

2000 Highlights

2000 was an exciting year. While the Albuquerque market has been snoozing, El Paso witnessed several large sales..... In China – either Beijing or Shanghai has more construction than all of the western United States.... Poland is creating a real estate association, a department of housing and urban development all based on the American Model..... Todd was elected to the national CCIM institute Council Todd was named one of the top 40 under 40 power brokers in NM ...And Todd is serving as President of Pueblo Alto Neighborhood Association and Vice President of Encino Development & Mgmt....

Projects completed 2000 by Todd Clarke



Lofts at Albuquerque High
70 units
Downtown
Housing Consultant
Project Size: \$33M



Villa de San Felipe
160 units – Downtown
Housing Consultant (3)
Project Size: \$9M



City of Albuquerque Refinance of Affordable Housing Portfolio
528 units
Housing Consultant
Project Size: \$31M



Timberwolf
254 units
\$6M



Las Lomas
232 units
\$5.6M

Wallington Plaza
240 units
\$4.12M

(all three to American Housing via Bond Financing)



“As a partner of CIREI in China, we – the University of International Business and Economics – sing high praise for Mr. Clarke’s outstanding work for our CCIM candidates. Undoubtedly, his course was a big success, which has set a milestone in the development of commercial real estate industry in China.

Where in the World is Todd?

Other 2000 Trips: Beijing (2), Toyko(2), Osaka, Guangzhou, Hong Kong, Warsaw, San Francisco, Stillwater, Phoenix, Sedona, Portland, San Antonio, Redondo Beach, Dallas (2)



Beijing CCIM Class #1



Beijing CCIM Class Trip #2



Speaker – LGPP
Warsaw, Poland



Strategic Planning Retreat Polish Real Estate Federation

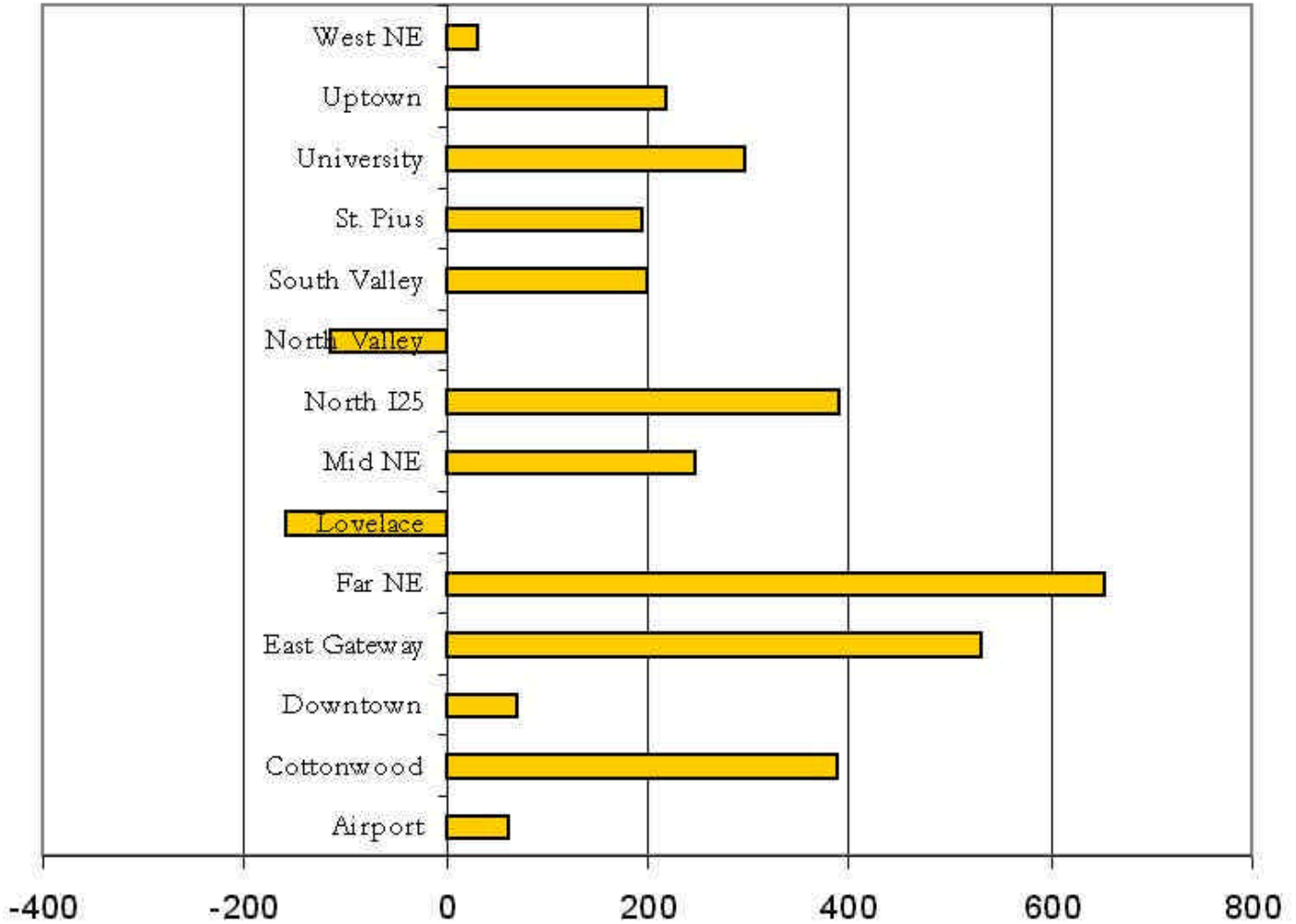
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New Mexico Apartment Report – 2001 Report

Albuquerque Absorption 2000 First Quarter, to 2001 First Quarter



3,806 units were absorbed in Albuquerque in the 12 month period



Todd's Top Ten

Thoughts, opinions and forecasts for 2001

1

Apartment Lifestyle

Look for a new coalition to come forward and advocate the apartment lifestyle as one of choice, representing another favorable housing alternative.

3

Sales Surge

Rising rents, decreasing seller expectations, and more money than deals will cause between 10% - 15% of all Albuquerque's inventory to change hands this year.

5

Job Growth

"It's the economy stupid" was Clinton's one liner that got him elected – and unless Albuquerque focuses on continuing to attract high paying jobs – then Albuquerque will resemble a white-water albatross.....

7

Condominiums

In the last 10 years, Albuquerque has witnessed a growing gap between the cost to rent and the cost to own – a gap that invites new construction and redevelopment into for sale condos – currently over 300 units are in town – and more are on the way....

9

Technology

*No one can downplay the presence of technology in our community – keep in mind almost 7,000 employed individuals work at **home**. As Albuquerque wires its sewers with high speed Internet service, this trend will only **increase**.*

2

Affordable Housing/Scarcity of Land

Increasing occupancy, fewer permits, increasing rents, shortage of developable land – all are in the cards for Albuquerque for the next few years – great news for landlords – all the telltale signs of an affordable housing crisis are on the horizon.

4

Downtown Housing/Loft Housing

"A successful city does not exist without a strong core" - Much discussed, finally in action – over a billion dollars of capital projects in the downtown area, combined with one of the tightest submarkets will provide tenants a new style of housing.

6

Senior Housing

The fastest growing section of New Mexico's population is 50+ - they are tan, lean, mean and ready to travel. Many are downsizing their housing costs and reassessing their housing needs – and they do not want that extra room for fear that "Junior" might be tempted to return.

