EL VADO
MOTEL
VACANCY

EL VADO
COURT

Where you see the Sandias from your front door

2500 W. Central — Albuquerque, New Mexico

El Vado Market Study
Highest & Best Use
for a Route 66 Icon

Final Report December 2008

Prepared for :
City of Albuquerque

ROUTE
66

CANTERA
Consultants & Advisors

Prepared by :
Todd Clarke CCIM
Autumn Storm Wolfensparger MRED

Table of Contents

The following report contains Cantera Consultants & Advisor market study of the El Vado motel. A majority of the tools and techniques used in the analysis of this property were developed, or are taught, by the CCIM institute.

The purpose of this analysis is to provide the current owner with an indication of where the market might be headed and which development use of the site would be the most profitable while meeting the needs of the various stakeholders.

As a developer works through the redevelopment of this historic asset, the following components are typical issues a developer take into consideration:

As analysis on each main topics is performed –the developer steps into the center circle to see if that part of the analysis is a go, no-go, or a go with modifications.

It is the consultant's intent to provide the City of Albuquerque, and its eventual client, the potential developer with the information to analyze the property for it's highest and best use and provide backup documentation to support the information contained here-in.

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Executive Summary

"The point of investing is not to guess the future, but to act on new information before the whole world pounces on the idea"
Todd G. Bulcholz

The report contained herein contains the market analysis for the El Vado Motel located at 2500 Central SW.

Per the terms of the purchase order between the City of Albuquerque and the Consultant, the Scope of Services: the contractor (consultant) shall perform (include):

A. Develop a highest and best use analysis under current C-2 zoning for the subject site. El Vado Motel, located at 2500 Central SE. The contractor will analyze the property potential under the existing zoning model to show what can feasibly occur on the property as developed under today's model

B. Develop a mixed use model, presumable a commercial and residential mix. The contract will analyze the subject property potential under a mixed use model, if a mixed use zoning was feasible, and what mixes are best marketable.

C. Analyze a change of zoning to a residential model. The Contractor will analyze the feasibility of a change of zoning for purely residential uses, and the types and densities feasible for this area.

The following is a brief summary of the consultants findings:

Section 2- Property Overview Site/Location Analysis
The property contains approximately 13,000 sf of motel improvements on a 1.26 acre site that is zoned C-2 under the City of Albuquerque Zoning Code. The site is adjacent to the Albuquerque Country Club, just south of the Albuquerque Bio-Park and Aquarium, and due east of the Rio Grande river and a series of nature/bike/hiking trails that extend over 100 miles through the city.

The property represents a pure form of original Route 66 Americana and architecture, and up until the last couple of years was one of the longest running (open) motels along the Route 66 Mother road. Built at its current location to take advantage of the newly opened Route 66 highway, the property has benefitted from an amazing abundance of amenities that have been developed in the immediate area in the last six decades, giving this site an "A+" location. Unfortunately, the property has fallen into a bit of disrepair and will require renovation to bring it up to current code. That said, if not for its nostalgic and historic value, it is unlikely that the property would be rebuilt in its current configuration.

Due to it's historic nature, the property qualifies for a number of different incentives and benefits that could assist the City and/or a developer in renovating and restoring the property. A brief overview of those incentives is provided in the Appendix Section 8.

Additional market research, articles on preservation, and a history of Route 66 are also featured in Section 8 to serve as a visual guide to the potential possibilities for the El Vado Motel's renovation and restoration.

As part of this assignment, a site analysis and scoring matrix were developed to determine which use the subject property physically supports the best these results were combined with a location site analysis matrix that allowed scoring by the consultants. Based on the criteria, Retail scored the highest at 62.26, Hotel next at 51.35, Residential at 50.63, and finally office at 47.74 .

Section 3—Financial Analysis

A simple highest and best use analysis was performed for each of the uses as outlined in Sections 4-7.

Product Type	Location Analysis Score	Position in Cycle	Occupancy	Avg. Rent	Allows public exposure	Potential profit before renovation	Notes
Existing Use Motel	51.35	Expansion	65.0%	$70/ night	**Yes**	**$1,615,242**	Based on renovation to previous rental rates and current motel style
Upscale Hotel Boutique	51.35	Expansion	65.0%	$119 / night	**Yes**	**$3,709,650**	Based on conversion to up scaling the hotel one more level
Retail	62.26	Expansion	85.6%	$18/sf	**Yes**	**$2,2029,281**	Based on conversion to micro-retail in line with Old Town, Mountain road corridor
Residential	50.63	Expansion	96.5%	$500/ month	**Minimal**	**$932,286**	Based on conversion to senior housing
Office	47.74	Hyper supply	87.3%	$20/sf full service	**Minimal**	**$923,750**	Based on conversion to executive office

As the above table demonstrates**,** an upscale boutique motel/hotel (similar to the sister of the El Vado, the El Rey Inn in Santa Fe) would support a pre-renovation profit potential of $3,709,650, followed by micro retail around a plaza concept which might support a pre-renovation profit potential of $2,209,281.

Sections 4-7 — provide an overview for each of the uses considered for the site. Although the current zoning is limited to medium intensity commercial uses, to guide the city on possible rezoning issues, the consultant analyzed each of the primary property sectors that the property's current configuration could support—those included hotel/motel, retail, residential, and office. Industrial was not analyzed as it would be an incompatible use with the buildings based on their design/construction.

Mixed Uses

Based on our analysis, a mixed use project would be extremely difficult to complete on this site. As the physical structures are protected by historical designations, and the site lacks additional land to support other uses, and overall, small mixed use projects are difficult to finance as most lenders want to finance each use separately.

Section 8—This section contains relevant article, market information, resources for preservation as well limiting conditions for the report and the resume for the consultants who worked on this assignment.

Political/Timing

Depending on the timing for the City to issue an RFP for developer/investors, award the project and then oversee the redevelopment it is very an additional market study will be needed that has the latest market and financial information.

Market Conditions

As the consultant was working through the research, analysis and feasibility of this assignment, the global markets were passing the one year anniversary of the credit crisis and its punishing impact on the capital markets.

What gets rebuilt out of the ashes of the capital market in the next couple of years will have a large impact on the financial feasibility of this project. Lacking a clear crystal ball, the consultant took into account the typical deal structure and market information from a more stabilized period prior to the 2007-2008 capital market meltdown.

Conclusions

In general, the consultants for this assignment believe that this site is unique in nature and every effort should be made to preserve this historic asset.

Based on our analysis, a boutique motel has the largest potential for upside, followed by a micro-retail/ restaurant use, the existing motel renovated, micro retail and senior housing.

Recommendations

The consultants would recommend that the City of Albuquerque explore potential renovation expenses for the uses studied herein, and upon completion of those numbers, develop an RFP with a focus on finding a developer who would be able to renovate and reposition the property into a boutique hotel similar to the sister property in Santa Fe, the El Rey Inn.

Todd Clarke
Senior Consultant
Cantera Consultants & Advisors Inc.

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Property Overview,

Site & Location Analysis
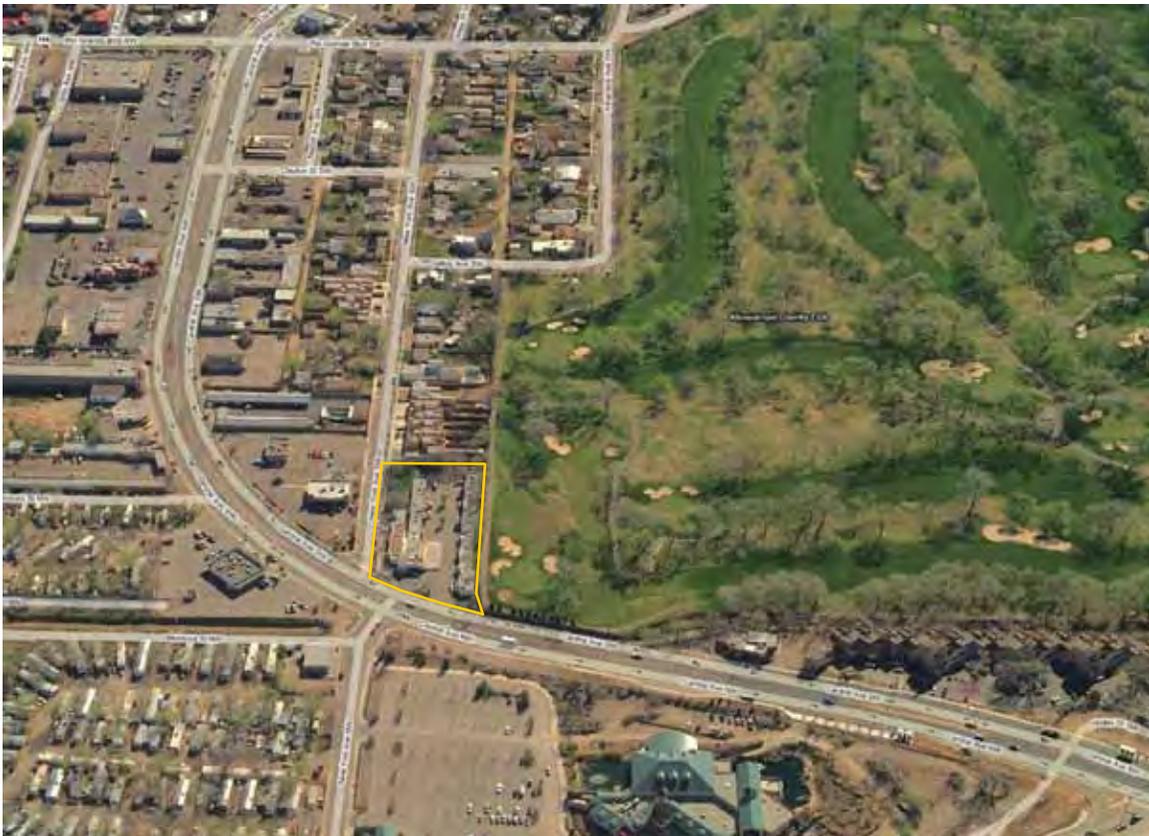
Community Name: El Vado Motel

Address: 2500 Central SW

City, State: Albuquerque, NM

Size: 1.26 Acres or 54,885sf (approx.)

Existing Structures: 33 Units and front office totaling between 12,575 SF and 14,722 SF Average unit size of 400 SF

Legal Desc.: Tract 36 , Block 3, Lots 24-39, Westpark Edition

UPC: 1-019-058-028499-20414

Developer: TBD

Zoning: C-2

Notes: The site can be accessed via Central Ave, New York Ave, and Montoya St. The motel is in close proximity to a Rapid Ride stop, the Aquarium and Bio Park. Within walking distance to Old Town and nearby various retail opportunities.
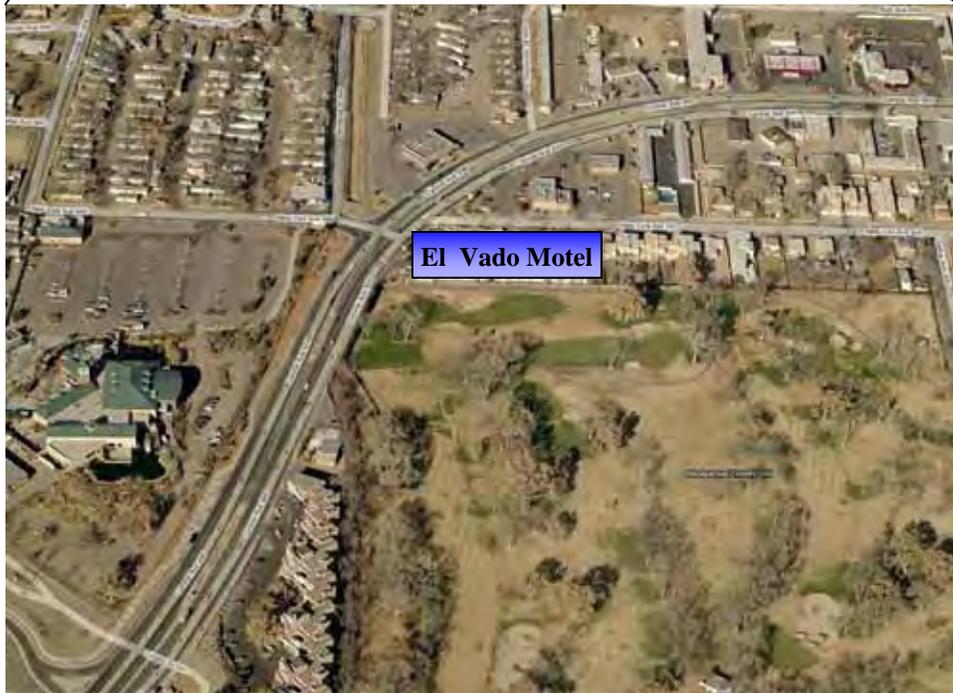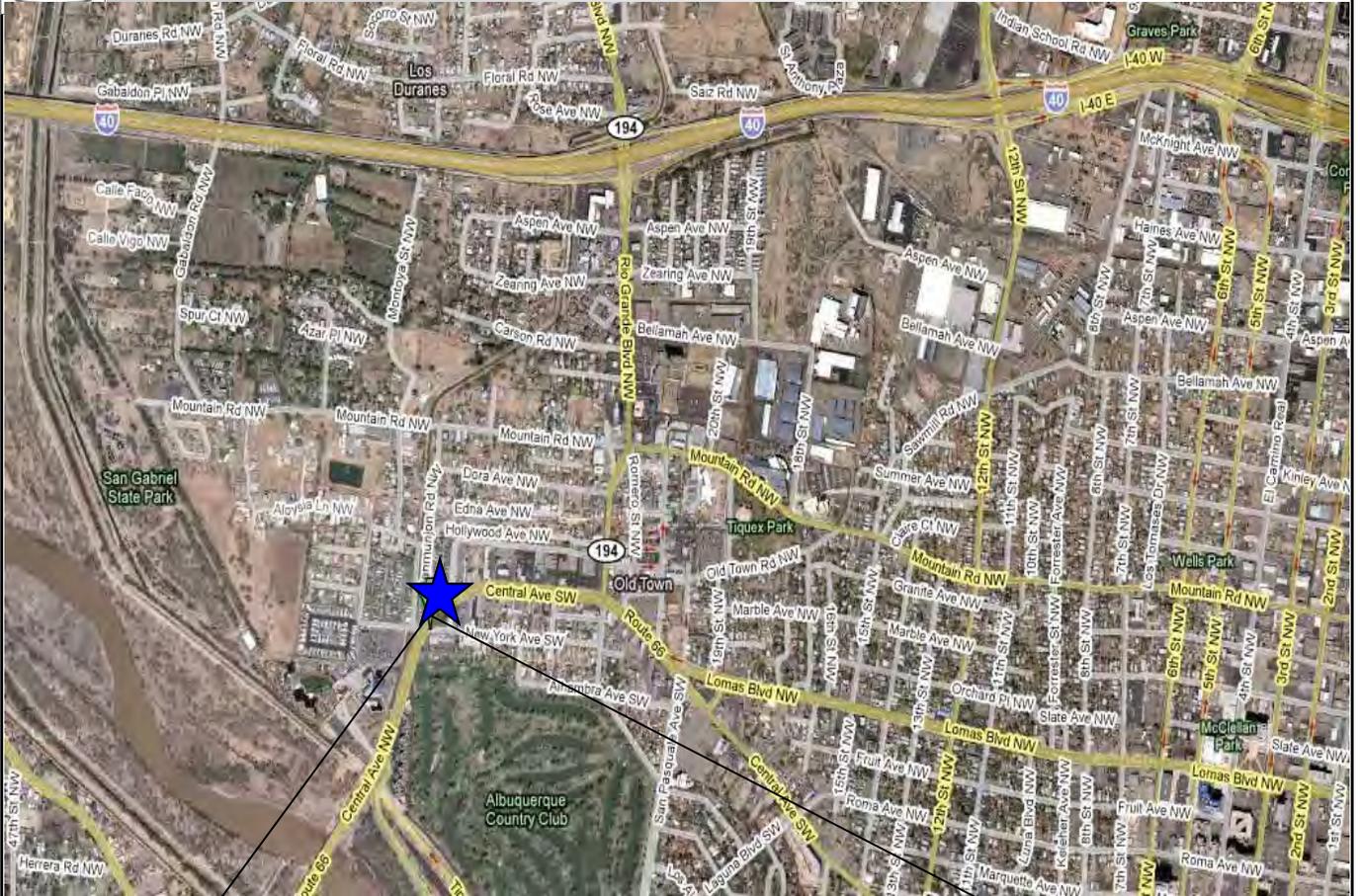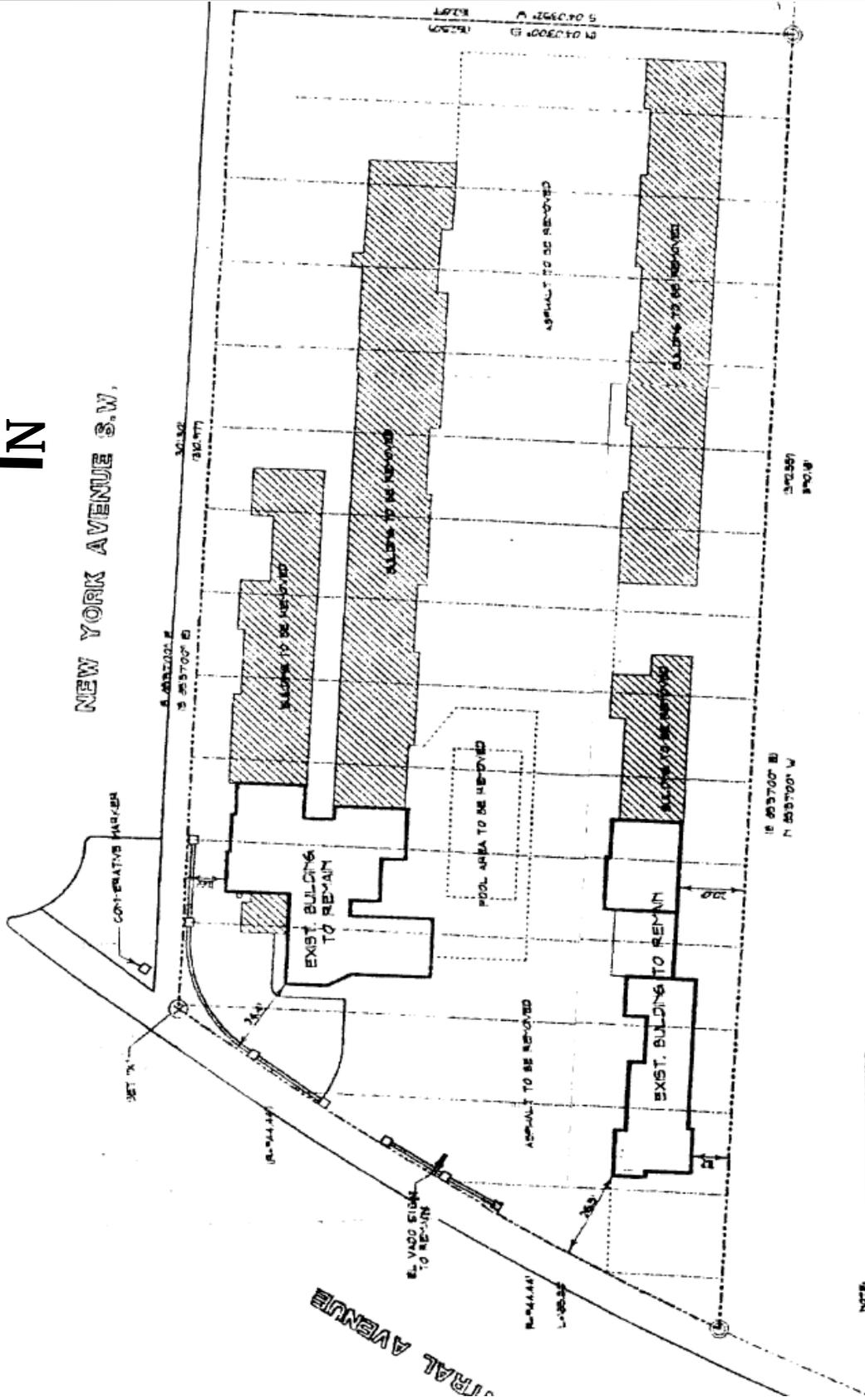
El Vado Motel

ROUTE 66
HISTORIC
EL VADO
MOTEL

Views Looking East - 3rd Floor

These photos were taken from the Beach apartments located just east of the subject property at the maximum height that the current zoning would allow for new construction/ additions for the subject site.

Views Looking Southeast and South

Views Looking Southwest

Views Looking West and Northwest

Views Looking Northeast

Ground Floor Golf Course Views

The spreadsheet below allows the user to convert subjective feelings and impressions about the area surrounding a site to a more objective model as to what the area would best support. For the purposes of this analysis Location is the Downtown/Oldtown Area of Albuquerque.

In this case, four different property types were analyzed—Office, Hotel, Retail, and Residential. Each property type has 18 different general criteria (that is shared with the other property types).

For the purposes of scoring, 10 is the most important, 5 is moderately important, and a 1 is the least important.

The weight column allows the user to decided which criteria are the most important to that use, and the subject or "rate" column allows the user to score the overall location based on that criteria—the two are multiplied and then averaged with the other criteria to provide an indication of the best use for the site based on the location.

This site was viewed and analyzed by Todd Clarke and Autumn Storm on June 15th, 2008. The following scores represent their consensus opinion of the overall location.

Retail scored the highest at 62.26, Hotel next at 51.35, Residential at 50.63, and finally office at 47.74 . The relatively strong weighting of each of the uses is an indication that this site would make an ideal mixed used development.

Location Analysis

Clear Input Cells

Scale: 0 = Not Applicable, 10 = Highest
Weight-On a scale of 0 to 10 Rate the importance of each criterion for the respective use at any location.
Subject- On a scale of 0 to 10 rate the subject location for each criterion.
Note: The subject location should have the same rating for all *General Criteria* for all uses.

Input Cells
No Input Cells

General Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
Road System	8	8	9	8	10	8	8	8
Public Transportation	8	10	6	10	7	10	7	10
Retail Centers	5	4	9	4	9	4	7	4
Municipal Services	5	10	1	10	7	10	3	10
Educational Facilities	4	7	3	7	4	7	2	7
Recreational Facilities	3	10	7	10	8	10	4	10
Health Services	10	6	2	6	3	6	8	6
Cultural Amenities	9	10	9	10	6	10	5	10
Population Density	7	9	3	9	8	9	8	9
Employment Centers	10	10	5	10	7	10	9	10
Growth Vectors	8	6	9	6	9	6	3	6
Disposable Income	3	9	2	9	9	9	6	9
Crime Rating	6	8	8	8	6	8	10	8

Use Specific Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
View Corridors	7	9	6	9	10	9	8	9
Surrounding Entertainment/Amenities	2	9	9	9	8	9	9	9
Schools	1	8	0	8	7	8	5	8
Grocery Store/Walmart/Target/Ranch's	2	5	0	5	9	5	3	5
Perception of Parking	8	8	8	8	9	8	3	8
Visibility/Traffic	4	9	10	9	9	9	8	9

Location Weighted Rating by Use	47.74	51.35	62.26	50.63

ROUTE 66
HISTORIC
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CEO'S HOMES

BIKE & HIKE TRAILS ALONG THE RIO GRANDE

RIO GRANDE NATURE CENTER

BIKE & HIKE TRAILS ALONG TRAMWAY

IN-DIAN PUEBLO

ALBERTSONS

CEO'S HOMES

OLD TOWN CULTURAL CORRI-

CORONADO MALL

CONVENTION CENTER

UNM HOSP

PRESBYTERIAN HOSPITAL

NM STATE FAIR

NOB HILL

CEO'S HOMES

CEO'S HOMES

TALIN INTERNATIONAL MARKET

UNM

LOVELACE HOSPITAL

	Uptown CBD

	Downtown CBD

	North I-25 CBD

El Vado is located on the western part of downtown Albuquerque which has an excellent transportation infrastructure that allows for ease of access to any point in the city. Note the abundance of medical, cultural, and retail amenities in the area.

ROUTE 66
HISTORIC
EL VADO
MOTEL
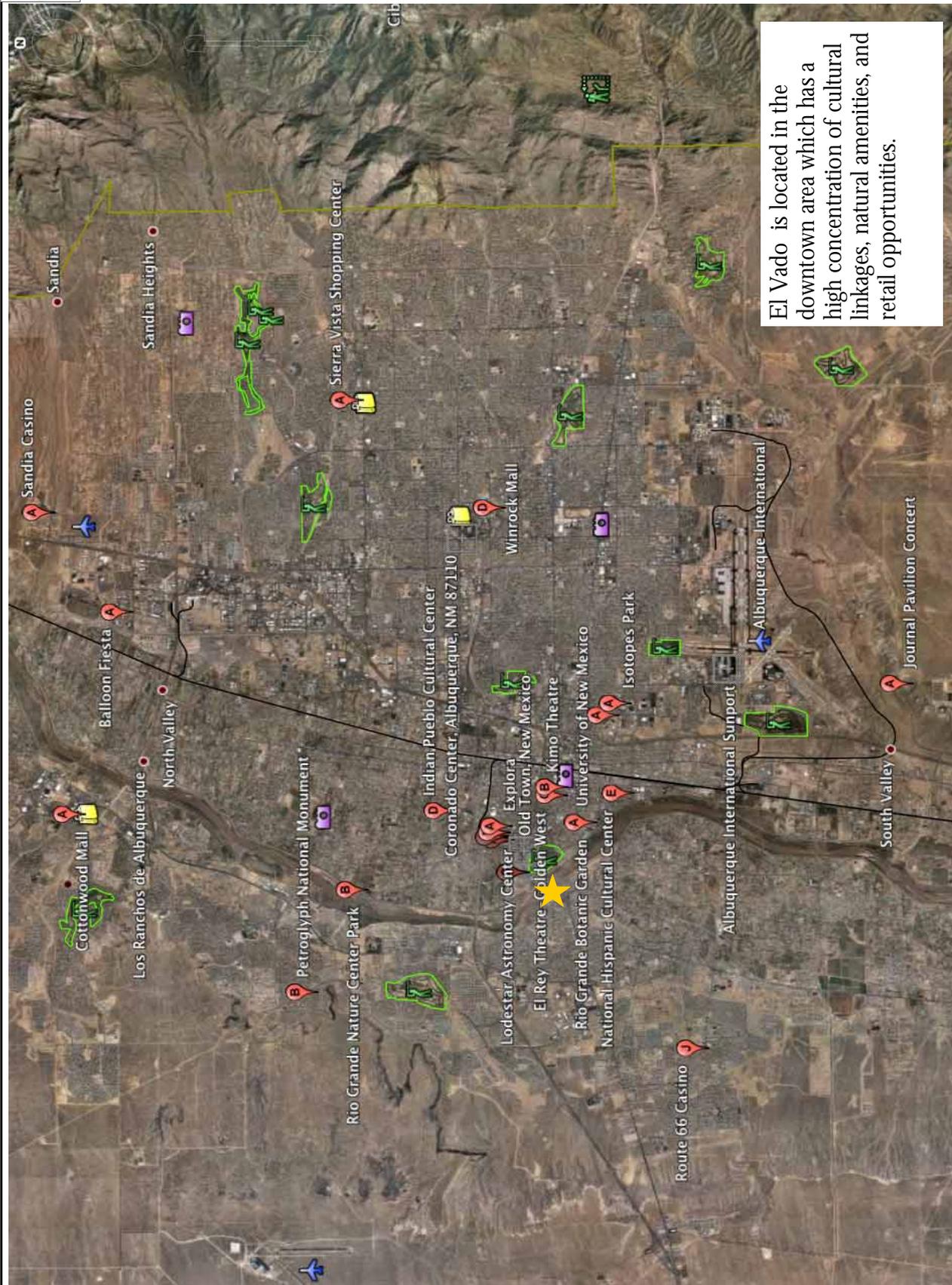
El Vado is located in the downtown area which has a high concentration of cultural linkages, natural amenities, and retail opportunities.

Sandia

Sandia Heights

Sierra Vista Shopping Center

Sandia Casino

Winrock Mall

Albuquerque International

Journal Pavilion Concert

Balloon Fiesta

North Valley

Isotopes Park

Indian Pueblo Cultural Center

Coronado Center, Albuquerque, NM 87110

University of New Mexico

Kimo Theatre

Old Town, New Mexico

Explora

Albuquerque International Sunport

South Valley

Petroglyph National Monument

Los Ranchos de Albuquerque

Cottonwood Mall

Rio Grande Nature Center Park

Lodestar Astronomy Center

El Rey Theatre Golden West

Rio Grande Botanic Garden

National Hispanic Cultural Center

Route 66 Casino

ROUTE 66
HISTORIC
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National Atomic Museum
1905 Mountain Rd NW
Albuquerque, NM 87104
(505) 245-2137
www.atomicmuseum.com

New Mexico Museum of Natural History
and Science
1801 Mountain Rd NW
Albuquerque, NM 87104
(505) 841-2843

Explora Children's Museum
1701 Mountain Road NW
Albuquerque, NM 87104
Phone: (505) 224-8300
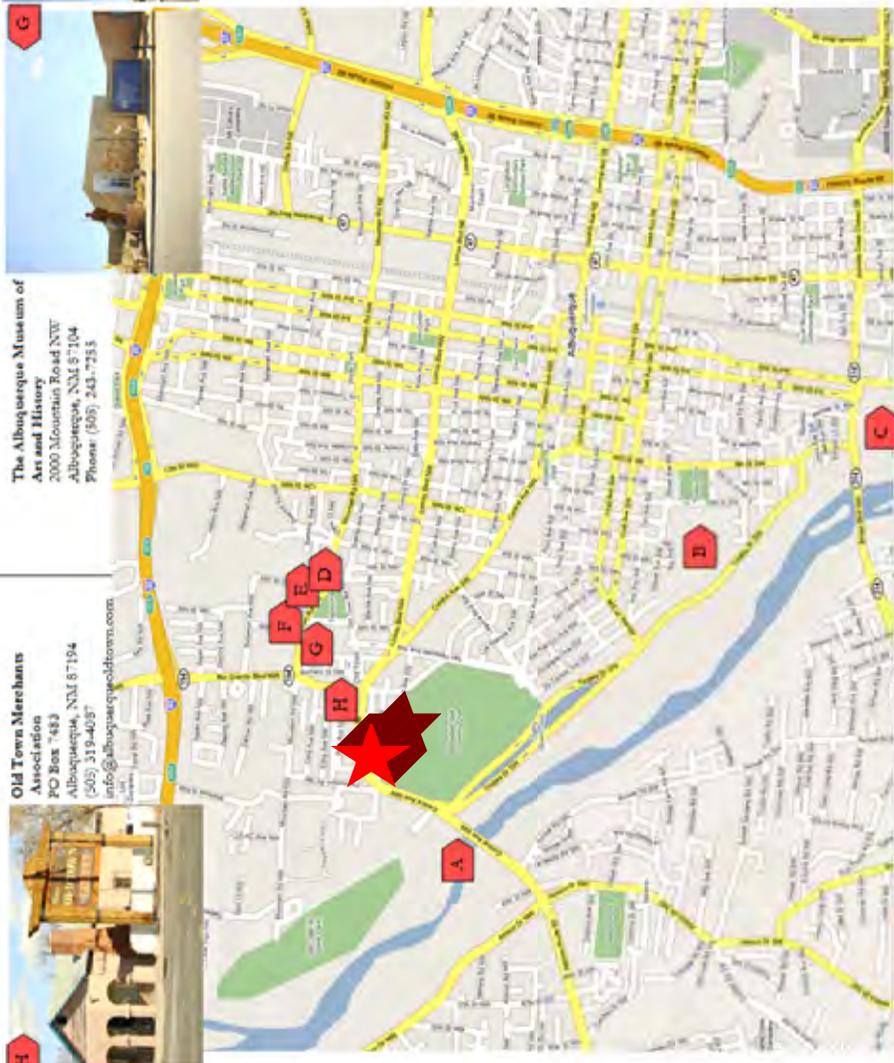
The Albuquerque Museum of
Art and History
2000 Mountain Road NW
Albuquerque, NM 87104
Phone: (505) 243-7255

In 2007, the Albuquerque Museum has 125,000
visitors and the Explora Children's Museum had
190,000.

Old Town Merchants
Association
PO Box 7483
Albuquerque, NM 87194
(505) 319-4087
info@albuquerqueoldtown.com

Albuquerque Biological Park
(Aquarium & Bio Park)
903 Tenth Street SW
Albuquerque, NM 87102
(505) 768-2000

Albuquerque Biological Park (Zoo)
903 Tenth Street SW
Albuquerque, NM 87102
(505) 768-2000

National Hispanic Cultural Center
1701 4th Street SW
Albuquerque, NM 87102
(505) 246-2261
www.nhccnm.org

The subject property is located in the epicenter of cultural activity for Albuquerque.

DOWNTOWN ALBUQUERQUE NEW MEXICO
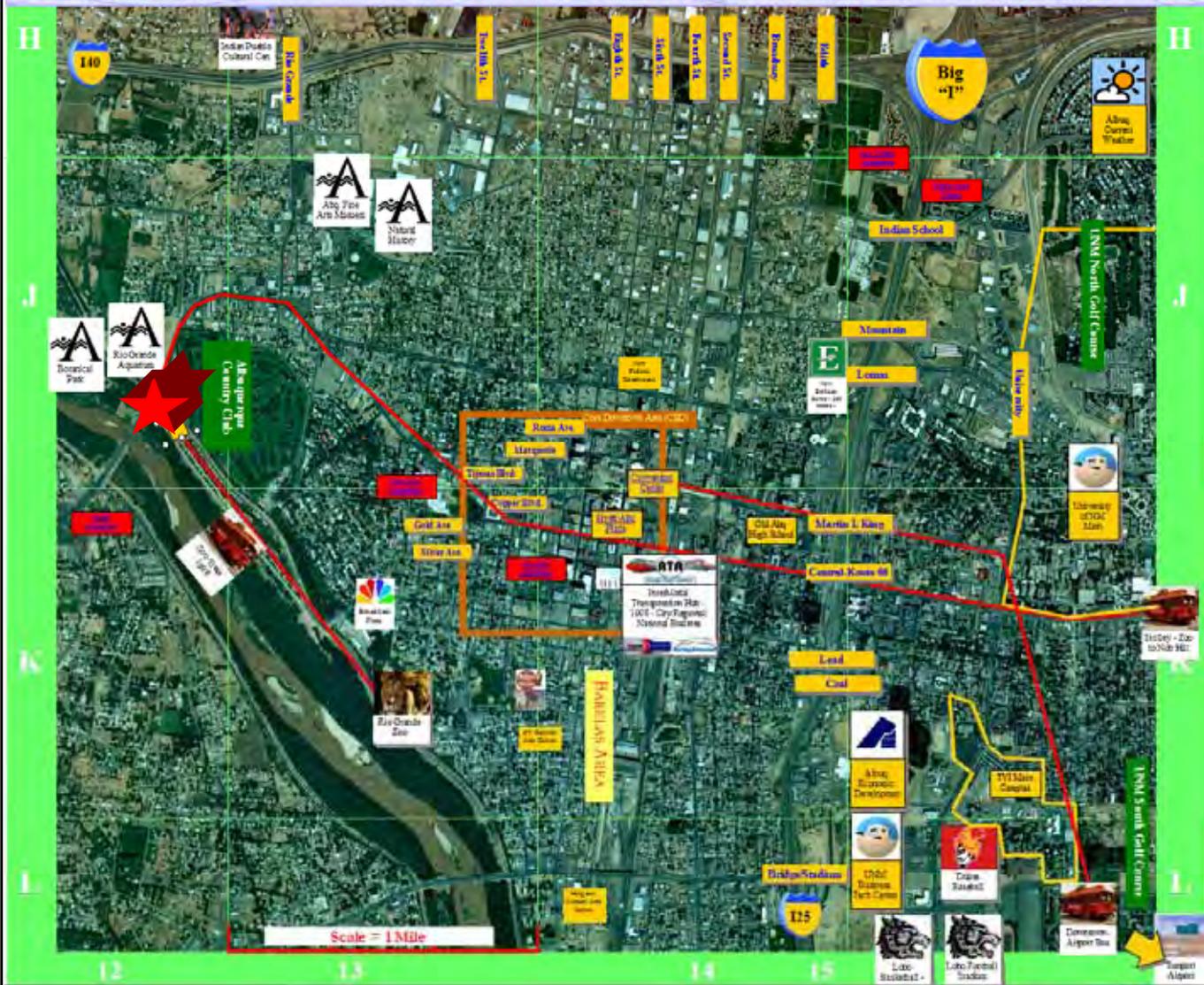
Located just west of the downtown amenities and the old town cultural amenities, the subject property is located next to an amazing number of cultural, natural and retail amenities.

Downtown Albuquerque— Projects/Neighborhoods 2001

Since 2000, Downtown Albuquerque has witnessed over $500M of redevelopment and new development activities.

Boundary Map

Zoning Map

Parcel Map
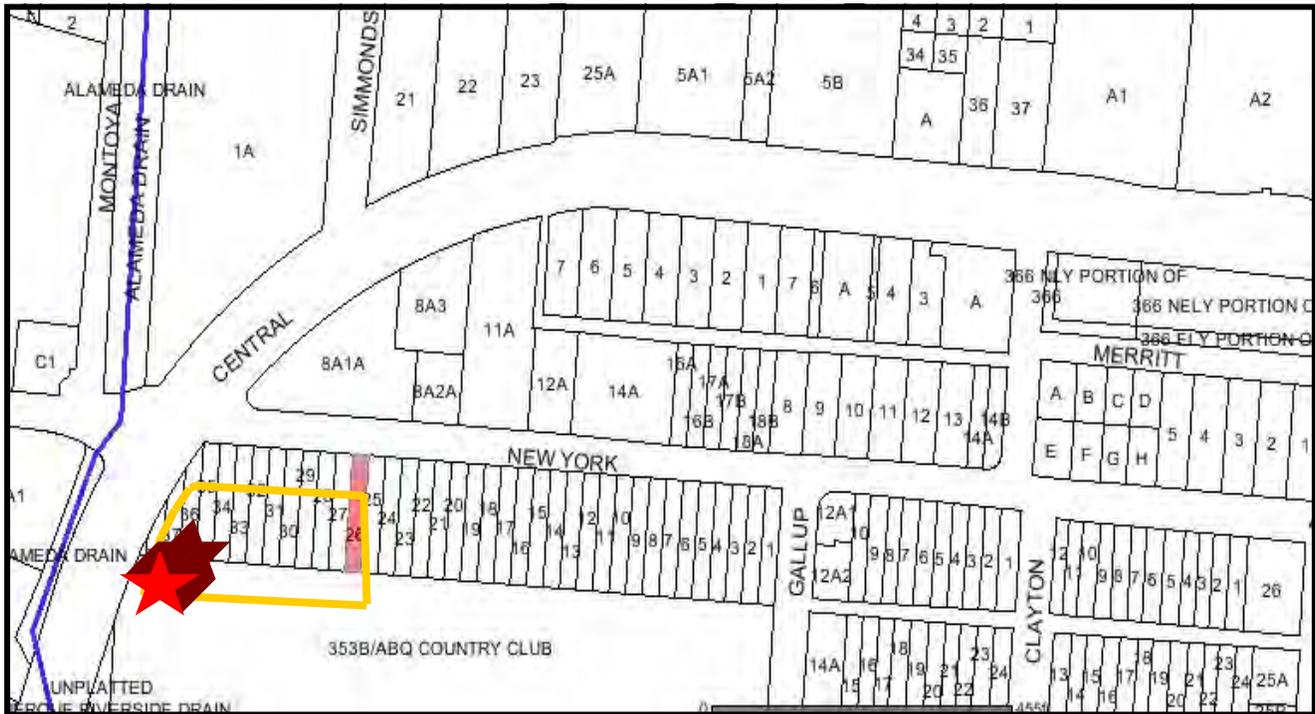
The subject property sits at a signalized intersection and on several major bus lines (the colored lines along Central represent bus service)

Traffic and Engineering
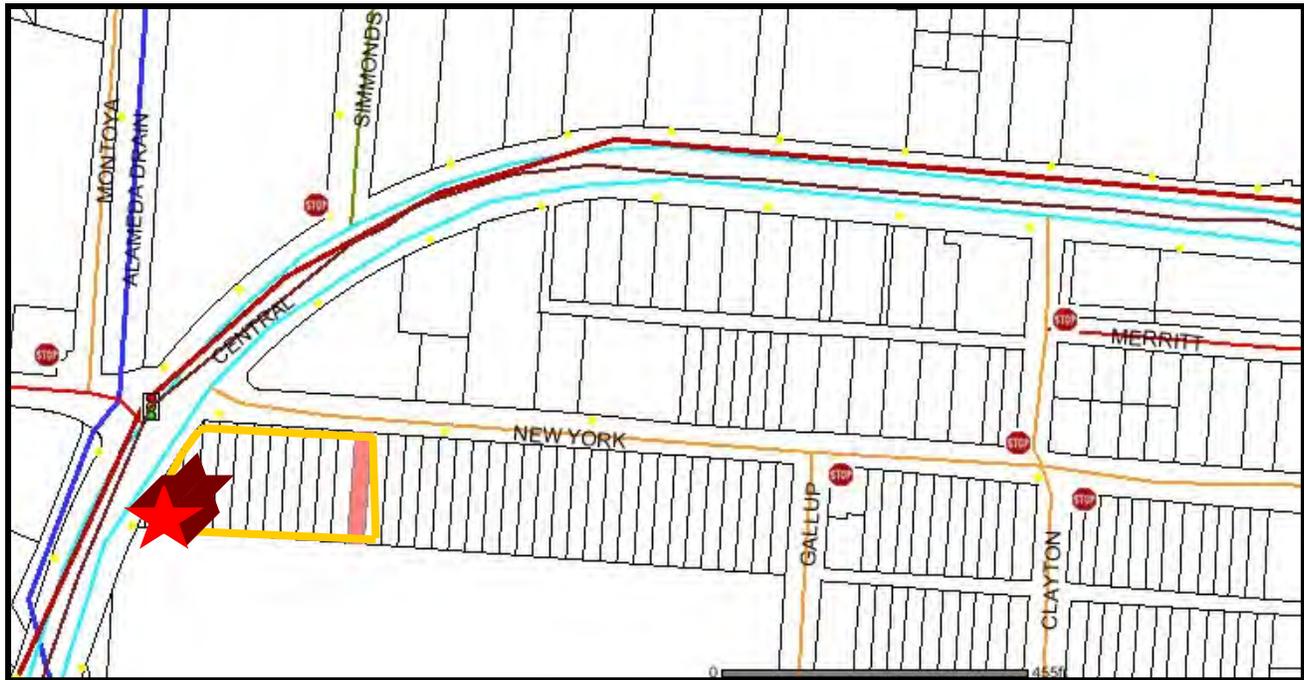
Census Tract 35001002200
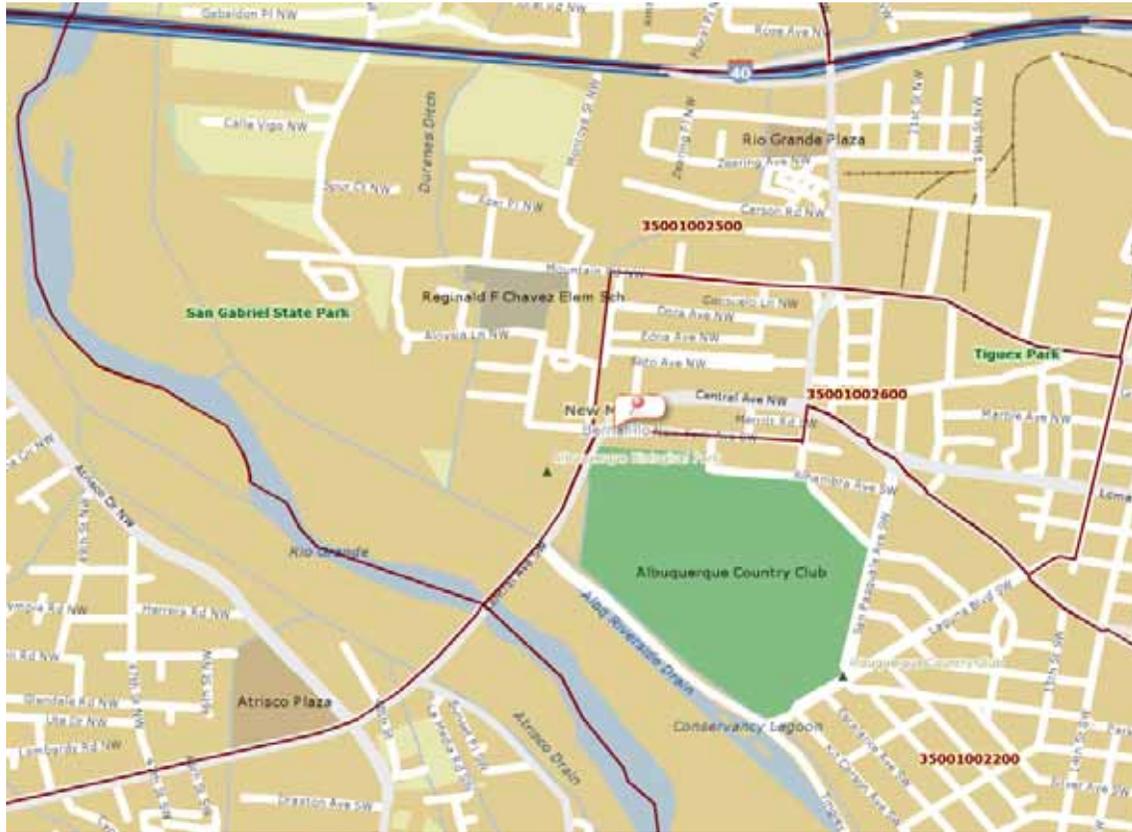
The property is located in Census Tract 22 along the border of Census Tracts 35001002200 (which is not a pocket of poverty) and Census Tract 35001002600 which is a pocket of poverty. It's location in this census tracts allows for the use of New Market Tax Credits.

"The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period."

— Community Development Financial Institutes Fund
   — http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5

ROUTE 66
HISTORIC
EL VADO
MOTEL

See Inset for Downtown

120700   139300   132600   144500

34100

43200

Inset for Downtown

31,900 per weekday

27,100 per weekday

30,400 per weekday
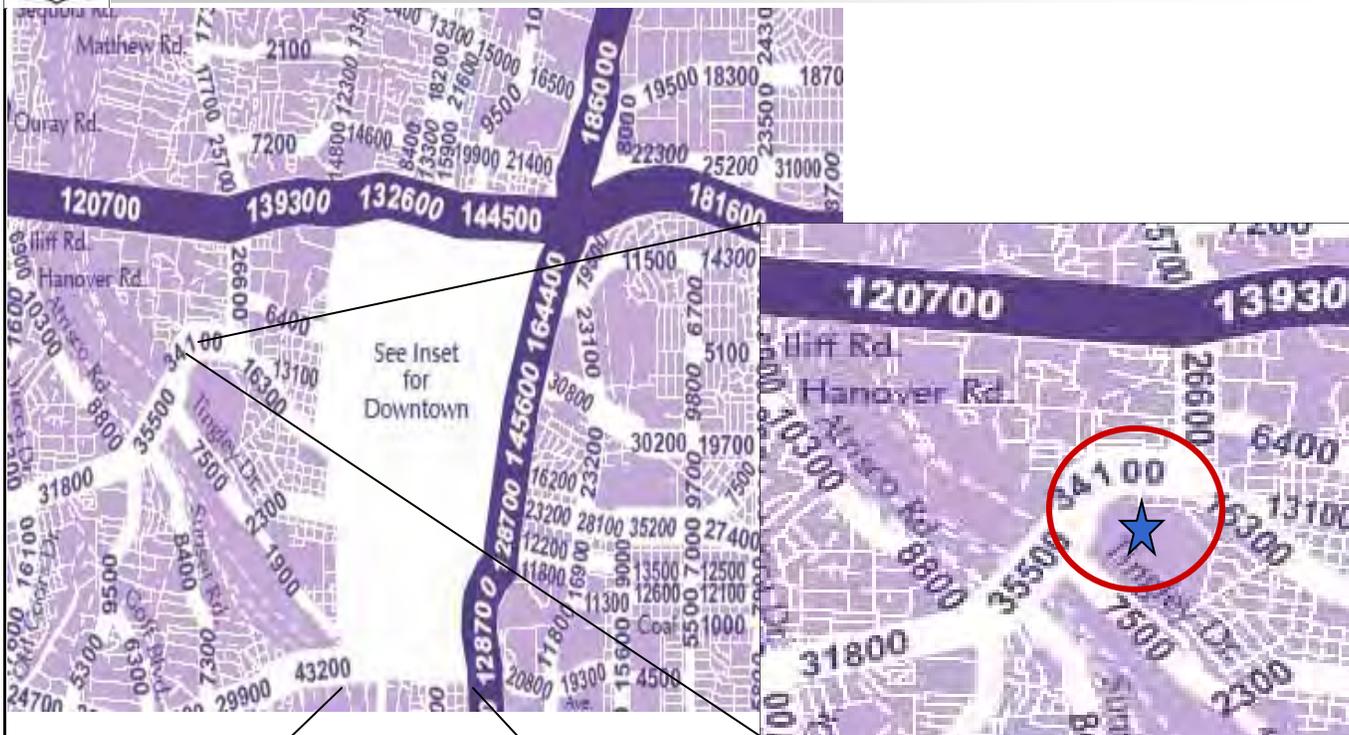
Located just west of Downtown and old town, the subject property experiences 34,100 cars per day— in 2006 the next busiest intersection Downtown sees 32,400 cars per average weekday.

The busiest intersection in the state, located at San Mateo & Montgomery sees 89,700 cars on an average weekday.

Average Weekday Traffic Flows

0 - 900	
1000 - 4900	
5000 - 14900	
15000 - 24900	
25000 - 34900	
35000 - 44900	
45000 - 54900	
55000 - 194900	

Odelia Rd./ Indian Sch. Rd.
Mountain Rd.
Lomas Blvd.
Marquette Ave.
Martin Luther King Jr. Ave.
Copper Ave.
Central Ave.
Gold Ave.
Lead Ave.
Coal Ave.
Bridge Blvd.

ALBUQUERQUE

CANTERA

14-16-2-17 C-2 COMMUNITY COMMERCIAL ZONE.
   This zone provides suitable sites for offices, for most service and commercial activities, and for certain specified institutional uses.

   (A)   Permissive Uses. Permissive uses, provided there is no outdoor storage except parking and as specifically allowed below:

   (1)   Antenna, up to 65 feet in height.

   (2)   Clinic.

   (3)   Copying, blueprinting.

   (4)   Institution:

      (a)   Club.

      (b)   Day Care Center.

      (c)   Library.

      (d)   Museum.

      (e)   School, including caretaker's mobile home.

   (5)   Office.

   (6)   Park-and-ride temporary facilities.

   (7)   Public utility structure, provided its location is in accord with an adopted facility plan and a site development plan for building permit purposes has been approved by the Planning Commission.

   (8)   Residential uses permissive in the R-3 Zone with the following exceptions:

      (a)   Houses are not allowed.

      (b)   No less than 20% and no more than 60% of the gross floor area of the structures on the site shall be developed with residential uses.

      (c)   Residential uses shall be part of a vertical mix of uses (e.g. residential over commercial or residential over office).

      (d)   Where residential uses are proposed, the following regulations shall apply:

      1.   Area: Minimum of 5 acres.

      2.   Height: Pursuant to the R-3 Zone.

      3.   Density: The total square footage of all buildings shall achieve a minimum floor area ratio of 0.3.

      4.   Usable open space: Pursuant to the R-3 Zone. At least 50% of the required open space shall be provided in the form of shared or aggregate open space.

5.   Shared parking: As provided in § 14-16-3-1(E)(6)(b) except that parking for residential uses is eligible for a shared parking exception.

6.   Approval process: Site development plan approval by the Environmental Planning Commission.

(9)   Sign, off-premise, as provided in § 14-16-3-5 of this Zoning Code, and further provided:

(a)   Location.

1.   Only wall signs and free-standing signs are permitted in the Established or Redeveloping Areas.

2.   Only wall signs are permitted in the Developing or Semi-Urban Areas except that free-standing signs designated to be read from the Interstate Highway and with at least one edge within 150 feet of a moving through lane of an Interstate Highway, excluding interchange ramps, are also permitted.

3.   Separation.

a.   No sign shall be nearer than 300 feet to any other off-premise sign.

b.   No sign within 660 feet of the nearest edge of the public right-of-way of an Interstate Highway shall be nearer than 1,000 feet to any other off-premise sign.

c.   But divisions a. and b. above shall not apply as to the distance between two signs separated by a building or other obstruction where the face of only one sign is visible from any point on the public right-of-way.

d.   But divisions a. and b. above shall not apply to signs which are at some point within five feet of each other and only one of the sign faces is designed to be read from any given lane of traffic.

4.   No free-standing sign erected after January 1, 1976, shall be nearer than 100 feet to any preexisting on-premise sign.

5.   Setback

a.   No sign shall be nearer than seven feet to any public street right-of-way, except a public right-of-way containing an Interstate Highway without a frontage road between the sign and the Interstate Highway.

b.   No sign shall overhang a public right-of-way containing an Interstate Highway without a frontage road between the sign and the Interstate Highway.

6.   No free-standing sign shall be nearer than 150 feet to any conforming residential property.

(b)   Size.

1.   Free-standing sign area of any one sign shall not exceed 300 square feet plus an additional add-on sign area of 18 square feet, except that within 150 feet of a moving through lane of an Interstate Highway, excluding interchange ramps, the area of any one sign designed to be read from the Interstate Highway may be up to but shall not exceed 672 square feet plus an additional add-on sign area of 34 square feet. Free-standing sign length shall not exceed 60 feet.

2.   Wall sign area shall be controlled by the provisions of division (9)(c)2. of this division (A).

(c)   Height.

1.   Sign height shall not exceed 26 feet, except:

a.   As provided in division 2. below; and

b.   the height of an add-on sign may be up to but shall not exceed 31 feet.

