



**City of Albuquerque
Metropolitan Redevelopment Agency**

Tim Keller, Mayor

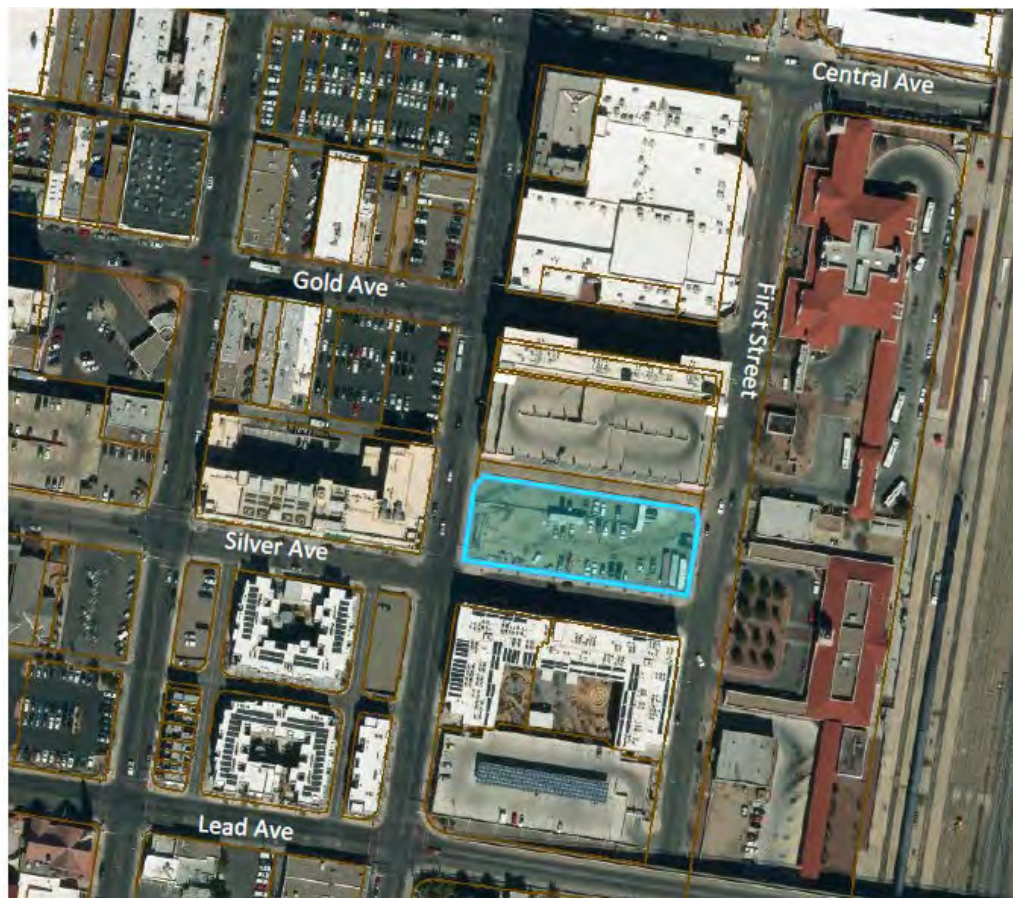
September 16, 2021

To: Albuquerque Development Commission

From: Karen Iverson, MRA Manager

Subject: Case 2021-10 First and Silver Request for Proposal Selection

The Metropolitan Redevelopment Agency (MRA) released the First and Silver Request for Proposals on July 30th, 2020. The RFP sought proposals from developers to partner with the City in order to redevelop the 0.8-acre site located at the southwest corner of Silver Avenue and 1st Street into a high-density residential or mixed-use project. Below is an aerial view of the site.



The stated goals of the RFP were:

- Contribute to the goals outlined in the Downtown2025 MR Plan;
- Increase of housing density and options;
- Placemaking;
- Catalytic economic development; and
- Support local, small, minority, women and disadvantaged business enterprises.

One proposer, REMBE Urban Design and Development, submitted a proposal before the December 3rd, 2020 submission deadline. Since there was only one proposal, a selection committee was not convened to score the proposal.

Project Summary: The Downtowner



The Downtowner will offer 191 small, well-designed apartment units, nine live/work units, and a restaurant space in six-story building. The \$30 million project will total 131,000 sq. ft. The building footprint, in the shape of a capital E, will have two courtyards above street level on the south side. The southwest corner will feature a café/retail space. The small residential units, averaging 400-500 sq. ft., will be naturally affordable to the Albuquerque workforce and provide a unique product in Downtown Albuquerque. Sixty vehicular parking spaces and 200 bicycle spaces will be provided, catering to a market that will take advantage of the neighboring transit options. The project is being led by REMBE Urban Design and Development, a development firm that has built several other successful infill projects in Albuquerque including the Bricklight District, County Club Plaza/Franz, and the Anazasi.

Findings:

1. As provided in the New Mexico State Metropolitan Redevelopment Code and the Metropolitan Redevelopment Agency Ordinance for the City of Albuquerque, the MRA issued a Request for Proposal #03-2020 on July 30, 2020, soliciting redevelopment proposals for the subject property which were due on December 3, 2020.
2. Legal notice was published in the Albuquerque Journal on November 16th, 2020 and November 22nd, 2020.
3. The MRA received one (1) proposal in response to RFP #03-2020, from REMBE Urban Design and Development and that proposal was deemed responsive to the RFP. Since no other proposals were received, a selection committee was not convened.
4. The Downtowner achieves the following goals/objectives in the Downtown 2025 Metropolitan Redevelopment Plan:
 - Make Downtown Albuquerque a “pedestrian-first,” “park-once” place;
 - Make Downtown Albuquerque New Mexico’s premier pedestrian-oriented “urban place”; and

- Have at least 20,000 people living within one mile of the Downtown Core, and 5,000 living within the Downtown Core by 2025.

5. The Downtowner supports the RFP Evaluation Criteria as follows:

- Consistency with Stated Project Goals:
 - a. Project will add 200 housing units to downtown and provide a unique housing product serving a market segment that is not currently offered.
 - b. Project will add to the economic vibrancy and placemaking by adding a café to the southwest corner of the property and live-work units along the southern façade. Given the glut of retail downtown, small amounts of well-curated retail space is appropriate to avoid unwanted vacancy. Developer will also program the building to host events and other placemaking activities.
 - c. The members of the project team include several local entities including the developer, architect, and general contractor.
- Team Experience:
 - a. Project will be owned and operated by REMBE Urban Design and Development, an experienced local development firm that has developed and managed over \$80 million in infill development projects in Albuquerque. The development team also includes Insight Construction and Mullen Heller Architecture, both experienced and qualified in their fields.
- Design:
 - a. The high-density project will maximize the project site while providing a human scale street level experience with the corner café and live-work units.
 - b. The project is geared towards those who will utilize transit. Generous bicycle parking will be provided. Support for low parking ratios is provided in supporting documentation.
 - c. The project includes several energy efficiency features including minimizing unit footprint, orientating the building to maximize passive solar gain, and implementing thermal and lighting controls to minimize energy loads during non-occupied hours.
- Financial Structure:
 - a. Provided market analysis documents low vacancy rate and high demand for housing in downtown.
 - b. Pro-forma assumptions were analyzed and determined reasonable.
 - c. Financial structure includes securing a HUD 221(d)4 loan which provides favorable terms including longer amortization, lower interest rates, and higher loan-to-value ratios.
 - d. City investment will include contribution of land and additional assistance to be negotiated.
- Financial Capacity:
 - a. Project includes an 19% equity contribution from the development team. the Developer appears to have sufficient funds to make the required equity investment under the HUD financing scenario. Additionally, a portion of the required equity would be in the form of a deferred developer fee partially financed by debt.
- Timeline:
 - a. Project timeline includes time to secure a HUD 221(d)4 loan. The project assumes 36 months once a development agreement is negotiated.

Recommended Motion: Based on the finding included in the staff report, the ADC recommends that the MRA staff proceed with negotiations with REMBE Urban Design and Development on the proposed Downtown Project at First and Silver and to return to the ADC to present the negotiated development agreement.

Appeal: Within 15 days after the Albuquerque Development Commission's final selection, any Respondent not selected may appeal the decision to the City Council. For more information regarding the appeal process, please refer to Section 14-8-4-8 of the Metropolitan Redevelopment Agency Ordinance and visit the following website for the Metropolitan Redevelopment Agency Appeal Form:

<https://www.cabq.gov/metropolitan-redevelopment-agency/request-for-proposals>

1ST & SILVER

CITY OF ALBUQUERQUE
METROPOLITAN
REDEVELOPMENT AGENCY

RFP #03-2020

12.03.20



December 3, 2020

City of Albuquerque
Metropolitan Redevelopment Agency
Attn: Karen Iverson, MRA Manager
Plaza Del Sol, 3rd Floor
600 2nd Street NW
Albuquerque, NM 87102

REMBE
urban design + development

1718 Central Avenue SW | Suite A
Albuquerque, NM 87104
(505) 243-0188 (office)
(505) 453-7164 (mobile)
Email: jay@rembedesign.com

RE: Request for Proposals for
The City of Albuquerque Metropolitan Redevelopment Agency
First and Silver
RFP# 03-2020

Dear Ms. Iverson & Selection Committee Members:

In 2001, I stood on the northwest corner of Silver Avenue and 8th Street, looked at the old Southern Union Gas building and the weedy land behind it, and knew that there I could begin to build on my desire to help improve Albuquerque's urban core. In the years since, our lauded development team has pulled off some of the more exciting projects along the Central Avenue corridor, guided by our belief that if our city is to prosper, downtown and its surrounding neighborhoods must lead the way. We are honored to submit for your consideration this proposal to partner with you to redevelop the southwest corner of 1st Street and Silver Avenue.

This team –Mullen Heller Architecture and Insight Construction and I– has collaborated several times to overcome the challenges infill sites present, as we've successfully entitled, designed, built and stabilized projects that merge cutting-edge design and innovative place-making.

Drive down Route 66 and nearby streets to see our work. There's that first project: The award-winning Silver Lofts and an iconic gathering place, the Flying Star. Bricklight Courtyards is ours. We renovated the Denny's across from the University of New Mexico for restaurant and retail. We turned the abandoned Sandia Theater into the Aveda Institute. It's part of Country Club Plaza, which includes a LEED-certified office building, three stories with 23 apartments and 7,000 square feet of commercial space, and another with 58 residential units and co-working office.

Each is a success and proof of our commitment to extraordinary urban work.

And there's more to come. We are finalizing plans for two projects on Central. The Clyde across from County Club Plaza will be a village of 41 small apartments. The Strider will offer housing across from UNM, with related retail and restaurant spaces that will extend Nob Hill's activities westward.

It's important to note that we have spent eight months designing, fine-tuning and pricing The Strider, and we will draw on that experience for your project, which we call The Downtowner. As owner, developer and manager of The Strider and The Downtowner, I would have an overwhelming advantage to market these properties, as there is always a hierarchy in threshold pricing. The properties are distinct but exposure and occupancy for both would benefit under my watch.

As you will see throughout this proposal, our team has the experience and enthusiasm to work with the City to bring this development opportunity at 1st Street and Silver Avenue to life.

We are eager to continue to contribute to downtown's success. Thank you.

Sincerely yours,

Jay Rembe, President
Rembe Urban Design + Development

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SECTION A

DEVELOPMENT OVERVIEW



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CONTACT INFORMATION

The individual and entity noted below will enter into an agreement with the City for redevelopment at 1st Street and Silver Avenue, Albuquerque, NM.

Developer Entity: Rembe Properties, LLC and/or its affiliated assignees

Jay Rembe
Rembe Properties, LLC

Country Club Plaza
1716 Central Avenue SW, Suite A
Alb., NM 87104
505-453-7164
rembe@rembedesign.com

www.countryclubplazaabq.com
www.rembedesign.com
www.lospoblanos.com

**This proposal acknowledges all addenda issued.*

CONTACT INFO



A.2. Project Summary

MEET THE DOWNTOWNER

Downtown Albuquerque's future premier residential development at 1st Street & Silver Avenue!

The Downtowner will be a collaborative public and private partnership to create a mixed-used project that will be the state's most dense and one of its most dynamic.

The Downtowner will offer 191 small, extremely well-designed apartment units, 9 live/work units, and a restaurant space in six-story building that borders three sides of two courtyards – its footprint is a capital E – that open to Silver Avenue on the south side. The courtyards will be connected by internal common spaces that will be the central gathering and community area for the tenants, while the courtyards will be connected externally with an elegant linear pool.

The southwest corner of the project will be designed to attract a café with outdoor tables to give it a European village feel. Ideally, the cafe would open for breakfast, lunch and dinner, with beer and wine offered. This space and use need to communicate with the grocery store to the west and the two southern corners. We envision a two-story café with a south-facing outdoor dining area. This would not only activate the corner and create buzz in the area, but also open internally to The Downtowner community deck and amenities. **This corner space must promote the community and enhance the customer and neighborhood experience.**

This is an urban location that is a short walk to a variety of public transportation options, so there isn't a need for a parking space for every unit. We have had great success with our mixture of uses, where we have residential units, restaurants, other commercial and office tenants, even though we didn't match traditional parking standards. We acknowledge Albuquerque is still a car-centric city. But more and more, tenants don't want or need cars. This project will cater to and be marketed to a demographic that is accustomed to other forms of transportation such as Uber, car-sharing, walking, biking, bus riders and scootering.

THE DOWNTOWNER KEY FEATURES

131,700
square feet

6
Stories

191
Dwelling Units

9
Live/work Units

2
Courtyard Decks

1
Neighborhood Cafe

Ground Level Structured
Parking

64
Parking Spaces

\$30.1m
Project Budget

\$21.3m
Construction Cost





A SYNERGY OF USES:



RETAIL



ARTS



DINING



BUSINESS



LIVING



OUTDOOR
LIVING



SOCIAL
ACTIVITY

Opportunities exist to collaborate with local art groups, Rail Yards Market, Downtown Farmers market, Main Street, City Planning Department, nonprofits, and others to make this project one-of-a-kind. We believe these partnerships will help identify tenants to support local artists and businesses, which can in return help activate and stimulate the ground floor of the project.

The primary goal for The Downtowner is to meet the needs of the up-and-coming urban professionals, artists, retailers in Albuquerque's re-emerging metropolitan core, and convert them to Urban Dwellers!

A.2. Project Summary

THE TRADE-OFFS

Potential Office Space

Currently The Downtowner does not include leasable office space. We recognize this is on the City's 'wish list' for the development. We feel that in today's downtown market, additional office space is not viable. There are several multi-use buildings in downtown that have office spaces above the ground level, many of which are empty. That is not to say that multi-use buildings as a whole are struggling. Housing and live/work spaces are thriving and the outlook for multi-family projects remains vibrant.

The Downtowner's design, however, allows for the addition of one level of offices space above the ground floor structured parking should the City need or want to locate any services in this building. All the hard and soft costs including but not limited to the design, development, construction, finance, gross receipts tax and other related expenses for an additional floor shall be the City of Albuquerque's responsibility. The Developer requests that the City obtains the funding for the above development and design services and construction costs prior to the start of The Downtowner's construction.

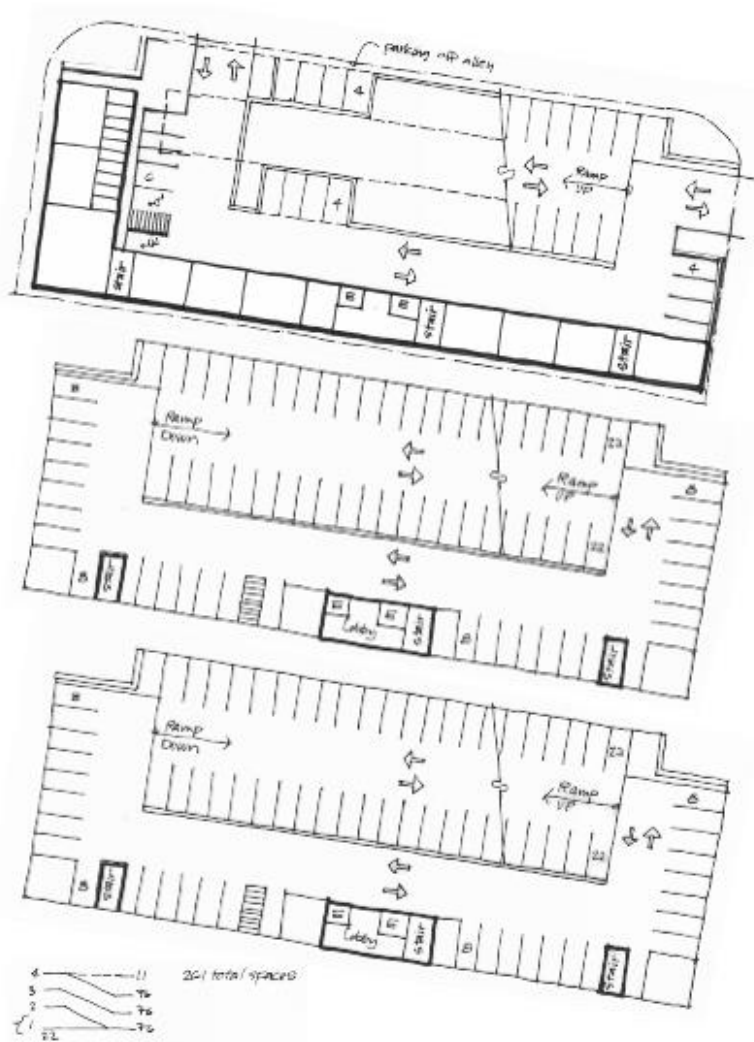
We remain optimistic about the demand for new office space downtown and would be thrilled to include City offices in The Downtowner.

Additional 200-Space Parking Structure

Again, we are aware of the City's desire for an additional 200 parking spaces beyond what is indicated in the design. While the proposed renderings of The Downtowner do not show how this garage would impact the design, we have laid out the future garage and are confident the additional 200 spaces can be accommodated, if agreed upon by the City.

Three additional levels of structured parking would be added to the current design to meet the 200-car request. The estimated hard cost for the construction of the three levels of structured parking is \$6,000,000 (\$30,000 per space). This cost excludes the additional fees for design, development, finance, gross receipts tax, and other related expenses for the addition of 200 parking spaces, which shall be the City of Albuquerque's responsibility. The Developer requests that the City obtains the funding for the above development and design services and construction costs prior to the start of The Downtowner's construction.

If the garage is added to the scope of the project, a condo regime will be recorded so that the 200-car parking structure can be deeded to the City for full ownership. The balance of the project will be owned by the Developer.



CONCEPTUAL DESIGN FOR ADDITIONAL 200-SPACE PARKING GARAGE

SECTION B



CONSISTENCY WITH THE CITY'S PROJECT GOALS AND COMMUNITY BENEFITS

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BUILD IT (RIGHT) & THEY WILL COME

For Downtown to thrive, more people need to live there. Although the city has strived to encourage and accommodate affordable apartment projects, there are very few market-rate options. This project at 1st Street and Silver Avenue will offer something that isn't there now and do it better than anyone else could. The way to achieve this is to focus on design, to offer unique amenities, to increase density by lowering unit square footage rather than delivering a project that is larger and more expensive. Pricing will be important. If we focus on great and innovative design, we are confident the demand for our small, less-expensive units will be the same or stronger than something larger and more expensive. We are experiencing high demand in our other projects that have smaller, well-priced units. By creating well-designed, marketable, smaller units, we can greatly increase density while offering rates lower than our competitors. The concept reflects what makes the television show "Tiny House" so popular: Designers give exceptional thought to the use of space, light, and orientation to make a superior place where people are happy to dwell. **The goal at The Downtowner is to deliver as many highly-desirable units as possible at the most affordable price possible.**

The Downtowner will house 200 dwelling and live/work units. We believe that to absorb this density, we must offer rents that are lower than our competition while elevating the customer experience with well-designed common areas and community spaces. In today's market, for studio and one-bedroom apartments, our target monthly rent ranges from \$750 to \$925. This represents 91% of the units. The rent for 2-bedroom and live/work lofts will be \$1095 to \$1200. One Central, Elevate, Highlands North and other similar urban apartment projects were built with most of their units a bit larger and a lot more expensive than what we plan for The Downtowner. We do not want to compete with those projects and therefore we recognize it's crucial to create a difference in pricing, unit design and delivery.

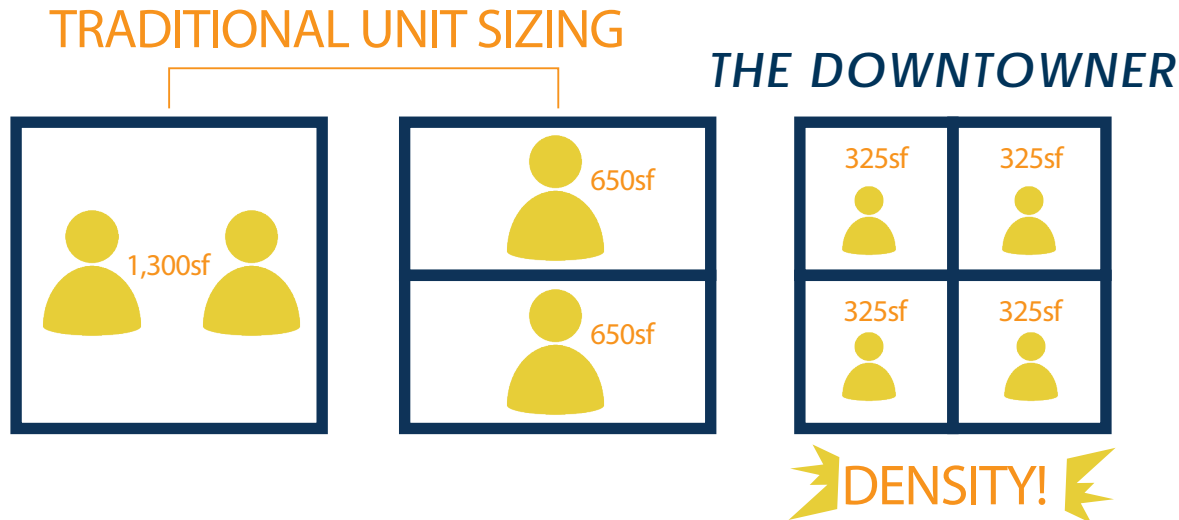
In our existing projects – the Franz, Country Club Plaza, Bricklight Courtyards, Richmond Street Studios and Silver Lofts - we have found that our customers, who range from age 19 to 75, are looking for the same thing. **Our tenants want to live someplace that is urban, walkable, stimulating, different and safe.**

MARKET DEMAND

According to Todd Clark, there are four components that drive demand for downtown apartments.

