

MATCHING GLOBAL TRENDS WITH LOCAL VALUES, A NEW MEXICO HOUSING UPDATE



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Today's Topics

- Growth
 - Employment
 - Land Use
 - Transportation
- Demand Drivers
 - Demographics
 - Talent
 - Technology
- Supply
 - Today
 - Future



The Short Version:

- Occupancy is at a decade long high
- Rents are at their highest level (and increasing)
- The ceiling on rents continues to outstrip income growth
- Supply is not meeting demand
- There is a product mismatch between the new rent population and the older housing inventory
- Our zoning code is no longer market competitive (with a few exceptions)



Housing New Mexico



BRIEF MARKET UPDATE

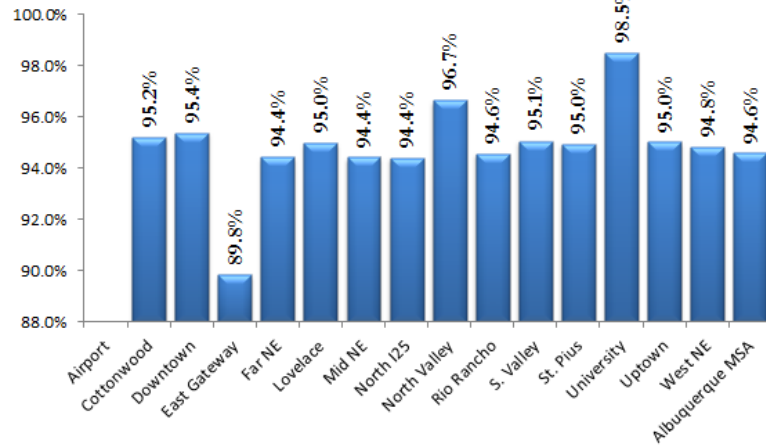


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Occupancy

Apartment Occupancy



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Occupancy

Unit Type	# Units Responding	# Units Vacant	Percent Occupied	Average Sq Ft	Average Base Market Rent	Average Base Market Rent/Sq Ft
Summary Analysis (All Units)						
All Units	33,985	2,003	94.11%	809	\$718	\$0.89
EFF	164	6	96.34%	395	\$439	\$1.11
STU	2,276	133	94.16%	426	\$482	\$1.13
1BR/1BA	14,317	731	94.89%	667	\$644	\$0.97
1BR/1.5BA	7	1	85.71%	1,240	\$800	\$0.65
1BR/2BA	58	1	98.28%	848	\$631	\$0.74
2BR/1.5BA	463	21	95.46%	876	\$823	\$0.94
2BR/1BA	5,057	314	93.79%	860	\$715	\$0.83
2BR/2BA	8,607	577	93.30%	991	\$826	\$0.83
2BR/2.5BA	116	4	96.55%	1,298	\$1,083	\$0.83
3BR/1.5BA	143	10	93.01%	1,094	\$775	\$0.71
3BR/1BA	33	0	100.00%	1,108	\$898	\$0.81
3BR/2BA	2,509	178	92.91%	1,165	\$948	\$0.81
3BR/2.5BA	53	6	88.68%	1,568	\$1,086	\$0.69
3BR/3BA	56	17	69.64%	1,460	\$878	\$0.60
3BR/3.5BA	4	0	100.00%	1,661	\$1,650	\$0.99
4BR/2BA	122	4	96.72%	1,134	\$859	\$0.76

Source: Apartment Association of NM

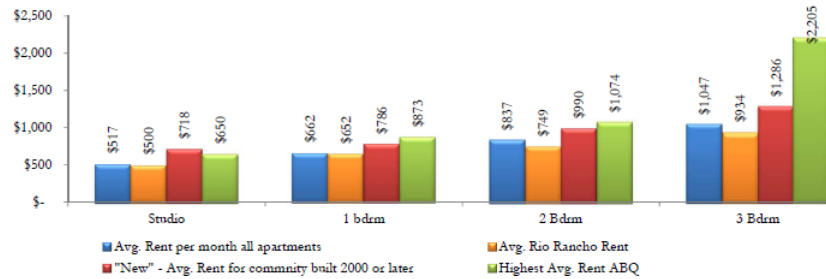


Housing New Mexico



Rents

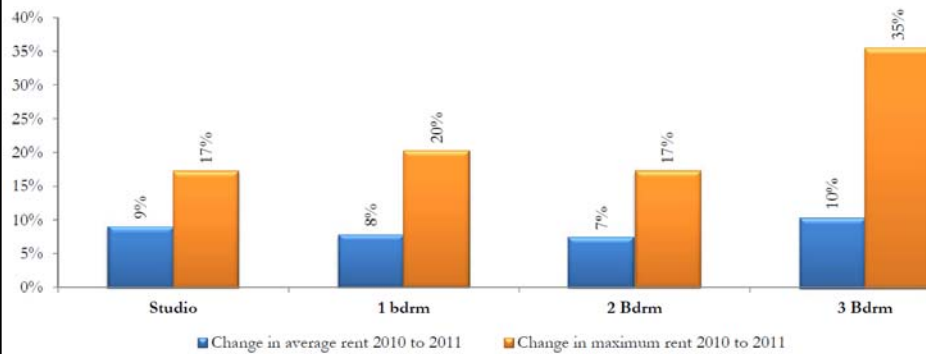
Bedrooms	Avg. Rent per month all apartments	Size	\$/sf	Avg. Rio Rancho Rent	Rent Diff ABQ to RR	"New" - Avg. Rent for community built 2000 or later	Rent Premium for "new"	Highest Rent submarket	Highest Avg. Rent ABQ	Rent Premium avg. to highest
Studio	\$ 517	425	\$ 1.22	\$ 500	3% higher	\$ 718	39%	North Valley	\$ 650	26%
1 bdrm	\$ 662	672	\$ 0.99	\$ 652	2% higher	\$ 786	19%	Airport	\$ 873	32%
2 Bdrm	\$ 837	969	\$ 0.86	\$ 749	11% higher	\$ 990	18%	Airport	\$ 1,074	28%
3 Bdrm	\$ 1,047	1251	\$ 0.84	\$ 934	11% higher	\$ 1,286	23%	Uptown	\$ 2,205	111%
Average Rent= \$ 771 853 sf \$ 0.90										



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Rents on the rise

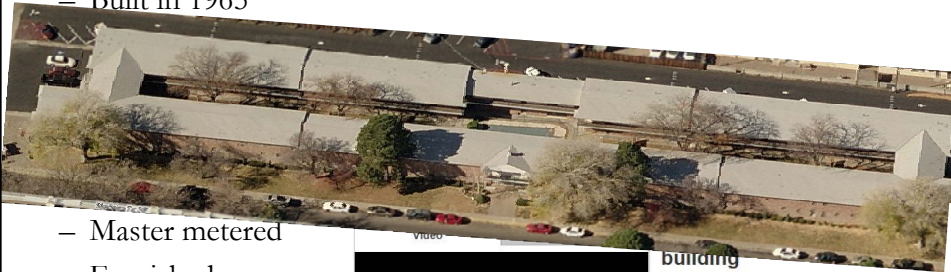


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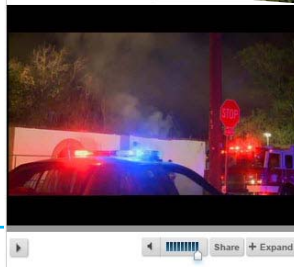
Current Supply

- Avg. Albuquerque Apartment was:
 - Built in 1965



- Master metered
- Furnished
- Overparked

**Is that a
problem?**



building

Updated: Saturday, 21 Apr 2012, 11:21 AM MDT
Published: Saturday, 21 Apr 2012, 11:21 AM MDT

Crystal Gutierrez

ALBUQUERQUE (KRQE) - An early morning fire gutted part of an unoccupied apartment building in southeast Albuquerque.