2.   Within 150 feet of a moving through lane of an Interstate Highway, excluding interchange ramps, the height of the highest point of the sign shall not exceed 29 feet, measured either from grade or from the elevation of the Interstate Highway at its closest point, except the height of an add-on sign may be up to but shall not exceed 34 feet, measured in the same way.

(d)   Illumination, Motion: No regulations, apart from the general sign regulations.

(10)   Sign, on-premise, as provided in § 14-16-3-5 of this Zoning Code, and further provided:

(a)   Location.

1.   Building-mounted signs extending above the height of the building shall be permitted only if they are:

a.   A continuation of the plane of a projecting sign or of the nearest facade; or

b.   Counted and controlled by all number, size, and height regulations for free-standing signs, including division (c)2.b. below.

2.   A sign shall not overhang into the public right-of-way more than five feet.

3.   Projecting signs shall not project horizontally more than five feet, except marquee signs are permitted to project ten feet.

(b)   Number.

1.   In the Established or Redeveloped Areas. One free-standing or projecting sign shall be permitted for each street frontage of each premises or joint sign premises which has at least 100 feet of street frontage, or one per 300 feet of total street frontage (e.g., up to two signs allowed if 630 feet of frontage), whichever is more permissive.

2.   In the Developing, Semi- Urban, or Rural and Open Areas.

a.   No free-standing signs on sites of under five acres.

b.   One free-standing sign per street frontage shall be permitted on premises of five acres or more, provided the street frontage is at least 100 feet wide.

c.   One free-standing sign shall be permitted on a premises with 250 feet or more of street frontage but an area under five acres, provided the maximum sign area for each of one or two faces shall not exceed 35 square feet per face.

3.   One canopy sign per entrance or exit shall be permitted.

4.   No limit on number of wall signs.

(c)   Size.

1.   Size of Free-Standing and Projecting Signs. Sign area for a free-standing or projecting sign shall not exceed the following area:

a.   Seventy-five square feet if the most important street abutting the lot is a local street.

b.   One hundred square feet if the most important street abutting the lot is a collector street.

c.   Two hundred and fifty square feet if the most important street abutting the lot is an arterial street or freeway (if division d. below does not apply).

d.   Three hundred square feet if the sign is within 200 feet of a moving lane of a freeway and is visible from the freeway; in addition to the regular limits on numbers of signs, there shall be no more than one sign this large per business.

2.   Size, Building-Mounted Signs, Except Projecting Signs.

a.   A building-mounted sign on premises or joint sign premises where there is no free-standing on- or off-premise sign shall not exceed the following:

i.   Twenty percent of the area of the facade to which it is applied, if the sign area is not wholly visible from an abutting collector street, arterial street, or freeway;

ii.   Twenty-five percent of the area to which it is applied, if the sign area is wholly visible from an abutting collector street; or

iii.   Thirty percent of the area of the facade to which it is applied, if the sign area is wholly visible from an abutting arterial street or freeway.

b.   A building-mounted sign on premises or joint sign premises where there is a free-standing or projecting on- or off-premise sign shall not exceed one-half the percentage of facade area listed in division a. above.

c.   An off-premise wall sign may be substituted for the area which otherwise would be permitted for an on-premise sign; such sign shall be regulated by height regulations for off-premise signs.

(d)   Height.

1.   Height of a free-standing sign shall not exceed 26 feet, except a sign which is within 200 feet of a moving through lane of an Interstate Highway, excluding interchange ramps, may be up to but shall not exceed 26 feet above the freeway at its closest point.

2.   Height of a building-mounted sign shall not exceed five feet above the height of the building, or it shall not exceed 30 feet, whichever is lower.

3.   However, height of either a non-illuminated wall sign or an illuminated wall sign for a hotel or motel may be over 30 feet.

(e)   Illumination, Motion, Lettering. No regulations, apart from general sign regulations.

(f)   Exceptions.

1.   Permitted building-mounted sign area from the front and sides of the principal building of the business may be transferred from the building to a customer service area of the same business on the same premises, provided the height of such signs shall not exceed 15 feet and setback shall be at least ten feet; such signing shall not be considered free-standing.

2.   Any exceptions allowed for shopping centers, in order to provide adequate signing in special situations, shall be as provided in § 14-16-3-2 of this Zoning Code. Such a sign exception must be specifically defined in the Planning Commission resolution. Shopping centers approved prior to the effective date of this Zoning Code shall comply with sign regulations in this article unless an exception is specifically defined in a Planning Commission resolution.

(11)   Radio or television studio or station.

(12)   Recycling bin as an accessory use on the site, as provided in § 14-16-3-15 of this Zoning Code.

(13)   Retailing of any consumer product and provision of any customer, personal, or business service, except adult amusement establishments and adult stores, hospitals for human beings and transit facilities, provided it is not listed as a conditional use in this zone, or as a permissive or conditional use listed for the first time in the C-3 zone, and with the following limitation:

(a)   Alcoholic drink sales for consumption off premises; except the sale of alcoholic drink within 500 feet of a community residential program or hospital for treatment of substance abusers is prohibited pursuant to § 14-16-3-12(A)(11) ROA 1994:

1.   are limited to building area which is not within 500 feet of a residential zone; and

2.   shall not include the sale of broken packages or the following packages within 500 feet of a pre-elementary, elementary or secondary school, a religious institution, a residential zone, a designated Metropolitan Redevelopment Area (as defined in the State Metropolitan Redevelopment Code), a city owned park or city owned major public open space:

A.   distilled spirits, as defined in the New Mexico Liquor Control Act, in any package that contains less than 750 milliliters;

B.   beer, as defined in the New Mexico Liquor Control Act, in any single container labeled as containing 16 or fewer ounces; and

C.   fortified wines with a volume of alcohol of more than 13.5 percent.

(b)   Vehicle sales, rental, service, repair, and storage, both indoor and outdoor, provided:

1.   Outdoor activity areas (display and storage of stock in trade) meet all the specifications for a parking lot, as regulated in the O-1 zone.

2.   Outdoor storage of inoperative vehicles is limited to two vehicles at any time, and a given inoperative vehicle shall not be parked outdoors over two weeks in any 12-month period.

3.   Painting and major automotive repair is conducted within a completely enclosed building at least 20 feet from any residential zone.

4.   A truck terminal is not permitted.

5.   Outdoor vehicle storage as a principal business, where vehicles are typically not moved for one week or more, is not a permissive use.

(c)   Banking, loaning money, including pawn. Drive-in facilities included on the condition the vehicle movement plan is approved by the Traffic Engineer.

(d)   Building materials, provided they are in a completely enclosed building or within an area enclosed on all sides by a wall or fence at least six feet high which must be solid when it faces or is contiguous to land not zoned C-2, C-3, M-1 or M-2.

(e)   Circus or Carnival operation outdoor or in a tent provided:

1.   The use is located at least 300 feet from a dwelling in a residential zone;

2.   The use is permitted at one location for a period not to exceed seven days in any calendar year;

3.   Hours of operation, including erection and dismantling of equipment are:

a.   If the use is located between 300 feet and 500 feet from a dwelling, between 7:30 a.m. and 10:30 p.m.;

b.   If the use is located 500 feet or more from a dwelling, between 6:00 a.m. and 11:30 p.m.;

4.   There is sufficient off-street parking available on the premises to meet parking requirements for all the uses on the premises. The Zoning Enforcement Officer shall approve a site plan which shall demonstrate adequate parking and vehicle circulations;

5.   There are toilet facilities on the premises; and

6.   The City Fire Marshall or his authorized representative gives prior approval of any tent as meeting the requirements of Chapter 14, Article 2, Fire Code.

(f)   Drive-in restaurant, provided a solid wall or fence at least six feet high shall be erected on sides which abut land, other than public right-of-way land, in a residential zone. However, if the wall or fence plus retaining wall would have an effective height of over eight feet on the residential side, the Zoning Hearing Examiner shall decide the required height; such decision shall be made by the same process and criteria required for a conditional use.

(g)   Dry cleaning, laundry, clothes pressing, provided:

1.   Only cleaning fluid which is not flammable at temperatures below 138.5° Fahrenheit may be used;

2.   The number of persons engaged in operating a laundry or dry cleaning establishment is limited to five, excluding pressers, office, clerical, or delivery personnel;

3.   That portion of the structure in which any cleaning process is done is at least 50 feet from any residential zone.

(h)   Flowers and plants, including out-door sales.

(i)   Gasoline, oil, and liquified petroleum gas retailing, including outdoor sales, but not truck plazas.

(j)   Golf driving range, miniature golf course, baseball batting range, located in a building or outdoors, provided fencing or other suitable device is employed to insure that balls are not hit out of premises.

(k)   Hospital for animals, provided it has no outside pens. One outside exercise run is permitted, provided it is enclosed with a solid wall or fence at least six feet high, and no more than one animal is permitted in the run at any one time.

(l)   One mobile home for a watchman or caretaker on the same lot with commercial uses, permissive or conditional in this zone, which do not have or normally require a permanent structure, including but not limited to used car sales lot; mobile home or recreational vehicles sales or rental lot; and circus, carnival, or similar enterprise. However, the mobile home shall not be within 100 feet of a lot in a residential zone or a dwelling unit in any zone.

(m)   Parking lot, as regulated in the O-1 zone.

(n)   Pets, as regulated in the C-1 zone.

(o)   Restaurant with outdoor seating.

(p)   Sample dwelling unit used to sell such units, including incidental sales office activity.

(q)   Secondhand store, including outside storage in the side or rear yard and if enclosed by a solid wall or fence at least six feet high.

(r)   Stand or vehicle selling fruit, vegetables, or nursery stock, provided it is limited to a period of 90 days in any calendar year. However, one renewal for an additional 90 days may be permitted by the Planning Director.

(s)   Not permissive as retailing or services are uses listed as conditional use in this section and uses that are in substantial part industrial or manufacturing activities, e.g., automobile dismantling, sheet metal working, or tire recapping and retreading.

(14)   Storage structure or yard for equipment, material or activity incidental to a specific construction project, provided it is of a temporary nature and is moved after the specific construction project is completed or work on the project has been dormant for a period of six or more months, and further provided that it is limited to a period of one year unless the time is extended by the Planning Director.

(15)   Wholesaling of jewelry.

(16)   Uses or activities in a tent, if the uses or activities are listed elsewhere in this subsection, provided:

(a)   The tent may not be erected for more than seven days at a time and may not be erected more than two times a year on a given premises;

(b)   There is sufficient paved off-street parking available on the premises to meet parking requirements for all uses on the premises, including the activity in the tent. The Zoning Enforcement Officer shall approve the site plan for the tent, which shall demonstrate adequate parking and vehicle circulation, prior to erection of the tent; and

(c)   There are toilet facilities on the premises available to the users of the tent; and

(d)   The City Fire Marshall or his authorized representative gives prior approval of the tent as meeting the requirements of Chapter 14, Article 2, Fire Code.

(17)   Wireless Telecommunications Facility, provided that the requirements of § 14-16-3-17 of this Zoning Code are met, and as specifically allowed below:

(a)   A concealed wireless telecommunications facility, up to 65 feet in height.

(b)   A collocated free-standing wireless telecommunications facility, up to 75 feet in height.

(c)   A face-mounted wireless telecommunications facility.

(d)   A roof-mounted free-standing wireless telecommunications facility, up to 20 feet above the parapet of the building on which it is placed.

(e)   A wireless telecommunications facility, the antennas of which are all mounted on an existing vertical structure.

(B)   Conditional Uses.

(1)   Antenna, over 65 feet in height.

(2)   Cold storage plant.

(3)   Church or other place of worship, including incidental recreational and educational facilities. Incidental uses allowed include but are not limited to an emergency shelter operated by the church on the church's principal premises which is used regularly for public worship, notwithstanding special limitations elsewhere in this Zoning Code.

(4)   Community residential program, provided that the standards of § 14-16-3-12 of this Zoning Code are met.

(5)   Drive-in theater.

(6)   Emergency shelter, provided the standards of § 14-16-3-13 of this Zoning Code are met.

(7)   Fire wood sales and related storage, provided the wood is not visible from land not zoned C-2. C-3. M-1, or M-2.

(8)   Kennel.

(9)   Mobile home development, provided the development contains at least three acres. Approval of a site development plan and landscaping plan is required prior to development.

(10)   One mobile home for a watchman or caretaker on the same premises with a commercial use other than one of those uses enumerated in division (A)(12)(l) of this section. However, the mobile home shall not be within 100 feet of a lot in a residential zone or a dwelling unit in any zone.

(11)   Outdoor storage or activity, except as specifically listed as a permissive or conditional use in this section, and as further provided below:

(a)   No outdoor storage or activity specified as a principal special use in § 14-16-2-22(B) of the Zoning Code, the SU-1 zone, may be a conditional use considered under this division (B).

(b)   Combinations of uses, some or all of which are outdoor uses, which interact to create a more intense use, operating as one coordinated enterprise or attraction are not normally appropriate for approval as conditional uses under this division (B), being more properly controlled as SU-1 zone special uses.

(c)   Outdoor uses which would impact their environs with appearance, light, noise, odor, or similar environmental problems likely to be unpleasant to neighboring premises and uses shall not be approved.

(d)   Outdoor conditional uses often justify special requirements to keep the appearance or other aspects of the outdoor storage or activity from negatively impacting adjacent land.

(e)   Outdoor vehicle storage as a principal business, where vehicles are typically not moved for one week or more, is not appropriate if it will be significantly visible from adjacent streets or nearby residential, office, or commercial uses: if approved. this type of storage requires special buffering.

(12)   Parking of more than two truck tractors and two semitrailers for over two hours.

(13)   Park-and-ride joint-use facilities, if it is determined that under the conditions imposed there will not be a shortage of on-site parking for the activities on the site; in such situations, no parking variance is required.

(14)   Pony riding without stables, provided it is located at least 300 feet from a dwelling which is a conforming use.

(15)   Retail sale of alcoholic drink for consumption off premises, where the portion of the building used for such business is within 500 feet of a residential zone, provided such sales shall not include the sale of broken packages or the following packages within 500 feet of a pre-elementary, elementary or secondary school, a religious institution, a residential zone, a city owned park or city owned major public open space except the retailing of alcoholic drink, for on or off premise consumption, within 500 feet of a community residential program or hospital for treatment of substance abusers, is prohibited pursuant to § 14-16-3-12(A)(11) ROA 1994 and further provided that such sales shall not include:

(a)   distilled spirits, as defined in the New Mexico Liquor Control Act, in any package that contains less than 750 milliliters;

(b)   beer, as defined in the New Mexico Liquor Control Act, in any single container; and

(c)   fortified wines with a volume of alcohol of more than 13.5 percent.

(16)   Public utility structure which is not permissive.

(17)   Retail business in which products may be manufactured, compounded, processed, assembled, or treated, as an accessory use, including carpentry, plumbing, sheet-metal working, upholstering, sign painting, making of metal stamps, catering, baking, confectionery making, or jewelry or curio making, provided:

(a)   All activities are conducted within a completely enclosed building.

(b)   The number of persons engaged in the manufacturing, processing, assembling, or treating of products is limited to ten, excluding office, clerical or delivery personnel.

(c)   Activities or products are not objectionable due to odor, dust, smoke, noise, vibration, or other cause.

(18)   Tire recapping or retreading, provided:

(a)   The activity is incidental to the major use and is conducted within a completely enclosed building.

(b)   Outdoor storage of tires is enclosed by a solid wall or fence at least six feet high.

(c)   Tires stored outdoors may not be stacked above the plane established by the top of the required surrounding wall.

(19)   Transfer or storage of household goods, provided:

(a)   Parking and maneuvering of trucks is permitted only off the street in an off-street parking area as regulated by this article.

(b)   Servicing of trucks is permitted only within a building or an area completely enclosed by a solid wall or fence at least eight feet high.

(20)   Uses or activities in a tent, if the uses or activities are listed elsewhere in this section, provided there is sufficient paved off-street parking available on the premises to meet parking requirements for all uses on the premises, including the activity in the tent, and provided that the Fire Marshal [i.e., the Chief of the Fire Prevention Bureau] or his designated representative gives prior approval of the tent as meeting the requirements of Chapter 14, Article 2, Fire Code.

(21)   Wireless Telecommunications Facility, Roof-Mounted, up to 20 feet above the parapet of the building on which it is placed, provided that the requirements of § 14-16-3-17 of this Zoning Code are met.

(C)   Height. Height shall be as provided in the O-1 zone, except sign and antenna height shall be as provided in division (A) of this section.

(D)   Lot Size. No requirements.

(E)   Setback. Setback shall be as provided in the O-1 zone.

(F)   Off-Street Parking. Off-street parking shall be as provided in § 14-16-3-1 of this Zoning Code.

(G)   Shopping Center Regulations. Any site in this zone classified as a Shopping Center site, as defined in § 14-16-1-5 of this Zoning Code, is subject to special site development regulations. The Shopping Center Regulations are provided in § 14-16-3-2 of this Zoning Code.

(H)   An air quality impact review and assessment may be required. See § 14-16-3-14 of this Zoning Code.

('74 Code, § 7-14-22) (Ord. 80-1975; Am. Ord. 40-1976; Am. Ord. 57-1976; Am. Ord. 13-1977; Am. Ord. 26-1977; Am. Ord. 74-1977; Am. Ord.38-1978; Am. Ord. 55-1978; Am. Ord. 74-1980; Am. Ord. 42-1981; Am. Ord. 40-1983; Am. Ord. 54-1983; Am. Ord. 74-1985; Am. Ord. 11-1986; Am. Ord. 80-1986; Am. Ord. 41-1987; Am. Ord. 62-1988; Am. Ord. 3-1990; Am. Ord. 12-1990; Am. Ord. 30-1990; Am. Ord. 47-1990; Am. Ord. 63-1990; Am. Ord. 69-1990; Am. Ord. 43-1991; Am. Ord. 39-1992; Am. Ord. 50-1992; Am. Ord. 13-1993; Am. Ord. 2-1994; Am. Ord. 58-1995; Am. Ord. 9-1999; Am. Ord. 11-2002; Am. Ord. 10-2004; Am. Ord. 42-2004; Am. Ord. 4-2005; Am. Ord. 16-2005; Am. Ord. 43-2005; Am. Ord. 7-2006; Am. Ord. 23-2007; Am. Ord. 5-2008)

Financial feasibility for potential uses

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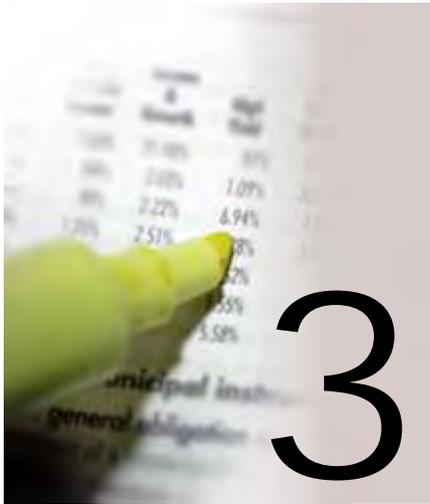
Investors who invest in commercial real estate are often seeking three primary goals:
1. to obtain cash flow from operations
2. to create profit from appreciation
3. to own an investment that offers tax shelter

Purchasing and renovating the subject property could offer an investor an opportunity to achieve all three of these goals.

Compared to a stabilized commercial real estate investment, this property has increased risks for the potential buyer/investor/developer including:

- **Uncertain timing**— The disposition of a property owned by a public entity often requires approvals from highest levels, often after obtaining approval from area stakeholders, followed by an RFQ/RFP process before negotiations can commence and the investor can seek approval from the governing authorities. The inability for an investor to control when the property is transferred increases the risk that the investor could "miss the market" and bring the property to market at an inopportune time.
- **Renovation expenses**— The City has performed some renovations to maintain the property in a condition that will allow the physical improvements to be restored for future uses. Additional renovation expenses will be incurred by an investor in bringing the property to the condition that building codes and the market expect. The variety of potential uses for the property dictate that there will also be a wide range of renovation expenses.

Additionally as of this writing of this report, the real estate market, and the economy in general are undergoing dramatic changes that could cause a significant impact on the property's future redevelopment. Those changes include:

- **Financing conditions**— the sudden contraction leverage associated with the failure of a handful of investment firms, banks and insurance companies has caused the most of capital markets to be unwilling to extend future debts for cash flowing commercial real estate. Recent quotes on transcations witnessed by this consultant include loan to values below 50%, some 25% below the typical 75% loan to value, with harsher credit underwriting and property review processes. For all intents and purposes, commercial financing is unavailable even to the most credit worthy of buyers. All this is anticpated to be a short term fluctuation, the long term impact could be an overhaul of underwriting standards and a new series of benchmarks that could be established for future loans.
- **Market conditions**— as the capital markets decrease the availability to leverage investments, the prominent investor in the commercial real arena is the investor who has 100% cash to purchase a property. Historically this investor is looking for a return that is often double what the leveraged investor is seeking. Unfortunately, the few transactions that occur during a time of market fluctuation (like now), become the comparable sales used by appraisers for future appraisals and underwriting by the lender. For a short period of time, those that choose to sell, will be selling "below market" as many sellers hold on to their property until the market returns to stability.

Based on the information above, this consultant has decided to provide a simple financial analysis free of financing, renovation expenses, or tax implications and the analysis assumes the renovated property will be valued at point in the future that more resembles the 2000-2006 marketplace.
As the City gets closer towards selecting a developer to redevelop the property, future market studies may need to reincorporate these intentionally omitted pieces of information and analysis.

	Existing type of motel
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	
Rent per night	$ 70.00
Rent per month unit	
Annual Rent	$ 843,150
Vacancy	30%
Potential Rental Income	$ 590,205
Expenses	65%
NOI	$ 206,572
Market CAP Rate	9.0%
Value upon completion	$ 2,295,242
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 1,615,242
Value $ per Bldg. SF	$ 177
Value $ per Land SF	$ 44
Value $ per Unit	$ 69,553

An ideal model for a renovating this hotel is the El Rey Inn in Santa Fe– developed by the same builder about the same time –this property has flourished and is averaging rents almost double of what El Vado was when it closed.

	Boutique Cultural motel
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	
Rent per night	$ 119.00
Rent per month unit	
Annual Rent	$ 1,433,355
Vacancy	30%
Potential Rental Income	$ 1,003,349
Expenses	65%
NOI	$ 351,172
Market CAP Rate	8.0%
Value upon completion	$ 4,389,650
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 3,709,650
Value $ per Bldg. SF	$ 338
Value $ per Land SF	$ 84
Value $ per Unit	$ 133,020

The small floorplans of the existing units and lack of kitchens makes most types of residential housing difficult, with the exception of senior housing. Former motels along Central have been converted into senior or housing for disabled persons with good success.

	Senior Housing
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	
Rent per night	
Rent per month unit	$ 500
Annual Rent	$ 198,000
Vacancy	5%
Potential Rental Income	$ 188,100
Expenses	40%
NOI	$ 112,860
Market CAP Rate	7.0%
Value upon completion	$ 1,612,286
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 932,286
Value $ per Bldg. SF	$ 124
Value $ per Land SF	$ 31
Value $ per Unit	$ 48,857

An ideal model for this would be to turn the existing property into small retail spaces like the retail spaces that face the wishing well in Old Town or Sean Gilligan's micro retail on the NEC of 12th/Mountain.

	Micro Retail
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	$ 1.63
Rent per night	
Rent per month unit	
Annual Rent	$ 253,500
Vacancy	10%
Potential Rental Income	$ 228,150
Expenses	5%
NOI	$ 216,743
Market CAP Rate	8.0%
Value upon completion	$ 2,709,281
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 2,029,281
Value $ per Bldg. SF	$ 208
Value $ per Land SF	$ 52
Value $ per Unit	$ 82,099
	Similar properties in Old Town, 12th/Mountain Area

Office

Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	$ 1.67
Rent per night	
Rent per month unit	
Annual Rent	$ 260,000
Vacancy	10%
Potential Rental Income	$ 234,000
Expenses	45%
NOI	$ 128,700
Market CAP Rate	8.0%
Value upon completion	$ 1,608,750
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 928,750
Value $ per Bldg. SF	$ 124
Value $ per Land SF	$ 31
Value $ per Unit	$ 48,750

Use analysis—Hotel

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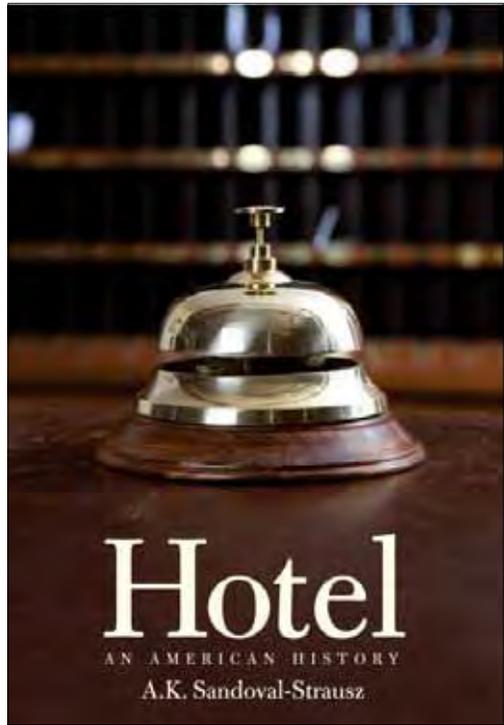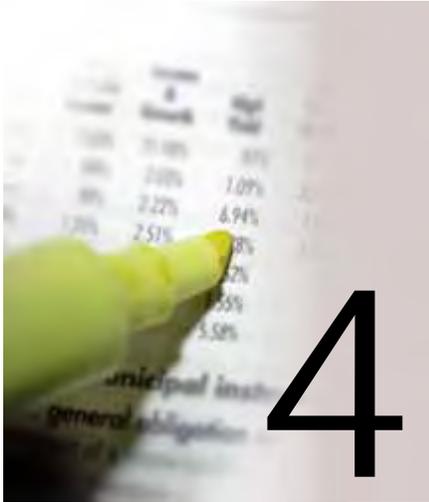
I do agree with historical observers that the hotel as it was invented and developed in the United States was a unique institution.

Complex cultural artifacts like hotels are more than just building types that exist in the physical world—they are also expressions of human relationships, exemplars of ideologies, and scenes of social conflict.

I argue that the hotel was they physical manifestation of a distinctly American vision of mobility, civic society, democracy, and, ultimately, space—a vision which of the subsequent propagation of hotels in virtually every nation and culture on earth is any indication, has show itself to be quite compelling.

— A.K. Sandoval-Strausz from ***Hotel an American History***

Hotel

AN AMERICAN HISTORY

A.K. Sandoval-Strausz

Drivers for demand for hotel include tourism, business travel, conventions, presence of colleges/ universities, presence of hospitals, and an abundance of cultural, heritage, recreational, and retail activities for visitors.

Located in the heart of this country's 5th largest state, Albuquerque and a 2 hour driving radius around it offer unparalleled access to native American reservations, museums, artist communities, lakes, rivers, mountains, ski areas, golf courses, casinos, and a handful of convention center facilities.

As the largest metropolitan area within a 500 mile radius, Albuquerque is the business and medical center for this part of the Southwest .

With over 27,000,000 sf of retail space, Albuquerque offers business opportunities for every type retailer, and shopping venues for every shopper.

Albuquerque International Airport Passenger Activity 1990-2008

As a major Southwest Airlines hub, Albuquerque has benefitted from its one to one and half hour flight distance to other major cities like Denver, Phoenix, Las Vegas, Los Angeles, San Diego, Tucson, and El Paso.

The number of deplanements (the number of passengers who get off a plane), has been on a steady increase in the last couple of years, which has been a direct driver of

Year	Deplaned	% Change
1990	2,497,111.00	
1991	2,476,997.00	-0.81%
1992	2,634,786.00	6.40%
1993	2,805,786.00	7.00%
1994	3,078,326.00	8.85%
1995	3,066,382.00	-0.39%
1996	3,310,703.00	8.00%
1997	3,141,355.00	-5.10%
1998	3,079,568.00	-2.00%
1999	3,131,853.00	1.70%
2000	3,146,250.00	0.50%
2001	3,093,903.00	-1.70%
2002	3,054,610.00	-1.30%
2003	3,023,274.00	-1.01%
2004	3,150,367.00	4.00%
2005	3,223,587.00	2.27%
2006	3,228,006.00	0.14%
2007	3,352,316.00	3.71%
2008	1028042*	*YTD

EL VADO COURT

Where you see the Sandias from your front door

2500 W. Central — Albuquerque, New Mexico

Hotel Analysis

Historic Boutique Hotel—Vintage Motel? Vintage Boutique Motel?

Unique select-service boutique hotels are the new place to be whether traveling for work or vacation. Guests are willing to pay a little bit more to stay in a hotel that is architecturally distinct, a historic landmark or provides an authentic experience that can't be found anywhere else. Many select service brands are opening nationally into retail and mixed use sites and vintage hotels are being reclaimed and given new life. The projects are designed with lively social engagement in mind while taking ultimate advantage of their surroundings.

METRO & NM

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Lodging Industry Takes Hit

Occupancy Down In Past 2 Months

BY TAMARA N. SHOPE
Journal Staff Writer

Zzzzzzz.

That's the sound of the Albuquerque lodging industry taking an abrupt snooze after occupancy rates began falling suddenly the past two months.

Hotels, motels and resorts in the city were just 62.9 percent full in September, more than a 5 percentage-point drop from the year before, according to a report from the New Mexico Lodging Association. October saw an even bigger decline — its 69.5 percent rate was close to a 7 percentage-point drop.

"I think we'll have to cite the overall economy and people not having the confidence right now to spend their discretionary money," said Charlie Gray, director of the Greater Albuquerque Innkeepers Association. "It was the so-called perfect storm. It's been a tough time for the industry as of late."

The occupancy rate for Santa Fe hotels saw a steeper drop of 10 percentage points in October.

At the same time that Albuquerque's hotels saw empty rooms, two major Albuquerque events also stomached disappointments: the Albuquerque International Balloon Fiesta and the New Mexico State Fair. The final attendance count for the balloon fiesta was nearly 200,000 people off from 2007. A combination of foul weather and a rough economy are to blame. And the fair saw a 17.5 percent drop in attendance; revenue plunged 10.2 percent.

The hotel industry had been enjoying a fairly robust year

Lodging Industry Sees Occupancy Rates Drop

until September. The occupancy numbers had been strong from spring through the end of the summer, with every month above the previous year's levels.

In fact, lodger's tax receipts from fiscal year 2008, which ended in June, were up about $575,000 over fiscal year 2007, according to the University of New Mexico's Bureau of Business & Economic Research.

"The first couple of months, we were doing quite well," said Albuquerque Convention & Visitors Bureau spokeswoman Tania Armenta, attributing the early success to aggressive campaigning and the fact that AAA this year named Albuquerque the nation's No. 2 most affordable destination.

But that was before the international economic crisis struck and the stock market took a dive.

Steve Hiatt, who owns Bottger Mansion Bed & Breakfast in Old Town, said his

Albuquerque hotel occupancy rates		
	2008	**2007**
January	47.9%	48.4%
February	57.8%	58.7%
March	67.2%	66.7%
April	71.8%	66.1%
May	70.5%	67.8%
June	73.2%	71.2%
July	65.5%	64.8%
August	68.3%	66.4%
September	62.9%	68.4%
October	69.5%	76.3%

bookings were steady until November.

"I kept waiting for the shoe to drop every month," he said. "We had beat August, September and October last year, but November is off about 15 percent."

Although this article has indicated that Albuquerque hotel's have a decreasing occupancy, the overall trend is still well above national averages.

ROUTE 66 HISTORIC EL VADO MOTEL

	Name	Location	Phone #	Status	Year	# of rooms	Est. Cost $	Est. Cost per room
A	Hotel Blue	717 Central NW	924-2400	Renovated	2007	135		
B	Embassy Suites	1000 Woodward Place	245-7100	New Construction	2006	261	$40,000,000	$153,257
C	Andaluz	125 2nd Street NW	242-9090	Renovated	2008	112	$24,000,000	$214,286
D	Hyatt Regency	330 Tijeras NW	842-1234	Renovated	2008	395	$5,000,000	$12,658
E	Double Tree	201 Marquette NW	247-3344	Renovated	2008	294	$9,000,000	
F	Hotel Albuquerque	800 Rio Grande NW	843-6300	Renovated	2007	188		
G	Best Western Rio Grande	1015 Rio Grande NW	843-9500			171		
H	Silver Moon Lodge	918 Central SW	243-1773	Renovated	2006	58	Potential new hotel site	
I	Downtown Inn	1213 Central SW	247-1061			60		
J	Econo Lodge Downtown	817 Central NE	243-1321			46		
K	Express Inn	1020 Central Ave SW	247-4023					
L	Imperial Inn Motel	701 Central Ave NE	247-4081			65		
M	Stardust Inn	801 Central Ave NE	243-2891		2004	33		
N	Travel Inn	615 Central Ave NE	247-8897			38		
O	Quality Inn	411 McKnight NW	877-784-6835					
P	Hotel Parq Central	Central & Elm	Possible	Redevelopment	2009	73		
Q	El Vado	2400 Central NW	Possible	Redevelopment	2010			
R	El Don	2222 Central NW	242-2204	Redevelopment	2008	26		
						1,955		

B

F

P

With 28% of the hotel inventory, Downtown captures the largest share of the Albuquerque MSA hotel market. Increasing tourism to Old Town and the Indian Pueblo Cultural Center have led to the development and redevelopment of downtown hotels.

J

# of rooms built and/or renovated

Share of market based on top 25 hotels and number of rooms

Uptown 15%
Airport 11%
Casino 4%
Rio Rancho 6%
Downtown 28%
North I25 13%
East Gateway 3%
MidTown 20%
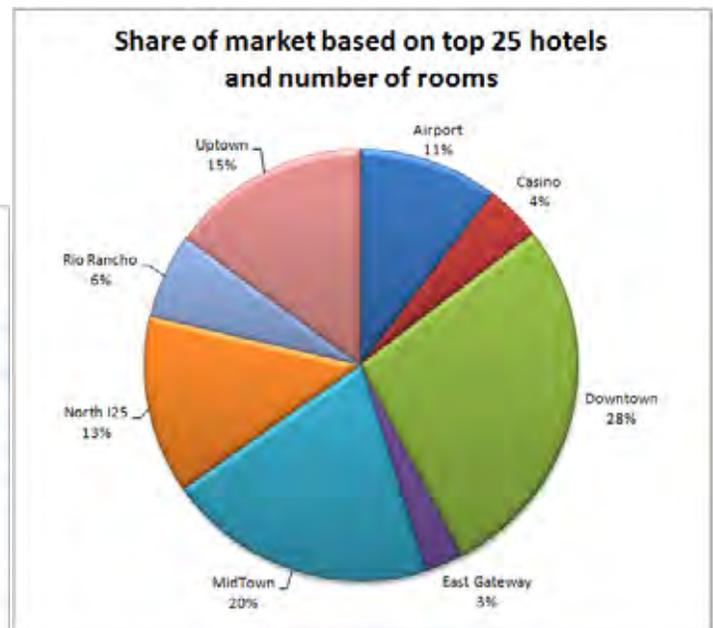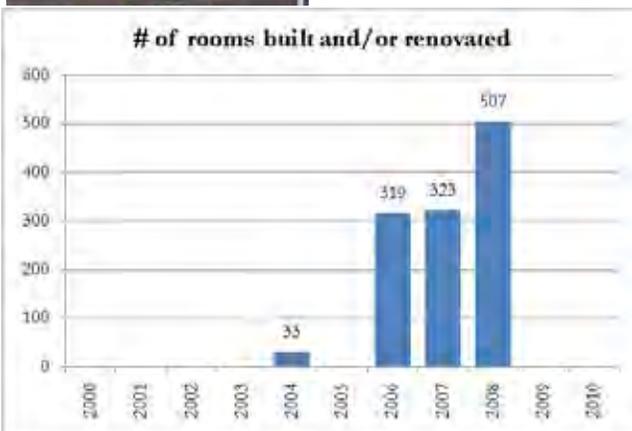
BOUTIQUE HOTEL

Boutique hotel is a term popularized in North America and the United Kingdom to describe intimate, usually luxurious or quirky hotel environments. Boutique hotels differentiate themselves from larger chain/branded hotels and motels by providing personalized accommodation and services / facilities. Sometimes known as "design hotels" or "lifestyle hotels", boutique hotels began appearing in the 1980s in major cities like London, New York, and San Francisco.[1] Typically boutique hotels are furnished in a themed, stylish and/or aspirational manner. Although usually considerably smaller than mainstream hotels, often ranging from 3 to 100 guest rooms, some city-centre boutique hotels may have several hundred. Boutique hotels are always individual and are therefore extremely unlikely to be found amongst the homogeneity of large chain hotel groups. Guest rooms and suites may be fitted with telephony and Wi-Fi Internet, air-conditioning, honesty bars and often cable/pay TV, but equally may have none of these, focusing on quiet and comfort rather than gadgetry. Guest services are often attended to by 24-hour hotel staff. Many boutique hotels have on-site dining facilities, and the majority offer bars and lounges which may also be open to the general public.[2] [3]

Despite this definition, the popularity of the boutique term and concept has led to some confusion about the term. Boutique hotels have typically been unique properties operated by individuals or companies with a small collection. However, their successes have prompted established multi-national hotel companies to usurp the term and/or try to establish their own brands in order to capture a market share.[4] The most notable example is Starwood Hotels and Resorts Worldwides W Hotels, ranging from boutique-style hotels like the W Union Square NY to the W 'boutique resorts' in the Maldives.

There is some overlap between the concept of a small boutique hotel and a bed and breakfast[5]. In the United States, New York remains the center of the boutique hotel phenomenon, as the original Schrager-era boutique hotels remain relevant and are joined by scores of independent and small-chain competitors, mainly clustered about Midtown and downtown Manhattan.[6] The French Quarter and Garden District, New Orleans have several dozen boutique hotels, most of which are located in old homes or inns. These usually provide an ambience based on 19th-century antiques, artwork with New Orleans themes, vintage or reproduction furniture and decor and/or interesting historical associations.[7] Miami and Miami Beach also have a large number of boutique hotels, mostly found along the beachfront streets Ocean Drive and Collins Drive. Most of these are in buildings from the heyday of the Art Deco period. Their attractions include the Art Deco ambiance, beach access, nouvelle and Latin cuisines and tropical-themes interior decor.[8]

The concept of boutique or design hotels has spread elsewhere outside the US. A good example is Thailand where many boutique or design hotels are sprouting, especially in resort locations, such as Phuket and Hua Hin.[9] Boutique hotels are even now appearing in such places as Indonesia, Shanghai, Iceland and Turkey.[10]

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Motel

Entering dictionaries after World War II, the word motel, an abbreviation of motor and hotel or motorists' hotel, referred initially to a type of hotel in the form of a single building of connected rooms whose doors faced a parking lot and, in some circumstances, a common area; or a series of small cabins with common parking. As the United States highway system began to develop in the 1920s, long distance road journeys became more common and the need for inexpensive, easily accessible overnight accommodation sited close to the main routes, led to the growth of the motel concept. [1]

History

The motel concept originated with the Motel Inn of San Luis Obispo, constructed in 1925 by architect Arthur Heineman. In conceiving of a name for his hotel Heineman abbreviated motor hotel to mo-tel.[1]

Unlike their predecessors, auto camps and tourist courts, motels quickly adopted a homogenized appearance. They are typically constructed in an 'I'- or 'L'- or 'U'-shaped layout that includes guest rooms, an attached manager's office, a small reception and, in some cases, a small diner. Post-war motels sought more visual distinction, often featuring eye-catching neon signs which employed themes from popular culture, ranging from Western imagery of cowboys and Indians to contemporary images of spaceships and atomic era iconography.

In their early years, motels were mom-and-pop facilities on the outskirts of a town. They attracted the first road warriors as they crossed the United States in their new automobiles. As well as their nominal purpose as a provision of accommodation for travelers, their anonymity made them ideal trysting places (or the hot trade in the industry's jargon). The famous outlaws Bonnie and Clyde were frequent guests at motels, using them as hideouts.This perceived association with lust and larceny alarmed then FBI chief J. Edgar Hoover, who attacked motels and auto camps in "Camps of Crime", an article he penned in the 1940s.[2]

Motels differ from hotels in their common location along highways, as opposed to the urban cores favored by hotels, and their orientation to the outside (in contrast to hotels whose doors typically face an interior hallway). Motels almost by definition include a parking lot, while older hotels were not built with automobile parking in mind.

With the 1952 introduction of Kemmons Wilson's Holiday Inn, the mom-and-pop motels of that era went into decline. Eventually, the emergence of the interstate highway system, along with other factors, led to a blurring of the motel and the hotel, though family-owned motels with as few as five rooms may still be found, especially along older highways

References

1. ^ a b Jackson, Kristin (25 April 1993). The World's First Motel Rests Upon Its Memories. Seattle Times. Retrieved on 2008-04-02.
2. ^ American Magazine, February 1940

From Wikipedia, the free encyclopedia

Cultural heritage tourism (or just heritage tourism) is a branch of tourism oriented towards the cultural heritage of the location where tourism is occurring.

Culture has always been a major object of travel, as the development of the Grand Tour from the 16th century onwards attests. In the 20th century, some people have claimed, culture ceased to be the objective of tourism: tourism is now culture. Cultural attractions play an important role in tourism at all levels, from the global highlights of world culture to attractions that underpin local identities.

According to the Weiler and Hall, culture, heritage and the arts have long contributed to appeal of tourist destination. However, in recent years 'culture' has been rediscovered as an important marketing tool to attract those travelers with special interests in heritage and arts. According to the Hollinshead, **cultural heritage tourism defines as cultural heritage tourism is the fastest growing segment of the tourism industry because there is a trend toward an increase specialization among tourists. This trend is evident in the rise in the volume of tourists who seek adventure, culture, history, archaeology and interaction with local people.**

Cultural heritage tourism is important for various reasons; it has a **positive economic** and **social impact**, it **establishes and reinforces identity**, it helps **preserve** the cultural **heritage**, with culture as an instrument it facilitates harmony and understanding among people, it supports culture and helps renew tourism. Putangina Cultural heritage tourism has a number of objectives that must be met within the context of sustainable development such as; the conservation of cultural resources, accurate interpretation of resources, authentic visitors experience, and the stimulation of the earned revenues of cultural resources. We can see, therefore, that cultural heritage tourism is not only concerned with identification, management and protection of the heritage values but it must also be involved in understanding the impact of tourism on communities and regions, achieving economic and social benefits, providing financial resources for protection, as well as marketing and promotion.

Heritage tourism involves visiting historical or industrial sites that may include old canals, railways, battlegrounds, etc. The **overall purpose** is to gain an **appreciation of the past**. It also refers to the marketing of a location to members of a diasporas who have distant family roots there.

Decolonization and immigration form the major background of much contemporary heritage tourism. Falling travel costs have also made heritage tourism possible for more people.

Another possible form involves religious travel or pilgrimages. Many Catholics from around the world come to the Vatican and other sites such as Lourdes or Fátima. Large numbers of Jews have both visited Israel and emigrated there. Many have also gone to Holocaust sites and memorials. Islam commands its followers to take the hajj to Mecca, thus differentiating it somewhat from tourism in the usual sense, though the trip can also be a culturally important event for the pilgrim.

Heritage Tourism can also be attributed to historical events that have been dramatized to make them more entertaining. For example a historical tour of a town or city using a theme such as ghosts or Vikings

Market Trends from the IRR report 2008

By: IRR – Lodging/Hospitality Specialty Practice Group Kenneth Jaggers, MAI – Associate Director

Once in a lifetime

The lodging sector, likely more than any other, has come to understand the impact of private equity in 2007. The volume of transactions for the trailing 12 month was more than double the 2006 level. The number of properties sold was 70% over 2006, and the price per key was 30% higher. This has been the fourth year in a row of record sales for the lodging sector. The biggest increase came in the full service category with several portfolio transactions over the past six months. The volume for the prior 12 months was over two and one half times greater than 2006 and the price per room was 54% greater than the prior year.

LODGING PRICE PER ROOM

Source: Real Capital Analytics
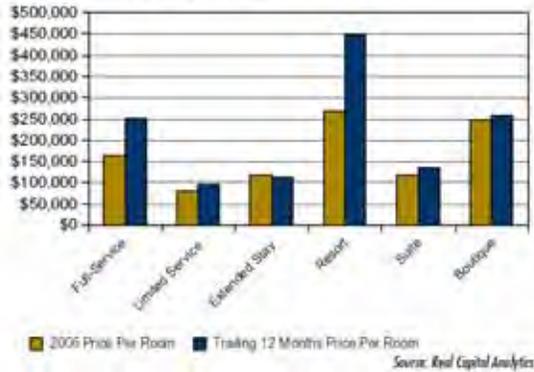
The sun and the moon and the stars had to align for the lodging sector to generate this activity. Private equity groups (the sun) were involved as either buyer or seller in nearly 705 of the hotel deals of the past 12 months. The Blackstone Group's purchase of the Hilton Hotels Chain is the most notable example. Rising profitability (the moon) has been driven by a robust economy, increasing business travel and not to be overlooked, the weak dollar. Foreign tourists are flocking to the U.S. for vacation and foreign investor look up IU.S. Portfolios as bargains. Demand (the stars) has outpaced supply for the past three years. Demand is up 10.2% since 2003 while the supply has been practically flat.

Structural changes in the lodging sector include an increase holding period. In 2005 and 2006, the average holding period was 6.31 years as compared to 8.24 years thus far in 2007. Investors are looking for dividends of ownership, not merely appreciation. With longer holding periods and ADS driven revenues, owners are more cognizant than ever to plan for conformance to franchise requirements. Owners are cognizant that elevating service levels and offering better amenities are needed to appease the ever fickle traveling public.

The credit crunch instigated indirectly by the subprime lending crisis has begun to hamper the lodging sector. The number of projects that until recently filled the pipeline with necessary new product has fallen of as lender re-evaluate lending risk and pricing. Deals that re moving forward are subject to frequent re-trading. Hotel investors and developers that did not get a bite at the apple over the last three years may have to go without. No one is anticipating any relief on rates and fundamentals of supply and demand are expected to balance in the short term. As new players are discouraged from enter the market or find they are undercapitalized, the seasoned investors will be strengthening their position by acquisition and new development.

TABLE 27

LODGING SECTOR SALES SUMMARY

	2006 Total Volume (000,000's)	Trailing 12 Total Volume (000,000's)	2006 Total Properties	Trailing 12 Total Properties	2006 Total Rooms	Trailing 12 Total Rooms	2006 $ Per Room	Trailing 12 $ Per Room
Full-Service	$27,844	$73,711	685	1,053	170,675	293,269	$163,376	$251,343
Limited Service	$9,791	$20,335	1,189	1,949	119,776	211,575	$81,743	$96,114
Extended Stay	$1,951	$12,998	144	995	16,476	114,994	$118,395	$113,033
Resort	$4,604	$5,816	48	43	17,053	12,989	$269,984	$447,779
Suite	$5,723	$3,162	371	146	47,741	23,274	$119,876	$15,861
Boutique	$941	$1,093	36	34	3,790	4,248	$248.363	$257,421
Total	**$50,854**	**$117,115**	**2,472**	**4,220**	**375,511**	**660,349**	**$135,426**	**$177,353**

Source: Real Capital Analytics

ALBUQUERQUE   **4-9**   CANTERA

Upscale/Full-Service Hotel Market
Historical Market Performance

Year	Demand (000s)	Percent Change	Supply (000s)	Percent Change	Occupancy Percent	Percent Change	ADR	Percent Change	RevPAR	Percent Change
1999	532.3	–	787.3	–	67.6%	–	$87.59	–	$59.23	–
2000	515.6	2.5%	787.3	0.0%	69.3%	2.5%	$88.33	.8%	$61.21	3.3%
2001	532.8	-2.3%	787.3	0.0%	67.7%	-2.3%	$88.75	.5%	$60.06	-1.9%
2002	516.7	-3.0%	787.3	0.0%	65.6%	-3.0%	$89.33	.7%	$58.64	-2.4%
2003	516.1	.1%	787.3	0.0%	65.7%	.1%	$89.05	-.3%	$58.49	-0.2%
2004	529.9	2.5%	787.3	0.0%	67.3%	2.5%	$87.11	-2.2%	$58.64	0.3%
2005	585.8	10.5%	859.1	9.1%	68.2%	1.3%	$90.43	4.3%	$61.94	5.6%

Increasing Demand   **Strong Occupancy**   **Average Daily Rate**

Hotel Room Rate survey - Cantera Consultants & Advisors Inc.

Hotel Name	Location	Phone #	Quoted Rate
Doubletree Hotel Albuqurequ	201 Marquette Ave NW	(505) 247-3344	$159.00
Downtown Inn	1213 Central Ave NW	(505) 247-1061	$63.00
Econo Lodge	2321 Central Ave NW	(505) 243-8475	$56.00
Econo Lodge	817 Central Ave NE	(505) 243-1321	$55.00
El Camino Motor Hotel	6801 4th St NW	(505) 344-1606	
El Don Motel	2222 Central Ave SW	(505) 242-2208	$40.00
Express Inn	1020 Central Ave SW	(505) 247-4023	
Hyatt Hotels & Resorts	330 Tijeras Ave NW	(505) 842-1234	$179.00
Imperial Inn Motel	701 Central Ave NE	(505) 247-4081	$45.00
Monterey Motel	2402 Central Ave SW	(505) 243-3554	$65.00
Motel 21	2411 Central Ave NW	(505) 247-2751	$35.00
Silvermoon Lodge	918 Central Ave SW	(505) 243-1773	$49.00
Stardust Inn	801 Central Ave NE	(505) 243-2891	$49.00
Travel Inn	615 Central Ave NE	(505) 247-8897	$55.00
Hotel Albuquerque Inn	900 Rio Grande NW	(505 843-6300	$159.00
Best Western Rio Grande Inn	1015 Rio Grande Blvd NW	(505) 843-9500	$128.00
Hotel Blue	717 Central NW	(505) 924-2400	$77.00
		Average	$80.93
El Rey Inn Santa Fe	1862 Cerrillos	800-521-1349	$119.50

B & B Name	Location	Phone #	Quoted Rate
Casa de Suenos			$109.00
Mauger Estate			$153.00
Adobe Nido			$119.00
Bottger			$129.00 Overall Average
		Average	$127.50 $

According to a study conducted by HVS International out of Boulder, Colorado on Albuquerque's hospitality market, the following is a brief bulleted summary of their conclusions along with a map of primary market competitors.

- Demand in Albuquerque is primarily driven by Commercial, Convention and Leisure Travelers.
- Most hotels are associated with national brands and are older stock, with the most recent addition being Embassy Suites in downtown in 2005.
- Prevailing demand is rate sensitive thus constraining average rate potential and increasing demand for limited or select service hotels.
- Market wide occupancy is expected to increase over the next few years.
- Albuquerque full service hotels in 2005 experienced an average occupancy rate of 68.2% and an average rate of $90.43.
- In 2006 the occupancy increased by 2 points plus a 7.3% increase in average rate
- With proposed ABQ Uptown Hotel Aloft and the AmeriSuites/Hyatt Place conversion, occupancies are expected to decrease minimally.

ROUTE 66
HISTORIC
EL VADO
MOTEL

Hacienda de Colores

Hotel Albuquerque

Quality Inn and Suites

Econo Lodge Old Town

Monterey Motel

El Don Motel

Casa de Sue-

Old Town B&B

Embassy Suites

El Vado Motel

Doubletree

Downtown Inn

Express Inn

Blue Hotel

Silver Moon

Hyatt
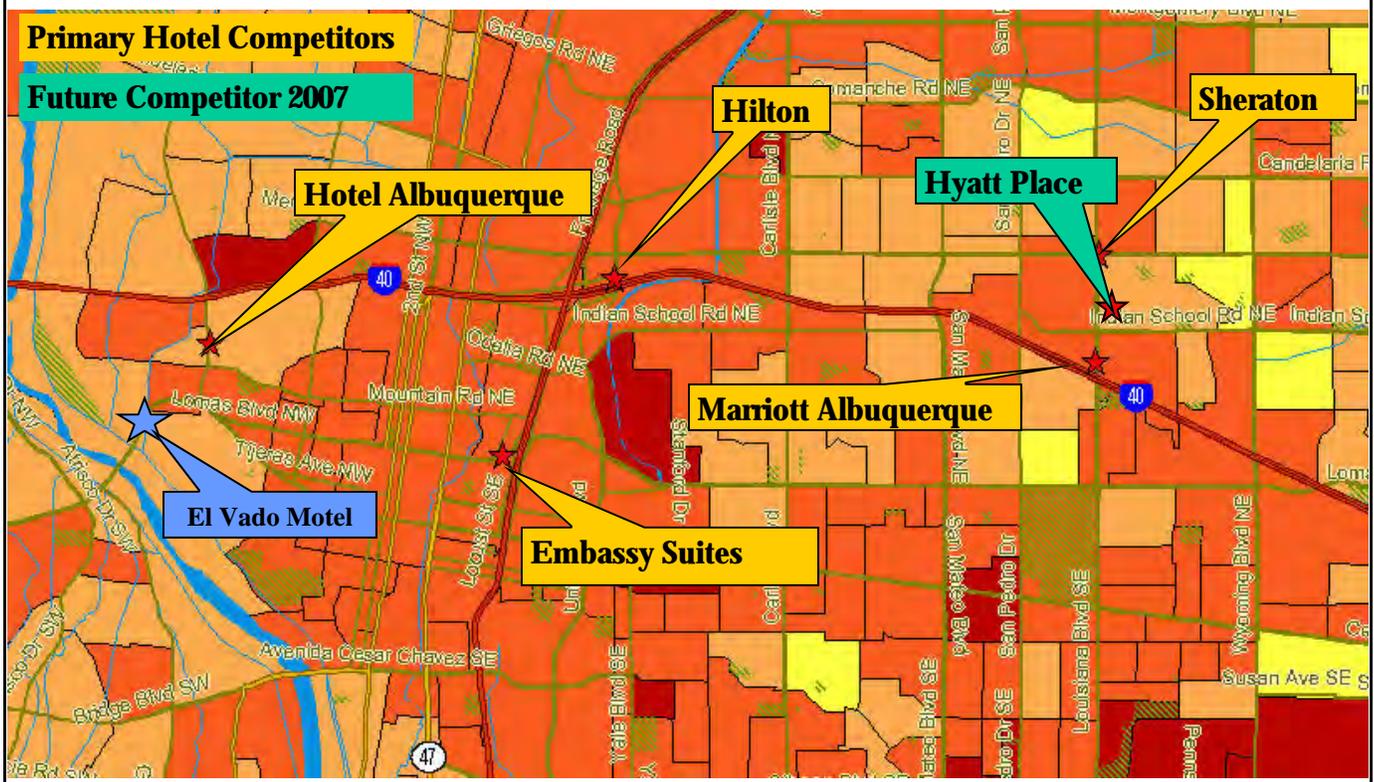
The tourist, hotel or motel lodger has an abundance of lodging opportunities in the Downtown/Old town submarkets— with the full range of hotels from unofficial single resident occupancy to upscale hi-rise hotels like the Hyatt and Embassy Suites

Proposed Supply

ABQ Uptown Phase III will most likely include a new brand to the Albuqueruqe market—the Hyatt Aloft . This concept would be the most suitable for the Albu-

querque Uptown market. As a result, Hotel Aloft is expected to begin construction 2009 and enter the market in 2010

The Aloft concept has been described as a "lifestyle" lodging facility, intended to appeal to business travelers who are seeking an alternative to the typical, business hotel. Aloft offers the amenities expected from other major chain hotels while providing the feel and personality of a unique atmosphere.