- 1. A shortage.** Historically, the city needs an average of 1,350 new apartment units annually. In a good year, about 800 are offered, so the occupancy and rent levels for apartments rises continuously. In 2016, 531 new units opened; in 2017, 455 units; in 2018, 855 units; in 2019, only 79 units. Downtown outperformed other sub-markets with a 2019 vacancy rate of 2.9% and an average rent of \$757, while the city averages were 5.9% and \$833.
- 2. Jobs.** Three regional hospitals, about 25,000 government, financial and health sector jobs, along with the high-tech opportunities offered by the nearby Innovation District, combine to create a healthy mix of constant new employment in the Central Business District. Bernalillo County's plan to consolidate jobs into a new downtown headquarters will bring more than 800 people to the area.
- 3. Demographics.** A study for the Middle Rio Council of Governments found that the millennial generation created demand for 15,000 new apartment units. Millennials most preferred small studio or one-bedroom apartments. On top of that, the last published Apartment Association rental survey found downtown residents paid more per month, per square foot, for a one-bedroom apartment than a two-bedroom unit.
- 4. Quality of living.** Downtown residents have discovered how to create time – 60 to 90 minutes a day – by not commuting. They use that time to visit the nearby museums, zoo, bio park and aquarium; to bike, run or walk to the Rio Grande River trails; to shop the Rail Yards Market and Downtown Grower's Market; to attend shows at nearby theaters; to walk Old Town and enjoy galleries and restaurants; and to catch a 5-minute bus ride to Nob Hill and its more than 80 restaurants and shops or to UNM or Central New Mexico Community College and all they offer more than 42,000 students.

B.1. Housing Density



We anticipate most tenants at The Downtowner will be between ages 19 and 35, but we see the project attracting older residents too. The Downtowner will be a place that fosters and encourages community, that stimulates and enhances residents' lives. Our target tenants want to be part of something bigger. Most are professionals. They appreciate and are interested in good design but want to ensure there is value in their choice of where they live. **In all our projects, if the unit is hip and well-designed, its size isn't important. We know this market and understand what our tenants want.**

So how do we deliver so much in a small unit? Initially, we tried designing micro units that require built-in furniture, such as Murphy beds and other furnishings that small spaces demand. Although we were excited to deliver micro units, we did not want to rely on built-ins. For six months, our team has been developing an as-near-to-perfect-as-possible dwelling unit plan by massaging the overall size to accommodate smaller urban apartment furniture. Thus, we increased the units to 400 square feet (from less than 300 square feet) to allow for furniture that easily could be purchased locally or online. We designed the units in a way that is easy for tenants to move in with very little investment, and eliminated the maintenance and capital expenditures that the systems furniture would have required. We will continue to experiment with some of the units with systems furniture to see how the market responds. The furniture being designed now for smaller dwelling units is impressive.

Although the primary focus is to create as many innovative market-rate apartment units as possible, we believe it is paramount to activate the street by

lining the parking structure with smaller live/work lofts to attract local artists and micro retailers. We have proven experience with a variety of live/work projects in our Silver Lofts and Richmond Street Studios. In these urban areas, we understood the importance of creating something more interesting and active than traditional living. Thus, in the Silver Lofts we designed 3- and 4-story lofts with live/work spaces on the ground floor and living spaces above. Tenants can place their business on the ground floor with floor-to-ceiling storefront glazing and wide-open flexible spaces. The need for flexible spaces was paramount to help with financing for the project and to attract a variety of users. We found that these units attracted artists, medical professionals, and small business owners who loved the design with the affordability of a traditional commercial storefront.

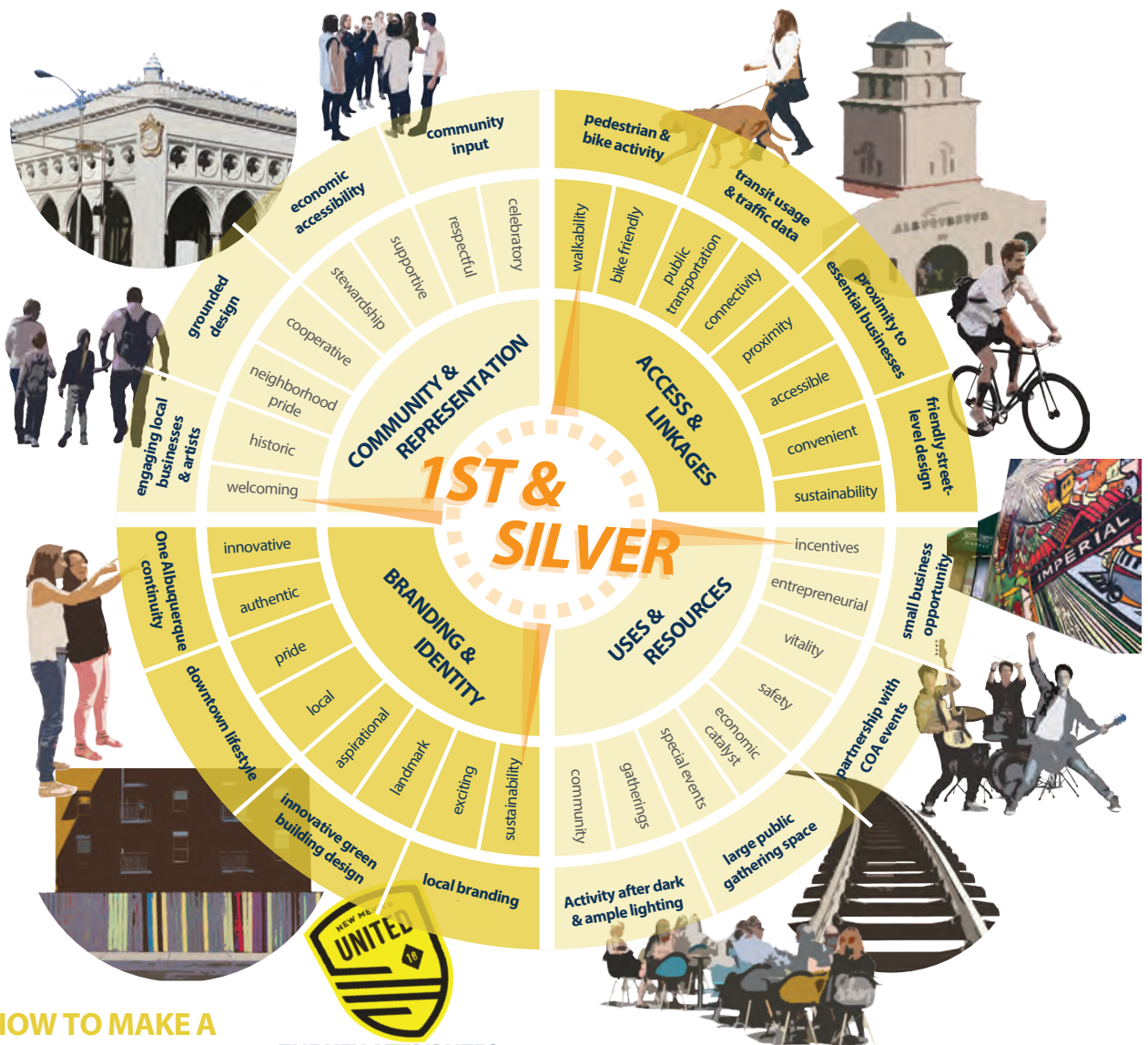
The Downtowner live/work units will offer 14-foot ceilings so that we can place a loft for living above, with a larger storefront and commercial space below. These units will be more affordable and can accommodate an entrepreneur's needs. We believe a live/work use will be a more valuable experience for the neighborhood by having these ground-floor spaces occupied 24/7. If these spaces were solely for office use, they would close after business hours and darken. If solely residential, the units would be vacant during the day. **The hybrid approach allows for eyes and activity during both business and evening hours, which enhances the urban experience for those living in the area.** We envision people coming and going day and night which will increase the vibrancy at the street level. The more time tenants occupy these spaces, the more eyes on the street and the safer it is for all.

The Downtowner development team’s years of experience confirms one notion:

PLACE MATTERS TO BOTH PEOPLE & ECONOMIES

The *Project for Public Spaces*, the nonprofit organization providing public space planning, explains that placemaking “strengthen(s) the connection between people and the places they share,” and is “a collaborative process by which we can shape our public realm in order to maximize shared value.” Simply, good placemaking reinvents underutilized space to enhance the urban experience at the pedestrian scale. **The proposed site for The Downtowner meets the criteria and has the potential to further enrich Downtown.**

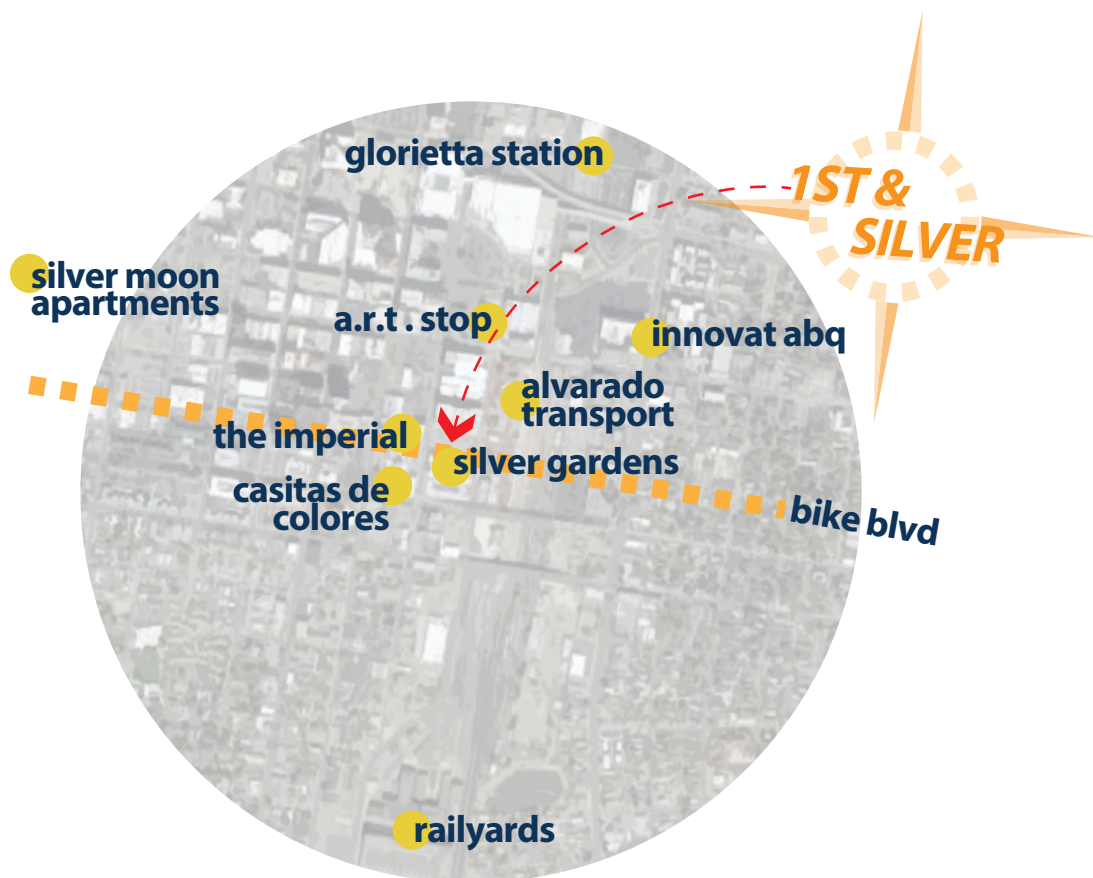
Downtown Albuquerque has undergone an immense rejuvenation, starting with the Downtown 2025 Plan initiated in 2004. Successful development efforts have stretched from Downtown’s eastern border with Innovate ABQ, to the north with the upcoming rehabilitation of Glorietta Station, to the west with the Silver Moon Lofts, and to the south with the Albuquerque Railyards, to name a few. Each of these projects dovetails into the City’s widespread place-based efforts to revitalize the distressed urban core, better the lives of residents and improve the health of our economy. **The Downtowner will advance these development patterns and the Downtown 2025 Plan, with the goal to elevate and enliven, appeal to and unite people, encourage healthy living, and stimulate local economic development.**



HOW TO MAKE A PLACE

- THE KEY ATTRIBUTES
- the intangibles
- the practical implications

B.2. Placemaking



Thoughtful placemaking begins with understanding the site context. Located at the northwest corner of 1st Street and Silver Avenue, The Downtowner will complete the long-awaited development of the area. The vacant site is flanked by the mixed-use Imperial Building to the northwest; the Alvarado Transportation Center and Albuquerque Rapid Transit (ART) station to the east; the Silver Gardens Apartments to the south; and the Casitas de Colores Apartments to the southwest. The existing programs on-site are primarily affordable residential projects, which supports the City's goal of 20,000 residents downtown by 2025. Supplemental existing services – a grocery store, pharmacy, restaurants, salon – successfully serve downtown. Despite the foundation of valuable assets on-site; creating a sense of place with value for the community is much more than just a sum of its parts. The Downtowner will bring to the vacant site a thoughtful project that delivers much-needed residential density to the corner, further supporting the existing downtown commercial services, coupled with live/work studios and offices and vibrant green spaces to boost daytime activity. **The dynamic mix of new day and night uses will bring to the neighborhood a long overdue hub to enhance the local quality of life and facilitate community interaction.**

The Downtowner will embrace the street and offer many benefits for community engagement, both in its capacity to build upon existing uses and to connect with existing pedestrian, bicycle and transit opportunities. The Downtowner will create a welcoming pedestrian environment by increasing the residential density in the immediate area while activating the street with friendly live/work units that open to individual stoops. Located within the City's Main Street district, the site planning focuses most on "pedestrian-first" and bicycle traffic. **The design builds on the existing wide sidewalks and adds landscape strips and tree wells to make them more pedestrian-friendly.** The site is also within a Premium Transit Corridor, with the ART and Railrunner stations only steps away. Silver Avenue was established as a Bicycle Boulevard in 2009, making it the premium corridor for safe and friendly bicycle commuting to, from, and within the Downtown area. Vehicular traffic is tertiary, further emphasizing the "pedestrian first philosophy," with parking located behind the building and accessed from the alley.

The Downtowner is sited to complement the existing structures at the intersection, mindful of balanced scales, massing, orientation and proximity. The project will therefore provide additional capacity for improving residential accessibility,

“TO INSPIRE IS TO DESIGN INSPIRING PLACES”

Over the years, numerous efforts have been made to revitalize Downtown. With implementation of the 2010 Sector Development Plan, Downtown experienced significant success with new and innovative projects. But that ended suddenly with the economic recession in 2009. **To succeed, a downtown needs abundant services within walking distance, and the population density to support them.** Three years ago, the City mandated that the Imperial Building include a grocery store to bolster revitalization. This was an important step for Downtown. Now we need to encourage and incentivize dense housing typologies to support Silver Street Market and other nearby services. **In short, the denser the project, the better it is for Downtown.**

Our vision and goal is to design and program an iconic urban apartment building with a wonderful small café on the corner and live/work artist lofts that line the parking structure on the ground floor. These units would face south and west to further activate and stimulate pedestrian interest. The live/work units are an important catalyst for much-needed energy in the area. They offer smaller, affordable spaces that support local artists and

businesses. With significant effort to support local arts – like the Rail Yards to the south and more multi-use developments to the north – we can focus on attracting those artists to work and live in these spaces. To have artists showcase their work in exhibit spaces facing the street, conduct art studios, and have The Downtowner participate in and promote monthly arts crawls would be fabulous. The community spaces could be used to shine the spotlight on local artists and businesses and offer events to engage the public. This is collaboration at its finest.

The southwest corner of this development should stimulate, activate, and communicate with Silver Street Market and become The Downtowner’s anchor. It is imperative we create a sense of place. With strategic design and the proper operating hours, the corner can set the vibe that drives the success of the project and the neighborhood. We used this strategy with our Silver Loft project at 8th Street and Silver Avenue. There we renovated the old Southern Union Gas building for Flying Star Café for its use alone, truly created “place” and made the corner a place to be.



B.3. Catalytic Economic Redevelopment

The café proposed in The Downtowner will be open from morning to evening, focusing on coffee, fresh pastries and breads, light lunches, and evening appetizers with a curated selection of beer and wine. Currently, we are working on a concept that includes a café, retail and distillery that would be ideal for this space. Putting most of the seating and tables outdoors helps lower expenses while attracting attention.

The design team will push the architecture, creating a building with an interesting, innovative, and iconic presence. We want the spaces to be like no other but marketable, so that the building becomes the place to live, work, and enjoy a hot cup of coffee in the morning and a relaxing cocktail in the evening. We believe the placement of a linear pool will be yet another feature that calls attention to Downtowner and sets it apart.

No doubt this project will bring more residents to downtown, and they will need and support services. Our target demographic will choose to live at the Downtowner because it is within walking distance of the Silver Street Market, the Rail Yards Market, Glorietta Station, 505 Central Food Hall, the proposed Rail Trail and many wonderful amenities and business that are downtown.

We can inspire by creating a place where people want to be. We must be strategic with our placement of the right uses in the right spaces. An iconic building, well-designed dwellings, hospitable common areas and relevant commercial spaces will spur more Downtown redevelopment.

Local Murals

- L: Nani Chacon, "Resilience", Washington Middle School**
- R: Noe Barnett, "United", 201 Coal Ave SW**



THE DOWNTOWN 2025 PLAN

The property at the northeast corner of 1st Street and Silver Avenue is .80 acres and zoned MX-FB. It is located within the Downtown 2025 Metropolitan Redevelopment (MR) Plan area and designated as the Downtown Center and within an Area of Change, per the Comprehensive Plan. It is also located within several designated Comprehensive Plan corridors, including the Alvarado Transit Center Station (a Premium Transit (PT) Station), Central Avenue Major Transit Corridor, and Second Street Major Transit Corridor, which provides additional building height allowances.

The project furthers the City's goals and policies contained in the Downtown 2025 MR Plan by locating within the pedestrian-oriented, highly-connected, multi-modal transportation hub of Downtown Albuquerque. The project will assist the City in creating a premier "urban place" as expressed in the Downtown 2025 MR Plan by being situated on a currently vacant lot across the Silver Street Market, the Alvarado Transportation Center, a large City-owned parking garage, and from the Silver Gardens Apartments. Restaurants, entertainment venues, offices, and commercial services are located farther north and west along Gold and Central Avenues and beyond. Wide, accessible sidewalks with street trees surround the property along its frontage on Silver Avenue, First and Second streets, and on-street parking is provided along Silver Avenue.

The project is consistent with and furthers the purpose of the MX-FB zone district, which is to:

"...allow a wide range of residential, commercial, and institutional uses subject to form-based zoning controls to ensure that the buildings they occupy establish or reinforce a well-defined urban character. Sub-zones within this zone district contain form-based controls tailored to the distinct character of each area where the district is applied. Allowable and prohibited uses are specified for each sub-zone in Subsection 14-16-2-4(E)(3)(c).

The project is within the UD subzone of the MX-FB zone district, whose purpose is to:

"...allow a mix of high-density residential and high-intensity non-residential development in areas designated as Downtown or Urban Center in the ABC Comp Plan, as amended. The MX-FB-UD subzone is intended to create a compact, pedestrian-oriented urban form with uses that are served by and support transit."

DOWNTOWN PLAN GOALS



B.4. Contribution to the Downtown Plan

The proposal for 191 multi-family dwelling units and nine live/work units (255 dwelling units/acre) is consistent with the goals and policies of the Downtown 2025 MR Plan. It also meets allowable uses of the MX-FB-UD subzone contained in the IDO with construction of a high-density, 6-story building with ground floor structured parking wrapped with residential units and five floors of residential units above.

The project incorporates the following elements that make it consistent with the MX-FB-UD subzone:

- Two decks totaling 7,800 square feet will be built on the second floor, exceeding the minimum 5% Usable Open Space requirement.
- The building will occupy and exceed the required minimum of 60% of the front property line within the required 10-foot maximum front setback, starting at the corner of Silver Avenue (front façade) and Second Street.
- The street-facing façade articulation that will incorporate variations in height, setback, and materials a minimum of every 20 feet to 50 feet of façade length on the ground floor and every 50 feet to 100 feet of façade length on the upper floors.
- The 'Urban Residential Frontage' facades facing 1st Street and Silver Avenue will contain a minimum of 40% of their surface in transparent windows and/or doors, with the lower edge of window sills no taller than 30 inches above the finished floor of the building, and 30% of its surface in windows/doors on the upper floors. A similar level of articulation, materials, and detailing will be provided on the 1st Street façade.
- The structured parking will be wrapped with residential units along the 1st Street and Silver Avenue facades, with controlled access from 1st Street and the alley. Parking also will be available along the alley. Bike storage will be incorporated into the building on the second floor and above.
- Landscaped areas will meet or exceed the required 5% of the net lot area, with street trees along Silver Avenue, 1st and 2nd Streets.

B.5. Supporting Business Enterprises

A LOCALLY-GROWN TEAM

One significant source of pride for this team is that all of us – developer, architect and contractor – are locally-owned and headquartered in Albuquerque. The “local” designation runs deep into the developer’s lending institutions, the engineering design consultants and the contractor’s subcontractors.

A major member of the development team is a woman-owned business. Michele Mullen is the majority owner of Mullen Heller Architecture, which will provide all the design services for The Downtowner. Additionally, Ripe, who will provide branding services, as well as Division 10, Fairway Doors and Hardware, and Century Signbuilders who are all women-owned businesses and will be subcontractors to Insight Construction.

Almost all the companies on our team are considered “small business” as classified by the Small Business Administration.

We realize that not all projects can be developed by a team that is 100% local. Sometimes a project may require an Albuquerque office of a larger engineering firm or a subcontractor’s office that is a branch of a larger supply house. But that’s not the case here. The team we have assembled for The Downtowner is truly all local businesses. This means that **100% of the fees, tax revenue and benefits received by the development team will stay in Albuquerque.**

This team is committed to involving local, small, minority, women and disadvantaged business enterprises for as long as we are involved with The Downtowner. And we are unequivocally committed to the success of Downtown. Our Downtown.

SECTION C



TEAM EXPERIENCE

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HISTORY OF PROJECT TEAM WORKING TOGETHER

We are keenly aware of the importance of this project – ensuring a successful relationship between the City and developer, being a catalyst for economic growth downtown, creating a financially-viable housing project, and setting the standard for future public-private developments.

This development team devoted to the Downtowner has been working together for more than 15 years. During that time, we have created memorable infill projects, all of which have a housing component.

As a developer, owner and manager, Jay has been intimately involved in the entitlement, design, development, financing, management, leasing and marketing with every one of his projects through his company, Rembe Urban Design + Development, formed in 2003. This includes the development and property management of the Bricklight District, home to Bricklight Courtyards, that includes twenty-three platted properties with retail, office and 63 urban apartments units; Country Club Plaza with over 121,000 square feet of retail, office and 81 urban apartment units, and more.

The projects on the following pages demonstrate our team’s successful collaborations in Albuquerque. Most have the same development team – developer, architect and contractor. We have established a genuine rapport and we always look forward to working together on the next project. We will build upon our past experiences to successfully plan, design, and manage future projects. We like to say, “We learn from our past experiences,” and we do.

Sandia Labs Federal Credit Union has been Jay’s lending partner in the developments of nearly all his properties. Jay and Sandia Area have a long history and solid relationship in successfully financing particularly challenging projects. Additionally, in September 2020, CBRE Capital Markets led the refinancing efforts of The Franz debt with just over \$8.6 million of non-recourse Government Sponsored Enterprise “Fannie Mae” funds. As we all recognize, a trusted relationship with lending institutions cannot be discounted, particularly in today’s challenging economic environment.

We are proud of our work and the success of these projects speaks to the collaborative processes we have implemented for all team members from the first design concepts, through financing, construction, up until the doors open for residents.