8

Education

Education is changing faster than the technology sector – more and more employers are taking on the task of education and are demanding a focus on quality education from local schools. Although we have exceptional technical, in-plant training, and higher education, we

10

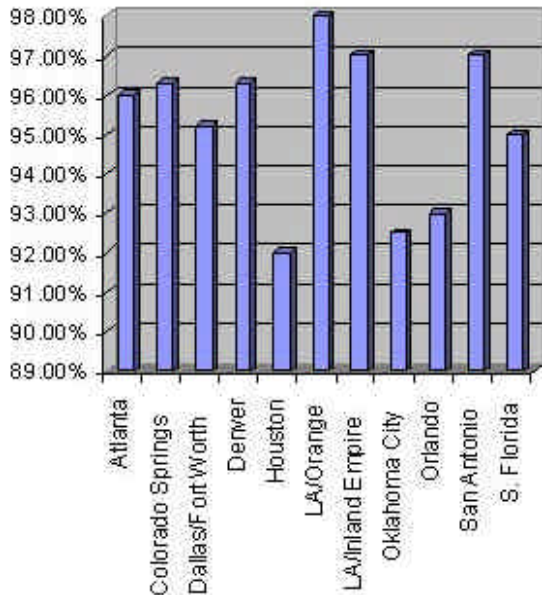
Mobility

Even yours truly has gone virtual – I no longer have a fixed office (yes, I am still at G&E), but a 1.5lb laptop, digital mobile phone and hand held copier are all that I need to conduct business for NM, whether in Santa Fe or Shanghai, Ghost Ranch or GuangZhou.

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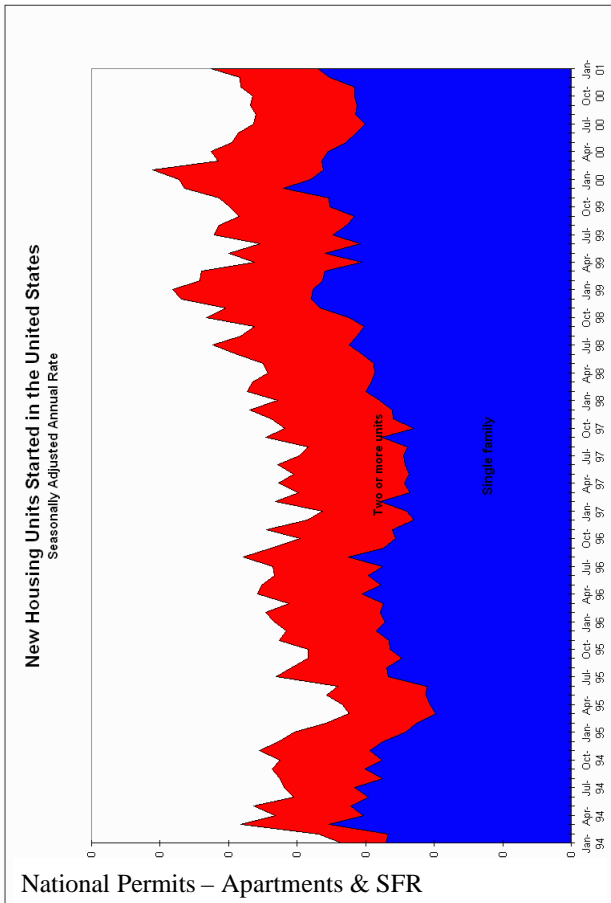
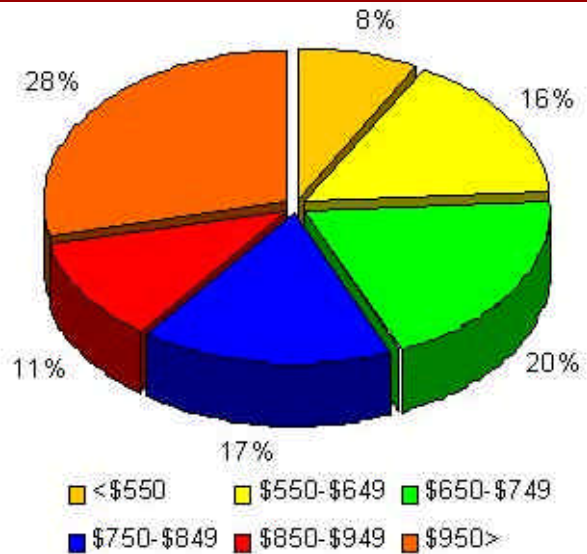


National Market Review



Snapshot of other G&E surveyed markets

Of National Apartments permitted by rent



National trends that could impact New Mexico Growth/ Recession

In the past 10 years, Albuquerque has been the canary indicator to the United States of America's economic condition. Recently emerging from our own recession, we appear to be 2.5 years ahead of the rest of the country (on average), it seems apparent to all the USA's economy is headed for a small downturn.

Tax Cut

While a decrease in capital gains to bring commercial real estate in parity with other investments is welcome, any tax cut will put more money into investors' hands.

REITs

Have shown a promising rebound in returns in 2000, and forecasters are glowing over 2001.

The double whammy: Drop in tech sector and energy crisis.

California just cannot win. Their booming economy was dealt a double blow of Wall Street's declining interest in the tech sector and increasing energy rates. Already firms are looking to relocate to Arizona, Colorado, Texas and New Mexico to take advantage of our relatively inexpensive energy, labor and



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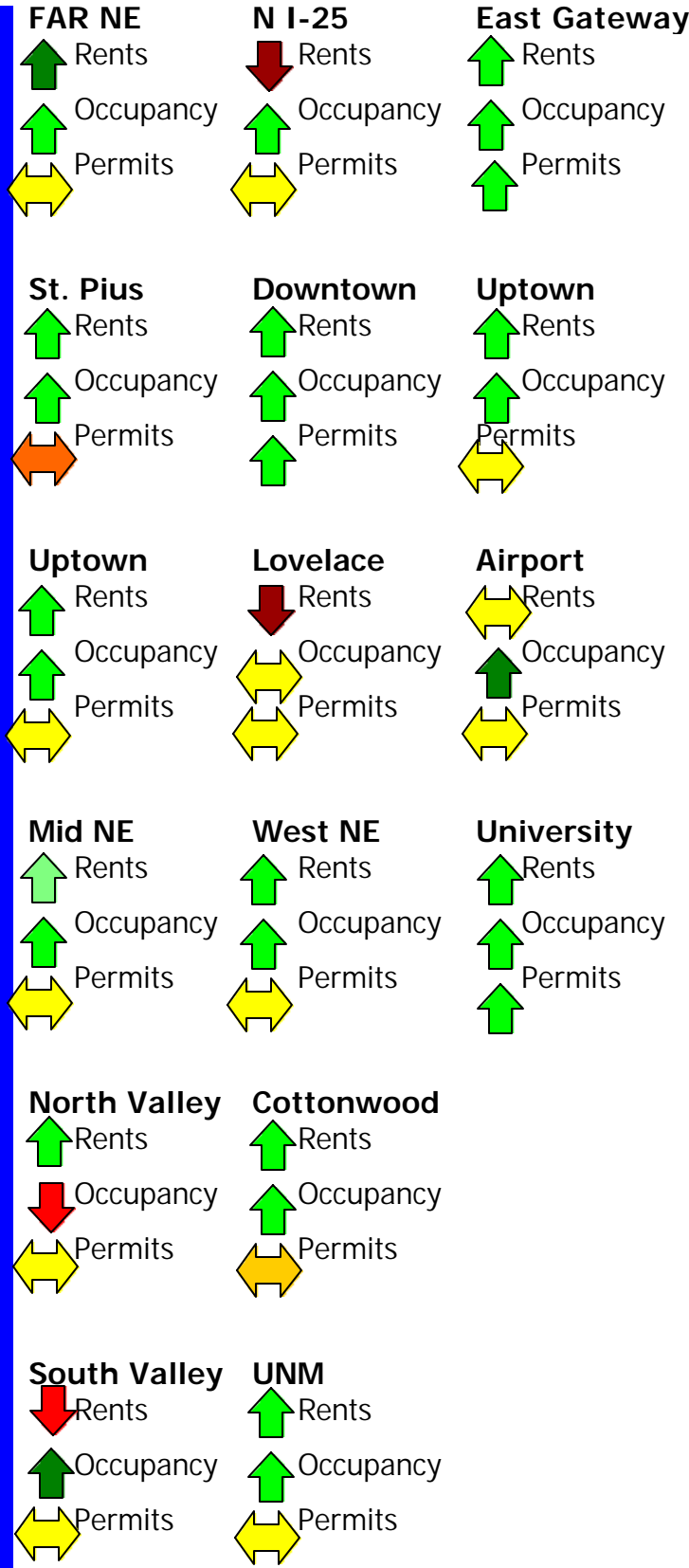
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Albuquerque Apartment Market Update at a Glance