Investigators have yet to report on what lit up the two-story building at the corner of Charleston Street SE and Bell Avenue at about 4 a.m. Saturday.

A call to 911 reporting smoke brought firefighters to the scene where they found an active fire.

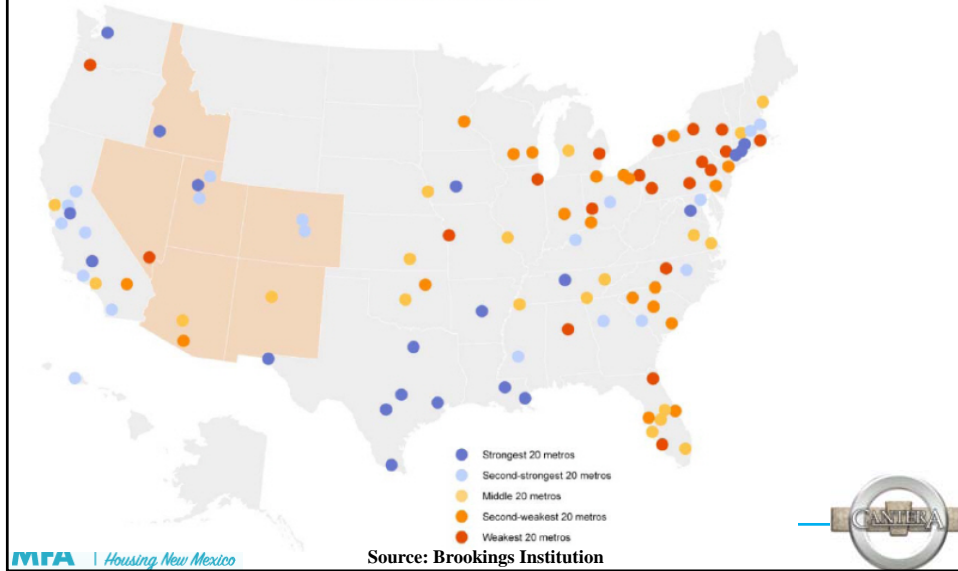
They quickly knocked it down with no reports of injuries.

GROWTH

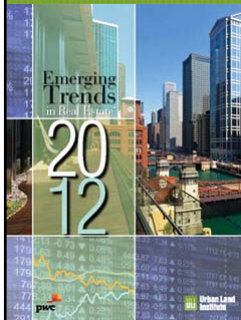


The Future is already here, just unevenly distributed –
William Gibson

Recovery Performance



Emerging Trends 2012



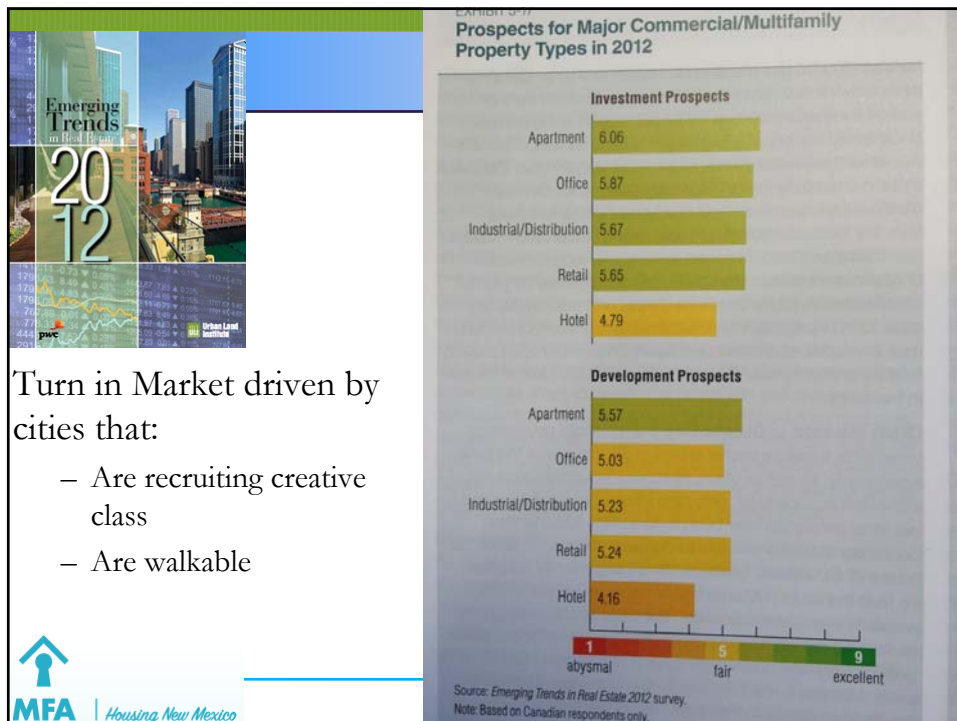
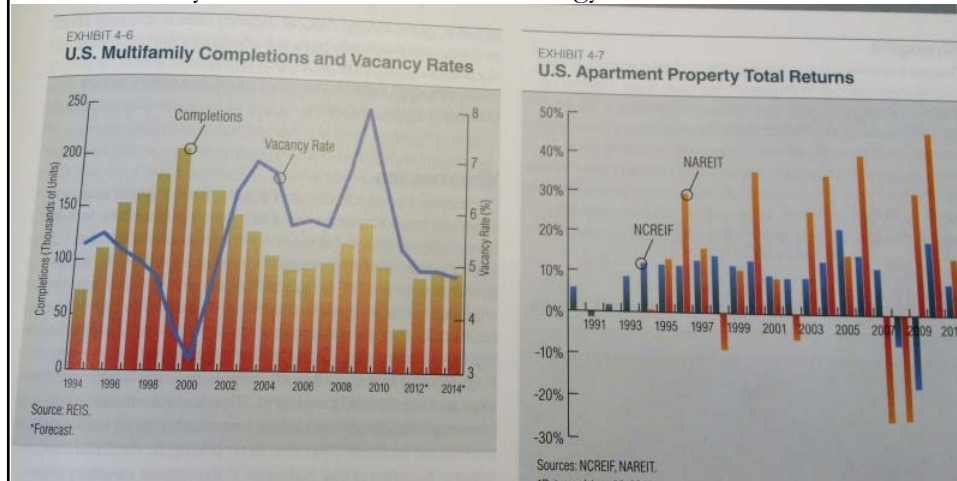
Turn in Market driven by cities that:

- Are recruiting creative class
- Are walkable

- Multifamily:
 - It almost doesn't matter what part of the country...interviewees are "gaga" over apartments buy:
 - Class A
 - Value enhanced B
 - Develop from scratch
 - Purchase in in-fill
 - Acquire in gateway markets
 - Even buy Class C and upgrade
 - BUY BUY BUY
 - In all market except those with a glut of single family