Similar in style and price point to the Aloft is the Hyatt Place concept. This property was recently converted from an AmeriSuites to Hyatt Place in late 2007.

Also rumored for redevelopment is the SilverMoon Lodge located in Downtown Albuquerque.

HYATT PLACE™

Hyatt Place Home > Development Information

The spreadsheet below allows the user to convert subjective feelings and impressions about the area surrounding a site to a more objective model as to what the area would best support. For the purposes of this analysis Location is the Downtown/Oldtown Area of Albuquerque.

In this case, four different property types were analyzed—Office, Hotel, Retail, and Residential. Each property type has 18 different general criteria (that is shared with the other property types).

For the purposes of scoring, 10 is the most important, 5 is moderately important, and a 1 is the least important.

The weight column allows the user to decided which criteria are the most important to that use, and the subject or "rate" column allows the user to score the overall location based on that criteria—the two are multiplied and then averaged with the other criteria to provide an indication of the best use for the site based on the location.

This site was viewed and analyzed by Todd Clarke and Autumn Storm on June 15th, 2008. The following scores represent their consensus opinion of the overall location.

Retail scored the highest at 62.26, Hotel next at 51.35, Residential at 50.63, and finally Office at 47.74 . The relatively strong weighting of each of the uses is an indication that this site would make an ideal mixed used development.

Location Analysis

Scale: 0 = Not Applicable, 10 = Highest
Weight-On a scale of 0 to 10 Rate the importance of each criterion for the respective use at any location.
Subject- On a scale of 0 to 10 rate the subject location for each criterion.
Note: The subject location should have the same rating for all *General Criteria* for all uses.

Clear Input Cells

Input Cells

No Input Cells

General Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
Road System	8	8	9	8	10	8	8	8
Public Transportation	8	10	6	10	7	10	7	10
Retail Centers	5	4	9	4	9	4	7	4
Municipal Services	5	10	1	10	7	10	3	10
Educational Facilities	4	7	3	7	4	7	2	7
Recreational Facilities	3	10	7	10	8	10	4	10
Health Services	10	6	2	6	3	6	8	6
Cultural Amenities	9	10	9	10	6	10	5	10
Population Density	7	9	3	9	8	9	8	9
Employment Centers	10	10	5	10	7	10	9	10
Growth Vectors	8	6	9	6	9	6	3	6
Disposable Income	3	9	2	9	9	9	6	9
Crime Rating	6	8	8	8	6	8	10	8

Use Specific Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
View Corridors	7	9	6	9	10	9	8	9
Surrounding Entertainment/Amenities	2	9	9	9	8	9	9	9
Schools	1	8	0	8	7	8	5	8
Grocery Store/Walmart/Target/Ranch's	2	5	0	5	9	5	3	5
Perception of Parking	8	8	8	8	9	8	3	8
Visibility/Traffic	4	9	10	9	9	9	8	9

Location Weighted Rating by Use	47.74	51.35	62.26	50.63

	Existing type of motel
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	
Rent per night	$ 70.00
Rent per month unit	
Annual Rent	$ 843,150
Vacancy	30%
Potential Rental Income	$ 590,205
Expenses	65%
NOI	$ 206,572
Market CAP Rate	9.0%
Value upon completion	$ 2,295,242
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 1,615,242
Value $ per Bldg. SF	$ 177
Value $ per Land SF	$ 44
Value $ per Unit	$ 69,553

An ideal model for a renovating this hotel is the El Rey inn in Santa Fe– developed by the same builder about the same time – this property has flourished and is averaging rents almost double of what El Vado was when it closed.

The El Vado contains functionally obsolete features for a modern hotel traveler—small rooms, minimal amenities, and a lack of "newness".

And yet, the El Rey Inn has demonstrated that these weaknesses can be turned into benefits—both the El Rey Inn and El Vado offer the best possible amenity—that is one of location—El Rey with its close proximity to downtown Santa Fe, and with the El Vado—its close proximity to old town Albuquerque, the cultural corridor, the Rio Grande River, and downtown Albuquerque.

Small rooms and funky architecture can be accented to celebrate this style of motel and highlight the historical/heritage experience of the 1930s to 1960s tourist.

The financial analysis on the next page is based on obtaining a rental rate similar to El Rey Inn's by focusing on a boutique hotel and cultural travel experience.

Another good example in the immediate neighborhood is Case Suenos - additional info can be found at:

http://www.casasdesuenos.com/casitas.htm

An ideal model for a renovating this hotel is the El Rey Inn in Santa Fe– developed by the same builder about the same time –this property has flourished and is averaging rents almost double of what El Vado was when it closed.

	Boutique Cultural motel
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	
Rent per night	$ 119.00
Rent per month unit	
Annual Rent	$ 1,433,355
Vacancy	30%
Potential Rental Income	$ 1,003,349
Expenses	65%
NOI	$ 351,172
Market CAP Rate	8.0%
Value upon completion	$ 4,389,650
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 3,709,650
Value $ per Bldg. SF	$ 338
Value $ per Land SF	$ 84
Value $ per Unit	$ 133,020

5 Use analysis—Residential

Demand for residential is driven primarily by increasing employment, followed by changes in employment, changes in lifestyle, changes in household formation, changes in income and changes in tax policy, but each of these changes leads

CCIM Housing Model
Drivers of demand

Lifestyle

Employment

Income

Household Formation

Preference of Housing Stock

Amenities

Proximity to Linkages
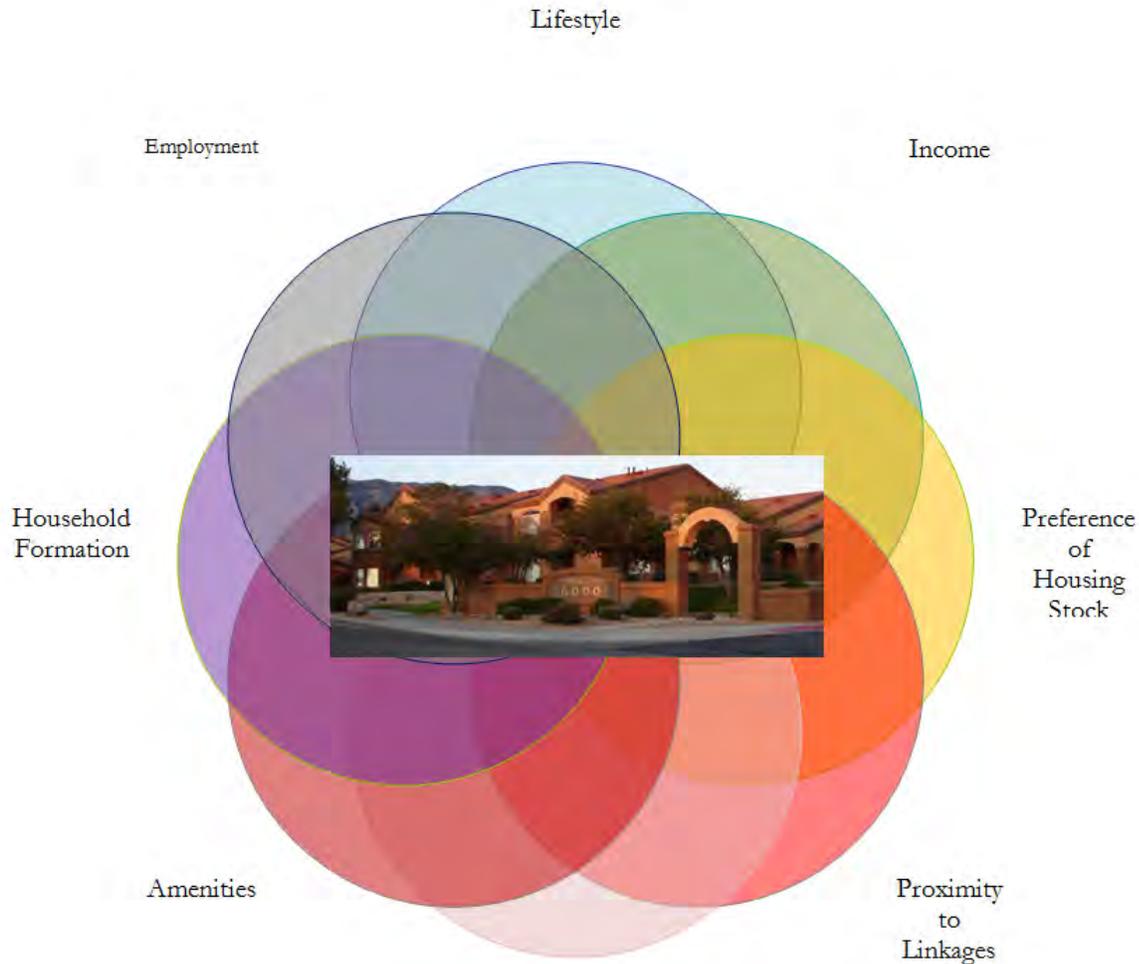
Perception of Prestige

For the purposes of calculating demand for apartments in Albuquerque between 2003 to 2008—three models were developed to provide the client with a conservative, moderate and aggressive view point for the future demand in the marketplace:

    1. Model #1—Using population date provided and forecasted by SRC (a data provider to the CCIM Site to Do Business demographic website) which forecasts an increase in households over the next 5 years of 26,338

    2. Model #2—using the 2002 to 2003 historical employment growth rate as collected by the Bureau of Labor Statistics (1.5%) as an indicator of the next 5 years annual growth rate, forecasting employment, that number is then multiplied by the Population/Employment ratio then divided by the number of persons per household for a estimated increase in households of 14,055

    3. Model #3—assumes a stronger economic growth of 3.5% (more in line with historical Albuquerque trends) following the same steps as used in Model #2, forecasts an increase in households to 42,505.

Each of the models forecasted an increase in households. By multiplying that increase by the long term average percentage of renter's in the marketplace (35%*) to determine the number of possible renter households.

A more precise analysis would disaggregate renters by income levels (Phase II), eliminating those that could not afford the new apartments, and make an adjustment towards building into a stabilized occupancy of 95%.

Based on the calculations used, the most likely demand per year for apartments is **1,350.**

Demand for Albuquerque Apartments by Year

|		Moderate	Conservative	Aggressive
		Forecast Population based on SRC census forecast	Forecast population based on conservative jo growth (1.5%)	Forecast population based on strong job growth (3.5%)
Current (2003 est.) Employment	398,600		428,495	468,355
Current (2003 est.) Population	748,224		804,341	879,163
Population/Employment Ratio	1.88			
# of persons per household	2.63			
Increase in households	291,778	26,338	14,055	42,505
% of population that rents	35.00%	35.00%	35.00%	35.00%
Increase in Renter Households	102,122	9,218	4,919	14,877
Annual demand for Apartments		**1,844**	**984**	**2,975**
Most likely demand per year	**1,350 units per year**			

  *35% has been a standard number used for over a decade, but recent trends in low interest rates have reduced this number to the low 30% range. For the purposes of this market study, this anomaly was considered a short term fluctuation, not a long term trend.

Increasing employment, decreasing supply, increasing barriers to entry, limited supply of multifamily land and increasing construction/development costs have all led to the perfect storm for today's apartment owner/investors—building in appreciation with little in the way to short circuit the rapid escalation of rents and values.

Apartment Occupancy

Occupancy 2000 to 2006 (actual)
Forecast 2007 to 2010

Year	Occupancy
2000	91.7%
2001	92.6%
2002	91.3%
2003	90.6%
2004	92.0%
2005	94.3%
2006 (Sept)	98.0%
2007	98.3%
2008	99.1%
2009	100.5%
2010	101.9%

Albuquerque will need to build over 2,000 units a year through the rest of this decade to keep up with demand
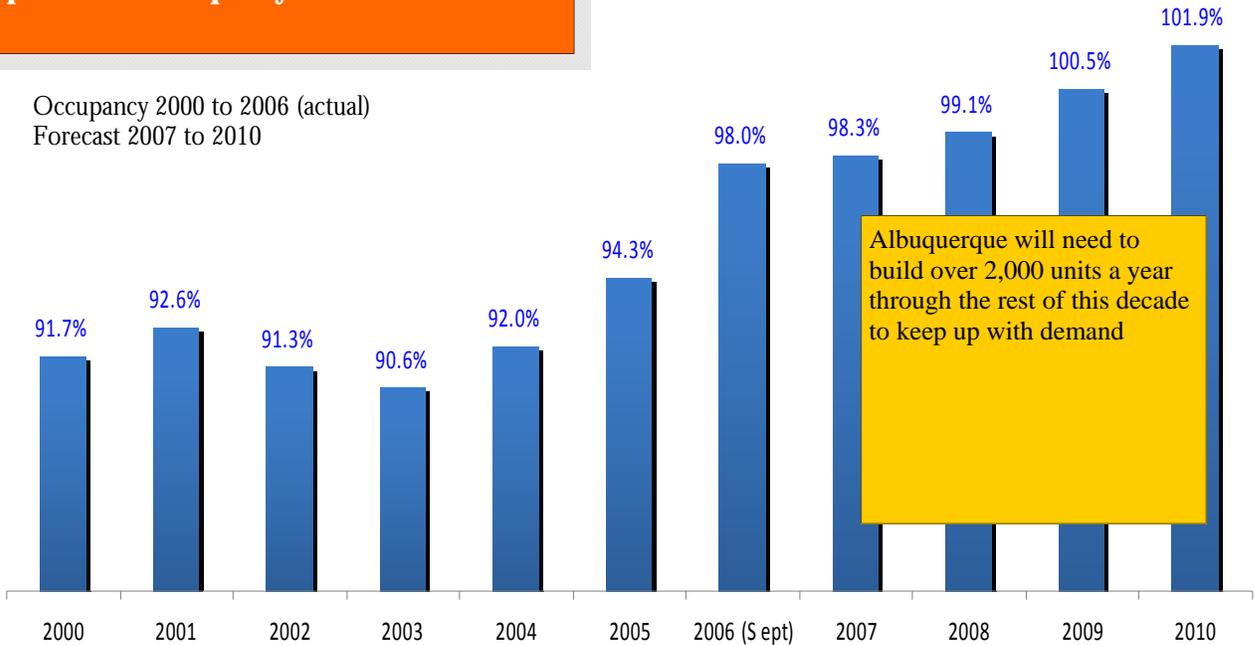
Apartment Gap Analysis

# of units of demand to maintain a 94.5% occupancy.

Year	Units
2000	-3,457
2001	-2,706
2002	-3,786
2003	-4,411
2004	-3,282
2005	-1,462
2006 (Sept)	1,705
2007	1,904
2008	2,577
2009	3,764
2010	4,943

ROUTE 66
HISTORIC
EL VADO
MOTEL
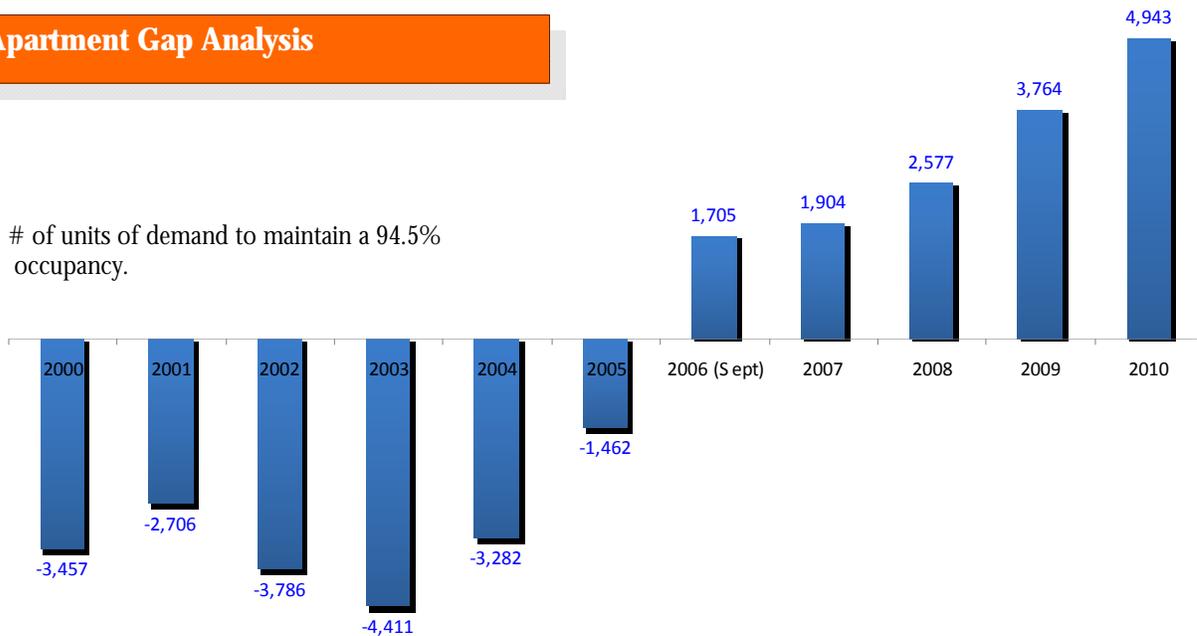
Downtown Albuquerque continues to lead the city in occupancy and in rent growth with a current occupancy of 96% and rent levels now averaging $1.09/sf.

This trend will continue through 2008, but watch as Uptown starts to reemerge with the ABQ Uptown property commanding rents of $1.25/sf on an average unit size that is double the smaller units of downtown.

Increasing land values, construction costs, development taxes are continuing to have upward pressure on occupancy, rents and apartment values.

Occupancy
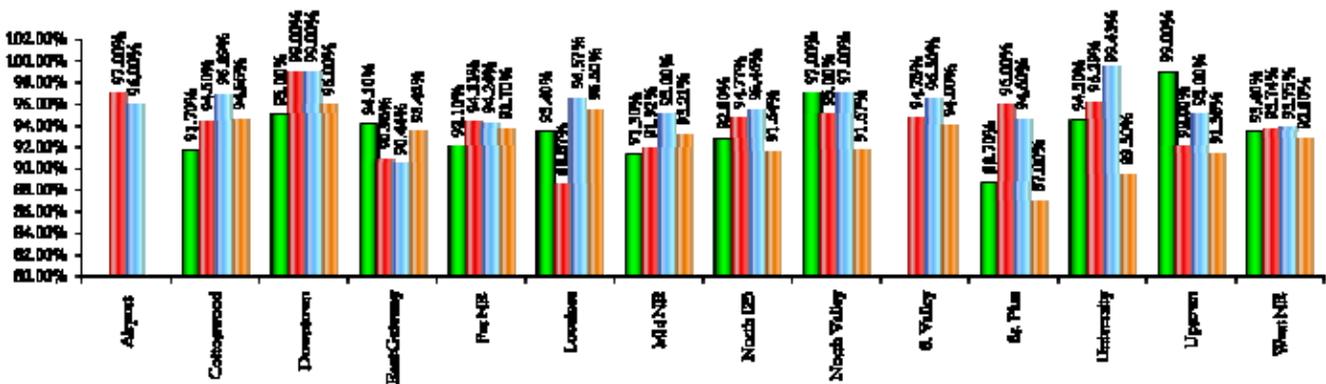
Rents per SF
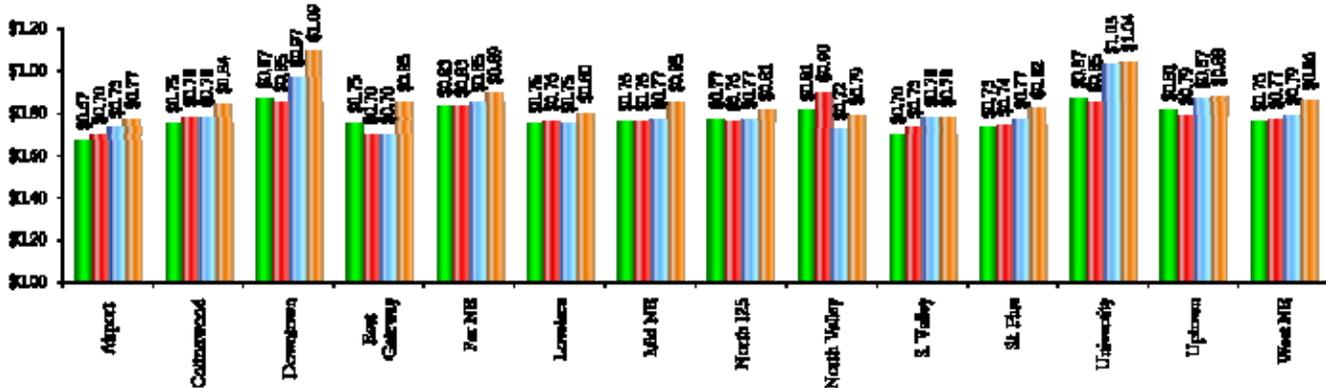
Since the 2000 inception of the Downtown 2010 Plan, some 1,300 new residences have been added downtown increasing the overall population by 3,000+ residents.

Downtown Albuquerque 2008 | Residential Update

From 2000 through 2009, downtown has added an additional 1,322 rental and for sale housing units in price ranges from affordable to luxurious.

| #	Community	# of units	Est. Ye...
A	Banque Lofts	27	2007
R1	Sawmill Lofts	54	2006
B	Sawmill/Arboreal De Vida	22	
R2	Sawmill/Phase IV	60	
C	Belvardere	54	2008
R3	ABQ Lofts	69	2001
D	ABQ Gym Lofts/Balance	131	2004
E	ABQ High Homes	20	
F	Silver Court Lofts	29	2006
R4	Villa de San Felipe	161	2001
G	Quickel	16	2006
H	Anasazi	45	2009
I	Agave	11	
R5	Huning Castle	73	
R6	Silver Gardens Apts	66	2009
R7	ABQ Live/Work	53	2009
SG1	Elements	72	2009
SG2	Zona del Colores	12	
R8	Hyperion House	10	
L	SouthBroadway Lofts	20	
R9	SRO-2nd/Lomas	72	2009
M	ACC infill	12	
SG12 N	Rembe/ACC	14	
O	Bell Trading Post	17	2008
P	Gold Ave Lofts	44	2002
Q	GAHP Barelas housing	9	
R	Misc Infill	10	
S	Gardens on Rio Grande	36	
T	High Cordero/GAHP	9	
U	Anson Flats	7	
R10	Banana Joe's	16	
SG3	720 Roma NW	9	
SG4	1130 Mountain NW	4	
SG5	505 2nd	1	
SG6	Mountain/15th	5	
SG7	Copper/10th	3	
SG8	Mountain/11th	4	
SG9	6th/Granite	2	
SG10	Bella Colinas	15	
SG11	Huning Gardens/Lead & High	9	
SG12	Mulberry Gardens / MLS & Mulber	13	
SG13	811 Marquette NW	1	
GZ	Gertrude Zachary	1	
SG14	10th/Central	4	

Albuquerque Single Family Appreciation Study

Downtown Single Family appreciation has averaged 9.6%

The spreadsheet below allows the user to convert subjective feelings and impressions about the area surrounding a site to a more objective model as to what the area would best support. For the purposes of this analysis Location is the Downtown/Oldtown Area of Albuquerque.

In this case, four different property types were analyzed—Office, Hotel, Retail, and Residential. Each property type has 18 different general criteria (that is shared with the other property types).

For the purposes of scoring, 10 is the most important, 5 is moderately important, and a 1 is the least important.

The weight column allows the user to decided which criteria are the most important to that use, and the subject or "rate" column allows the user to score the overall location based on that criteria—the two are multiplied and then averaged with the other criteria to provide an indication of the best use for the site based on the location.

This site was viewed and analyzed by Todd Clarke and Autumn Storm on June 15th, 2008. The following scores represent their consensus opinion of the overall location.

Retail scored the highest at 62.26, Hotel next at 51.35, Residential at 50.63, and finally office at 47.74 . The relatively strong weighting of each of the uses is an indication that this site would make an ideal mixed used development.

Location Analysis

Clear Input Cells

Scale: 0 = Not Applicable, 10 = Highest
Weight-On a scale of 0 to 10 Rate the importance of each criterion for the respective use at any location.
Subject- On a scale of 0 to 10 rate the subject location for each criterion.
Note: The subject location should have the same rating for all *General Criteria* for all uses.

Input Cells

No Input Cells

General Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
Road System	8	8	9	8	10	8	8	8
Public Transportation	8	10	6	10	7	10	7	10
Retail Centers	5	4	9	4	9	4	7	4
Municipal Services	5	10	1	10	7	10	3	10
Educational Facilities	4	7	3	7	4	7	2	7
Recreational Facilities	3	10	7	10	8	10	4	10
Health Services	10	6	2	6	3	6	8	6
Cultural Amenities	9	10	9	10	6	10	5	10
Population Density	7	9	3	9	8	9	8	9
Employment Centers	10	10	5	10	7	10	9	10
Growth Vectors	8	6	9	6	9	6	3	6
Disposable Income	3	9	2	9	9	9	6	9
Crime Rating	6	8	8	8	6	8	10	8

Use Specific Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
View Corridors	7	9	6	9	10	9	8	9
Surrounding Entertainment/Amenities	2	9	9	9	8	9	9	9
Schools	1	8	0	8	7	8	5	8
Grocery Store/Walmart/Target/Ranch's	2	5	0	5	9	5	3	5
Perception of Parking	8	8	8	8	9	8	3	8
Visibility/Traffic	4	9	10	9	9	9	8	9

Location Weighted Rating by Use	47.74	51.35	62.26	50.63

Although it might be possible to reconfigure the existing smaller motel style units into large floorplans, the long skinny nature of the current buildings makes this conversion problematic and expensive at best.

Assuming the existing unit floorplans are utilized, the property would contain a majority of small studio spaces.

Studio units are typically sought out by students, seniors and those who are recently entering/returning to the job market.

In current market conditions, the most financial project is for seniors.

HUD offers two different programs that cater to seniors, and the tax credit scoring process typically encourages senior residents.

Senior linkages in the area include the major bus route, Walgreens, the main library, Pro Ranch's grocery store, and an abundance of cultural activities.

While the architecture should remain true to the original El Vado design, its competitive set will include many of the non-profit communities built by AHEPA and Encino Development & Management as well as the for-profit developments built by GSL properties.

If senior housing development is pursued, consideration should be given to converting the original office/manager's unit into a museum annex or City of Albuquerque visitors office that could be staffed by the residents of the property.

The small floorplans of the existing units and lack of kitchens makes most types of residential housing difficult, with the exception of senior housing. Former motels along Central have been converted into senior or housing for disabled persons with good success.

	Senior Housing
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	
Rent per night	
Rent per month unit	$ 500
Annual Rent	$ 198,000
Vacancy	5%
Potential Rental Income	$ 188,100
Expenses	40%
NOI	$ 112,860
Market CAP Rate	7.0%
Value upon completion	$ 1,612,286
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 932,286
Value $ per Bldg. SF	$ 124
Value $ per Land SF	$ 31
Value $ per Unit	$ 48,857

6   Use analysis—Retail

Drivers for demand for retail include population, income, household formation, and travel/tourism.

With the next largest city over 400 miles away (Phoenix or Denver), Albuquerque is the primary shopping marketplace for over 1.8M customers.

With over 27,000,000 sf of retail space, Albuquerque offers business opportunities for every type retailer, and shopping venues for every shopper.

Retail
The new ABQ Uptown Lifestyle Center recently opened in 2006 and has seen an incredible response, the area in general has traditionally been the retail corridor of Albuquerque with the two malls Coronado and Winrock. This new lifestyle center has recreated the positives of downtown and enhanced the retail experience in New Mexico.

RETAIL MARKET CYCLE

ABQ 2008

ABQ 2007

ABQ 2006

ABQ 2003-2005

Boise, ID
Charlotte, NC
Cincinnati, OH
Cleveland, OH
Louisville, KY
Minneapolis, MN
New Jersey - Coastal
Sacramento, CA

1 — Indicates 1st stage within the phase
2 — Indicates 2nd stage within the phase
3 — Indicates last stage within the phase

Denver, CO
New York, NY
Wilmington, DE

Columbia, SC

Detroit, MI
Greenville, SC

Hartford, CT
Providence, RI
St. Louis, MO

Atlanta, GA
Austin, TX
Dallas, TX
Dayton, OH
Fort Worth, TX
Houston, TX
Las Vegas, NV
Long Island, NY
Memphis, TN
Naples, FL
Nashville, TN
Orlando, FL
Pittsburgh, PA
Portland, OR
San Francisco, CA
Syracuse, NY
Tulsa, OK

Baltimore, MD
Boston, MA
Chicago, IL
Indianapolis, IN
Kansas City, KS/MO
Los Angeles, CA
Miami, FL
Milwaukee, WI
New Jersey - Northern
Oakland, CA
Orange County, CA
Philadelphia, PA
Phoenix, AZ
Richmond, VA
Salt Lake City, UT
San Antonio, TX
San Diego, CA
San Jose, CA
Seattle, WA
Tampa, FL
Washington, D.C.

Columbus, OH

Sarasota, FL

RECOVERY

Decreasing Vacancy Rates
Low New Construction
Moderate Absorption
Low/Moderate Employment Growth
Neg/Low Rental Rate Growth

EXPANSION

Decreasing Vacancy Rates
Moderate/High New Construction
High Absorption
Moderate/High Employment Growth
Med/High Rental Rate Growth

HYPERSUPPLY

Increasing Vacancy Rates
Moderate/High New Construction
Low/Negative Absorption
Moderate/Low Employment Growth
Med/Low Rental Rate Growth

RECESSION

Increasing Vacancy Rates
Moderate/Low New Construction
Low Absorption
Low/Negative Employment Growth
Low/Neg Rental Rate Growth

- **Last two years has seen strong population growth outpacing new retail space**
- **Vacancy remains stable despite 130,000 SF of new construction in the first quarter of 2008**
- **40% of that new space was pre-leased**
- **New construction has slowed significantly compared to 2007**
- **Tenants are more selective and asking for more tenant improvement dollars, more rent abatement during build-out, and overall rent reductions**
- **Overall vacancy is at 7.9%**
- **Average asking rent for neighborhood centers is $16.51/ft**
- **Average asking rent for power centers is $24.09/ft**

Albuquerque spent 2003-2005 at the 3rd level of the recovery phase in which time 1.7 million sf was built (8% of the whole market).

This downtown retail update—from the forthcoming downtown 2008 Annual report indicates that Downtown Albuquerque has witnessed a dramatic increase in new development and many opportunities still remain to be tapped.

Downtown Albuquerque 2008 | Retail Update

ABQjournal.com   THE SUNDAY JOURNAL   September 7, 2008

Brave people, exciting ideas needed for Downtown

Mae Jeanne Rescineto says her view of Downtown as it should be would include boutiques, entertainment venues and restaurants like the popular Gold Street Caffé.

DEAN HANSON/JOURNAL

Downtown is looking for two dozen brave souls with vision to break open a Catch-22.

It looks like this: Retailers, restaurants and entertainment venues will come Downtown when there are more retailers, restaurants and entertainment venues there. And more residents. And more residents will come when there are more retailers, restaurants and entertainment venues.

It's an economic development eddy that brave-soul-with-vision Mae Jeanne Rescineto has taken on.

Spare Change

SUSAN STIGER
Of the Journal

Rescineto is the Downtown Action Team's retail recruiter and economic development coordinator, which is a jargony way of saying she wants us all to get down there, see the potential,

itch for a piece of the action and make Downtown a gotta-go-there place. Like the downtowns of comparable cities — Austin, St. Louis, Denver.

Look at the architecture, at the history, at the pedestrian-friendly, mass-transit friendly setting, at the wide sidewalks, the urban personality, the hub that hasn't quite found its bub.

"It might not be sparkling and shiny right now, but it has potential," says Rescineto, who spent 10 years as the marketing manager for Coronado Center. "The real estate is very reasonable

now. Buy low. Savvy people have seen that in other cities."

Rescineto would prefer to take her brave and savvy souls from the local pool, but she realizes this economy has taken some of the shine off guts and vision. And she knows Downtown has its question marks. But, she says, let's at least get over the notion that there isn't any parking. There's plenty; we just need to be able to find it. We need signs, guidance, education. All of which is underway.

Rescineto also finds that

ROUTE 66
HISTORIC
EL VADO
MOTEL

According to Grubb & Ellis NM, Downtown Albuquerque has experienced an increase in occupancy and rents since 2000.

Retailers have discovered the increasing demographics and have moved into the trade area (or close to) to capture this business.

One newer restaurant/retailer, the Grove, exceeded $600,000 in gross sales, an 18% increase over the previous year.

**Downtown Retailers/
Entertainment Venues**

Lowe's
Walgreen's
Starbucks (3)
McDonald's
Carl's Jr.
One Up
Maloney's Tavern
Sauce/Liquid Lounge Remodel
Raw Cocktail Bar Remodel
Nick's Route 66 Crossroads Café
Flying Star
Lindy's Diner Renovation
Atomic Cantina
Farina Pizza
Artichoke Café Expansion
Capo's Patio Renovation
Ned's
Relish Deli
Sushi King
Tucano's
Thai Crystal
Slate Street Café
Century Theater
JC's NYPD—3rd expansion
Central Connection
Cell Theatre
Holocaust Tolerance Museum
Isabella's Café
Cold Stone Creamery
Lotus Ultra Lounge
Downtown Contemporary Arts Center
Lionel's
Chama River Micro Brewery
Keshet Dance Company
Ralli's Sports Bar
Anodyne
Grove Café
Burt's Tiki Lounge
The Library Bar & Grill
Windchime Art Gallery
Village Coffee Roasters

This market profile was provided by the New Mexico office for Grubb & Ellis (www.nmrea.com) and indicates a positive absorption for retail space of 136,020 against a total inventory of 27,280,474 sf.

By Submarket (All Property Types)	Total (1) SF	Vacant (2) SF	Vacant %	Net Absorption Current Qtr	Year To Date	Under Const. (3) SF	Asking Rent Neighborhood
Downtown	588,005	105,182	17.9%	(7,918)	1,881	-	-
CBD Total	**588,005**	**105,182**	**17.9%**	**(7,918)**	**1,881**	**-**	**-**
Cottonwood	3,998,109	114,509	2.9%	3,429	27,145	38,915	$19.86
Far Northeast Heights	3,756,052	225,703	6.0%	17,110	29,784	66,467	$17.66
North I-25	3,078,335	149,934	4.9%	18,317	18,715	-	$12.64
North Valley	948,704	72,125	7.6%	200	3,747	13,140	$18.45
Northeast Heights	4,013,441	429,573	10.7%	22,508	8,521	-	$14.47
Rio Rancho	1,631,573	84,052	5.2%	550	(13,090)	-	$15.38
South Valley	1,017,327	69,333	6.8%	2,348	(7,059)	-	$18.00
Southeast Heights	2,809,190	96,565	3.4%	2,691	(11,105)	-	$11.16
University	979,241	93,248	9.5%	(3,620)	14,354	30,000	$20.00
Uptown	2,405,896	437,273	18.2%	19,494	65,626	-	$14.50
West Mesa	2,054,601	241,937	11.8%	60,911	115,275	-	$22.48
Suburban Total	**26,692,469**	**2,014,252**	**7.5%**	**143,938**	**251,913**	**148,522**	**$17.41**
Totals	**27,280,474**	**2,119,434**	**7.8%**	**136,020**	**253,794**	**148,522**	**$17.41**

By Property Type (All Submarkets)							Asking Rent
Community	2,133,090	227,615	10.7%	50,708	16,362	-	$13.49
Free-standing	7,722,887	333,704	4.3%	(2,541)	38,501	12,155	$11.07
Neighborhood	6,900,690	721,850	10.5%	82,063	98,327	82,865	$17.41
Power	832,382	829	0.1%	1,336	11,145	-	$21.00
Showroom	1,811,468	33,221	1.8%	3,626	3,626	-	$15.96
Specialty/Theme	171,000	17,290	10.1%	710	20,807	-	$42.50
Strip	4,368,259	366,717	8.4%	(10,440)	20,556	53,502	$13.39
Super-regional	3,064,213	320,101	10.4%	17,599	41,209	-	$77.38
Urban Retail	276,485	98,107	35.5%	(7,041)	3,261	-	$14.72
Totals	**27,280,474**	**2,119,434**	**7.8%**	**136,020**	**253,794**	**148,522**	**$17.01**

Overall retail in Albuquerque continues to do well. Uptown has absorbed almost all of the 2006 built ABQ Uptown project while the almost entirely vacant Winrock inches closer towards its redevelopment plan.

Older retail buildings and centers located along established retail traffic corridors like Menaul Blvd. and San Mateo Blvd. are experiencing redevelopment and repositioning, while those corridors with a less intense population base, like the north Fourth Street corridor, are continuing to experience declining occupancy.

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In this case, four different property types were analyzed—Office, Hotel, Retail, and Residential. Each property type has 18 different general criteria (that is shared with the other property types).

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Location Analysis

Clear Input Cells

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Input Cells

No Input Cells

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Public Transportation	8	10	6	10	7	10	7	10
Retail Centers	5	4	9	4	9	4	7	4
Municipal Services	5	10	1	10	7	10	3	10
Educational Facilities	4	7	3	7	4	7	2	7
Recreational Facilities	3	10	7	10	8	10	4	10
Health Services	10	6	2	6	3	6	8	6
Cultural Amenities	9	10	9	10	6	10	5	10
Population Density	7	9	3	9	8	9	8	9
Employment Centers	10	10	5	10	7	10	9	10
Growth Vectors	8	6	9	6	9	6	3	6
Disposable Income	3	9	2	9	9	9	6	9
Crime Rating	6	8	8	8	6	8	10	8

Use Specific Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
View Corridors	7	9	6	9	10	9	8	9
Surrounding Entertainment/Amenities	2	9	9	9	8	9	9	9
Schools	1	8	0	8	7	8	5	8
Grocery Store/Walmart/Target/Ranch's	2	5	0	5	9	5	3	5
Perception of Parking	8	8	8	8	9	8	3	8
Visibility/Traffic	4	9	10	9	9	9	8	9

Location Weighted Rating by Use	47.74	51.35	62.26	50.63

Although the current construction of the El Vado motel is not conducive to the typical retail shopping center, the property's current C-2 (medium intensity commercial) zoning is a positive feature. That should be capitalized on potentially by catering to a lot of the smaller retail tenants that populate the Old Town and 12th/Mountain corridor. These small spaces are offered at current rental rates of $19.50/sf per year or $1.63/sf per month

NEC of 11th and Mountain & NEC of 12th and Mountain (ID#1662385)

| | Print Brochure | Save to Catalog | Email Listing |

1102 Mountain
Albuquerque, NM 87102 Map Listing...

View Similar...
Active Listings
Leased Listings

Property Type:	Office for Lease / Office Building
Annual Rent:	$19.50 Per SF
Lease Types:	Modified Gross
Contiguous Space:	600 SF
Total Available:	1,200 SF
Property Status:	Existing
Gross Building Area (GBA)	1,200 SF
Building Size (RSF):	1,200 SF
Zoning:	S-MRN
Last Updated:	3/12/2008

Image 1 of 1

+ Enlarge

View Details...

Lease Information

Suite/Floor	Lease Rate	Size	Available	Status
1	$19.50 PSF (Annual) Modified Gross	Available: 600 SF Min Divisible: 600 SF Max Contiguous: 600 SF	8/1/2008	Active
2	$19.50 PSF (Annual) Modified Gross	Available: 600 SF Min Divisible: 600 SF Max Contiguous: 600 SF	4/1/2008	Active

Property Overview

Overview
Two Retail/Office Spaces available on April 1st for $975/month plus Gas electric and Janitoral. Each suite is 600 SF - 400 SF ground level and 200 SF Loft. Adjoining suites can be combined for 1,200 SF. Property os located across from the Sunshine Cafe and includes building signage. Available April 1, 2008.

For More Information, Contact...

Brent Tiano
Grubb & Ellis / New Mexico
Send Email
505-883-7676 [Office]
505-991-0805 [Mobile]
505-883-1034 [Fax]

Additional Associate(s):
John A Lillard

**Grubb & Ellis** | New Mexico
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An ideal model for this would be to turn the existing property into small retail spaces like the retail spaces that face the wishing well in Old Town or Sean Gilligan's micro retail on the NEC of 12th/Mountain.

	Micro Retail
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	$ 1.63
Rent per night	
Rent per month unit	
Annual Rent	$ 253,500
Vacancy	10%
Potential Rental Income	$ 228,150
Expenses	5%
NOI	$ 216,743
Market CAP Rate	8.0%
Value upon completion	$ 2,709,281
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 2,029,281
Value $ per Bldg. SF	$ 208
Value $ per Land SF	$ 52
Value $ per Unit	$ 82,099

Similar properties in Old Town, 12th/Mountain Area

7

Use analysis—Office

"The office building is one of the great icons of the twentieth century. Office towers dominate the skylines of cities in every continent… [As] the most visible index of economic activity, of social, technological, and financial progress, they have come to symbolize much of what this century has been about." - *Francis Duffy (office design consultant & author)*

The main demand drive for office space is employment followed by population density and proximity to clientele.

With over 12,000,000 sf of office space, Albuquerque is the major office capital for a territory that covers more than 100 miles around the city center.
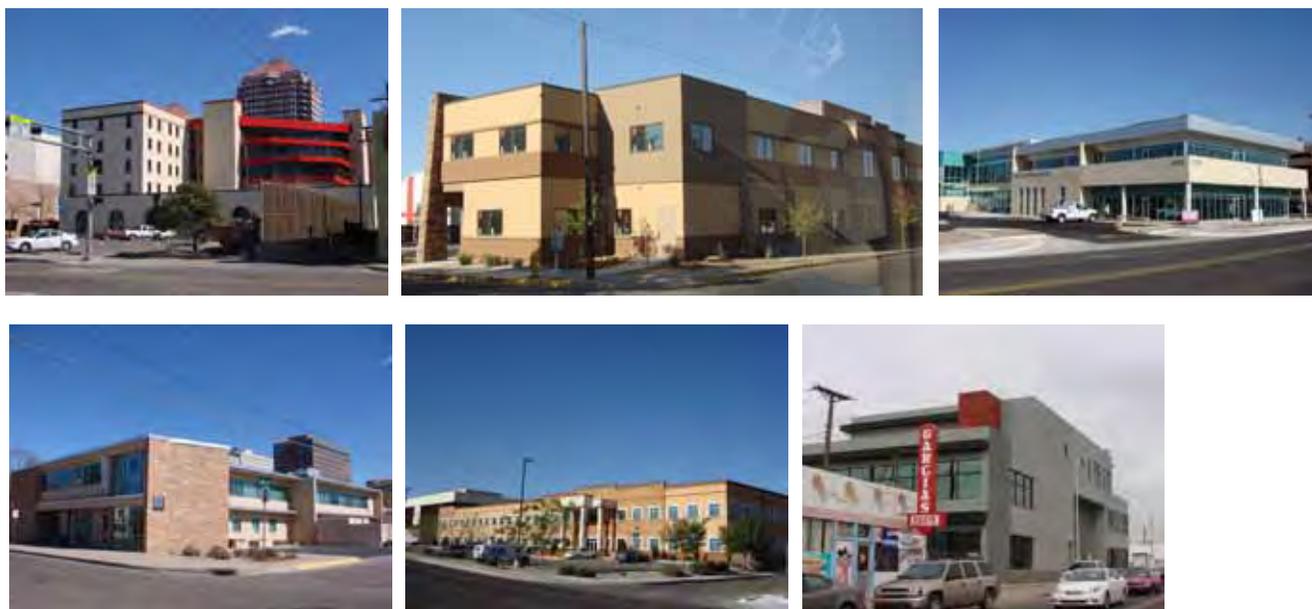
In Downtown Albuquerque, only one building has been built entirely spec, with the balance of the newer buildings developed as built-to-suits, condos-for-sale, or as part of a government lease/program.

CBD OFFICE MARKET CYCLE

RECOVERY	EXPANSION	HYPERSUPPLY	RECESSION
Decreasing Vacancy Rates	Decreasing Vacancy Rates	Increasing Vacancy Rates	Increasing Vacancy Rates
Low New Construction	Moderate/High New Construction	Moderate/High New Construction	Moderate/Low New Construction
Moderate Absorption	High Absorption	Low/Negative Absorption	Low Absorption
Low/Moderate Employment Growth	Moderate/High Employment Growth	Moderate/Low Employment Growth	Low/Negative Employment Growth
Neg/Low Rental Rate Growth	Med/High Rental Rate Growth	Med/Low Rental Rate Growth	Low/Neg Rental Rate Growth

Since Albuquerque's last office tower was developed in the 1980's in the downtown sub-market, the office market has slowly inched its way out of recovery and into expansion. Although job growth has surged, the demand for new office has been filled by new office condominiums and/or suburban offices developments.

Although office has been the slowest real estate product type to reach equilibrium, its stats do not reflect the evolutionary change in office tenants desires. Gone are the days where tenant seeks status in a high rise—this business lifestyle of prestige, renting, structured parking and multiple exchanges in elevators to get to a tenant's office have been exchanged for parking at the door, short commutes to the bosses house and the economic benefits of ownership.

Between 2004 to 2005 Albuquerque crossed the equilibrium threshold allowing many land-lords to successfully raise their rents as they renewed leases. What is hidden in these numbers is the older leases that renew in the next 3 to 5 years.

This downtown office update—from the forthcoming downtown 2008 Annual report indicates that Downtown Albuquerque has witnessed a dramatic increase in new development and many opportunities still remain to be tapped.

A Upgrade and conversion of Copper Square office to Copper Square office/retail condo's

B Upgrade and conversion of former United Way office building to office condo's

C New construction—800 Lomas NW—available fall of 2008—11,900 sf available at $18-$22/sf.

D Development of Emerald Office Condo's at 4th just north of Mountain

I The Verge Fund purchased and renovated the JS Brown building to provide offices and workstations to tech companies.

Located in a top secret location, OSO technologies has invested more than $1M in a 22,000 sf data center in downtown Albuquerque.

Although office occupancy continues to hover in the mid 80% range, rents and overall absorption have a steadily increased. According to the Q2-2008 Grubb & Ellis office report, class "A" buildings downtown buildings average in $23.80/sf in rents, while "B" buildings average $14.81/sf.

ROUTE 66
HISTORIC
EL VADO
MOTEL

Lovelace hospital has relocated its main hospital campus from the Gibson location to downtown Albuquerque with a $60M renovation program that includes a $12M state of the art cardiac unit.

This market profile was provided by the New Mexico office for Grubb & Ellis (www.nmrea.com) and indicates a negative absorption for office space of –39,312 against a total inventory of 12,728,332 sf.

By Submarket (All Classes)	Total (1) SF	Vacant (2) SF	Vacant %	Net Absorption Current Qtr	Net Absorption Year To Date	Under Const. (3) SF	Asking Rent (4) Class A	Asking Rent (4) Class B
Downtown	2,600,870	416,591	16.0%	(41,248)	(15,689)	11,936	$23.80	$14.81
CBD Total	2,600,870	416,591	16.0%	(41,248)	(15,689)	11,936	$23.80	$14.81
Airport	1,234,969	105,780	8.6%	9,479	20,130	-	-	$13.85
Cottonwood	15,671	2,732	17.4%	-	-	-	-	$16.50
Far Northeast Heights	921,325	72,095	7.8%	(9,323)	1,378	-	-	$19.32
Mesa del Sol	-	-	-	-	-	271,052	-	-
North I-25	3,129,738	526,562	16.8%	23,090	17,309	24,400	$20.50	$19.73
Northeast Heights	741,088	109,089	14.7%	(12,820)	(12,446)	-	-	$16.06
Rio Rancho	374,500	57,507	15.4%	3,406	4,548	10,800	-	$24.73
Southeast Heights	592,914	44,882	7.6%	(14,651)	(20,156)	-	-	$17.49
University	973,180	73,622	7.6%	2,539	(22,904)	-	-	$16.57
Uptown	1,834,776	158,898	8.7%	(1,978)	7,943	-	$21.50	$18.87
West Mesa	309,301	51,269	16.6%	2,194	(1,315)	28,402	-	$19.21
Suburban Total	10,127,462	1,202,436	11.9%	1,936	(5,513)	334,654	$21.25	$18.41
Totals	12,728,332	1,619,027	12.7%	(39,312)	(21,202)	346,590	$22.61	$17.54

By Class (All Submarkets)	Total SF	Vacant SF	Vacant %	Net Absorption Current Qtr	Net Absorption Year To Date	Under Const. SF	Available for Sublease CBD	Available for Sublease Suburban
Class A	1,389,162	170,658	12.3%	4,734	(12,994)	-	1,843	33,000
Class B	8,301,466	1,128,043	13.6%	(52,270)	(3,525)	346,590	17,716	150,229
Class C	3,037,704	320,326	10.5%	8,224	(4,683)	-	7,000	13,896
Totals	12,728,332	1,619,027	12.7%	(39,312)	(21,202)	346,590	26,559	197,125

Overall office in Albuquerque continues to stagnate. Class A buildings in the Journal center and office condos counter this trend, but in general, there isn't sufficient demand to support additional office development unless it's a niche product.

UNDERWAY BY SUBCLASS

- Office / Warehouses 0.0%
- Military Offices 0.0%
- Offices 4.8%
- Medical Offices 94.3%
- Governmental Offices 0.8%
- Bank Branches 0.1%

Source: Property & Portfolio Research
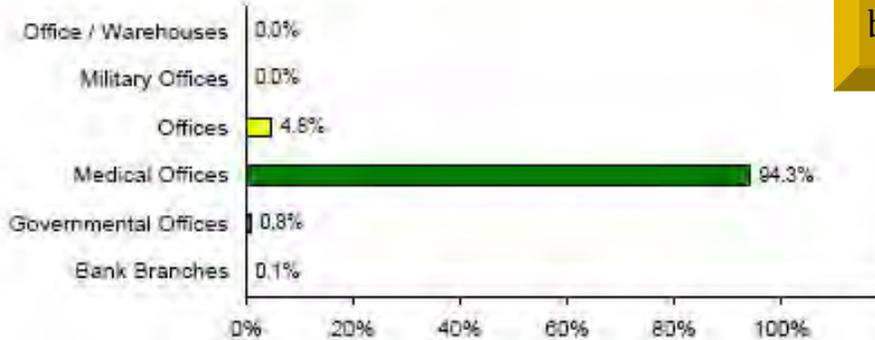
Most demand for office space in Albuquerque has been for Medical purposes.

Average of Cst $/sf	
Submarket	Total
n/a	$ 355
West Mesa	$ 141
South Valley	$ 108
North I-25	$ 123
Downtown	$ 122
Northeast Heights	$ 97
Rio Rancho	$ 102
Southeast Heights	$ 109
Grand Total	$ 125

Average of Cst $/sf	
Sub-type	Total
Bank	$ 189
Low Rise	$ 108
Medical Office	$ 153
Mixed Use	$ 145
Office R&D	$ 205
Grand Total	$ 125

Status of Office Development - Albuquerque MSA

sf by year (underway or completed)

Sum of SF (000s)	
Completion Year	Total
2000	1068.90
2001	474.50
2002	277.70
2003	321.01
2004	776.70
2005	873.20
2006	842.20
2007	283.00
	1285.99
Grand Total	6203.20
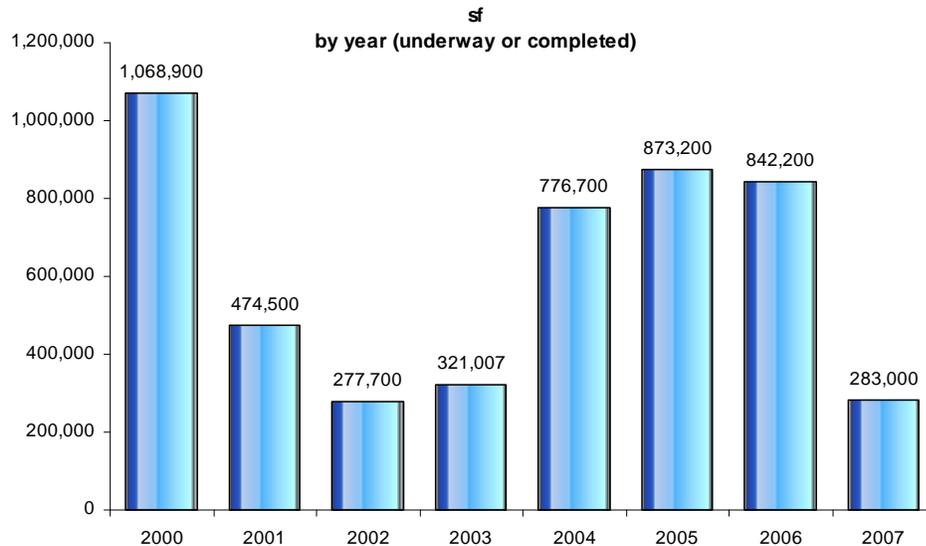
Source: Torto Wheaton Research

The spreadsheet below allows the user to convert subjective feelings and impressions about the area surrounding a site to a more objective model as to what the area would best support. For the purposes of this analysis Location is the Downtown/Oldtown Area of Albuquerque.