	1994	1995	1996	1997	1998	1999	2000
100+							
Avg \$/Unit	\$31,897	\$30,075	\$36,740	\$36,964	\$40,514	\$38,658	\$0,625
Total Units	2,660	3,516	2,527	1,544	377	1,159	448
Total Deals	12	14	12	9	3	5	2

	1994	1995	1996	1997	1998	1999	2000
50 to 99							
Avg \$/Unit	\$27,510	\$32,719	\$39,505	\$42,610	\$39,505	\$31,250	\$23,052
Total Units	181	196	0	192	186	64	72
Total Deals	3	3	0	3	3	1	1

	1994	1995	1996	1997	1998	1999	2000
5 to 19							
Avg \$/Unit	\$23,196	\$24,141	\$26,536	\$26,319	\$24,695	\$35,120	\$28,968
Total Units	300	321	227	199	150	93	81
Total Deals	38	33	26	26	19	11	11

	1994	1995	1996	1997	1998	1999	2000
Duplex							
Avg \$/Unit	\$36,969	\$40,584	\$45,222	\$46,168	\$49,655	\$43,499	\$52,871
Total Units	78	80	54	44	48	22	22
Total Deals	40	27	22	24	24	11	11

	1994	1995	1996	1997	1998	1999	2000
20 to 49							
Avg \$/Unit	\$24,233	\$30,890	\$25,516	\$29,179	\$17,912	\$24,611	\$25,284
Total Units	349	214	359	204	106	270	62
Total Deals	14	7	12	6	5	9	2

	1994	1995	1996	1997	1998	1999	2000
Fourplex							
Avg \$/Unit	\$30,310	\$34,296	\$33,319	\$34,617	\$36,735	\$30,394	\$32,693
Total Units	420	308	234	236	204	164	108
Total Deals	105	76	56	59	51	41	27

	1994	1995	1996	1997	1998	1999	2000
Triplex							
Avg \$/Unit	\$36,846	\$41,144	\$34,453	\$42,451	\$43,401	\$43,861	\$40,194
Total Units	120	93	104	69	42	46	42
Total Deals	40	31	31	23	14	14	11



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New Mexico market report

New Mexico was the 12th leading state in the Country in employment growth from 1999 to 2000 – with an average growth of 2.2% - behind NV, FL, AZ, ID, CA, WY, TX, CO, UT, HI, AR.

The following represents the State's growth in comparison to other states in each of these sectors – 22nd in Construction, 2nd in Manufacturing (2.7% growth), 16th in TCPU, 24th in Trade, 43rd in FIRE, 27th in Services, and 26th in Government.

Albuquerque and Santa Fe were rated the 6th and 13th best HUB of High Tech by *Wired* magazine in the country, and 13th and 40th, respectively in the world.

According to projections prepared by the NM Labor Department, the New Mexico economy will see higher employment growth over the next year. Employment growth will reach 2.0 percent in the year 2001, slightly above the current year. Roughly, 15,000 jobs will be added in 2001 compared to 13,000 new jobs this year and an estimated 10,000 jobs in 1999. (The short-term employment forecasts are based on employment estimates from the New Mexico Unemployment Insurance Covered Employment and Wage record, compiled and maintained by the New Mexico Department of Labor's Economic Research and Analysis Bureau. Please see Technical Note, below.) Projected employment is grouped according to activity rather than ownership, so public school and higher education employment are classified in education services rather than government. As noted below, employment in construction; utilities; and social, health, amusement, and engineering services include government

Global Ranking	U.S. Ranking	City
1	1	Silicon Valley
2	2	Boston
7	3	Raleigh-Durham-CH
8	4	Austin
11	5	San Francisco
13	6	Albuquerque
17	7	New York City
18	8	Seattle
23	9	Los Angeles
30	10	Virginia
31	11	Chicago
39	12	Salt Lake City
40	13	Santa Fe

activities in these classifications.

Agricultural employment will remain fairly level throughout the forecast period as subtle shifts between crop production and livestock production balance. Agricultural services will provide some growth, while demand in the U.S. and Mexico for beef will encourage the New Mexico livestock industry. Overall, agricultural will gain 100 jobs in the fourth quarter of both 2000 and 2001.

Performance in the three goods-producing sectors (mining, construction and manufacturing) of the economy improved in 2000 compared to 1999. Despite a slowdown in mining in 2001, construction and manufacturing sectors will remain strong throughout the forecast period. Employment in the mining sector is forecast to decline slightly in 2001. Job creation in the oil & gas extraction sub-sector will lead the mining sector to a 2.5 percent gain in 2000, but growth in oil & gas is anticipated to level next year. As oil & gas companies reach full staffing and oil prices level off, job growth in the oil & gas sub-sector

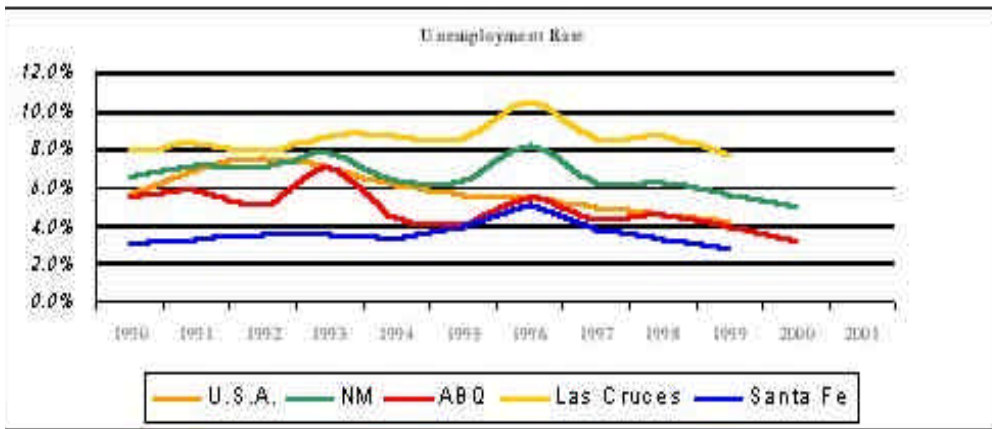
will flatten. Declines in other sub-sectors, such as metal mining and non-metallic mineral mining, will lead to an overall loss of about 100 jobs in the mining sector for 2001.

Employment growth in the construction sector will top 4 percent (about 2,000 jobs) this year and will continue at a strong pace through the fourth quarter of 2001. Heavy construction, especially the rebuilding of the "Big-I," will provide most of the impetus for the increase. The Intel Corp. expansion, rebuilding efforts related to the Cerro Grande fire near Los Alamos, and casino expansions will spur various construction sub-sectors to post gains in 2001. Roughly, 1,600 new jobs will be created in the construction sector in 2001. The manufacturing sector will see a recovery of jobs in 2000 and another 700 new jobs in 2001, as plant expansions and relocations projects are completed. Intel Corp. will bring much of the job growth to this sector with the addition of a new production facility in Rio Rancho.