COUNTRY CLUB PLAZA

BRICKLIGHT

THE STRIDER



HISTORY OF TEAM

C.1. Experience



COUNTRY CLUB PLAZA

Albuquerque, NM

PROJECT RELEVANCE

New Construction, Multi-Family, Site Analysis & Zoning Due-Diligence, Masterplanning, Programming & Pre-Design, Close interaction with user groups, Neighborhood Association (NA) Coordination and City Presentations

PROJECT TEAM

Rembe, MHA, Insight

PROJECT DATA (The Franz)

Building area: 50,319sf (+/-) 58 1-bedroom units
Community rooms & exterior plazas

PROJECT DATA (Country Club Lofts)

Building area: 34,932 sf (+/-) 23 1-bedroom units

Country Club Plaza is a 3.3-acre site in the 1700 block of Central Avenue SW that was once home of the Horn Motor Lodge. Given the site's history and potential within the Route 66 corridor, the project's primary goal was to reactivate this stretch of one of the country's most iconic streets, connecting the Downtown and Old Town corridors, and bringing a new commercial identity to this underutilized stretch of road.

Grounded on the principles of revitalization, the project focused its efforts on the adaptive reuse of the three historic buildings on site (the Horn Oil Gas & Service Station buildings and an old auto body shop), and the construction of three new buildings to complement the existing. **This mixture of old and new allows for a dynamic mixed-use development capable of generating an environment conducive to robust pedestrian and vehicular activity.** Site planning efforts sought to provide ample opportunities for interactions between an array of uses, including retail, restaurants, offices, and residential through the diverse interplay of landscaped walkways and manicured plazas.

Attributes of the site brought challenges; namely, the traffic impact, the environmental implications and hazardous material remediation concerns of developing a long-vacant site (an old gas fueling station), and, most importantly, the required upgrades to the utility infrastructure. The development is anchored by a large central plaza that is flanked by the two main commercial buildings, which house a diverse array of uses including a local brew pub, pizza parlor, salon, dental office, personal fitness training, and professional offices. These restaurant and retail activities on the ground floor dynamically interact with one another, as the residential functions look down from above.



COUNTRY CLUB PLAZA

Albuquerque, NM

The third building completed the development, becoming the focal point of the central courtyard and introducing 58 more residential units and a co-working office suite. Throughout the site, additional small patios and courtyards are generated from the interstitial spaces between buildings, and exterior balconies within the office and residential functions engage the site activities happening below in the central plaza.

Development efforts took time. **Tremendous time and effort were spent working with the neighboring residences, finessing the site design to be respectful of their community's cultural and aesthetic values, as well as creating a neighborhood hub capable of enhancing the local quality of life.** MHA worked through the City of Albuquerque Planning procedures, guiding the project through the Environmental Planning Commission, Design Review Board, and Building Permit processes. We met with the neighborhood associations many times to explain the project and answer questions. We understood the implications this project had on the adjacent community, and we worked to appease and address neighborhood concerns as they arose.

The development was designed and constructed in phases over three years and the work was completed by the same team from start to finish. This approach led to a continuity of design and construction methods and, most importantly, a standardized expectation of quality of work. To keep the project on track, all team members had to think quickly and ensure that all facets of the design were considered in their response: quality, time, money, program, and aesthetics. The team always kept the initial design intention and construction quality expectations at the forefront of their decisions. Ultimately, **the team's efforts paid off, yielding an integrated site design that is now home to some of Albuquerque's most up-and-coming businesses.**



SIMILAR PROJECTS

C.1. Experience

SILVER LOFTS

Albuquerque, NM

PROJECT RELEVANCE

New Construction, For-Sale Lofts, Live/Work Masterplanning, NA Coordination

PROJECT TEAM

Rembe, Callot + Gifford,
Enterprise Builders

PROJECT DATA

Building area: 22,300 sf (+/-)
56 units

The live/work Silver Lofts project is the catalyst and model for two additional phases of mixed-use housing that reconstituted two and one-third city blocks in downtown Albuquerque. The urban design strategy of this innovative infill project is to remake the street and the block, and re-introduce shared courtyards, and urban typology traditionally employed in this historic transitional neighborhood.

The 18 units range in size from 1,050 square feet to 1,600 square feet, and are configured around an auto-court with garages accessed off the alley. **Ground level owner-occupied work and retail spaces front onto Silver Avenue and 8th Street to create an active pedestrian streetscape.** Cantilevered metal balconies off of the main level modulate and lend scale to the building's elevations. Open tread metal stairs lead to an upper master bedroom level with an outdoor deck providing dramatic views of the city, mountains, and mesa.



RICHMOND ST STUDIOS

Albuquerque, NM

PROJECT RELEVANCE

New Construction, Multi-Family, Live/Work, Masterplanning, NA Coordination

PROJECT TEAM

Rembe, Callot + Gifford,
Chris Vigil Construction

PROJECT DATA

Building area: 7,800 sf (+/-)
8 bedroom units

The Richmond Street Studios are located in the heart of Albuquerque's vibrant Nob Hill retail, office, and entertainment district. Configured as a large south-facing courtyard building, the eight live/work studios front onto Richmond Street and a richly landscaped parking area filled with trees and crusher fines. Ranging in size from 889 square feet to 1,048 square feet, the open-plan lofts provide maximum flexibility of use, whether residential, commercial, or both. Features include tall floor-to-ceiling glass spaces, private patios, and immense cantilevered steel balconies.

A key design challenge was to create an innovative mixed-use urban building located at the edge of the street, while hiding the parking area in the rear of the building. As city code required an abundance of parking for the project, it was essential to design and disguise the parking lot as a landscaped court.



BRICKLIGHT COURTYARDS

Albuquerque, NM

PROJECT RELEVANCE

New Construction, Multi-Family,

Masterplanning, Neighborhood Association Coordination

PROJECT TEAM

Rembe, MHA, Enterprise Builders (Damien Chimenti, Project Manager, prior to founding Insight Construction)

PROJECT DATA

Building area: 41,900 sf (+/-) 46 units, 7200 sf retail

The Bricklight Courtyards is a 45,000 square-foot mixed-use infill development located in Albuquerque’s dense University Area, consisting of 7,200 square feet of retail space and 46 apartments distributed across four buildings separated from one another by courtyards.

The building massing responds to the existing fabric by presenting one-story retail spaces along the street, allowing the building to step back as it increases in height. The courtyards are undoubtedly the most outstanding features of the project by providing a secure entry to each residential unit and a direct connection with the pedestrian activity along Harvard Drive. Exterior materials and colors take their cue from the surrounding neighborhood without being trendy. Open floor plans of the apartments provide ultimate lifestyle flexibility, and include a range of materials from solid surface countertops, glass tile, wood laminate flooring, custom maple cabinets and contemporary lighting

The new mix of residential and commercial uses added vibrancy and value to the neighborhood and enhanced the urban experience by providing a great place for people to live, walk, meet, shop, and eat.

The Bricklight Courtyards has raised the standard for infill development. At nearly 60 dwelling units/acre, this project is truly **an outstanding example of collaboration between the owner, architect, contractor and neighborhood association.**



SIMILAR PROJECTS

C.1. Experience

THE STRIDER

Albuquerque, NM

PROJECT RELEVANCE

New Construction, Site Analysis & Zoning Due-Diligence, Masterplanning, Programming & Pre-Design, Close interaction with user groups, Sustainability Focus with Fitwell Certification, High-efficiency Unit Design

PROJECT TEAM

Rembe, MHA, Insight

PROJECT DATA

Building area: 90,000sf (+/-) 108 units



The Strider forges a new path into the future of multi-family housing and lifestyle opportunities for urban living in Albuquerque.

Envisioned on an existing parking lot at 109 Vassar Drive SE, the six-floor Strider marks a significant infill project for multifamily housing, adding 108 high-efficiency dwelling units to the urban fabric upon completion. Our team's vision for the Strider focuses on increasing walkability, encouraging public transportation use, and offering new definitions and opportunities of urban wellness.

Arrayed around a second level deck, the project's well designed units range from 325 square feet to 400 square feet, ideal for college students and young professionals seeking dwelling options that encourage live/work-play urban lifestyles.

Following the City's updated Integrated Development Ordinance (IDO), **the Strider expresses the urban design vision of the City by maximizing housing infill density and access to public transportation**, including the recently re-launched Albuquerque Rapid Transit line along Central Avenue. On the ground floor, a parking garage provides 41 tenant parking spaces, including reserved spaces for carpool and ridesharing, and electric vehicle charging stations. Additionally, the Strider provides ample bicycle storage for each tenant on each residential floor, encouraging cycling as one of the primary means of transportation.



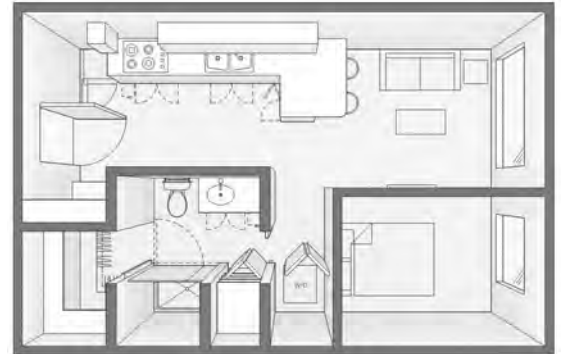
C.1. Experience

THE STRIDER

Albuquerque, NM

Community is a key value of the Strider, and the project seeks to increase connectivity, foster a sense of belonging, and develop shared experiences with a variety of on-site amenities. On the second floor of the project, a large south-facing common deck provides three sub-patios of gathering spaces for tenants, including a quiet deck, active deck, and outdoor “living room” for sharing meals. On the interior, common spaces provide small workshare office spaces, meeting rooms, and reading nooks. A central fireplace serves as the hearth of the Strider community. A large gym opens out onto the active deck, providing exercise equipment and yoga areas.

Values of community, active urban lifestyles, and on-site amenities fold into the Fitwel Certification the Strider is pursuing. Fitwel Certification integrates design and management strategies developed by the Centers for Disease Control to prioritize resident health and wellness, and promote leading sustainability policy that connects the project to the larger community. Energy-efficient heating, cooling, and hot water systems reduce on-site energy demand at the source. And a large solar PV rooftop array will offset a significant amount of the project’s energy demand. **With Fitwel Certification, the Strider signals to both residents and the larger community that health and wellness for both people and planet act as strong guiding principles as the Strider takes new steps into the future of urban living.**



The Strider - Typical Unit Plans

RECENT AWARDS *As a Project Team*

Country Club Plaza
2018 & 2019 Urban Design Merit Award - ENR Southwest Region

The Franz @ Country Club Plaza
2019 NAIOP Eagle Award of Excellence - Residential

Country Club Lofts
2017 NAIOP Award of Merit - Residential

Offices @ 1718 Central
2016 NAIOP Award of Merit-Office

Amore Neapolitan Pizza & Vino
2017 NAIOP Award of Merit - Retail

Lobo Shops at Central Avenue
2017 NAIOP Award of Merit - Retail

5Star Burgers
2015 NAIOP Eagle Award of Excellence - Renovation

Vinaigrette
2013 NAIOP Award of Merit-Retail

Aveda Institute
2012 AIA Albuquerque
2012 NAIOP Eagle Award of Excellence - Retail

Bricklight Courtyards
2012 NAIOP Eagle Award of Excellence - Mixed-Use
2012 AIA Albuquerque Honor Design Award



SIMILAR PROJECTS

C.1. Experience

ANASAZI

Albuquerque, NM

PROJECT RELEVANCE

New Construction, Mid-Rise Building, Multi-Family & Mixed-Use, Parking Structure,

Site Analysis & Zoning Due-Diligence, Close Interaction with the City of Albuquerque

PROJECT TEAM

MHA, AIC General Contractors

PROJECT DATA

Building area: 88,000 sf +/-, 9-stories 45 units

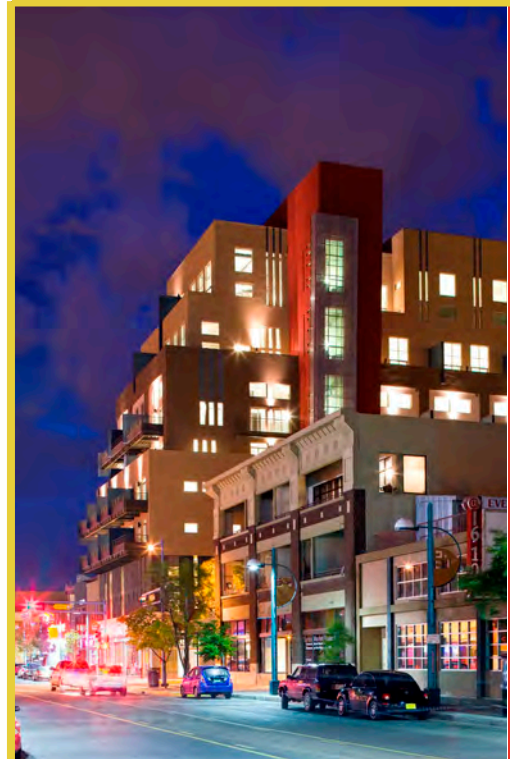
Anasazi Downtown, located on the southeast corner of 6th Street and Central Avenue, is one of the largest projects in downtown Albuquerque in the last several years, and is the only mid-rise building constructed in the last decade within the city's urban core. The 9-story, 88,000 square foot multi-use project played a big role in current downtown redevelopment and rejuvenation efforts. The building houses retail spaces on the first floor, two levels of parking garage above, and is capped with 45 residential units on the next 6 levels (with the top 3 levels containing additional mezzanine loft areas).

Mullen Heller Architecture was hired in 2004, to investigate the site and make recommendations on the optimum number of residential units and on-site parking spaces. Given the scope and scale of the project, there was a significant coordination effort with existing utility infrastructure within the downtown core, including PNM and the City's water department. As the design progressed, MHA held bi-weekly meetings with the City of Albuquerque's Building Department to ensure a smooth permit review process and an efficient construction phase.

The inspiration for the exterior massing and materials is derived from New Mexico's rich cultural history. **The stepped facades and outdoor balconies are reminiscent of "pueblo style," buildings, while concrete panels, stainless steel accents and various exterior stucco colors reflect Route 66's eclectic context.**

The complexity of this project cannot be overstated. While individual detail was given to each retail and residential space, the coordination of interior utility routing while adhering to all building codes, including accessibility and egress, took rigorous project management attention.

In 2008, in the midst of the economic crisis, funding for the project halted. Construction stopped immediately and the building was left vacant in an 80% complete state for 6 years. During this period, weather and vandalism took a toll on the structure. However, in 2013, the property was bought and Mullen Heller was hired to see the project through completion. An entire building analysis was performed by MHA and its consultant team to determine what upgrades and incomplete items were remaining. Many client meetings were held to determine the "new look," including the final exterior and interior finishes. Today, Anasazi stands tall amid the fabric of downtown and is home to 45 residents and a Charter School.



SIMILAR PROJECTS

REMBE URBAN DESIGN + DEVELOPMENT

Rembe Urban Design + Development with its in-house leasing and management firm, Rembe Properties LLC, is an award-winning local infill design and development firm that is focused on providing exceptional urban design in Albuquerque. In the last five years, the firm has primarily focused its efforts on renovating and re-purposing one-of-a-kind, neglected buildings located on Historic Route 66/Central Avenue and in the city's urban center. Part of this effort included larger master-planned, mixed-use infill projects that combined the design and development of new buildings in conjunction with re-purposing existing historical buildings on the same site.

Our passion and interest is to focus on place-making in urban, walkable locations that have a unique history. We want our projects to make a fundamental difference in the neighborhoods they are in. We are not a large firm and prefer to focus on quality rather than quantity because we believe each project deserves our full attention. This attention to detail is what makes our projects so special and rewarding.

Jay Rembe

Rembe Urban Design + Development, CEO & Founder

A native New Mexican, Jay Rembe has over 25 years of experience in the New Mexico commercial and residential real estate industry. He began his career as a commercial real estate broker with CB Commercial in 1993 where he specialized in retail brokerage. In 1997, he joined Maestas and Ward Commercial Real Estate as a partner, where he continued to specialize in tenant/landlord representation and investment opportunities. In 2001, he created Infill Solutions Urban Design and Development which in 2012 merged into rembe urban design and development.

Through his related development and operating entities, Jay has developed and managed over \$80 million worth of properties since the early 2000's. So many of these properties presented huge challenges however with Jay's positive attitude, financial resources, continual grit and "never say never" attitude along with knowing how to assemble the right team for each project, he is able to overcome and create some of the best and well designed buildings in locations that need a boost. He fully recognizes that he can't do it by himself and thus works hard to maintain and foster all of his personal, business, neighborhood and city relationships.

The other big part of their success as developers and owners of many different buildings, is that they chose to manage all our projects internally rather than hiring a third party management. **"From my experience, we will always do a better job because our customers and our projects our priority. It is important to me that me and my people understand our product, understand our customer and we do everything in our power to make their stay with us memorable."**

When his firm was smaller, he did most of the management and leasing by himself, however now he continues to add strategic members to make sure he can continue to offer the best service. **"Although I may not be doing the day to day management duties, I strategically located my office in the heart of Country Club Plaza in the Franz so that I can be available to my tenants and to make sure we continue to offer the best service and build community. It is important to me and I recognize you can never rest on your success but rather continue to work on being better."**



JAY'S AFFILIATIONS:

- Founding board member, ULI New Mexico
- Board chairman of Los Poblanos Inn and Cultural Center
- Qualifying broker at Rembe Properties
- Co-President for West Downtown Business District
- Committee board member for DPM Executive Committee for City of Albuquerque
- Albuquerque Railyard Advisory Board member
- Member of the selection committee for Albuquerque downtown grocery store RFP
- Member of the selection committee for the El Vado Motel on Central Avenue
- Former trustee at Bosque School



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C.1. Experience

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REMBE URBAN DESIGN + DEVELOPMENT

Heather Gallegos

Rembe Urban Design + Development & Rembe Properties, Director of Operations

Heather joined rembe urban design + development in 2017. Her extensive experience in finance, project management, and customer service is central to the firm's successful fiscal management, precise budgeting and planning, rigorous project oversight, and property management. She received her Bachelor's degree in Business Administration with a major in Finance from the University of Arizona. Heather was Senior Partner with Rocky Mountain Group LLC where she worked as a consultant for rural hospitals, county and tribal governments, and non-profit organizations.

Heather expertly manages all aspects of banking requirements for credit lines, draws for construction projects, and all the demanding day-to-day operations of a multi-faceted development firm. As director of operations, she manages all tenant leasing, maintenance and security matters of multiple commercial and residential properties. She oversees the leasing manager and maintenance personnel, to ensure that all properties are maintained at the highest level and all leasing and tenant activities are provided with the utmost professionalism and a personal touch to create welcoming communities people want to call home.

Micaela Ethridge-Lane

Rembe Properties, Leasing, Marketing, & Community Liaison (The Franz)

Micaela joined the Rembe team in 2020. She graduated from UNM in 2015 with degrees in English and Multimedia Journalism. **She has extensive retail customer service, marketing, and management experience** and continues to work as the branch manager and events coordinator for Right as Rayne. Michaela's duties include marketing units, providing tours, scouting lessees, scheduling maintenance, managing social media, and organizing community events.

Teri Shaffer

Rembe Properties, Leasing, Marketing, & Community Liaison (Bricklight Courtyards)

Teri became a part of the Rembe team in 2018 when she took over the leasing and marketing responsibilities for the Bricklight Courtyards. Teri brings over 30 years of experience of working in the apartment industry and in all aspects ranging from leasing, assistant management, community management, training/teaching, and leasing build-ups. **She truly enjoys the human aspect of property management** and quickly becomes a friendly face and an important asset to each community she helps manage.

Alfred Chavez

Rembe Properties, Senior Facilities Manager

Alfred joined the Rembe team in 2019. He has 33 years' experience with Albuquerque Public Schools in the maintenance and operations department. He also owns a landscape maintenance business, Maya Maintenance. Because of his extensive experience and expertise, **Alfred has helped raise the level of quality and efficiency** in response to tenant work orders, quarterly and annual preventative maintenance, timely and thoughtful unit turns, and routine property assessments to ensure property safety and maintain high quality multi-use properties. Alfred's positive personality creates a welcoming community that tenants appreciate, especially when they need help with work orders.

Wiley Romero

Rembe Properties, Facilities Manager

Wiley is a new addition to our service team, a retired maintenance person with APS who **has more than 40 years of experience**. Wiley provides support for Alfred, and serves as the day porter, making sure that the property looks its best by keeping it free of trash, maintaining the landscape, cleaning common areas, and tending to overall property up-keep.

C.1. Experience

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MULLEN HELLER ARCHITECTURE P.C.



The Mullen Heller Team (From left to right):
Antolin Gervacio, Michele Mullen, Madie Wickstrom, Danielle Welch, Lyric Fuentes, Doug Heller, Megan Pavelko, Sandy Johnson (Not Pictured: Darlene Cabeza de Vaca & Keenan Boliek-Poling)

Mullen Heller Architecture, PC was established in March 2001. The firm principals are Michele Mullen, AIA and Douglas Heller, AIA. They have extensive experience in a variety of project types in the public and private sector. So, after moving to Albuquerque in 1992, Doug and Michele practiced with other established firms until 2001. While with those firms, Michele and Doug came to realize that a design practice that was not only talented but also focused on customer service was missing in New Mexico. That became the impetus for starting Mullen Heller Architecture. Michele and Doug's experiences complement each other, as Michele has extensive experience in the public sector, while Doug's experience in the private sector has been focused on fast-paced projects with tight budgets.

We at Mullen Heller Architecture embrace every client's specific needs to create memorable spaces that enhance the built environment and respect the natural world in which we live.

Mullen Heller Architecture is a collaborative team of energetic architects and critical thinkers who thrive on the challenges of architectural, interior, and site planning design, always with our eye on the beautiful. Our firm has worked with clients in the private and public sectors to craft spaces throughout New Mexico and the Southwest. We have a depth of experience in a variety of project types of all shapes and sizes. We welcome any test to conventional wisdom and relish the opportunity presented by a project with a twist.

Principals

Michele M. Mullen, AIA
Principal & President

Antolin Gervacio
Intern Architect

Douglas Heller, AIA
Principal & Vice President

Megan Pavelko
Intern Architect

Administrative Staff:

Danielle Welch
Business Manager

Lyric Fuentes
Intern Architect

Design Staff:

Sandy Johnson, AIA
Project Architect

Madie Wickstrom
Intern Architect

Darleen Cabeza de Vaca
Project Manager

Keenan Boliek-Poling
Intern Architect

MHA RELEVANT PROJECTS WITH SIMILAR DESIGN COMPONENTS

MULTI-FAMILY

- The Franz (58x1-bedroom units)
- Country Club Lofts (23x1-bedroom units)
- Bricklight Courtyards (46 units)
- Anasazi Residences Downtown (45 units)
- Hope Village (42 units)

MULTI-PURPOSE & COMMUNITY

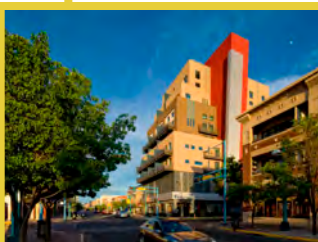
- Our Lady of Belen Social Hall & Dining Area
- Sandoval County Exhibit Hall & Multi-Purpose Room
- Unitarian Church of Los Alamos Fellowship Hall
- First Unitarian Church of ABQ Social Hall

CITY OF ALBUQUERQUE

- Eastside Animal Shelter Kennel D Renovation
- Various On-Call Improvements since 2015
- Upcoming Gateway Center

BERNALILLO COUNTY

- Route 66 West Central Visitor Center
- Metropolitan Assessment & Treatment (MATS) Detox Center Renovation



C.1. Experience

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MULLEN HELLER ARCHITECTURE P.C.