Emerging Trends 2012 Apartment

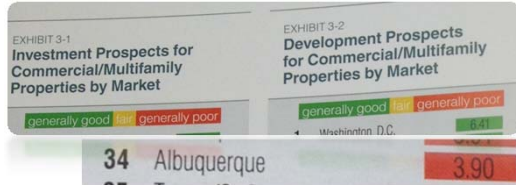
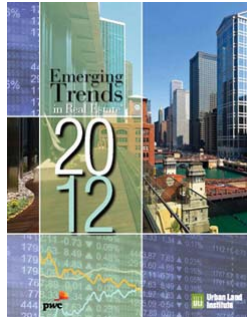
- 2008 to 2010 dynamics – increased apartment occupancy, rents and value
- Gateway cities or cities with tech/energy



Turn in Market driven by cities that:

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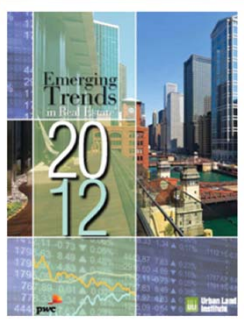
Albuquerque Multifamily



Message:

- NM is not open for business

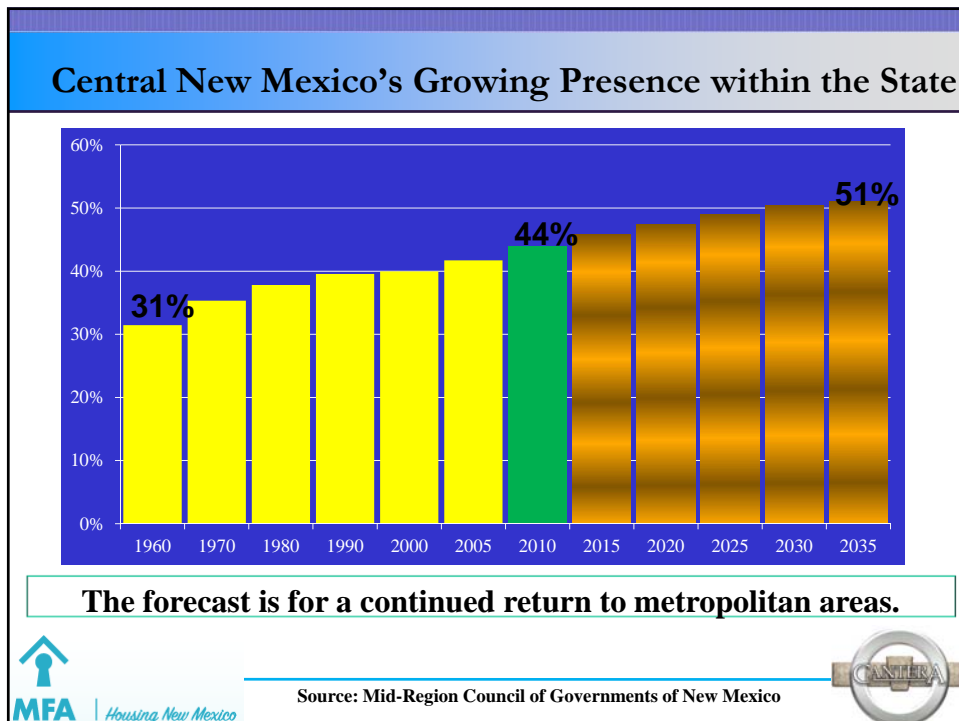
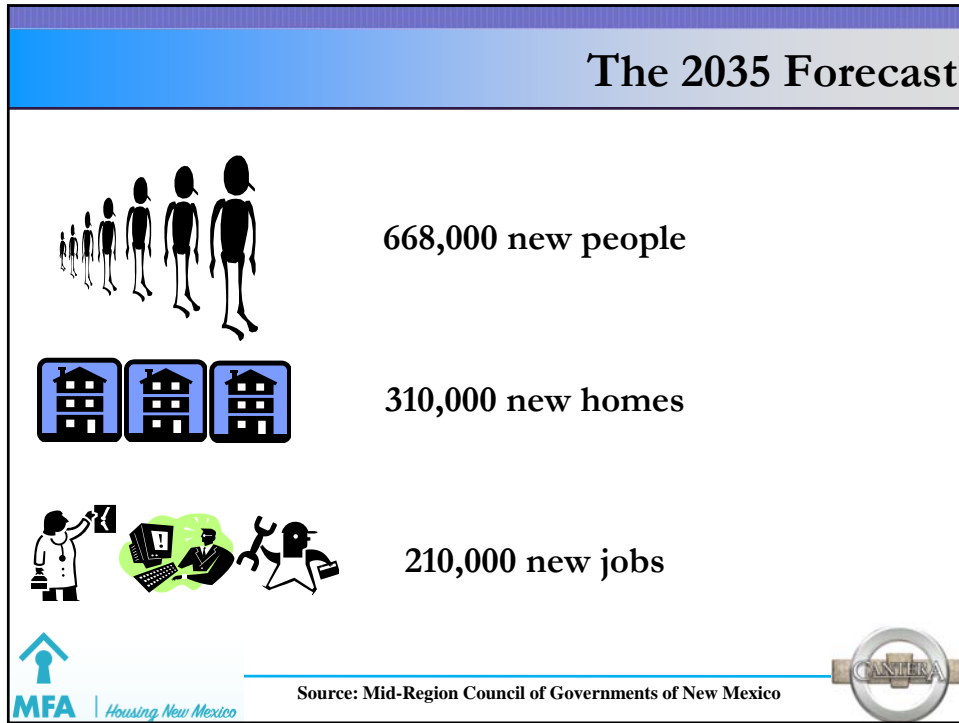
Albuquerque



How do we measure up:

- Scored 4.43 (poor)
- Walkable score = 89 (high)





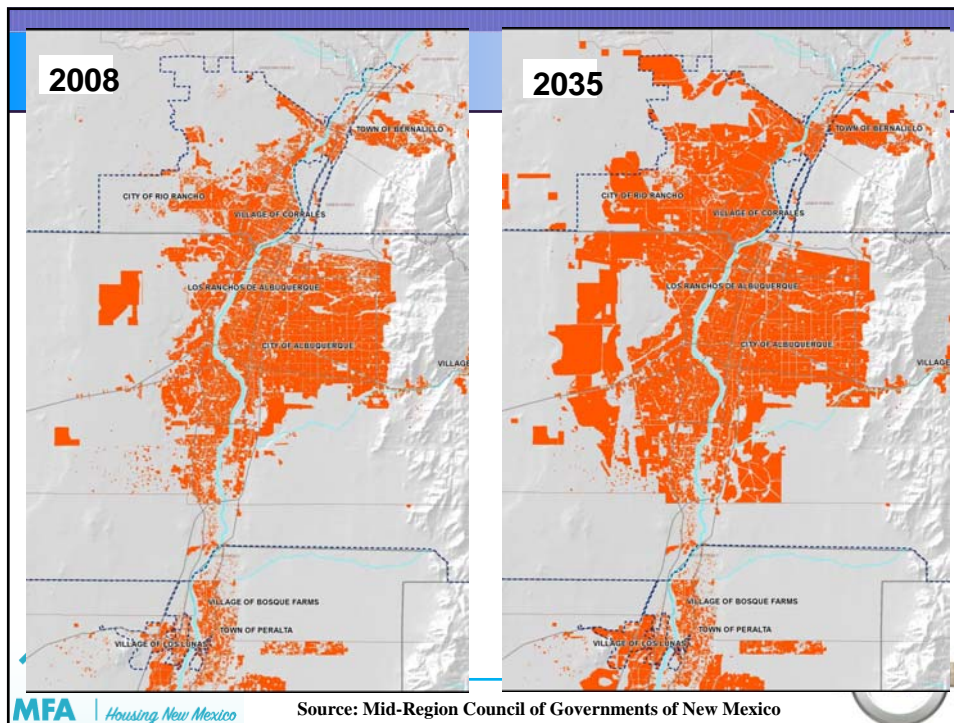
Growth Outlook by County

	2008 Population	2035 Population	Numeric Growth	Pace of Growth
MRCOG Region	883,901	1,552,125	668,224	75.6%
Bernalillo County	649,916	1,037,719	387,803	59.7%
Sandoval County	127,928	309,356	181,428	141.8%
Torrance County	17,923	27,836	9,913	55.3%
Valencia County	77,545	160,532	82,987	107.0%
Southern Santa Fe	10,589	16,682	6,093	57.5%

Region level forecast developed by UNM-GPS. County level forecast by MRCOG based on land use constraints, plans, and policies.