In the service producing sectors, employment will continue to perform well. Call centers, which are classified in communications, finance, retail trade or business services, will continue to expand employment through 2001. Historically, call center growth occurred in Albuquerque and Las Cruces. This year call centers have announced new locations in many rural communities, including Moriarty, Las Vegas, Silver City, Alamogordo, and Carlsbad. Although call center growth will slow in 2001, it will continue to provide a boost to New Mexico's urban and rural job markets. Transportation, communications, & utilities will add about 1,200 jobs in 2001, a slight slowdown from the 1,500



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services from the expansion of gambling casinos in both years. Since many call centers are classified to business services, it will also remain strong throughout the forecast period — adding nearly 1,000 jobs by the fourth quarter of 2001. Health care is forecast to post only slight gains in both 2000 and 2001. Educational services, however, will make significant gains, adding nearly 1,500 jobs in 2001.

jobs that will be added this year. The primary source of job growth is coming from new or expanding communication-based call centers. Trucking & warehousing and postal services will also make significant contributions to employment growth in that sector.

posting large gains in 1999, hotels & lodging places will slow through 2001. Significant employment growth will continue in amusement & recreation

Government employment, which excludes public sector jobs in construction, utilities, and services, will add about 200 jobs this year and about 100 jobs in 2001. (Several service categories, including social, educational, health, amuse-

Trade employment will account for more than one-quarter of total employment growth in both 2000 and 2001. The high growth in general merchandise store employment, mainly Wal Mart, will slow in 2000, but will add about 1,000 jobs in 2001. Eating and drinking places and miscellaneous retail sub-sectors will also add nearly 1,000 jobs each in years 2000 and 2001. The finance, insurance & real estate sector will show contrasting trends depending on the type of activity examined. Employment in depository institutions will continue to drop due to consolidations and mergers. On the other hand, increases in non-depository lending institutions and from increased activity by security and commodity brokers will strengthen job growth in that sector. Insurance carriers, insurance agents, brokers, & service, and real estate sub-sectors will maintain moderate growth throughout the forecast period with rates similar to the state rate.

Services will account for one-third to nearly one-half of total state job growth in 2000 and 2001, respectively. After

Top Owners - New Mexico— 2001

	Owner	Type	Units	Change
1	UNM	Edu	2,825	Up
2	Archstone	REIT	2,560	Down
3	Hall	Priv	2,207	Same
4	Sentinel	Public	1,755	None
5	Nevins	Priv	1,652	Up
6	AIMCO	REIT	1,316	None
7	Warren	Priv	1,292	None
8	Cox & Partners	Priv	1,247	Same
9	Alliance Real Estate	REIT	1,241	Same
10	Equity	REIT	1,073	Up
11	Yes Housing	Non-Profit	1,010	Up
12	City PHS	Gov	995	None
13	Clifton	Priv	798	None
14	UDR	REIT	758	Up
15	GSL	Priv	683	Up
16	Cauwels	Priv	681	None
17	Ernie Cohn	Priv	672	Up
18	Alvarado	Priv	660	None
19	CRS	Non-Profit	649	None
20	Englehardt	Priv	644	None
21	Waken	Priv	582	None
22	Auerbach	Priv	573	Down
23	Erickson	Priv	557	None
24	SNK	Priv	515	None
25	City ADS	Gov	500	None
26	Leslie	Priv	481	None
27	Fairplaza	Priv	395	None
28	Hunt	Priv	361	None
29	TGM	Priv	339	None
30	Encino	Non-Profit	317	Same



New Mexico Apartment Report – 2001 Report

Albuquerque Market report



Albuquerque is the 12th Fastest Growing City in the Country

1940	103,534	469.00%
1990	589,131	Or 9.38% annual

Condition

Occupancy

93.2%

Rents per Square Foot

\$.77/sf

Rent per month

\$556

with a minimal decrease in overall occupancy. What remains to be seen is the impact of the new K&B Multi-Family tax credit project at Louisiana and Gibson (considered part of the East Gateway, this project is directly across the street from the Lovelace Sub-market).

Lagging far behind the market, the North Valley sub-market continues to suffer with the recent foreclosure of a mid size apartment in the area. North I-25, consisting mostly of one large tax-credit property has seen a dramatic increase in net occupancy, with the fourth lowest vacancy rate of 1.9%, but at the price of a modest rent decrease. The Far NE Heights and St. Pius sub-markets are also showing dramatic improvement with vacancy rates nearing 5% - a first in almost seven years.

The University sub-market, the third largest sub-market in Albuquerque is now at an ultra tight 1.8% vacancy, which will assist the University of New Mexico's construction of 400 new dorm units, and should increase the occupancy of the soon to be built studio units in the Villa de San Felipe downtown (which is on a major bus line to the UNM/TVI campus), and less than 5 minutes away.

Ernie Cohn's continued investment in the Cottonwood area, including his planned 529 units at Eagle Ranch and Irving seems to be bearing fruit. With a vacancy rate of 2.1%, rent growth will be strong until his new units come on line early in 2002. Watch this sub-market as the last remaining multi-family parcels get snapped up.

Concessions, once a plague to the market, are now all but non-existent, offered only in the most extreme of circumstances, usually by properties that are in poor condition, or under-managed, or by communities to keep their leasing traffic continual, reflecting the perception by owners and the marketplace that concessions are needed until occupancy is 95%, a stigma that seems only to apply to the Albuquerque market (most markets do not offer concessions until well below 90%).

Good news for landlords, rents finally broke out of the \$.73/sf rate to \$.77/sf representing a 5% increase in one year, the largest since the mini-boom in the mid-1990's.

The Citywide increasing average rent of \$556 per month was carried by the FAR NE, Downtown, and University sub-markets each of which witnessed double digit rent growth.

Although rent growth was flat, increasing absorption of units in the Airport and Lovelace sub-markets forecasts double digit growth in rents in the forthcoming year.

The highest monthly rent is still in the FAR NE now at \$760 per month, followed in a distant second place by the Cottonwood sub-market at \$644. Although the University sub-market witnessed the 2nd highest rent growth of 14%, its average rent of \$1.15/sf along with the increased Uptown area average rent/sf of \$1.03 bodes well for future studio development across the City.

Even downtown's increasing rents per square foot to \$.98/sf and movement up the chart to the 3^d most expensive sub-market will cause some developers and their lenders a sigh of relief for projects that begin construction in 2001.

The A+ market continues to show strong growth with an average rent of \$1,142 and a net increase in occupancy of 1% down to 5%, this small handful of properties is poised for even larger rent increases in the near future.

The A market is not far behind, but notice the dramatic difference in rents that a "+"

Did you know –

GAP has announced 400 new jobs downtown?

"Albuquerque was rated as 3rd for Business Expansion"?

DOE invests \$20M for Sandia Lab Business Park?

Philips Investing \$400M ?

Following the "turn the corner" year of 2000, 2001 finds most of the apartment communities positioned for a large rent increase in 2001 through to 2003.

The airport sub-market continues to show dramatic improvement due largely to the turn around in occupancy levels at the Spring Creek apartments. Following in a close second, the South Valley has seen vacancies decrease to 0%, making this the City's tightest sub-market. The improving Uptown market now at 0.9% vacancy and earns the distinction of being the city's second tightest sub-market. Unfortunately, the South Valley's improving track record was at the expense of rent levels, which decreased 24% in 12 months time.

Although the Lovelace sub-market would appear to be sliding backwards, the recent addition of 40 new units plus the renovation of an additional 200 units that have been empty for over 15 years, is a testament to this improving sub-market. As it absorbed 240 essentially new units, it did so

Sales

Units SOLD 2000

918 in 72 deals

Average \$/Unit 2000

\$36,673

Units Available 2001

1,398 in 193 deals



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Albuquerque Market report



makes – a full \$.36 per square foot between A+ and A, a gap that continues to grow, demonstrating that the market understands the difference between the perception of an "A" and the service and amenities one receives in an "A+".

The C+ market witnessed a 37% - decrease in rents. Although this would be good news for renters, the perception is that these properties have been over-leveraged in the past, and the decrease in rents is a reflection of deteriorating condition - again bringing into focus the need for quality affordable housing.

On average, the market reflected a turn from the renter's market to the beginning of a landlord's market.

Although four bedrooms showed a dramatic increase in rent levels, the relatively small number of 4's in the marketplace are difficult to compare as those prior to 1995 were government subsidized, while those that came after 1995 were in part market driven.