Doug Heller

AIA, LEED® AP, NCARB, NM #2827, NV #4533, AZ #48918

MHA Principal-in-Charge | Design Team

When Doug opened the doors to Mullen Heller Architecture with Michele in 2001, the idea was to provide creative solutions to each client's set of specific needs. That simple guiding tenet is still held dear today. Doug's ideal collaborative process is one of listening to all participant voices, exploring options, and finding the optimum solution for a thriving and enduring space.

Doug is a strong leader and has been helping clients succeed in their vocations and business endeavors for years with his energetic problem-solving style. He has extensive experience in working with and coordinating multiple consultant teams and has helped bring to life Rembe Design's projects since 2012. His ability to graphically present big-picture ideas and at the same time think of the little architectural details has been put to use time and again for clients from all walks of life. His understanding of what it takes to succeed in architectural projects includes expertise in municipal planning processes and negotiations with all project stakeholders.

We understand The Downtowner will involve expertise from numerous consultants and input from multiple stakeholders. Doug is familiar with City processes and is adept in appropriate due-diligence procedures, facilitating review sessions, design meetings with neighborhood groups and the project stakeholders at large.



Sandy Johnson

AIA, LEED® AP BD+C, NCARB, YAF, ULI, NM #5460

MHA Project Architect | Design Team

Sandy has brought her creative vision to Mullen Heller Architecture since 2012. Since her first day on the job, she has played a major role on the design teams for Rembe Design's projects, including the Country Club Plaza development.

Sandy has been helping her clients fulfill their architectural ambitions with her enthusiastic design methods. Sandy understands the importance of the collaboration required for successful projects. She works diligently to keep the client, building users, and consultants engaged and informed throughout the design process. Her ability to three-dimensionally craft ideas while at the same time push the boundaries of conventional construction enhances each of her projects. She flourishes in exploring new design approaches but stays grounded to the original principles of architecture: form and function.

She loves to design spaces centered on social interaction, environmental stewardship, and community engagement, such as the Country Club Plaza, Los Alamos Nature Center, and Bow & Arrow Brewing. From the first sketch to the day a building opens its doors, enjoying a well-designed space with thoughtful neighborhood impact is what she strives to do.



Michele Mullen

AIA, LEED® AP, NM #3488, TX #14168

MHA Principal |Quality Control

Michele has led a number of public projects involving intricate building systems analysis and developing multiple complex solutions. Mullen Heller is organized so that one principal serves as the client contact for each project while the other principal serves as the Quality Control Manager. Michele has reviewed all of Doug's projects that have gone out for public bid to make certain that the documents are thorough and accurate. These reviews have given Michele the intrinsic knowledge that ensures a complete and thoughtful review for these types of projects.

C.1. Experience

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INSIGHT CONSTRUCTION

Insight Construction is an Albuquerque-based general contracting company that formed in 2008 to serve New Mexico's commercial construction market. Since its founding, Insight has forged strong relationships in Albuquerque and throughout New Mexico with its strong track record of successful projects ranging in size and scope throughout our state.

With specialized experience in medical, industrial, retail and multi-family construction projects, they bring a diverse skill set capable of meeting the demands of each construction project they take on. In addition to project management services, Insight Construction self-performs rough and finish carpentry, millwork and cabinetry, steel erection and fabrication trade work on our projects.

Their team of 44 full time employees is dedicated to the common goal of a safe and organized work site, superior workmanship, and of course on-time and on-budget performance. It is through these individuals that their clients, architects & engineers, subcontractors and suppliers, building inspectors, lenders and all stakeholders experience the highest level of service and dedication to the common goal of the construction build.

Insight Construction was the general contractor for all of the buildings at Country Club Plaza and is currently providing construction estimates for the 90,000sf Strider multi-family project. Additionally, Damian, which with another construction company, serves as the project manager for the BrickLight Courtyards.

LEADERSHIP TEAM

Damian Chimenti, President

GB98 License Holder, LEED AP, OSHA 10, 22 Years in Commercial Construction, BS University of Oregon

David Brown, General Superintendent

GB98 License Holder, OSHA 30, ABC, 33 Years Commercial Construction

DJ Sonnenberg, Senior Project Manager

GB98 License Holder, OSHA 30 28 Years in Commercial Construction

Robert Boulter, Senior Superintendent

GB98 License OSHA 30- 17 Years Commercial Construction

John Rescate, Senior Superintendent

OSHA 30- 28 Years in Commercial Construction

Lisa McClaren, Controller

20 Years in Construction and Financial Related- Waylen Baptist University

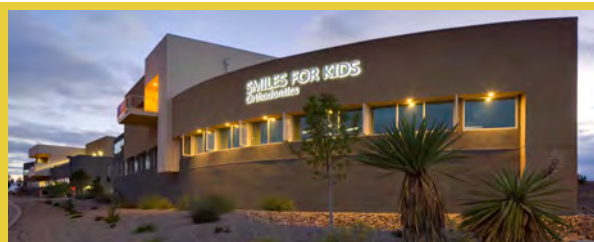
Damian Chimenti General Contractor

President, Insight Construction

LEED® AP, OSHA 30 Training, CID GB98 License #395449

Damian's drive and determination have taken a small startup construction company and created a multi-million-dollar construction company in 10 years. **With a reputation for excellence in the state of New Mexico, his focus on providing premier customer service at an affordable value has propelled this company to its current success.**

Damian has estimated and managed projects ranging in size from a few thousand to over \$10 million. Damian is also a LEED accredited professional, with direct experience on LEED certified projects from planning through contract closeout.



C.1. Experience

*This page is excluded from the total count as it is included under the team Resume requirement.

OTHER TEAM MEMBERS



Dan Cover **Financial Lender**

Sandia National Laboratories Federal Credit Union, Vice President

Sandia Labs Federal Credit Union is the best local lender in NM. When we lost many of the community lenders after the residential home crash and recession in 2009, Dan Cover with Sandia Labs Federal Credit Union stepped in to fill in this void. Since then, Dan and Sandia have financed almost all of Jay's projects with approximately \$65 million in loans. Sandia is a lender that understands relationships and understands their borrower's expertise and capacity.

Sandia has a local loan committee so all decisions are made here, which is important because they know who they are doing business with. They are extremely loyal and completely reliable. If they are comfortable with the borrower as they are with Jay, they will allow for a 10% development fee, 30-year amortization, no prepayment penalty and will roll in the construction loan into a perm loan with no other fees. More importantly, they are willing to lock the construction rate and perm rate so that there is no interest rate risk with the project. Saying that, they will not only be the most competitive but if the project allows, they will always be Jay's go-to lender.

SLFCU committed to financing for both the Clyde with \$5,837,705 and Strider at \$13,050,000 & \$1,340,000. All equity has been provided for both projects.



Peter Gineris **Financial Lender**

CBRE Capital Markets

Peter Gineris with CBRE Capital Markets is another resource Jay has utilized for several projects. After Dan Cover financed the construction loan for Bricklight Courtyards, Jay refinanced that project through Peter and CBRE with HUD financing. The process is long, cumbersome, and frustrating, but at the end of the day, if you can get HUD financing, it is worth it for a variety of reasons. One, the interest rate will be at least 1% to 1.5% lower than another lender, which for this project will save hundreds of thousands of dollars. Two, depending if it is a new construction loan or refinance, the amortization will be 35 to 40 years. Lastly, and probably most importantly, both the construction and refinance loan are non-recourse. These deal points help make a project pencil and greatly limit the risk.

The second loan with Peter was a recent refinance of the Franz construction debt provided by Dan and Sandia Labs Federal Credit Union. This was for approximately \$8.6 million and was done for Fannie Mae. The finance terms were tremendous as we achieved a rate of 3.19% for 12 years, 5 years I/O amortized over 30 years. Due to COVID-19 we were required to put \$440,000 into debt service reserves which will be released after 1 year of operation.

C.1. Experience

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OTHER TEAM MEMBERS

Verdacity, LLC | LEED® Design Specialist

Sustainability Consultant

Kris Callori, RA, LEED® Fellow

Verdacity is a sustainability consulting firm that helps bring high-performance buildings to life through innovative approaches to energy, water, and resource conservation, as well as interventions that support occupant wellness.

Verdacity's extensive portfolio features many firsts in green building history (including the first LEED certified building in New Mexico) and groundbreaking implementation of the latest social, health, and building science frameworks.

Kris is an Architect, LEED Fellow, WELL AP, Fitwel Ambassador, Guiding Principles Compliance Professional, Green Globes Professional, Building Enclosure Commissioning Provider, Biomimicry Specialist and Founder of Verdacity, LLC. **As a member of the first class of LEED Fellows, Kris was recognized to convey established leadership, mentorship, advocacy and technical expertise in the green building industry.**

As noted earlier with The Strider, Kris will lead the Fitwell Certification of The Downtowner which will have an underlying goal of physical and mental health for all residents.



Todd Clarke Multi-Family Consultant

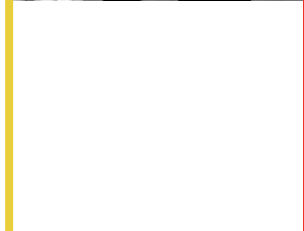
NM Apartment Advisors, Inc.
CCIM instructor

Todd Clarke is a 2nd generation CCIM, a fourth generation native New Mexican and commercial Realtor. Prior to being Realtor of the year, Todd was co-founder of Commercial Association of Realtors in NM, and has been an award winning international instructor for the CCIM institute – opening up the eastern European and Chinese markets for commercial real estate education. Todd has over 30 years experience and in the last dozen years, he has taught over 4,000 students in 173 courses, a half dozen of which he has authored.

For the last 26 years he has focused his brokerage efforts on apartments in the southwest and he has listed and sold over 10,000 units.

As a consultant, he has handled thousands of property tax protests, in excess of two billion dollars, winning 97% of his cases with an average reduction of 27%.

His consulting company has worked on projects like the Old Albuquerque High School Lofts and the all three phases of the ABQ uptown lifestyle center as well as assignments across the country. Current efforts are focused on tapping into the millennial housing market.



Chris Pacheco Legal

Of Counsel Lastrapes, Spangler, and Pacheco, PA
CEO and General Counsel for Titan Development

Chris has extensive experience in real estate, construction, development, complex financing, complex entity formation and structuring, and taxation. **He has a proven ability to negotiate, structure, and consummate complex multi-million dollar transactions.**

In addition, Chris is well seasoned in all aspects of multi-family residential projects, making him a valuable team member.

Chris was instrumental in representing the Rembe family in securing a \$10 million Bernalillo County Industrial Revenue Bond for the Los Poblanos Inn expansion. Most recently, Chris helped in obtaining a Metropolitan Redevelopment Bond for The Franz, as well as reviewing the complex Fannie Mae loan documents for that project. He will continue his invaluable legal representation with The Downtowner.



C.1. Experience

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OTHER TEAM MEMBERS



Consensus Planning (CP) Public Engagement & Landscape Architecture

Chris Green, ASLA, Principal & Landscape Architect, NM#LA234
Jackie Fishman, AICP, Principal & Planner

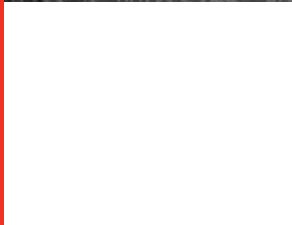
Consensus Planning, Inc. is dedicated to providing the highest quality land planning, public engagement, and landscape architecture services to the public and private sectors throughout the Southwest. 'Consensus' building through public involvement is the source of their name.

The principals of the firm have facilitated hundreds of public meetings since the firm's inception. Their planners are trained in public meeting facilitation, and are accustomed to conducting workshops, presentations, and formal hearings with participants having divergent views on sometimes contentious issues.

Mullen Heller and Consensus Planning have a successful history of collaboration on many projects, with CP providing both planning and neighborhood coordination as well as landscape design services.

Chris Green Landscape Architect and Principal, **designs outdoor environments where the landscape is an extension of the interior and creates outdoor spaces to accommodate a multitude of community functions.** He selects hardscape materials and plant palettes that are appropriate for the climate and clientele which result in sustainable and welcoming exterior environments. He collaborated with MHA on the award-winning Hope Village and Country Club Plaza.

Jackie Fishman, Principal, is a skilled urban planner and community facilitator. She has led the public involvement charge for many of Mullen Heller's recent projects, most notably Hope Village, spearheading the coordination and facilitation of over a dozen meetings with key stakeholders and those interested in the project. Over the past two years, she has ensured that communication for Hope Village was maintained with the four adjacent neighborhood associations and provided full and accurate information at key milestones in the planning process. Her efforts helped the project move forward at a consistent pace and with few challenges with the neighbors.



Ripe Inc. Branding, Website, & Social Media

Len Romano, Business Development & Operations, Co-Owner
Donna Romano, Creative Director, Co-Owner

Ripe is a highly specialized, boutique brand design firm located in Albuquerque, NM. Owners, Donna & Len Romano, lead a team of talented designers and top-notch creative & technical specialists. **They have over 20 years under their belt, working with hundreds of clients in dozens of industries, and have won numerous local and national awards for design excellence along the way.** They help clients take their business to a higher level of success by realizing the untapped potential of their brand to boost business. Consequently their work allows them the opportunities and resources to give back to our community and help make Albuquerque a better place.

Their creative services are built around the reality that branding is part of everything you do – from how a company thinks about themselves and builds a company culture, to how they develop products and services, and ultimately how they engage customers, peers and the community to craft unforgettable brand experiences at every touchpoint.

Immersing themselves in their client's business is an adventure. One that is full of curiosity, intrigue, romance, solar rays, and perhaps some rainy days. It's a commitment they take seriously, albeit with a good dose of humor.

Ripe provided branding services for Country Club Plaza, which have become immediately identifiable with the innovative development. Ripe will, also, provide the same one-of-a-kind recognizable branding for The Downtowner. From logos and marketing material to the project website, The Downtowner will project an image of the 'place to be' when choosing a downtown residence.



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SECTION D

DESIGN



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D.1. Conceptual Design

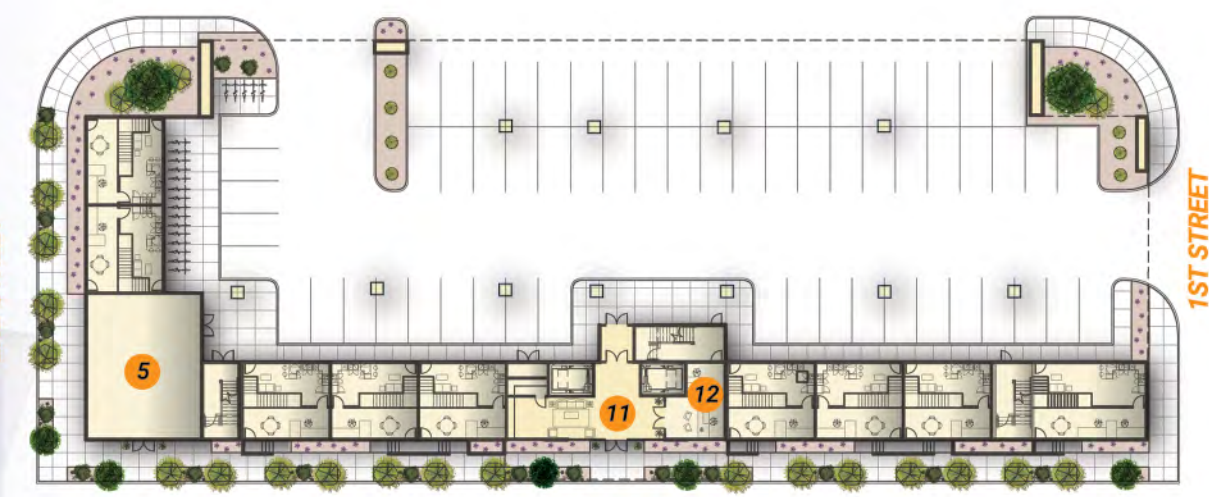
THE BIG IDEA

The Downtowner is much more than a building – but rather a catalyst to help complete this vacant corner and invigorate new life into this area of downtown. It's no surprise to anyone reading this proposal that despite the past encouraging efforts of the Imperial, Casitas de Colores, and Silver Gardens developers; the intersection of First Street and Silver Avenue can be quite problematic. The corner currently invites a mixture of downtown residents, daytime professionals, and the unhoused. The Downtowner will bring with it high-design and 24-7 activity, emphasizing the "pedestrian first" and "eyes-on-the-street" mentalities. The increased density of the building, offering 200 residential units, will also bring 200 more residents to this corner, bringing with it **the energy and vitality to further enliven, enrich, and empower Albuquerque's downtown.**

The Downtowner takes inspiration from a cross-pollination of contemporary massing and crisp lines and a post-modern color palette. Configured as a six-story podium building, the project will incorporate a 14' high ground level to include a corner neighborhood café, residential entrance with lobby, a variety of live-work units, and structured parking. The live-work units are essential to the program of the building, providing both active storefronts to engage the street, but also continuous occupation of the ground level, day and night. To emphasize the base of the building, robust materials of cast-in-place concrete and metal panels will blend with a vast array of glazing. The glazing will serve as a communicator between the activity of the interior of the building to the energy of the street, advertising the savory offerings of the café to the individual gallery, retail, and professional spaces of the live-work units. The live/work units will be raised 18" above the ground level to allow for entry stoops, creating a friendly 'porch' at each to further captivate the street. Ample street trees and landscaped parkway strips complete the ground level experience, introducing a variety of textures and scales to soften the hardscape and create a welcoming, walkable atmosphere. Parking and services are accessed from the alley, adjacent to the existing Gold Avenue parking structure. The overall ground-level design creates a streetscape focused on elevating the pedestrian experience.

The building comes alive as you move vertically to the 2nd level, where the interior community spaces, café dining mezzanine and patio, and two large community courtyard decks afford nearly half of the building footprint and sit perched above and projecting over the street below. Albuquerque offers one of the most desirable climates, with nearly 300 days of beautiful sunshine. The Downtowner provides a community deck unparalleled by any other project in town, complete with a shaded overlook balcony, outdoor living rooms, serenity lounge with pool/fountain, turf court for bocce ball and croquet, and a sunbathing deck. Interior community amenities are centrally located to access both exterior courts, including an entertainer's kitchenette, dining area, living room, raised gaming area, an internet café, and a handful of co-working/study rooms. Residential units located on this floor wrap the central community hub and dual courtyard decks, providing both privacy and access to this amazing exterior amenity.

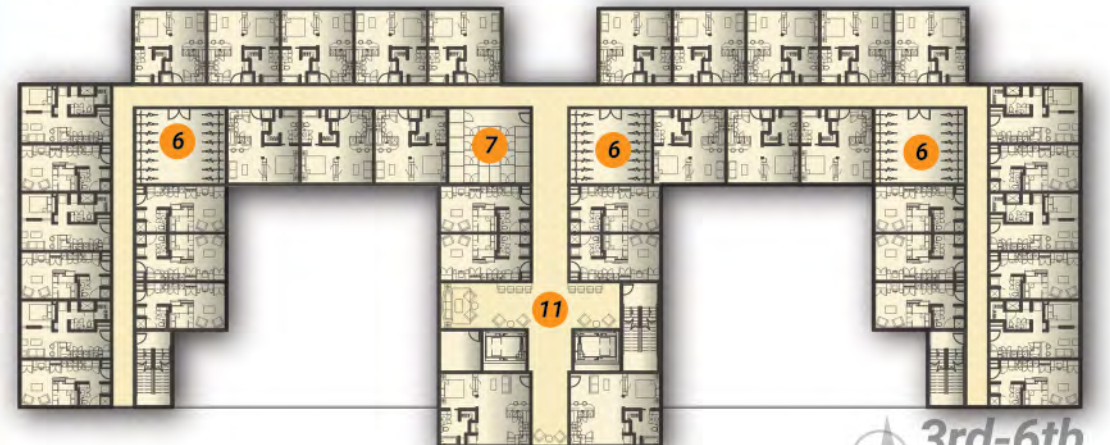




1st FLOOR



2nd FLOOR



THE DOWNTOWNER

enlivening, enriching, & empowering Albuquerque's downtown

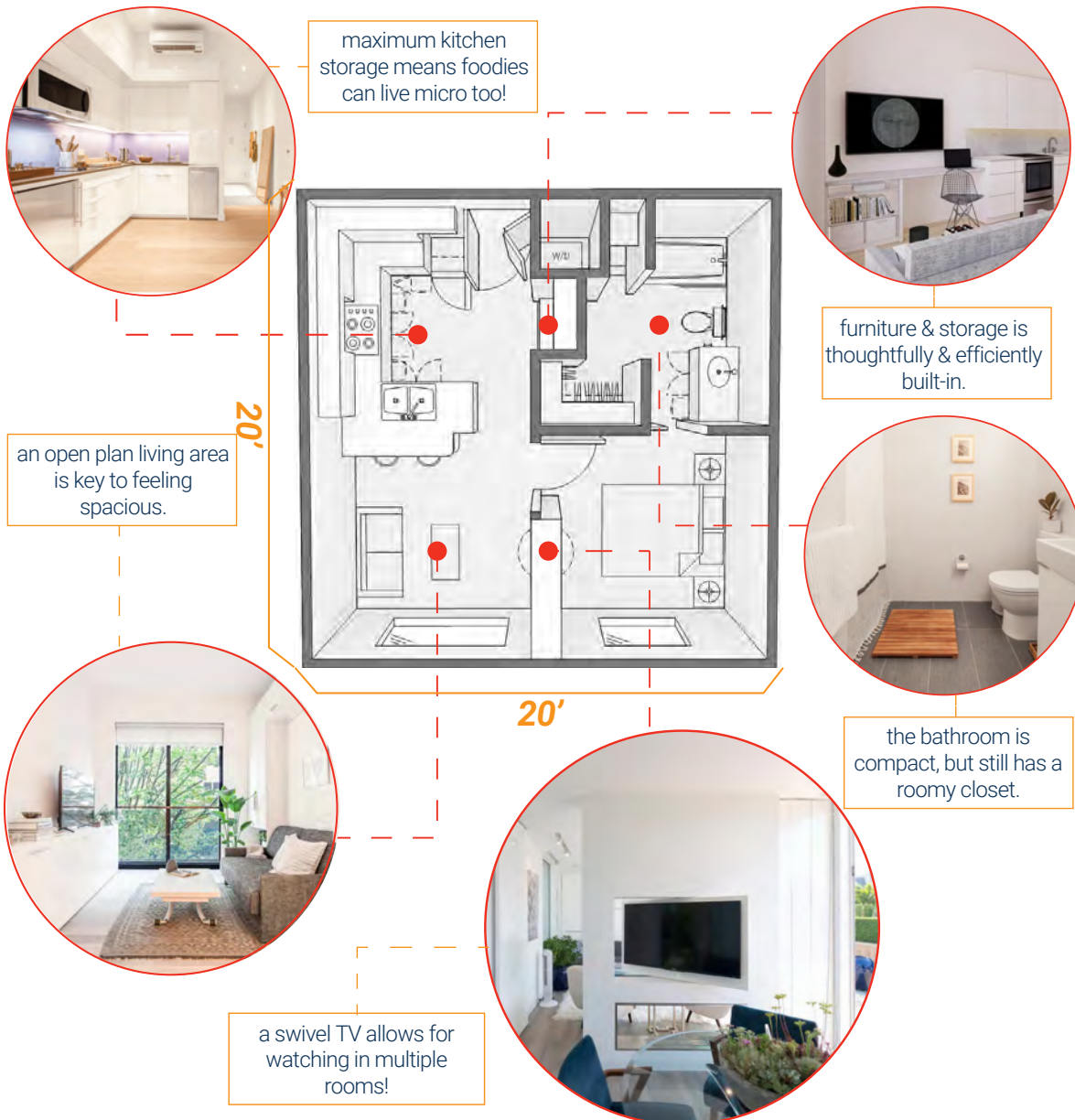
D.1. Conceptual Design

The upper levels house the remaining residential units, organized with double-loaded corridors wrapping the exterior courtyards below. This affords each unit the opportunity for floor to ceiling doors/windows for both plentiful exterior views and lots of natural light. Corner units incorporate walk-out balconies, helping to accentuate these features on the façade and create more memorable spaces. Generous secure bike storage and storage units are also located on each upper floor.