In this case, four different property types were analyzed—Office, Hotel, Office, and Residential. Each property type has 18 different general criteria (that is shared with the other property types).

For the purposes of scoring, 10 is the most important, 5 is moderately important, and a 1 is the least important.

The weight column allows the user to decided which criteria are the most important to that use, and the subject or "rate" column allows the user to score the overall location based on that criteria—the two are multiplied and then averaged with the other criteria to provide an indication of the best use for the site based on the location.

This site was viewed and analyzed by Todd Clarke and Autumn Storm on June 15th, 2008. The following scores represent their consensus opinion of the overall location.

Retail scored the highest at 62.26, Hotel next at 51.35, Residential at 50.63, and finally Office at 47.74 . The relatively strong weighting of each of the uses is an indication that this site would make an ideal mixed used development.

Location Analysis

Scale: 0 = Not Applicable, 10 = Highest
Weight-On a scale of 0 to 10 Rate the importance of each criterion for the respective use at any location.
Subject- On a scale of 0 to 10 rate the subject location for each criterion.
Note: The subject location should have the same rating for all *General Criteria* for all uses.

Clear Input Cells

Input Cells
No Input Cells

General Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
Road System	8	8	9	8	10	8	8	8
Public Transportation	8	10	6	10	7	10	7	10
Retail Centers	5	4	9	4	9	4	7	4
Municipal Services	5	10	1	10	7	10	3	10
Educational Facilities	4	7	3	7	4	7	2	7
Recreational Facilities	3	10	7	10	8	10	4	10
Health Services	10	6	2	6	3	6	8	6
Cultural Amenities	9	10	9	10	6	10	5	10
Population Density	7	9	3	9	8	9	8	9
Employment Centers	10	10	5	10	7	10	9	10
Growth Vectors	8	6	9	6	9	6	3	6
Disposable Income	3	9	2	9	9	9	6	9
Crime Rating	6	8	8	8	6	8	10	8

Use Specific Criteria	Office Weight	Office Subject	Hotel Weight	Hotel Subject	Retail Weight	Retail Subject	Residential Weight	Residential Subject
View Corridors	7	9	6	9	10	9	8	9
Surrounding Entertainment/Amenities	2	9	9	9	8	9	9	9
Schools	1	8	0	8	7	8	5	8
Grocery Store/Walmart/Target/Ranch's	2	5	0	5	9	5	3	5
Perception of Parking	8	8	8	8	9	8	3	8
Visibility/Traffic	4	9	10	9	9	9	8	9

Location Weighted Rating by Use	47.74	51.35	62.26	50.63

The current construction of the El Vado motel is not conducive to the typical office development and the local office trends do not support additional development of office.

One possible niche to consider is executive office space. The market seems to always support demand from small business users who like to co-habitate and pool resources and develop a possible overlap in clientele.

This map shows the location of currently available executive office space in the Albuquerque area.
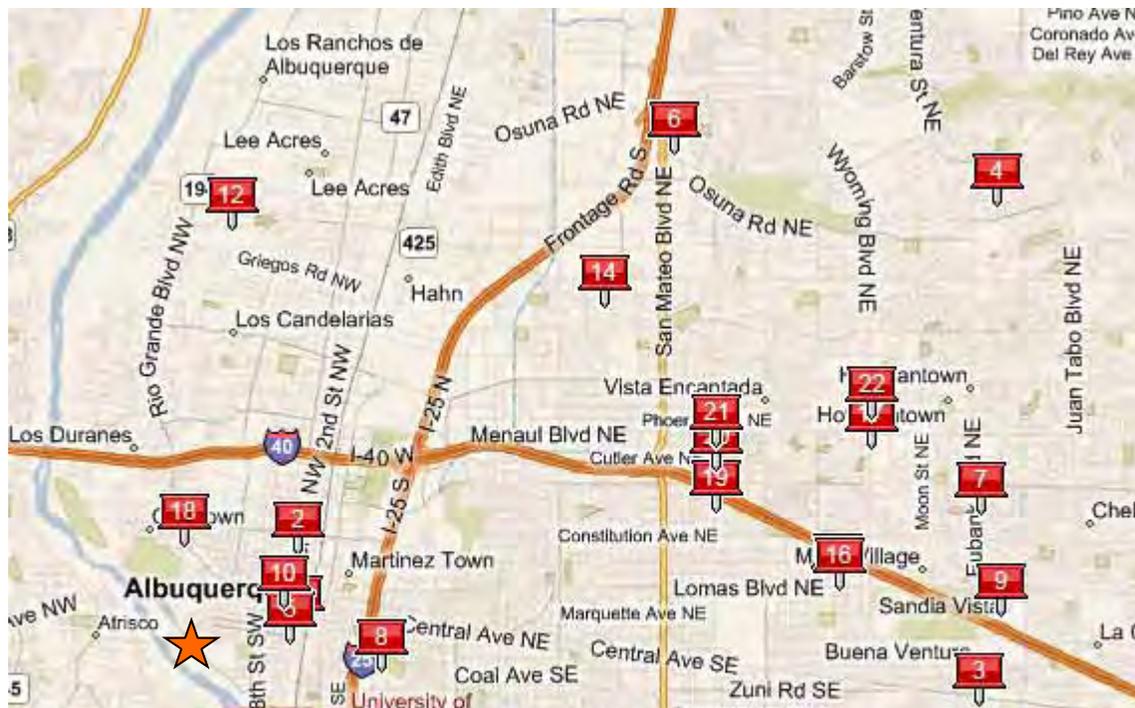
1) 20 1st Plz NW, Albuquerque, NM 87102
2) 1121 4th St NW, Albuquerque, NM 87102
3) 209 Eubank Blvd NE, Albuquerque, NM 87123
4) 5600 Eubank Blvd NE, Albuquerque, NM 87111
5) 320 Gold Ave SW, Albuquerque, NM 87102
6) 5700 NE Harper NE NE, Albuquerque, NM 87109
7) 10010 Indian School Blvd NE, Albuquerque, NM 87112
8) 1100 Lead Ave SE, Albuquerque, NM 87106
9) 10601-10801 Lomas Blvd NE, Albuquerque, NM 87112
10) 505 Marquette NW, Albuquerque, NM 87102
11) 11930 Menaul Blvd NE, Albuquerque, NM 87112 (map location unavailable)
12) 1776 Montano Rd, Albuquerque, NM 87107
13) 4205 Montgomery Blvd NE, Albuquerque, NM 87109
14) 4263 Montgomery Blvd NE, Albuquerque, NM 87109
15) 8015 Mountain Rd NE, Albuquerque, NM 87110
16) 8100 Mountain Rd NE, Albuquerque, NM 87110
17) 7800 Phoenix Ave NE, Albuquerque, NM 87112
18) 404 NW San Felipe St, Albuquerque, NM 87104
19) 2201 San Pedro Dr NE, Albuquerque, NM 87110
20) 2501 San Pedro Dr NE, Albuquerque, NM 87110
21) 2701 San Pedro Dr NE, Albuquerque, NM 87110
22) 2601 Wyoming Blvd NE, Albuquerque, NM 87112

Summary profiles for these property's were pulled from the CARNM website and indicate rental rate ranges from $10 to $30/sf on a full service basis.

An average rent of $20/sf was used for El Vado.

Competitive Set for Executive office in Albuquerque

1

20 1st Plz NW, Albuquerque, NM 87102
20 First Plaza Galleria
323,000 SF Class B Ofc

Berger Briggs RE - Insurance
Bruce Levin   (505) 247-0444
Alan Vincioni   (505) 247-0444

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
Galleria	040	274	274	274	$10.50 FSG	Yes	Now	Office	Existing
2	208-A	322	322	322	$14.50 FSG	Yes	Now	Office	Existing
7	790	227	227	227	$14.50 FSG	Yes	Now	Office	Existing

2

1121 4th St NW, Albuquerque, NM 87102
Emerald Building
25,200 SF Class A Ofc Building Built in 2008

Coldwell Banker Commercial
April Ager   (505) 563-4658

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
3	Pentho	363	363	363	$30.00 FSG	Yes	Now	Office	

3

209 Eubank Blvd NE, Albuquerque, NM 87123
Eubank Center
6,155 SF Class B Ofc

Grubb & Ellis / New Mexico
Kevin Bobb   (505)-880-7034

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
FLOOR	SUITE	1,848	1,848	161	$10.00 MG	Yes	Now	Office	Existing

4

5600 Eubank Blvd NE, Albuquerque, NM 87111
20,000 SF Class A Ofc Building Built in 2006

Grubb & Ellis / New Mexico
Trudy Jones   (505)880-7096

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
2		370	370	370	$23.00 Gross	Yes	Now	Office	Existing

5

320 Gold Ave SW, Albuquerque, NM 87102
New Mexico Bank & Trust Building
107,500 SF Class B Ofc

McCreary Real Estate Group
Howard McCreary   (505) 881-4796

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
FLOOR	SUITE	41,800	7,200	300	$13.95 FSG	Yes			Existing

6

5700 NE Harper NE NE, Albuquerque, NM 87109
NorthPointe Plaza
77,974 SF Class B Ofc

Grubb & Ellis / New Mexico
Trudy Jones   (505)880-7096
John HendersonIII   (505)880-7090

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
FLOOR	SUITE	66,210	66,210	302	$17.00 FSG	Yes	Now	Office	Existing

7

10010 Indian School Blvd NE, Albuquerque, NM 87112
Plaza San Luis
11,000 SF Class B Ofc

RogerCox&Assoc RE BrokerageLLC
Lance Sigmon   (505)268-2800

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
FLOOR	SUITE	1,200	1,200	232	$10.50 Gross	Yes			Existing

8

1100 Lead Ave SE, Albuquerque, NM 87106
Medical/General Office Space on Lead
11,348 SF Class B Ofc

Grubb & Ellis / New Mexico
Kevin Bobb   (505)-880-7034

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
2	201	3,453	3,453	172	$18.50 - $25.00 NNN	Yes	Now	Office	

ALBUQUERQUE **7-10**

ROUTE 66
HISTORIC
EL VADO
MOTEL

9 10601-10801 Lomas Blvd NE, Albuquerque, NM 87112
Atrium Office Building
49,750 SF Class C Ofc Building Renovated in 2003

Hanna Commercial, LLC
Richard Hanna

(505) 332-0522

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
2	10701-2	433	433	433	$13.25 FSG	Yes	Now	Office	Both

10 505 Marquette NW, Albuquerque, NM 87102
505 Marquette
255,000 SF Class C Ofc Building Built in 1970

CB Richard Ellis
Terri Dettweiler
Scott Whitefield

(505) 837-4912
(505)837-4903

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
LL113A	LL113A	374	374	374	$14.50 FSG	Yes	Now	Office	Existing
LL127A	LL127A	262	262	262	$14.50 FSG	Yes	Now	Office	Existing

11 11930 Menaul Blvd NE, Albuquerque, NM 87112
The Cascada Building
35,141 SF Class B Ofc Building Built in 1982

2010 Real Estate, Inc.
George Pullen

(505) 323-0010

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1	112A	420	420	420	Negotiable FSG	Yes	Now	Office	Existing
2	222B	400	400	400	Negotiable FSG	Yes	Now	Office	Existing

12 11930 Menaul Blvd NE, Albuquerque, NM 87112
The Cascada Building
35,141 SF Class B Ofc Building Built in 1982

2010 Real Estate, Inc.
George Pullen
Annie McGibbon

(505) 323-0010
(505) 323-0010

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1	104A	238	238	238	$24.96 FSG	Yes	6/1/2008	Office	Existing
1	105B	337	337	337	$24.04 FSG	No	8/1/2008	Office	Existing
2	221B	200	200	200	$21.90 FSG	Yes	Now	Office	Existing

13 1776 Montano Rd, Albuquerque, NM 87107
1776 Montano
10,112 SF Class B Ofc

Grubb & Ellis / New Mexico
Kevin Bobb

(505)-880-7034

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1 and 2	Multiple	3,779	3,779	363	$24.60 - $24.80 MG	Yes	Now	Office	Existing

14 4205 Montgomery Blvd NE, Albuquerque, NM 87109
50,000 SF Class B Ofc

Silver Oak Inv. LLC
Cathy Crismore

(505)350-1905

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
2	4207	900	900	100	Negotiable	Yes	Now		

15 4263 Montgomery Blvd NE, Albuquerque, NM 87109
25,000 SF Class A Ofc

Silver Oak Inv. LLC
Cathy Crismore

(505)350-1905

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1	200	430	430	430	$18.00 FSG	Yes			New
2	240	367	367	367	$18.00 FSG	Yes	Now	Office	Existing

16 8015 Mountain Rd NE, Albuquerque, NM 87110
12,000 SF Class B Ofc Building Built in 1976

2010 Real Estate, Inc.
George Pullen

(505) 323-0010

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1	115B	240	240	240	Negotiable FSG	Yes	30 Days	Office	

17 8100 Mountain Rd NE, Albuquerque, NM 87110 — 42,000 SF Class B Ofc
RogerCox&Assoc Prop. Mgmt, LLC
Brian Anderson (505)379-6030
Robert Driver (505)268-2800

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
2	204P	214	214	214	$15.00 FSG	Yes			

18 7800 Phoenix Ave NE, Albuquerque, NM 87112 — 3,920 SF Class C Ofc
ALLSTAR REALTY
Kamran Omidvar (505)319-3800

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1	B	900	900	300	Negotiable Gross	Yes	Now	Office	Existing

19 404 NW San Felipe St, Albuquerque, NM 87104 — Patio Escondido — 400 SF Ret Building Renovated in 2008
RG Properties, LLC
Robert Gallegos (505) 244-0444

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1		1,600	1,600	400	$6.00 FSG	Yes	Now		Existing
1	C-2	1,600	1,600	400	$6.00 FSG	Yes	Now		Existing

20 2201 San Pedro Dr NE, Albuquerque, NM 87110 — 98,000 SF Class B Ofc
NAI The Vaughan Company
Barbara Morgan (505) 797-1100
Stanley Schneider (505) 797-1100

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
FLOOR	SUITE	269	269	269	$15.95 FSG	Yes			Existing

21 2501 San Pedro Dr NE, Albuquerque, NM 87110 — 29,422 SF Class B Ofc
NAI The Vaughan Company
J.D. Cook (505)797-1100

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
1	111-A	360	360	360	$15.00 FSG	Yes	Now	Office	Existing

22 2701 San Pedro Dr NE, Albuquerque, NM 87110 — 14,000 SF Class B Ofc
Berger Briggs RE - Insurance
Alan Vincioni (505) 247-0444
Dave Vincioni (505) 247-0444

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
FLOOR	SUITE	200	200	200	$12.00 - $12.86 FSG	Yes	Now	Office	Existing

23 2601 Wyoming Blvd NE, Albuquerque, NM 87112 — Sandia Professional Center — 20,000 SF Class C Ofc
Commercial Property Services
Jim Peixotto (505) 821-1700

Floor	Suite	SF Avail	Max Contig	Min Div	Lease Rate	Vacant	Available	Space Type	New / Existing
2	218	360	360	360	$12.50 FSG	Yes	Now	Office	Existing

	Office
Bldg. Size	13,000
Land Size	52,000
Units	33
Rent $/sf	$ 1.67
Rent per night	
Rent per month unit	
Annual Rent	$ 260,000
Vacancy	10%
Potential Rental Income	$ 234,000
Expenses	45%
NOI	$ 128,700
Market CAP Rate	8.0%
Value upon completion	$ 1,608,750
less Acquistion Costs (for current owner)	$ 680,000
Differential available for redevelopment and profit	$ 928,750
Value $ per Bldg. SF	$ 124
Value $ per Land SF	$ 31
Value $ per Unit	$ 48,750

8

Appendix
- Resources for preservation
- City of Albuquerque Market Analysis
- Route 66 History
- Articles
- Limiting Conditions
- Consultant Resumes

Resources for Redevelopment

PROGRAM DESCRIPTION

Historic U.S. Highway 66 crosses the heart of America, demonstrating the delights and realities of a wide cross section of American culture along the way. Created in 1926, the 2,400-mile ribbon of highway from Chicago to Los Angeles linked rural communities to urban ones, permitting an unprecedented flow of ideas and economic growth across the country. It saw the migration of Dust Bowl refugees; World War II troop movement; the advent of car culture and automobile tourism; and it facilitated large-scale settlement of the west. For many people in America and throughout the world, the highway has come to symbolize the spirit and freedom of America, and the pursuit of the American Dream. Although decommissioned in 1985, it gained legendary status through song, film, television, books, and personal experiences, and represents an important chapter in American history.

In 1999, in response to the recognized need to preserve the rich resources of the historic highway, Congress passed an Act (pdf) to create the Route 66 Corridor Preservation Program. Administered by the National Park Service, the program collaborates with private property owners; non-profit organizations; and local, state, federal, and tribal governments to identify, prioritize, and address Route 66 preservation needs. It provides cost-share grants to successful applicants for the preservation and restoration of the most significant and representative properties dating from the route's period of outstanding historical significance, 1926 through 1970. These properties include the familiar "gas, eat, sleep"-related businesses, cultural landscapes, and the all-important road segments themselves. Cost-share grants are also provided for research, planning, oral history, interpretation, and education/outreach projects related to Route 66. The program serves as a clearinghouse of preservation information, and provides limited technical assistance.

The Route 66 Corridor Preservation Program is administered by the National Park Service's National Trails System Office in Santa Fe, New Mexico. Designed as a "seed," or stimulus, program, it is scheduled to legislatively terminate at the end of fiscal year 2009, at which time the National Park Service will appoint a non-federal entity (or entities) to continue the program's purpose.

More information on the Route 66 Preservation program can be found at:

http://www.nps.gov/history/rt66/prgrm/index.htm
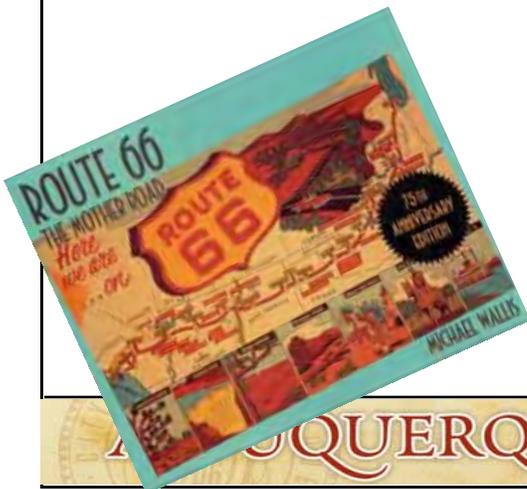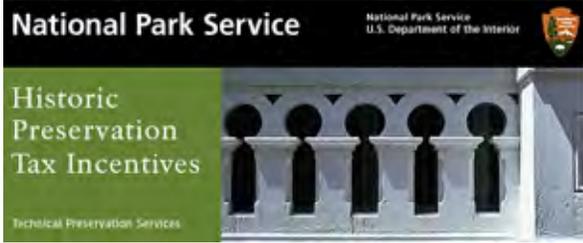
The Federal historic preservation tax incentives program (the 20% credit) is jointly administered by the U.S. Department of the Interior and the Department of the Treasury. The National Park Service (NPS) acts on behalf of the Secretary of the Interior, in partnership with the State Historic Preservation Officer (SHPO) in each State. The Internal Revenue Service (IRS) acts on behalf of the Secretary of the Treasury. Certification requests (requests for approval for a taxpayer to receive these benefits) are made to the National Park Service through the appropriate State Historic Preservation Officer (SHPO). Comments by the SHPO on certification requests are fully considered by the NPS. However, approval of projects undertaken for the 20% tax credit is conveyed only in writing by duly authorized officials of the National Park Service.

The 20% rehabilitation tax credit applies to any project that the Secretary of the Interior designates a certified rehabilitation of a certified historic structure. The 20% credit is available for properties rehabilitated for commercial, industrial, agricultural, or rental residential purposes, but it is not available for properties used exclusively as the owner's private residence.

> Additional information on Historic Preservation Tax Credits can be found on line at—
> http://www.nps.gov/history/hps/tps/tax/

What is a "certified historic structure?"

A certified historic structure is a building that is listed individually in the National Register of Historic Places -OR- a building that is located in a registered historic district and certified by the National Park Service as contributing to the historic significance of that district. The "structure" must be a building-not a bridge, ship, railroad car, or dam. (A registered historic district is any district listed in the National Register of Historic Places. A State or local historic district may also qualify as a registered historic district if the district and the enabling statute are certified by the Secretary of the Interior.)

Application Process

Owners seeking certification of rehabilitation work must complete Part 2 of the Historic Preservation Certification Application - Description of Rehabilitation. Long-term lessees may also apply if their remaining lease is 27.5 years for residential property or 39 years for nonresidential property. The owner submits the application to the SHPO. The SHPO provides technical assistance and literature on appropriate rehabilitation treatments, advises owners on their applications, makes site visits when possible, and forwards the application to the NPS, with a recommendation.

The NPS reviews the rehabilitation project for conformance with the Secretary of the Interior's Standards for Rehabilitation, and issues a certification decision. The entire project is reviewed, including related demolition and new construction, and is certified, or approved, only if the overall rehabilitation project meets the Standards. Both the NPS and the IRS strongly encourage owners to apply before they start work.

After the rehabilitation work is completed, the owner submits Part 3 of the Historic Preservation Certification Application-Request for Certification of Completed Work to the SHPO. The SHPO forwards the application to the NPS, with a recommendation as to certification. The NPS then evaluates the completed project against the work proposed in the Part 2-Description of Rehabilitation. Only completed projects that meet the Standards for Rehabilitation are approved as "certified rehabilitations" for purposes of the 20% rehabilitation tax credit.

Processing Fees

The NPS charges a fee for reviewing applications, except where the total rehabilitation cost is under $20,000. Fees are charged according to a two-tiered system: a preliminary fee and a final fee. The $250 preliminary fee covers NPS review of proposed work. The final fee covers NPS review of completed projects. The final fee depends on the rehabilitation costs, according to the fee schedule below. The preliminary fee is deducted from the final fee. Payment should not be sent until requested by NPS. The NPS will not issue a certification decision until payment has been received.

The State of New Mexico Investment Tax Credit program was created on January 1, 1984. The state income tax credit is available to owners of historic structures who accomplish qualified, rehabilitation on a structure or stabilization or protection of an archaeological site. It is a two-part process. State applications are available on-line in MS Word format or from the office. Criteria of the program are:

Property must be individually listed in, or contributing to a historic district listed in the State Register of Cultural Properties. The property may be a personal residence, income-producing property (such as an apartment building or office), or an archaeological site.

The State Cultural Properties Review Committee (CPRC) must approve the proposed rehabilitation work prior to the beginning of the project. The work will conform to the guidelines in the regulation NMAC 4.10.9 (PDF format) as interpreted by the CPRC. All parts of the project must be described in Part 1 of the application, including those items wherein costs may not be eligible toward credit, e.g. a new addition to the structure.

The project term expires 24 months from the date of the Part 1 approval. New Part for portions of uncompleted work from previous applications, as long as the project maximum has not been reached.

The completed project must be documented in Part 2 of the application and presented to the CPRC for certification. Project expenses must be fully documented and submitted the application.

Each program project carries a maximum of $50,000, although the project costs may exceed this amount. Maximum credit is 50% of eligible costs of the approved rehabilitation or $25,000 (50% of project maximum) or 5 years of tax liability, whichever is least. The credit is applied against New Mexico income taxes owed in the year the project is completed and the balance may be carried forward for up to four additional years.

> Additional Information on the State of NM historic preservation and tax credits can be found at
>
> http://www.nmhistoricpreservation.org/PROGRAMS/creditsloans_taxcredits.html

Overview

The Housing Tax Credit is a housing subsidy program for rental housing created within Section 42 of the federal tax code. In 1986 it was enacted into law with a sunset at the end of 1989. In 1993 it became a permanent addition to the federal tax code.

• Each state receives $1.75 per capita annually in low-income housing tax credits to allocate to affordable-housing rental projects within its borders. This is indexed for inflation each year and the IRS provides annual updates to population and rates.

Source of Capital

Projects can be structured so that the sale of a project's tax credits and other tax benefits provides a source of capital for the development of affordable rental housing for:

1. new construction of rental housing
2. the rehabilitation of existing units
3. the acquisition of existing buildings under certain circumstances

> In New Mexico, LIHTC programs are allocated and administered by the NM Mortgage Finance Authority—more additional can be found at
>
> http://www.nmmfa.org/
> Developer/
> HTC_Allocations.htm

Types of Tax Credit

Tax credits can be used for various types of rental housing, including:

1. housing for families
2. special needs housing
3. Single Residency Occupancy (SRO) housing, and
4. housing for the elderly.

Tax Credit Time Period

The annual tax credit amount is received over the first ten years of a project's operating period. The tax credit program requires a fifteen-year tax-credit compliance period.

• In addition, under an 1989 amendment to the program, the taxpayer and the agency allocating the housing credit must enter into an agreement for an extended low-income housing commitment that continues at least fifteen years after the end of the compliance period and

• that is binding on the taxpayer and all successors.

• During this period, a portion of a building covered by the agreement cannot be sold unless the entire building is sold, and the owner cannot refuse to lease units to Section 8 voucher holders solely because of their Section 8 status.

• The IRS recaptures a portion of the tax credits taken if a project does not operate for the full 15-year compliance period.

Affordable Housing Tax Credits: Tax Credit Rates - 9% and 4%

New Construction / Rehabilitation Credit (the so-called "9% Credit")

• The 9% credit is most standard kind of tax credit used with affordable housing projects. It is for affordable rental housing projects and is related to:

1. The cost of construction of new residential rental housing
2. The cost of the substantial rehabilitation of existing residential rental housing.

3. Substantial rehabilitation is defined as 10% of the buildings depreciable basis of $ 3,000

• Rarely is the actual tax credit rate used exactly 9%. The "9%" rate is a rate that is calculated and released

monthly by the U.S. Treasury Department. Each month, it reflects the weighted-average cost to the U.S. Treasury of long-term debt with maturities comparable with those for tax credit projects.

New Construction/ Rehabilitation Credit for Federally-Subsidized Projects ("4% Credit")

• If a project is financed with a federal subsidy – for example it uses tax exempt bond financing then the new construction/rehab basis of the project is eligible for a 4% credit, not the standard 9% credit.

• Federal subsidy is defined as a loan or obligation of federal funds where the interest rate on the loan or obligation is less than the prevailing Treasury interest rate – measured by the Applicable Federal Rate (AFR) includes tax-exempt financing, RD 515 loans

• Like the 9% credit, Treasury calculates the 4% credit monthly.

• All other rules defined above for new construction/rehabilitation apply, and there may be additional requirements to be satisfied.

The 4% Acquisition Credit

• Costs associated with the purchase of a building (excluding value of land) can qualify for a 4% tax credit, but only if:

        1. the building is to be substantially rehabilitated as described above
        2. the building meets requirements for the "10-Year Acquisition Rule"
        3. in short a building meets the rule's requirements if it has not been sold in the last 10
            years and it has not been substantially renovated in the last 10 years.

* * * * * **Its possible to have a combination of 9% and 4% tax credits in a project.**

Affordable Housing Tax Credit: Restrictions – Rents and Income

To qualify for low-income housing tax credits, a project must both restrict rents on its rental units and rent to tenants whose incomes do not exceed income limits.

Rent Restrictions

To qualify for tax credits, a project must restrict rents on its rental units as follows:

• At least 40% of the units in the project must have rents affordable to households earning less than 60% of the area median income, except in New York City where it is only 25% of the units (the "40/60 election"), or;

• At least 20% of the units in the project must have rents affordable to household earning less than 50% of the area median income (the "20/50 election")

All tax credit units in a project must have rents within the election parameters.

**   **If the 20/50 is elected, all tax credit units must have rents affordable to tenants with incomes at 50% of area median income.**

**   **If the 40/60 election is made, all tax credit units must have rents affordable to tenants with incomes at 60% of area median income.**

If a tenant qualifies when first occupying a unit, that tenant continues to occupy a qualified tax credit unit even if the tenant's income later exceeds the income limit for the unit. There is an exception to this. If the project is not 100% low-income and the tenant's income exceeds 140% of the area median income, the next

available unit of equal or greater size must be rented as a tax credit unit. This is called the **"next available unit rule"**. Most projects are 100% low-income.

Income Restrictions

To qualify for tax credits, a project must restrict renting to tenants whose income qualifies. Gross rents are the total rent for the unit, including any utility allowances for electricity and/or heat.

To calculate maximum rents

• Determine the median income for the county or metropolitan statistical area, as published by HUD. This is calculated for a family of four.

• Multiply the median income by 0.60 or 0.50 to adjust the median income for the project unit rent election. This is still for a family of four.

Adjust for family size by multiplying by the appropriate factor:

        0.70 for studios or SRO units

        0.75 for 1-BR units

        0.90 for 2-BR units

        1.04 for 3-BR units

        1.16 for 4-BR units

Multiply by 0.30 to determine the maximum amount of income for housing costs

Divide by 12 to get the maximum monthly gross rent for the unit

Subtract the utility allowance for the unit. This produces the maximum monthly net rent that may be charged to the tenant.

NOTE: **Maximum tax credit rents may be higher than what the market will bear!**

NOTE: **HUD publishes these rents on their web-site**

Calculation of the Affordable Housing Tax Credits (LIHTC)

Development Budget

The first step in determining the amount of tax credits a project is eligible to receive and how much equity can be raised from tax credits is to put together a development budget – all project's costs.

Eligible Basis

Once the development budget has been prepared, it is important to determine which line items in the development budget are depreciable costs – "Eligible Basis". Eligible Basis includes:

• A project's depreciable costs related to the construction of new residential rental housing, or

• Its depreciable costs related to substantial rehabilitation of existing residential rental housing.

Another Calculation

Another way to calculate the Eligible Basis is to take the total development costs and subtract out those items not eligible. Among those costs not eligible are:

• land and land-related costs

• building acquisition and related costs

• fees and costs related to any permanent loan financing

• fees and costs related to post-construction period operations

• syndication-related costs

• project reserves

- post-construction period working capital (e.g., marketing expenses included in development)

- federal grants

- the residential housing portion of any historic tax credits taken

- the non-residential portion of project costs (e.g., any commercial space and any community space if its use is not restricted to project tenants)

Commercial Space

Commercial space is not eligible for low-income housing tax credits because it is not residential in nature. Actual costs for commercial space should be used if available. Often, commercial construction is less costly than residential work. This helps to preserve tax credit basis. Certain soft costs may also need to be adjusted, and normally the developer fee is prorated, as well.

Equity in a Tax Credit Project

The tax credit investor will look at all of the tax credits the project can receive over 10 years and pay a price for the tax credits. Often, a project with 4% credits will have a higher rate (price) per tax credit dollar than a comparable deal with 9% tax credits. The higher rate is because the non-tax credit benefits such as depreciation are a greater percentage of total tax benefits, and investors value them, as well.

Calculating tax credit equity & calculating the amount of tax credit: _Quick Sample calculation_

	9% Tax Credit		**4% Tax Credit**
1. Total Development Costs	$4,500,000		$4,500,000
2. Ineligible Costs -	$ 500,000		$ 500,000
Eligible Basis	_$4,000,000_		_$4,000,000_
3. Applicable Fraction	x 100%		x 100%
4. QCT/DDD Basis Boost (Yes)	x 1.3		x 1.3
Qualified Basis	_$5,200,000_		_$5,200,000_
5. Tax Credit Rate	x 7.95%	x 3.75%	
Annual Tax Credits	_$413,400_		_$195,000_
6. #of Years of Tax Credits	x 10	x 10	
Total Tax Credits	_$4,134,000_		_$1,950,000_
7. Investor Price	x $0.78	x $0.83	
Total Equity for Project	**_$3,224,520_**	**_$1,618,500_**	

New Market Tax Credits (NMTC)

The 39% Federal New Markets Tax Credit is primarily based on location.

The borrowing business must:

- Be located in a low-income census tract (LIC) with poverty rate ≥ 20%, OR where median income ≤ 80% of
  the MSA.
- Generate ≥ 50% of income from activity in LIC, and ≤ 79% of revenues from residential rental
- Have substantial portion of assets in LIC
- Have employees perform a substantial portion of their work in LIC
- Have < 5% of assets in unrelated investments (loans, stocks, other investments held for gain)
- *May* be identifiable company division or department, rather than entire business
- This is a 7 year tax break plan; 5% credit for the first 3 years and 6% credit for the final 4 years; totaling 39%.
- Tax Credits may be claimed on Qualified Equity Investments (QEIs).

  — http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5

NPS Form 10-900
(Oct. 1990)

OMB No. 10024-0018

United States Department of the Interior
National Park Service

National Register of Historic Places
Registration Form

This form is for use in nominating or requesting determinations for individual properties and districts. See instructions in *How to Complete the National Register of Historic Places Registration Form* (National Register Bulletin 16A). Complete each item by marking "x" in the appropriate box or by entering the information requested. If an item does not apply to the property being documented, enter "N/A" for "not applicable." For functions, architectural classification, materials, and areas of significance, enter only categories and subcategories from the instructions. Place additional entries and narrative items on continuation sheets (NPS Form 10-900a). Use a typewriter, word processor, or computer, to complete all items.

1. Name of Property

historic name _____ El Vado Auto Court _____

other names/site number _____ El Vado Motel _____

2. Location

street & number _____ 2500 Central Avenue Southwest _____ ☐ not for publication

city or town _____ Albuquerque _____ ☐ vicinity

state _____ New Mexico _____ code __ NM __ county __ Bernalillo _____ code __ 001 __ zip code _ 87104 _

3. State/Federal Agency Certification

As the designated authority under the National Historic Preservation Act, as amended, I hereby certify that this ☐ nomination ☐ request for determination of eligibility meets the documentation standards for registering properties in the National Register of Historic Places and meets the procedural and professional requirements set forth in 36 CFR Part 60. In my opinion, the property ☐ meets ☐ does not meet the National Register criteria. I recommend that this property be considered significant ☐ nationally ☐ statewide ☐ locally. (☐ See continuation sheet for additional comments.)

_____
Signature of certifying official/Title   Date

_____
State of Federal agency and bureau

In my opinion, the property ☐ meets ☐ does not meet the National Register criteria. (☐ See continuation sheet for additional comments.)

_____
Signature of certifying official/Title   Date

_____
State or Federal agency and bureau

4. National Park Service Certification

I hereby certify that the property is: Signature of the Keeper   Date of Action

☐ entered in the National Register.
  ☐ See continuation sheet.

☐ determined eligible for the
  National Register
  ☐ See continuation sheet.

☐ determined not eligible for the
  National Register.

☐ removed from the National
  Register.

☐ other, (explain:) _____

El Vado Auto Court
Name of Property

Bernalillo County, NM
County and State

5. Classification

Ownership of Property
(Check as many boxes as apply)

- ☒ private
- ☐ public-local
- ☐ public-State
- ☐ public-Federal

Category of Property
(Check only one box)

- ☒ building(s)
- ☐ district
- ☐ site
- ☐ structure
- ☐ object

Number of Resources within Property
(Do not include previously listed resources in the count.)

Contributing	Noncontributing	
3	0	buildings
0	0	sites
0	1	structures
0	0	objects
3	1	Total

Name of related multiple property listing
(Enter "N/A" if property is not part of a multiple property listing.)

Hist. & Arch. Resources of Rt. 66 through NM

Number of contributing resources previously listed in the National Register

0

6. Function or Use

Historic Functions
(Enter categories from instructions)

DOMESTIC: hotel

Current Functions
(Enter categories from instructions)

DOMESTIC: hotel

7. Description

Architectural Classification
(Enter categories from instructions)

Spanish-Pueblo Revival

Materials
(Enter categories from instructions)

foundation _____ concrete
walls _____ stucco
roof _____ asphalt
other _____ wood

Narrative Description
(Describe the historic and current condition of the property on one or more continuation sheets.)

El Vado Auto Court
Name of Property

Barnalillo County, NM
County and State

8. Statement of Significance

Applicable National Register Criteria
(Mark "x" in one or more boxes for the criteria qualifying the property for National Register listing.)

☒ **A** Property is associated with events that have made a significant contribution to the broad patterns of our history.

☐ **B** Property is associated with the lives of persons significant in our past.

☒ **C** Property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.

☐ **D** Property has yielded, or is likely to yield, information important in prehistory or history.

Criteria Considerations
(Mark "x" in all the boxes that apply.)

Property is:

☐ **A** owned by a religious institution or used for religious purposes.

☐ **B** removed from its original location.

☐ **C** a birthplace or grave.

☐ **D** a cemetery.

☐ **E** a reconstructed building, object, or structure.

☐ **F** a commemorative property.

☐ **G** less than 50 years of age or achieved significance within the past 50 years.

Areas of Significance
(Enter categories from instructions)

transportation

architecture

Period of Significance
1937–1956

Significant Dates
1937

Significant Person
(Complete if Criterion B is marked above)
N/A

Cultural Affiliation
N/A

Architect/Builder
N/A

Narrative Statement of Significance
(Explain the significance of the property on one or more continuation sheets.)

9. Major Bibliographical References

Bibilography
(Cite the books, articles, and other sources used in preparing this form on one or more continuation sheets.)

Previous documentation on file (NPS):

☐ preliminary determination of individual listing (36 CFR 67) has been requested
☐ previously listed in the National Register
☐ previously determined eligible by the National Register
☐ designated a National Historic Landmark
☐ recorded by Historic American Buildings Survey # _____
☐ recorded by Historic American Engineering Record #

Primary location of additional data:

☒ State Historic Preservation Office
☐ Other State agency
☐ Federal agency
☐ Local government
☐ University
☐ Other
Name of repository:

El Vado Auto Court
Name of Property

Bernalillo County, NM
County and State

10. Geographical Data

Acreage of Property less than one acre

UTM References
(Place additional UTM references on a continuation sheet.)

1 1,3 3,4,7,1,7,0 3,8,8,4,5,6,0
Zone Easting Northing

2 ⎿⎿ ⎿⎿⎿⎿⎿ ⎿⎿⎿⎿⎿⎿

3 ⎿⎿ ⎿⎿⎿⎿⎿ ⎿⎿⎿⎿⎿⎿
Zone Easting Northing

4 ⎿⎿ ⎿⎿⎿⎿⎿ ⎿⎿⎿⎿⎿⎿

☐ See continuation sheet

Verbal Boundary Description
(Describe the boundaries of the property on a continuation sheet.)

Boundary Justification
(Explain why the boundaries were selected on a continuation sheet.)

11. Form Prepared By

name/title _David J. Kammer, Ph.D._

organization _contract historian_   date _August, 1993_

street & number _521 Aliso Dr. NE_   telephone _(505) 266-0586_

city or town _Albuquerque_   state _NM_   zip code _87108_

Additional Documentation
Submit the following items with the completed form:

Continuation Sheets

Maps

A USGS map (7.5 or 15 minute series) indicating the property's location.

A Sketch map for historic districts and properties having large acreage or numerous resources.

Photographs

Representative black and white photographs of the property.

Additional items
(Check with the SHPO or FPO for any additional items)

Property Owner
(Complete this item at the request of SHPO or FPO.)

name _____

street & number _____   telephone _____

city or town _____   state _____   zip code _____

Route 66
_____
Name of Multiple Property Listing

Bernalillo NM
_____
County and State

NPS Form 10-900-a
(8-86)

OMB No. 1024-0018

United States Department of the Interior
National Park Service

National Register of Historic Places
Continuation Sheet

Section __7__   Page __1__

_____

Historic and Architectural Resources of Rt. 66 through NM
Bernalillo County, New Mexico

7. Description

    The El Vado Motel consists of two one-story buildings with
flat asphalt roofs, white stucco walls, and concrete foundations.
The buildings employ several Pueblo Revival Style elements
including buttressed walls, curvilinear parapets, irregular
massing, and exposed vigas. Particularly striking are the
office/residence fronting the east wing and the lodging unit
fronting the west wing which have additional ornamental
buttressing framing the entries. This ornate use of the style
also appears in the lobby adjoining the office. Exposed vigas
supporting a dark wood ceiling, and a raised stucco and tile-
framed fireplace and ornate wrought-iron lighting fixture create
a picturesque interior. Garage spaces are interspersed between
the lodging units and are articulated by stucco-covered support
posts. Remaining original windows are double-hung or fixed with
wood surrounds. Doors are vertical plank or single wood panel.

    Although the property is located at the corner of the block,
access to the parking courtyard is limited to the front where a
small parking lot is located between the sidewalk and the office.
The thirty-two units are organized in a parallel linear plan with
the wider office/residence at the front of the east wing
extending into the courtyard. The addition of a swimming pool
filling the L space in back of the office further encloses the
auto courtyard. Landscaping consists of evergreen shrubs planted
in front of the office and some of the units as well as three
islands with concrete curbs in the middle of the courtyard on
which small trees and flower beds are located. An ornate neon
sign is located on a metal pole at the sidewalk in front of the
office parking area. Alterations to the motel include the
removal of gas pumps that originally stood in front of the
office, and the addition of the swimming pool, and the
replacement of original with metal double-hung windows. Southwest
Indian designs have recently been painted on some of the
building's facade but do not detract from the integrity or
feeling of the building. The spatial arrangement of the

Route 66
Name of Multiple Property Listing

Bernalillo NM
County and State

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(8-86)

OMB No. 1024-0018

United States Department of the Interior
National Park Service

National Register of Historic Places
Continuation Sheet

Section _7/8/9_ Page _2_

Historic and Architectural Resources of Rt. 66 through NM
Bernalillo County, New Mexico

Description (continued)

property, the relatively unaltered appearance of the buildings
including the remaining garages and the ornate use of Pueblo
Revival Style elements convey to the property a strong feeling of
a 1930s tourist court.

8. Significance

The El Vado Motel is one of the best examples of a largely
unaltered pre-World War II tourist court remaining along Route 66
in New Mexico. Built in 1937 along West Central Avenue in
anticipation of the realignment of Route 66, the building is the
oldest tourist court along the West Central Avenue commercial
strip. When it opened, Albuquerque Progress, a business monthly
published by a local bank, referred to the motel as offering
"swanky tile cabin suites ready for the summer tourist trade."
Its longtime proprietor, Dan Murphy, previously manager of the
Franciscan Hotel, was one of the best known motel operators along
Route 66. Because of this close association with tourism along
Route 66, the property is eligible under Criterion A. The
property also qualifies under Criterion C for the way in which
its setting, location, design and materials reflect early tourist
court construction in New Mexico. In particular, the spatial
arrangement of the complex and its ornate use of the Pueblo
Revival Style recall the evolution of the early tourist court and
the emphasis often placed on regional styles. Its current owners
are proud of the long association the motel has with Route 66 and
hope to maintain its historic integrity.

9. Bibliography

Albuquerque Progress. March, 1937, p.3; June, 1939, p.3.

Route 66
Name of Multiple Property Listing

Bernalillo NM
County and State

NPS Form 10-900-a
(8-86)

OMB No. 1024-0018

United States Department of the Interior
National Park Service

National Register of Historic Places
Continuation Sheet

Section __9__   Page __3__

Historic and Architectural Resources of Rt. 66 through NM
Bernalillo County, New Mexico

Verbal Boundary Description: Lots 24-39 of Block 3 of the
Westpark Addition.

Boundary Justification: The boundary includes only the portion
of the lots on which the nominated buildings are situated.

Center for Southwest Research
University of New Mexico University Libraries

U.S. Highway 66--"Route 66"--stretched from Chicago to Los Angeles, winding through many towns and cities along the way, including Albuquerque. This is a guide to select resources about the historic Route 66 at the UNM Center for Southwest Research. Check the library's online catalog, LIBROS, for locations and for more complete book and serial holdings. Ask in the CSWR Anderson Room for finding aids to non-book collections and for additional assistance.

WEB SITES
New Mexico Route 66 Association: http://www.rt66nm.org/
National Historic Route 66 Federation: http://www.national66.com/

SECONDARY SOURCES
New Mexico Books
Baca, Elmo. New Mexico Roads Through Time. Santa Fe: NM Historic Preservation Division, 2001.
Bernard, Jane. American Route 66: Home on the Road. Santa Fe: Museum of New Mexico Press,2003.
Cassity, Michael. Route 66 Corridor National Historical Context Survey. Santa Fe: National Park Service Route 66 Corridor Preservation Program, 2007. (Available through the GPO.)
Central Avenue Study, Albuquerque New Mexico. [Albuquerque: Albuquerque Planning Dept] 1984.
City of Albuquerque, Planning Department. Albuquerque, New Mexico's Historic Route 66: Tour Guide & Map. Albuquerque: City of Albuquerque, 1993.
Dunaway, David. Across the Tracks: A Route 66 Story. Albuquerque: D.K. Dunaway, 2001.
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Historic Route 66: A Handbook for New Mexico Communities. [Santa Fe]: NM MainStreet [2000?].
Kammer, David. The Historic and Architectural Resources of Route 66 Through New Mexico. Santa Fe: New Mexico Historic Preservation Division, 1992.
Knowles, Gerald M. Route 66 Chronicles. Vol. 1, "Shadows of the Past Over Route 66, Arizona—New Mexico." Marilyn von Qualen, ed. Winfield, Kan: Central Plains Book Mfg, 2002.
Krim, Arthur J. Route 66: Iconography of the American Highway. Denis Wood, ed. Santa Fe: Center for American Places, 2005.
Noe, Sally. Greetings from Gallup: Six Decades of Route 66. Gallup: Gallup Downtown Development Group, 1991.
Rittenhouse, Jack. Guide Book to Highway 66. Albuquerque: UNM Press, 1989.
Schneider, Jill. Route 66 Across New Mexico: A Wanderer's Guide. Albuquerque: UNM Press, 1991.
Steiner, Jerry. Bridge Across the Rio Grande. Salt Lake City, UT: J. Steier, 1992.
Suttle, Howard. Behind the Wheel: On Route 66. Raton: Data Plus, 1996.
Usner, Donald J. New Mexico Route 66 on Tour: Legendary Architecture from Glenrio to Gallup. Santa Fe: Museum of New Mexico Press & New Mexico Historic Preservation Division, 2001.
West Route 66 Sector Development Plan. Albuquerque: City of Albuquerque, Planning Dept., [1988].
Zickefoose, Paul W. Economic Survey of Tourist-Related Business Along Highway 66 in New Mexico, 1956-1963. New Mexico State Highway Dept. Planning Division. [University Park: New Mexico State University, 1963.]

There are also many federal government documents on the Route 66 Corridor, including studies to preserve and commemorate Route 66. See LIBROS: subject= "United States Highway 66."

CD-ROM's

New Mexico: Centuries Along Scenic Byways. Santa Fe: NM Department of Tourism, 2000.

State of New Mexico, Economic Development Department. Roadtrip: New Mexico's Route 66. Santa Fe: The Dept., 1999.

Videos

Historic Route 66, 1927-1936: Pre-1937 Alignment Through Valencia County, NM. Village of Los Lunas. Ruidoso, NM: Trident/OTI Video, 2000.

Route 66 in New Mexico: Celebrate the 75th Anniversary of America's Main Street! Albuquerque: KNME-TV, 2001.

Route 66: The Neon Road. Albuquerque: KNME-TV, 2004.

Periodicals

New Mexico Route 66 Association Newsletter, 1989-present.

Periodical Databases/Indexes. See http://elibrary.unm.edu/, "Research Databases & Indexes":

America: History & Life. Subject: "Highway 66, U.S." *Scholarly articles, dissertations.*

Academic Search Premier. Search: "Route 66." *Popular and scholarly articles.*

Vertical files

"Route 66." *Multiple files include brochures, clippings, and maps.*

ARCHIVAL RESOURCES

Albuquerque and New Mexico Pamphlet Collection, 1880-1961. MSS 112 BC. *Tourist ephemera.*

New Mexico Endowment for the Humanities Records. MSS 651 BC. *Gallup, series of exhibits, 1990.*

New Mexico Route 66 Association Records, 1950-1991 (bulk 1989-1991). MSS 601 BC. A*rchival records of the association, plus newsclippings, articles and brochures.*

Postcard Collection. PICT 995-027. *Includes NM Route 66 postcards.*

Route 66 Photograph Collection. PICT 986-012. P*hotographic study by William J. Lucas taken along Route 66 in New Mexico and Arizona, 1967-1986.*

Student Papers on Historic Preservation in New Mexico, 1987-1997. MSS 754 BC. Papers of *Professor Chris Wilson's students include a folder on Albuquerque Route 66 historic motels.*

Ward Hicks Advertising Printing Samples, 1993-1972. MSS 411 BC. *Route 66 tourism.*

OTHER RESOURCES

UNM Centennial Science & Engineering Library: Maps & Geographic Information Center (MAGIC). This department contains the largest and most varied collection of maps and other geographic information materials in the state. See <http://elibrary.unm.edu/subjects/maps.php> or call 277-5738.

———————————————
CSWR 3/07 Ann Massmann

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It will compel us to manufacture for ourselves, to build up our own commerce, our own great cities, our own railroads and canals; and to use the tribute money we now pay you for these things for the support of a government which will be friendly to all our interests, hostile to none of them.
 —- *John H. Reagan*

It is the new and different that is always most vulnerable to market research
 ——Malcolm Gladwell, Blink: The Power of Thinking Without Thinking

Market Analysis

City as a System

Every city is a unique geography and political massing – its history shapes why it is where it is, its industry and people shape it future. Each city offers a unique combination of location, geography, weather, resources, factors of production and quality of living that provide that community with its competitive advantage over other similar communities.

It is in those competitive advantages that unique real estate opportunities are created. These opportunities include creating new product or converting obsolete product to a higher and better use. To maximize the political will and community activism into a design, aesthetic and project that adds value to the city as a whole.

To weigh the real estate opportunity herein, one must first understand what makes a city "tick", by discovering its economic engines, and what motivates its populace.

Cities consist of highly interactive components which are physical, social, political, economic and quality of life. These components have tangible and intangible characteristics depending on how they are perceived. By analyzing the various components of a city one can measure and rate the importance of each characteristic and how they interact and affect each other.

These characteristics are a combination of tangible and intangible components including:

Physical characteristics:
Geology, Resources & Infrastructure, Climate, Environmental Issues, Location.

Social characteristics:
Population, Age, Income, Education Level, Ethnic & Racial Groups.

Political characteristics:
Form of Local Government, Zoning, Tax Structure, Neighborhood Activism.

Economic characteristics:
Employment, Average Income, Cost of Living, Real Estate Supply & Demand, Competition, Labor Force.

Quality of Life characteristics:
Crime Statistics, Education System, Cultural Amenities, Sports & Recreation.

The following pages provide a brief overview over the 300 year old community known as Albuquerque.

Albuquerque, New Mexico

From Wikipedia, the free encyclopedia

This overview of Albuquerque was provided by Wikipedia.org

Albuquerque is the largest city in the state of New Mexico, United States. It is the county seat of Bernalillo County and is situated in the central part of the state, straddling the Rio Grande. The city population was 518,271 as of July 1, 2007 U.S. census estimates and ranks as the 34th-largest city in the U.S. As of June 2007, the city was the 5th fastest growing in America. With a metropolitan population of 835,120 as of July 1, 2007, Albuquerque is the 60th-largest United States metropolitan area. The Albuquerque MSA population includes the city of Rio Rancho, one of the fastest growing cities in the United States, and a hub for many master-planned communities that are expected to draw future businesses and residents to the area.

Albuquerque is home to the University of New Mexico (UNM) and Kirtland Air Force Base as well as the Sandia National Laboratories and Petroglyphs National Monument. The Sandia Mountains run along the eastern side of Albuquerque, and the Rio Grande flows through the city, north to south.

History

The city was founded in 1706 as the Spanish colonial outpost of Ranchos de Alburquerque; present-day Albuquerque retains much of the Spanish cultural and historical heritage. Albuquerque was a farming community and strategically located military outpost along the Camino Real. The town of Alburquerque was built in the traditional Spanish village pattern: a central plaza surrounded by government buildings, homes, and a church. This central plaza area has been preserved and is open to the public as a museum, cultural area, and center of commerce. It is referred to as "Old Town Albuquerque" or simply "Old Town." "Old Town" was sometimes referred to as "La Placita" ("little plaza" in Spanish).

The village was named by the provincial governor Don Francisco Cuervo y Valdes in honour of Don Francisco Fernández de la Cueva, Duke of Alburquerque, viceroy of New Spain

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Albuquerque, New Mexico

— City —

City of Albuquerque

A view of Albuquerque's Downtown at Sunset.

Flag

Motto: Let's Keep Albuquerque Green! Good For You, Albuquerque
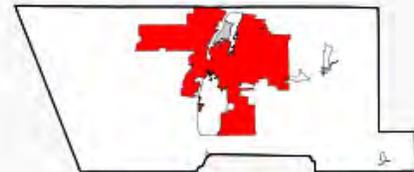
Location in the state of New Mexico

Coordinates: 35°06'39"N 106°36'36"W

Country	United States
State	New Mexico
County	Bernalillo County
Founded	1706
Government	
- Type	Mayor–City Council
- Mayor	Martin Chavez (D) 3rd term
- City Council	Chairman: Bradley Winter (R)
Area	
- City	181.3 sq mi (469.5 km²)
- Land	180.6 sq mi (467.9 km²)
- Water	0.6 sq mi (1.7 km²)

from 1653 to 1660. The first "r" in "Alburquerque" was dropped at some point in the 19th century, supposedly by an Anglo-American railroad station-master unable to correctly pronounce the city's name. Some New Mexicans still prefer the spelling Alburquerque; see for example the book by that name by Rudolfo Anaya. In the 1990s, the Central Avenue Trolley Buses were emblazoned with the name Alburquerque (with two "r"s) in honor of the city's historic name.