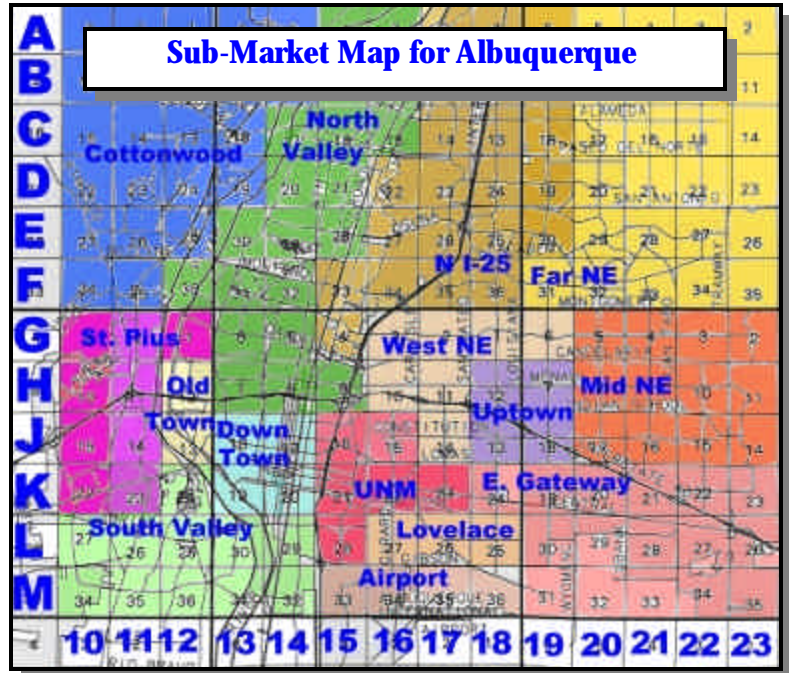
Studios continue to lead the market with a 175% increase in rents since 1994, followed by three bedrooms at a 124% increase. The abundance of construction in the one bedroom and two bedroom market, and lack of construction in the studio and three bedroom market have caused a supply/demand imbalance in favor of those units that have been long under-served..

room rent of \$706 and the four bedroom rent of \$728. The rental income of three bedroom in the luxury market that appeared in the 1990's have been offset by the new construction of affordable housing focused on larger units.

My money is on Garages

As part of the NM Apartment report survey, garage rents have increased from \$57 in 2000 to \$61, with some communities charging as much as \$75 per

garage per month.

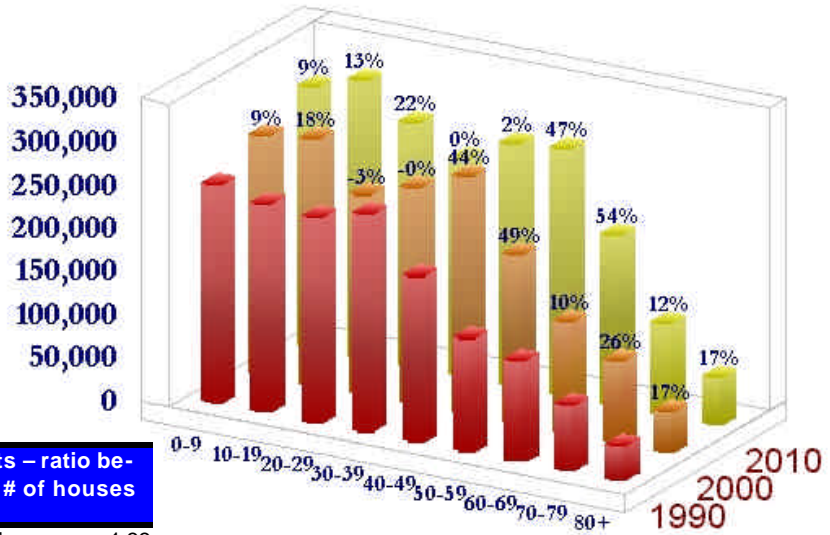


Construction

Lease-Up
388
Under Construction
160
Permit
96
Rumored

Three and four bedrooms continue to offer the resident the best overall value, with only marginal differences between the average two bed-

Permits – ratio between # of houses	
1960's	1.33
1970's	1.01
1980's	1.24
1990's	2.31



Population Growth by Age Range



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UNM submarket report



Sub Market Boundaries

The UNM sub-market is contained in the following Zone Atlas Pages: J15, J16, K15-17, L15 and is roughly bounded by the following streets: East of Edith, North of Gibson, west of University Coal, then west of San Mateo, South of Lomas until Carlisle, then South of Indian School.

Community Traits/Identity

Affectionately referred to as the "Student Ghetto" this sub-market contains 8,967 units in 815 apartment communities with an average community size of 11 units. Typical by small studio and one bedroom units, this area appeals to students, graduate students, and those who desire to be close to culinary amenities offered in the Nob Hill retail district.

Major Employers

UNM, TVI, APS, and Presbyterian all of whom have headquarters and campuses within the boundaries of the UNM sub-market totaling

Condition

Occupancy

98.2%

Rents per Square Foot

\$1.15/sf

Rent per month

40,438 employees (note – not all employees are employed within the sub-market boundaries).

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 3,110 crimes, an average of **518** crimes per square mile. Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 3.3% from **94.9%** to **98.2%** in one year, just in time for the University's new dorm addition containing 400 units.

Concessions

Mostly non-existent.

Sales

The 14 sales in this sub-market are represented mostly in duplexes and triplexes with prices ranging from \$25,167 to \$60,000 per unit. One notable sale was the 12 units behind the Route 66 diner which achieved a price of \$78/sf.

Typical Ownership

Local investors and regional syndicates; three primary investors control over 1,000 units.

Other Notes

Considered a student property, the Sun Village apartments are located just outside of the UNM sub-market boundaries, and as such, their declining occupancy created by limited access from the removal of the Indian School/Odeila overpass (for Big "I" construction) is not reflected in this sub-market.

Construction

Lease-Up

0

Under Construction

400 dorms

Permit

0

Rumored

0

Sales

Units SOLD 2000

41 in 10 deals

Average \$/Unit 2000

\$46,883

Units Available 2001

123 in 29 deals

New Mexico Apartment Report – 2001 Report

Uptown submarket report



Sub Market Boundaries

The Uptown sub-market is contained in the following Zone Atlas Pages: H18, H19, J18, J19 and is roughly bounded by the following streets: *South of Candelaria, North of Lomas, East of San Mateo, West of Wyoming*

Community Traits/Identity

The Uptown sub-market contains two of New Mexico's three regional shopping Centers (Winrock and Coronado), and is Albuquerque's 2nd central business district behind Downtown . This sub-market contains 3,738 units in 123 apartment communities with an average community size of 30 units. Typified by studio, one bedroom and two bedroom units, this area appeals to blue collar workers in the NE Heights, the elderly, white collar workers at the Uptown CBD, and retail workers employed at two of NM's largest adjoining retail centers.

Major Employers

Condition

Occupancy

99.1%

Rents per Square Foot

\$1.03/sf

Rent per month

The two regional malls, and the abundance of high rise office buildings represent a majority of the employment in this area.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 3,337 crimes, an average of **834** crimes per square mile. *Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.*

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 5.9% from **93.2%** to **99.1%** in one year, representing a strong demand in affordable small units.

Concessions

Non-existent.

Sales

The most notable sale in this sub-market included the sale of the Sigma apartments to a Colorado based non-profit for affordable housing.

Typical Ownership

Local and regional investors represent a majority of the ownership of the communities in this area.

Other Notes

The completion of redevelopment on the old La Mesa Medical site with two extended stay hotels and an upscale senior housing community closes the opportunity for much needed market rate housing in this area.

Development of the 3 parcels (west of the Marriott, and on both of the east corners of Louisiana and Indian School) could significantly increase employment in this area.

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

80 in 2 deals

Average \$/Unit 2000

\$33,193

Units Available 2001

90 in 7 deals



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Downtown submarket report



Sub Market Boundaries

The Downtown sub-market is contained in the following Zone Atlas Pages: J13, J14, K13, K14 and is roughly bounded by the following streets: *North of Bridge, West of Edith, East of 19th, South of Bellamah*

Community Traits/Identity

In the midst of urban renewal, Downtown Albuquerque has seen over \$1 billion in new construction occur. This sub-market contains 2,910 units in 470 apartment communities with an average community size of 6 units. Typified by one bedroom and two bedroom units, this area appeals to students, graduate students, nurses, and professionals who work downtown.