Each unit in The Downtowner is thoughtfully designed to maximize space and provide the ultimate urban atmosphere.

These small apartments embody the spirit of tiny home living, only located within the City's core and with all of the amenities you could hope for. They feature an open concept plan where a bedroom, living space, and kitchen blend together and are accentuated by high ceilings and oversized windows to make them feel larger than they really are.

the art of **MICRO-LIVING** in 400 sf



CONCEPTUAL DESIGN

ZONING

The project is envisioned and designed to “fit like a glove” with the existing plans, goals and policies, and regulatory requirements for this property. As such, a **zone map amendment is not needed** to accomplish the project. The Integrated Development Ordinance (IDO) provides that properties zoned Mixed-Use Form-Based Zone (MX-FB) can proceed forward with a Site Plan-Administrative through the Planning Department’s Building Permit Division as long as the proposed project is consistent with the development standards contained in the MX-FB Zone District. This compliance with the existing zoning will allow the project to move more quickly through City channels, and mitigates delays that can occur when seeking a zone change.

“The purpose of the MX-FB zone district is to allow a wide range of residential, commercial, and institutional uses subject to form-based zoning controls to ensure that the buildings they occupy establish or reinforce a well-defined urban character. Sub-zones within this zone district contain form-based controls tailored to the distinct character of each area where the district is applied.”
-IDO Section 2-4(E)(3)

This project’s ethos and goals align incredibly well with the defining principles of the MX-FB zone district. Encompassing residential and commercial uses along with an unwavering pride for the existing neighborhood character, this project respects the existing zoning intent. The team will refer to these guidelines throughout the design process, with the aim to create an exemplary Mixed-Use Form-Based project.

D.3. Parking

PARKING: WHO NEEDS IT?

One of the primary goals of this project is to cater to residents who are committed to sustainability through the use of alternative methods of transportation. Whether residents choose bicycles, ride sharing, or public transportation, The Downtowner will incentivize and encourage these alternative means.

This site is at the convergence of multiple transportation options, with the city’s bus system at the forefront. As noted in the Market Demand, the Central Avenue corridor is home to multiple work, play and entertainment options. The Downtowner, is uniquely positioned to house more than 200 individuals who will utilize the ART system and other buses that travel Central Avenue and surrounding streets.

With that, the total number of parking spaces required for this project is 0 as there is no parking requirement in the ‘UD’ subzone. The total number provided is 64.

To supplement the provided vehicular parking, The Downtowner will also provide other options that support alternate means of transportation:

- **State-of-the-art and secure bicycle storage will be provided on each level of the building, with one bicycle space per dwelling unit that exceeds IDO requirements.**
- **A ‘ride sharing’ vehicle will be provided by the developer for residents’ use and will have a designated space in the parking structure.**
- **An electric vehicle charging station will be provided in the structure.**

With the convergence of continued sustainably, the millennial generation and the current COVID situation, many of us are working from home. It appears that this may be more permanent than thought a year ago. While it may take longer for parking regulations to catch up with how the world has changed recently, private developers can provide alternatives much quicker to respond to these trends. The Downtowner will be on this leading edge.

The total number of required parking spaces for the proposed project = 0

Parking spaces provided =

64 on-site parking spaces

14 on-street parking spaces

200 bike storage spaces



D.4. Energy Efficiency

GO GREEN: MAKING DESIGN SUSTAINABLE

Sustainability is universally expected in all new buildings. While traditional energy conservation methods such as passive solar heating and cooling are fantastic design processes that take advantage of natural resources to save energy and water, great design also considers the health and well-being of the building occupants to meet project sustainability goals.

The project team recognizes the health, environmental, and economic benefits of sustainable design and incorporates these practices into our designs wherever possible. For The Downtowner, the project team proposes to design the building to meet the criteria of both the LEED® and Fitwel® certification systems. We understand the importance of both certifications to **facilitate well-performing building envelopes; utilize efficient mechanical and electrical systems; and foster interior and exterior environments conducive to the increased well-being of building occupants.**

The project team includes a variety of sustainability accredited professionals. We are well-versed in the LEED® and Fitwel® rating criteria for new buildings and interiors and find them to be an extremely useful tool.

We recommend the following sustainable methods for The Downtowner:

- Orienting the building to take advantage of natural light, solar heat gain, and natural ventilation patterns.
- Incorporating shade structures, light shelves, framed overhangs, and fin walls to control sunlight and solar heat gain.
- Meeting the water conservation criteria by specifying plumbing fixtures with reduced water flow rates; thoughtful xeriscaped landscaping, and incorporating rain water catchment systems for zero potable water use for irrigation.
- Thoughtful mechanical design to provide increased ventilation and highly efficient units with economizers
- Specifying recycled, rapidly renewable, and regional materials.
- Implementing thermal and lighting controls to minimize energy loads during non-occupied hours.
- Specifying low-VOC paints and adhesives for a healthy interior environment.
- Employing windows and innovative glazing systems to capture natural light and harness views to the exterior for occupant comfort.
- Encouraging healthy activity of building occupants by designing vertical circulation systems to be friendly, with interesting architectural elements, vibrant colors, and increased daylight.
- Incorporating energetic program elements to facilitate community building (shared living rooms, reading areas, community kitchenette, exterior plazas and decks, etc.)

JUST A FEW OF MHA'S LEED CERTIFIED PROJECTS



2015 LEED® Gold

Los Alamos County
Nature Center



2013 LEED® Platinum

First Unitarian Church
of Albuquerque



2013 LEED® Gold

Cibola County
Family Health Center

CRIME: A CRUCIAL CONSIDERATION

With more than 20,000 property crimes reported by Albuquerque Police Department in the first six months of 2020, Crime Prevention Through Environmental Design (CPTED) is a crucial consideration for any Downtown development. Natural surveillance, natural access control, natural territorial reinforcement, and activity support, the guiding principles of CPTED, are ingrained in the design and operation of The Downtowner. Additionally, **the owner will actively participate in the APD's Crime Free Multi-Housing Training.**

One of the foundational goals of The Downtowner is to increase pedestrian activity and overall community interaction. Occupied and activated space is arguably the most effective crime deterrent. The Downtowner will encourage a collaboration of residents, neighbors, artists, and shop owners through gathering spaces and intentional programming. Friendly sidewalks, commercial storefronts, place lighting, maximal glazing, and cameras are just some of the design features that with aid natural surveillance.

A clear understanding of "public" and "private" will also be critical in preventing crime. The Downtowner is a succinctly-organized building, with covertly designed delineations between communal space and private units, residents and visitors. A controlled point of entry, visually open spaces, and carefully-placed fencing will limit criminal opportunists. This thoughtful design lends itself to natural access control as well as electronic access control and operational monitoring.

However, physical design elements can only do so much and CPTED requires action on the part of the occupiers. The Downtowner aims to create a sense of place and with that will come a sense of ownership, not only by the building's operator but by the community as a whole. Operationally, achieving natural territorial reinforcement will require practices like continuously maintained grounds and building and security system signage.

Finally, The Downtowner will truly excel when it comes to activity support. **We believe the activity inside the building is as important as the space itself.** Special attention is given to the use of space within and around the building and is the underpinning of the development. Scouting an up-and-coming café for the corner and providing economically-accessible commercial fronts for local entrepreneurs will enliven the building, while partnering with City events as well as programming Downtowner-specific events will energize the community as a whole.

Even with the project's emphasis on safety, it's crucial that the City do its part as Downtown and surrounding neighborhoods need help from all possible entities, and we are looking forward to teaming up with the City to do just that!

APD'S CRIME FREE MULTI-HOUSING PROGRAM



CRIME PREVENTION

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SECTION E



FINANCIAL STRUCTURE

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DOCUMENTATION & DEMAND

In this Section we include the following documentation:

- **Property and Rent Comparable Sheet.** This document references a number of recently completed and proposed multi-family projects in Albuquerque with number of units, rents, etc.
- **Market Rate Information by Cantera Consultants & Advisors.** Todd Clarke, an expert in Albuquerque's housing market, provides a market analysis narrative that supports the assumptions for The Downtowner. Some of this information is provided in other sections of this proposal, as well.

For the Development Proforma, and Annual Property Operating Data (APOD), refer to **Section E.2 Construction Budget.** The APOD references rent and expense assumptions. Financing rates are based on quotes from Sandia Labs Federal Credit Union and CBRE, both of which have terms similar to recent loan transactions recently closed and quoted for several of Jay's recent projects.

E. Financial Structure: 1. Documentation of Demand and Support for Proforma Assumptions:

Rent, Expense, Absorption, Rent Increase, Vacancy & Financing Assumptions:

Residential Rents			
Unit Type	# of Units	Monthly Rent	Annual Rent
Studio Plan	52	\$775	\$40,300
Studio/1 bedroom (hybrid)	52	\$895	\$46,540
1 bedroom	79	\$925	\$73,075
2 bedroom	8	\$1,250	\$10,000
Total # of Units:	191	\$3,845	\$169,915

Residential & Commercial Assumptions:	
Absorption:	28 units per month
Rent increases:	2% per year
Expense increases:	2% per year
Reserves:	\$350 per unit per year
Vacancy:	7% per year
Construction Costs PSF:	\$151
Project Costs PSF:	\$231
Building Size per SqFt:	130,575

Commercial & Live/Work Rents			
Unit Type	# of Units	Monthly Rent	Annual Rent
Co-Working Spaces:	3	\$675	\$2,025
Live/Work	9	\$1,095	\$9,855
Corner Commercial Space	1	\$2,500	\$2,500
Total # of Units:	10	\$3,595	\$12,355

Financing Assumptions:		
Construction Rate:	CBRE 3.50%	SLFCU 4.25%
Permanent Rate:	3.50%	5.00%
Term:	40	30
Amortization:	40	30
Recourse:	No	Yes
Prepayment Penalty:	Yes	No

COMP SET FOR THE DOWNTOWNER-edited by Jay Rembe

**Are you squinting yet? Please see flash-drive for larger charts and/or text throughout this section.*

Description	THE DOWNTOWNER	ONE CENTRAL*	THE FRANZ	COUNTRY CLUB LOFTS	BRICKLIGHT DISTRICT	PLATINUM	These Properties are either proposed or currently under construction			
							ELEVATE	HIGHLANDS NORTH	HIGHLANDS EAST	NOB HILL
Product Type	Urban	Urban	Urban	Urban	Urban	Urban	Urban	Urban	Urban	Urban
Unit Count	200	66	58	23	62	75	144	92	228	102
Floors	6	6	3	3	2 & 3	4	7	4	7	4
Avg. Unit Size	389	805	557	623	725	906	647	899	927	814
Product Class	A	B+	A	A-	B	A	A+	A	A+	A
Location Class	A	B+	A	A	A	A-	A	B+	B+	A-
Date Built/ Renovated	0	2018	2019	2015	2008	2015	2022	2020	2021	2019
Occupancy (%)	-	100%	100%	100%	100%	100%	-	-	-	-
Miles from Subject	Subject Site	0.7	1.2	1.2	2.2	3.1	1.3	-	-	2.30
Operator	Rembe Properties, LLC	-	Rembe Properties, LLC	Rembe Properties, LLC	Rembe Partnership Employee	ROC Management Group	Greystar	Alliance	Greystar	Alliance
	THE DOWNTOWNER	ONE CENTRAL*	THE FRANZ	COUNTRY CLUB LOFTS	BRICKLIGHT DISTRICT	PLATINUM	ELEVATE	HIGHLANDS NORTH	HIGHLANDS EAST	NOB HILL
Unit Count	200	66	Urban	Urban	62	75	144	92	228	102
Avg Size	389	805	557	623	725	906	647	899	927	814
Avg Rental Rate	\$773	\$1,310	\$1,081	\$1,060	\$1,011	\$1,456	\$1,247	\$1,540	\$1,754	\$1,632
Avg PSF	\$2.43	\$1.63	\$1.94	\$1.70	\$1.39	\$1.61	2	\$1.71	\$1.89	\$1.80
Date Built/ Renovated	TBD	2018	2019	2015	2008	2015	2021	2020	2021	2019
Classifications (Asset Class)	A	B+	A	A-	B	A	A+	A	A+	A
Classifications (Location Class)	A	B+	A	A	A	A-	B+	B+	B+	A-
Occupancy (%)	-	100%	100%	100%	100%	100%	-	-	-	-
Studio										
Avg. SF	389	654	511	587	594	643	450	652	662	692
Avg. \$/ month	\$773	\$1,150	\$1,019	\$949	\$873	\$1,040	\$945	\$1,175	\$1,350	\$1,196
Max \$/ month	\$795	\$1,400	\$1,350	\$1,100	\$900	\$1,075	-	\$1,175	\$1,350	\$1,200
Avg. \$ PSF	\$2.38	\$1.76	\$1.99	\$1.62	\$1.47	\$1.62	\$2.10	\$1.80	\$2.04	\$1.73
All 1x1										
Avg. SF	415	-	643	690	750	841	673	788	815	808
Avg. \$/ month	\$1,035	-	\$1,197	\$1,269	\$984	\$1,410	\$1,291	\$1,399	\$1,554	\$1,444
Max \$/ month	\$1,195	-	\$1,400	\$1,500	\$1,275	\$1,487	\$1,459	\$1,500	\$1,775	\$1,725
Avg. \$ PSF	\$2.49	-	\$1.86	\$1.84	\$1.31	\$1.68	\$2.04	\$1.77	\$1.91	\$1.79
All 2x2										
Avg. SF	600	881	-	-	1,180	1,284	925	1,121	1,162	1,105
Avg. \$/ month	\$1,195	\$1,390	-	-	\$1,638	\$1,950	\$1,647	\$1,834	\$2,140	\$2,016
Max \$/ month	\$1,195	\$1,600	-	-	\$1,675	\$1,950	\$1,647	\$1,925	\$2,650	\$2,175
Avg. \$ PSF	\$1.99	\$1.58	-	-	\$1.39	\$1.52	\$1.78	\$1.64	\$1.84	\$1.82
All 3x2										
Avg. SF	-	-	-	-	-	-	-	-	1,826	-
Avg. \$/ month	-	-	-	-	-	-	-	-	\$3,138	-
Max \$/ month	-	-	-	-	-	-	-	-	\$3,200	-
Avg. \$ PSF	-	-	-	-	-	-	-	-	\$1.72	-

Data is from early 2020 and some of the above updated in November 2020.

DEMAND & SUPPORT FOR PRO-FORMA

E.1. Documentation of Demand & Pro-Forma



November 30, 2020

Jay Rembe
 Rembe urban design + development
 1716 Central SW, Suite A
 Albuquerque nm 87104

Re: Developing considerations for the site at 1st/Silver, Downtown Albuquerque, NM

Dear Jay:

I have had a chance to review the site plan, design concept and floorplans for this development and I am really excited for our community to see the development with so many units in our downtown Core as I think it a perfect match with the market need and a nice match to the demand. As a development consultant, my role is often to translate what the market wants and the product the developer is offering, making sure it does not wander to far outside of the box for the developers lenders. Possibly something to the extent that you have followed my developments and that they are always innovative, unique and always seem to achieve some of the highest rents in the city and always appear to be in high demand due to the design.

Along those lines, I wanted to share some information with you on the following categories that impact this site:

1. Walk / Bike / Transit Score and impact on rent levels
2. Transit 60
3. Parking – 60 spaces for 200 cards
4. Demand Level

1. The importance of Walk/Bike/Transit Scores

The Subject site has the trifecta of near perfect walk, transit and bike scores – which is no surprise since that location is surrounded by 25,000 jobs, is adjacent to downtown’s new grocery store, and has over 100 restaurants, coffee shops, bars, brew pubs in a one mile radius.



Not only is a high walk, bike and transit score important to the largest renter population in this country, millennials, but it also has an empirical connection to higher rents.

A few years ago, the Apartment Association of NM mashed up their rent survey with walk, transit and bike scores and what they found is any property in the top 10% of any **one** of those categories will achieve rents 24% to 26% higher than market. This location is in the top 10% of 2 of 3 categories, and the cusp on the third.

* The highest potential transit score in NM is at the intermodal transit hub at the intersection of Gold and 1st (one block away) with a score of 60.

1. Downtown's role as the epicenter of millennial trends – or Transit 60

In the Summer of 2014, the Urban Land Institute created the infographic below

NM Transportation Comparison

These photographs illustrate how much space the same number of people take up on the road in cars, bikes, and bus.

Sponsored by: Urban Land Institute, PUMA, Cantera, Rio Metro, ABCRIDE

Photographed in Downtown Albuquerque, NM Summer of 2014 (Walk Score 91, Bike Score 87, Transit Score 59)

What this illustrates is the amount of space 40 people in cars (left), bicycles (middle) and mass-transit (right) consume. It was a way to illustrate to the single tasking baby boomer generation that even if they stayed in their cars, they should be grateful for all of those multitasking millennials who would prefer to bicycle/podest to work, or mass transit/work on free city w-fi to work. This location was chosen for three primary reasons:

1. It is the most urban street in Albuquerque,
2. At the end of the street is the 1st/Gold intermodal transportation hub where taxis, public buses, the Albuquerque Rapid Transit, shuttle to the airport, the Railrunner commuter train to Santa Fe and a bicycle sharing program intersect, as well as (something missing)



E.1. Documentation of Demand & Pro-Forma

3. A perfect example of the mixed uses that downtown offices – this one block has a restaurant, a theater, office space and residential condos.

This location is one block north of the subject site.

3. Parking

Parking downtown is an interesting concept – and one I will address in 5 sections:

1. Empirical – the last downtown parking study performed for the Downtown Action Team demonstrated that they were more vacant parking spaces in downtown Albuquerque that offered at the Coronado Mall / Regromal shopping center, but the disconnect was matching the user to the location.
2. Anecdotal – my wife and I own a small mixed use community containing 8 units in the downtown core – a majority of our mostly Millennial/Gen Z residents do not have cars and chose this location as the were walking distance to either their job, or transportation to their job via the A.R.T. or Rådrunner to Santa Fe. Many of the share with us that having one less car in their family equates to a better lifestyle as it pushes up how much housing they can afford in a cool urban area.
3. Market – the Silver Moon apartments at 10th/Central (the opposite end of the most urban part of our downtown core), is a new(er) rental community that offers 1 parking space for every 4 apartment units. If you remove handicapped parking from the equation – they offer 1 parking space for every 7 units. They also offer a bike sharing program as well as the first by the hour car rental program.
4. The proposed development proposes to offer innovative transportation options that will include heavy bike storage and maintenance facilities to strongly encourage and promote the residents to walk and bike. At least two electric vehicles will be available for all residents through a project car share program solely available to those that live in and work in the development. These will be available for a small fee on an hourly, daily and/or weekly basis. If the demand is strong, we will offer additional fun vehicles. Project electric bikes and scooters can also be leveraged to provide and promote a true urban experience. Additionally, we will help promote Turo's platform for our residents who own a car and who want to make additional income because they can. Lastly, we will be requesting at least one Uber and Lift loading zone space be available at the entrance to our project to again promote and highlight the ease of not having a car. The easier you make it, the more these option will be utilized.
5. Today's largest pool of renters believe that for the most part, automobiles are time sink and money pit of monotasking selfishness. Why own something that you will use for less than 5% of your day?

4. Demand

Demand for downtown apartment is driven by four main categories:

1. **Overall demand for apartments in the city of Albuquerque.** Historically the average number of units demanded in the city is 1,530. On a good year, the community is only able to offer 800 or so apartments, which continues to push the occupancy and rent levels for apartments up. We only delivered 531 units in 2016; 455 units in 2017, 855 units in 2018 and back down in 2019 with a total of 79 units. Downtown performed exceptionally well compared to other submarkets with a vacancy rate in 2019 at 2.9% with an average rent at \$757 compared to Central Area at 4.4% with average rent at \$761 and Albuquerque at 5.9% with an average rent of \$833. Should you need additional information please refer to the Downtown market study dated March 31, 2020 by EFS.
2. **Employment demand** – with three of the regional hospitals within one mile, some 25,000 government/financial/health sector jobs on the downtown core + the high tech innovation opportunities offered by the Innovation district (two blocks away) create a healthy mix of constant new employment in the central business district. Between the health care sector and the upcoming consolidation of Bernalillo County jobs in their new headquarters (two blocks west of the subject site), employment is on a continual increase in this trade area.
3. **Demographic demand** – the Middle Rio Council of Governments, or MRCOG, did a study a few years ago indicated that the millennial generation (65% rentership) created the demand for 15,000 new apartment units. Its not that those resident are without homes, but rather they are trapped in dead-end cul-de-sac areas on as site with an island of an inward facing apartment community surrounded by an ocean of parking that was mostly built to accommodate two bedroom renters, when their desired rental configuration is a small studio or one bedroom. Add to that – the last published Apartment Association rental survey showed the downtown residents paid more per

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1324 6th NW Albuquerque NM 87102
Phone: (505) 440-TODD Fax: (800) 791-4047

E-mail: TClarke@canteraconsultants.com www.canteraconsultants.com



month (and per square foot) for a one bedroom apartment than a two bedroom unit.
4. **Quality of living** – downtown residents have discovered how to create time – anywhere from 60 to 90 minutes a day by not community – they use that time to:

- visit any of the museums that are within biking distance
- visit the zoo, bio park or aquariums – also, biking distance
- bike, run or walk to the amazing Rio Grande river trails
- golf at either of two close by golf courses
- enjoy the Rail Yards Market and the Downtown Grower's Market during the spring & summer
- eat at the only 2 of the 4 Albuquerque food courts/markets (Sawmill in Old town, and the recently opened 5th/Central Market) – A 5th one is planned just east of downtown in the Highlands development
- visit the main public library
- attend a show/concert at the Sunshine, Kimmo, or Century 14 theaters
- drop in on any of the conventions at NM's biggest convention center (two blocks north)
- walk Old Town and enjoy its museums, galleries and restaurants or
- catch the A.R.T – 5 minute ride to Nob Hill and its 80+ electric restaurants and specialty shops
- catch the A.R.T – 5 minute ride to UNM/CNM and all that those institutions offer their 42,000+ students
- swim in one of two downtown pools – one public, one private not to mention the private soaking spa at Broadway/Mountain.
- eat at a different restaurant twice week – never visiting the same place for over a year

I would consider the downtown scorecard to be superior to any other area of the city which is why a new construction development should be able to have an absorption higher than the city wide average of 24 units per month, closer to the luxury developments that often hit 45 units per month.

ou want to say anything about the homelessness and crime issue. Could be an opportunity to say if the city does not handle of these issues, it will only impact the success of existing and future projects. It is imperative that those that work, shop and dine feel comfortable downtown and I can honestly say, I would not want my daughter downtown and I did not tell a visitor to go downtown right now as well as precovid.

fourth generation commercial Realtor whose family have been practicing real estate here for almost 100 years, and as a ing specialist who has worked in this industry for 32 years, and as a downtown resident and downtown worker, I am d to be part of this development team, this development and I am excited about how this will expand the available rtunities for rental housing in our community.

rely,

I Clarke CCGM
r Consultant

case note – most of my thoughts/suggestions and stats quoted reflect a pre-pandemic downtown and society. While I ve most of this will remain to be true when the economy comes back, my crystal ball is no better than anyone else's.