The Alburquerque family name dates from pre-12th century Iberia (Spain and Portugal) and is habitational in nature (de Alburquerque = from Alburquerque). The Spanish village of Alburquerque is within the Badajoz province of Spain, and located just fifteen miles from the Portuguese border. Cork trees dominate the landscape and Alburquerque is a center of the Spanish cork industry. Over the years, this region has been alternately under both Spanish and Portuguese rule. (It is interesting to note that the Portuguese spelling has only one 'r'). Historically, the land around Alburquerque was invaded and settled by the Moors (711 AD) and the Romans (218 BC) before them. Thus, the word Alburquerque may be rooted in the Arabic (Moorish) 'Abu al-Qurq', which means "father of the cork oak", or "land of the cork oak" (the land as father - fatherland). Alternately, it may be Latin (Roman) in origin and from 'albus quercus' or "white oak" (the wood of the cork oak is white after the bark has been removed). The seal of the Spanish village of Alburquerque is comprised of a white oak tree, framed by a shield, topped by a crown.

During the Civil War Albuquerque was occupied in February 1862 by Confederate troops under General Henry Hopkins Sibley, who soon afterwards advanced with his main body into northern New Mexico. During his retreat from Union troops into Texas he made a stand on April 8, 1862 at Albuquerque. A day-long engagement at long range led to few casualties against a detachment of Union soldiers commanded by Colonel Edward R. S. Canby.

When the Atchison, Topeka and Santa Fe Railroad arrived in 1880, it bypassed the Plaza, locating the passenger depot and railyards about 2(3) east in what quickly became known as New Albuquerque or New Town. Old Town remained a separate community until the 1920s when it was absorbed by the City of Albuquerque, which had been incorporated in 1891. Albuquerque High School, the city's first public high school, was established in 1879.

Early 20th century

New Albuquerque quickly became a tidy southwestern town which by 1900 boasted a population of 8,000 inhabitants and all the modern amenities including an electric street railway connecting Old Town, New Town, and the recently established UNM campus on the East Mesa. In 1902 the famous Alvarado Hotel was built adjacent to the new passenger depot and remained a symbol of the city until it was torn down in 1970 to make room for a parking lot. In 2002, the Alvarado Transportation Center was built on the site in a manner resembling the old landmark. The large metro station functions as the downtown headquarters for the city's transit department, and serves as an intermodal hub for local buses, Greyhound buses, Amtrak passenger trains, and the Rail Runner commuter rail line.

New Mexico's dry climate brought many tuberculosis patients to the city in search of a cure during the early 1900s, and several sanitaria sprang up on the West Mesa to serve them. Presbyterian Hospital and St. Joseph Hospital, two of the largest hospitals in the Southwest, had their beginnings during this period. Influential New Deal-era governor Clyde Tingley and famed southwestern architect John Gaw Meem were among those brought to New Mexico by tuberculosis.

Decades of growth

On June of 2007 Albuquerque was listed as the 6th fastest growing city in America by CNN and the US Census Bureau.

The first travelers on Route 66 appeared in Albuquerque in 1926, and before long dozens of motels, restaurants, and gift shops had sprung up along the roadside to serve them. Route 66 originally ran through the city on a north-south alignment along Fourth Street, but in 1937 it was realigned along Central Avenue, a more direct east-west route. The intersection of Fourth and Central downtown was the principal crossroads of the city for decades. The majority of the surviving structures from the Route 66 era are on Central, though there are also some on Fourth. Signs between Bernalillo and Los Lunas along the old route now have brown, historical highway markers denoting it as Pre-1937 Route 66.

The establishment of Kirtland Air Force Base in 1939, Sandia Base in the early 1940s, and Sandia National Laboratories in 1949, would make Albuquerque a key player of the Atomic Age. Meanwhile, the city continued to expand outward onto the West Mesa, reaching a population of 201,189 by 1960. In 1990 it was 384,736 and in 2007 it was 523,590.

Albuquerque's downtown entered the same phase and development (decline, "urban renewal" with continued decline, and gentrification) as nearly every city across the United States. As Albuquerque spread outward, the downtown area fell into a decline. Many historic buildings were razed in the 1960s and 1970s to make way for new plazas, high-rises, and parking lots as part of the city's urban renewal phase. Only recently has downtown come to regain much of its urban character, mainly through the construction of many new loft apartment buildings and the renovation of historic structures like the KiMo Theater, in the gentrification phase.

New millennium

During the 21st century, the Albuquerque population has continued to grow rapidly. The population of the city proper is estimated at 518,271 in 2007, up from 448,607 in the 2000 census. The metropolitan area population is estimated at 835,120 in 2007, up from 729,649 in the 2000 census.

During 2005 and 2006, the city celebrated its tricentennial with a diverse program of cultural events

Sports

Club	Sport	League	Venue
Albuquerque Isotopes	Baseball	AAA PCL affiliated with the Florida Marlins	Isotopes Park
Albuquerque Thunderbirds	Basketball	NBA D-League	Tingley Coliseum
New Mexico Scorpions	AA Minor League Ice Hockey	CHL	Tingley Coliseum*

*The Scorpions plan to move to a new arena currently being built in neighboring Rio Rancho in 2006.

ROUTE 66
HISTORIC
EL VADO
MOTEL

Flag   Seal

Nickname: "*The Duke City*"

Location in the state of New Mexico

Coordinates: 35°06'39"N, 106°36'36"W

Sister cities

Albuquerque has nine sister cities, as designated by Sister Cities International, Inc.

- 🇪🇸 - Alburquerque (Spain)
- 🇹🇲 - Aşgabat (Turkmenistan)
- 🇲🇽 - Chihuahua (Mexico)
- 🇪🇸 - Gijón (Spain)
- 🇲🇽 - Guadalajara (Mexico)
- 🇩🇪 - Helmstedt (Germany)
- 🇹🇼 - Hualien (Taiwan)
- 🇨🇳 - Lanzhou (China)
- 🇯🇵 - Sasebo (Japan)

Transportation

Airports

- Albuquerque International Sunport (IATA: **ABQ**, ICAO: **KABQ**)
- Double Eagle II Airport (Civil, small-craft aviation) (IATA: **AEG**, ICAO: **KAEG**)

Passenger rail

- Amtrak
- Rail Runner

Interstate highways

- Interstate 25 - Pan American Freeway
- Interstate 40 - Coronado Freeway

Local transit

- ABQ RIDE
- Rapid Ride

Country	United States
State	New Mexico
County	Bernalillo
Founded	1706
Mayor	Martin Chavez
Area	
- City	469.5 km² (181.3 sq mi)
- Land	467.9 km² (180.6 sq mi)
- Water	1.7 km² (0.6 sq mi)
Elevation	1,619.1 m (5,312 ft)
Population	
- City (2005)	494,236
- Density	958.9/km² (2,483.4/sq mi)
- Metro	797,940
Time zone	MST (UTC-7)
- Summer (DST)	MDT (UTC-6)

Website: http://www.cabq.gov/

Centrally located Albuquerque, NM

Travel distance to:	Distance in miles
Santa Fe	63
Taos	132
Durango	215
El Paso	266
Amarillo	287
Colorado Springs	378
Denver	446
Phoenix	465
Tucson	503
Oklahoma City	542
Las Vegas	572
Dallas	645
Tulsa	651
Houston	882
Salt Lake	970

The following was used to provide a historical context of Albuquerque. It contains - *Destination Albuquerque by Mo Palmer,* this excerpt can be found at www.itsatrip.org

Albuquerque has been a destination for centuries. The first inhabitants were big game hunters who melted into the sunset along with the Ice Age. Others followed—but that's another story. In the 1300s, something happened to the sophisticated cultures we call Ancestral Pueblo. People abandoned the incredible structures of Chaco Canyon and Mesa Verde to settle along the Rio Grande which carried precious water and nourished vegetation. These ancestors of today's Pueblo Indians settled up and down the river in what the Spanish named Tiguex Province.

Conquistador Francisco Vasquez de Coronado's expedition reached the pueblo of Zuni in 1540. The expedition party camped there, attracting the curiosity of Bigotés (Whiskers) of the village of Pecos. He visited them, bringing tales of gold just down the road. The Spanish, disappointed by villages of mud, believed the stories. Coronado sent his captain, Alvarado, to investigate, making him the first white man to see the pueblo of Acoma shining on its mountain in the sun. He was also the first to see the area that would one day be Albuquerque. The valley, with its water, trees, and mountains made a fabulous impression— as did winter-stocked pueblos. Alvarado sent for Coronado, to wait for Spring in Tiguex— Albuquerque's first tourists.

In the 1600s, Albuquerque wasn't a formal community— just folks living along the river. Farmers eked enough out of the land to sustain families. Others had estancias (estates)—haciendas with patios and chapels. It's doubtful anyone lived a life of leisure, with floods, droughts, epidemics, and raids by hostile tribes. In 1680, following a century of often violent cultural clashes, the Native Americans drove the

Spanish out of New Mexico, destroying property and wasting settlers. The Pueblo Revolt was a strong hint that the intruders had worn out their welcome. For a time, this was NOT the place to go.

The Spanish returned in 1693. In 1706, interim Governor Cuervo y Valdez wrote the Viceroy in Mexico City that he had founded the Villa de Alburquerque, named after the Viceroy of New Spain, the Duke of Alburquerque (the extra "r" in Alburqueruque was dropped along the way). "I founded a villa on the banks and in the valley of the Rio del Norte...," he wrote, "in a good place as regards land, water, pasture and firewood..."The plaza, church, and buildings that

Above: The Santa Fe Depot and Alvarado Hotel, c. 1930 Ward Hicks Collection, Albuquerque Museum Photoarchive, PA 1982.180.211

soon sprung up can still be visited in Albuquerque's Old Town. The town's official date of establishment is April 23, 1706. A supply wagon train from Mexico City arrived every three years – after a six-month journey along El Camino Real (the Royal Road), to Albuquerque, Santa Fe, and the missions. Because this was the only trade Spain permitted, these were exciting times for colonists—what would the wagons bring? Satin slippers, sugar, tobacco, chocolate, or maybe a sweetheart? To greet the wagons there might be a great baile or a fandango (dance party). The demand for goods became so great, the wagons started coming every year.

Once Mexico gained its independence from Spain in 1821, it encouraged trade with the United States. The famous Santa Fe Trail, established from Missouri to Santa Fe, connected with the Camino Real into Albuquerque. All kinds of characters started coming to town—homesteaders, merchants, lawyers, cowboys, the usual shady suspects and the soiled doves. Franz Huning, a German immigrant and trader, settled in Albuquerque and opened a store on the plaza. His family went on to become very prominent, and instrumental in establishing the railroad terminal here in 1880, making Albuquerque a premiere stop on its line.

The Santa Fe Railway was determined to make the Southwest the new Orient and to replace overseas travel with internal tourism. Artists were commissioned to portray the Southwest as exotic and different. They soon made it a "must see." To upgrade available food and accommodations in the area, a partnership was forged between the Santa Fe and the Fred Harvey Company—to provide sojourners with the most elegant dining rooms and the grandest hotels in the country.

The Hotel Alvarado opened here in 1902. It had something for everyone: shaded portals, bell towers, fountains, immaculate rooms, employees in starched black and white, a coffee shop, newsstand, barber shop and more—a fairy tale place. The Indian and Mexican Rooms were filled with museum quality Native arts and crafts, opening a previously untapped market for the public and for the craftspeople. Native Americans created jewelry and blankets on site, and visitors could watch them weave their magic.

The Alvarado began hosting the annual Montezuma Ball, part of the Territorial Fair, which had been going strong since 1881 (when it rained the entire time and the exhibits, as well as the viewers—practically drowned). Fairgoers came to the Fair from all over New Mexico and other states. A permanent park was built at the corner of Rio Grande (Main) and Central (Railroad), which stopped dead at the fairgrounds. For several days, everyone turned out to watch races, baseball games, car parades, exhibits—agricultural and artistic—gamble in the casino or drink at one of the longest bars in the West. The fair lasted until 1917, when it succumbed to WWI, and was not resurrected until 1938 when it opened at its present location at EXPO New Mexico: Home of the State Fair, on Central Avenue East.

Although WWI ended the Territorial Fair, it opened the skies to another popular activity—aviation. By 1928 there was an airport on south Wyoming, now part of Kirtland Air Force Base. Some of the original buildings still stand. Because we have perfect flying weather most of the time, aviators and aviatrix such as Charles Lindbergh, Laura Ingalls, Amelia Earhart, Roscoe Turner and others made the Albuquerque

Airport a destination and regular stopover. City folks flocked to see them and the "huge" commercial aircraft that passed through. The airport had a nightclub, where you could trip the light fantastic – but if you phoned for a reservation, you paid a long distance charge. Air traffic outgrew the adobe hangar, and in 1939, a new municipal airport opened, west of today's Albuquerque International Sunport.

Despite predictions that airplanes and cars were nothing more than fads, both were here to stay, and eclipsed the Iron Horse. America had lousy roads with little pavement, which didn't stop car enthusiasts who took to the wagon ruts, farm-to-market roads, and old trails with a vengeance—and with vociferous lobbying for better highways.

Central Avenue—the city's main street, c. 1950s, ©Dick Kent

In 1926 the government yielded and, at least on maps, strung these paths together and gave them numbers. Who knew that one, Number Sixty-Six, would pass through Albuquerque twice and double its popularity as a destination? "Tin Can Tourists," so called because they carried sleeping cots on the car's running board and ate canned cuisine, dotted the landscape like mushrooms after a summer rain.

Political machinations, chicanery, plots, schemes, and a bridge over the Rio Puerco west of Albuquerque rerouted Route 66 in 1937, lopping off the Santa Fe loop and running the Mother Road straight down Central Avenue, east to west. Thus began Albuquerque's second heyday as a destination— reviving the excitement once generated by passenger trains and the Alvarado. Called the "City of Neon," Central Avenue looked like a carnival midway as nearly every motel, store, beanery and bar proudly showed its colors. "Duck" architecture—

buildings whose exteriors reflected the function of their interiors bloomed in the high desert night. The Iceburg Café, which looked like something encountered by the Titanic, sold cold drinks and ice cream; El Sombrero, round and wearing a big hat, offered Mexican food. A huge barrel at Seventh and Central Avenue peddled root beer. Each room facade at the Wigwam Court on West Central Avenue was a teepee. Route 66, decommissioned in 1985, continues to attract visitors, as people come to celebrate Route 66 events and to look for ghosts of the old road.

The little villa by the Rio Grande, now New Mexico's largest city, continues to be a special destination—for events and adventures such as the Albuquerque International Balloon Fiesta® and the Sandia Peak Aerial Tramway, and for those things that endure, such as the New Mexico State Fair and Albuquerque's crisp, clean air under a sapphire sky.

Mo Palmer is a freelance writer and speaker who teaches New Mexico history at Sandia Preparatory School. She holds a Masters of American Studies with a concentration in local and regional history. She was the archivist and oral historian at The Albuquerque Museum for 10 years.

Albuquerque History

Albuquerque History Timeline

1000 A.D. (approx.): Tiwa people migrated to the Rio Grande Valley.

1200-1325 (approx.): Pueblos were founded along the Rio Grande, including Sandia Pueblo.

1400 (approx.): Athapaskan (Apache and Navajo) people arrived in the Southwest.

1540: Francisco Vásquez de Coronado's expeditionary force of 300 Spaniards and 800 Indian auxiliaries wintered at Tiguex province, near present-day Albuquerque, while in search of the legendary city of Quivira.

1598: Don Juan de Oñate passed through the Middle Rio Grande with 400 men, some with families, and 10 Franciscan missionaries. He claimed the area for Spain.

1609: Trails leading from Mexico City were consolidated to form El Camino Real de Tierra Adentro, the Royal Road to the Interior Land. It would become Albuquerque's lifeline to the outside world, bringing news, settlers and trade goods.

1632: Diego de Trujillo established a rancho, the Paraje de Huertas ("Place of the Orchards") at the future site of Albuquerque. The area was called El Bosque Grande de San Francisco Xavier ("The Great Woods of Saint Francis Xavier").

1680: During the Pueblo Revolt, people from Sandia, Puaray, and Alameda pueblos attacked 17 ranchos south of Sandia Pueblo, killing more than 120 settlers. Escaping south were 1,500 colonists and 7 priests.

1692: Captain General Don Diego de Vargas and a small army marched up the Rio Grande and reclaimed New Mexico.

1693: Vargas returned with a large group of settlers and Franciscan priests. Many colonists left the main party near Isleta to resettle the Middle Rio Grande.

1698: Vargas began making land grants in the Albuquerque area to new settlers and returned some lands to descendants of pre-revolt settlers.

1703: The village of Atrisco was founded on the west bank of the Rio Grande.

1706: Governor Francisco Cuervo y Valdez founded the Villa San Francisco de Alburquerque. San Felipe de Neri Church was built on the west side of the plaza, facing east.

1716: The Isleta people returned from Hopi country, where they fled in 1681, to re-occupy Isleta Pueblo.

1726: Alburquerque was a loose settlement of farms. A few families had homes near the church.

1742: The Sandia people returned from Hopi country, where they had fled in 1681, to reoccupy Sandia Pueblo.

1779: After the governor ordered settlers to build a defensible and more concentrated community to combat Indian raiding, a recognizable plaza took shape.

1793: San Felipe de Neri Church, which had collapsed, was rebuilt on the north side of the plaza, facing south.

1821: Mexico won independence from Spain. Under Mexican control, New Mexico was permitted for the first time to trade with the United States, which led to opening of the Santa Fe Trail.

1846: During the Mexican-American War, General Stephen Watts Kearny entered Albuquerque and claimed it for the United States. The army established a supply depot west of the plaza.

1848: The Treaty of Guadalupe Hidalgo ended the Mexican-American War.

ALBUQUERQUE 8-29 CANTERA

1851: New Mexico was admitted to the United States as a territory, and Albuquerque got its first post office.

1853: Maj. Richard Weightman launched El Amigo del País, a partisan political newspaper.

1862: A column of Texas Confederate soldiers occupied Albuquerque, but after a disastrous loss to Union troops at Glorieta, they retreated and Albuquerque returned to Union control.

1863: Albuquerque was incorporated as a town.

1876: The first telegraph line connected Albuquerque with the nation.

1880: The Atchison, Topeka & Santa Fe Railway Co. reached Albuquerque. Late that year the first gas utility began.

1881: The first Territorial Fair was held.

1882: Park van Tassel rose to 14,207 feet during the city's first balloon ascension. And the first telephone service was offered in Albuquerque.

1883: The first electric light utility began operating.

1889: The Territorial Legislature established the University of New Mexico in Albuquerque.

1891: Albuquerque incorporated as a city with a population of 3,785. The first public library opened. And the Albuquerque Public School system was founded.

1902: The Alvarado Hotel was completed. It was considered the finest railroad hotel of the time. And the Sisters of Charity opened St. Joseph Sanitorium, the first such facility for tuberculosis patients. Albuquerque would subsequently become a haven for health seekers.

1912: New Mexico was admitted to the union as the 47th state.

1923: The nine-story First National Bank building at 3rd and Central Ave. became the city's first sky scraper.

1925: Clyde Tingley became chairman of the Albuquerque City Commission. He would serve as chairman and ex-officio mayor in 1925-1935, 1939-46, 1947-48 and 1951-53.

1927: The KiMo Theatre opened at 5th Street and Central Avenue, and the Rio Grande Park and Zoo were established. Route 66 was completed through Albuquerque, passing north to south along 4th Street.

1928: KGGM, the first radio station in Albuquerque, began broadcasting.

1930: The Middle Rio Grande Conservancy, organized in 1925, began building dikes and conversion channels to control the Rio Grande.

1931: Tingley Beach opened in Rio Grande Park.

1936: WPA projects included the Coal Street overpass, underpasses at Central Avenue and Tijeras, and the new Albuquerque Municipal Airport.

1937: The Tingley Field Stadium was completed, and the Albuquerque Cardinals began playing baseball. A realigned Route 66 now passed through Albuquerque east to west along Central Ave.

1938: The New Mexico State Fair, built with WPA funding, opened at the new fairgrounds on San Pedro and Central, two miles east of the city limits.

1939: The Army Air Force leased land to open a flight training base. By 1940 it would have 110 buildings. In 1942 it was named Kirtland Army Air Field.

1940: Albuquerque's telephone system was converted to dial phones.

1945: Los Alamos National Laboratory moved its Z Division to Albuquerque's Sandia Base; it was renamed Sandia Laboratory in 1948 and became independent in 1949.

1947: R.B. Waggoman completed the Nob Hill Business Center, the city's first shopping center.

1948: KOB-TV was Albuquerque's first television station.

1949: The City of Albuquerque annexed Old Town, joining the two officially.

1952: Construction began on the Simms Building at Fourth and Gold, the largest, and most modern office building in Albuquerque.

1956: Albuquerque celebrated its 250th anniversary, called Enchantorama. And freeway alignments for I-25 and I-40 were decided.

1957: Civic Auditorium was completed.

1959: Arthur Bonnette opened Albuquerque's first McDonald's franchise at Menaul and San Pedro.

1961: The $9.7 million Winrock Center opened. And the 16-story Bank of New Mexico Building became the city's tallest building.

1963: Work began on the new city airport.

1966: The Sandia Peak Tramway, the longest of its kind in North America, opened. And the I-25 and I-40 interchange, The Big I, was completed.

1967: The Museum of Albuquerque opened near the Old Town.

1968: Albuquerque resident Bobby Unser won theIndianapolis 500.

1972: Albuquerque held a balloon rally with 13 participants. The next year the Albuquerque Balloon Fiesta launched with 138 balloons.

1974: MITS Inc., an Albuquerque company, made the first practical, affordable home computer – the Altair.

1978: Albuquerque balloonists Maxie Anderson, Ben Abruzzo and Larry Newman become the first to cross the Atlantic Ocean in a balloon, the Double Eagle II.

1981: Ben Abruzzo led a balloon flight from Japan to America, the longest balloon flight in history.

1985: Route 66 was decommissioned as a national highway.

1991: Col. Sidney Gutierrez piloted the Columbia on its 11th flight from Kennedy Space Center at Cape Canaveral, becoming the first native-born Hispanic astronaut.

This timeline was found at the Albuquerque Tricentennial website: www.albuquerque300.org

Tangible Characteristics

Tangible—adjective
1. capable of being touched; discernible by the touch; material or substantial.
2. real or actual, rather than imaginary or visionary: the tangible benefits of sunshine.
3. definite; not vague or elusive: no tangible grounds for suspicion.
4. (of an asset) having actual physical existence, as real estate or chattels, and therefore capable of being assigned a value in monetary terms.
–noun
5. something tangible, esp. a tangible asset.

Tangible Characteristics are:
- Quantifiable
- Factual
- Statistical
- Empirical

Bernalillo County is the main county that contains a majority of the Albuquerque MSA and is one of the state of New Mexico's 33 counties, is located in central New Mexico, and stretches from the East Mountain area (just north of the Sandia Mountains) to the Volcano Cliffs on the west mesa. The County consists of an area of nearly 1200 square miles and over 556,678 (2000 US Census Bureau) in population. The City of Albuquerque lies within Bernalillo County.

Bernalillo County is represented by five Commissioners and five elected officials. County Commissioners are elected by districts. The Assessor, Clerk, Probate Judge, Sheriff and Treasurer are elected countywide. A County Manager oversees 25 other departments that range from Animal Regulation to Zoning.

Bernalillo County History and Structure

The division of counties in New Mexico can be traced back to the time of Mexican rule. The first subdivison of the New Mexico Territory was made in 1837 when two "partidos" -- districts -- were created. In 1844, New Mexico was re-divided into three districts. Eventually these districts were further subdivided into areas that include similar boundaries of today's counties. One interesting note -- the first Bernalillo County boundaries were much larger than today's.

The New Mexico Constitution, written when the state entered the Union in 1912, vested the law-making power of the state in the legislature. Bernalillo County derives its authority from the State Constitution. Counties are subject to the will of the legislature, modified only by the state constitution, the courts, and the legislative process.

The following pages contains Cantera Consultants & Advisors analysis of the drivers of demand for commercial and residential real estate

The drivers of demand for commercial real estate include:

BASIC EMPLOYMENT

"Basic" Jobs are those that provide services, goods or products outside the trade area, returning dollars to the trade area.

TOTAL EMPLOYMENT

Multi-family Demand

Office/Industrial Demand

TOTAL POPULATION

Residential Demand

INCOME

Retail Demand

Albuquerque continues to garner national attention...

Lowest unemployment in 30 years… strong job growth… high barriers to entry… rising occupancy levels…. 10% rent increases in 2007… 5% rent increases 2008 (Q1 to Q2) … strong single family appreciation… luxury apartment product selling for $105,000 to $150,000/unit… Commuter rail to Santa Fe opens Q4-2008… a nationally visible governor… 4,000 new jobs…

And more new jobs on the way...

Fidelity investments (1,250), Schott Solar (1,500), Sony Pictures (250), Tesla Motors (400), PR newswire (125), Albuquerque Studios (75)…

film new mexico

IN PRODUCTION:
- A Lonely Place for Dying
- Run For Her Life
- Transformers: Revenge of the Fallen
- Crash
- Sex & Lies in Sin City
- Observe and Report
- Terminator Salvation: The Future Begins

☑ **AAA rates Albuquerque 2nd in vacation affordability**
American Automobile Association—June 2008

☑ **UNM Anderson School Ranked in Global 100**
Aspen Institute, October 2007

☑ **Forbes Ranks Albuquerque #8 in Best Cities for Jobs**
Forbes, October 2007

☑ **UNM Schools Ranked Among Best**
Hispanic Business- September 2007

☑ **Albuquerque Named 25th Among America's Hottest Job Markets**
Washington Business Journal—Bizjournal September 2007

☑ **Albuquerque Named Among the 50 Best Adventure Towns**
National Geographic Magazine, September 2007

☑ **New Mexico Ranked Fifth Nationally for Manufacturing Momentum**
Business Facilities, June 2007

☑ **Albuquerque Ranked #9 Among Cities for Most Educated Workforce**
Business Facilities- June 2007

☑ **New Mexico Ranked #7 for Pro-Business Climate (#1 in the Southwest)**
Business Facilities, June 2007

☑ **Albuquerque Ranked #2 Arts Destination**
AmericanStyle Magazine, June 2007

☑ **Albuquerque Named Among the Top 20 Metros for Nanotech**
Wilson Center's Project on Emerging Nanotechnologies, May 2007

☑ **Albuquerque Named one of the Top 20 Midsize Cities for Doing Business**
Inc.com, April 2007

☑ **Albuquerque Fittest City in the Nation**
Men's Fitness, March 2007

☑ **Albuquerque One of America's 50 Hottest Cities,**
Expansion Management, February 2007

☑ **Albuquerque Named a Top 10 City for Movie Making,**
MovieMaker Magazine, Winter 2007

☑ **Albuquerque Ranked 3rd Smartest City to Live,**
Kiplinger's Personal Finance, May 2006

☑ **Albuquerque One of the Top Metros in U.S. Overall for Public Schools**-
Expansion Management, May 2006

☑ **Bizjournals Survey Ranks Albuquerque 18th for Jobs,**
BizJournals, November 2006

☑ **Albuquerque Best in Nation for Business and Careers**
Forbes, May 2006

☑ **Forbes Magazine Ranks Albuquerque as 5th Best Metro Overall and Lowest Cost City for Doing Business**- *Forbes, May 2005*

Click here to read L.A. Time's article on Why Los Angeles is concerned that NM is catering to the film industry...

In order to assess Albuquerque potential demand for future housing, Criss West of Cantera Consultants and Advisors collected information from Albuquerque Economic Development, City of Albuquerque Planning, as well as local Real Estate Professionals on Albuquerque's increasing employment:

Expanding Business in the Albuquerque Metro

Company	Expansion Date	Current Employment	Future Employment	Description
Advent Solar	Exp - 2006-2010	40	1,000	Solar Cells Manufacturer
T-Mobile	2005	1,700	-	Customer Service Center
Intel Corp.	Exp - 2005-2006	5,500	-	Semiconductor Manufacturing
ClientLogic	Aug. 2005	920	-	Sales, Retention, Customer Service, Tech Support
Sandia Resort & Casino	Dec. 2005	1,920	-	Resort and Casino
Sandia National Laboratories	Exp - 2003-2008	7,720	-	Microtechnology Laboratory and Nanotechnology Center
Eclipse Aviation	Exp - 2004-2007	850	2,000	Aircraft (Jet) Manufacturer

- **Bizjournals Survey Ranks Albuquerque 18th for Jobs**, *BizJournals, November 2006*
- **Albuquerque Names a Smart City for Singles, Families & Retirees**, *Kiplinger's Personal Finance, October 2006*
- **New Mexico Ranked 4th in Small Tech Industry**, *Small Times Magazine, October 2006*
- **Albuquerque Ranked 14th Best Mid-Size City for Entrepreneurs**, *Entrepreneur, September 2006*
- **Albuquerque Ranked Among Top 10 of America's Braini-**

- **Albuquerque 39th Fastest-Growing City in the Nation,** *Census Bureau, June 2006*
- **Albuquerque Best in Nation for Business and Careers**, *Forbes, May 2006*
- **Albuquerque Ranked 3rd Smartest City to Live**, *Kiplinger's Personal Finance, May 2006*
- **Albuquerque One of the Top Metros in U.S. Overall for Public Schools**, *Expansion Management, May 2006*
- **Forbes Magazine Ranks Albuquerque as 5th Best Metro Overall and Lowest Cost City for Doing Business**, *Forbes, May 2005*
- **Albuquerque Named 10th Fittest City**, *Men's Fitness Magazine, January 2005*

New Business in the Albuquerque Metro

Company	Date	Current Employment	Future Employment	Description
PR Newswire	New - 2007	-	125	Operations Center
Albuquerque Studios	New - 2007	-	75	Film/TV Production Studio
LoPresti Aviation	New - 2007	-	300	Aircraft Manufacturer
Shamrock Foods	New - 2007	-	100	Food Products Distribution Center
Prime Therapeutics	New - 2006	-	60	Mail Service Pharmacy
Sento	2006	200	800	Customer Service Center
Verizon Wireless	2006	200	1,400	Customer Technical Support Center
Merillat Industries Inc.	2006	40	700	Cabinet Maker
Tempur-Pedic International	2006	-	300	Mattress and Pillow Manufacturer
Aero Mechanical Industries	2005	150	-	Aircraft Repair and Manufacturing
U.S. Forest Service	2005	450	1,200	Financial Services Center
Stainless Motors, Inc.	2004	20	-	Stainless Steel Products Manufacturer

Major Employers in the Albuquerque Area 2007

Organization	Employees	Description
Kirtland Air Force Base (Civilian)* includes Sandia National Labs 8,730	35,690	Air Force Materiel Command
Albuquerque Public Schools	14,480	Public School District
University of New Mexico	14,295	Educational Institution
Presbyterian	6,670	Hospital/Medical Services
City of Albuquerque	6,500	Government
State of New Mexico	5,485	Government
Lovelace (formerly Lovelace Sandia Health System)	5,200	Hospital/Medical Services
Kirtland Air Force Base (Military Active Duty)	4,860	Air Force Materiel Command
UNM Hospital	4,596	Hospital/Medical Services
Intel Corporation	3,500	Semiconductor Manufacturer
Bernalillo County	2,300	Government
PNM Electric & Gas Services	1,815	Utilities Provider
New Mexico Veterans Affairs Healthcare System	1,805	Hospital/Medical Services
Rio Rancho Public Schools	1,800	Educational Institution
Central New Mexico Community College	1,770	Educational Institution
T-Mobile	1,700	Customer Service Center
Sandia Resort & Casino	1,668	Resort & Casino
Bank of America	1,600	Financial Institution & Customer Service Center
Eclipse Aviation	1,500	Aircraft Manufacturer
Los Lunas Public Schools	1,365	Educational Institution
Heritage Home Healthcare	1,300	Home-Based Healthcare Services
Route 66 Casino	1,200	Casino
Isleta Gaming Palace	1,195	Casino
CitiCards	1,165	Credit Card Collection & Customer Service Center
Honeywell Defense and Space Electronic Systems	1,100	Aircraft Avionics Manufacturer
Verizon Wireless	1,100	Wireless Technical Data Services & Customer Service Center
Albuquerque Publishing Company	1,000	Publisher
Adelante Development Center	995	Non-profit Organization
US Post Office	900	Government
SiTel	850	Technical / Customer Support Center
Blue Cross/Blue Shield	830	Claims Processing
Santa Ana Star Casino	780	Casino
Wells Fargo	750	Financial Institution
Belen Consolidated Schools	740	Public School District
US Forest Service	700	Albuquerque Services Center
eTelecare Global Solutions	650	Customer Service Center
Sprint PCS	650	Customer Service Center
ARCA/InterCare	645	Non-profit Organization
City of Rio Rancho	600	Government
Qwest Communications	600	Telecommunications Provider
Albuquerque Teleservice Center for Social Security	590	Customer Service Center
Ethicon-Endo Surgery	530	Medical Instruments Manufacturer
Express Scripts	520	Prescription Mail Order
GE Aircraft Engines	500	Aircraft Engine Manufacturer

*Kirtland's civilian employment number includes all Department of Energy employees, including Sandia National Labs and contractors employed on and off base. Please note that the major change in employment between FY05 and FY06 is due to a data collection change (inclusion of off base contractors) and not an increase in employment.

Note: Figures updated annually and as data regarding changes in employment becomes available. Subject to revision.

Industry Employment & Projections data in Albuquerque MSA from Base Year 2002 to Projected Year 2012.

Industry Code	Industry Title	Estimated Employment	Projected Employment	Total Employment Change	Annual Avg. Percent Change	Total Percent Change
0	Total Employment, All Jobs	374,260	457,663	83,403	2.03	22.3
101000	Goods-Producing	48,989	55,706	6,717	1.29	13.7
101100	Natural Resources and Mining	1,054	1,078	24	0.23	2.3
101200	Construction	23,139	26,361	3,222	1.31	13.9
101300	Manufacturing	24,796	28,267	3,471	1.32	14
102000	Services-Providing	301,138	376,701	75,563	2.26	25.1
102100	Trade, Transportation, and Utilities	66,068	78,089	12,021	1.69	18.2
102200	Information	10,995	16,550	5,555	4.17	50.5
102300	Financial Activities	17,916	21,249	3,333	1.72	18.6
102400	Professional and Business Services	57,690	76,977	19,287	2.93	33.4
102500	Education and Health Services	69,842	92,153	22,311	2.81	31.9
102600	Leisure and Hospitality	38,618	48,845	10,227	2.38	26.5
102700	Other Services (Except Government)	9,496	10,500	1,004	1.01	10.6
102800	Government	30,513	32,338	1,825	0.58	6

INCENTIVES

General Business Incentives:
- High Wage Jobs Tax Credit
- Rural Jobs Tax Credit
- Job Training Incentive Program (JTIP)
- Welfare-to-Work Tax Credit
- Community Development Incentive Act (Property Tax Exemption)
- Child Care Corporate Income Tax Credit
- Tax Exemptions Using IRBs
- Cultural Property Preservation Tax Credit
- Texas/Mexico Border Residents' Tax Exemption

Industry-Specific Incentives:
  Agri-Business:
    o Agricultural Business Tax Deductions & Exempti
  Department of Defense Contractors:
    o Military Acquisition Program Tax Deduction
  Film:
    o Film Production Tax Rebate
    o Filmmaker Gross Receipts Tax Deduction
    o Film Workforce Training Program
    o Film Mentorship Program

Energy:
  o Renewable Energy Production Tax Credit
Manufacturing:
  o Double Weight Sales Factor
  o Investment Tax Credit for Manufacturers
Aerospace:
  o Research & Development Tax Deduction
  o Aircraft Manufacturing Tax Deduction
  o Aircraft Maintenance or Remodeling Tax Deduction
  o Space Gross Receipts Tax Deductions
Technology:
  o R & D Small Business Tax Credit
  o Research & Development Gross Receipts Tax Deduction
  o Rural Software Development Gross Receipts Tax Deduction
  o Technology Jobs Tax Credit
  o Web Hosting Gross Receipts Tax Deduction
Telemarketing:
  o Telemarketing Gross Receipts Tax
Tribal Land:
 o Intergovernmental Business Credit
Distilling & Brewing:
  o Preferential Tax Rate

Employment growth is the economic engine of any community. Although historically Albuquerque has managed to avoid the boom/bust cycle that have impacted cities like Denver an Houston, current employment in Albuquerque in both a percentage and absolute growth puts Albuquerque on par with many of its larger neighbors.

Absolute Annual Growth (000's)

Albuquerque
MSA
1999-2004

Albuquerque NM 2005 to 2010
Predicted to grow by 6,050 jobs
annually, a 2.36% growth

Chicago, IL-IN-WI
Miami, FL
Riverside, CA
Atlanta, GA
Seattle, WA
Orlando, FL
Las Vegas, NV
San Jose, CA
Portland, OR-WA
San Francisco, CA
Phoenix, AZ
Columbus, OH
Tampa, FL
Milwaukee, WI
Austin, TX
Sacramento, CA
Charlotte, NC-SC
St. Louis, MO-IL
Minneapolis, MN-WI
San Diego, CA
Nashville, TN
Denver, CO
Salt Lake City, UT
Dallas-Fort Worth, TX
Oklahoma City, OK
Washington, DC-VA-MD-WV
Virginia Beach, VA-NC
Richmond, VA
Boise, ID
Naples, FL
Houston, TX
Philadelphia, PA-NJ-DE-MD
Kansas City, MO-KS
Jacksonville, FL
Birmingham, AL
San Antonio, TX
Morgantown, WV
Atlantic City, NJ
Syracuse, NY
New Orleans, LA
Providence, RI-MA
Hartford, CT
Savannah, GA
Buffalo, NY
Cleveland, OH
Tulsa, OK
Sarasota, FL
Indianapolis, IN
Cincinnati, OH-KY-IN
Greenville, SC
Louisville, KY-IN
Memphis, TN-MS-AR
Pittsburgh, PA
Dayton, OH
Boston, MA-NH
Columbia, SC
Baltimore, MD
Detroit, MI
New York, NY-NJ-PA

From the IRR Viewpoint report—2008

- According to the US Census the population of New Mexico is projected to increase by over 36.5% by the year 2015.

- Albuquerque has grown from 5,000 residents at the onset of the railroad era in the 1880s to more than 550,000 in the year 2000, in the metro area alone. New Mexico ranks as the 12th state in the nation for growth, due in large part to the rapid population growth of the Albuquerque metropolitan area.

- Albuquerque – the Affordable City, for its reasonable costs of doing business, Albuquerque has few equals:
    - A Forbes magazine survey of the Best Places for Business and Careers ranked the Albuquerque metro area first in cost of doing business among 150 cities because of its low labor costs, low taxes and low costs for office space.
    - Albuquerque's business costs are 25 percent lower than the national average, according to Economy.com.
    - Operating costs were a factor in Albuquerque's ranking of 45th "Hottest City" out of 370 metro areas in Expansion Management Magazine's 2004 survey.
    - Inc. Magazine in 2004 cited affordability – housing costs and costs of living – in naming Albuquerque the 7th best medium-size city in which to do business.
    - Forbes publisher Richard Karlgaard included Albuquerque in his compilation of 150 communities where it's possible to live lavishly at a modest cost.

Area	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Albuquerque	4.6%	3.9%	4.1%	4.3%	5.1%	5.5%	5.3%	5.0%	4.1%	3.5%
New Mexico	6.2%	5.6%	5.0%	4.9%	5.5%	5.9%	5.7%	5.2%	4.3%	3.5%
United States	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%
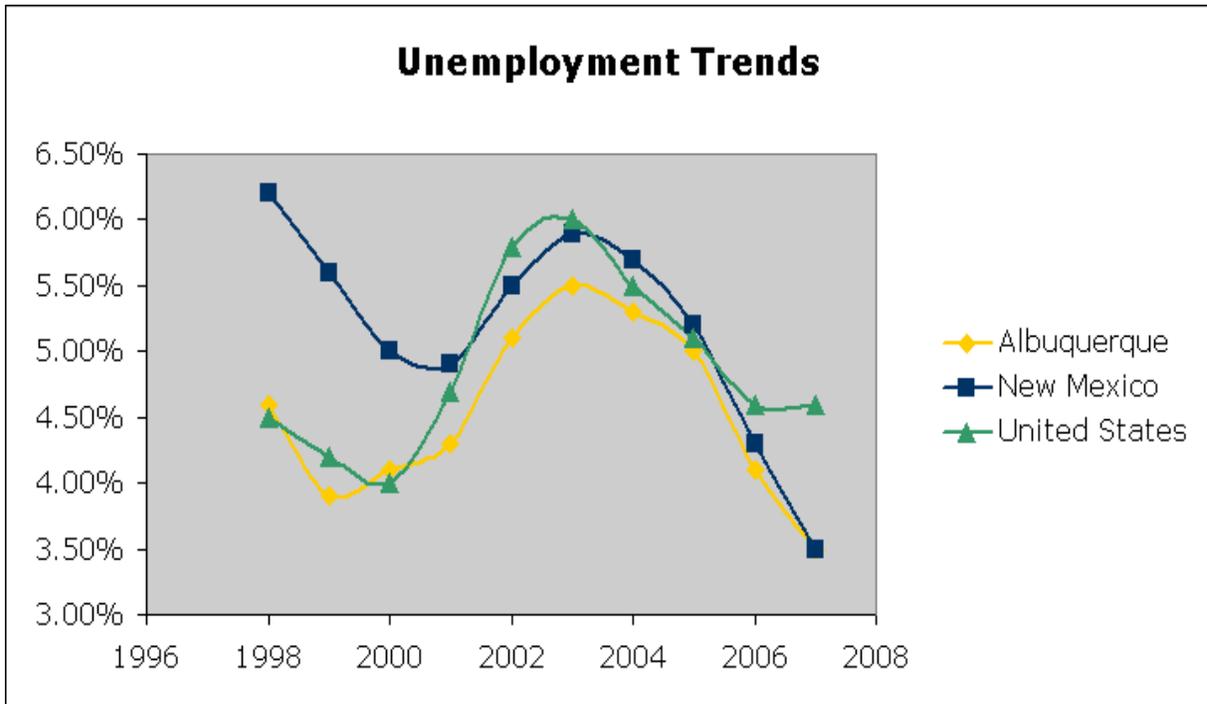
Albuquerque out performs the State of New Mexico and the overall U.S. in employment.

Albuquerque has never been a big boom or bust town—steady growth built on technology jobs, government jobs, tourism and the service sector has provided the city with economic diversity, higher than average job growth and lower than average

ROUTE 66
HISTORIC
EL VADO
MOTEL

This excerpt from Bureau of Labor Statistics website—the Location Quotient Calculator (http://data.bls.gov/LOCATION_QUOTIENT/servlet/lqc.ControllerServlet) is an economic base analysis of Bernalillo County's employment in the year 2007. This uses economic base theory to calculate those industries that have a higher ratio for each industry to total employment than the national average as an indication of businesses that provide goods, services or products outside of Bernalillo County. If an LQ is less than 1, than it's a net import for the county, if an LQ is equal to 1 the county is self sufficient in that industry, and if an LQ is greater than 1 it is a net export for the county—which leads to more money being circulated inside the area.

Bottom line: Of the 20 major NAICS industries, Bernalillo County has an LQ>1 in 11 of them—an indication of great diversity within the county of Bernalillo. These industries are the economic engine of Bernalillo county.

Industry	Bernalillo County, New Mexico
Base Industry: Total, all industries	1.00
NAICS 11 Agriculture, forestry, fishing and hunting	0.05
NAICS 21 Mining, quarrying, and oil and gas extraction	0.06
NAICS 22 Utilities	0.36
NAICS 23 Construction	1.48 Wow!
NAICS 31-33 Manufacturing	0.51
NAICS 42 Wholesale trade	0.89
NAICS 44-45 Retail trade	1.04
NAICS 48-49 Transportation and warehousing	0.79
NAICS 51 Information	1.12
NAICS 52 Finance and insurance	0.75
NAICS 53 Real estate and rental and leasing	1.05
NAICS 54 Professional and technical services	1.64 Wow!
NAICS 55 Management of companies and enterprises	0.84
NAICS 56 Administrative and waste services	1.35 Wow!
NAICS 61 Educational services	0.65
NAICS 62 Health care and social assistance	1.01
NAICS 71 Arts, entertainment, and recreation	0.66
NAICS 72 Accommodation and food services	1.15
NAICS 81 Other services, except public administration	0.88
NAICS 99 Unclassified	0.04

ROUTE 66
HISTORIC
EL VADO
MOTEL

PUBLIC TRANSPORTATION

Albuquerque has an excellent bus transit system currently in place

INTEL
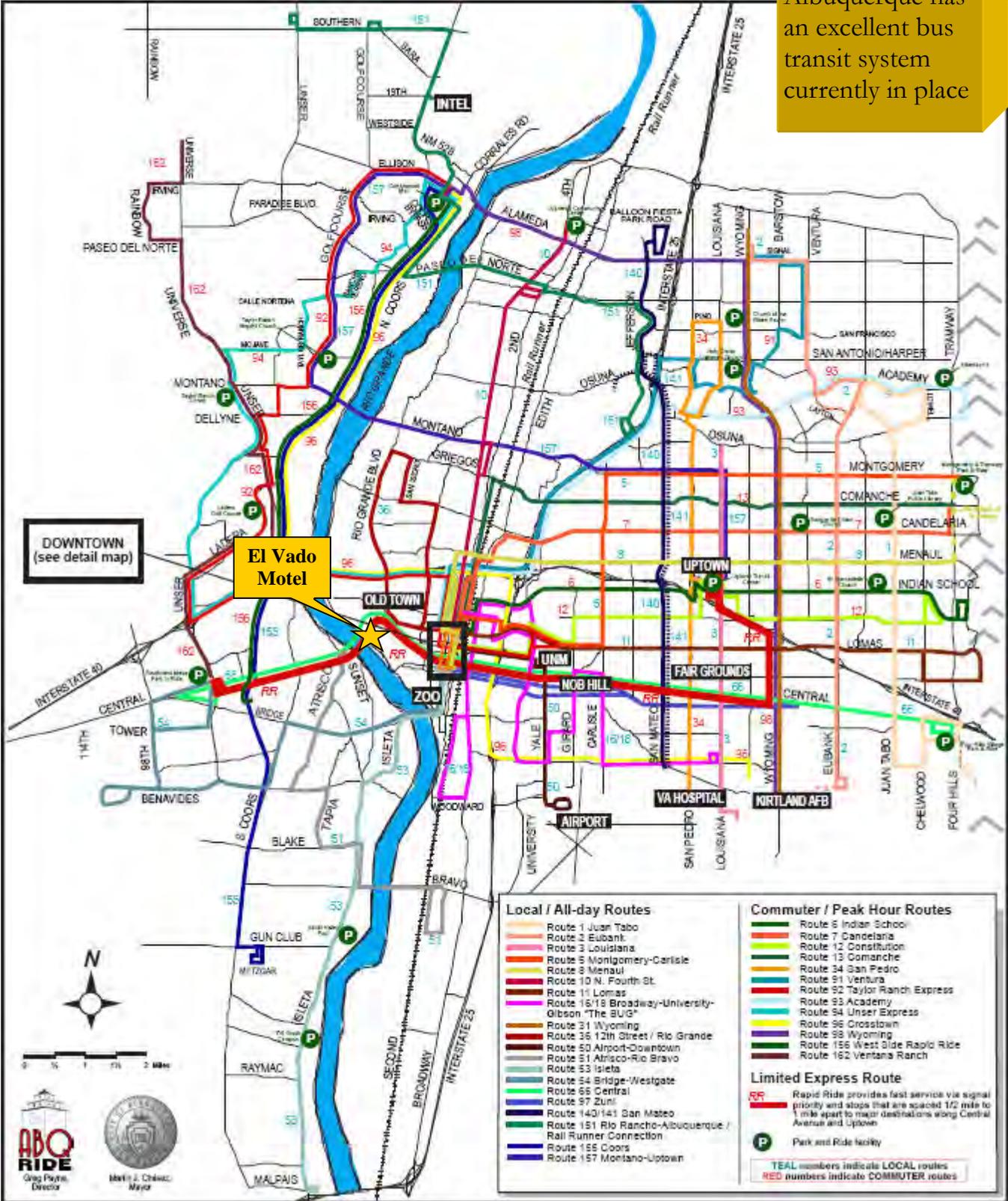
DOWNTOWN
(see detail map)

El Vado Motel

OLD TOWN

ZOO

UNM

NOB HILL

FAIR GROUNDS

UPTOWN

MONTGOMERY

COMANCHE

CANDELARIA

MENAUL

INDIAN SCHOOL

LOMAS

CENTRAL

VA HOSPITAL

KIRTLAND AFB

AIRPORT

N

ABQ RIDE
Greg Payne,
Director

Martin J. Chávez
Mayor

Local / All-day Routes
Route 1 Juan Tabo
Route 2 Eubank
Route 3 Louisiana
Route 5 Montgomery-Carlisle
Route 8 Menaul
Route 10 N. Fourth St.
Route 11 Lomas
Route 16/18 Broadway-University-Gibson "The BUG"
Route 31 Wyoming
Route 36 12th Street / Rio Grande
Route 50 Airport-Downtown
Route 51 Atrisco-Rio Bravo
Route 53 Isleta
Route 54 Bridge-Westgate
Route 66 Central
Route 97 Zuni
Route 140/141 San Mateo
Route 151 Rio Rancho-Albuquerque / Rail Runner Connection
Route 155 Coors
Route 157 Montano-Uptown

Commuter / Peak Hour Routes
Route 6 Indian School
Route 7 Candelaria
Route 12 Constitution
Route 13 Comanche
Route 34 San Pedro
Route 91 Ventura
Route 92 Taylor Ranch Express
Route 93 Academy
Route 94 Unser Express
Route 96 Crosstown
Route 98 Wyoming
Route 156 West Side Rapid Ride
Route 162 Ventana Ranch

Limited Express Route
RR Rapid Ride provides fast service via signal priority and stops that are spaced 1/2 mile to 1 mile apart to major destinations along Central Avenue and Uptown

P Park and Ride facility

TEAL numbers indicate LOCAL routes
RED numbers indicate COMMUTER routes

CANTERA

PUBLIC TRANSPORTATION

Rapid Ride
Rapid Ride has changed the face of public transportation in Albuquerque. ABQ RIDE operates twelve 60-foot articulated buses that run along the Central Avenue corridor and then north to Uptown. With 10-minute service, you're never waiting long for the next ride. Find out more about Rapid Ride by clicking the following links:

The Original Route
Rapid Ride service began in December 2004. By the end of the first full month, the new system recorded more than 70,000 passenger boardings- far exceeding original expectations. Today, Rapid Ride logs more than 100,000 passenger boardings each month, making this the second most used route on our system.

Rapid After Dark
Do you have plans on Friday or Saturday night? This summer you can stay out late and not have to worry about driving. Rapid After Dark runs every Friday and Saturday night until 3:00 a.m. from Memorial Day Weekend through Labor Day Weekend. If you don't live near the route, use one of the two Park & Ride locations and avoid the traffic and parking nightmares.

High Speed Wireless Internet Access
Using the Rapid Ride just got a lot more interesting for the business commuter and college student. All of the city's 12 Rapid Ride vehicles now have wireless web access. There are 83 hot spots along the route that allow the buses to establish a connection from zone to zone. This new technology will allow passengers with laptop computers to surf the internet, check email, send reports to work or chat with friends. Now, many people will find their commute time to be productive time.

Children's Books on Board
As part of the Discover a Book on ABQ RIDE program, each Rapid Ride vehicle has a selection of children's books to make each Rapid Ride experience an educational one. This literacy program is one of the largest in the country and has received a second place award from the Southwest Passenger Transportation Association.

Rapid Ride has a park & ride main location walking distance from the subject site.

Read the Albuquerque Journal
One of the best things about using Rapid Ride to get to work is that you get to sit back, relax and read up on the latest news while everyone else is frustrated with the traffic. Don't worry about stopping and picking up the paper before you catch the bus, because we'll have a copy reserved just for you. Each Rapid Ride vehicle has the current Albuquerque Journal available for purchase.

PUBLIC TRANSPORTATION

Albuquerque's Modern Streetcar

This system will move people along the Central Avenue corridor between the BioPark and Nob Hill, and from the University of New Mexico to the Albuquerque International Sunport. This exciting project will feature state-of-the-art electric streetcars running along these routes. Although currently on hold, the Modern Streetcar project will allow Albuquerque to continue moving forward as a premier destination city by creating more walkable communities, connecting neighborhoods, stimulating the local economy, and providing a direct route from the Sunport to the Alvarado Transportation Center. There, people can connect to the Rail Runner and City of Albuquerque Public Transit System.

Mayor Martin J. Chavez has challenged the Department of Municipal Development and the Transit Department to ensure the system is operating by Fall, 2009.

How will the Modern Streetcar affect land use and land use planning?

In the Albuquerque area, the Modern Streetcar will encourage people to live more centrally which has the potential to increase infill. Also, fixed transit systems with good land use policy have shown to reduce demand for driving by creating more compact, efficient forms of development that are pedestrian friendly. Such systems also lead to the development of exciting urban environments where services, ie. live, work, play, are located closer together.

For more information visit *http://www.cabq.gov/transit/modernstreetcar.html*

System Map

You don't have to read between the lines to see that Albuquerque's demographics and economic development are reflecting a growth spurt now and through the next several years. With influxes in companies, job growth, and population there comes an increasing demand for housing, office space, retail, hotels, and entertainment venues.

In the three subsections that follow, Cantera Consultants reviews the supply market conditions for Office, retail, and residential properties.