Major Employers

The City of Albuquerque, Bernalillo County, St. Joseph's hospital, Public Service Company of New Mexico, United States Post Office all call downtown home, with these major

Condition

Occupancy

94.9%

Rents per Square Foot

\$.98/sf

Rent per month

employers totaling 21,935 jobs. The new courthouses, new restaurants, and the addition of the GAP (back office– not retail), represent an ever increasing base of downtown employment. *(note – not all employees are employed within the sub-market boundaries).*

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 2,651 crimes, an average of **662** crimes per square mile. *Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.*

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 3.3% from **92.5%** to **94.9%** in one year, just in time for the under construction Villa

de San Felipe (160 units), soon to be permitted Lofts at Albuquerque High School (70 units), and Silver Avenue Townhouses (90 units).

Concessions

Non-existent.

Sales

The six (6) sales in this sub-market are represented mostly in duplexes and triplexes with prices ranging from \$24,000 to \$58,750 per unit.

Typical Ownership

One property, the 210 units Alvarado is owned by a publicly traded REIT, with the balance of ownership held by local investors.

Other Notes

The recent adoption of the **Downtown 2010 Plan**, followed by unparalleled attention and investment in downtown should make Albuquerquean's proud. The private/public partnerships and work of the Downtown Action Team will pay off in the future.

Fannie Mae has commissioned Todd Clarke for a "Plug-N-Play" downtown housing study.

Construction

Lease-Up

0

Under Construction

160 units

Permit

0

Rumored

Sales

Units SOLD 2000

24 in 6 deals

Average \$/Unit 2000

\$36,336

Units Available 2001

71 in 20 deals



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Airport submarket report



Sub Market Boundaries

The Airport sub-market is contained in the following Zone Atlas Pages: M15-M18 and is roughly bounded by the following streets: *East of I25, South of Gibson, north of Airport, west of Louisiana*

Community Traits/Identity

This sub-market contains 392 units in 19 apartment communities with an average community size of 21 units. Typified by studio, one bedroom and two bedroom units, this area appeals to students, nurses, military and civil servants.

Major Employers

The 574,000 square foot Sunport International Airport is this sub-market's largest employer with 2,500 employees. Nine major airlines fly through Sunport, with 6,292,458 passengers in 2000, twice the total in 1990.

Crime

Condition

Occupancy

90.0%

Rents per Square Foot

\$.66/sf

Rent per month

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 407 crimes, an average of **102** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased an amazing 16% from **74.0%** to **90.0%** in one year, mostly represented in the spectacular leasing job of the staff at the Spring Creek (formerly Lake and Racquet) Apartments.

Concessions

Sporadic to Non-existent.

Sales

No sales occurred in this sub-market

in 2000.

Typical Ownership

One large property is owned by a Houston syndicate and the balance of small properties are owned mostly by local investors.

Other Notes

Recent

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

0 in 0 deals

Average \$/Unit 2000

N/A

Units Available 2001

2 in 1 deals



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North Valley submarket report



Sub Market Boundaries

The North Valley sub-market is contained in the following Zone Atlas Pages: A15-16, B15-16, C14-16, D14-15, E13-15, F12-14, G13-14, H13-15, and is roughly bounded by the following streets: *East of River, South of County Line, west of Railroad tracks, north of Indian School, includes Big "I"*

Community Traits/Identity

Part City, part County, part Village of Los Ranchos, the North Valley offers the most diverse options in housing from run down small houses to spacious mansions – many side by side. This sub-market contains 1,193 units in 145 apartment communities with an average community size of 8 units. Typified by one bedroom and two bedroom units, and this areas demographics are diverse.

Major Employers

Industrial, office, and retail employment abounds along this corridor, far outnumbering the residential

Condition

Occupancy

83.2%

Rents per Square Foot

\$.56/sf

Rent per month

units in the area.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 1,898 crimes, an average of **95** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market decreased 9.60% from **92.8%** to **83.2%** in one year, reflected in the declining occupancy of several older communities.

Concessions

Sporadic to Non-existent.

Sales

None to report.

Typical Ownership

Most properties are owned by local investors.

Other Notes

The City of Albuquerque is considering creating "Centers and Corridors" one of which would end at 12th and Candelaria – creating a "village" for this area to rally around.

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

Nada

Average \$/Unit 2000

N/A

Units Available 2001

27 in 6 deals



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South Valley submarket report



Sub Market Boundaries

The South Valley sub-market is contained in the following Zone Atlas Pages: L10-14, M10-14 and is roughly bounded by the following streets: *West of I-25, South of Bridge*

Community Traits/Identity

Rural character, and mostly outside of the City limits, but within the Bernalillo County, this sub-market contains 1,518 units in 205 apartment communities with an average community size of 7 units. Typified by one bedroom and two bedroom units, this area appeals to students, graduate students, nurses, and professionals who work downtown.

Major Employers

Industrial, retailers, banks, and assorted community oriented professional services dominate this area.

Crime

According to the Albuquerque Police Department, during 1999, Part 1

Condition

Occupancy

100%

Rents per Square Foot

\$.45/sf

Rent per month

Other Notes

The South Valley could play a large role in the potentially forthcoming merger between the county of Bernalillo and the City of Albuquerque.

(violent crime) crimes in this sub-market totaled 949 crimes, an average of **95** crimes per square mile. *Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.*

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 13.2% from **86.8%** to **100%** in one year.

Concessions

Non-existent.

Sales

There were two sales in the 5 to 19 unit range made up 100% of the sales for this sub-market for 2000.

Typical Ownership

A majority of the ownership in this area is small local investors.

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

18 in 2 deals

Average \$/Unit 2000

\$21,972

Units Available 2001

84 in 16 deals



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Far NE submarket report



Sub Market Boundaries

The Far NE sub-market is contained in the following Zone Atlas Pages: A20-23, B20-23, C20-23, D20-23, E20-23, F19-23 and is roughly bounded by the following streets: Wyoming to the west, Montgomery to the south, Sandia Mountains to the east, Sandia Reservation to the north

Community Traits/Identity

With the best demographics in the state, the FAR NE attracts the crème de la crème of Albuquerque's residents. This sub-market contains 7,342 units in 59 apartment communities with an average community size of 124 units. Typified by one bedroom and two bedroom units, this area appeals to students, graduate students, nurses, and professionals who work downtown.

Major Employers

Besides scattered suburban office buildings and limited retail, the Far NE Heights offers little in the way

Condition

Occupancy

92.1%

Rents per Square Foot

\$.90/sf

Rent per month

Sales

The sales activity in this sub-market was carried by the sale of one large 200 unit grade A community.

Typical Ownership

This sub-market more than any other has more institutional owners, followed by regional/national investors.

Other Notes

The lack of available sites, excellent demographics make the Far NE an ideal location for condo conversions when the next big wave of housing appreciation sets in.

of employment.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 1,493 crimes, an average of **59** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 8.90% from **83.2%** to **92.1%** in one year, marking a firm recovery in the B+ to A+ communities.

Concessions

Non-existent.

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

204 in 2 deals

Average \$/Unit 2000

\$46,875

Units Available 2001

4 in 1 deal



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Mid NE submarket report



Sub Market Boundaries

The Mid-NE Heights sub-market is contained in the following Zone Atlas Pages: G20-23, H20-23, J20-23 and is roughly bounded by the following streets: *South of Montgomery, North of Lomas, East of Wyoming*

Community Traits/Identity

The most notable trait of this sub-market are the long stretches of retail strip centers on Menaul Blvd. and Juan Tabo Blvd. that intersect in the heart of Mid-NE Heights. This sub-market contains 7,510 units in 535 apartment communities with an average community size of 6 units. Typified by one bedroom and two bedroom units, this area appeals to students, graduate students, nurses, and professionals who work downtown.

Major Employers

Mostly small businesses, professionals, and retailers are located in this sub-market.

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Condition

Occupancy

90.7%

Rents per Square Foot

\$.69/sf

Rent per month

sized apartment communities with prices ranging from \$23,200 to \$67,333 per unit.