Source: Mid-Region Council of Governments of New Mexico



Source: Mid-Region Council of Governments of New Mexico

Demand drivers for apartments going forward

Transportation
Talent / Tolerance (demographics/household
formation)
Technology



Transportation



Cities of the Future: Aerotropolis, The way we will live



AeroTropolis: They way we will live next
- Greg Lindsay

- Driver of urban, economic and social change:
 - 18th century – seaports
 - 19th century – railroads
 - 20th century - airports
- The “AeroTropolis” was ranked amongst top 10 ideas that will change the World by



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Transportation

space required to transport 60 people



car



bus



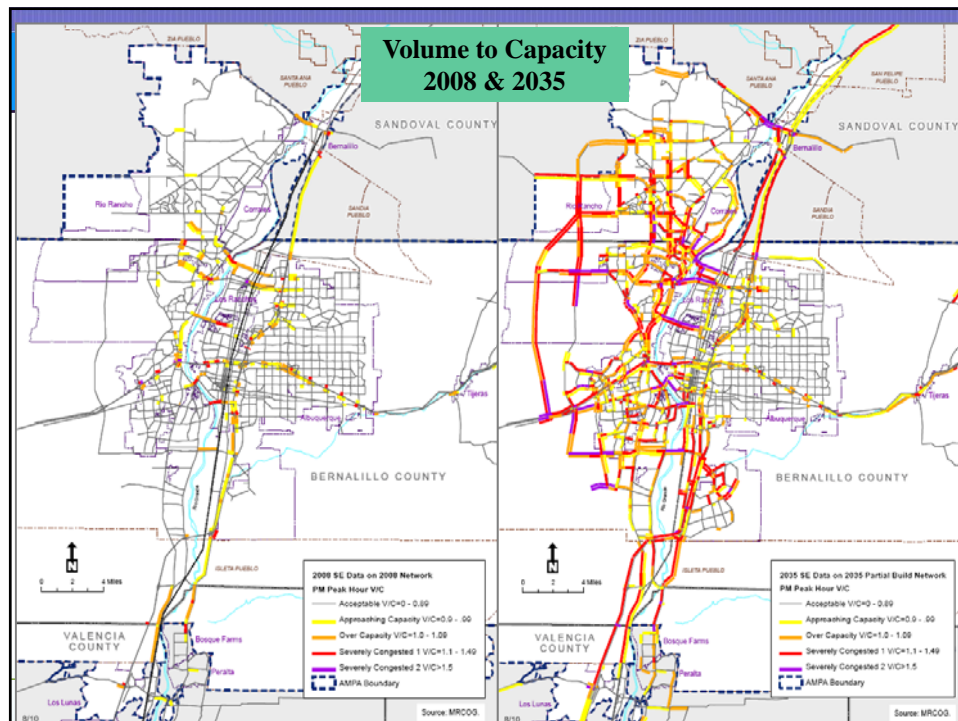
bicycle

Pent up Demand 1 apartment unit per 10 people

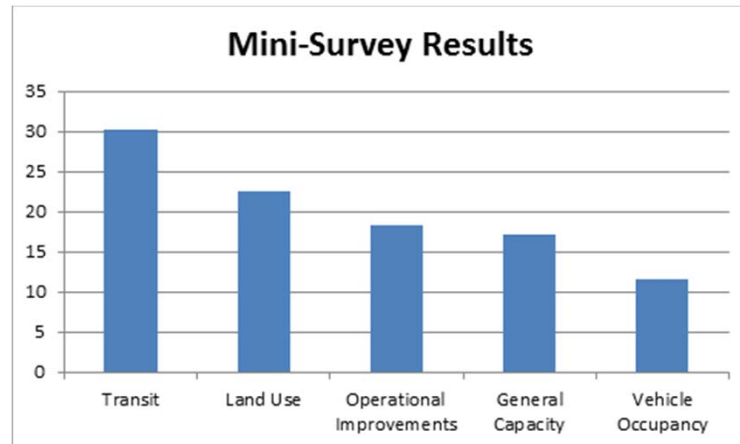
- Rio Rancho – underserved by 4,600 units
- Albuquerque –needs 1,350 units a year
- Los Lunas – underserved by 796 units



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Public Involvement - Solutions

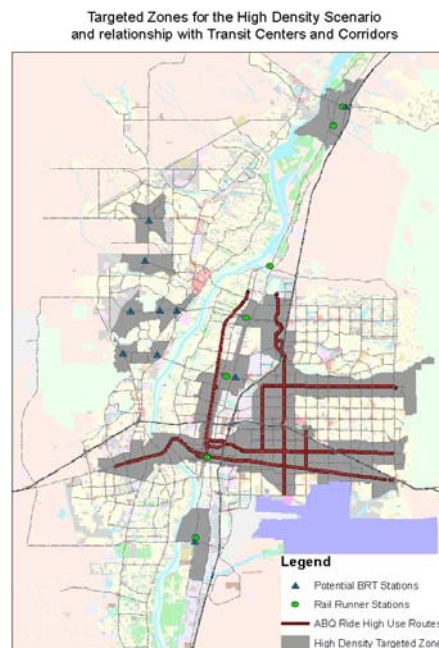


Source: Mid-Region Council of Governments of New Mexico



**Select areas
for compact
residential
development**

*High Use and
Potential Transit
Corridors & Stations*

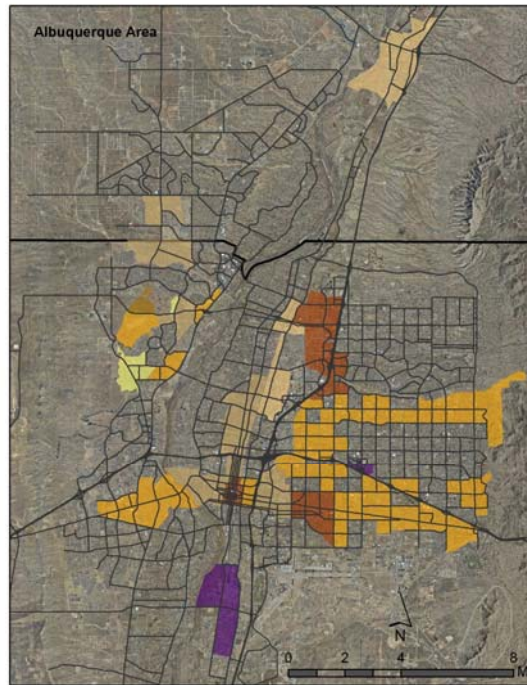


Source: Mid-Region Council of Governments of New Mexico

**Then, develop at
maximum
allowable
residential
densities**



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Does better land use planning move the needle?