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1324 6th NW Albuquerque NM 87102
Phone: (505) 440-TODD Fax: (800) 791-4047

E-mail: TClarke@canteraconsultants.com www.canteraconsultants.com



E.2. Construction Budget



2nd and Silver

Client Rembe Properties LLC
Estimate Type Concept- 131,700 sqft- 204 Units

Created / Modified: 12/1/2020
Estimator: Damian Chimenti

Schedule 72
(Weeks):

Budget: \$21,309,195.66

Base Bid

Cost Code	Code Name	Description	Contractor Base Bid	Notes
Division 1				
01100	General Conditions			
01100	Porta John		7,500.00	
01100	Fuel		20,000.00	
01100	Permit & Inspection Fees		75,000.00	
01100	Survey Crews		20,000.00	
01100	Equipment rental		100,000.00	
01100	Daily clean up		100,000.00	
01100	Final clean		50,000.00	
01100	Testing Labs		40,000.00	
01300	Supervision		200,000.00	
01100	Temp Labor		200,000.00	
01500	Temporary fences/ barricades		50,000.00	
			\$862,500.00	
Division 2				
02050	Earthwork		75,000.00	
02500	Exterior Utilities / Services		75,000.00	
02700	Site Concrete		100,000.00	
02750	Auger Cast Piles		200,000.00	
02800	Fencing and Gates		30,000.00	Two Automatics to Garage
02801	Fencing and Gates		30,000.00	
02900	Landscaping		75,000.00	
			\$585,000.00	
Division 3				
03050	Building Concrete-		1,400,000.00	
			\$1,400,000.00	
Division 4				
04049	Masonry	Grey CMU Block	300,000.00	Lobby/Stair Tower/Dumpster
04050	Masonry	Add for Integral Color Burnished	100,000.00	Lobby/Stair Tower/Dumpster
			\$400,000.00	
Division 5				
05100	Structural Steel		500,000.00	Parking Deck & Misc Throughout- Includes Perf at Garage

E.2. Construction Budget

Cost Code	Code Name	Description	Contractor Base Bid	Notes
05700	Steel Erection		300,000.00	
05700	Ornamental Steel		150,000.00	
			\$950,000.00	
Division 6				
06049	Wood & Plastics	Rough Carpentry	2,500,000.00	
06050	Wood & Plastics	Blocking and Backing	50,000.00	
			\$2,550,000.00	
Division 7				
07050	Roofing	TPO & Metal Coping	250,000.00	R-15 Insulation
07050	Deck Paving		150,000.00	
07100	Gyp-Crete	1 1/2"- Gypcrete	120,000.00	
07200	Insulation	R19 Exterior, R11 Interior, R38 Roof	200,000.00	
07250	Stucco Systems	2 Coat Synthetic	900,000.00	
07251	Siding Systems	Metal Panels	200,000.00	
07900	Caulking / Joint Sealers/ Fire Caulking		150,000.00	
07901	Fire Proofing		75,000.00	
			\$2,045,000.00	
Division 8				
08050	Doors / Hardware		500,000.00	Key Fob Entry System
08300	Sliding Gym and Sliding Common Doors		50,000.00	
08301	Vinyl Windows and Patio Sliders		300,000.00	
08400	Entrances / Storefront / Glazing / Hardware		150,000.00	
			\$1,000,000.00	
Division 9				
09050	Drywall Ready for Paint		700,000.00	
9950	Flooring (Carpet and LVT & Stairs)		790,000.00	
9951	Porcelain Tile		150,000.00	
9952	Lay-In Ceiling System- Garage and Hallways & Common		75,000.00	
09900	Paints / Coating / Wall Finishes/ stains		200,000.00	
			\$1,915,000.00	
Division 10				
10049	Bike Storage Systems		40,000.00	
10050	Building Signage		50,000.00	
10050	Mail Box		10,000.00	
10050	Toilet Accessories, Fire Extinguishers-		100,000.00	
			\$200,000.00	
Division 11				
11100	Appliance Package		600,000.00	
			\$600,000.00	
Division 12				
12009	Cabinetry & Countertops		600,000.00	Kitchen and Vanity Systems

E.2. Construction Budget

Cost Code	Code Name	Description	Contractor Base Bid	Notes
12010	Added Built In Systems		0.00	
12010	Roller Shade Systems		110,000.00	
12010	Closet Shelving Systems		100,000.00	Rod & Shelving
			\$810,000.00	
Division 13				
13849	Solar Panels		200,000.00	
13850	Fire Alarm		150,000.00	
			\$350,000.00	
Division 14				
14050	Elevator		250,000.00	
			\$250,000.00	
Division 15				
15050	HVAC		1,200,000.00	
15051	Parking Garage Exhaust System		25,000.00	
15300	Fire Sprinkler Systems		300,000.00	Stand Pipe Needed Dry System Needed for Garage
15399	Plumbing		1,200,000.00	Shared Hot Water
15400	Plumbing	Roof Drains	50,000.00	
			\$2,775,000.00	
Division 16				
16049	Electrical		1,200,000.00	Shared Meter for Residential
16050	Communication Cabling		150,000.00	Intercom, TV, Internet
			\$1,350,000.00	

Subtotal:	\$18,042,500.00
Overhead:	\$902,125.00
Profit:	\$541,275.00
Net total:	\$19,485,900.00
Tax:	\$1,531,007.16
Payment and Performance Bond \$	292,288.50
Grand Total:	\$21,309,195.66

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OPERATING BUDGET

E.3. Operating Budget

DEVELOPMENT SOURCES	
Source	Amount
Development Fee	\$3,000,000
Rembe Cash	\$1,000,000
Mullen Heller Contribution:	\$500,000
Insight Construction Contributor	\$500,000
City Land:	\$695,000
Loan Proceeds:	\$24,651,996
TOTAL SOURCES	\$30,346,996

Construction Debt	
Loan amount	Amount
Loan amount	\$24,651,996
Interest rate	3.50%
Term	2
Construction period (years)	2

Permanent Debt	
Loan amount	Amount
Loan amount	\$24,651,996
Interest rate	3.50%
Amortization period	40
Going-in cap rate assumption	5.10%

DEVELOPMENT BUDGET

Uses/Development Costs	
Acquisition Costs	Amount
Land	\$695,000
Total Acquisition Costs	\$695,000
Site Preparation Costs	\$585,000
Division 2: Earth Work	\$585,000
Total Site Preparation Costs	\$585,000

Hard Construction Costs	
Division	Amount
Division 1: General Conditions	\$787,500
Division 2: Earthwork (See above)	
Division 3: Building Concrete	\$1,400,000
Division 4: Masonry	\$400,000
Division 5: Structural Steel	\$950,000
Division 6: Wood & Plastics	\$2,550,000
Division 7: Roofing, Decking, Insulation, Etc	\$1,970,000
Division 8: Doors/Hardware, Windows, Etc.	\$1,000,000
Division 9: Drywall, Flooring, Paint, Tile, Etc	\$1,915,000
Division 10: Bike Storage Systems, Building	\$200,000
Division 11: Appliance Package	\$600,000
Division 12: Cabinetry, Countertops, Roller	\$810,000
Division 13: Solar Panels & Fire Alarm	\$350,000
Division 14: Elevators	\$250,000
Division 15: HVAC, Plumbing, Fire Sprinkler	\$2,875,000
Division 16: Electrical & Communication Ca	\$1,400,000
Overhead & Profit	\$1,443,398
Payment & Performance Bond	\$292,288
Total Hard Construction Costs	\$19,193,186

Uses/Development Costs	
Soft Costs	Amount
Architectural, MEP, Structural, Civil, Consultants	\$1,200,000
LEED/Wellness/Fitwell Consultant:	\$35,000
Owner's Construction/Project Rep. (If hired)	\$0
Platting:	\$10,000
Survey-Topo	\$11,500
UEC: assumes new 3" meter	\$542,700
Plan Check & Permits-Guestimate	\$100,000
Developer Legal	\$75,000
Office Admin Costs: Rembe Properties Development Staff & Associated Costs	\$120,000
FF&E, Pool, Branding/Marketing & Signage	\$315,000
Interest Carry during Construction	\$940,000
Total Soft Costs	\$3,339,200

Tenant Improvements	
Amount	
Total Tenant Improvements Costs	\$0

Financing Costs	
Amount	
HUD Financing Fees	\$870,563
Title, Closing, Legal, Organizational, Certification	\$226,000
Total Financing Costs	\$1,096,563

Developer Fees	
Amount	
Development/Entrepreneur Fee:	\$3,000,000
Total Developer Fees	\$3,000,000

Reserves and Other Costs	
Amount	
Gross Receipts Tax	\$1,738,444
Remaining Items	\$68,502
Contingency	\$600,000
Total Reserves and Other Costs	\$2,406,946
TOTAL DEVELOPMENT COSTS	\$30,315,894

*Are you squinting yet? Please see flash-drive for larger charts and/or text throughout this section.

E.3. Operating Budget

10-YEAR CASH FLOW

Stabilization year: 2023/2024

Rent & Expense Increases: 2%

Year 10 terminal cap rate assumption:

Calendar year:	2024	2025	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
A - Unit Plan - 1 Bedroom (Square Plan)	\$876,900	\$944,938	\$912,327	\$930,573	\$949,185	\$968,168	\$987,532	\$1,007,282	\$1,027,428	\$1,047,977
B - Unit Plan - 1 Bedroom (Long Plan)	\$558,480	\$659,450	\$581,043	\$592,663	\$604,517	\$616,607	\$628,939	\$641,518	\$654,348	\$667,435
C - Unit Plan - Studio Floor Plan	\$483,600	\$493,272	\$503,137	\$513,200	\$523,464	\$533,933	\$544,612	\$555,504	\$566,614	\$577,947
D - Unit Plan - 2 Bedroom Units	\$120,000	\$122,400	\$124,848	\$127,345	\$129,892	\$132,490	\$135,139	\$137,842	\$140,599	\$143,411
F - Unit Plan - Live Work Unit	\$118,260	\$120,625	\$123,038	\$125,498	\$128,008	\$130,569	\$133,180	\$135,844	\$138,560	\$141,332
SW Corner Ground Floor Space - Cafe	\$30,000	\$30,000	\$31,212	\$31,836	\$32,473	\$33,122	\$33,785	\$34,461	\$35,150	\$35,853
Exterior Parking:	\$11,400	\$11,628	\$11,861	\$12,098	\$12,340	\$12,587	\$12,838	\$13,095	\$13,357	\$13,624
Gated Parking:	\$54,000	\$55,080	\$56,182	\$57,305	\$58,451	\$59,620	\$60,813	\$62,029	\$63,270	\$64,535
Storage:	\$54,080	\$55,080	\$56,182	\$57,305	\$58,451	\$59,620	\$60,813	\$62,029	\$63,270	\$64,535
Trash Valet	\$48,960	\$49,939	\$50,938	\$51,957	\$52,996	\$54,056	\$55,137	\$56,240	\$57,364	\$58,512
RUBS	\$73,440	\$74,909	\$76,407	\$77,935	\$79,494	\$81,084	\$82,705	\$84,359	\$86,047	\$87,768
Application Fees: (Our Portion)	\$8,700	\$8,874	\$9,051	\$9,233	\$9,417	\$9,606	\$9,798	\$9,994	\$10,193	\$10,397
Non Refundable Pet Deposit	\$6,250	\$6,375	\$6,503	\$6,633	\$6,765	\$6,901	\$7,039	\$7,179	\$7,323	\$7,469
Pet Rent:	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Other Income -See 10 Year Budget	\$21,946	\$22,385	\$22,832	\$23,289	\$23,755	\$24,230	\$24,715	\$25,209	\$25,713	\$26,227
Subtotal:	\$2,480,936	\$2,530,255	\$2,580,560	\$2,631,871	\$2,684,208	\$2,737,592	\$2,792,044	\$2,847,585	\$2,904,237	\$2,962,022
Less 7% Vacancy & Credit Loss:										
Total Revenues	\$2,307,270	\$2,353,137	\$2,399,920	\$2,447,640	\$2,496,314	\$2,545,961	\$2,596,601	\$2,648,254	\$2,700,940	\$2,754,680
<i>Add more rows above if needed</i>										

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Bank Service Charges	\$211	\$215	\$219	\$224	\$228	\$233	\$237	\$242	\$247	\$252
Centurylink	\$2,916	\$2,974	\$3,034	\$3,094	\$3,156	\$3,219	\$3,284	\$3,350	\$3,417	\$3,485
Elevator Maintenance Contract	\$8,040	\$8,201	\$8,365	\$8,532	\$8,703	\$8,877	\$9,054	\$9,235	\$9,420	\$9,609
Fire Alarm Monitoring	\$315	\$321	\$328	\$334	\$341	\$348	\$355	\$362	\$369	\$376
Fire Equipment Inspectors	\$3,015	\$3,075	\$3,137	\$3,197	\$3,200	\$3,264	\$3,329	\$3,395	\$3,463	\$3,533
Ground Rent	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
Janitorial	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989	\$13,249	\$13,514	\$13,784	\$14,060	\$14,340
Miscellaneous	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	\$7,030	\$7,171
Permit Fees	\$100	\$102	\$104	\$104	\$106	\$108	\$110	\$113	\$115	\$117
Professional Fees-Accountant-Annual Audit	\$10,000	\$10,200	\$10,404	\$10,604	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951
Property Taxes	\$150,161	\$153,164	\$156,228	\$159,352	\$162,539	\$165,790	\$169,106	\$172,488	\$175,938	\$179,456
Property Insurance	\$208,892	\$21,310	\$21,736	\$22,176	\$22,614	\$23,066	\$23,528	\$23,998	\$24,478	\$24,967
Property Management Fee	\$81,545	\$83,176	\$84,840	\$86,537	\$88,267	\$90,033	\$91,833	\$93,670	\$95,543	\$97,454
On Site Leasing Specialist	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122	\$55,204	\$56,308	\$57,434	\$58,583	\$59,754
On Site Facilities Technician	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122	\$55,204	\$56,308	\$57,434	\$58,583	\$59,754
Employee Benefits	\$10,000	\$10,404	\$10,824	\$11,262	\$11,717	\$12,187	\$12,672	\$13,172	\$13,687	\$14,217
Repairs and Maintenance	\$36,000	\$36,220	\$37,454	\$37,954	\$38,203	\$38,968	\$39,747	\$40,542	\$41,353	\$42,180
Reserves for Replacement	\$70,350	\$71,757	\$73,192	\$74,656	\$76,149	\$77,672	\$79,226	\$80,810	\$82,426	\$84,074
Security	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989	\$13,249	\$13,514	\$13,784	\$14,060	\$14,340
Supplies	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	\$7,030	\$7,171
Trash Valet Service	\$19,296	\$19,682	\$20,076	\$20,477	\$20,887	\$21,304	\$21,730	\$22,165	\$22,608	\$23,059
Utilities	\$81,220	\$83,965	\$86,744	\$89,559	\$92,410	\$95,298	\$98,224	\$101,189	\$104,192	\$107,236
<i>Add more rows above, if needed</i>										
Total Expenses	\$636,063	\$648,784	\$661,760	\$663,807	\$677,083	\$690,625	\$704,437	\$718,526	\$732,896	\$747,554
Net Operating Income	\$1,671,208	\$1,704,353	\$1,738,161	\$1,783,833	\$1,819,231	\$1,855,336	\$1,892,164	\$1,929,728	\$1,968,044	\$2,007,126
Debt Service	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)
Cash Flow After Debt Service	\$525,212	\$558,358	\$592,166	\$637,838	\$673,235	\$709,341	\$746,169	\$783,733	\$822,049	\$861,131

OPERATING BUDGET

E.3. Operating Budget

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Based on the Franz
201											
Ordinary Income/Expense											
Income (2% Annual Increases)											
Rental Income	\$2,096,732	\$2,097,687	\$2,139,824	\$2,182,621	\$2,226,273	\$2,270,799	\$2,316,215	\$2,362,539	\$2,409,790	\$2,457,985	\$18.02
Vacancy & Credit Loss: % included above											
Total Rental Income	\$2,096,732	\$2,097,687	\$2,139,824	\$2,182,621	\$2,226,273	\$2,270,799	\$2,316,215	\$2,362,539	\$2,409,790	\$2,457,985	\$18.02
Other Income											
Application Fee Income	\$8,700	\$8,874	\$9,051	\$9,233	\$9,417	\$9,606	\$9,798	\$9,994	\$10,193	\$10,397	\$70.69
Commissions CenturyLink	\$6,238	\$6,363	\$6,490	\$6,620	\$6,752	\$6,887	\$7,025	\$7,165	\$7,309	\$7,455	\$31.03
Early Termination Fee	\$5,940	\$6,059	\$6,179	\$6,299	\$6,419	\$6,539	\$6,659	\$6,779	\$6,899	\$7,019	\$29.55
Community Room Rental	\$2,446	\$2,487	\$2,528	\$2,569	\$2,610	\$2,651	\$2,692	\$2,733	\$2,774	\$2,815	\$2.66
Late Fees Income	\$6,368	\$6,496	\$6,625	\$6,754	\$6,883	\$7,012	\$7,141	\$7,270	\$7,400	\$7,529	\$31.68
Parking Income	\$65,400	\$66,708	\$68,042	\$69,403	\$70,791	\$72,207	\$73,651	\$75,124	\$76,627	\$78,159	
Pet Income	\$15,000	\$15,300	\$15,600	\$15,918	\$16,236	\$16,561	\$16,892	\$17,230	\$17,575	\$17,926	
Pet Income-Non Refundable Deposit	\$6,250	\$6,375	\$6,503	\$6,633	\$6,765	\$6,901	\$7,039	\$7,179	\$7,323	\$7,469	
Storage Rental Income	\$54,000	\$55,080	\$56,182	\$57,305	\$58,451	\$59,620	\$60,813	\$62,029	\$63,270	\$64,535	
Trash/Valet Income	\$48,960	\$49,939	\$50,938	\$51,957	\$52,996	\$54,056	\$55,137	\$56,240	\$57,364	\$58,512	
Water, Sewer, Refuse, Recycling	\$73,440	\$74,909	\$76,407	\$77,935	\$79,494	\$81,084	\$82,705	\$84,359	\$86,047	\$87,768	
Other Income	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082	\$1,104	\$1,126	\$1,149	\$1,172	\$1,195	
Total 4001 Other Income	\$238,886	\$239,570	\$240,440	\$241,428	\$242,527	\$243,764	\$245,049	\$246,383	\$247,766	\$249,199	\$4.57
7% Vacancy/Credit Loss @ 7%	(\$20,959)	(\$20,970)	(\$21,391)	(\$21,800)	(\$22,227)	(\$22,664)	(\$23,108)	(\$23,562)	(\$24,025)	(\$24,497)	
Total Income	\$2,329,889	\$2,376,467	\$2,424,383	\$2,472,248	\$2,521,581	\$2,571,900	\$2,623,225	\$2,675,577	\$2,728,975	\$2,783,442	\$21.32
Expense (2% Annual Increases)											
Advertising & Marketing-See below											
Bank Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Bank Service Charges	\$211	\$215	\$219	\$224	\$228	\$233	\$237	\$242	\$247	\$252	
CenturyLink	\$2,916	\$2,974	\$3,034	\$3,094	\$3,156	\$3,219	\$3,284	\$3,350	\$3,417	\$3,485	
Elevator Maintenance Contract	\$8,040	\$8,201	\$8,365	\$8,532	\$8,703	\$8,877	\$9,054	\$9,235	\$9,420	\$9,609	
Fire Alarm Monitoring	\$315	\$321	\$328	\$334	\$341	\$348	\$355	\$362	\$370	\$376	
Fire Equipment Inspections	\$3,015	\$3,075	\$3,137	\$3,200	\$3,264	\$3,329	\$3,395	\$3,463	\$3,533	\$3,603	
Ground Rent	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	
Janitorial	\$12,000	\$12,240	\$12,486	\$12,734	\$12,989	\$13,249	\$13,514	\$13,784	\$14,060	\$14,341	
Miscellaneous	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	\$7,030	\$7,171	
Permit Fees	\$100	\$102	\$104	\$106	\$108	\$110	\$113	\$115	\$117	\$120	
Professional Fees-Accountant-Annual Audit	\$10,000	\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951	
Property Taxes	\$150,161	\$153,164	\$156,228	\$159,352	\$162,539	\$165,790	\$169,106	\$172,484	\$175,926	\$179,434	
Property Insurance	\$20,892	\$21,310	\$21,736	\$22,171	\$22,614	\$23,066	\$23,528	\$23,998	\$24,478	\$24,966	
3.5% Property Management Fee	\$91,545	\$93,176	\$94,840	\$96,537	\$98,267	\$100,033	\$101,833	\$103,667	\$105,534	\$107,434	
Apollonio Management Software & Advertising in Hill Fee Above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Onsite Manager/Leasing Specialist	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122	\$55,204	\$56,308	\$57,434	\$58,583	\$59,755	
Onsite Maintenance Technician	\$10,000	\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951	
Employee Benefits	\$36,000	\$36,720	\$37,454	\$38,203	\$38,969	\$39,747	\$40,542	\$41,353	\$42,180	\$43,023	
Repairs and Maintenance	\$70,300	\$70,300	\$70,300	\$70,300	\$70,300	\$70,300	\$70,300	\$70,300	\$70,300	\$70,300	
Reserves for Replacement	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989	\$13,249	\$13,514	\$13,784	\$14,060	\$14,341	
Security	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	\$7,030	\$7,171	
Supplies	\$19,296	\$19,682	\$20,076	\$20,477	\$20,887	\$21,304	\$21,730	\$22,165	\$22,608	\$23,061	
Trash Valet Service											
Utilities											
Water, Sewer, Refuse, Recycling	\$24,137	\$24,619	\$25,112	\$25,614	\$26,126	\$26,649	\$27,182	\$27,725	\$28,280	\$28,845	\$313.94
Sewer/Refuse/Recycling	\$37,031	\$37,772	\$38,527	\$39,298	\$40,084	\$40,886	\$41,703	\$42,537	\$43,388	\$44,256	\$184.24
Water	\$51,168	\$52,391	\$53,639	\$54,912	\$56,210	\$57,534	\$58,885	\$60,263	\$61,668	\$63,101	
Total Water, Sewer, Etc.	\$116,000	\$118,360	\$120,824	\$123,394	\$125,969	\$128,549	\$131,224	\$133,903	\$136,586	\$139,274	
Electric - Common Areas	\$7,716	\$7,871	\$8,028	\$8,189	\$8,352	\$8,519	\$8,684	\$8,854	\$9,021	\$9,192	
Electric - Residential	\$336	\$343	\$350	\$357	\$364	\$371	\$378	\$386	\$394	\$402	
Gas Utility	\$82,220	\$83,965	\$85,744	\$87,559	\$89,410	\$91,298	\$93,224	\$95,189	\$97,192	\$99,233	
Total Utilities	\$193,603	\$197,377	\$201,186	\$205,021	\$208,883	\$212,774	\$216,694	\$220,644	\$224,624	\$228,633	\$38.39
Total Expense	\$1,693,807	\$1,729,090	\$1,764,966	\$1,801,560	\$1,837,885	\$1,874,942	\$1,911,731	\$1,949,265	\$1,986,568	\$2,023,630	
Net Ordinary Income	\$636,082	\$647,377	\$659,417	\$672,688	\$686,688	\$701,456	\$716,494	\$731,814	\$747,407	\$763,272	
Net Income	\$636,082	\$647,377	\$659,417	\$672,688	\$686,688	\$701,456	\$716,494	\$731,814	\$747,407	\$763,272	
Debt Service:											
Debt Service:	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	(\$1,145,995)	
Net Income after Tax:	\$490,087	\$501,382	\$512,422	\$523,693	\$535,193	\$546,961	\$558,909	\$571,049	\$583,412	\$596,000	
Net Income after Tax: Per Square Foot	\$4.20	\$4.27	\$4.34	\$4.41	\$4.48	\$4.55	\$4.62	\$4.69	\$4.76	\$4.83	
Net Income after Tax: Per Unit	\$2,725	\$2,801	\$2,879	\$2,958	\$3,037	\$3,117	\$3,198	\$3,279	\$3,361	\$3,443	