Typical Ownership

One property, the 210 units Alvarado is owned by a publicly traded REIT, with the balance of ownership held by local investors and some owner-occupants.

Other Notes

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 3,589 crimes, an average of **299** crimes per square mile. *Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.*

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 3.30% from **87.4%** to **90.7%** in one year.

Concessions

Sporadic to Non-existent.

Sales

The twelve sales in this sub-market are represented mostly in duplexes, triplexes, fourplex and two mid-

Sales

Units SOLD 2000

110 in 12 deals

Average \$/Unit 2000

\$41,331

Units Available 2001

198 in 24 deals



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St. Pius submarket report



Sub Market Boundaries

The St. Pius sub-market is contained in the following Zone Atlas Pages: G10, G11, G12, H10, H11, J10, J11, K10, K11 and is roughly bounded by the following streets: *West of Rio Grande River, South of Montano, North of Bridge*

Community Traits/Identity

Once empty acres are beginning to fill with single family residential, a new Wal-Mart, and additional retail. This sub-market contains 2,335 units in 57 apartment communities with an average community size of 41 units. Typified by one bedroom and two bedroom units, this area appeals to students, graduate students, nurses, and professionals who work downtown or on the westside.

Major Employers

The campus of St. Pius is the largest employer, followed by numerous small business in both retail and office that provide necessary services

Construction

Lease-Up

264 units

Under Construction

0

Permit

0

Rumored

Condition

Occupancy

94.0%

Rents per Square Foot

\$.71/sf

Rent per month

to westside residences.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 3,165 crimes, an average of **351** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 8.30% from **85.7%** to **94.0%** in one year, which should expedite the leasing of the Canon De Arrowhead apartments (264 units), and the forthcoming 96 unit RiverGlen.

Concessions

Non-existent.

Sales

None to report

Typical Ownership

Newer properties in this sub-market attract publicly traded REITs, with the balance of ownership held by regional investors.

Other Notes

The west-side has grown up. The addition of the Oxbow and other upscale residential subdivisions is changing the composition of the west-side.

Sales

Units SOLD 2000

nada

Average \$/Unit 2000

N/A

Units Available 2001

0



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Cottonwood submarket report



Sub Market Boundaries

The Cottonwood sub-market is contained in the following Zone Atlas Pages: A10-14, B10-14, C10-13, D10-13, E10-12, F10-11 and is roughly bounded by the following streets: *West of the Rio Grande River, North of Montano*

Community Traits/Identity

Surrounding Albuquerque's third regional shopping center, Cottonwood has witnessed explosive growth in the 1990's. This sub-market contains 5,313 units in 30 apartment communities with an average community size of 177 units. Typified by newer one, two and three bedroom units, residents here work in Rio Rancho or on the Westside.

Major Employers

Located next to Intel (5,000 employees) and surrounding over 2 million square feet of retail, the Cottonwood sub-market is entirely dependent on its employment base.

Condition

Occupancy

97.9%

Rents per Square Foot

\$.77/sf

Rent per month

Spanos southwestern portfolio sold their sole Albuquerque asset in this sub-market to an adjoining property owner.

Typical Ownership

REITs regional investors, and a California Developer are the largest apartments owners in this sub-market.

Other Notes

The last large parcels of undeveloped multi-family land are located with this sub-market with the potential to offer over 1,500 new units subject to market demand.

Seeking to continue his dominance of this sub-market, one large California developer has made a play for a majority of this land.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 2,023 crimes, an average of **84** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 7.30% from **90.6%** to **97.9%** in one year, with the recently constructed Cottonwood Apartments finally reaching a stabilized occupancy.

Concessions

Non-existent.

Sales

The recent purchaser of the AG

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

248 in 1 deal

Average \$/Unit 2000

\$35,000+/-

Units Available 2001

0



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North I-25 submarket report



Sub Market Boundaries

The North I25 sub-market is contained in the following Zone Atlas Pages: A17-19, B17-19, C17-19, D16-19, E16-19, F15-18, G15 and is roughly bounded by the following streets: *West of Wyoming, South of County Line, north of Montgomery, east of Rail Road Tracks*

Community Traits/Identity

This sub-market contains 3,478 units in 35 apartment communities with an average community size of 99 units. Typified by newer one bedroom and two bedroom units, this area appeals to individuals who work in this sub-market, on the Westside, or who commute north.

Major Employers

The epicenter of this sub-market's employment is the Journal Center – home to HMO's, the Albuquerque Journal, and other large employers. Firms competing for business in Santa Fe, the FAR NE, and the west

Condition

Occupancy

98.1%

Rents per Square Foot

\$.65/sf

Rent per month

community – Desert Willow.

Concessions

Non-existent.

Sales

None to report

Typical Ownership

Regional and institutional investors make up a majority of the ownership of the large communities in this sub-market.

Other Notes

The recently renovated 25! Project has restored the southern end of this highly sought after employment market.

side prefer this location, while many CEO's simply select it for its close proximity to their homes.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 5,110 crimes, an average of **232** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 11.20% from **86.9%** to **98.1%** in one year, at least part of which is represented by the improved occupancy at Pinnacle Estates, conversion of the old Carlisle Square to condominiums and the lease-up of 224 unit tax credit

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

Nada

Average \$/Unit 2000

N/A

Units Available 2001

184 in 1 deal



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West NE submarket report



Sub Market Boundaries

The West NE sub-market is contained in the following Zone Atlas Pages: G16, G17, G18, G19, H16, H17, J17 and is roughly bounded by the following streets: *East of University, South of Montgomery, West of Candelaria, excludes Uptown Boundaries*

Community Traits/Identity

The West NE heights represents the growth of the City of Albuquerque North and East during the 1960's – to Montgomery to the north and Wyoming to the East. This sub-market contains 1,772 units in 461 apartment communities with an average community size of 4 units. Typified by one bedroom and two bedroom units, this area appeals to students, graduate students, nurses, and professionals who work downtown.

Major Employers

A mix of industrial, shipping, and retail makeup a majority of the em-

Condition

Occupancy

91.1%

Rents per Square Foot

\$.70/sf

Rent per month

Sales activity in this market has been limited to ZAP G16, with the sale of three fourplexes ranging from \$25,000 per unit to \$36,225.

Typical Ownership

A majority of the properties in this area are owned by regional investors and small local investors. The second largest pocket of fourplexes is located in this area, bounded by Carlisle, Comanche Blvd. , the diversion canal, and Candelaria Blvd..

Other Notes

A 32 unit building at the Hillcrest Condo's was replaced in 2000 – after a fire.

ployers in this sub-market.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 3,270 crimes, an average of **467** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 2.10% from **89.4%** to **91.1%** in one year

Concessions

Non-existent in larger properties, smaller properties are offering partial rent concession or deposit waiver.

Sales

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

Sales

Units SOLD 2000

12 in 3 deals

Average \$/Unit 2000

\$33,233

Units Available 2001

167 in 10 deals



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Lovelace submarket report



Sub Market Boundaries

The Lovelace sub-market is contained in the following Zone Atlas Pages: L16, L17, L18 and is roughly bounded by the following streets: *East of University, North of Gibson, west of Louisiana, South of Zuni/Coal*

Community Traits/Identity

Located due north of the Lovelace/VA Hospital campuses, this sub-market caters to the elderly, the blue collar, and those who need easy access to KAFB, Sandia National Labs, or either hospital. This sub-market contains 9,222 units in 619 apartment communities with an average community size of 15 units. Typified by one bedroom and two bedroom units, this area also appeals to students, graduate students, nurses, and the elderly.

Major Employers

Lovelace is the largest employer in the area with 3,225 employees.

Condition

Occupancy

86.5%

Rents per Square Foot

\$.91/sf

Rent per month

Sales in this sub-market were in the 2 to 8 unit range with prices per unit as low as \$20,250 to \$48,500.

Typical Ownership

This sub-market has a variety of ownership from the small investor, to the medium sized local investor, and larger regional investor, local non-profit, and owner occupied. Currently there are no institutional owned properties in this sub-market.