Daily Impact

- ↓ Vehicle Miles Traveled down 1.3 Million
- ↓ 50,000 fewer River Crossings

PM Peak Hour Impacts

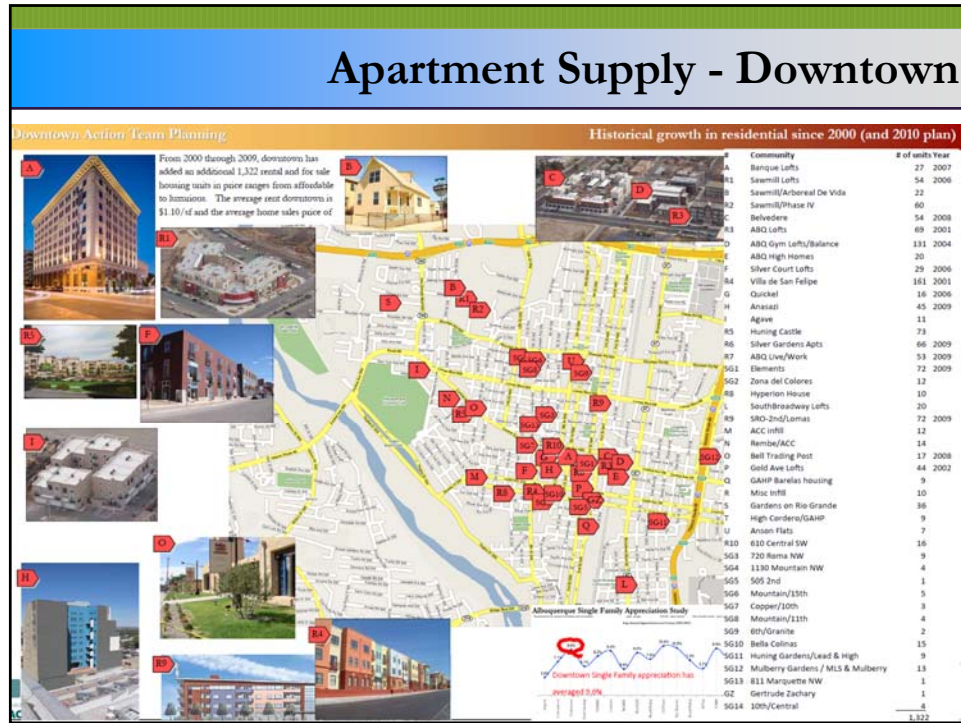
- ↓ Vehicle Hours of Delay down 25%
- ↑ Speeds up 17%



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Source: Mid-Region Council of Governments of New Mexico





**Talent / Lifestyle
& Tolerance for the creative class**

Where will this growth come from?



$$E > P$$

- For the economy to grow faster than the population we need to look to:
- Small business
- Innovators
- Immigration
- Adding economic tools to recruit Businesses of “1” those from the creative class



Creative Class



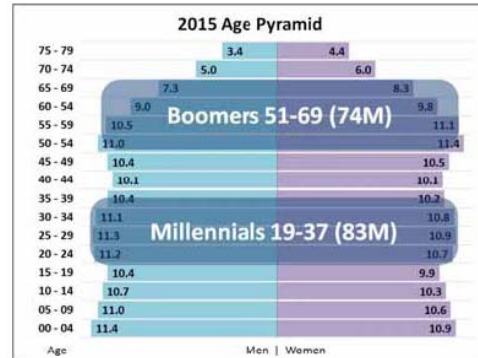
Creative class looks for:

- Talent
- Tolerance
- Technology



Demographics

- Competing Renters
 - Baby Boomers
 - Millennials or Gen Y'ers
- Competing for same rental pool
- But different product



And one other?



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Baby Boomers - Lifestyle

- “Me” generation
- Greatest generation in terms of wealth
- Wealth = home
- Large “collection”
- Focused on health and longevity
- Spatial mismatch of housing
- Wants large 1 bedroom residence
- Active Traveler



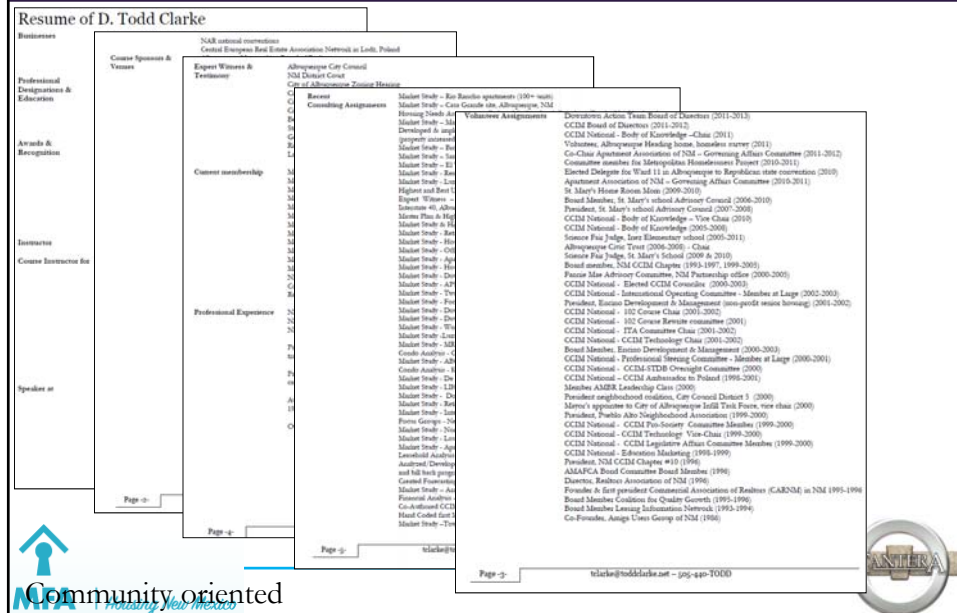
- Was told “ask not what your country can do for you but what you can do for your country”



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Baby Boomers – typical Resume



Millennials leaders of transformative change



- The top 10 jobs in 2010 didn't exist in 2004
- 10 to 14 different jobs before 38
- 20% of their college education was irrelevant by the time the graduated
- 12%+ met their spouse online

Millennials - lifestyle

- Lives out of a backpack
- Never knew a day without Google
- Asks Facebook friends for advice
- Pursues experiences more than “things”
- Needs constant feedback
- Multitasking (crams 28 hours into a 24 hour day)
- Has more tie to Facebook than their country
- Asks their employers “what can you do for me?”
- Marries later
- More likely to stay at home with parents (see Jim’s slide of pph at 2.69)
- Highly transient
- Not likely to buy homes
- Cares about global more than local



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Typical Millennial:

- Grew up with Harry Potter
- Has always had GPS
- Knows gas stations for the cappuccino, not for fixing flats
- Have always been concerned about multiculturalism
- The Tonight has always been hosted by Jay Leno
- Have always had access to charter schools
- The video game generation – needs constant feedback