This demographic map shows the average population by census tract in the City of Albuquerque Downtown and Uptown areas.
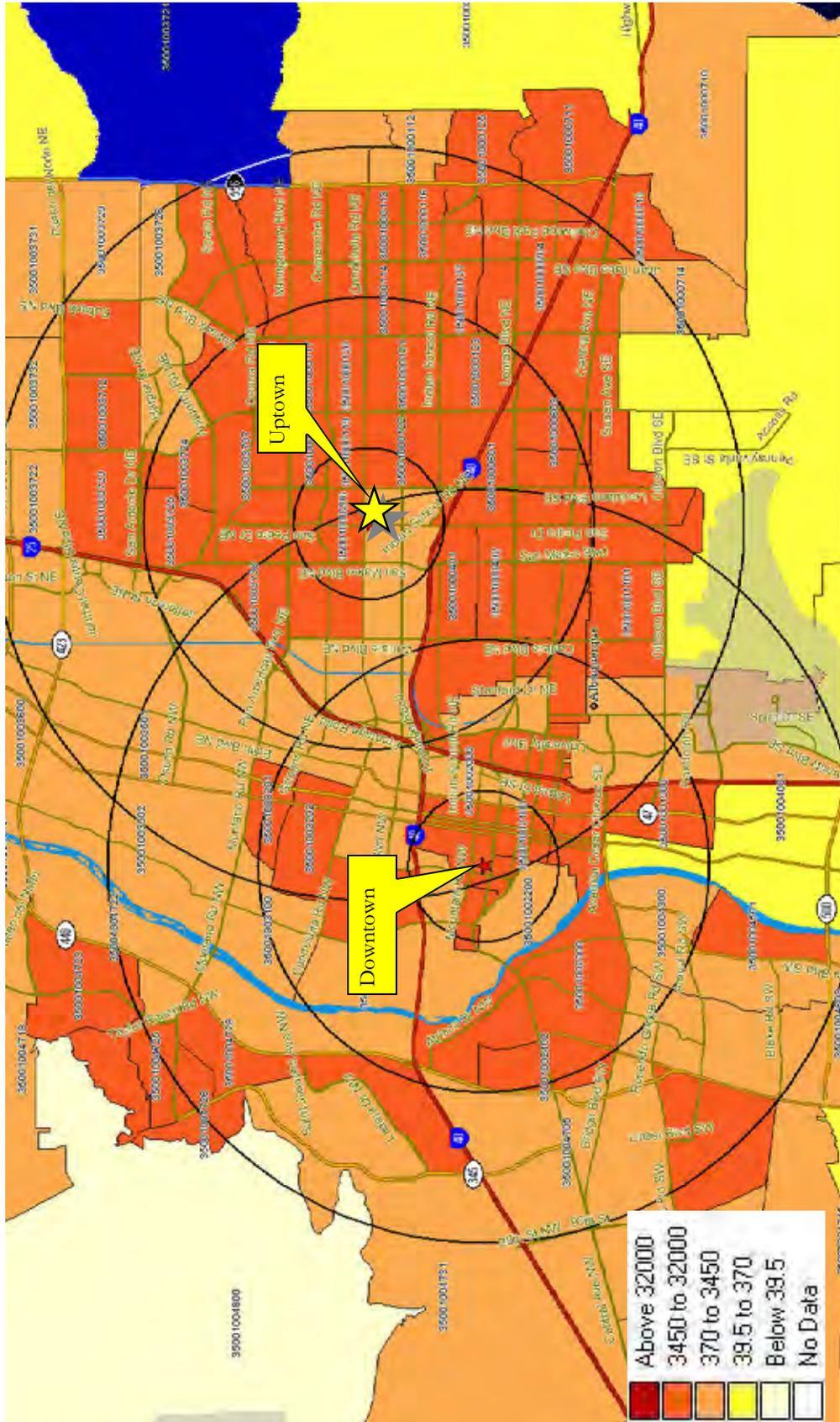
2000 Occupation & Employment

Not in Labor Force	198,027	35.40%
In Labor Force	360,853	64.60%
Employed	335,584	93.00%
Unemployed	21,079	5.80%
In Armed Forces	4,190	1.20%

Means of Transportation to Work

Workers Age 16+	339,774
Bicycle	0.80%
Bus or trolley bus	1.20%
Carpooled	13.40%
Drove alone	77.50%
Ferryboat	0.00%
Motorcycle	0.20%
Other means	0.60%
Railroad	0.00%
Streetcar or trolley car	0.00%
Subway or elevated	0.00%
Taxicab	0.00%
Walked	2.30%
Worked at home	3.90%

Travel Time to Work

Median Travel Time To Work in Minutes	21
0 to 5	2.60%
5 to 9	9.00%
10 to 14	14.20%
15 to 19	18.10%
20 to 24	18.40%
25 to 29	6.40%
30 to 34	13.00%
35 to 39	1.90%
40 to 44	2.70%
45 to 59	5.40%
60 to 89	2.90%
90 or more	1.60%
Worked at home	3.90%

Employment by Industry

Accommodation and food services	7.30%
Administrative and support and waste management service	3.80%
Agriculture forestry fishing and hunting	0.50%
Arts entertainment and recreation	2.20%
Construction	7.60%
Educational services	9.40%
Finance and insurance	4.40%
Health care and social assistance	11.10%
Information	3.20%
Management of companies and enterprises	0.00%
Manufacturing	8.40%
Mining	0.10%
Other services (except public administration)	4.90%
Professional scientific and technical services	8.70%
Public administration	6.20%
Real estate and rental and leasing	2.10%
Retail trade	12.10%
Transportation and warehousing	3.70%
Utilities	0.80%
Wholesale trade	3.30%
% in Blue Collar Occupations	35.50%
% in White Collar Occupations	64.50%

Occupation

Aircraft and traffic control occupations	0.20%
Architects surveyors cartographers and engineers	2.40%
Arts design entertainment sports and media occupation	2.20%
Building & grounds cleaning & maintenance occupat	3.10%
Business operations specialists	2.20%
Community and social services occupations	1.40%
Computer and mathematical occupations	2.60%
Construction trades workers	4.90%
Drafters engineering and mapping technicians	1.10%
Education training and library occupations	5.70%
Extraction workers	0.00%
Farmers and farm managers	0.20%
Farming fishing and forestry occupations	0.20%
Financial specialists	2.20%
Fire fighting prevention and law enforcement workers	1.20%
Food preparation and serving related occupations	5.50%
Health diagnosing and treating practitioners and tech	3.60%
Health technologists and technicians	1.50%
Healthcare support occupations	1.70%
Installation maintenance and repair occupations	3.80%
Personal care and service occupations	2.80%
Legal occupations	1.40%
Life physical and social science occupations	1.40%
Management occupations except farmers and farm manage	8.40%
Material moving workers	1.60%
Motor vehicle operators	2.60%
Office and administrative support occupations	15.70%
Production	5.00%
Protective Service Occupations	1.20%
Rail water and other transportation occupations	0.30%
Sales and related occupations	11.80%
Supervisors construction and extraction workers	0.70%
Supervisors transportation and material moving worker	0.20%

Summary	2000	2008	2013
Population	729,649	851,536	942,322
Households	281,052	337,189	376,158
Families	186,601	215,561	235,032
Average Household Size	2.55	2.48	2.47
Owner Occupied HUs	190,981	230,377	254,980
Renter Occupied HUs	90,071	106,812	121,178
Median Age	34.9	35.8	36.5

Trends: 2008-2013 Annual Rate	Area		National
Population	2.05%		1.23%
Households	2.21%		1.26%
Families	1.74%		1.05%
Owner HHs	2.05%		1.07%
Med. Household Income	3.82%		3.19%

	2000		2008		2013	
Households by Income	Number	Percent	Number	Percent	Number	Percent
< $15,000	45,994	16.4%	37,070	11.0%	34,971	9.3%
$15,000 - $24,999	40,710	14.5%	34,373	10.2%	29,862	7.9%
$25,000 - $34,999	39,607	14.1%	35,233	10.4%	32,439	8.6%
$35,000 - $49,999	49,631	17.7%	52,475	15.6%	49,498	13.2%
$50,000 - $74,999	51,705	18.4%	71,482	21.2%	90,210	24.0%
$75,000 - $99,999	26,514	9.4%	51,983	15.4%	56,400	15.0%
$100,000 - $149,999	17,791	6.3%	33,815	10.0%	47,945	12.7%
$150,000 - $199,999	4,552	1.6%	10,281	3.0%	15,947	4.2%
$200,000+	4,628	1.6%	10,473	3.1%	18,882	5.0%
Median Household Income	$38,853		$52,515		$63,340	
Average Household Income	$50,767		$67,690		$80,280	
Per Capita Income	$19,889		$27,063		$32,311	

	2000		2008		2013	
Population by Age	Number	Percent	Number	Percent	Number	Percent
0 - 4	51,377	7.0%	61,548	7.2%	68,755	7.3%
5 - 9	53,717	7.4%	57,419	6.7%	62,637	6.6%
10 - 14	54,889	7.5%	57,617	6.8%	61,853	6.6%
15 - 19	53,934	7.4%	59,892	7.0%	62,585	6.6%
20 - 24	49,859	6.8%	60,002	7.0%	65,142	6.9%
25 - 34	101,713	13.9%	119,508	14.0%	132,204	14.0%
35 - 44	118,929	16.3%	118,468	13.9%	122,868	13.0%
45 - 54	101,928	14.0%	125,831	14.8%	135,559	14.4%
55 - 64	61,235	8.4%	94,114	11.1%	116,394	12.4%
65 - 74	43,888	6.0%	50,518	5.9%	62,187	6.6%
75 - 84	28,929	4.0%	32,876	3.9%	35,252	3.7%
85+	9,251	1.3%	13,743	1.6%	16,886	1.8%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

	Census 2000		2008	2013	2008-2013 Change	2008-2013 Annual Rate
Population		729,649	851,536	942,322	90,786	2.05%
Households		281,052	337,189	376,158	38,969	2.21%
Average Household Size		2.55	2.48	2.47	-0.01	-0.08%
Families		186,601	215,561	235,032	19,471	1.74%
Average Family Size		3.11	3.10	3.11	0.01	0.06%
	Number	Percent	Number	Percent	Number	Percent
Households by Income						
HH Income Base	281,132	100.0%	337,185	100.0%	376,154	100.0%
<$10,000	26,663	9.5%	25,317	7.5%	23,694	6.3%
$10,000 - $14,999	19,331	6.9%	11,753	3.5%	11,277	3.0%
$15,000 - $19,999	19,924	7.1%	18,178	5.4%	13,141	3.5%
$20,000 - $24,999	20,786	7.4%	16,195	4.8%	16,721	4.4%
$25,000 - $29,999	19,725	7.0%	18,489	5.5%	13,847	3.7%
$30,000 - $34,999	19,882	7.1%	16,744	5.0%	18,592	4.9%
$35,000 - $39,999	17,986	6.4%	19,231	5.7%	15,233	4.0%
$40,000 - $44,999	16,828	6.0%	17,887	5.3%	17,791	4.7%
$45,000 - $49,999	14,817	5.3%	15,357	4.6%	16,474	4.4%
$50,000 - $59,999	24,657	8.8%	32,632	9.7%	22,248	5.9%
$60,000 - $74,999	27,048	9.6%	38,850	11.5%	67,962	18.1%
$75,000 - $99,999	26,514	9.4%	51,983	15.4%	56,400	15.0%
$100,000 - $124,999	12,261	4.4%	18,646	5.5%	33,497	8.9%
$125,000 - $149,999	5,530	2.0%	15,169	4.5%	14,448	3.8%
$150,000 - $199,999	4,552	1.6%	10,281	3.0%	15,947	4.2%
$200,000 - $249,999	4,628	1.6%	4,372	1.3%	8,564	2.3%
$250,000 - $499,999	N/A		4,946	1.5%	7,344	2.0%
$500,000 +	N/A		1,155	0.3%	2,974	0.8%
Families by Income						
Family Income Base	187,508	100.0%	215,551	100.0%	235,021	100.0%
<$10,000	11,531	6.1%	9,997	4.6%	9,796	4.2%
$10,000 - $14,999	9,856	5.3%	5,706	2.6%	4,694	2.0%
$15,000 - $19,999	11,165	6.0%	8,510	3.9%	6,243	2.7%
$20,000 - $24,999	11,828	6.3%	8,960	4.2%	8,352	3.6%
$25,000 - $29,999	11,779	6.3%	10,295	4.8%	8,942	3.8%
$30,000 - $34,999	12,523	6.7%	10,536	4.9%	7,931	3.4%
$35,000 - $39,999	11,787	6.3%	9,640	4.5%	8,809	3.7%
$40,000 - $44,999	11,506	6.1%	11,109	5.2%	9,576	4.1%
$45,000 - $49,999	10,947	5.8%	11,189	5.2%	9,218	3.9%
$50,000 - $59,999	18,202	9.7%	20,026	9.3%	22,466	9.6%
$60,000 - $74,999	21,555	11.5%	28,281	13.1%	25,498	10.8%
$75,000 - $99,999	21,946	11.7%	35,060	16.3%	45,787	19.5%
$100,000 - $124,999	10,308	5.5%	17,746	8.2%	25,749	11.0%
$125,000 - $149,999	4,731	2.5%	12,181	5.7%	15,336	6.5%
$150,000 - $199,999	3,961	2.1%	7,730	3.6%	14,482	6.2%
$200,000 - $249,999	3,883	2.1%	3,634	1.7%	4,767	2.0%
$250,000 - $499,999	N/A		4,054	1.9%	5,577	2.4%
$500,000 +	N/A		897	0.4%	1,798	0.8%
Median Family Income	$45,738		$60,751		$72,184	
Average Family Income	$57,802		$76,736		$90,606	

Data Note: Income represents annual income for the preceding year, expressed in current dollars, including an adjustment for inflation (for 2008 and 2013). In 2000, the Census Bureau reported income to an upper interval of $200,000+. ESRI forecasts extend income to $500,000+. N/A means Not Available.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

Detailed Demographics

	Census 2000	2008	2013	2008-2013 Change	2008-2013 Annual Rate
Population	729,649	851,536	942,322	90,786	2.05%
Median Age	34.9	35.8	36.5	0.7	0.39%
Households	281,052	337,189	376,158	38,969	2.21%
Average Household Size	2.55	2.48	2.47	-0.01	-0.08%

2008 Households by Disposable Income

	Number	Percent
Total	337,185	100.0%
< $15,000	42,671	12.7%
$15,000 - $24,999	41,248	12.2%
$25,000 - $34,999	44,895	13.3%
$35,000 - $49,999	56,523	16.8%
$50,000 - $74,999	82,631	24.5%
$75,000 - $99,999	32,184	9.5%
$100,000 - $149,999	25,093	7.4%
$150,000 - $199,999	5,164	1.5%
$200,000 +	6,776	2.0%
Median Disposable Income	$44,439	
Average Disposable Income	$57,358	

2008 Disposable Income by Age of Householder

Number of Households

	< 25	25-34	35-44	45-54	55-64	65-74	75+
Total	19,972	58,182	65,855	74,167	57,114	32,057	29,838
< $15,000	5,708	6,628	5,335	6,526	6,817	5,328	6,329
$15,000 - $24,999	4,143	8,230	6,819	6,985	6,005	4,381	4,685
$25,000 - $34,999	2,987	9,942	8,589	7,243	7,056	4,528	4,550
$35,000 - $49,999	2,355	10,964	12,609	13,094	8,638	5,316	3,547
$50,000 - $74,999	2,652	15,378	19,564	19,983	13,154	6,247	5,653
$75,000 - $99,999	1,023	4,358	6,770	8,913	6,539	2,434	2,147
$100,000 - $149,999	714	2,021	4,459	7,755	5,704	2,659	1,781
$150,000 - $199,999	182	223	820	1,646	1,288	478	527
$200,000 +	208	438	890	2,022	1,913	686	619
Median Disposable Income	$25,325	$39,591	$49,299	$52,540	$50,047	$38,940	$33,169
Average Disposable Income	$38,349	$47,496	$57,605	$67,545	$66,706	$55,799	$50,674

Data Note: Disposable Income is after-tax household income. Disposable income forecasts are based on the Current Population Survey, U.S. Census Bureau. Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

2000 Total Population	729,649		2000 Median HH Income		$38,853
2008 Total Population	851,536		2008 Median HH Income		$52,515
2013 Total Population	942,322		2013 Median HH Income		$63,340
2008-2013 Annual Rate	2.05%		2008-2013 Annual Rate		3.82%

Housing Units by Occupancy Status and Tenure

	Census 2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	305,840	100.0%	364,553	100.0%	405,064	100.0%
Occupied	281,052	91.9%	337,189	92.5%	376,158	92.9%
Owner	190,981	62.4%	230,377	63.2%	254,980	62.9%
Renter	90,071	29.5%	106,812	29.3%	121,178	29.9%
Vacant	24,788	8.1%	27,364	7.5%	28,906	7.1%

Owner Occupied Housing Units by Value

	Census 2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
Total	190,959	100.0%	230,345	100.0%	254,947	100.0%
< $10,000	3,654	1.9%	2,720	1.2%	3,011	1.2%
$10,000 - $14,999	1,906	1.0%	1,411	0.6%	1,415	0.6%
$15,000 - $19,999	1,641	0.9%	1,164	0.5%	1,290	0.5%
$20,000 - $24,999	1,950	1.0%	1,400	0.6%	1,491	0.6%
$25,000 - $29,999	1,622	0.8%	1,225	0.5%	1,239	0.5%
$30,000 - $34,999	1,759	0.9%	1,262	0.5%	1,372	0.5%
$35,000 - $39,999	1,649	0.9%	1,415	0.6%	1,528	0.6%
$40,000 - $49,999	3,491	1.8%	2,378	1.0%	2,604	1.0%
$50,000 - $59,999	4,982	2.6%	2,529	1.1%	2,499	1.0%
$60,000 - $69,999	6,410	3.4%	2,370	1.0%	2,660	1.0%
$70,000 - $79,999	9,365	4.9%	2,545	1.1%	2,877	1.1%
$80,000 - $89,999	14,525	7.6%	3,621	1.6%	3,884	1.5%
$90,000 - $99,999	17,191	9.0%	3,114	1.4%	3,157	1.2%
$100,000 - $124,999	36,155	18.9%	13,379	5.8%	14,543	5.7%
$125,000 - $149,999	29,172	15.3%	22,967	10.0%	22,313	8.8%
$150,000 - $174,999	17,847	9.3%	28,595	12.4%	31,640	12.4%
$175,000 - $199,999	10,659	5.6%	25,513	11.1%	29,458	11.6%
$200,000 - $249,999	11,560	6.1%	41,696	18.1%	46,725	18.3%
$250,000 - $299,999	6,107	3.2%	26,887	11.7%	27,342	10.7%
$300,000 - $399,999	5,044	2.6%	21,319	9.3%	26,633	10.4%
$400,000 - $499,999	2,014	1.1%	10,223	4.4%	12,357	4.8%
$500,000 - $749,999	1,531	0.8%	8,335	3.6%	9,321	3.7%
$750,000 - $999,999	394	0.2%	2,099	0.9%	2,973	1.2%
$1,000,000 +	331	0.2%	2,178	0.9%	2,615	1.0%
Median Value	$117,518		$197,613		$200,527	
Average Value	$137,941		$234,887		$241,138	

Data Note: Detail may not sum to totals due to rounding.
Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

	Census 2000	2008	2013	2008-2013 Change	2008-2013 Annual Rate
Population	729,649	851,536	942,322	90,786	2.05%
Median Age	34.9	35.8	36.5	0.7	0.39%
Households	281,052	337,189	376,158	38,969	2.21%
Average Household Size	2.55	2.48	2.47	-0.01	-0.08%

2008 Households by Net Worth

	Number	Percent
Total	337,185	100.0%
< $15,000	89,957	26.7%
$15,000 - $34,999	27,012	8.0%
$35,000 - $49,999	15,276	4.5%
$50,000 - $74,999	20,032	5.9%
$75,000 - $99,999	17,890	5.3%
$100,000 - $149,999	27,351	8.1%
$150,000 - $249,999	35,256	10.5%
$250,000 - $499,999	47,207	14.0%
$500,000 - $999,999	32,356	9.6%
$1,000,000 +	24,848	7.4%
Median Net Worth	$97,382	
Average Net Worth	$464,739	

2008 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	19,972	58,182	65,855	74,167	57,114	32,057	29,838
< $15,000	13,729	27,535	18,638	14,650	8,288	4,233	2,884
$15,000 - $34,999	2,777	6,344	6,590	5,211	3,415	1,627	1,048
$35,000 - $49,999	666	3,180	4,237	3,197	2,475	432	1,089
$50,000 - $99,999	1,550	8,173	8,354	8,060	4,663	3,792	3,330
$100,000 - $149,999	489	5,086	6,438	7,010	3,746	1,911	2,671
$150,000 - $249,999	326	3,811	7,720	9,530	6,774	3,523	3,572
$250,000 - $499,999	318	2,679	9,434	13,113	9,433	6,634	5,596
$500,000 +	117	1,374	4,444	13,396	18,320	9,905	9,648
Median Net Worth	$10,910	$18,145	$65,219	$140,535	$233,846	$260,825	$258,299
Average Net Worth	$32,279	$95,303	$267,615	$555,228	$925,339	$944,906	$756,442

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Demographic Summary		2007	2012
Population		851,536	942,322
Households		337,189	376,158
Families		215,561	235,032
Median Age		35.8	36.5
Median Household Income		$52,515	$63,340

	Spending Potential Index	Average Amount Spent	Total	Percent
Total Expenditures	92	$64,530.70	$21,759,043,299	100.0%
Food	92	$7,670.98	$2,586,570,948	11.9%
Food at Home	92	$4,500.00	$1,517,349,816	7.0%
Food Away from Home	93	$3,170.98	$1,069,221,132	4.9%
Alcoholic Beverages	93	$551.43	$185,934,585	0.9%
Housing	93	$18,639.23	$6,284,944,538	28.9%
Shelter	93	$14,430.23	$4,865,715,606	22.4%
Utilities, Fuel and Public Services	92	$4,209.00	$1,419,228,932	6.5%
Household Operations	93	$1,351.07	$455,567,291	2.1%
Housekeeping Supplies	92	$703.94	$237,359,515	1.1%
Household Furnishings and Equipment	88	$2,030.61	$684,699,674	3.1%
Apparel and Services	78	$2,106.63	$710,333,503	3.3%
Transportation	93	$9,983.99	$3,366,489,975	15.5%
Travel	92	$1,726.36	$582,108,542	2.7%
Health Care	91	$3,723.00	$1,255,353,277	5.8%
Entertainment and Recreation	92	$3,411.43	$1,150,296,645	5.3%
Personal Care Products & Services	92	$721.63	$243,326,871	1.1%
Education	92	$1,265.43	$426,690,736	2.0%
Smoking Products	90	$408.00	$137,573,755	0.6%
Miscellaneous (1)	91	$1,202.87	$405,593,902	1.9%
Support Payments/Cash Contributions/Gifts in Kind	93	$2,117.57	$714,022,437	3.3%
Life/Other Insurance	91	$522.74	$176,262,520	0.8%
Pensions and Social Security	93	$6,393.79	$2,155,914,584	9.9%

Data Note: The Spending Potential Index (SPI) is household-based, and represents the amount spent for a product or service relative to a national average of 100. Detail may not sum to totals due to rounding.

Consumer Expenditure Totals (Average Household Annual Expenditures)

	2006 Estimate	2011 Projection	% Change 06-11
Total Households	310,007	334,156	7.80%
Total Avg Household Expenditure	$46,941	$49,768	6.00%
Total Avg Retail Expenditure	$20,679	$21,884	5.80%

Consumer Expenditure Detail (Average Household Annual Expenditures)

	2006 Estimate	% of Total	2011 Projection	% of Total	% Change 06-11
Airline Fares	$350.50	0.70%	$378.76	0.80%	8.10%
Alcoholic Beverages	$566.77	1.20%	$606.16	1.20%	7.00%
Alimony & Child Support	$248.08	0.50%	$267.93	0.50%	8.00%
Apparel	$683.16	1.50%	$724.62	1.50%	6.10%
Apparel Services & Acces	$76.27	0.20%	$82.54	0.20%	8.20%
Audio Equipment	$82.46	0.20%	$86.91	0.20%	5.40%
Babysitting & Elderly Care	$393.88	0.80%	$424.90	0.90%	7.90%
Books	$58.24	0.10%	$61.87	0.10%	6.20%
Books & Supplies	$156.44	0.30%	$170.48	0.30%	9.00%
Boys Apparel	$40.92	0.10%	$43.19	0.10%	5.50%
Cellular Phone Service	$389.70	0.80%	$407.69	0.80%	4.60%
Cigarettes	$299.44	0.60%	$308.15	0.60%	2.90%
Computer Hardware	$329.89	0.70%	$353.14	0.70%	7.00%
Computer Information Svcs	$157.71	0.30%	$169.50	0.30%	7.50%
Computer Software	$25.65	0.10%	$27.46	0.10%	7.10%
Contributions	$1,746.46	3.70%	$1,895.17	3.80%	8.50%
Coolant & Other Fluids	$7.53	0.00%	$7.94	0.00%	5.30%
Cosmetics & Perfume	$99.84	0.20%	$105.70	0.20%	5.90%
Deodorants & Other Pers Care	$27.62	0.10%	$29.24	0.10%	5.90%
Education	$1,117.94	2.40%	$1,217.69	2.40%	8.90%
Electricity	$1,274.30	2.70%	$1,328.84	2.70%	4.30%
Entertainment	$2,701.53	5.80%	$2,874.32	5.80%	6.40%
Fees & Admissions	$676.95	1.40%	$735.70	1.50%	8.70%
Finance Chgs Exc Mort & Veh	$529.13	1.10%	$556.80	1.10%	5.20%
Floor Coverings	$69.60	0.10%	$76.45	0.20%	9.80%
Food & Beverages	$7,533.16	16.00%	$7,929.40	15.90%	5.30%
Food At Home	$3,971.99	8.50%	$4,143.69	8.30%	4.30%
Food Away From Home	$2,994.40	6.40%	$3,179.55	6.40%	6.20%
Footwear	$87.20	0.20%	$91.10	0.20%	4.50%
Fuel Oil & Other Fuels	$128.56	0.30%	$134.87	0.30%	4.90%
Funeral & Cemetery	$89.89	0.20%	$94.81	0.20%	5.50%
Furniture	$566.96	1.20%	$609.63	1.20%	7.50%
Gasoline & Oil	$2,207.68	4.70%	$2,313.04	4.60%	4.80%
Gifts	$1,253.87	2.70%	$1,353.34	2.70%	7.90%
Girls Apparel	$39.41	0.10%	$41.69	0.10%	5.80%
Hair Care	$54.81	0.10%	$58.03	0.10%	5.90%
Hard Surface Flooring	$24.65	0.10%	$26.40	0.10%	7.10%
Health Care	$3,034.84	6.50%	$3,175.34	6.40%	4.60%
Health Care Insurance	$1,466.73	3.10%	$1,534.62	3.10%	4.60%
Health Care Services	$731.98	1.60%	$765.50	1.50%	4.60%
Health Care Supplies & Equip	$836.13	1.80%	$875.22	1.80%	4.70%
Household Services	$305.96	0.70%	$330.11	0.70%	7.90%
Household Supplies	$747.12	1.60%	$805.84	1.60%	7.90%
Household Textiles	$150.43	0.30%	$160.23	0.30%	6.50%
Housewares & Small App	$1,057.82	2.30%	$1,133.14	2.30%	7.10%

Indoor Plants & Fresh Flowers	$67.08	0.10%	$72.06	0.10%	7.40%
Infants Apparel	$26.99	0.10%	$28.56	0.10%	5.80%
Jewelry	$30.53	0.10%	$33.06	0.10%	8.30%
Legal & Accounting	$98.78	0.20%	$104.02	0.20%	5.30%
Magazines	$32.61	0.10%	$34.64	0.10%	6.20%
Major Appliances	$245.62	0.50%	$261.47	0.50%	6.50%
Mass Transit	$94.07	0.20%	$101.56	0.20%	8.00%
Men's Apparel	$202.98	0.40%	$215.55	0.40%	6.20%
Mortgage Interest	$3,688.74	7.90%	$3,968.18	8.00%	7.60%
Natural Gas	$484.92	1.00%	$508.58	1.00%	4.90%
New Car Purchased	$1,126.72	2.40%	$1,207.03	2.40%	7.10%
New Truck Purchased	$1,334.32	2.80%	$1,429.41	2.90%	7.10%
New Vehicle Purchase	$2,461.04	5.20%	$2,636.43	5.30%	7.10%
Newspapers	$68.10	0.10%	$72.38	0.10%	6.30%
Oral Hygeine Products	$25.38	0.10%	$26.87	0.10%	5.90%
Other Lodging	$527.60	1.10%	$580.84	1.20%	10.10%
Other Miscellaneous Expenses	$101.89	0.20%	$107.24	0.20%	5.20%
Other Repairs & Maint	$141.16	0.30%	$151.13	0.30%	7.10%
Other Tobacco Products	$33.30	0.10%	$34.26	0.10%	2.90%
Other Transportation Costs	$545.70	1.20%	$585.10	1.20%	7.20%
Other Utilities	$399.36	0.90%	$418.92	0.80%	4.90%
Paint & Wallpaper	$62.64	0.10%	$66.96	0.10%	6.90%
Personal Care Products	$164.63	0.40%	$174.31	0.40%	5.90%
Personal Care Services	$472.25	1.00%	$499.88	1.00%	5.90%
Personal Insurance	$484.10	1.00%	$523.12	1.10%	8.10%
Pet Supplies & Svcs	$265.21	0.60%	$280.46	0.60%	5.80%
Photographic Equip & Supplies	$119.20	0.30%	$126.10	0.30%	5.80%
Plumbing & Heating	$56.12	0.10%	$60.10	0.10%	7.10%
Property Taxes	$1,605.06	3.40%	$1,730.57	3.50%	7.80%
Public Transportation	$544.29	1.20%	$588.12	1.20%	8.10%
Records/Tapes/CD Purchases	$131.91	0.30%	$139.02	0.30%	0.00%
Recreational Equip & Supplies	$1,075.30	2.30%	$1,138.09	2.30%	5.80%
Rental Costs	$2,255.98	4.80%	$2,293.98	4.60%	1.70%
Roofing & Siding	$76.82	0.20%	$82.15	0.20%	6.90%
Satellite Dishes	$10.36	0.00%	$10.93	0.00%	5.50%
Shaving Needs	$11.79	0.00%	$12.49	0.00%	6.00%
Shelter	$9,336.51	19.90%	$9,920.32	19.90%	6.30%
Telephone Svc Excl Cell	$767.93	1.60%	$803.54	1.60%	4.60%
Televisions	$120.44	0.30%	$126.96	0.30%	5.40%
Transportation	$9,777.99	20.80%	$10,335.77	20.80%	5.70%
Tuition	$961.50	2.00%	$1,047.21	2.10%	8.90%
Used Car Purchase	$864.57	1.80%	$900.91	1.80%	4.20%
Used Truck Purchase	$753.08	1.60%	$784.39	1.60%	4.20%
Used Vehicle Purchase	$1,617.65	3.40%	$1,685.31	3.40%	4.20%
VCRs & Related Equipment	$49.74	0.10%	$52.42	0.10%	5.40%
Vehicle Insurance	$1,112.92	2.40%	$1,169.12	2.40%	5.10%
Vehicle Repair	$753.04	1.60%	$793.55	1.60%	5.40%
Vehicle Repair & Maintenance	$760.58	1.60%	$801.48	1.60%	5.40%
Video & Audio Equipment	$949.28	2.00%	$1,000.53	2.00%	5.40%
Video Game Hardware & Software	$30.80	0.10%	$32.49	0.10%	5.50%
Watches	$5.64	0.00%	$6.10	0.00%	8.20%
Women's Apparel	$209.39	0.40%	$221.99	0.40%	6.00%

*Consumer Expenditure Categories contain
overlapping information and will therefore NOT
add up to Total Household Expenditure*

Consumer Expenditures 2006

Education
2%

Video & Audio Equipment
1%

Used Vehicle Purchase
2%

Vehicle Insurance
2%

Electricity
2%

Tuition
1%

Contributions
3%

Entertainment
4%

Transportation
14%

Food & Beverages
11%

Food At Home
6%

Food Away From Home
4%

Shelter
14%

Rental Costs
3%

Gasoline & Oil
3%

Property Taxes
2%

New Truck Purchased
2%

Mortgage Interest
5%

Health Care
5%

Gifts
2%

Recreational Equip &
Supplies
2%

New Vehicle Purchase
4%

New Car Purchased
2%

Housewares & Small App
2%

Health Care Insurance
2%

Albuquerque average household expenditure is 6%higher than New Mexico average household expenditure but 7% lower than US average household expenditure.

	Albuquerque, NM Metro	New Mexico	Entire US
2006 Consumer Expenditures (Average Household Annual Expenditures):			
Total Households	310,007	727,759	111,826,380
Median Household Income	$44,080	$38,706	$48,271
Total Average Household Expenditure	$46,941	$43,858	$50,898

ROUTE 66
HISTORIC
EL VADO
MOTEL
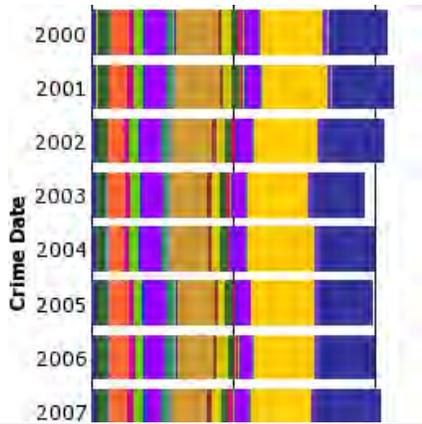
Similar to many border towns, Albuquerque has higher crime rates as compared to the overall U.S.

Number of Incidents	2000	2001	2002	2003	2004	2005	2006	2007
Aggravated Assault	3,159	3,314	3,200	2,979	3,127	3,158	3,065	3,220
Arson	207	214	191	132	122	128	129	120
Bad Checks	118	71	84	62	92	85	59	68
Bribery	158	110	97	105	120	76	71	88
Burglary	7,315	6,760	5,595	5,681	5,359	5,815	6,476	5,722
Counterfeiting/Forgery	18	10	252	1,010	1,240	1,273	959	980
Curfew/Loitering/Vagrancy Violations	39	47	84	55	50	44	36	120
Destruction/Damage/Vandalism of Property	10,156	10,437	8,810	9,212	8,742	10,632	11,064	10,563
Disorderly Conduct	3,508	3,343	3,109	3,157	3,036	3,017	2,959	3,377
Driving Under the Influence	4,656	5,057	5,398	5,520	5,123	4,920	4,788	5,907
Embezzlement	1,130	1,128	1,198	1,071	1,039	1,092	1,160	1,164
Extortion/Blackmail	16	13	8	7	10	23	22	25
Family Offenses, Non-Violent	12,480	12,405	11,878	11,339	11,509	12,181	11,218	8,279
Fraud	2,945	3,385	4,201	3,182	3,788	4,345	4,852	5,150
Gambling Offenses	5	1	1	5	2	1	3	1
Homicide	39	39	61	43	37	45	42	50
Intimidation	1,590	1,538	1,661	1,632	1,481	1,335	1,211	1,308
Kidnapping	506	464	420	458	449	467	457	477
Larceny	23,623	24,159	21,947	20,211	21,111	21,196	20,709	19,298
Liquor Law Violations	2,558	2,487	2,599	2,429	2,080	1,955	1,838	2,056
Motor Vehicle Theft	4,863	4,623	4,520	4,527	4,289	4,198	5,891	5,429
Narcotics Offenses	3,766	4,152	4,161	4,102	4,261	3,883	4,023	4,462
Pornography/Obscene Material	3	1	0	1	1	1	4	0
Prostitution	570	443	485	310	488	340	384	376
Rape	286	254	323	296	255	301	301	320
Robbery	1,610	1,627	1,341	1,119	1,267	1,178	1,192	1,450
Runaway (Not a Crime)	940	780	657	567	621	697	701	696
Sex Offenses/Forcible	443	455	511	447	525	469	611	534
Sex Offenses/Non-Forcible	12	17	29	20	19	13	18	33
Simple Assault	8,102	8,271	8,048	7,655	7,335	7,101	7,350	7,991
Stolen Property Offenses	763	725	796	748	714	640	811	803
Traffic Offense	35,204	36,803	36,352	34,088	38,116	35,773	33,222	34,408
Trespass of Real Property	2,469	2,397	2,392	1,926	2,074	2,026	1,934	2,273
Weapons Law Violations	627	635	593	560	663	548	543	551

Intangible Characteristics

in·tan·gi·ble   –adjective
1. not tangible; incapable of being perceived by the sense of touch, as incorporeal or immaterial things; impalpable.
2. not definite or clear to the mind: intangible arguments.
3. (of an asset) existing only in connection with something else, as the goodwill of a business.
–noun
4. something intangible, esp. an intangible asset: Intangibles are hard to value.

Intangible Characteristics include:

- Non-Quantifiable
- Ideological or Psychological
- Perceptions
- Anecdotal

Located in central New Mexico, Albuquerque is the largest city in the state and the perfect location to experience the authentic Southwest.

Albuquerque combines a unique blend of multi-culturalism, natural beauty, profound historic attractions, spectacular climate with four distinct seasons, museums, galleries and shopping to create a diverse and unforgettable visit for every kind of visitor.

With museums, fiestas, theatres, cuisine, music and sports, Albuquerque is a high desert city full of activities for everyone.

300 Years of History and Culture

The Albuquerque area has been inhabited by American Indians for hundreds of years. The present-day city was founded in 1706 when Governor Francisco Cuervo y Valdez penned a letter to the Duke of Alburquerque reporting that he had founded a villa along the banks of the Rio Grande. Since then, the city—named after the duke—has grown from a tiny settlement of families to a rich, multi-cultural metropolis of more than 753,000 people. Albuquerque blends America's prehistory with its future. It has been called one of the most culturally diverse cities in the country.

Experience the city where the people and culture are interwoven into the fabric of time and history.

Information from the City of Albuquerque visitors guide
www.itsatrip.org/visitors

Average climate in Albuquerque, New Mexico

Based on data reported by over 4,000 weather stations

Average Temperatures

Daily high
Average
Daily low
US average

Precipitation

City Average
US average

Humidity

City morning
City afternoon
US morning average
US afternoon average

Wind Speed (mph)

City
US average

Snowfall

City
US average

Sunshine

City
US average

Cloudy Days

Days clear of clouds
Partly cloudy days
Cloudy days
Days with precipitation
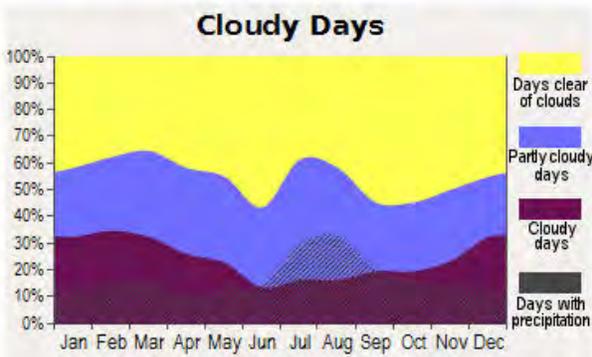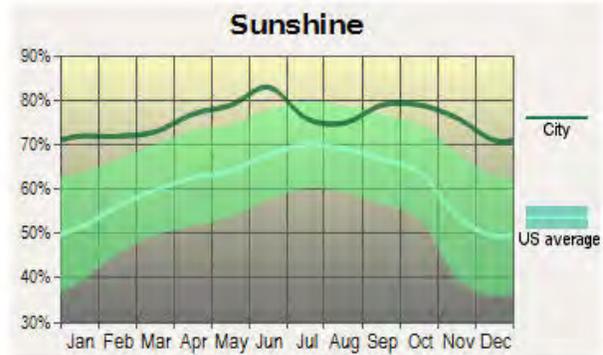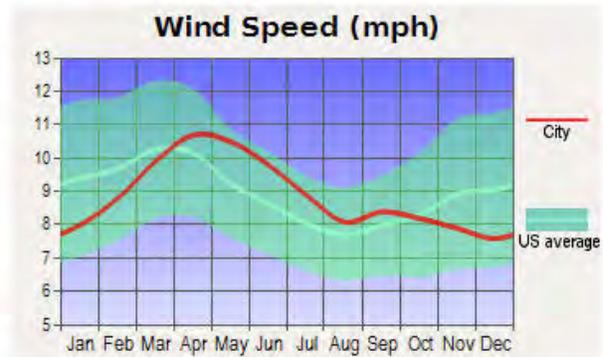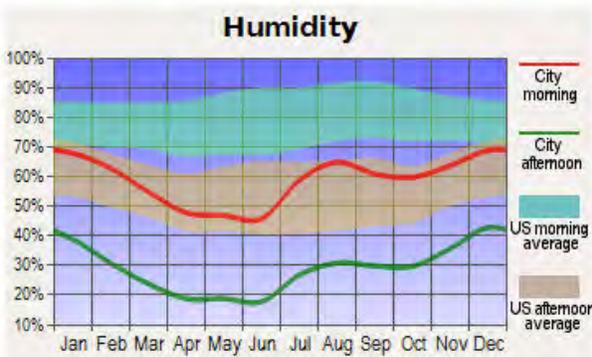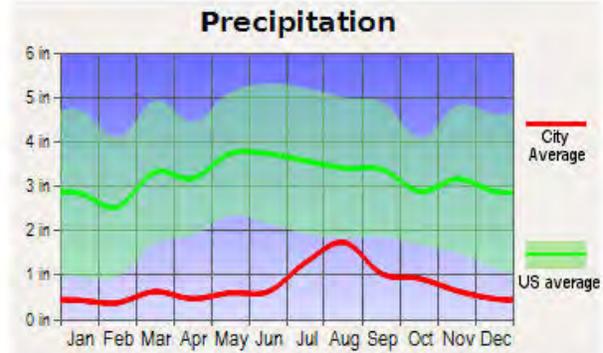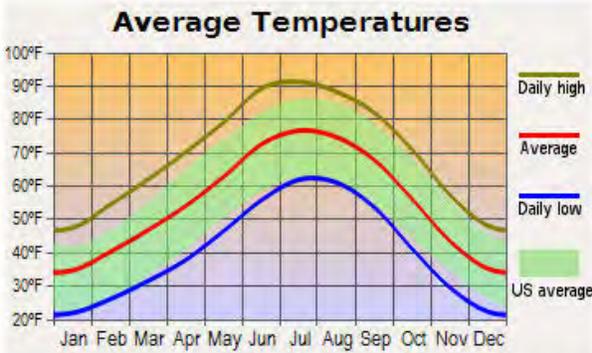
Albuquerque enjoys blue skies and sunshine 310 days out of the year. The great weather makes Albuquerque a sport lover's paradise and outdoor activities of all kinds are popular with residents and visitors alike. Low humidity and warm temperatures make Albuquerque a four-season destination.

Flavor

For any palate and pocketbook, Albuquerque has an abundance of dining choices. You'll enjoy the spicy delights of traditional New Mexican cuisine, sampling ethnic dishes from around the world or dining on the sophisticated edge of culinary invention. Complement your meal with a New Mexico wine.

Museums

Albuquerque has more than 16 museums with a wide variety of themes. Following is just a glimpse of our great museums.

Albuquerque Museum of Art & History

Contemporary, regional and historical art exhibitions, and sculpture garden

Anderson-Abruzzo Albuquerque International Balloon Museum

History, science and technology of hot air ballooning

New Mexico Museum of Natural History & Science

Dinosaurs, Extreme Screen DynaTheater, Lodestar Astronomy Center

National Atomic Museum

Nuclear science, history, weapons, and commercial uses of atomic energy

explora!

New Mexico's premier hands-on science learning center for children of all ages

Information from the City of Albuquerque visitors guide www.itsatrip.org/visitors

Arts

Albuquerque's arts are locally supported and world-renowned. Albuquerque boasts a thriving arts scene including more than 100 galleries and studios and a diverse performing arts community. Experience all kinds of music, theatre, dance, poetry and live performances year-round.

Cultural Centers

Indian Pueblo Cultural Center

The Indian Pueblo Cultural Center showcases the distinctive art, history and culture of New Mexico's 19 pueblos. The center features a museum that tells the story of the New Mexico Pueblo Indians. The Center's restaurant serves authentic Native American food. Jewelry, pottery, leather crafts and paintings are on display and available for sale. Free Native American dances and craft demonstrations are featured on weekends.

National Hispanic Cultural Center

The National Hispanic Cultural Center is dedicated to preserving the rich artistic and cultural heritage integral to the Hispanic community worldwide. The center features a visual arts museum, a performing arts center and an amphitheater, plus educational community outreach programs.

Events

Albuquerque is bursting at the seams with spectacular events year-round. Events include amateur and professional sporting events, theatre, performances, fairs and festivals. Major annual events include Gathering of Nations Pow-Wow, Albuquerque International Balloon Fiesta®, New Mexico State Fair, wine festivals and arts & crafts fairs. Be sure to visit www.itsatrip.org for a complete, updated list of Albuquerque area events.

Attractions

Albuquerque's attractions offer intrigue and education for visitors of all ages. Attractions include nature centers, amusement parks, golf courses, scenic areas, historic sites, casinos, spas, wineries and much more.

Albuquerque Biological Park

The BioPark consists of three separate facilities: the Rio Grande Zoo is one of the leading zoos in the nation; the Albuquerque Aquarium features a 285,000-gallon shark tank, an eel cave and other aquatic displays; the Rio Grande Botanic Garden includes a 10,000 sq. ft. conservatory, formal gardens, a Children's Fantasy Garden and a Heritage Farm.

Sandia Peak Aerial Tramway

The world's longest single-span aerial tramway transports visitors above deep canyons and breathtaking terrain via a 2.7 mile cable to the serenity of the mountain's 10,400 foot peak for a view that encompasses up to 15,000 square miles.

Petroglyph National Monument

The monument contains the world's largest accessible collection of prehistoric rock art. More than 17,000 ancient Indian petroglyphs are carved into the remnants of dormant volcanoes on Albuquerque's west side.

Outdoors

Where else can you ski and golf in the same day?

Spectacular year-round weather makes for exceptional outdoor activities. The Albuquerque area offers 14 public and private year-round golf courses and world-class ski areas are easily accessible. Whether your taste is for hiking, biking, rafting, tennis, hang gliding, mountain climbing, horseback riding, fishing or hunting, Albuquerque has the activity for you. Be sure your trip includes a hot air balloon ride over the ballooning capital of the

Information from the City of Albuquerque visitors guide
www.itsatrip.org/visitors

Albuquerque Fun Facts

- Albuquerque is considered the "Ballooning Capital of the World" because of the excellent flying conditions, number of resident hot-air balloonists and the Albuquerque International Balloon Fiesta®.

- New Mexico is home to the highest percentage of people with Ph.D.s per capita than any other state. This is largely due to the fact that hundreds of highly educated scientists and engineers moved into the state when Los Alamos and Albuquerque built several laboratories after WWII.

- Albuquerque's KiMo Theatre is a Pueblo Deco style theater which was built in 1927. Pueblo Deco was a short-lived flamboyant architectural style that fused the spirit of the Southwest and Native American cultures with the exuberance of America during the roaring 1920s. The theatre fell into disrepair along with the now revitalized downtown district and it was slated for destruction when, in 1977, the citizens of Albuquerque voted to purchase the movie palace. After many years of discussion, the theatre was brought up to standards and renovated to its former grandeur by 2000. The historic KiMo is also rumored to have a ghost. The ghost is said to be of a young boy who was killed in a boiler explosion.

- Historic Route 66 was first commissioned in 1926 with a giant S-curve connecting various cities in New Mexico with mostly unpaved road. In 1931 federal funds were designated to realign the road on a more east-west direction. The entire route from Chicago, IL, to Santa Monica, CA, was paved in 1937. Today I-40 runs along much of the original roadbed with many of the original neon signs still dotting the path.

- The American International Rattlesnake Museum in Albuquerque is home to the largest collection of live rattlesnakes in the world.

- Five dormant volcanoes mark Albuquerque's west side. They were formed about 190,000 years ago, but smoke was seen rising from them as recently as 1881. The volcanoes are still in the cooling stage; when it snows in Albuquerque, the snow melts first in the area of the volcanoes because of the residual heat.

- The "bosques" are groves of cottonwood trees that grow along the riverbed of the Rio Grande River amongst an otherwise arid high desert environment. The ribbon of green (and golden yellow in the fall) provides a colorful contrast to the desert shades of the area. The Cibola National Forest full of green also lines the eastern edge of the city along the foothills.

- Albuquerque is home to several wineries. New Mexico is the oldest wine-producing region in the country. The first grapevines were brought to the state in 1629. New Mexico's sun-soaked soil and cool high-desert nights create an ideal climate for making wine. The state now has 19 wineries, producing almost 350,000 gallons of wine each year. Visit www.nmwine.com for details.

- The New Mexico state question is "Red or Green?" This refers to red or green chile when ordering New Mexican food. Chile is featured in every meal from breakfast through dinner in New Mexico and it is the number one cash crop in the state. New Mexico grows more chiles than any other state, with more than 120,000 tons of chile being produced annually.

Information from the City of Albuquerque visitors guide
www.itsatrip.org/visitors

Related Articles
and/or Newspaper clippings
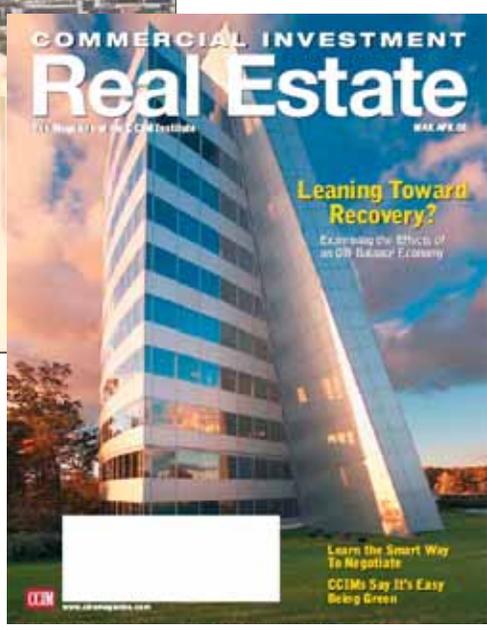
The route sign until the 1940s.

U.S. Route 66

From Wikipedia, the free encyclopedia

U.S. Route 66 (also known as the **Will Rogers Highway** after the humorist, and colloquially known as the "Main Street of America" or the "Mother Road") was a highway in the U.S. Highway System. One of the original U.S. highways, Route 66, US Highway 66, was established on November 11, 1926. However, road signs did not go up until the following year.[1] The famous highway originally ran from Chicago, Illinois, through Missouri, Kansas, Oklahoma, Texas, New Mexico, Arizona, and California, before ending at Los Angeles, encompassing a total of 2,448(3,940)[2]. It was recognized in popular culture by both a hit song and a television show in the 50s and 60s. It also inspired many characters and places in 2006 Disney/Pixar animated feature film, Cars.

Route 66 underwent many improvements and realignments over its lifetime, changing its path and overall length. Many of the realignments gave travelers faster or safer routes, or detoured around city congestion. One realignment moved the western endpoint further west from downtown Los Angeles to Santa Monica.

Route 66 was a major path of the migrants who went west, especially during the Dust Bowl of the 1930s, and supported the economies of the communities through which the road passed. People doing business along the route became prosperous due to the growing popularity of the highway, and those same people later fought to keep the highway alive even with the growing threat of being bypassed by the new Interstate Highway System.

US 66 was officially removed from the United States Highway System on June 27, 1985[3] after it was decided the route was no longer relevant and had been replaced by the Interstate Highway System. Portions of the road that passed through Illinois, New Mexico, and Arizona have been designated a National Scenic Byway of the name "**Historic Route 66**". It has begun to return to maps in this form. Some portions of the road in southern California have been redesignated "State Route 66", and others bear "Historic Route 66" signs and relevant historic information.

Over the years, U.S. Route 66 received many nicknames. Right after Route 66 was commissioned, it was known as "The Great Diagonal Way" because a large section of the highway (Chicago to Oklahoma City) ran diagonally. Later, Route 66 was advertised as "The Main Street of America" by the U.S. Highway 66 Association to promote the highway. The title had also been claimed by supporters of U.S. Route 40, but the Route 66 group was more successful. In the John Steinbeck novel *The Grapes of Wrath*, the highway is called "The Mother Road", which is the title that The Route most often receives

U.S. Route 66

	Will Rogers Highway

Length:	2450 mi (3,943 km)
Existed:	November 11, 1926 – June 27, 1985
West end:	US 101 in Los Angeles, CA (1926-1936) ALT US 101 in Santa Monica, CA (1936-1964) Colorado Blvd. in Pasadena, CA (1964-1974) I-40 in Topock, AZ (1974-1980) I-40 in Kingman, AZ (1980-
East end:	US 41 in Chicago, IL (1926-1976) I-55 in Gardner, IL (1976-1978) I-55 in Normal, IL (1978-1979) I-44 near Duenweg, MO (1979

today. Lastly, Route 66 was unofficially named "The Will Rogers Highway" by the U.S. Highway 66 Association in 1952. A plaque dedicating the highway to Will Rogers is still located in Santa Monica, California. There are more plaques like this; one can be found in Galena, Kansas. It was originally located on the Kansas-Missouri state line, but moved to the Howard Litch Memorial Park in 2001.

History
Before the U.S. Highway system
In 1857, Lt. Edward Fitzgerald Beale, a Naval officer in the service of the U.S. Army Topographical Corps, was ordered by the War Department to build a government-funded wagon road across the 35th Parallel. His secondary orders were to test the feasibility of the use of camels as pack animals in the southwestern desert. This road became part of U.S. Route 66.

Before a nationwide network of numbered highways was adopted by the states, named auto trails were marked by private organizations. The route that would become Route 66 was covered by three highways. The Lone Star Route passed through St. Louis on its way from Chicago to Cameron, Louisiana, though US 66 would take a shorter route through Bloomington rather than Peoria. The transcontinental National Old Trails Road led via St. Louis to Los Angeles, but was not followed until New Mexico; instead US 66 used one of the main routes of the Ozark Trails system,[4] which ended at the National Old Trails Road just south of Las Vegas, New Mexico. Again, a shorter route was taken, here following the Postal Highway between Oklahoma City and Amarillo. Finally, the National Old Trails Road became the rest of the route to Los Angeles.[5]

Birth and rise of Route 66
A remnant of an original "STATE" right-of-way marker serves as a "ghost" of the early days of the road's construction. This was part of the 1927 construction of Route 66.