Other Notes

GSL Properties has approval for a 188 unit tax credit senior housing community just north of this sub-market and RSVP housing has obtained a HUD grant for the construction of 18 units, making the likelihood of new construction highly probably.

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 1,843 crimes, an average of **614** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market decreased 1.60% from **88.1%** to **86.5%** in one year, although this sub-market had a positive absorption of some 124 vacant units that were renovated and 24 units that were built in 2000

Concessions

Non-existent.

Sales

Construction

Lease-Up

124 units

Under Construction

0

Permit

0

Rumored

206 units + KAFB

Sales

Units SOLD 2000

56 in 11 deals

Average \$/Unit 2000

\$30,077

Units Available 2001

70 in 20 deals



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East Gateway submarket report



Sub Market Boundaries

The East Gateway sub-market is contained in the following Zone Atlas Pages: K18, K-M/19-23 and is roughly bounded by the following streets: *South of Lomas, North of KAFB, West of Louisiana, includes area north of Zuni, East of San Mateo*

Community Traits/Identity

With the recent adoption of the City of Albuquerque Metropolitan Redevelopment plan for this area, coupled with the off base expansion of Sandia National Laboratories, this area could witness substantial reinvestment during the next 18 to 24 months. This sub-market contains 9,024 units in 1,002 apartment communities with an average community size of 9 units. Typified by one bedroom and two bedroom units, with some larger three bedrooms, this area appeals to blue collar workers and low income housing.

Condition

Occupancy

94.6%

Rents per Square Foot

\$.72/sf

Rent per month

the double digits. In most cases, this can be attributed to old and sometimes poorly managed housing stock.

Concessions

1/2 month's rent on 6 to 12 month leases is available at communities that are in less than average condition.

Sales

The fifteen sales in this sub-market are represented mostly in duplexes and triplexes with prices ranging from \$14,250 to \$42,500 per unit.

Typical Ownership

The East Gateway has a variety of ownership from the small investor, to the medium sized local investor, and larger regional investor, and local non-profit. The two institutional owned properties in the area were sold in the last 24 months to regional investors.

Other Notes

GSL properties is pursuing the development of 500 units on land purchased from APS south of Central near Eubank, while K&B Multifamily is developing a 96 unit tax credit community at Louisiana north of Gibson.

Construction

Lease-Up

0

Under Construction

0

Permit

96 units

Rumored

Major Employers

Along with the Airport and Lovelace sub-markets – this sub-market touches Kirtland Air Force Base and Sandia National Labs who together employ 15,640 people

Crime

According to the Albuquerque Police Department, during 1999, Part 1 (violent crime) crimes in this sub-market totaled 6,160 crimes, an average of **385** crimes per square mile.

Part 1 Crimes include Homicide, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, and Larceny.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market increased 5.90% from **88.7%** to **94.6%** in one year, although many of the smaller landlords complain of vacancy rates in

Sales

Units SOLD 2000

102 in 15 deals

Average \$/Unit 2000

\$29,561

Units Available 2001

254 in 57 deals



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Rio Rancho submarket report



Sub Market Boundaries

The Rio Rancho sub-market is located in the southern portion of Sandoval county, directly north and west of Albuquerque. The sub-market boundaries match the city limits of the City of Rio Rancho starting with the Bernalillo/Sandoval County line border, working north to Highway 44, east to the Rio Grande, and west as far as the eye can see.

Community Traits/Identity

Located due north of Albuquerque, Rio Rancho is the fastest growing "micro-politan" or small city in the country. This sub-market contains 2,183 units in 91 apartment communities with an average community size of 23 units. Typified by one bedroom and two bedroom units, this area appeals to the service and retail employees that work in this sub-market or in the northern part of the state.

Condition

Occupancy

97.0%

Rents per Square Foot

\$.78/sf

Rent per month

Sales

Two fourplex sales were the only sales to report in this sub-market

Typical Ownership

This sub-market has a variety of ownership from the small investor, to the medium sized local investor, and larger regional investor, and local non-profit. Currently there are no institutional owned properties in this sub-market.

Other Notes

Difficult access, limited outside market, and inexpensive housing have all played a factor in Rio Rancho's unusually low ratio of apartments to single family residential homes, which is 50% less than Albuquerque's ratio.

Major Employers

Rio Rancho contains Intel's 5,000 employees, other large economic base oriented employers and retail/service workers

Crime

According to the Rio Rancho City Government, Rio Rancho is the 2nd lowest city (behind Los Alamos) in crime in New Mexico.

Occupancy

In line with the improving Albuquerque market conditions, occupancy in this sub-market decreased 5.60% from **91.4%** to **97.0%** in one year.

Concessions

Non-existent.

Construction

Lease-Up

0

Under Construction

0

Permit

0

Rumored

0

Sales

Units SOLD 2000

8 in 2 deals

Average \$/Unit 2000

\$31,313

Units Available 2001

261 in 2 deals



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Todd Clarke CCIM (505) 883-



Grubb & Ellis
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New Mexico Apartment Report – 2001 Report

Santa Fe submarket report



Sub Market Boundaries

The Santa Fe sub-market contains all multi-family properties inside the City of Santa Fe city limits and the Country Club apartments on Airport road (which while technically is in the County of Santa Fe is, surrounded by the City on three sides.)

Community Traits/Identity

Known as one of the top travel destinations in the world, Santa Fe is one of the world's oldest cities and longest running capital city in North America. Strict codes, covenants, and restrictions coupled with the unique plaza or "square" downtown makes Santa Fe one of New Mexico's most attractive cities.

This sub-market contains 5,685 units in 82 apartment communities with an average community size of 69 units. Typified by one bedroom and two bedroom units, this area appeals to service workers, graduate

Condition

Occupancy

92.5%

Rents per Square Foot

\$.87/sf

Rent per month

students, nurses, and the elderly.

Major Employers

New Mexico state government, College of St. John, City of Santa Fe, hotels, Santa Fe School system are all large employers in the city.

Occupancy

The small market area, limited product, and expensive single family housing (median price \$225,000), have dealt a fair card to occupancy in Santa Fe. Surprisingly, Santa Fe did not witness a significant increase in occupancy related to the Cerro Grande fire in Las

Alamos, which destroyed some 451 homes.

Concessions

Non-existent.

Sales

Typical Ownership

This sub-market has a variety of ownership from the small investor, to the medium sized local investor, and larger regional investor, and local non-profits. Currently there are no institutional owned properties in this sub-market.

Other Notes

Affordable housing is still a crisis in Santa Fe, and the City continues to lose economic base employers in the area, making Santa Fe more and more dependent on government and tourism.

Sales

Units SOLD 2000

35 in 4 deals

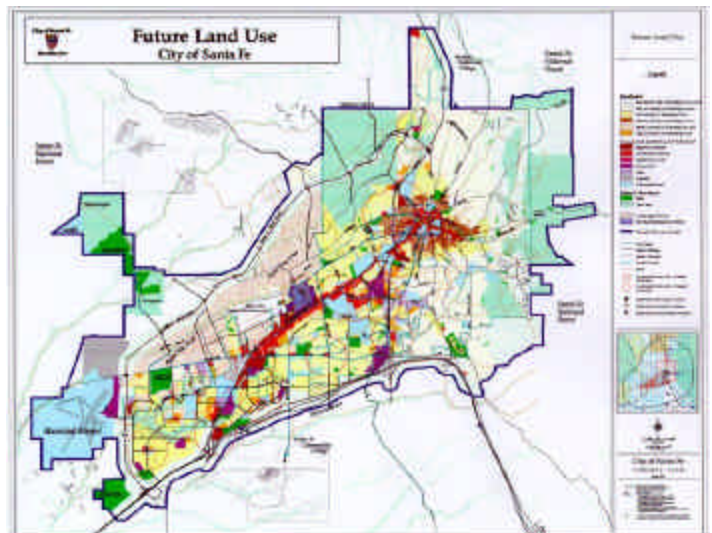
Average \$/Unit 2000

\$63,776

Units Available 2001

33 in 4 deals

Average \$/Unit 2001



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