E.3. Operating Budget

PROJECT DETAILS:		DEVELOPMENT PROGRAM:	
Project name:	The Downtowner	Residential units:	204
Location:	SEC of Silver & 2nd Street	Studio:	104
Developer:	Rembe Properties and or its affiliated assigns	1-bed:	79
		2-bed:	8
		3-bed:	0
		Other:	9
		Hotel keys:	0
		Retail rentable SF:	1
		Office rentable SF:	TBD
SF of land:	30,000	Other rentable SF:	30,000
Building gross SF:	131,700	Description of other rentable SF:	
Building rentable SF:	80,390	This includes feasible interior and exterior parking spaces as well as storage for residents.	
Construction start (year):	2022		
Completion year:	2023		

PROPOSED PUBLIC ASSISTANCE STRUCTURE:	
Parking (number of spaces):	64
Structured or surface?	both
Project amenities:	
Structured and Gated Parking	
On site storage lockers	
At least two project cars available for lease	
Superior Community Spaces	
Two Roof Top Door Decks	
On site linear pool/water feature element	
Small work spaces free and for lease	
Tons of free secured bike storage	
EV Charging Stations	
Live Work Artist Studios & Micro Retail	
Onsite Cafe	

DEVELOPER TARGET RATE OF RETURN:

Stabilized Yield on Cost:	1.81%	Unleveraged IRR:	7.97%
Stabilized Cash-on-Cash Return:	10.92%	Leveraged IRR:	22.20%

t-Bar unleveraged		t-Bar leveraged	
n	Cash flow	n	Cash flow
0	-\$30,145,482	0	-\$5,695,000
1	\$1,693,807	1	\$547,811
2	\$1,729,090	2	\$583,095
3	\$1,764,966	3	\$618,971
4	\$1,801,560	4	\$655,564
5	\$1,838,885	5	\$692,890
			+

For Calls		For Calls
-\$30,145,482		-\$5,695,000
\$1,693,807		\$547,811
\$1,729,090		\$583,095
\$1,764,966		\$618,971
\$1,801,560		\$655,564
\$35,760,065		\$11,506,941

E.4. City Assistance

CITY ASSISTANCE

Rembe Properties, LLC, and/or its affiliated assignees, is proposing the following structure and funding assistance request. The overall structure contemplates the City contributing the land at fair market value or providing a long-term ground lease at a value of \$1.00 for the term of the lease. Regardless of structure, the land will be considered as equity by chosen lender.

The variations of this structure are outlined below:

Option 1

The City shall contribute the land at fair market value. Then, within the first ten (10) years of issuance of the Certificate of Occupancy, the developer shall pay the city the original fair market value for the land. Should the City and the Developer mutually agree it is best to extend the repayment term, a mutually agreeable contract shall be prepared.

Option 2

We are proposing a long-term ground lease with an option to purchase the land at the original fair market value. This option can be exercised at any time by the Developer within the first ten (10) years from the issuance of the certificate of occupancy for the proposed project. The City will lease the land to "The Downtowner, LLC" for \$1.00 for the first ten (10) years of the lease as incentive to help make the project pencil. Should the Developer choose to not exercise the option to purchase the land, the following will occur:

Option 3

Commencing on year 11, should developer elect to not pay the City back the land price, the City shall receive a 6% annual return on the value of the land on an annual basis. For example, at a land value of \$695,000, starting in year 11, the City shall receive an annual payment of \$41,500 ($6\% * \$695,000 = \$41,500$ annually). The developer shall continue to have an option to purchase the land at the original land value at any time during the ground lease term.

Regardless of structure, it is paramount that the City subordinates the land to future lenders so that the Developer can use the land as equity to assist with a construction and permanent loan for the project.

E.5. Operation & Management Structure

SMOOTH OPERATOR

Early in his career, Jay Rembe realized only one team could manage his real estate properties the way he wanted: His team. So, in 2003, he founded Rembe Properties for the sole purpose of demonstrating day-after-day that the properties he develops and their tenants are top priority. That's how it will be at The Downtowner.

As owner and developer, Jay will rely on Rembe Properties to manage The Downtowner at a level higher than any third-party would. Everyone at Rembe Properties shares his philosophy that their success depends on tenants' success and satisfaction.

Jay oversees and supports the team, which is experienced in the intricacies of multi-family management. Heather Gallegos is Rembe Properties' Director of Operations, and is primarily responsible for overseeing and managing the staff. Through years of managing The Franz, The Country Club Lofts, Bricklight Courtyard and other projects in Albuquerque, the team understands HUD, Fannie Mae, and conventional loan requirements. And marketing and leasing are part of the package.

The team also successfully manages and leases commercial properties with restaurants, retailers, office space, the film industry, shopping centers – and the list grows.

Rembe Properties uses AppFolio Property Management Software, a platform that streamlines and enhances the marketing, leasing, rent payment, work order process, accounting, and reporting for Rembe and its tenants.

As Jay expands his business, he builds and strengthens his team. Each time a multi-family property with more than 75 units is added to the portfolio, another on-site property manager and on-site maintenance technician are added. It is paramount to have a well-trained customer service-oriented team on site to not only be present for any issues that arise but to get to know residents and build community.

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SECTION F

FINANCIAL CAPACITY



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December 1, 2020

TBD, LLC
 Mr. Jay Rembe, Member
 Ms. Jolene Rembe, Member
 1716 Central Ave SW; Suite A
 Albuquerque, NM 87114

Dear Jay and Jolene;

On behalf of Sandia Laboratory Federal Credit Union (SLFCU), it is my pleasure to provide this loan proposal. This proposal is subject to Credit Union obtaining the necessary information to underwrite the proposed transaction:

1. Borrower: TBD, LLC

2. Type, Amount and Term:

Type of Facility	Amount of Facility	Amortization / Term of Facility
Construction advance type draw note	\$24,622,035* or 75% of credit union reviewed cost or appraisal, whichever is less	Interest only monthly for 24 months.
Mini – permanent term loan.	\$24,622,035 or 75% of credit union reviewed cost or appraisal, whichever is less	Up to a 30 year amortization with a 13 year maturity.

3. Rate and Fees:

Type of Facility	Rate	Fees
Construction advance type draw note	4.25% fixed	.75%**origination fee \$150 documentation fee
Mini – permanent term loan.	Six month moving average of the 10-Year Treasury Note + 2.25% fixed rate for 5 years* with a floor of 5% and rate repricing not to exceed 1.50% every 5 years. Initial rate set at 5% (30 yr amortization with 13 year call maturity)	No origination fee \$150 documentation fee If second close is needed

*interest rate repricing will occur at the end of each 60 month period. Rate in effect at that time will be fixed based upon the six month moving average of the 10-Year Treasury Note + 2.25% subject to a floor rate of 5% and rate repricing not to exceed 1.50% every five years Initial rate set at 5%. The six month moving average for October was 0.70%. The loan does not have any prepayment penalties. **fees will be due upon closing

**Are you squinting yet? Please see flash-drive for larger charts and/or text throughout this section.*

F.1. Letters of Interest

4. Purpose of Loan:

Proceeds will be used to provide construction / mini-permanent financing for the new multifamily housing complex spread over 204 apartment units on land located at near Silver and 1st Street in Albuquerque, NM.

5. Source of Repayment:

Rental revenue paid by the tenants located at the new multifamily housing complex spread over 204 apartment units on land located at near Silver and 1st Street in Albuquerque, NM.

6. Payment Terms:

Interest payments due monthly for the first 24 months with principal and interest payments due monthly for the next 13 years based upon a 30 year amortization with remaining principal due at maturity

7. Collateral:

- Title insured first mortgage on the new multifamily housing complex spread over 204 apartment units on land located at near Silver and 1st Street in Albuquerque, NM.
- Assignment of leases and rents on the new multifamily housing complex spread over 204 apartment units on land located at near Silver and 1st Street in Albuquerque, NM.

8. Guarantees:

- Mr. Jay T Rembe
- Ms. Jolene B Rembe
- Rembe Revocable Trust UAD 11/1/06

9. Reporting Requirements

Legal Entity	Reporting Requirements
TBD, LLC	<ul style="list-style-type: none">• Annual Corporate Tax Returns if filed separately from the Rembes personal tax return (due within 30 days of filing)• Annual Rent roll due on January 1st.
Mr. Jay T Rembe Jolene B Rembe	<ul style="list-style-type: none">• Annual Personal Financial Statements• Complete annual personal tax returns including K-1s from any Sub S, Partnership or LLC in which you held an ownership interest. (due within 30 day of filing)
Rembe Revocable Trust UAD 11/1/06	<ul style="list-style-type: none">• A separate statement for the Rembe Revocable Trust UAD 11/1/06 will be required if the assets and income held by the Trust are accounted for separately.

10. Other Requirements:

- Receipt of a copy of the TBD, LLC filed articles of organization and signed operating agreement.
- Open a business savings account with at least \$5 to complete SLFCU membership requirements.
- Establish construction account at Sandia Laboratory FCU.

- Establishment of an interest reserve. The interest reserve will be carved out of the loan.
- A debt service coverage ratio of 1.20:1. The covenant shall be measured on an annual basis utilizing the fiscal year-end financial information beginning with the first full fiscal year subsequent to the completion of the construction. The first full year is expected to be 2022. The ratio shall be defined as (net income + depreciation + amortization + any other non-cash expense items + interest expense + any discretionary expense items) divided by (combined annual scheduled term loan principal and interest payments).
- Receipt and credit union approval of a copy of the signed construction contract between TBD, LLC and the contractor selected to complete the project.
- Copy of and the contractor selected to complete the project's workman's compensation and liability insurance certificate and Contractor's license.
- Receipt and credit union approval of a copy of the final cost breakdown for the construction project.
- Construction draws to be submitted on the General Contractors AIA construction draw form with corresponding down date endorsements issued by the title company.
- A mortgagee loan title insurance policy on subject property with any and all exceptions removed to the satisfaction of SLFCU.
- Receipt by the credit union of satisfactory evidence that property is not in a flood zone.
- Receipt by the credit union of an appraisal meeting credit union standards by a qualified appraiser approved by the credit union. Both property and appraisal are subject to inspection and review by the credit union. SLFCU will instruct appraiser on criteria for completion of the appraisal.
- Receipt of a satisfactory Environmental Questionnaire to be completed by the borrower as well as a Phase 1 Environmental Assessment Report. Dependent upon the results of the questionnaire or the assessment report further environmental reports may be required.
- Evidence of Hazard Insurance in force for at least the replacement cost for the structure listing SLFCU as mortgagee.
- A slab survey acceptable by the title company so that any survey exceptions may be deleted from the title policy will be required subsequent to pouring the foundation for the building.
- You will be responsible for all legal costs including lender's attorney fees, closing costs, filing and recording fees, fees for future searches, title endorsements and recording of subsequent renewals, modifications or extensions.

This proposal letter summarizes terms and conditions for discussion purposes only and does not constitute a commitment on the part of the SLFCU to make a loan. It is intended only as an expression of SLFCU's sincere interest in the proposed transaction, to serve as an outline and does not purport to summarize all of the terms, conditions, covenants, and other provisions which would be contained in definitive legal documents for an approved loan transaction. Final terms will be subject to SLFCU's final credit approval. In addition, this summary of terms is not binding on us nor are they binding on

F.1. Letters of Interest



you. You agree by your receipt of this term sheet that this is not a contract, promise or commitment to loan money or to grant, extend or renew credit.

Sandia Laboratory Federal Credit Union is pleased to have the opportunity to present this expression of interest for your financing needs. Please contact Dan Cover at 237-7228 if you have any questions concerning this expression of interest letter.

Sincerely,



Dan Cover
Vice President
Sandia Laboratory FCU

CBRE Capital Markets :: Lending Programs		12/3/20	
FHA 221(d)(4) New Construction			
PROJECT NAME	The Downtowner		
LOCATION	Albuquerque, NM		
TRANSACTION TYPE	Taxable		
NUMBER OF UNITS	200		
BORROWER	Rembe Urban Design + Development		
BORROWER CONTACT	Jay Rembe		
TELEPHONE	(505) 243-0188		
FAX			
CELL PHONE	(505) 453-7164		
E-MAIL	rembe@rembedesign.com		
CBRE CONTACT	Chad Ricks		
TELEPHONE	(214) 979-6551		
CELL PHONE	(214) 862-1237		
E-MAIL	chad.ricks@cbre.com		
APPLICANT'S LOAN REQUEST	NA		
CBRE'S LOAN PROPOSAL	\$ 25,253,200		
COMPUTATION OF MAXIMUM MORTGAGE - the lesser of			
1. Borrower's Request			NA
2. Based On Replacement Cost:		\$	25,253,200
3. Based on Per Unit Limitations		\$	36,328,100
4. Based on Debt Service Ratio:		\$	32,756,600
5. Based on Estimated Cost of Rehabilitation Plus:			NA
6. Based on Criteria 11 - (Deduction of Grant/Loan/Tax Credit/Gift)			NA
Maximum Insurable Mortgage \$			25,253,200
LOAN STRUCTURE		UNDERWRITING PARAMETERS	
Term (years)	40	Gross Annual Potential Income	\$ 2,450,936
Amortization (years)	40	Gross Annual Commercial Income	\$ 54,300
Mortgage Rate	3.25%	Rental Occupancy	93.0%
MIP (Mortgage Insurance Premium)	0.25%	Commercial Occupancy	80.0%
Amortization Factor	1.2205%	Effective Gross Income	\$ 2,279,370
Debt Service Constant	4.7205%	Effective Gross Commercial Income	\$ 43,440
Annual Payment	\$ 1,192,076	Total Effective Gross Income	\$ 2,322,810
Monthly Payment	\$ 99,340	Estimated Annual Expenses	\$ 656,047
		Estimated Net Operating Income	\$ 1,666,763
NOTES			
Additional fees due at closing but not included in mortgage proceeds are: Flood Determination, Insurance Review, and Tax Service Contract.			
			

**The Downtowner
FHA 221(d)(4) New Construction**



PROFORMA REVENUE

Number of Units	Number Bedrooms	Number Baths	Square Feet	Unit Rent	Total Monthly Rent	Total Annual Rent	Total Square Feet	Rent per Square Foot
52	0	1.0	325	\$ 775	\$ 40,300	\$ 483,600	16,900	\$ 2.38
52	1	1.0	400	\$ 895	\$ 46,540	\$ 558,480	20,800	\$ 2.24
79	1	1.0	400	\$ 925	\$ 73,075	\$ 876,900	31,600	\$ 2.31
8	2	2.0	600	\$ 1,250	\$ 10,000	\$ 120,000	4,800	\$ 2.08
9	1	1.0	550	\$ 1,095	\$ 9,855	\$ 118,260	4,950	\$ 1.99
200					\$ 179,770	\$ 2,157,240	79,050	\$ 2.27

Open Parking	-	\$ -	\$ -	\$ -	\$ -
Covered Parking	-	\$ -	\$ -	\$ -	\$ -
RUBS	-	\$ -	\$ -	\$ -	\$ -
Misc Income	1	\$ 24,475	\$ 24,475	\$ 293,696	
Total Ancillary			\$ 24,475	\$ 293,696	

Commercial	\$ 4,525	\$ 54,300
Effective Commercial	\$ 3,620	\$ 43,440
Less Commercial Expenses	\$ -	\$ -
Total Commercial	\$ 3,620	\$ 43,440
Total All Income	\$ 207,865	\$ 2,494,376

ESTIMATE OF SETTLEMENT REQUIREMENTS

1	Development Costs	\$ 29,014,675	Source of Cash:		
2	Cash Req. for Land Debt/Acquisition	\$ 695,000	13	a. Tax Credits, if any	\$ -
3	Subtotal	\$ 29,709,675	14	b. Sponsor's Cash	\$ 3,674,962
4	Mortgage Amount	\$ 25,253,200	15	c. Prepaid 3rd Party Reports	\$ 48,000
5	Development/Cash	\$ 4,456,475	16	d. 0	\$ -
6	Initial Operating Deficit**	\$ 894,057	17	Subtotal (a + b + c + d)	\$ 3,722,962
7	Discount or Non Mortgageable Bond Costs	\$ -	Source of Fees and Grants:		
8	Working Capital (2% of Mortgage Amount)**	\$ 505,064	18	a. Grant/Loan/Gift (if any)	\$ -
9	Working Capital - Contingency (2% of Mortgage)**	\$ 505,064	19	b. Other	\$ -
10	Off-Site Construction & Demolition Costs**	\$ -	20	c. BSPRA	\$ 2,637,698
11	Other	\$ -	21	Subtotal (a + b + c)	\$ 2,637,698
12	Total Estimated Cash Required	\$ 6,360,660	22	Total Cash, Fees and Grants	\$ 6,360,660

**Letters of credit may be used for these escrows. See Page 2, lines 70 to 73.



LETTER OF INTEREST

F.1. Letters of Interest

SOURCES							
	Developer's Budget (11/29/20)	CBRE Budget	Difference	Mortgageable	Non-Mortgageable	Comments	
221(d)4 Loan	\$ 24,651,996	\$ 25,253,200	\$ 601,204	\$ 25,253,200	\$ -		
Equity/Cash Required	\$ 5,695,000	\$ 3,722,962	\$ (1,972,038)	\$ 1,818,777	\$ 1,904,185		
BSPRA/SPRA	\$ -	\$ 2,637,698	\$ 2,637,698	\$ 2,637,698	\$ -		
Total Sources	\$ 30,346,996	\$ 31,613,860	\$ 1,266,864	\$ 29,709,675	\$ 1,904,185		
	\$ (1,262,526)	\$ -	\$ -	\$ (0)	\$ -		
USES							
	Developer's Budget	CBRE Budget	Difference	Mortgageable	Non-Mortgageable	Comments	
ACQUISITION AND HOLDING							
Purchase Price/Land	\$ 695,000	\$ 695,000	\$ -	\$ 695,000	\$ -		
Acquisition Loan Fee and Costs	\$ -	\$ -	\$ -	\$ -	\$ -		
CONSTRUCTION							
Site Work/Other Land Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		
Main Buildings						Using total from Development Proforma tab on borrower's Financial Analysis (instead of breakdown on Sources & Uses tab). Adding CBRE's Main Bldgs + Gen Req + Overhead + Builder's Profit (\$628,978) + Bond Premium will equal developer's total HCs of \$20,965,939	
Accessory Buildings	\$ 20,965,939	\$ 18,450,026	\$ (2,515,913)	\$ 18,450,026	\$ -		
Garage	\$ -	\$ -	\$ -	\$ -	\$ -		
All Other Buildings: GRT	\$ 1,845,320	\$ 1,845,320	\$ -	\$ 1,845,320	\$ -	GRT (tax)	
General Requirements 6.0%	\$ -	\$ 1,257,956	\$ 1,257,956	\$ 1,257,956	\$ -	CBRE estimate at 6% of HCs	
Builder's General Overhead 2.0%	\$ -	\$ 419,319	\$ 419,319	\$ 419,319	\$ -	Req	
Builder's Profit 3.0%	\$ -	\$ -	\$ -	\$ -	\$ -	Builder's profit is non-mortgageable when BSPRA is used.	
Bond Premium 1.0%	\$ -	\$ 209,659	\$ 209,659	\$ 209,659	\$ -	CBRE estimate at 1% of HCs	
Construction Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	HUD includes 2% for HC Contingency in their Working Capital. Not including.	
Impact/Permit/Zoning Fees	\$ 642,700	\$ 642,700	\$ -	\$ 642,700	\$ -	Under Contractor's Other Fees	
Demolition/Off-Site Construction Costs	\$ -	\$ -	\$ -	\$ -	\$ -		
Costs Per Unit:	\$ 117,270	\$ 114,125	\$ (3,145)				
Architectural and Engineering	\$ 1,200,000	\$ 1,200,000	\$ -	\$ 1,200,000	\$ -	CBRE assumes that land taxes will still need to be paid during construction.	
Taxes During Construction	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ -	Developer's proforma estimated \$60,000 for taxes & insurance, CBRE split between the two line items.	
Insurance During Construction	\$ 45,000	\$ 45,000	\$ -	\$ 45,000	\$ -		
Construction Interest	\$ 940,000	\$ 683,941	\$ (256,059)	\$ 683,941	\$ -	18-months construction period (+2 HUD months)	
MIP (FHA Insurance Fee) 0.25%	\$ -	\$ 126,266	\$ 126,266	\$ 126,266	\$ -		
HUD Exam/Application Fee 0.30%	\$ -	\$ 75,760	\$ 75,760	\$ 75,760	\$ -		
FHA Inspection Fee 0.50%	\$ -	\$ 126,266	\$ 126,266	\$ 126,266	\$ -		
Financing Fee 1.50%	\$ 870,563	\$ 378,798	\$ (491,765)	\$ 378,798	\$ -		
CBRE Application Fee	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ -		
Placement Fees 0.73%	\$ 25,000	\$ 173,466	\$ 148,466	\$ 173,466	\$ -	CBRE Placement Fees include Lender Legal. Borrower's proforma estimated \$25,000 for Lender Legal.	
Title and Recording (including ALTA survey)	\$ 75,000	\$ 75,000	\$ -	\$ 75,000	\$ -	CBRE estimate, developer added to updated proforma.	
Legal	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -		
Organizational (excluding 3rd party fees)	\$ 83,000	\$ 35,000	\$ (48,000)	\$ 35,000	\$ -	CBRE estimate, developer added to updated proforma, with 3rd party fees.	
Cost Certification	\$ 18,000	\$ 18,000	\$ -	\$ 18,000	\$ -	CBRE estimate, developer added to updated proforma.	
Soft Cost Contingency	\$ -	\$ -	\$ -	\$ -	\$ -		
BSPRA/SPRA	\$ -	\$ 2,637,698	\$ 2,637,698	\$ 2,637,698	\$ -		
Initial Operating Reserves - HUD	\$ -	\$ 894,057	\$ 894,057	\$ -	\$ 894,057	Contingency and marketing costs are covered by HUD's WC.	
Working Capital Requirement- HUD 4.00%	\$ 640,000	\$ 1,010,128	\$ 370,128	\$ -	\$ 1,010,128		
Appraisal	\$ 7,500	\$ 11,500	\$ 4,000	\$ 11,500	\$ -		
Environmental	\$ -	\$ 4,500	\$ 4,500	\$ 4,500	\$ -		
Market Study	\$ -	\$ 7,500	\$ 7,500	\$ 7,500	\$ -		
A&E Cost Analysis	\$ -	\$ 22,000	\$ 22,000	\$ 22,000	\$ -		
PZR & APPS	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ -		
MRA, City Contracts, Other	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -	Under Mortgagor's Other Fees	
Pool/Water Amenity Feature	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -	Under Mortgagor's Other Fees	
FF&E	\$ 125,000	\$ 125,000	\$ -	\$ 125,000	\$ -	Under Mortgagor's Other Fees	
Project Signage	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -	Under Mortgagor's Other Fees	
Office Admin Costs	\$ 120,000	\$ 120,000	\$ -	\$ 120,000	\$ -	Under Mortgagor's Other Fees	
LEED Consultant	\$ 35,000	\$ 35,000	\$ -	\$ 35,000	\$ -	Under Mortgagor's Other Fees	
Plotting	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -	Under Mortgagor's Other Fees	
Survey (Topo)	\$ 1,500	\$ 1,500	\$ -	\$ 1,500	\$ -	Under Mortgagor's Other Fees	
Development Fee	\$ 3,000,000	\$ -	\$ (3,000,000)	\$ -	\$ -	Non-mortgageable cost - not included	
Total Uses	\$ 31,609,522	\$ 31,613,860	\$ 4,338	\$ 29,709,675	\$ 1,904,185		

OTHER FINANCIAL OBLIGATIONS

Jay Rembe is currently working on two other multifamily projects, both of which have financing approved through Sandia Labs Federal Credit Union. All equity for both projects is in place. Our team sees tremendous value in both of these projects as they relate to The Downtowner, as we are using the same team and ideally the same subcontractors which should help through economies of scale.