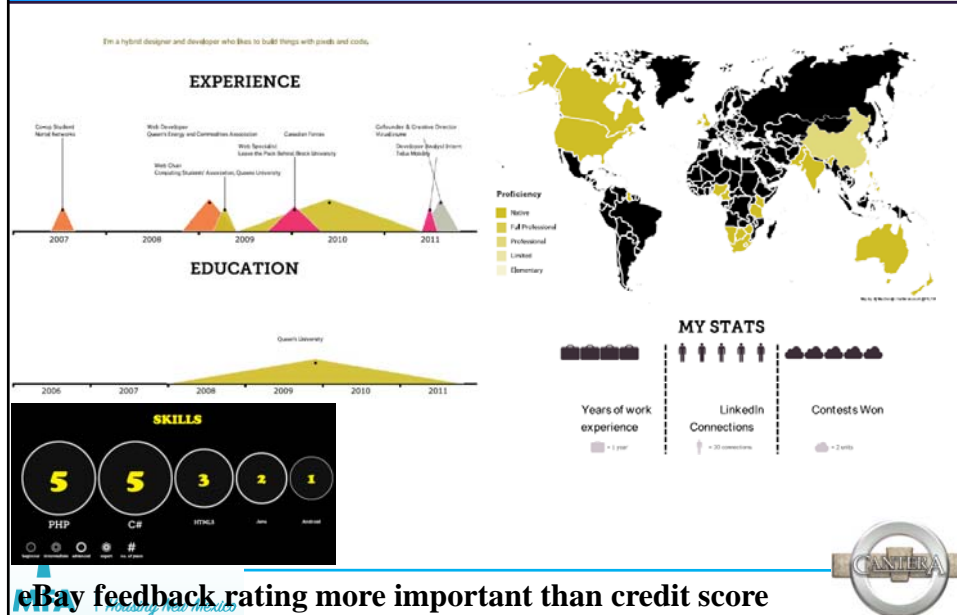


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Source: Beloit Mindset list 2012



Millennial Typical Resume



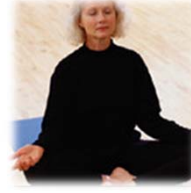
eBay feedback rating more important than credit score

Millennial housing

- Lego generation
 - Ikea Generation
 - Green Generation
- = Cube, function, flexible, scale able, and recyclable



What they share



- Less is more
- More = Adventure/ Experience
- Quality of Living
- Downsizing
- Travel
- They don't want to share the same residence

Both are the new creative class



And what they don't -their defining qualities



- Work ethic
- Respectfulness
- Morals
- Technology
- Music and pop culture
- Liberal leanings
- Superior intelligence
- Clothing



WSJ – 8/22/2012



A Third wave- Immigrants ?

- Could change demand for housing
- Current US policy is opaque
- More PhDs outside of USA than inside
- Housing lifestyle matches ours from 1980 to 2000 (i.e. big house)



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Technology



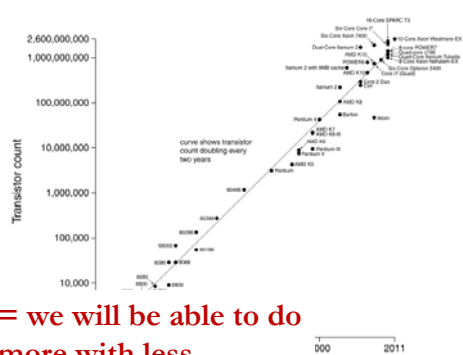
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Technology

- Driver = Moore's Law
- Where does Moore's law place technology in 5 years?
- Where does Moore's law place storage in 5 years?

Microprocessor Transistor Counts 1971-2011 & Moore's Law



= we will be able to do
more with less

= By 2049 one \$1,000 computer
will have more processing
power than the combined
human race

iPod = intersection of design with tech



Technology

Has moved away from the engineers specifications, to a product designed by humanists

- Consumer driven
- Value Add
- Will soon grow so small it will disappear



It's Still About the Client

That fancy gadget is no good if you're not using it to improve service.

by Dennis Sullivan



Technology – Social Networking

twitter #NARAnnual Home Profile Messages Who To Follow

2 minutes ago

KrisTalk Kristal Kraft
Are you learning as fast as the world is changing? We must out think the competition every day #NARAnnual

#NARAnnual: 2011 NAR convention This morning at ... bit.ly/sFXXLX
3 minutes ago

Robin4Homes Robin Fenchel
Are you learning as much as the world is changing? #narannual
3 minutes ago

jkbarath James K Barath, CMPS
Full presentation of Economic Issues & Real Estate Trends Forum #NARAnnual goo.gl/dR7S7
3 minutes ago

brokersinc Brokers Inc.
Gen Y communicates VERY differently than babyboomers (we've heard that before!). How can you adapt to their needs? #NARAnnual

processed and regurgitated to us from multiple mediums

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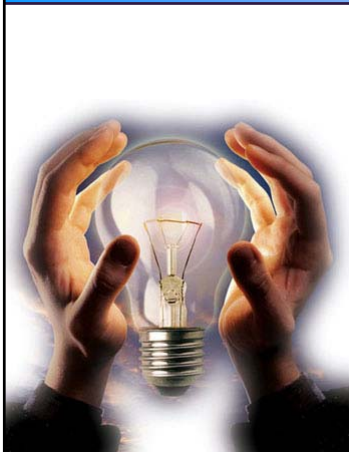
CANTERA

QUESTION?

- Where is the iPhone / iPad of housing?
- Do our planned communities actually encourage community?
- If the answer is NO, we are going to lose the hearts and minds of the creative class



What is the new product?



Idea #1: Live / Work




“I think we could Build these all day long”
- Mark Allison



Superior design, focus on resident base and location top rents

Idea #2: Live / Learn



Brick Light District

Urban living

Live
Work
Play
Walk

[Contact Us](#)

Bricklight District Overview

Live

New Courtyard Apartments
Available for Lease - July 1, 2008

- » Photo Gallery
- » Unit Amenities
- » Sample Unit Renderings
- » Rates & Floorplans
- » Color Schemes

116 Harvard Apartments

- » Photo Gallery

Work


- » Available Retail Space

Play

- » Local Businesses

Walk

- » Walk to Work
- » Conveniences



BRICKLIGHT DISTRICT

These urban apartment homes were designed for people who choose to be free from boring traditional apartment living, and can easily leave their car if so desired. Located in a dense pedestrian corridor, across from the University and is within walking distance to unique shops and restaurants. Finally you can put a stop to mundane living!

New Courtyard Apartments: 603.722.4357

Unique design and location, top rents

Idea #2: Live / Learn / Party

- Lobo Village – 848 Beds or 242 “quads”



NMSU readies ambitious campus housing plan

• \$100M proposal designed to lure away students to dorm life

Northern New Mexico State University is preparing a \$100 million proposal to build a new campus housing plan, which would include 848 beds or 242 “quads” of student housing. The plan is designed to lure away students from the state’s other universities and colleges, which would result in a significant increase in the university’s enrollment. The plan is also designed to provide a more comfortable living environment for students, which would result in a higher retention rate. The plan is also designed to provide a more comfortable living environment for students, which would result in a higher retention rate.



of north New Mexico State University is preparing a \$100 million proposal to build a new campus housing plan, which would include 848 beds or 242 “quads” of student housing. The plan is designed to lure away students from the state’s other universities and colleges, which would result in a significant increase in the university’s enrollment. The plan is also designed to provide a more comfortable living environment for students, which would result in a higher retention rate. The plan is also designed to provide a more comfortable living environment for students, which would result in a higher retention rate.