Championed by Tulsa, Oklahoma businessman Cyrus Avery when the first talks about a national highway system began, US 66 was first signed into law in 1927 as one of the original U.S. Highways, although it was not completely paved until 1938. Avery was adamant that the highway have a round number and had proposed number 60 to identify it. A controversy erupted over the number 60, largely from delegates from Kentucky which wanted a Virginia Beach–Los Angeles highway to be US 60 and US 62 between Chicago and Springfield, Missouri. Arguments and counter-arguments continued and the final conclusion was to have US 60 run between Virginia Beach, Virginia, and Springfield, Missouri, and the Chicago–L.A. route be US 62. Avery settled on "66" (which was unassigned) because he thought the double-digit number would be easy to remember as well as pleasant to say and hear.

After the new federal highway system was officially created, Avery called for the establishment of the U.S. Highway 66 Association to promote the complete paving of the highway from end to end and to promote travel down the highway. In 1927, in Tulsa, the association was officially established with John T. Woodruff of Springfield, Missouri elected the first president. In 1928, the association made its first attempt at publicity, the "Bunion Derby", a foot-race from Los Angeles to New York City, of which the path from Los Angeles to Chicago would be on Route 66. [1] The publicity worked: several dignitaries, including Will Rogers, greeted the runners at certain points on the route. The association went on to serve as a voice for businesses along the highway until it disbanded in 1976.

Traffic grew on the highway because of the geography through which it passed. Much of the highway was essentially flat and this made the highway a popular truck route. The Dust Bowl of the 1930s saw many farming families (mainly from Oklahoma, Kansas, and Texas) heading west for agricultural jobs in California. Route 66 became the main road of travel for these people, often derogatorily called "Okies". And during the Depression, it gave some relief to communities located on the highway. The route

Modern-day sign in New Mexico, along a section of Route 66 named a National Scenic Byway

passed through numerous small towns, and with the growing traffic on the highway, helped create the rise of mom-and-pop businesses (mainly as service stations, restaurants, and motor courts) up and down the highway.

Much of the early highway, like all the other early highways, was gravel or graded dirt. Because of the efforts of the US Highway 66 Association, Route 66 became the first highway completely paved in 1938. Several places were dangerous: more than one part of the highway was nicknamed "Bloody 66" and gradually work was done to realign these segments to remove dangerous curves. However, one section just outside Oatman, Arizona (through the Black Mountains of Arizona) was fraught with sharp hairpin turns and was the steepest along the entire route, so much so that some early travelers, too frightened at the prospect of driving such a potentially dangerous road, hired locals to navigate the winding grade. The section remained as Route 66 until 1953, and is still open to traffic today as the Oatman Hwy. Despite such hazards in some areas, Route 66 continued to be a popular route.

During World War II, more migration west occurred because of war-related industries in California. Route 66, already popular and fully paved, became one of the main routes and also served for moving military equipment. Fort Leonard Wood in Missouri was located near the highway, which was locally upgraded quickly to a divided highway to help with military traffic. When Richard Feynman was working on the Manhattan Project at Los Alamos, he used to travel the nearly 100(160) to visit his wife, who was dying of tuberculosis, in a sanatorium located on Route 66 in Albuquerque.[6]

Lengths	Miles
CA	314
AZ	401
NM	487
TX	186
OK	432
KS	13
MO	317
IL	301
Total in 1926	**2,448**

The Chain of Rocks Bridge was built to carry the growing traffic of Route 66 around the city of St. Louis.

In the 1950s, Route 66 became the main highway for vacationers heading to Los Angeles. The road passed through the Painted Desert and near the Grand Canyon. Meteor Crater in Arizona was another popular stop. This sharp rise in tourism in turn gave rise to a burgeoning trade in all manner of roadside attractions including teepee-shaped motels, frozen custard stands, Indian curio shops, and reptile farms. Meramec Caverns near St. Louis began advertising on barns, billing itself as the "Jesse James hideout". The Big Texan advertised a free 72-ounce (2 kg) steak dinner to anyone who could eat the whole thing in an hour. It also marked the birth of the fast-food industry: Red's Giant Hamburgs in Springfield, Missouri, site of the first drive-through restaurant, and the first McDonald's in San Bernardino, California. Changes like these to the landscape further cemented 66's reputation as a near-perfect microcosm of the culture of America, now linked by the automobile.

Changes in routing

Many sections of US 66 underwent major realignments.

1. In 1930, between Springfield and East St. Louis, Illinois, US 66 was shifted further east to what is now roughly I-55. The original alignment followed the current Illinois Route 4.
2. From downtown St. Louis to Gray Summit, Missouri, US 66 originally went down Market Street and Manchester Road (now, largely, Route 100). In 1932, this route was changed, the original alignment never being viewed as anything more than temporary. The planned route was down Watson Road (now Route 366), but Watson Road had not yet been completed.
3. From west of El Reno, Oklahoma, to Bridgeport, Oklahoma, US 66 turned north to Calumet, Oklahoma, and then west to Geary, Oklahoma, then southwest across the South Canadian River over a suspension toll bridge into Bridgeport, Oklahoma. In 1933, a straighter cut-off route was completed from west of El Reno directly to a point one mile (1.6) south of Bridgeport, crossing over a 38-span steel pony truss bridge over the South Canadian River and bypassing both Calumet and Geary by several miles.
4. From west of Santa Rosa, New Mexico, to north of Los Lunas, New Mexico, the road originally turned north from current I-40 along much of what is now US 84 to near Las Vegas, New Mexico, followed (roughly) I-25 through Santa Fe and Albuquerque to Los Lunas and then turned northwest along the present State Highway 6 alignment to a point near Laguna. In 1937, a straight-line route was completed from west of Santa

The route sign until the 1940s.

Rosa through Moriarty and east-west through Albuquerque and west to Laguna. This newer routing saved travelers as much as four hours of travel through New Mexico. According to legend the rerouting was done at the behest of Democratic Governor Arthur T. Hannett to punish the Republican Santa Fe Ring which had long dominated New Mexico out of Santa Fe.[7]

5. In 1940 the first freeway in Los Angeles was incorporated into Route 66: The Arroyo Seco Freeway, as known as the Pasadena Freeway.

6. Since the 1950s, as interstates were constructed, sections of Route 66 not only saw the traffic drain to those interstates, but often the name itself was moved to the faster means of travel. In some cases such as to the east of St. Louis this was done as soon as the interstate was finished to the next exit.

7. In 1936 Route 66 was extended from downtown Los Angeles to Santa Monica, terminating at US 101 ALT, today the intersection of Olympic Boulevard and Lincoln Boulevard (a segment of State Route 1). Even though there is a plaque dedicating Route 66 as the Will Rogers Highway placed at the intersection of Ocean Boulevard and Santa Monica Boulevard, the highway never terminated there.

8. US 66 was rerouted around several larger cities via bypass or beltline routes to permit travelers to avoid city traffic congestion. Some of those cities included Springfield, Illinois; St. Louis, Missouri; Rolla, Missouri; Springfield, Missouri; Joplin, Missouri; and Oklahoma City, Oklahoma.

Decline

The beginning of the end for Route 66 came in 1956 with the signing of the Interstate Highway Act by President Dwight Eisenhower. As a General fighting in the European theater during World War II, Eisenhower was impressed by Germany's high-speed roadways, (themselves influenced by the US highway system) or *Autobahnen*. Eisenhower envisioned a similar system of roads for the US in which one could conceivably drive at high speed from one end of the country to the other without stopping, as well as making it easier to mobilize troops in the event of a national emergency.

During its nearly 60-year existence, Route 66 was under constant change. As highway engineering became more sophisticated, engineers constantly sought more direct routes between cities and towns. Increased traffic led to a number of major and minor realignments of US 66 through the years, particularly in the years immediately following World War II when Illinois began widening US 66 to four lanes through virtually the entire state from Chicago to the Mississippi River just east of St. Louis, Missouri, and included bypasses around virtually all of the towns. By the early-to-mid 1950s, Missouri also upgraded its sections of US 66 to four lanes complete with bypasses. Most of the newer four-lane 66 paving in both states was upgraded to freeway status in later years.

One of the remnants of Route 66 is the highway now known as Veterans Parkway, east and south of Normal, Illinois, and Bloomington, Illinois. The two sweeping curves on the southeast and southwest of the cities originally were intended to easily handle traffic at speeds up to 100 miles per hour, as part of an effort to make Illinois 66 an *Autobahn* equivalent for military transport.

In 1953, the first major bypassing of US 66 occurred in Oklahoma with the opening of the Turner Turnpike between Tulsa and Oklahoma City. The new 88-mile (142) toll road paralleled US 66 for its entire length and bypassed each of the towns along 66. The Turner Turnpike was joined in 1957 by the new Will Rogers Turnpike, which connected Tulsa with the Oklahoma-Missouri border west of Joplin, Missouri, again paralleling US 66 and bypassing the towns in northeastern Oklahoma in addition to the entire state of Kansas. Both Oklahoma turnpikes were soon designated as Interstate 44, along with the US 66 bypass at Tulsa that connected the city with both turnpikes.

In some cases, such as many areas in Illinois, the new interstate highway not only paralleled the old Route 66, it actually incorporated much of it. A typical approach was to build one new set of lanes, then move one direction of traffic to it, while retaining the original road for traffic flowing in the opposite direction. Then a second set of lanes for traffic flowing in the other direction would be constructed, finally followed by abandoning the other old set of lanes or converting them into a frontage road.

The same scenario was used in western Oklahoma when US 66 was initially upgraded to a four-lane highway such as from Sayre through Erick to the Texas border at Texola in 1957 and 1958 where the old paving was retained for westbound traffic and a new parallel lane built for eastbound traffic (much of this section was entirely bypassed by I-40 in 1975), and on two other sections; from Canute to Elk City in 1959 and Hydro to Weatherford in 1960, both of which were upgraded with the

construction of a new westbound lane in 1966 to bring the highway up to full interstate standards and demoting the old US 66 paving to frontage road status. In the initial process of constructing I-40 across western Oklahoma, the state also included projects to upgrade the through routes in El Reno, Weatherford, Clinton, Canute, Elk City, Sayre, Erick, and Texola to four-lane highways not only to provide seamless transitions from the rural sections of I-40 from both ends of town but also to provide easy access to those cities in later years after the I-40 bypasses were completed.

In New Mexico, as in most other states, rural sections of I-40 were to be constructed first with bypasses around cities to come later. However, some business and civic leaders in cities along US 66 were completely opposed to bypassing fearing loss of business and tax revenues. In 1963, the New Mexico Legislature enacted legislation that banned the construction of interstate bypasses around cities by local request. This legislation was short-lived, however, due to pressures from Washington and threat of loss of federal highway funds so it was rescinded by 1965. In 1964, Tucumcari and San Jon became the first cities in New Mexico to work out an agreement with state and federal officials in determining the locations of their I-40 bypasses as close to their business areas as possible in order to permit easy access for highway travelers to their localities. Other cities soon fell in line including Santa Rosa, Moriarty, Grants and Gallup although it wasn't until well into the 1970s that most of those cities would be bypassed by I-40.

By the late 1960s, most of the rural sections of US 66 had been replaced by I-40 across New Mexico with the most notable exception being the 40-mile (64) strip from the Texas border at Glenrio west through San Jon to Tucumcari, which was becoming increasingly treacherous due to heavier and heavier traffic on the narrow two-lane highway. During 1968 and 1969, this section of US 66 was often referred to by locals and travelers as "Slaughter Lane" due to numerous injury and fatal accidents on this stretch. Local and area business and civic leaders and news media called upon state and federal highway officials to get I-40 built through the area; however, disputes over proposed highway routing in the vicinity of San Jon held up construction plans for several years as federal officials proposed that I-40 run some five to six miles (10) north of that city while local and state officials insisted on following a proposed route that touched the northern city limits of San Jon. In November of 1969, a truce was reached when federal highway officials agreed to build the I-40 route just outside of the city, therefore providing local businesses dependent on highway traffic easy access to and from the expressway via the north-south highway that crossed old US 66 in San Jon. Interstate 40 was completed from Glenrio to the east side of San Jon in 1976 and extended west to Tucumcari in 1981, including the bypasses around both cities.

Originally, highway officials planned for the last section of US 66 to be bypassed by interstates in Texas, but as was the case in many places, lawsuits held up construction of the new interstates. The US Highway 66 Association had become a voice for the people who feared the loss of their businesses. Since the interstates only provided access via ramps at intersections, travelers could not pull directly off a highway into a business. At first, plans were laid out to allow (mainly national chains) to be placed in interstate medians. Such lawsuits effectively prevented this on all but toll roads. Some towns in Missouri threatened to sue the state if the US 66 designation was removed from the road, though lawsuits never materialized. Several businesses were well known to be on US 66, and fear of losing the number resulted in the state of Missouri officially requesting the designation "Interstate 66" for the St. Louis to Oklahoma City section of the route, but it was denied. In 1984, Arizona also saw its final stretch of highway decommissioned with the completion of Interstate 40 just north of Williams, Arizona. Finally, with decertification of the highway by the American Association of State Highway and Transportation Officials the following year, U.S. Route 66 officially ceased to exist.

With the decommissioning of US 66, no single interstate route was designated to replace it. Interstate 55 covered the section from Chicago to St. Louis; Interstate 44 carried the traffic on to Oklahoma City; Interstate 40 took the largest chunk, replacing 66 to Barstow, California; Interstate 15 took over for the route to San Bernardino; and Interstate 210 and State Route 2 or Interstate 10 carried Route 66's traffic across the Los Angeles metro area to Santa Monica.

After decertification

When the highway was decommissioned, sections of the road were disposed of in various ways. Within many cities, the route became a "business loop" for the interstate. Some sections became state roads, local roads, private drives, or were abandoned completely. Although it is no longer possible to drive Route 66 uninterrupted all the way from Chicago to Los Angeles, much of the original route and alternate alignments are still drivable with careful planning. Some stretches are quite well-preserved, including one between Springfield, Missouri, and Tulsa. Some sections of Route 66 still retain their historic eight-foot-wide "sidewalk highway" form, never having been resurfaced to make them into full-width highways.

Some states have kept the 66 designation for parts of the highway, albeit as state roads. In Missouri, Routes 366, 266, and 66 are all original sections of the highway. State Highway 66 in Oklahoma remains as the alternate "free" route near its turn-pikes. A long segment in Arizona signed as State Route 66 links Seligman to Kingman. A surface street stretch between San Bernardino and La Verne (known as Foothill Boulevard) to the east of Los Angeles retains its number as State Route 66. Several county roads and city streets have also retained the "66" name.

Revival

In 1990, Route 66 associations were founded separately in both Arizona and Missouri. Other groups in the other Route 66 states soon followed. The same year, the state of Missouri declared Route 66 in that state a "State Historic Route". The first "Historic Route 66" marker was erected on Kearney Street at Glenstone Avenue in Springfield, Missouri (now replaced - the original sign has been placed at Route 66 State Park near Eureka). Other historic markers now line—at times sporadically—the entire 2,400(3,860km) length of road. There are instances in California, Illinois, Kansas, and Oklahoma where the road surface itself has been painted with one of a number of similar symbols. Some of those symbols include:

· An outline of a federal highway shield with the number "66" and the state name, painted entirely in white.
· A black outline of the shield with the state also painted in black, but with the "66" painted in white.
· A solid white square with a shield outline, state name, and "66" painted in black over it.
· A solid white shield with patches of the pavement exposed to depict a horizontal line and the number "66" (and no other words).

A section of the road in Arizona was placed on the National Register of Historic Places; the Arroyo Seco Parkway in the Los Angeles Area and Route 66 in New Mexico have been made into National Scenic Byways; and in 2005, the State of Missouri made the road a state scenic byway from Illinois to Kansas. In the cities of Rancho Cucamonga, Rialto, and major city San Bernardino in California, there are US 66 signs erected along Foothill Boulevard and on Huntington Drive in the city of Arcadia. The city of Glendora, California renamed Alosta Avenue, its section of Route 66, by calling it Route 66. Flagstaff, Arizona renamed all but a few blocks of Sante Fe Avenue as Route 66.

Many preservation groups have also tried to save and even tried to landmark the old motels and neon signs along the road in different states.[8]

In 2008, The World Monuments Fund added Route 66 to its World Monuments Watch list of 100 Most Endangered Sites. Sites along the route, such as gas stations, motels, cafes, trading posts, and drive-in movie theaters are threatened by development in urban areas, and by abandonment and decay in rural areas.

As the popularity and mythical stature of Route 66 has continued to grow, demands have begun to mount to improve signage, return Route 66 to road atlases and revive its status as a continuous routing. Along these lines Route 66 has been established as a National Scenic Byway in Illinois, Arizona and New Mexico with National Scenic Byway status pending in Oklahoma and Missouri as of 2007. Another move is also afoot that aims to reinstate Route 66 as an official U.S. Route.[9]

Buckingham Fountain in Chicago, just south of the former eastern terminus of Route 66.

Wigwam motel #6 in Holbrook, AZ.

A Route 66 commemorative sculpture in Tucumcari, New Mexico.

- List of communities on U.S. Route 66
- National Old Trails Highway, the precursor to Route 66 from Los Angeles, California to Moriarty, New Mexico
1. Route 66 Timeline
2. A table of mileposts for the original US 66 alignment of 1926
3. US 66: In the Beginning (RVD)
4. Map of the Ozark Trails
5. Rand McNally Auto Road Atlas, 1926, accessed via the Broer Map Library
6. Gribbin, John. Richard Feynman: A Life in Science, 1997. pg 96.
7. [http://www.theroadwanderer.net/66NMex/santafe.htm New Mexico Route 66, New Mexico mother road, old Route 66
8. Juozapavicius, Justin, "Route 66 motels an endangered species", Associated Press, May 20, 2007.
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Albuquerque has generated its own road map and history to Route 66 publication "Historic Route 66 Map & Guide" which features notable architecture, buildings, events and places to visit along the historic route.

The sign for Roy's Motel and Cafe in Amboy, Calif., along the old Route 66, as seen through a hole in the cafe window.

Darrell Miho for The New York Times

New Kicks on Route 66 for Commercial Builders

By LISA CHAMBERLAIN

ALONG Route 66, which connected Chicago to Los Angeles from 1926 to 1985, roadside motels and their signature neon signs have been celebrated in books, songs and movies, as motoring west became an expression of American independence and freedom.

Since Route 66 was decommissioned as a federal highway, however, many motels have been lost to the wrecking ball, while others have stood vacant, ready to be revitalized by a movement to create a heritage corridor along the historical highway.

Route 66 aficionados hope that the restoration of one of the most famous stops for travelers along the highway, Roy's Motel and Cafe in Amboy, Calif., will anchor a revival of motel culture and Route 66 tourism. Roy's, about three hours east of Los Angeles, was bought by a San Bernardino restaurateur, Albert Okura, who acquired not just the motel and cafe but also the entire town. He promised the previous owner, Bessie Burris, that he would preserve and restore the town, which was in decline for decades and shut down completely in 2005.

As a collector of Route 66 memorabilia, Mr. Okura jumped at the chance to buy Amboy for $425,000 in 2005, betting that revived interest in Route 66 will make Amboy commercially viable again — and he may be onto something. The World Monuments Fund, a New York-based organization devoted to saving architecture and cultural sites around the world, recently put Route 66 on its 2008 list of most endangered sites.

"There is a whole revival happening around Route 66," said Mr. Okura, who owns the Juan Pollo restaurant chain. "I'm the baby boomer generation, and we want to be young and live in the past. But you need somewhere to go, so they follow Route 66. But progress is disjointed. The more I looked into Amboy, the more I realized, there's no other place like this."

In addition to a gasoline station, post office, garage, church, cemetery, four houses and an airport runway, Amboy is most known for its atomic-age sign for Roy's. The original lodging in Amboy consisted of six bungalows built in the 1920s. A single-story motel with 20 units and a lobby were added in the 1950s, when Route 66 tourism was at its peak.

Despite slow progress in getting things back up and running, word has spread throughout the Route 66 subculture. And before Mr. Okura has even been able to make the gas station functional, tourists are arriving to monitor Amboy's progress.

"Fifty tourists from London had their cars shipped to America to drive Route 66," said Joanne Fuentes, who is helping to oversee the refurbishment for Mr. Okura. "It was an awesome sight. They parked right underneath the Roy's sign. We just had a group of about 20 people from Germany that had their motorcycles shipped over, so they can ride along the route. So there's a lot of people around the world that are waiting for this to happen."

Mr. Okura expects to open the gas station soon, followed by the motel and cafe. He has hired a preservation architect, Taylor Louden, who is based in Culver City, Calif., to guide the restoration, particularly of the bungalows, which have been picked clean by vandals over the years. "It's a classic ghost town that isn't quite dead yet," Mr. Louden said. "The context is, you see these buildings for miles because there's nothing else around. In the background is this barren lunarlike landscape. It's significant that the place still exists at all."

The same might be said for many motels along Route 66 that have gone out of business and crumbled since Interstate 40 was built in the 1970s, bypassing most cities along the southwestern portion of the route. Independent groups including the New Mexico Heritage Preservation Alliance, run by Gary Wolff, a preservationist from Santa Fe, have sprung up to raise awareness of the motels' historical significance.

According to Mr. Wolff, Albuquerque once had 100 motels, but that number is down to 25. He estimates that there were more than 300 motels along Route 66 in New Mexico, but that only 60 or so are left.

"A lot of these places are not kept up or are abandoned and become a nuisance," Mr. Wolff said. "We're encouraging communities to consider tax credits and grants to restore motels and wrap the motels into heritage tours."

Many of the motels are not remarkable architecturally. But three significant ones in Albuquerque that were listed on the National Register of Historic Places have been torn down.

But the city has drawn the line with the El Vado Motor Court, a Pueblo-style building that functioned as a motel until two years ago, when it was bought by a developer who intended to tear it down and build condominiums. The city blocked those plans in February.

"If we can't come to a resolution with the developer, we'll condemn it and take it," said Martin J.

Chavez, the mayor of Albuquerque, who would like to see the El Vado and others like it turned into boutique motels catering to Route 66 tourists. "Route 66 is very much a state of mind," he said. "It's part of who we are. It would be like New York without the Statue of Liberty."

The National Trust for Historic Preservation has advocated saving the El Vado, which was built in 1937. "The El Vado is special," said Daniel Carey, director of the group's Southwest office. "It's completely intact — the rooms and office, the signage, traffic-flow pattern. And it's in a prominent location, in the bend of Route 66. It definitely could survive as a motel."

Another group that has taken an interest in preserving and reviving roadside motels along Route 66 is the Society for Commercial Archeology, a national organization devoted to preserving the 20th-century commercial landscape. "You need a combination of location and an owner who is really jazzed about putting money into it," said Douglas C. Towne, a board member and a Route 66 enthusiast. Mr. Towne said that fewer people these days traveled with a sense of adventure and spontaneity, and that this change had led to a decline in the motel culture. But, he said, "there's a small but growing segment of travelers that appreciates this architecture."

Credit for some of this revival can be attributed to the National Parks Service, which has run the Route 66 Corridor Preservation Program, created by Congress in 1999 to help property owners, nonprofit organizations and cities preserve the heritage of Route 66.

"Motels are going through an awkward period," said Kaisa Barthuli, deputy program manager of the Route 66 program, which is based in Santa Fe. "They're becoming significant, but people don't fully see them as historic yet. We see around the country there is more interest to travelers who want that vintage motel experience. But we have to make sure they don't get torn down in the meantime. So we're trying to raise awareness of motels in our transportation history and our identity as adventure seekers."

Ms. Barthuli takes comfort in a handful of motels that have not only survived but have also thrived as tourist attractions, such as the Blue Swallow in Tucumcari, N.M.; the Munger Moss in Lebanon, Mo.; and Wigwam motels in Arizona and California with their individual teepee-style rooms. She also points to Flagstaff, Ariz., as a city that is being proactive by offering tax credits and other financial incentives to help motel owners improve the buildings' facades and restore neon signs.

"It's a matter of timing and history," she said. "It's just percolating up now."

The Virtues of Avoiding Interstates
By PHIL PATTON
THE chef Alice Waters and other foodies talk about "slow food" as an antidote to fast food.

Now many connoisseurs of the highway are championing the use of slow roads — back roads with scenery and history — instead of faceless Interstates. The idea emphasizes savoring local detail and culture.

"Taking the slow road is the best way to taste and feel the country, to use all your senses," said Michael Wallis, author of "The Lincoln Highway: Coast to Coast from Times Square to the Golden Gate," with photographs by Michael S. Williamson. (W. W. Norton, 2007) .

"Heritage travel is real," said Mr. Wallis, reached on his way to Flossmoor, Ill., as part of a cross-country book tour chronicled at lincolnhighwaybook.com. "Shunpiking is real," he said, using an old term for avoiding toll roads.

The slow roaders favor back roads, parkways, motels and diners, instead of chain lodging and food.

Mr. Wallis contrasts making time and having a time, and the traveler and the tourist, as symbols of the fast road and the slow road.

While people collect antique cars, there has been little interest in antique roads — until recently. Over the last decade, preservationists have begun to include old roads, along with old buildings and old gardens, in the list of things to be saved. Call them heirloom highways, curving, twisting roads sometimes requiring slow, patient driving.

Saving slow roads and the sights along them has recently become a preservationist mission. In June, the National Trust for Historic Preservation named the motels of Route 66 from Illinois to California to its list of America's 11 Most Endangered Historic Places.

The World Monuments Watch has also placed the Mother Road, as Route 66 is known, on its 2008 endangered list, right up there with sites like the Teuchitlán-Guachimontones archaeological zone in Mexico. The group calls Route 66 "an iconic getaway route" and "a pilgrimage route for modern travelers."

Some famous slow roads are showing signs of revival. Derelict motels have been restored and reopened, and neon has been replaced. The famed Blue Swallow Motel on Route 66 in Tucumcari, N.M., has a new owner and new paint. A federal law to provide money to help preserve and promote Route 66 was passed several years ago.

Preferring the slow road — the byway, the back road — has a long tradition, of course. The author William Least Heat-Moon in his book from the early 1980s, "Blue Highways: A Journey Into America," called the back roads blue highways because they were blue on the map, in contrast to the red of modern divided highways.

In 1991, the federal Transportation Department introduced the National Scenic Byways Program, which marked and promoted roads, largely to help tourism, and many states have added their own efforts. (A list of the byways and "All American roads" is at byways.org.)

The film "Cars" from last summer contrasted the Interstates and back roads as two wholly different ways of life: the former hurried and inhuman, the latter sensitive and slow. Hollywood's vision of the Tao read "life begins at the off ramp."

The first slow roads were parkways. The parkway was the invention of Frederick Law Olmsted, creator of Central Park. Carriages rolled along amid greenery on Eastern Parkway and Ocean Parkway in Brooklyn. The first motor parkway was the Bronx River Parkway. The Hudson, Taconic and Saw Mill Parkways in New York are other examples.

The parkway concept was expanded with motor roads like the Skyline Drive in Virginia and the Blue Ridge Parkway in North Carolina, built mostly in the 1930s. Scenery and history are combined in the Natchez Trace Parkway, paralleling the old migrant trail in Tennessee and Mississippi.

But preserving scenic and historical roads was an afterthought to a culture widening, and paving over, most of its old roads in the '50s though the '70s. Paul Daniel Marriott, a landscape architect, organized a conference on historical roads for the National Trust for Historic Preservation in 1998. The conference became a biennial event; next year it will be in Albuquerque, close to the intersection of El Camino Real de Tierra Adentro and Route 66.

Mr. Marriott emphasized the scenic, historical and tourist potential of these roads. The conference explored making historical roads safe for modern traffic, while saving their appeal as history.

"People are appreciating historic roads more and more," Mr. Marriott said. "It used to just be Route 66, but now you hear people mention the Yellowstone Trail, the Dixie Highway and El Camino Real. People are looking at specific roads with specific purposes."

It is hard to update older roads, especially parkways, for safety and increased traffic without destroying their character. But the rehabbed Saw Mill River Parkway has retained the grace of its curves, and a 1798 stone bridge in Kingston, N. J., still carries traffic past a milestone marking distance to New York in one direction and Philadelphia in the other.

Much smaller efforts at promoting local tourism through roads are flourishing. Not long ago I was on Highway 20 in western Massachusetts, a lovely rural strip of pavement that signs told me was the Jacob's Ladder Trail Scenic Byway. Along the 33 miles of the byway between Russell and Lee, Mass., I passed a restaurant and gas station whose sign read simply "EAT" and whose facade bore a classic Mobil Pegasus sign. A few miles farther, two women sat by the side of the road in folding chairs reading, beside a table full of blueberries they had picked and packed for sale that morning.

Mr. Wallis's book, "Route 66: The Mother Road" helped set off a vogue for that road after the book was published in 1990. He became one of the road's best-known guides.

For Mr. Wallis, there is a close connection between slow food and slow roads. But, he said, the real finds along the slow roads are not food or nature, but people.

"Yesterday we saw one our favorite waitresses, at the Paddock in York, Pa. She's been there about a thousand years," he said, "and told us to call her 'Sarge.' "

A new itinerary

DUBAI

Both as destinations and as new sources of tourists, emerging economies are transforming the travel industry

WHEN you arrive at Dubai International Airport, the bus journey from your aeroplane to the terminal building takes almost 15 minutes. This is not because Dubai is inefficient—far from it—but because for a small country it has a huge airport, which is in the throes of expansion. The airport will still be too small to cope with the swelling inflow of travellers, so Dubai's rulers are building another one, at Jebel Ali, a port town 35km (20 miles) away, which is due to come into full operation in 2017. Designed to handle 120m passengers a year, it is expected to be the world's busiest airport.

Booming emerging economies are the great hope of the world's travel and tourism industry. Dubai is the most shimmering example. It has only a tiny percentage of the United Arab Emirates' oil reserves, and so is straining to turn itself into a regional hub for finance, travel and high-class tourism. Three palm-shaped island-resorts are being built: the Palm Jumeirah (pictured), the Palm Jebel Ali and the Palm Deira. The Burj al-Arab, curved like a sail and on another artificial island, is the world's only seven-star hotel—with its own helipad, naturally. Dubai also boasts the Middle East's first indoor ski-slope.

About 30% of Dubai's GDP depends on travel and tourism, but Sheikh Mohammed bin Rashid Al Maktoum, Dubai's ruler, wants the industry to grow much more. He is the driving force behind the construction of Dubailand, a tourism and entertainment complex divided into seven theme worlds that are Dubai's answer to Disneyland. By 2015 Dubailand is aiming to attract 15m tourists, roughly 40,000 visitors daily.

No wonder, then, that last month the top brass of the World Travel & Tourism Council (WTTC), the industry's main lobby group, held their annual meeting amid Dubai's glitz. They might have found lots of reasons to be gloomy: a weak dollar, sky-high oil and food prices, looming recession in America and a credit crunch on both sides of the Atlantic. Yet the tourism barons were fairly chipper. They hope that Americans will still travel, albeit more parsimoniously. And they think that travellers to and from emerging economies will make up for some of the flagging Wanderlust of the developed world.

Ready for take-off

The rise of emerging economies marks the third revolution the travel industry has undergone in the past 50 years. The first came in the 1960s, in the shape of cheap air travel and package tours. Rising incomes enabled people of modest means to travel more, to farther-flung parts of the globe, and to take advantage of "all-in" offers that may have included sightseeing trips, scuba diving or camel rides. The second was the advent of the internet, which has allowed millions to book flights, hotels, hire cars and package tours without going near a high-street travel agent.

Now fast-growing emerging economies—not just Dubai but also the BRICS (Brazil, Russia, India and China) and others, such as South Korea and Vietnam—are changing the world of travel once again, either as destinations or as sources of newly affluent travellers. Often, citizens of these countries are visiting similar, emerging lands. Last year, for example, Russians made a total of 34.3m trips abroad, up from 29.1m in 2006. Turkey was their most popular destination, followed by China and Egypt. The Chinese head the table of visitors to Vietnam.

The WTTC claims that travel and tourism is the world's biggest industry in terms of its contribution to global GDP and employment. The lobby group forecasts that global travel and tourism will account for $5.9 trillion of economic activity in 2008, or about 10% of global GDP, employing 238m people. It expects employment to rise to 296m in the next decade.

In fact, assessing the scale of the industry is not straightforward. When all travel and tourism is lumped together, so that everything from airlines to cafés counts, it is no surprise that the WTTC's total is so large. As a rule, restaurants do not record whether they are serving tourists, business travellers or locals out for a meal.

The United Nations World Tourism Organisation (UNWTO) has resorted to monitoring international tourist arrivals only. It therefore knows where tourists are going to, but has a much less accurate idea of where they have come from. Travel and tourism data from developing countries, in particular, are unreliable. And many of the industry's jobs, such as tour guides or souvenir salesmen, go unrecorded. Officially, the tourism business in Sicily is sizeable, but it would be bigger still if untaxed and undeclared jobs were counted.

Never mind the difficulties of definition and measurement: the industry, from any angle, is huge and growing. It accounts for a large part of many countries' foreign-exchange earnings. For many developing countries, it offers an important route out of poverty. And further expansion and democratisation of tourism, centred on ▶▶

emerging economies, is under way. Having once worked in tourism, an increasing number of citizens of those countries are beginning to become tourists themselves.

According to the UNWTO, international tourist arrivals grew by 6% last year, to 900m (see chart 1). The total has gone up by almost 100m in two years. Last year the Middle East welcomed 13% more international tourists, or 46m in all. Arrivals in Asia and the Pacific were up by 10%, to 185m—with much of the extra travel coming from elsewhere in the region. Africa saw an increase of 8%, to 44m. This year, the UNWTO predicts, growth of international tourism will be fastest in Asia and the Pacific.

Forecasts for growth are even less reliable than in other industries, partly because tourism is vulnerable to shocks such as natural disasters or terrorist attacks. José Antonio Tazón, boss of Amadeus, a travel-technology company, points out that global firms are less exposed than local ones. They can make up for lost business in a region affected by catastrophes with business in other parts of the world.

A dollar won't stretch that far

For the next year or two, the travel industry is likely to find its long-standing customers in rich Western countries a less than reliable source of growth. As American families plan their holidays, many will be worrying about the frailty of their country's economy, the rising cost of petrol and—for those venturing outside the United States—the weakness of the dollar. They are delaying booking in the hope of nabbing cheap, last-minute deals.

They certainly seem to be spending less. On May 7th Orbitz, an American online travel-firm, posted a first-quarter net loss of $15m compared with a net loss of $10m a year earlier. The mainstay of its business is domestic bookings, which were 6% lower in the first quarter than a year earlier, at $2.4 billion.

About 85% of American travel and tourism is domestic. Only one-fifth of American citizens have passports. Those thinking of going abroad will need more tempting than usual. Some hotels in European cities are offering deep discounts to American travellers to make up for the weakness of the dollar. WorldHotels, a hotel-marketing company, says that Americans can book rooms at a one-to-one euro-dollar exchange rate—a saving of roughly one-third at today's rate—at 52 of the European hotels on its books. Nevertheless, WorldHotels saw a 15% drop in business from Americans at its European hotels during the first quarter of this year.

Yet the industry remains confident that people will travel, even if they spend less. "One of the last bits of discretionary spending people cut is their holiday," argues Thomas Middelhoff, chief executive

of Arcandor, the German retailer that owns Thomas Cook, a travel company.

Some European travellers, by contrast, will at least have the benefit of a strong euro. Within the continent, there are other pluses. The expansion of low-cost airlines is boosting short-break travel. The extension of the passport-free Schengen area to nine more countries makes trips within Europe easier. The Euro 2008 football championship in Austria and Switzerland, the Zaragoza International Expo in Spain and Liverpool's reign as Europe's cultural capital are also expected to be good for business. That will help the European Union remain the biggest contributor to global travel and tourism, with 27.5% of the share of the world market and more than 10% of the industry's total workforce.

Even so, Europeans are likely to feel the slowdown of the economy and the impact of the high price of oil. British Airways recently upped its fuel surcharge, which now stands at £158 ($312) for a return long-haul flight to Britain. On May 7th easyJet, a low-cost airline, unveiled a £57.5m loss for the six months to the end of March. Granted, that is usually the company's weaker half-year, but the loss a year before had been only £17.1m. The trouble was the rising cost of fuel, which now accounts for 28% of easyJet's cost per seat. All this means tourism in the EU will grow by only about 2% this year, reckons the WTTC, compared with worldwide growth of 3-4%.

For faster growth, the industry will have to look to emerging economies. These are becoming increasingly well established as places to visit. Now they are starting to provide more visitors too. According to McKinsey, a consulting firm, by the middle of the next decade almost a billion people will see their annual household incomes rise beyond $5,000—roughly the threshold for spending money on discretionary goods and services rather than simple necessities. Consumers' spending power in emerging economies will rise from $4 trillion in 2006 to more than $9 trillion—nearly the spending

The jet set

Expected increase in spending on personal travel and tourism, 2009-2018
$bn, 2020 prices

Source: World Travel & Tourism Council

Happy landings

International tourist arrivals, m
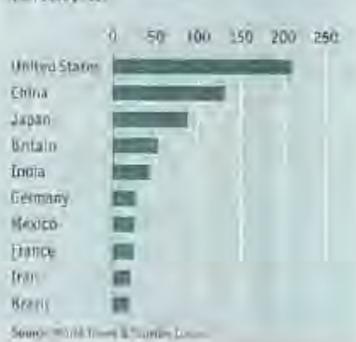
power of western Europe today.

Some of that extra purchasing power will go on travel, at home and abroad (see chart 2). Western companies are flocking into the developing world to prepare for these new tourists. "The Middle East, India and China are the next big thing," predicts Bill Marriott, the chairman and chief executive of Marriott, an American hotel chain. He thinks that the industry will be bigger in the Middle East, where he is planning to build 65 hotels by 2011, than in India. China will dwarf even the Middle East.

The new travellers

Last year the number of visits abroad by the Chinese reached 47m, 5m more than the number of foreign visitors to China. The Chinese also made 1.6 billion trips at home—a staggering total, but not much more than one each. According to WTTC forecasts, Chinese demand for travel and tourism will quadruple in value in the next ten years. At present China ranks a distant second, behind the United States, in terms of demand, but by 2018 it will have closed much of the gap.

Other emerging economies have woken up to the spending power of Chinese tourists. Mexico is one; AeroMéxico will begin direct flights between Mexico City and Shanghai at the end of May. The plan is to fly twice a week. In Vietnam, home to one of the fastest-growing tourist industries in the world, Chinese and other Asian tourists are overtaking Westerners. In the first 11 months of last year 507,000 visitors came to Vietnam from China, along with 442,000 from South Korea and 376,000 from America. The Tourism Authority of Thailand is also counting on more Chinese custom. It forecasts that 1.3m Chinese will visit the country this year, 10% more than last year (when visitors were put off by Thailand's unsettled politics).

To speed up the development of tourism and other industries, the Chinese government is racing to build roads, railways and airports. In January it said that it ►
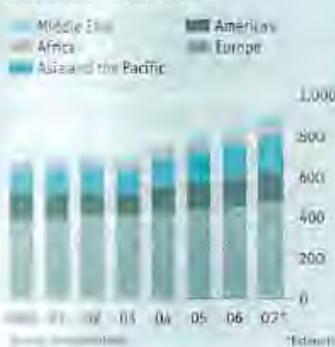
Preserving
HISTORY

STEPHEN FARNETH

Heritage tourism is a significant
contributor to the world
economy, creating jobs and
revitalizing communities even
as it helps preserve the past. But
balancing the economic power
of tourism with the needs of
conservation requires thoughtful
planning and management.

HERITAGE TOURISM IS A GROWING FIELD THAT
will only continue to evolve as societies change,
populations rise, demographics shift, and different
cultures continue to interact and share knowledge.
Such tourism can be integrated with and help sustain
the community it is providing access to, or it can be
isolated from that community and serve as a drain on
its economic well-being.

As the world becomes more and more developed,
historic sites will become even more precious. Properly
conceived, heritage tourism can be an important tool
for preserving a culture's legacy. For those creating or
maintaining heritage sites, some of the most crucial
issues to address are crowd control, overdevelopment,
traffic congestion, conservation, and authenticity.

Overuse at heritage sites can lead to degradation
of valuable cultural artifacts, sites, and natural land-
scapes, and overcrowding can make visits less appeal-
ing and harm the attraction's reputation. While larger
crowds may generate more income, that is true only
up to a point. Therefore, careful management of large
numbers of visitors is crucial.

It is important in development of a heritage site to
first determine the site's carrying capacity—the maxi-
mum number of visitors that can be accommodated
without diminishing the quality of the visitor experience
or damaging the location. Ways to preserve the experi-
ence may include creating clearly delineated viewing
areas, opening visitor centers, and putting in place
crowd-control equipment and staff. It also is possible to
minimize the size of peak crowds by scheduling special
events, offering discounts for off-peak times, or employ-
ing timed ticketing.

Circulation patterns should be designed to avoid
creation of areas of congestion, and clear wayfinding
devices should be provided. Informational signs can
play an essential role in informing users about proper

Traffic congestion
and sprawl in areas
surrounding heritage
sites around the world
can present a problem,
as has been the case
near the Angkor
Archaeological Park
in Cambodia.

use of the site and in minimizing harm to valuable artifacts or landscape elements.

Development and increased access to heritage sites can also lead to congestion and overdevelopment in the surrounding areas. At Grand Canyon National Park, the edge community of Tusayan, Arizona, at the park's southern entrance, meets the needs for visitor accommodations and other tourist-associated services, resulting in a form of tourist sprawl that does not create a particularly attractive entry to the park. Such sprawl is a problem at many heritage sites around the world, such as Siem Reap, the area adjacent to the Angkor Archaeological Park in Cambodia, which has struggled unsuccessfully to control its growth.

A more successful example can be found at the Golden Gate National Recreation Area's Fort Baker, a 335-acre (135-ha) historic military base in the Marin Headlands of California. There, San Francisco–based developers Equity Community Builders and Passport Resorts, working in partnership with National Park Service officials, are developing a lodge at the base of the Golden Gate Bridge as well as an institute to support meetings, conferences, and lectures related to environmental issues. Known as Cavallo Point, the project has been reduced in scale to well below that

originally permitted in the environmental impact report in order to ease traffic congestion and respond to local community concerns. In addition, the development will rehabilitate and restore the existing historic structures throughout the site for use as lodging, a spa, a restaurant, and meeting facilities.

Balancing preservation and access is of key importance, with the balance point varying according to the nature of the site and the goals of its owners and operators. At Hearst Castle near San Simeon, California, the only way for visitors to see the Roman pool is to walk on a large glass-tile mosaic floor. To provide access while minimizing wear and tear, California State Parks officials decided to designate a path across the floor, limiting the number of tiles that would need frequent repair. Silk flags that once hung in the castle's dining room, however, were too fragile to remain. The original flags have been stored to prevent deterioration, and replicas occupy their place.

Heritage tourism involves not only buildings and dense, urban sites, but also rural areas. In the Point Reyes National Seashore in Marin County, California, the Point Reyes Ranches Historic District's 22,000 coastal acres (8,900 ha) include many historic dairy and cattle ranches, many of which are still run by their founders' descendants. With its beaches and hiking trails, Point Reyes remains a popular destination for the Bay Area, creating shared land uses that allow recreation, preservation, and agricultural activities to coexist.

However, preservation of Marin County's farming heritage and cultural landscape does more than simply enhance the area's tourist portfolio: the county produces one-fifth of the Bay Area's milk and one-fifth of the state's oysters. Farmers sell their produce at area farmers' markets, providing an authentic regional attraction. Meanwhile, the traditions of family farming in an age of corporate agribusiness are preserved.

Caring for historic resources over the long term requires money, and heritage tourism creates potential sources of revenue both to pay for conservation and to enhance the local economy. However, too often the bulk of the income generated by heritage tourism does not go into the local economy or even provide significant support for the local preservation community and the ongoing maintenance of historic sites and their context.

At Fort Baker, a historic military base in California, a planned conference facility has been reduced in scale in response to community concerns about congestion and will now involve rehabilitation and restoration of existing historic structures on the site.

To reduce the impact of visitor wear and tear to the mosaic floor around the Roman pool at the Hearst Castle near San Simeon, California, a path has been designated that will limit the number of tiles affected.
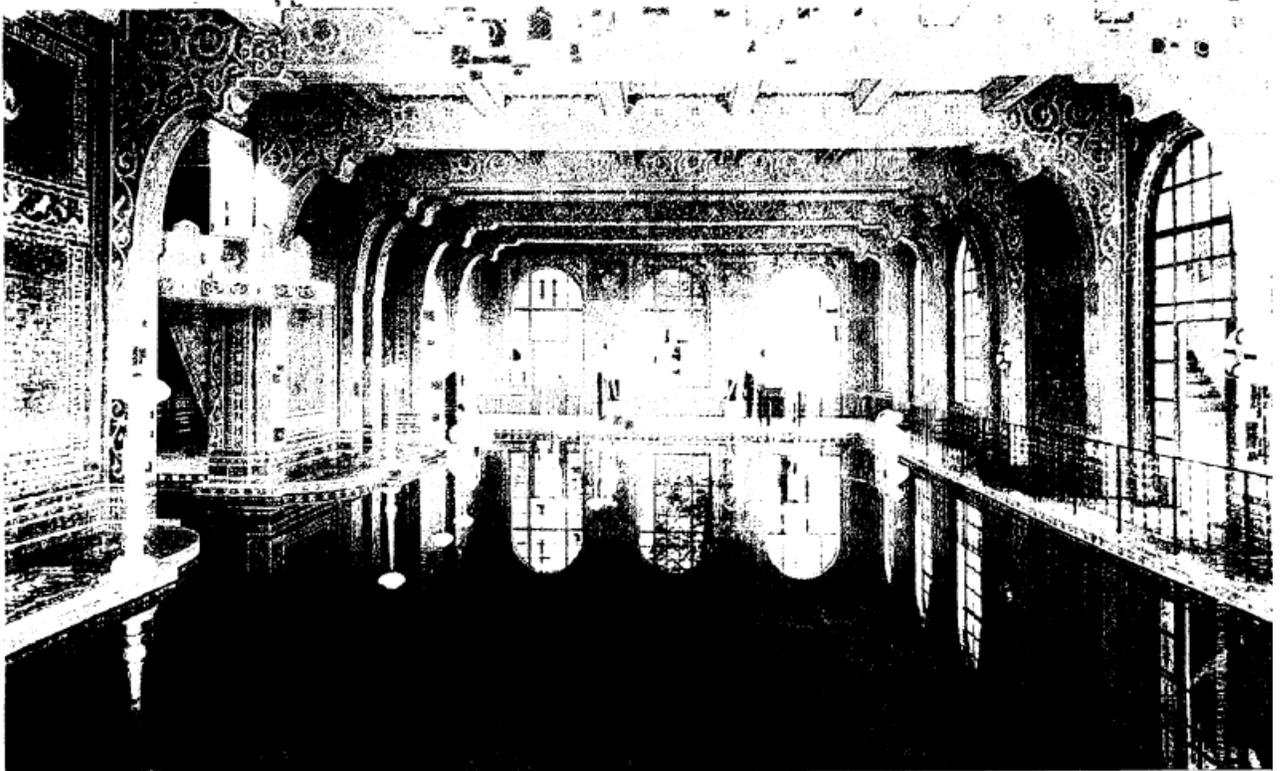
Plans for heritage tourism should identify how income can stay in the local community rather than be siphoned off by hotel chains or other large companies outside the region. One strategy is to require shops to sell a range of locally made items reflective of the culture, thereby supporting the preservation of traditional craftsmanship. Also, opportunities can be created for other community members to own and manage tourism-related businesses, such as smaller, locally owned lodgings in place of five-star international hotel chains or large concession management companies.

The U.S. National Park Service, which once relied on small, locally owned and managed park concessionaires, has gradually been turning to larger, national companies that manage all the concessions in multiple parks. This change may result in more revenue and more consistent management for the park system, but some of the benefits to the local economy are reduced and some of the local flavor is lost.

In physics, the "observer effect" refers to the way the very act of observing a phenomenon changes the thing being observed. A similar phenomenon is true for heritage tourism: the infrastructure that supports large crowds of tourists often alters the site they are visiting. Changes can be physical—some old buildings may be demolished or altered to make way for souvenir shops and restrooms—as well as sociocultural.

In April, a paper examining the sociocultural fabric and conservation in the ancient Chinese city of Pingyao in the central Shanxi province was presented at the U.S. National Committee of the International Council on Monuments and Sites (US/ICOMOS) International Symposium in San Francisco. The paper, presented by researcher Shu-Yi Wang, a doctoral candidate at the University of Colorado School of Architecture and Planning, noted that after the communist takeover in 1949, religious buildings in Pingyao were converted to new uses. After Pingyao was designated a World Heritage site in 1997, historic buildings were rehabilitated to their original form. However, the social structures they once housed have been lost, and the religious buildings that once were important community centers now serve largely a tourist function— although some people have observed Chinese visitors praying in the buildings, as well.

In heritage tourism, much depends on who is telling the story or stories of a site and who the intended audience is. Valuable aspects of a culture's history may be lost because the owner of a site may edit out or change portions of that history to suit the tastes, beliefs, or interests of an international audience or of the current political regime. Involvement of members of the local community in planning is crucial.

Ideally, local stakeholders would have a meaningful role throughout the planning process, but in practice, such participation is often limited to the review of plans already prepared. Full participation is difficult to achieve, not the least because it can be hard to define what is meant by "community,"

let alone identify representative stakeholders and engage them all in decision making.

In 1972, the Paris-based United Nations Educational, Scientific, and Cultural Organization (UNESCO) adopted the World Heritage Convention, a document that defines the kind of natural or cultural sites that can be considered for inclusion on the World Heritage List as having outstanding universal value. As of October 2006, 184 countries had ratified the convention. The World Heritage Committee, UNESCO's main body in charge of implementing the convention, has developed "Operational Guidelines for the Implementation of the

Historic dairy and cattle ranches, as well as beaches and hiking trails, comprise the Point Reyes National Seashore in Marin County, California. This coexisting land use, which produces local products for sale, provides a regional attraction and preserves the traditions of family farming.

World Heritage Convention," which requires the involvement of stakeholders in the planning process. These stakeholders are defined as "site managers, local and regional governments, local communities, nongovernmental organizations (NGOs), and other interested parties and partners in the identification, nomination, and protection of World Heritage properties."

Because the concept of heritage tourism originated in the West, expectations and policies in the past have tended to be formulated from a Western perspective and oriented toward Western tourists. As the economies in Asia continue their rapid growth, however, Western travelers are becoming a smaller percentage of the tourist population.

The United Nations World Tourism Organization, based in Madrid, Spain, predicts that the number of Chinese outbound tourists will reach 100 million by 2020. Likewise, with India's middle class quickly expanding and becoming more affluent, the number of Indian outbound travelers to the Asia

Pacific region will rise 10 percent each year over the next three years, predicts a report by the Pacific Asia Travel Association in Thailand and Visa International. Outbound trips from India hit a record high in 2006, numbering 8.3 million, more than one-third of which were to the Asia Pacific. Indians tend to vacation in larger family groups and take longer trips than many other international travelers, the report says.

Even the meaning and methods of conservation vary from culture to culture. In the United States, the Secretary of the Interior's Standards for the Treatment of Historic Properties provides the benchmark, consisting of principles for balancing preservation of a historic building, its site, and character, while allowing for reasonable changes to meet new needs. The Paris-based International Council on Monuments and Sites, an NGO of professionals dedicated to conservation of world historic sites, has adopted a number of charters that guide restoration, conservation, and protection of places of cultural significance.

Organizations in different parts of the world are developing their own preservation guidelines tailored to address regional needs. Among those applying to Asian countries are the following:

▷ The Burra Charter, developed by ICOMOS Australia, which is widely used in Asia.

▷ The Hoi An Declaration on Conservation of Historic Districts of Asia, which emerged from the 2003 ICOMOS meeting in Hoi An, Vietnam, and addresses conservation issues specific to Asia. It calls for inclusion of inhabitants and users of historic districts in conservation efforts, promotes integration of risk-preparedness measures, and highlights the urgency of preserving Asia's wooden architectural heritage in an environment particularly deleterious to wood.

▷ The China Principles, a collaborative project involving China's State Administration for Cultural Heritage, the Los Angeles–based Getty Conservation Institute, and the Australian Department of the Environment and Heritage. It offers guidelines for cultural heritage conservation and management that reflect Chinese traditions and conservation approaches.

Authenticity—a crucial element in Western preservation guidelines—presents a particular challenge, partly because it is difficult to define. At the World Heritage Committee's 1994 conference on authenticity, held in Nara, Japan, participants from 28 coun-

Tucson, Arizona's Mission San Xavier del Bac, an original 18th-century Spanish colonial building, has been undergoing restoration since the early 1990s and remains an authentic heritage tourism site.

tries discussed the issues involved with defining and measuring authenticity—a task made even more difficult by the fact that some of the world's languages, including Japanese, do not even have a word for the concept.

The resulting "Nara Document on Authenticity" notes that it is impossible to arrive at a universal definition of authenticity. "All judgments about values attributed to cultural properties as well as the credibility of related information sources may differ from culture to culture, and even within the same culture," it reads. "It is thus not possible to base judgments of values and authenticity within fixed criteria. On the contrary, the respect due to all cultures requires that heritage properties must be considered and judged within the cultural contexts to which they belong."

Asian cultures do not necessarily view the actions of conservation and reconstruction as being of an opposite nature to the degree that Western cultures do, and Asian tourists may be more comfortable with a greater number of modern, prominent facilities mixed in with ancient architecture. Frequently, heritage sites in Asian countries include extensive areas of reconstructed historic structures, often of questionable authenticity by Western standards.

Authenticity also must be balanced with a variety of other needs, from historic preservation and natural restoration to recreation. Crissy Field, now part of the Presidio of San Francisco and the Golden Gate National Recreation Area, was a 127-acre (51-ha) tidal marsh until it was filled in for construction of the 1915 Panama Pacific International Exposition, serving as a racetrack, a drill ground, and an aviation field. It became a military airfield in 1921. In 1962, it was designated a National Historic Landmark, along with the rest of the Presidio.