	The Strider	The Clyde
Location:	107 Vassar SE	1623 & 1710 Central SW
Proposed:	108-unit urban apartment building	Village of 41 small apartments
Architect:	Mullen Heller Architecture	Mullen Heller Architecture
Contractor:	Insight Construction	Insight Construction
Lender:	Sandia Labs Federal Credit Union	Sandia Labs Federal Credit Union
Loan Amount:	\$13,500,000	\$5,837,705
Proposed Start Date:	February 2020	April 2020

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F.3. Financing References



October 27, 2020

City of Albuquerque

Re: RFP Multifamily Housing Project located at Silver and 1st Street

To Whom it May Concern:

Recently, Jay Rembe, member of the Jay Rembe/Mullen Heller Architects/Insight Construction Company development team requested a reference letter to give you an indication of the quality of the group's banking capabilities as well as their ability to successfully complete the proposed multifamily residential project located near the intersection of Silver and 1st Street in Albuquerque, NM.

During my banking career, which spans 35+ years, I served as the lead commercial lender for Jay Rembe and his various corporate entities on numerous construction projects which combined totaled in excess of \$65,000,000. The projects ranged from new multifamily housing to residential / commercial acquisition and development as well as mixed use retail / residential renovation and ground up construction. Jay employs creative architectural and urban designs which are well suited given various land and building constraints. His team is very well disciplined with regard to financing constraints as projects were completed within their initial cost estimates or under budget.

Other members of Jay's team include, Doug Heller of the Mullen Heller Architecture firm and Damien Chiminti, owner of Insight Construction Company. Mr. Heller's architectural designs and construction management capabilities are very well respected in the building community. Insight Construction Company has successfully completed various renovation and infill projects within the City of Albuquerque. He also incorporates some of the best building practices with respect to the projects in which they were chosen as the lead general contractor.

During my banking career I have had the pleasure of working with each member of the above mentioned team on various projects. I find their respective companies to be very well managed and sophisticated in their business practices.

Sandia Laboratory Federal Credit Union has expressed a sincere interest in providing the construction / permanent financing for the proposed transaction and is looking forward to working with the real estate investors on a very exciting multifamily housing project.

If you need any further information, please don't hesitate to give me a call at 505-237-7228.

Sincerely,

A handwritten signature in blue ink that reads "Dan Cover".

Dan Cover, Vice President, Manager Business Lending
Sandia Laboratory Federal Credit Union
7500 Jefferson NE; Suite 100
Albuquerque, NM 87109

F.3. Financing References



Exhibit to Reference Letter

City of Albuquerque

Re: RFP Multifamily Housing Project located at Silver and 1st Street Reference Letter (con't)

Sandia Labs Federal Credit Union has or is expected to participate in the following projects:

1. County Club Plaza Infrastructure Loan – credit facility used to install infrastructure for commercial development which included mixed used retail / multifamily / office project.
2. 1720 Central Renovation and Perm Loan – credit facility for renovation of reconfigured retail / office project.
3. 1816 & 1828 Renovation and Perm Loan – credit facility for renovation and reconfigured of a retail project.
4. 1710 Central Acquisition, Renovation and Perm Loan – credit facility for renovation of reconfigured retail / office project.
5. 1700 Central Construction and Perm Loan – credit facility used for new mixed used retail / multifamily housing project.
6. 1716 Central Construction and Perm Loan – credit facility used for new multifamily housing project.
7. Las Campanas land development loan - credit facility used to install infrastructure for residential development project.
8. Las Campanas land loan – credit facility used to provide financing for land for future residential development project.
9. Silver Avenue land loan – credit facility used to provide financing for land for future multifamily housing project.
10. Richmond Street Studios Refinance Perm Loan – credit facility used to provide funds to refinance a residential condo project.
11. Los Poblanos Expansion and Perm Loan - Phase I – credit facility used to expand existing mixed use tourism / hospitality related project.
12. Los Poblanos Expansion and Perm Loan - Phase II – credit facility used for a second expansion of a mixed use tourism / hospitality related project.
13. 1623 & 1701 Central-Future Construction & Perm Loan – credit facility which will be used for a new multifamily housing project which includes equity injected by the developer.
14. 2720 Central Renovation & Perm Loan - credit facility which will be used for new multifamily housing project which includes equity injected by the developer.
15. Vassar Construction & Perm Loan - credit facility which will be used for renovation / reconfiguration of various retail suites which includes equity injected by the developer.

F.3. Financing References

COMMERCIAL REAL ESTATE SERVICES
Debt & Structured Finance

Capital Markets

Sales • Finance • Investment Banking



Peter Gineris, Senior Vice President
CBRE Debt & Structured Finance
6100 Uptown Blvd NE Suite 300
Albuquerque, NM 87110
505-837-4997 T
505-250-4697 C
Peter.Gineris@CBRE.com

December 1, 2020

Jay Rembe CEO
Rembe Urban Design + Development
1716 Central SW, Suite A
Albuquerque, NM 87104

RE: FINANCING REFERENCE
SILVER AVENUE FLATS, ABQ, NM

Dear Mr. Rembe:

We appreciate the opportunity to support your goal to develop the Silver Avenue Flats in downtown Albuquerque. We have completed our underwriting of the financial information provided for both the development and the operation of the property. We are prepared to move forward on your development in terms of construction and permanent financing and have provided a term sheet with the terms for that financing.

Based on your most recent multifamily development, The Franz, for which I funded an \$8,700,000 Fannie Mae loan earlier in 2020, I am confident in your ability to complete the referenced project. When we completed our property inspection, we were impressed with the quality of the work and I recall our property condition engineer mentioning that certain aspects (HVAC, roofing, basement, etc.) were as nice or nicer than anything he has seen and they inspect 100's of assets per year. We also did not have to require 3rd party management as you have a proven track record with us on this and our existing loan with you. The existing loan we have is the approximately \$6,900,000 loan secured by the Bricklight Apartments in the UNM area. For that project we funded a HUD guaranteed loan which is the same program we quoted for this downtown development. That loan and property have had excellent performance and we were able to allow you to manage that property yourself, without outside management after passing a one year "scrutiny period" with HUD and CBRE. This is rare with HUD.

In terms of banking, you have kept all loans current and have followed through with all requirements of the loan documents. We expect the same for this new opportunity which is why we are willing to provide the construction and permanent financing for the project.

CBRE Debt & Structured Finance is the largest non-bank mortgage originator in the US and funded in excess of \$40BB in mortgages in each of the years 2019 and 2018 and \$38BB in 2017. CBRE is also the largest Freddie Mac lender in the US and a top five Fannie Mae lender and top ten HUD FHA lender in addition to representing national banks, pension funds, life insurance companies and REITs.

Jay, I am excited to be working with you again on this new development as are my counterparts at CBRE who have worked with you on our past transactions. We are very familiar with the location and believe it will be a successful development with your vision for the project.

Very truly yours,

Peter J. Gineris

Peter J. Gineris
Senior Vice President

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FINANCIAL STATEMENTS

The Developer has elected to keep his financials confidential. Jay encourages members of the Selection Committee to contact Dan Cover at Sandia Labs Federal Credit Union with any questions about the Developer's financial strength and liquidity. If a confidentiality statement is executed by a third-party review team, the Developer is more than willing to provide the required information as outlined in the RFP with the assurances that his financials will not be shared with anyone including under the rules of New Mexico Inspection of Public Records Act.

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SECTION G



TIMELINE

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READY, SET, GO!

Our team is committed to moving the Downtowner from this proposal to reality as quickly as possible. We understand selecting a development team and finalizing the agreements between the developer and the City is an unknown time frame. However, our team is committed to hit the ground running. Once the selection of the Development Team is finalized, we are ready to kick start the investigatory phases.

Below, as well as on the following Gantt Chart, we have identified the design and construction milestones that our team has committed to.

Due Diligence – 3 months

Once the award has been made, we will begin the Due Diligence Process. This will include submitting the proposed project to the Planning Department's Pre-Review Team to flesh out zoning and development of the proposed project.

Once the Due Diligence Phase is complete and the design is developed further, we will submit the Urban Design and Land Planning package to the Planning Department and the MRA for review as requested in the RFP. **We anticipate a one month review by the City Planning & MRA that is reflected in our schedule.**

Schematic Design – 4 months

After approval of the Urban Design and Land Planning package, we will begin work on the Schematic Design Documents. This will include site plans, floor plans, building elevations, building sections, an outline specification identifying the major components and systems and an updated construction cost estimate.

We anticipate that the Development Agreement between the City and the Developer will take several months to finalize; however, we will move forward with the Due Diligence phase and begin the Schematic Design while the Development Agreement negotiations are in progress.

Once this phase is complete, we will submit the Schematic Design Documents to the Planning Department and the MRA for review as requested in the RFP. **We anticipate a one month review by the City Planning & MRA that is reflected in our schedule.**

Design Development & Construction Documents – 10 months

Once the Schematic Design has been approved, the Design Development and Construction Documents will take ten months to complete. After that, the CDs will be submitted for the City's Building Department for permit review.

The overall time frame for the Design Phases from the Notice of Award to the completion of the Construction Documents is twenty months. This includes appropriate review times for the Planning Department and the MRA at the appropriate phases. **We anticipate a one month review by the City Planning & MRA that is reflected in our schedule.**

The team anticipates 2 months for City permit review.

Preleasing and Marketing

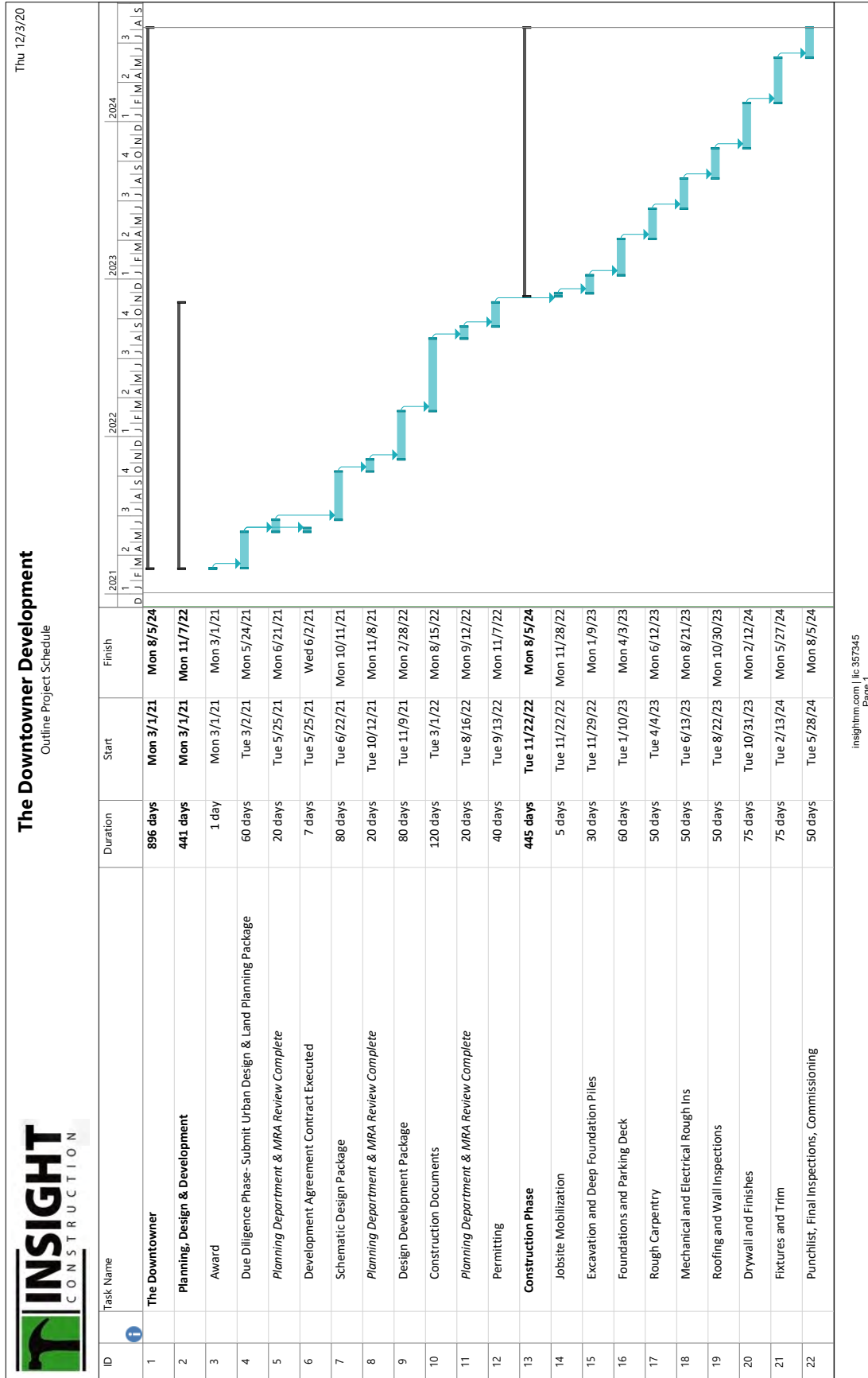
Preleasing and marketing of the project will begin in earnest a few months prior to the completion of construction to take advantage of the mounting excitement as construction nears an end.

Construction – 18 months

After the permit drawings have been approved, construction can begin. Construction of the 6-story, 200 unit building is anticipated to last 18 months.

Leasing & Move in

When construction is complete and the punchlist signed off, the Developer can begin to furnish the building



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Page 1

*Are you squinting yet? Please see flash-drive for larger charts and/or text throughout this section.

SECTION H

COVID RESPONSE



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KEEPING PEOPLE SAFE & HEALTHY

There is no question that Coronavirus has impacted everyone's life in many, many ways.

The construction industry has been one of the components of the economy especially hard hit. However, like most, developers, architects, and contractors are resilient. We have learned how to adapt, pivot, and work differently than we were less than a year ago.

From a Developer and Property Owner's perspective

Building owners and managers have experienced a major change in their approach to maintaining buildings and interacting with tenants/residents. No doubt cleaning and sterilizing is now a major factor in everyday maintenance. More time and money is spent on keeping building occupants safe – this means enforcing social distancing and for the time being – mask wearing. All this means is more staff or more responsibilities on currently employees. Owners and managers must be more diligent in their communications with occupants to give them the sense that they are doing everything in their power to keep tenants and residents safe.

Currently, the pandemic has not had a major impact on the financing of new developments. Although lending institutions are more in-tune to the challenges of proposed developments, Jay has not experienced appreciable resistance to any proposed developments. As noted earlier, he has two projects currently financed, The Clyde and The Strider, and commitments for financing on The Downtowner.

From an Architect's perspective

Architects are used to changing their workflows and methods as their client's needs evolve. The implications of COVID in the workplace has presented new challenges. Not only are most design firms working remotely, the lack of face-to-face collaboration and design input from owners and contractors has honestly placed more responsibility and pressure on everyone to perform at a higher level.

We have our finger on the pulse of the constantly updated recommendations from public officials regarding indoor air quality and the requirements for gathering spaces. For example, architects are hearing from clients that reception areas can become smaller, as they are becoming more efficient in their internal processes. This impacts building programming and sizes. Mechanical systems are obviously changing dramatically with the use of additional units for increased ventilation and increased daily flush-out periods, as well as more sophisticated filter systems (higher density and ultraviolet) that help limit the spread of the virus through recirculated air. Lighting manufacturers have introduced ultraviolet light filters to help reduce toxins on work surfaces and epoxy paint and bleach-cleanable textiles have become a regular part of specifications for ease of disinfecting occupiable spaces. These are just a handful of examples that are impacting the architects and designers scope of work.

From a Contractor's perspective

The two biggest challenges contractors are facing in today's COVID world are twofold: controlling costs and managing manpower. The uncertainty of the availability of building materials has caused surges in buying, much like toilet paper. For example, in early spring, wood prices were skyrocketing primarily due to the demand and lack of stock. Since then, notably in the last month, wood prices are beginning to stabilize, which is leading to overall pricing leveling as well. Overall, the industry is seeing that COVID is responsible for a 2-5% increase in construction costs depending on the size of the project. These increases can be attributed to limited materials and lead times which in turn increase the project timeline.

Another challenge that contractors are dealing with is the scenario that the virus can quickly spread through subcontractor groups, causing delays in available manpower. Contractors are doing their best to manage a safe, sanitary project site with the proper protocols while also carefully sequencing the construction to keep subcontractor groups on-site together but with proper separation. It is becoming increasingly more critical to sequence subcontractor groups by alternating their time at a construction site to limit exposure. This, however, has not always been effective. Contractors are now experiencing the virus spreading at alarming rates.

H.1. COVID-19 Response

Impacts on The Downtowner

The Developer, Architect and Contractor are continuing to learn how to navigate COVID, as the situation changes daily. We will draw on our experiences of the last nine months to mitigate many of the issues described above. Building managers will increase cleaning regimens, with larger maintenance closets located more frequently through the building. We will incorporate more natural ventilation throughout the building, and design larger common spaces to avoid the more intimate types that were common in previous projects.

At this time, without a crystal ball, we do not see significant impact on the design and construction for The Downtowner. As we have implemented with our project, The Strider, we are having weekly 'meetings' to review current recommendations from public officials on COVID impacts, implications on design schedule, and construction costs that are updated monthly.

We do not anticipate any significant impact on our proposed schedule for The Downtowner, but as we all now, that can change tomorrow.

SECTION I

OTHER INFORMATION



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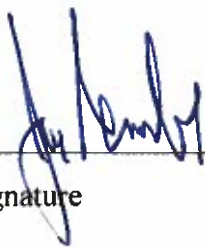
Exhibit D

Metropolitan Redevelopment Agency

RFP Letter of Acknowledgement

(Name of Proposer) acknowledges that I/we have read and understand the First and Silver Redevelopment Request for Proposals and all published addenda posted at <https://www.cabq.gov/metropolitan-redevelopment-agency/request-for-proposals>. Additionally, (Name of Proposer) acknowledges that the City will require the following for any Project proposed on the Subject Site:

1. **Civil Rights Compliance:** All contractors must certify that they shall comply and act in accordance with all provisions of the Albuquerque Human Rights Ordinance, the New Mexico Human Rights Act, Title VII of the U.S. Civil Rights Act of 1964, as amended, and all laws and resolutions relating to the enforcement of civil rights.
2. **Debarment or Ineligibility Compliance:** All contractors must certify that they have not been debarred or otherwise found ineligible to receive funds by any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States. Should any contractor receive notice of debarment, suspension, ineligibility or exclusion, that contractor shall notify the City in writing immediately.
3. All contractors working on the Project being proposed will be required to pay prevailing wages per the New Mexico Public Works Minimum Wage Act, Sections 13-4-10 to 13-4-17 NMSA, regardless of whether this is deemed to be a public works project or a private project.
4. The Developer will comply with the New Mexico Subcontractors Fair Practices Act, the New Mexico Subcontractors Prompt Payment Act, contractor(s) and subcontractor(s) registration as ^ required by Section 13-4-13.1 NMSA.
5. The Developer will comply with the Public Works Apprentice and Training Act, prevailing wages per the New Mexico Public Works Minimum Wage Act, Sections 13-4-10 to 13-4-17 NMSA.



Signature

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Exhibit D AMENDED
Metropolitan Redevelopment Agency
RFP Letter of Acknowledgement and Disclosure

Acknowledgements

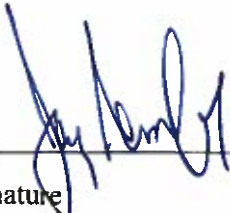
Jay Rembe acknowledges that I/we have read and understand the First and Silver Redevelopment Request for Proposals and all published addenda posted at <https://www.cabq.gov/metropolitan-redevelopment-agency/request-for-proposals>. Additionally, Jay Rembe acknowledges that the City will require the following for any Project proposed on the Subject Site

- **Civil Rights Compliance:** All contractors must certify that they shall comply and act in accordance with all provisions of the Albuquerque Human Rights Ordinance, the New Mexico Human Rights Act, Title VII of the U.S. Civil Rights Act of 1964, as amended, and all laws and resolutions relating to the enforcement of civil rights.
- **Debarment or Ineligibility Compliance:** All contractors must certify that they have not been debarred or otherwise found ineligible to receive funds by any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States. Should any contractor receive notice of debarment, suspension, ineligibility or exclusion, that contractor shall notify the City in writing immediately.
- **Prevailing Wage:** All contractors working on the Project may be required to pay prevailing wages per the New Mexico Public Works Minimum Wage Act, Sections 13-4-10 to 13-4-17 NMSA, subject to the policy in the RFP.

Legal Disclosures

Is there any court judgment, legal action, suit, proceeding, inquiry, investigation or controversy of any nature pending, or threatened, involving the Proposer (including all listed team members) and the City? If the answer is yes, then please describe that matter in detail. NO

In the past ten years, has the Proposer (including all listed team members) been involved in any court judgment, legal action, suit, proceeding, inquiry, investigation or controversy of any nature pending, or threatened, involving the Proposer and the City? If the answer is yes, then please describe that matter in detail. NO



Signature

REMEMBE

urban design + development