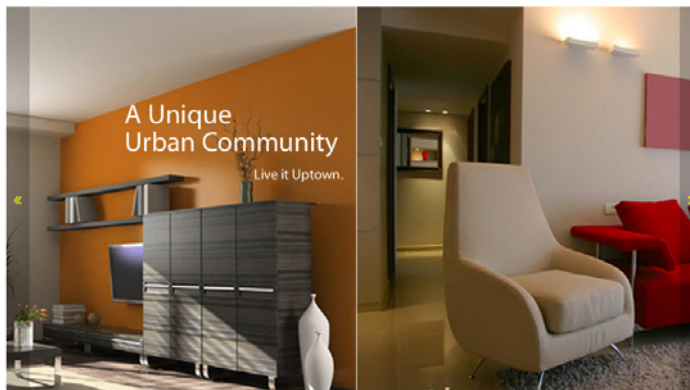
- Enviably public/private partnerships

Leased in under 90 days



Idea #3: Live / Shop

ABC VILLAGE
An Apartment Community Apart from the Rest
APPLY NOW PROPERTY MANAGEMENT RESIDENTS
HOME | VILLAGE INFORMATION | LOFT AMENITIES | NEIGHBORHOOD | MAP/DIRECTIONS | FLOOR PLANS | CONTACT



“this property outperformed the market by \$0.50/sf and the consultant’s pro-forma by 20%”



Superior design and location, top rents, top sales price



Idea #4: Live / Leave

Broadstone Town Center

- Closest housing to Mesa del Sol's 2,000 jobs
- High income renters



Idea #4: Live / Leave / Green

SILVER GARDENS

APPLY ON-LINE

Neighborhood Green Features Amenities Gallery Floor Plans Leasing & Contact



“Leased ahead of schedule – market rate and under 30% of income units leased first”
- Developer/Owner

Green Rental Apartments



Idea #5: Live / Leg up

Homeless census 2011

- 700 people
- 475 completed survey
- 252 highly vulnerable



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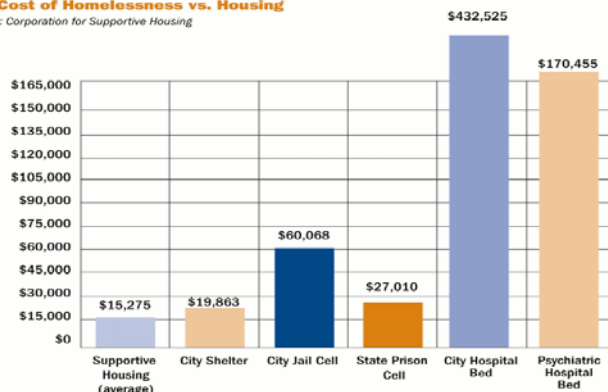
- 75 most vulnerable, 53 years old, average homeless period 20 years
- costs society more for someone to live on the street than it does to house them.
- 47% victims of violent attack since homeless
- Our community wants to ensure homelessness is rare, short-lived and non-recurring.



Idea #5: Live / Leg up

NATIONALLY

The Cost of Homelessness vs. Housing
Source: Corporation for Supportive Housing



- When housed, people use emergency services less frequently, thus, freeing these services up to help even more people - #1 most vulnerable est. health care cost 2010 = \$138,750 vs. apartment at \$15,275
- We want to live in a community where homelessness is rare, short-lived and non-recurring.
- 75 units committed by private sector, pressing needs for 400 more in a central location.

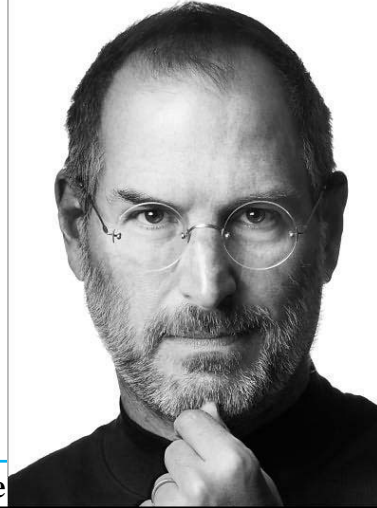
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Idea #6: Live / Live Longer

- TBB: Baby Boomers
 - Original generation to find a guru
 - Healthy eating
 - Preventive health care
 - Concerned about extending lifespan and beauty span
 - Will not tolerate today's senior housing as that is "where the old folks live"
 - Wants intellectual stimulation long after physical stimulation has retired
 - Ask yourself, Where would Steve live?

Steve Jobs by Walter Isaacson



Wellness, preventive, but cool healthcare

Ideas

- idea communities = ideal communities
 - Live / Work
 - Live / Leave / Green
 - Live / Shop
 - Live / Learn
 - Live / Leg up
 - Live / Live Longer
- idea communities = niche



• unfortunately the herd mentality of lender's encourages SAMENESS



Build into the Niche, find the gap

- Lenders don't want to hear this
- Developer's looking for new lender's
- The niche product is outperforming the market product by 2 to 1
- Any location is not always the best location – focus on walkability, activity, internet, and access to transportation (V4H)



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Biggest Challenge

Financing - the herd mentality of lender's encourages SAMENESS



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Top 5 to-do list for New Mexico:

- #1 – GROW JOBS! Cater to the creative class
- #2 – up the density, reduce the parking, and push back on the fire code and/or pull down obsolete inventory (or provide mechanism to do so)
- #3 – put \$ behind infill (if you really want it)
- #4 – educate the lenders to avoid the lemming dance
- #5 – define what it means to be a New Mexican (or Albuquerquean)



Respite

Q&A



Technology is bringing Green to the consumer



- Building Efficiency
- Building redundancy
- Building Efficiently
- Backup water (harvesting)
- Backup electricity (solar / wind)
- Longer life span
- More recyclable material
- Housing efficiency metrics available to owner



Technology is causing innovation



We will see more innovation in housing in next 10 years, than the last 100



NOW

Smart Cities

TUESDAY 08

Intelligent Cities Expo

BY RACHEL Z. ARNDT
ILLUSTRATION BY KATHARINE HENNER

The new urbanism is here and it's digital. Around the world, cities are adding intelligence to everything from traffic lights to parking meters. That means new business opportunities. CD is working with KayaDuke to build a zero-emissions city. CD is collaborating with a consortium of municipal resources with its Intelligent Operations Center for Smart Cities software, companies such as Cisco and Siemens compete here too. To celebrate the winners and progress at this happening expo, we've gathered some particularly smart, smart urban solutions from around the world.

TOLLS
The concept is simple: charge drivers more to use roads during peak hours. In London, drivers pay a toll to enter the city center. In San Francisco, a toll is charged for driving on the Golden Gate Bridge during peak hours. In New York City, a toll is charged for driving on the FDR Expressway during peak hours.



LIGHTING
The concept is simple: use smart lighting to save energy. In San Francisco, smart lighting is used to control the brightness of streetlights. In New York City, smart lighting is used to control the brightness of streetlights. In London, smart lighting is used to control the brightness of streetlights.

ELECTRIC VEHICLES
The concept is simple: use electric vehicles to reduce emissions. In San Francisco, electric vehicles are used for delivery. In New York City, electric vehicles are used for delivery. In London, electric vehicles are used for delivery.

PARKING
The concept is simple: use smart parking to save space. In San Francisco, smart parking is used to control the number of cars in the city. In New York City, smart parking is used to control the number of cars in the city. In London, smart parking is used to control the number of cars in the city.

