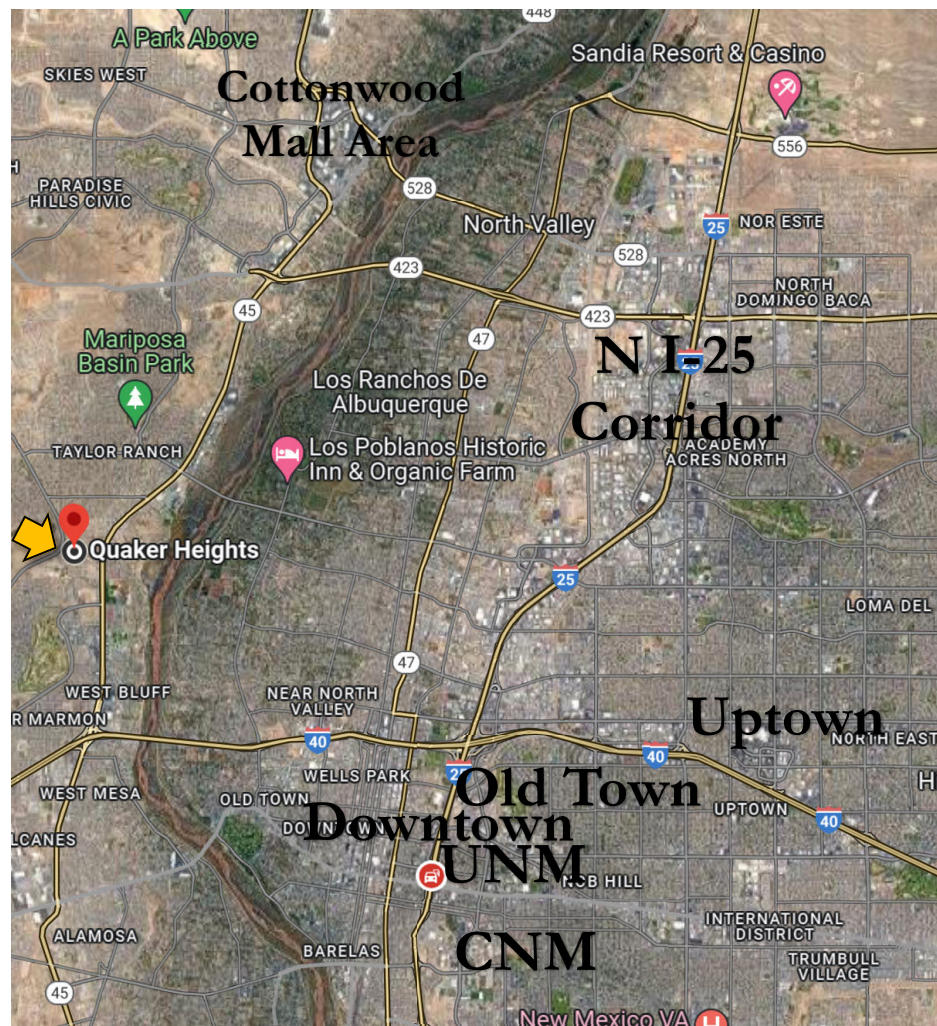
New Mexico is home to the oldest Capitol in the country, the chile capital of North America, 3rd best place for film and TV and Spaceport NM home to Virgin Galactic.

More PhDs per capita than anywhere in the US, home to two nuclear laboratories and founding location of the personal computer and Microsoft.



For Sale - 1.4891 acre development site for 43 units - \$1,200,000

Located 6.2 miles west of Albuquerque's downtown core, 5.8 miles to the Cottonwood Retail Area, 10.6 miles to Albuquerque's largest retail concentration at Uptown (Coronado, Winrock and ABQ Lifestyle centers) the property is surrounded by a variety of mixed uses and new developments include a Chick-fil-A, Blakes, and Starbucks Restaurant, and a Presbyterian Urgent Care.



Todd Clarke 

CEO & Qualifying Broker
NM Apartment Advisors Inc.
NMREC License #13711
505-440-TODD
tclarke@nmapartment.com
www.nmapartment.com

Anita Maestas

Qualifying Broker
Maestas Real Estate Service
NMREC License #16029
505-463-3565
anita@maestasrealty.com
www.maestasrealty.com

Property tours and offering memorandum available to qualified investors may register for at www.nmapartment.com/quakerheights