In 1997, the Golden Gate National Parks Conservancy started converting Crissy Field into a public waterfront park, which opened in 2001. The project involved restoring 20 acres (8.1 ha) of tidal marsh along San Francisco Bay; renovating a former military building into an urban learning center with a media lab, resource library, arts workshop, science lab, café, and bookstore; and restoring a 29-acre (12-ha)
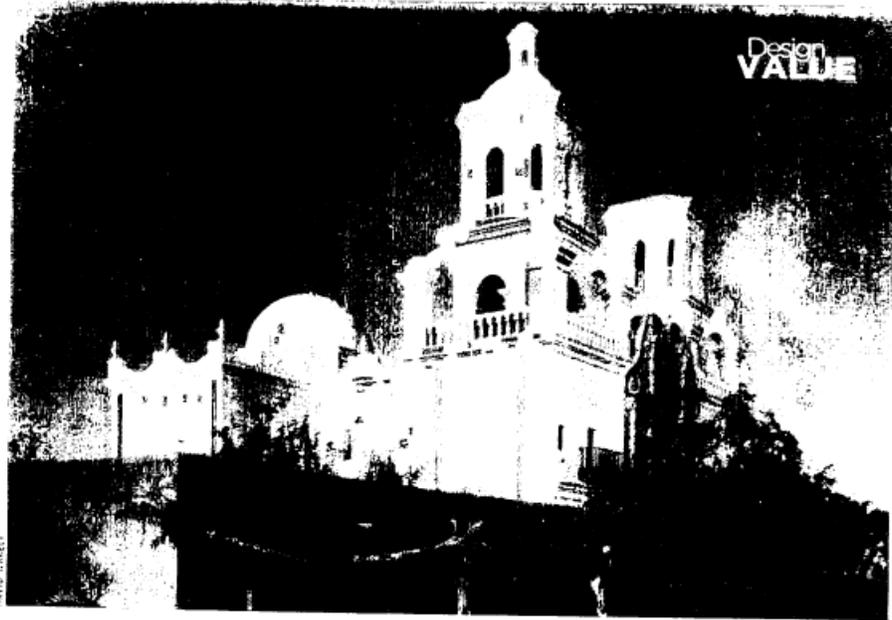
meadow to commemorate the grassy landing strip once used by biplanes at the airfield.

The result is multilayered, honoring the site's different uses at different times. Neither the airstrip area nor the re-created tidelands are literally authentic, but they recover portions of a complex natural and cultural landscape to serve as a focal point for the park, while also allowing recreational and educational uses for today's city dwellers.

It is possible to go too far with creating sites for heritage tourism. In 1999 in Tucson, Arizona, voters approved the Rio Nuevo downtown redevelopment project, which includes building a replica of the Convento, a dwelling for priests of the San Agustín Mission established in the 18th century. The Convento began to crumble in the late 19th century, and the remnants were destroyed in the 1950s to accommodate a landfill. The reconstruction efforts currently underway have only a limited number of photographs of the Convento's ruins on which to rely. In contrast, Tucson's Mission San Xavier del Bac remains an important heritage tourism site whose original 18th-century Spanish colonial building remains intact and has been undergoing restoration since the early 1990s.

Heritage tourism is always a balancing act that takes into consideration conservation, authenticity, and public benefit. With all the positive economic attributes heritage tourism can bring, it is crucial to remember that at its core, it is about the desire to conserve and share some part of history truthfully. **UL**

STEPHEN FARNETH is the cofounder and principal of Architectural Resources Group, a San Francisco–based preservation and architecture firm.

Capturing the
SPIRIT

With the push to redevelop
or reestablish residential
neighborhoods in the inner
city, developers are finding that
the advantages of integrating
new construction with historic
structures or neighborhoods are
both aesthetic and financial

PATRICIA L. KIRK

HISTORIC ARCHITECTURE CAN ADD AESTHETIC
interest to a building or project, setting it apart from
the competition and enhancing its marketability. This
is why millions of extra dollars were spent to pre-
serve and incorporate the facade of the Rittenhouse
Club, a deteriorating turn-of-the-century gentlemen's
club in downtown Philadelphia, into an upscale
condominium project. "It was about keeping the
historical character and a major piece of old Philly,"
explains Roger Friedman, principal of Philadelphia-
based developer ARCWheeler. "We knew this would
resonate with buyers and the neighborhood."

In San Jose, the restored 17,000-square-foot (1,600-
sq-m) General Electric headquarters, built in 1938, set
the tone for the Plant, a 645,000-square-foot (60,000-
sq-m) retail/office project by Los Angeles developer
Westrust. "The original building's art moderne archi-
tecture gives the project a 19th-century corporate feel,"
says Westrust partner Riccardo Capretta, noting that
his company incorporates historic elements into all its
projects in an effort to provide a unique quality.

Combining new construction with old buildings
provides authenticity, giving projects the appearance
of having evolved over time. This was the impetus for

Design
VALUE

saving as many old buildings as possible in the ten-block Jackson Street Entertainment District in downtown Phoenix's Copper Square, says Los Angeles–based architect Michael Hallmark, designer of and investor in the $300 million redevelopment project.

Developers say they are even seeing value in *re-creating* lost historic landmarks. In Vacaville, California, Westrust built the new 332,000-square-foot (31,000-sq-m) Nut Tree Village retail project along Interstate 80 on the site of a classic road stop, reproducing components of the old development that had made it the state's most popular rest area between Sacramento and San Francisco from 1920 until it closed in 1964.

Noting that the village evolved over time and had a variety of architectural styles, Capretta says it would have been difficult to replicate the original development, so the goal was to capture its spirit and uniqueness by re-creating some of the interesting components of the old market pavilion, including the candy factory, restaurant, and park with a children's train ride and the original nut trees.

Preserving historic structures or elements may also provide upfront development capital and/or offset additional costs for restoration by qualifying a project for federal tax credits, state or local grants, low-interest or interest-free loans, and other incentives that improve the bottom line. Financial incentives offered by governments can play a significant role in a project and often are what make it viable, says David Levey, executive vice president of East Coast development for Cleveland-based Forest City Residential. Federal historic tax credits alone can offset up to 20 percent of a project's hard costs, he says.

Levey notes, for example, that in Richmond, Virginia, Forest City could not have completed Tobacco Row—a conversion of tobacco manufacturing and warehouse buildings dating from the early 1900s for residential and commercial uses—without $12 million in federal tax credits.

The glass-and-steel dome of the turn-of-the-century Emporium Building on San Francisco's Union Square was recently restored to provide natural light in the Westfield San Francisco Centre mall.

ALBUQUERQUE   8-87   CANTERA

A $50 million project is eligible for $10 million in federal historic tax credits that can be used by the developer to offset its tax bill or sold to a third party that needs them, like a large bank or utility company, Levey explains. If tax credits are sold to a corporation, the buyer becomes an equity partner in the project, he says.

Federal tax credits enabled Blue Devil Ventures to convert the old Liggett & Meyers tobacco factories in Durham, North Carolina, into West Village, a $200 million mixed-use project with 800 residential units and 375,000 square feet (34,800 sq m) of retail space. The firm also is using tax credits to undertake similar projects in Baltimore and Miami.

Blue Devil Ventures, a partnership of former Duke University basketball teammates Brian Davis and Christian Laettner, maximized federal assistance by qualifying projects for both historic tax credits and U.S. Department of Housing and Urban Development (HUD) funding. This was possible because the projects involve abandoned buildings, some of which are 100 years old, in blighted redevelopment districts.

Even if a building does not qualify for federal tax credits, a local government may be willing to provide financial assistance to save it. That was the case with the Clock Tower Building in downtown Dallas, the centerpiece of the 1940s-era, four-building Mercantile Bank complex.

Forest City was commissioned by the city to restore and reposition for residential use the 31-story, art deco building with art moderne styling, designed by American architect Walter W. Ahlschlager. But when the company tried to qualify the project for federal tax credits, the U.S. National Park Service declined to consider the Clock Tower Building for tax-credit status on its own merits, but rather as one-fourth of the four-building complex, Levey explains. The project, therefore, did not qualify under the service's tax credit rule stipulating that at least 50 percent of the project must be restored to qualify.

In response, the city decided to provide $80 million in financial incentives—$60 million in cash and

tax abatements, plus deeds to the four buildings, valued at $20 million. The project required an outside funding source to offset the difference between the estimated $125 million redevelopment cost and the building's $70 million restored value, notes Levey. The other three buildings, which were not worth saving, were demolished to make way for the


The River Lofts at Tobacco Row, a historic adaptive-use project, is a major piece of the 15-block Shockoe Bottom redevelopment district along the James River in Richmond, Virginia. The developer received $12 million in federal tax credits to help with conversion of three circa-1900 tobacco warehouses and manufacturing buildings to residential use.

addition of a 15-story residential tower, retail space, and a parking structure.

At the very least, preserving a community's historic structures or elements often facilitates the entitlement process and eases community opposition to the project, saving time and money.

Los Angeles architect Aram Chahbazian, principal at Thomas P. Cox, Architects, admits that his firm saved the historically significant facade of a 1920s-era parking garage not only to grab attention at Trio—a residential mixed-use project by Shea Properties in downtown Pasadena, California, that included the garage—but also to please the city. Although the parking garage is not listed on the federal or state register of historic places, the city wanted to save it anyway.

Design
VALUE
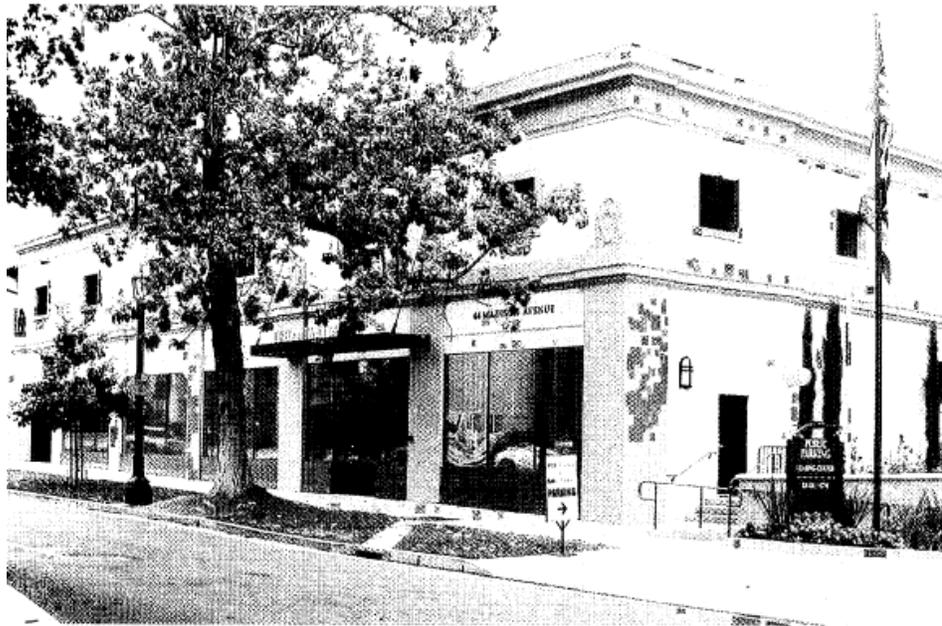
The historically significant facade of a parking garage built in the 1920s (left) was saved to add interest to Trio (above left), a residential mixed-use project in downtown Pasadena, California—and to please the city. The first parking structure in the city, the building is representative of the rise of the automobile era.

"The facade on the street has an Italian design with a high level of detail that is architecturally significant," he says. Located at Route 66/Colorado Boulevard—the city's downtown main street—it was the first parking structure in Pasadena and is a symbol of the rise of the automobile era.

Likewise, in uptown Pasadena, restoration of the original facade of a 1925 movie theater helped local developer JBA Inc. garner city support for a 40,000-square-foot (3,700-sq-m) mixed-use project involving the historically sensitive modernization of the 900-seat cinema to integrate a new black-box performance space within the existing auditorium shell.

Pasadena is among a growing number of cities that see preservation as a way to improve the economy and revitalize the city's urban character while saving the community's architectural heritage, says Chahbazian. He notes that Pasadena has taken a commonsense approach to accomplishing these goals, creating useful tools to help developers navigate the entitlement process, including environmental impact assessments,

design standards, intergovernmental agreements, and collaboration on public/private planning.

Like Pasadena, the cities of Riverside and Ontario, California, recognize the value historic buildings can bring to bear on revitalization efforts and are repositioning those assets to define their cities and serve as a catalyst for redevelopment.

Ontario has created an inventory of historic assets and a system for evaluating their value to the community. Its Historic Preservation Ordinance applies a three-tier filter to projects that lets developers know upfront what can and cannot be done with a specific property, explains Kathy Wahlstrom, principal planner for the city.

Structures listed on the National Register of Historic Places can never be removed, she says; those on the state registry can be removed under rare circumstances; and structures of local significance can be removed, but the developer must pay a fee to the city's historic preservation trust, which funds other restoration projects. In addition, the process requires

that a certificate of appropriateness be issued by the city to ensure that alterations to a building are appropriate for the historic district and compatible with the neighborhood.

Ontario has begun a redevelopment effort under a plan that uses city historic resources as a backdrop for creating a downtown residential neighborhood. The plan, formulated by southern California developer J.H. Snyder, maintains the original downtown's pedestrian-friendly street grid, notes Jerry Blum, the city's director of planning. It calls for a residential component to

Ontario, California, is reinvigorating its historic downtown with new residential and retail projects, including the $200 million Ontario Town Square (above) by J.H. Snyder Company, which includes 171 for-sale lofts, 80,000 square feet (7,400 sq m) of ground-floor retail space, and adjacent restaurant pads.

support downtown retail and service businesses, and removal of obsolete commercial buildings and a parking lot in order to create a central park. The concept is to invigorate retail development and create a sense of timelessness with a combination of historic buildings and new construction with high-quality architecture, durable materials, and vibrant colors, explains Blum.

Riverside is also leveraging its historic resources to initiate a $1.3 billion Riverside Renaissance plan that includes $780 million in capital improvements to boost the quality of life citywide through such enhancements as expansion of the downtown library, Riverside Metropolitan Museum, and the convention center.

The centerpiece of the downtown revitalization effort is the $30 million restoration of the 1929 Fox Theater and the adjacent Fox Plaza, plus a $200

million mixed-use project with 500 luxury condominiums, 65,000 square feet (6,000 sq m) of retail space, and a 130-room hotel. The old movie theater, where *Gone with the Wind* premiered in 1939, is being repositioned as a performing arts center, notes Belinda Graham, director of development for the city.

In recent years, more cities have become concerned about preserving their architectural heritage and are compiling an inventory of properties designated as historic at the federal, state, or local level, says Linda Bernhardt, managing director of regulatory affairs and land development for the real estate department at the Los Angeles law firm of Loeb & Loeb. But unlike Ontario,
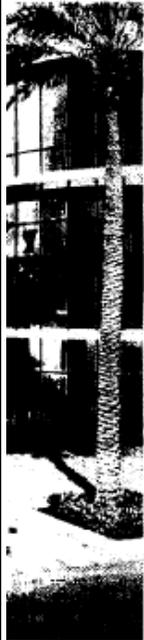
Riverside, and Pasadena, most cities do not automatically provide this kind of in formation to developers. Therefore, Bernhardt advises developers to research city records and conduct due diligence to determine whether a property has been identified as a historic resource, because it may affect whether and how the project is approached.

Riverside, California, spent $30 million to restore the 1929 Fox Theatre in downtown and reposition it as a performing arts center (below, and below left on facing page). The old movie theater is adjacent to Fox Plaza, a $200 million residential mixed-use project (left). The city is using these projects as catalysts to stimulate downtown redevelopment.

authority and look at what's recently been approved or denied," adds Snow, a former assistant attorney for Orange County and director of planning for the city of Rancho Palos Verdes. "This will give you an idea of what's going to happen."

When proposing projects in historic neighborhoods, the developer should try to get to know the historic commission members and planners involved, he continues. The developer also should understand what makes a building or place historic in the first place—the architecture, the architect who designed it, and what happened there, Snow says.

Without a clear understanding of a building's history, an architect will find it hard to create a design sensitive to the historic context, maintains architect Andrea Cohen Gehring, design partner with the Los Angeles architectural firm WWCOT, which specializes in historic restoration.

"Sit down with review staff to get feedback on what they're looking for before submitting plans," advises Snow. "They might oppose your project, but with early coordination, you could turn it into a win-win with everyone's goals met. Make it clear to the design professional that the goal is to get the project approved and work within the constrictions of historical criteria rather than battle city hall," he adds.

Developers should start a dialogue with local regulatory officials early in the process, says Gretchen Pfaehler, an architect with the Philadelphia design firm EwingCole.

If a proposed project is more important to the community's well-being than the saving of an old building, it is possible to get approvals to demolish the building or move it to make way for new construction, says Bernhardt. But she warns that in California, for example, this may require a lengthy environmental review process and support from city officials.

Developers should obtain a copy of a jurisdiction's rules regarding demolition, says David Snow, a lawyer at the Los Angeles law firm Richards, Watson & Gershon, noting that demolition permits can trigger a discretionary review process, particularly when a historic district is involved. "Go to the reviewing

"People tend to put this off because they're afraid their opportunity will be put on hold, when the opposite is true," she says. "This helps to move approvals along." Likewise, Gehring advocates early collaboration among the client, city, planning agency, and community. "It takes a village to design a building," she says, pointing out that if a design is respectful and revitalizes the original structure, it is usually compatible with the community's vision.

The most common mistake developers make is proposing a project that does not tie in with the neighborhood's existing architecture, Snow says. He says that when integrating new construction with

old, designers should select representative features and materials to carry over to the new architecture as part of a unique or unifying scheme, pay attention to setbacks and scale, avoid overbuilding the site, and avoid a complete teardown.

New buildings should also incorporate elements that fit the historic context of the neighborhood, says

materials relationships, is important in the effort to incorporate the new development with existing buildings. "A finer scale of detailing was used on the street level, tooled to fit in with turn-of-the-century urban architecture," Pfaehler adds. A combination of metal, glass, and stone—materials similar to those used in the old buildings in the neighborhood—were used on

In the restoration of the 1931 Helms Bread Company building in Culver City, California, the second-story addition was set back from the original building's roofline so as not to be noticeable from the streetfront. The new adjacent building is a modern interpretation of the original art deco bakery.

Levey. At Tobacco Row, he notes, a new Harris Teeter grocery duplicated the old brick warehouse facade and maintained the industrial feel with natural light, concrete floors, dropped lights covered with mesh, and exposed ductwork for the heating, venting, and air-conditioning system.

Incorporating elements that fit the architectural style of surrounding buildings can also help new high-density projects blend into lower-density historic neighborhoods, says Pfaehler. She recently designed a new high-rise, mixed-use project for a site in a historic district in Harrisburg, Pennsylvania, with a mix of neighborhood retail businesses and old homes and rowhouses. To downplay the project's density, Pfaehler strove to create a strong presence on the street, similar to that presented in Washington, D.C.'s Georgetown neighborhood, using retail space to maintain the line of frontage and pushing the high rise back so it is not readily noticeable to a person on the street.

"It's important to look at the position of the building and how it relates to other retail," she says. Maintaining the setback line, as well as proportional and

the facade without creating a sense of replication.

In Culver City, California, Gehring used similar strategies to add second-floor office space to the old art deco Helms Bread Company building, as well as create an adjacent structure with similar uses that resembles the bakery but is distinguishable as a modern plaster version of it. The second-floor addition was set back to avoid conflicting with the original building's roofline and so it would not be readily noticeable from the street. The lower-floor windows were extended into the second floor, which allowed preservation of the building facade and permitted natural light to spill into the second story, notes Gehring.

At West Village in Durham, artifacts from the old tobacco warehouse and manufacturing buildings are displayed along pedestrian walkways to tie new construction into the site's historic industrial context, explains Daryl Carrington, project architect and manager of the Philadelphia office of J. Davis Architects. New construction was required to create resident amenities and atriums in the middle of the old art deco buildings, he notes. The atriums, required by HUD before it would

The $450 million Westfield San Francisco Centre renovation on downtown's Union Square involved restoration of the glass-and-cast-iron facade, which is now the front of Bloomingdale's West Coast flagship store.

fund the project, provide ventilation and bring light into residential units, says Carrington; the original buildings were too deep for residential use.

Another challenge that architects encounter in restoration projects is how to upgrade historic buildings to modern standards without subtracting from their architectural integrity.

On downtown San Francisco's Union Square, restoration of the Emporium Building, designed by turn-of-the-20th-century American architect Albert Pissis, presented several challenges for co-owners Forest City and Westfield, an Australian real estate investment trust. The project involved restoring the glass-and-cast-iron building facade and rotunda dome skylight to their original condition while bringing the structure up to code and connecting it to the adjacent Westfield San Francisco Centre mall to provide seamless access between the two centers.

The benefit of natural lighting provided by the rotunda's glass dome and building facade had been eliminated in the 1960s when ductwork was blasted through the dome and the glass facade was boarded up, notes project architect Norman Garden, vice president of the southern California office of RTKL Architects.

To restore the glass dome to its original condition, bring it up to code, and connect the rotunda to the newer structure on all five levels, the entire dome had to be disassembled, retrofitted to meet seismic standards, and raised 54 feet (16 m), Garden says. Only a portion of the original facade remained intact, so new versions of the original glass storefronts were created and tied into it.

Riverside's Fox Theatre, which had to be modified to accommodate theatrical productions and upgraded to meet modern standards, presented similar restoration challenges. The work was tricky because the ceiling had to be raised to accommodate installation of a modern sound system and provide space above the stage to pull sets up and down, Graham explains. To ensure that important historic elements were not destroyed, the city hired architect and historic preservation consultant Richard McCann, principal at R.F. McCann & Company Architects, a southern California firm that specializes in theater design.

A somewhat different problem was faced in integrating a new 83,000-square-foot (7,700-sq-m) classroom building into the Spanish Renaissance architecture at the University of San Diego (USD),

The new Leadership and Education Sciences building (above) at the University of San Diego employs a modern interpretation of the campus's 16th-century Spanish Renaissance architectural style (right).
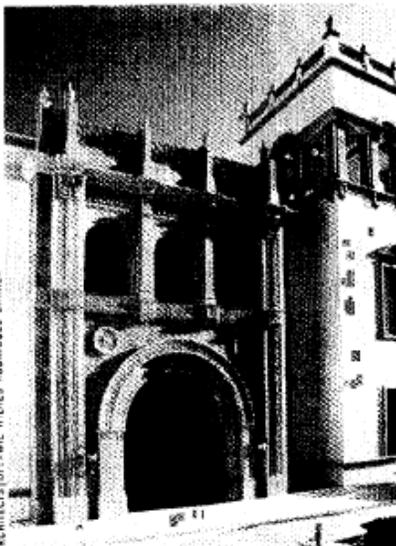
notes Michael Wilkes, a principal at the San Diego design firm Architects|Delawie Wilkes Rodrigues Barker. Built in the 1930s, USD was modeled after a 16th-century university at San Diego's sister city, Alcala de Henares, Spain, says Wilkes. The goal in designing the new building was to provide a modern interpretation of Spanish Renaissance architecture by blending the structure with USD's older structures to create a cohesive look, while incorporating all the modern technologies necessary for modern colleges.

Wilkes used foam molds of architectural details covered with a synthetic finish to duplicate floral designs from the college's older buildings. The new building captures the period's most striking architectural elements, he notes, with small Renaissance-style patterned windows, a 55-foot (17-m) tower, an entrance with a grand arch, a two-story atrium with a Spanish-style loggia—a balcony with a series of arches—and an arcade walkway shaded by trees common to Spain and southern California.

For a project that involves historic preservation or integration of new construction with historic buildings, Bernhardt emphasizes the importance of enlisting the services of an experienced architect willing to do the research necessary to create new buildings in the context of the surrounding environment or to preserve elements that cannot be replicated today. Wilkes, for example, traveled to Spain twice and took 350 photographs of Spanish Renaissance architecture, noting the patterns and details on buildings to get it right.

"Architecture should be of today—have no sense of replication," Pfaehler says of integrating new construction with historic buildings. "We don't re-create buildings from the past unless for educational purposes, like at the Williamsburg [Virginia] village."

"We must understand, by definition, that we can only be contemporary architects," concurs Carrington. "We're not trained in the Beaux-Arts style of 100 years ago. When we work on old buildings, our work should be integrated into the basic bones of a building or structure, but must stand simultaneously with the original design. That's the trick. You know you're successful when someone comes into the building and says, 'This is a fantastic building, and this is great modern use of it,'" he says.

"The best way to respect a historic building is to create quality architecture next to it," concludes architect James Baeck, vice president of Baltimore-based Developers Design Group. "The most challenging aspect is quality of workmanship, craftsmanship, and detailing. If that is re-created in the modern sense, generally it will be fine." **UL**

PATRICIA L. KIRK is a freelance writer based in Dallas, Texas.

COVER STORY

DE-SPRAWLING THE BURBS

Developers export the mixed-use urban experience to the suburbs with success.
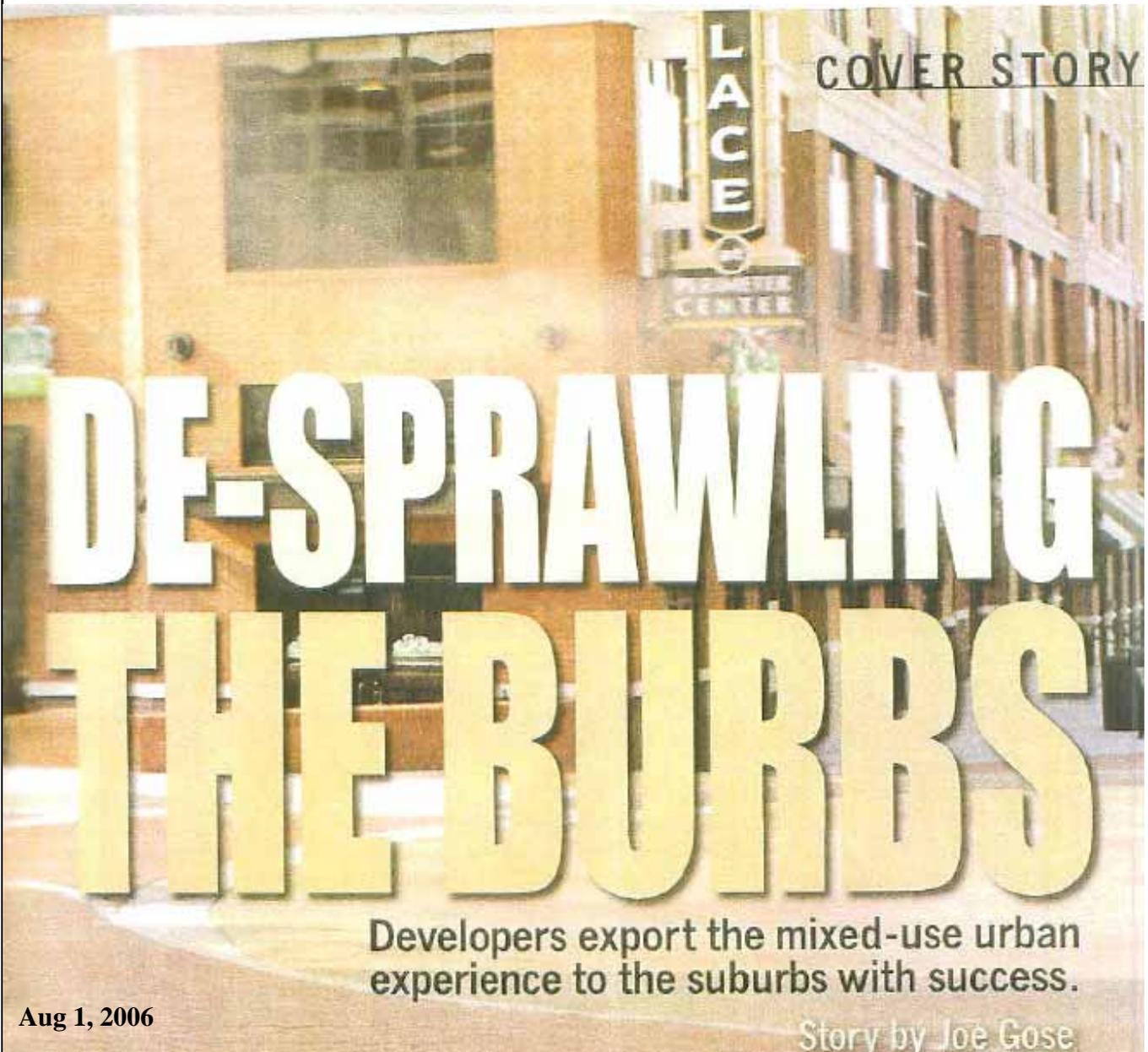
Aug 1, 2006

Story by Joe Gose

http://nreionline.com/mag/real_estate_desprawling_burbs/index.html

Developers of mixed-use projects are following a solidly established American migration pattern: treading the highways that sprout from urban city centers into the suburbs. Unlike previous migrations, however, this trek isn't an escape from cities, but an ambitious move to export an old-time downtown look and feel to suburbia, from Main Street storefront display windows set in brick facades to dense housing stacked above shops.

Soaring energy prices and rising land costs are only hastening the concept's momentum. By combining retail, residential and office uses, the projects not only create walkable live-work-play environments long-envisioned by new urbanism proponents, but they also become destinations for surrounding communities.

Rising construction costs pose about the only threat to slow the suburban mixed-use development trend, but so far even those speed bumps have failed to deter investors and developers. Who are these pioneers? They're largely longtime commercial real estate professionals who until a few years ago spent most of their time building stand-alone retail or apartment projects.

Case in point: St. Petersburg, Fla.-based Sembler Co. spent some four decades developing millions of square feet of retail projects — from strip and power centers to grocery-anchored neighborhood centers — in the Southeast and Puerto Rico. But early this decade, the company delved into the mixed-use concept and has opened four projects in suburban Atlanta over the last year, including the $165 million Perimeter Place.

The project is anchored by a Super Target and includes 425,000 sq. ft. of retail and office space, and more than 550 residential units above shops and in separate properties within the project's 42 acres. Perimeter Place also possesses the ideal location and demographic characteristics mixed-use developers want most: It sits near a major interstate and an Atlanta transit system station.

Some 414,000 residents live within seven miles of the project and have average annual household incomes of more than $99,000. According to market researcher Claritas, the national average is $65,000.
Today, Sembler has six additional suburban mixed-use projects under construction totaling more than 3 million sq. ft. in the Southeast, including Winter Garden Village in Florida. That project will feature 1.15 million sq. ft. of commercial space and some 300 town homes. Going forward, mixed-use properties will make up about half of Sembler's developments, says Jeffrey Fuqua, president of development for the company.

Still, he says, tackling mixed-use initially created much unease. "We were virtually entering the world of the unknown," Fuqua says, referring to the notion of adding housing to its retail projects. Sembler was unfamiliar with residential construction as well as the industry's cyclical nature. Residential developers Lincoln Property Co. and Southeast Capital Partners developed the lion's share of apartments and condos at Perimeter Place.

But now Sembler has 7,000 housing units planned or under construction in mixed-use projects. In March, the company launched a division to bring residential development in-house. "Now we're extremely comfortable with mixed-use," Fuqua adds, "and our favorite projects are those that have a residential component to them."

Synergy maximizes value
So what's the mixed-use attraction? Sembler's Perimeter Place and other successful mixed-use projects are generating cash-on-cash returns of about 9%, which is generally in line or a little higher with standard retail projects. Private equity investors, meanwhile, expect mixed-use to provide an internal rate of return (IRR) of more than 15% over five to seven years.

Unlike urban mixed-use, which generally features retail, housing and offices in one large structure, suburban mixed-use projects may span blocks and feature big-box retailers as well as town homes, or single-family housing, on the fringes of the commercial activity. For-sale housing properties, as well as condos above shops, can quickly return capital to developers, enabling them to pay down construction debt that typically finances about 75% of a suburban mixed-use project.

Thus, with less debt to refinance later, investors can reap even greater returns on the residual equity, says David St. Pierre, a founder and principal of Lyndhurst, Ohio-based Legacy Capital Partners. The private equity advisory firm is seeking to fund mixed-use development in urban and suburban areas.

Additionally, developers can charge a premium for space in suburban mixed-use projects, particularly for housing. Apartments in Birkdale Village, a mixed-use development completed in 2002 in suburban Charlotte, N.C., fetched rents that were at least 15% above the market, says Todd Mansfield, CEO of Birkdale Village developer Crosland Inc.

The longstanding Charlotte-based real estate developer primarily had built stand-alone shopping centers and apartments before taking on Birkdale Village, which includes 300 apartments and 285,000 sq. ft. of office and retail. "The real upside value in mixed-use projects is in the residential component," explains Mansfield. Crosland sold Birkdale Village to Inland Realty for 25% above cost in 2003.

Mixed-use developers often target sites at or near public transit stations. They're razing strip centers, office buildings or other tired buildings to be in proximity. Sembler razed two office buildings to make way for Perimeter Place, which it co-developed with Greensboro, N.C.-based Stephen D. Bell & Co., a multifamily and commercial property developer.

Perimeter Place is 98% leased, Fuqua reports, and Sembler has bumped up triple-net asking rents in some remaining small-shop space to about $35 per sq. ft., some $5 a sq. ft. over the market rate for similar space. Although residential renters and buyers generally aren't paying a premium for housing in Perimeter Place, Fuqua says, the units have rented or sold faster than homes outside the project.

"Residential is already so competitive and on the verge of being overbuilt in this area," he says. "But it's the mixed-use projects that have a special story to tell that make residential development viable."

Birth of an asset class

The suburban mixed-use phenomenon has emerged so quickly that no data on how much development is taking place exists, though national real estate organizations are trying to get a handle on the proliferation. The International Council of Shopping Centers, Building Owners and Managers Association, National Multi Housing Council and others have started analyzing the properties to prepare for a landmark mixed-use conference in Hollywood, Fla., on Nov. 16-17.

Much like Sembler, developers such as Crosland and Denver-based Continuum Partners have latched onto the mixed-use concept and are making these developments their primary focus. Continuum Partners is about halfway finished with its ambitious $800 million Belmar downtown district in Lakewood, Colo., near Denver. The project spans 22 blocks (*see sidebar on p. 32*).

Continuum also is pursuing mixed-use projects in other suburban Denver neighborhoods, including Belleview Station, an 18-acre project slated for a former golf course in southeast Denver. The project will surround the future Belleview Station light rail center and will include 1,900 residential units, 600,000 sq. ft. of office and 200,000 sq. ft. of retail space. The groundbreaking is expected to take place next spring, and hotels are planned for later phases of the development.

"Our goal is to do projects of significant scale a handful at a time," says Tom Gougeon, chief development officer and principal of Continuum. "Mixed-use is pretty much what we do — we're not too much into other kinds of development." Gougeon expects mixed-use projects to generate an IRR between 12% and 15%.

Warning signs

The question of how long mixed-use developers will be able to build these projects looms large. Rising construction costs are forcing developers tore-evaluate projects, or halt plans. Legacy Capital, which raised $44 million in 2004, pursued a mixed-use project in a smaller Florida market. But construction bids were 30% over what the developer and private equity partners expected, which has delayed the project, says St. Pierre. Still, Legacy Capital's pursuit of mixed-use developments marks a shift from its initial goal of hunting down stand-alone development. And though the company has yet to finance a mixed-use deal, St. Pierre says the firm has several potential developments in the pipeline and is planning to launch an additional fund of $75 million to $100 million specifically targeting mixed-use projects.

But Legacy Capital hopes to feed off the residential demand mixed-use developments create, even if the company is not a partner in the core project. In suburban Cleveland, for example, Legacy Capital is financing development of 116 town homes near Crocker Park, a 75-acre mixed-use undertaking. "Development today is being driven by creating higher density," St. Pierre says. "Land costs are getting more expensive, and municipalities don't want an under utilized project of single-story retail."

The higher-than-expected construction costs have also stung Crosland executives, who are reworking the economics of its planned $140 million Town Square at Biltmore Park project in Asheville, N.C. Grading started in July on the project, but final construction bids came in 10% above the budget, Mansfield says.
The development, set on farmland once part of the Vanderbilt estate, will include 440,000 sq. ft. of office and retail space, more than 300 apartments and condos, and a hotel site.

A big part of Town Square's cost increase stems from the rise in concrete prices this year. The 42-acre site's constraining hilly terrain requires Crosland and its partner, land owner Biltmore Farms, to build parking garages that cost six times as much as surface parking in normal construction environments.

The additional expense could drop returns by about one percentage point. But Mansfield expects to close the cost gap by tweaking the Town Square plan. "This project is still compelling," says Mansfield, whose firm has completed a handful of suburban mixed-use projects since opening Birkdale Village. "We haven't seen a project canceled or stopped, but construction costs are putting a lot of pressure on them."

Complex challenges

Beyond escalating construction costs, developers must address complexities not present in stand-alone projects. Property uses have different lease-up and stabilization time frames, which may require developers of single-use projects to adjust their expectations.

Combining different uses under one roof presents many challenges, from design to property management. When putting housing atop stores, often that means stacking a wooden-framed structure above a steel-framed structure. The projects must include separate entrances for office, retail and residential users.
Plus, adds Mansfield, in some cases developers need to take potential management problems into account when designing projects. People excited about living on a vibrant Main Street with restaurants or clubs op-

erating late at night may quickly tire of the environment. Crosland prefers stacking apartments rather than condos above shops. "It's a lot easier to satisfy an apartment renter than it is a condo owner in that situation," he says.

Growing acceptance

Potential pitfalls have failed to slow the momentum of suburban mixed-use up to this point. Some parts of the development process have become easier, say experts. Lenders have warmed up to suburban mixed-use considerably over the past five years because the assets have an established track record of performance. But debt providers still want developers who have expertise in the products, whether that stems from retail relationships, construction experience, or working with governmental agencies to finance complex projects, says Sam Kirschner, head of origination for Hypo Real Estate International. Plus, he adds, lenders are scrutinizing the locations for attractive demographics and want to see a location that needs new housing, retail, or both.

Denver-based private equity firm Amstar Group and Franklin, Tenn.-based developer Southern Land Co. believe they've found just such a site in the suburban Nashville community of Cool Springs. That's where the partners are developing McEwen Place Town Center, a mixed-use project that will feature 300,000 sq. ft. of retail, 300,000 sq. ft. of office space and 900 residential units.

Average household income in a 10-mile radius around the proposed center is $107,000, and the development is located across the street from Nissan's new North American headquarters. The car company is moving to Cool Springs from Los Angeles and is expected to complete the $70 million building in 2008.

"Mixed-use is a growing trend across the U.S.," says Brad Broyhill, executive director for multifamily investments at Amstar. "But when you've got this kind of growth corridor, it's a very unique opportunity."

Belmar: The newest downtown in Colorado

When Continuum Partners set its sights on redeveloping the landmark 35-year-old Villa Italia mall in Lakewood, Colo. five years ago, the developer aimed to create a dense mixed-use center in the community west of the Mile High City.

The fact that the 1.4 million sq. ft. mall was failing didn't bother Continuum's executives, who liked the site. When they looked across the street and saw Lakewood's city hall, library and cultural center, they warmed up to it even more.

"You had what essentially were all the functions of a downtown grouped together," recalls Tom Gougeon, chief development officer and principal of Continuum. "But there was no downtown."

Now there is. Known as Belmar, Continuum's grand $800 million mixed-use project is taking shape across 22 square blocks in Lakewood, which has a population of some 145,000. Belmar opened in 2004, and Continuum has completed about half of the project. When built out over the next five years, Belmar will total 2 million sq. ft. of retail space and offices, 1,300 residential units, and a hotel. Parks and other public gathering spaces are interspersed throughout the shops, offices and housing.

Thus far, Belmar features 660,000 sq. ft. of retail and restaurants anchored by a Whole Foods, 16-screen Century movie theater and Dick's Sporting Goods. The developer has finished 300 residential units split

between condos, apartments and town homes. Some 900 more residential units will be delivered in 18 months

One surprise: 215,000 sq. ft. of fully occupied office space in a metro market suffering from a vacancy rate of 19%, reports Reis Inc. Before Belmar, Lakewood wasn't known as an office market.

Now the community is studying how to link to a light rail station about a mile away as Denver undertakes a $4 billion transit expansion. The likely connection route: A 200-foot wide right-of-way reserved for a parkway that never materialized leads to the station from Belmar.

"There are certain places that want to be the center of gravity and that want critical mass," Gougeon says. "I don't think you can go out and create this on just any corner just because you want to."
— **Joe Gose**

MAJOR MIXED-USE PROJECTS IN THE PIPELINE

Dense mixed-use projects are springing up in the suburbs. Here is a sampling of projects planned or under construction.

Project	Location	Size	Components	Developer	Status
Crocker Park	Westlake, Ohio	75 acres	550,000 sq. ft. retail, 250,000 sq. ft. office, 300 residential units (e)	Stark Enterprise	Open; Phase II under construction
Renaissance Commons	Boynton Beach, Fla.	107 acres	184,000 sq. ft. retail; 92,800 sq. ft. office; 1,617 residential units	Compson & Associates	Under construction
Global Station	Gwinnett County, Ga.	42 acres	500,000 sf. ft. retail*; condo towers*	Wayne Mason	Planning
Westwood Station	Westwood, Mass.	130 acres	1.2 million sq. ft. retail; 2 million sq. ft. office, lab, R&D; 1,000 residential units; two hotels	Cabot Cabot & Forbes; New England Development	Planning
The Gateway	Mission, Kan.	17 acres	500,000 sq. ft. retail; 180,000 sq.ft. office; 350 residential units; hotel	Cameron Group	Under construction

(e) Estimate
* Preliminary

Source: Company Data

Limiting Conditions

The findings of this report/market study are limited by the following conditions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No representation can be made by the consultant as to the quality of data provided by third party vendors.

3. Responsible ownership and competent property management are assumed.

4. The information furnished by others is believed to be reliable. However, no warranty is given as to its accuracy or lack of.

5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property

6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the report.

9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

10. It is assumed that the utilization of the site and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

11. Possession of this report, or a copy thereof, does not carry with it the right of publication.

12. The consultants, by reason of this study, are not required to give further consultation or testimony, or be in attendance in court, with reference to the property in question unless arrangements have been previously made.

13. The forecasts, projections, or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes in future conditions.

14. Information is deemed to be complete as of the date of this report - the addition of new apartments not currently identified in this report is a possibility.

With respect to apartments, information in this report was collected by an affiliated company—NM Apartment Advisors Inc. as part of its quarterly surveys.

Businesses	Owner/Qualifying Broker, American |NM Apartment Advisors Inc.
	Owner/Consultant, Cantera Consultants & Advisors Inc.
	Member, Casitas Clarke LLC (apartment investments)
	Broker at Grubb & Ellis |Lewinger Hamilton (1989-2003)
Professional Designations & Education	2nd Generation CCIM #5728 (Certified Commercial Investment Member)
	4th Generation Realtor
	Native New Mexican
	UNM 1987-1990 on Sterling Scholarship
	Eldorado High School (1983-1987)
	Dale Carnegie Sales Course Graduate
Awards & Recognition	CCIM San Diego Chapter - CCIM Partner of the year (2007)
	Top 10 Largest Commercial Real Estate Transaction (2007)
	CCIM 102 Instructor of the Year (2005)
	CCIM NM Marketing Deal of the Year (2004)
	Top 25 Commercial Real Estate Firm (2004)
	CCIM NM Marketing Deal of the Year (2003)
	CCIM NM Marketing Deal of the Year (1998)
	Commercial Realtor of the Year (1996)
	NM Business Weekly's "Top 40 under 40"
Instructor	CCIM Instructor since 1997
	NM Real Estate Commission Approved Instructor
Courses	CCIM 101 – Financial Analysis
	CCIM 102 – Market Analysis
	CCIM 104 – Advanced Financial Analysis
	CCIM Course Concepts Review Course
	CCIM Introductory Course
	CCIM Advanced Market Analysis / CCIM Advanced Acquisitions Strategies
	CCIM Advanced Negotiations
	Understanding NM Property Taxes (co-author)
	Perfecting your Presentations (co-author)
	Paperless Office & High Tech Toolbox & Web Based Marketing
	Aggressive Accelerated Apartment Marketing
	Site to do Business
Speaker	Association of College and University Housing Officers
	Albuquerque Metropolitan Board of Realtors
	Commercial Association of Realtors in NM
	International Economic Development Council
	RealComm 2005 Conference
	LGPP/IREM Conference in Poland
	Risk Management Association
	Kansai International Airport Rotary Chapter, Japan
	NM NAIOP Chapter
	Keynote speaker - San Antonio CCIM Chapter
	CCIM national conventions
	NAR national conventions
	Central European Real Estate Association Network in Lodz, Poland

Course Sponsors & Venues

Albuquerque Metropolitan Board of Realtors
Appraisal Institutes Tax Panel (2004)
Association of College and University Housing Officers
CCIM institute
CCIM national conventions
Central European Real Estate Association Network in Lodz, Poland
Century 21 Realtors
City of Albuquerque
Coldwell Banker Commercial Realtors
Commercial Association of Realtors in NM
Commercial Association of Realtors in NM
COREfac
Denver University
Greater Nashville Association of Realtors
Guangzhou Realtors Association
Institute of Real Estate Management
International Economic Development Council
International Economic Development Council
Johnson County Community College (Kansas)
Kansai International Airport Rotary Chapter, Japan
Keynote speaker - San Antonio CCIM Chapter
LGPP/IREM Conference in Poland
Mount Royal College (Calgary)
NAR national conventions
New Mexico Real Estate Commission
NM NAIOP Chapter
Polish Real Estate Federation
Real Share Conference on Technology in Commercial Real Estate (Anaheim)
RealComm 2005 Conference
Risk Management Association
Russian Real Estate Guild
The Jacksonville Association of Realtors
Tong Ji University of Shanghai
University of International Business and Economic in Beijing
University of Southern California
US Agency for International Development

Volunteer Assignments

Board member, St, Mary's School 2006-2009
President St. Mary's School Board (2007-2008)
AYSO U6 referee
Board Member, St. Mary's school capital campaign (2007-2008)
Participant, ULI/City of Albuquerque Downtown Rail yards focus Group (2008)
Co-Chair, Albuquerque Civic Trust (2006-2008)
Board member Albuquerque Civic Trust (2003-2008)
Participant, Brookings Institute, Blue print for American Prosperity -
    Mountain Megas (2008)
President, Encino Development & Management
 (35 year old nonprofit owner & provider of low income senior housing)
CCIM ambassador to Eastern Europe/Poland (1998-2000)
CCIM National Education Chair (2003-2004)
Vice Chair, Mayor's appointee, Infill Task Force, City of Albuquerque (2002)

Volunteer Assign-ments	CCIM National Council (2001-2003) CCIM Regional Vice President (2001) CCIM Technology Chair (2001) Fannie Mae Advisory Committee, NM Partnership office (2000-2005) Site to do Business Oversight Committee (2000) Member AMBR Leadership Class (2000) President neighborhood coalition, Council District 7 (2000) President, Pueblo Alto Neighborhood Association (1999-2000) Board member, NM CCIM Chapter (1993-1997, 1999-2005) Member AMAFCA Bond Committee (1996) President, NM CCIM Chapter #10 (1996) Director, Realtors Association of NM (1996) Founder & first president Commercial Association of Realtors (CARNM) in NM 1995-1996 Board Member Coalition for Quality Growth (1995-1996) Board Member Leasing Information Network (1993-1994) Committee Member CCIM Nationally, Pro-Society, education marketing, strategic planning, legislative affairs, International Coordinating Committee, Body of Knowledge (1995-2008)

Expert Witness & Testimony	Albuquerque City Council
	NM District Court
	City of Albuquerque Zoning Hearing
	City of Albuquerque Design Review Board
	City of Albuquerque Development Commission
	City of Albuquerque Council Finance Committee
	Bernalillo County Commission
	State of NM Tax Protest Board
	Governor's finance board (NM)
	Rio Rancho City Council
	Las Cruces City Council
Current membership	Member Urban Land Institute
	Member CCIM institute
	Member National Association of Realtors
	Member National Association of Industrial and Office Parks
	Member National Low Income Housing Coalition
	Member NM CCIM Chapter
	Member CO CCIM Chapter
	Member San Diego CCIM Chapter
	Member Orange County CCIM chapter
	NM Rotary Club of Albuquerque
	Commercial Association of Realtors in NM
	Realtors Association of NM
Professional Experience	NM Real Estate Broker's License #13711 since 1996
	NM Real Estate Salesperson's License #28636 since 1989
	NM Appraisal License 1992-1993

Participated in the marketing and/or selling of 11,000+ apartment units, in some 400+ transactions totaling $400M

Participated in the protesting of property tax values in over 1,000 cases wining 98% of the cases with an average reduction of 24%

Auctioned off hundreds of properties for RTC/FDIC and local banks in the late 1980s/early 1990s

Own and manage private real estate portfolio since 1990

Recent Consulting Assignments

Market Study – Broadstone Andalucía Luxury Apartments Coors/Montano, Albuquerque NM
Market Study – San Pedro/Alameda Luxury Apartment site, Albuquerque NM
Market Study – El Vado Motel - Route 66, Albuquerque NM
Market Study - Renovation of Old Albuquerque High School, Albuquerque NM
Market Study - Luxury Housing, Montano/Coors, Albuquerque, NM
Highest and Best Use Analysis –city block in downtown Albuquerque
Master Plan & Highest Best Use Analysis – 1,000 acres, Tulsa, OK
Market Study & Highest Best Use Analysis – ABQ Uptown Phase III
Market Study - Retail/Office site across from IKEA in Agave Business Park, Tempe, AZ
Market Study - Housing needs for Hobbs, NM
Market Study - Office Condos, Plaza Maya, downtown Albuquerque
Market Study - Apartment site Tempe, AZ
Market Study - Housing assessment for Angel Fire, NM
Market Study - Downtown Restaurants, Albuquerque, NM
Market Study - APS/Education GAP analysis for Longford Homes, Albuquerque, NM
Market Study - Two square blocks downtown for 975 condo/apartment units, Tampa, FL
Market Study - Focus Groups – Sawmill Lofts / LIHTC Albuquerque, NM
Market Study - Downtown Apartment Site (Hyder), Albuquerque, NM
Market Study - Downtown Apartment Site (Silver Court) , Albuquerque, NM
Market Study - Work Force Housing/SRO, Albuquerque, NM
Market Study -Luxury Housing, Montano Plaza, Albuquerque, NM
Market Study - MR plan Near Heights – City of Albuquerque, NM
Condo Analysis - Cherry Creek Apartments, Denver, CO
Market Study - ABQ Uptown Apartments (Phase II) Albuquerque, NM
Condo Analysis - Kaiser Building, downtown Oakland, CA
Market Study - De Anza Historic Hotel, Albuquerque, NM
Market Study - LIHTC – Villa de San Felipe apartments Albuquerque, NM
Market Study - Downtown Action Team, Albuquerque, NM
Market Study - Retirement apartments, Albuquerque, NM
Market Study - Intel Site Apartments, Rio Rancho, NM
Focus Groups - NextGen Artisan Cluster, New Mexico
Market Study - North Fourth Street Corridor, Albuquerque, NM
Market Study - Louisiana Apartments/LIHTC for Lovelace, Albuquerque, NM
Market Study - Apartments, Dallas, TX
Leasehold Analysis - Towne Park HOA, Albuquerque, NM
Created Forecasting Tools and course for Colliers International
Market Study – Arrowhead LIHTC Apartments for AMREP, Rio Rancho, NM
Financial Analysis – City of Albuquerque Multifamily Refinance/Acquisition
Co-Authored CCIM 102 Market Analysis Course
Hand Coded first Multiple List Service and CDROM for CARNM
Market Study –Townhouse market for AMREP, Rio Rancho, NM

PROFILE

An ambitious and talented analyst with over 6 years of administrative, project management and entrepreneurial experience and a proven ability to develop, implement and direct business strategies, conduct skillful research and budget administration, and possesses superior organization and communication skills.

EDUCATION

ASU, Master of Real Estate Development	2008
United States Green Building Council, LEED AP	anticipated completion July 2008
The Arizona School of Real Estate and Business, Scottsdale, AZ	2005
Arizona Real Estate Investor Association *Wholesaling* and *Fix & Flip*	2005
University of Colorado, Boulder, Colorado, B.A.	1995-2000
University of New South Whales Sydney Australia, Study Abroad	2000-2001

SELECTED EXPERIENCE

Licensed Realtor®, Phoenix AZ   2005 – Present

Represented property owners in the sale and marketing of a variety of residential property types including high-end multi-million dollar market and investors participating in 1031-exchanges of cash flow properties. Represented buyers in the purchase of leased single-family investment properties, assisted living homes requiring special permitting, and raw land to be developed.

JAG Development, Phoenix AZ   2005 / 2007
Assistant to Project Manager

Directly assisted project manager on three concurrent downtown Phoenix infill projects *(Roosevelt 11, Evergreen 9, Portland 38).* Regularly interfaced with development team of architects, contractors, attorneys, engineers, and sales team through several phases of development. Maintained project accounting, tracked hard and soft costs, managed change orders and administered monthly draw process. Contributed to material selection decisions and value engineering efforts. Assisted in assembling financial packages for construction loans, handled purchase contracts and lease agreements and delivered property management services to commercial tenants. Developed and implemented sales and marketing campaign for finished product.

Ultimate Body Boot Camp, LLC, Scottsdale AZ   2004 – Present
Business Development Consultant

Researched and identified target market for outdoor fitness company. Evaluated profitability developed and implemented business plan. Strategized and implemented a marketing plan with collateral in print, on the internet and in radio advertising. Creatively involved in the design, layout and content writing of www.UltimateBodyBootCamp.com. Recruited elite team of trainers, nutritionists and personal coaches. Currently retained as publicity, event planning and marketing consultant.

BASIC PROFICIENCIES

Hanley Wood Builder Info Tools, CoStar, ARGUS, Multiple Listing Service, Word, Excel

PROFESSIONAL AFFILIATIONS

Urban Land Institute
Congress for the New Urbanism
Phoenix Association of Realtors
National Association of Realtors