PUBLIC TRANSPORTATION
The concept is simple: use public transportation to reduce emissions. In San Francisco, public transportation is used for delivery. In New York City, public transportation is used for delivery. In London, public transportation is used for delivery.

WATER
The concept is simple: use smart water to save water. In San Francisco, smart water is used to control the amount of water used. In New York City, smart water is used to control the amount of water used. In London, smart water is used to control the amount of water used.

Just in Time to deliver Better, Faster, Healthier



What happens if we use technology to model

Hard Costs					
#	Type			sub total	Sub Total
3	Bedrooms	@ \$	22,000 ea.	\$ 66,000	
3	Bathrooms	@ \$	8,000 ea.	\$ 24,000	
2	Living Rooms	@ \$	10,000 ea.	\$ 20,000	
1	Dining Room	@ \$	15,000 ea.	\$ 15,000	
1	Kitchen	@ \$	30,000 ea.	\$ 30,000	
3	Garages	@ \$	10,000 ea.	\$ 30,000	
1	Pool	@ \$	20,000 ea.	\$ 20,000	\$ 205,000
1	Lot		\$ 45,000	\$ 45,000	\$ 45,000
Soft Costs					
	Drainage			\$ 3,000	
	Interest Carry			\$ 3,588	
	Retaining Wall			\$ 3,500	
	Permit			\$ 1,500	
	Sales Tax	@ 7% of hard		\$ 14,350	
	A & E			\$ 4,000	
	Utilities			\$ 6,500	
	Impact Fee's			\$ 12,000	
	Roads			\$ 9,000	
	Off sites			\$ 3,000	
	Util. Hookups			\$ 5,000	
	HOA setup			\$ 1,000	\$ 66,438
Additional					
	Developer Profit	5.0%		\$ 15,822	
	Commission	6.4%		\$ 20,315	
	Closing Fee	1.5%		\$ 4,747	
	Total			\$ 357,321	

If we make incremental changes in:

- Setbacks
- Road widths
- Parking requirements
- Density
- Lot sizes

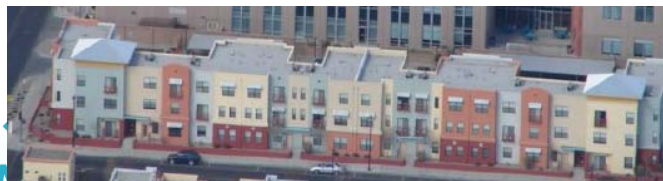
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TRANSFORMATIVE CHANGE



To:



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Efficient Land Usage

Mid Heights
neighborhood
4-6 houses per acre



Downtown
8-10 houses per
acre



Lifestyle units
36 units per acre



Lifestyle units=triplex

-owner's unit

-renter's unit

+office / 2nd renter's unit

Flexibility to match changing household
formation



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Efficient Land Usage

Zoning	Maximum Density	Maximum Density with conditional use
R-2	24	30
R-3	30	36

- Increasing density by
elimination of unused
portions of land

8 fourplexes
on 1.3774 acres
23 units to acre



9 fourplexes
on 1.2397 acres
29 units to acre
26% more efficient



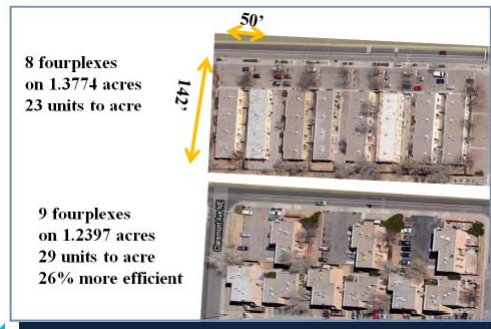
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Efficient Land Usage

Zoning	Maximum Density	Maximum Density with conditional use
R-2	24	30
R-3	30	36

- Increasing density by elimination of unused portions of land



Uncapping density

- Reconsider parking requirements
- Reconsider height restrictions
- Reconsider setbacks



From
This:



To
This:



Uncapping density – Financial Model

- Remove density restriction
- Makes the land under obsolete product worth as much as the improvements
- Increases sales tax revenue
- Increases property tax revenue
- Increases jobs!
- Better design
- CPTED Friendly

What change in density does Albuquerque need to make it possible for the market to replace older housing inventory?
Rough Analysis, Todd Clarke CCIM, NM Apartment Advisors Inc. - 5/15/2011

	Current Zoning	Possible Future Zoning
Lot size (acres)	0.16	0.16
Lot size (sf)	7,100	7,100
Typical fourplex lot	50x142 w/alley	50x142 w/alley
R-3 zoning allows	30 units to the acre	100 units to the acre
# of units	4.89 max units	16.30 max units
Avg. Unit Size	4.00 units	16.00 units
Est. Total bldg. size:	850 sf	750 sf
FAR	3,400	12,000
Est. # of parking spaces	0.48	1.69
Est. area needed for parking	6.00	16.00
Type	Single story fourplex	Type 2 bldgs each 2 story x 8 units
Fourplex Value 2008	\$ 200,000	\$ 1,320,000 est. construction cost
Fourplex Value 2011	\$ 125,000	\$ 122,704 est. land value
		\$ 1,442,704 Total est. value
Value per unit	\$ 31,250	(fourplex value 2011/# of possible units)
% of total value assigned to the land	25%	
Value of land per unit	\$ 7,813	\$ 7,669
Potential Annual property tax revenue=	\$ 1,250	\$ 14,427
Property Tax multiplier		11.5
Potential sales tax from construction		\$ 92,400

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Why now:

- Aging inventory (avg. 1965)
- Wave of foreclosure fourplexes
- Unprecedented fires
- Low interest rates
- No cost to tax payer
- Bootstrap our way out of down economy



What we need

LESS:

- Consumption based economy
- Space
- \$
- Gas
- Social policy

MORE:

- Innovation
- Scale
- Mobility
- Design
- Flexibility
- Ability to move quickly



Have you done SWOT for your community?

Strengths:

Well located airport - *Aerotropolis*
Talent (more PhDs per capita)
Tolerance (look at GAP relocation)
Technology (Sandia, tech transfer, home of Microsoft, etc.)
Central location
Quality of living

Weaknesses:

Lack of long term vision
Lack of long term planning
Lack of inventory of buildings, sites, land
Incessant politics / fueled by nay sayers that leads to never trying

Opportunities:

BHAG's
Long term vision
Transformative change

Threats:

Any town in TX, AZ, OK, or NV
That can rally their people



Top 5 to-do list for New Mexico:

- #1 – GROW JOBS! Cater to the creative class
- #2 – up the density, reduce the parking, and push back on the fire code and/or pull down obsolete inventory (or provide mechanism to do so)
- #3 – put \$ behind infill (if you really want it)
- #4 – educate the lenders to avoid the lemming dance
- #5 – define what it means to be a New Mexican (or Albuquerquean)



Respite

Q&A



Question to Consider / Big Picture

- What do you see as the biggest challenges and opportunities facing the industry going forward?
- Housing (single- and multi-family)
- The report says technology will reshape workplaces. How do you think technology will reshape homes?
- Do you anticipate that the tastes of Generation Y, now in their teens through early thirties, will change as they age, becoming more like the tastes of their predecessors? In other words, are they likely to want a traditional suburban house on a quarter-acre as they move into their thirties and forties?
- Is the current concept of development for active adults, including its 55-plus age restriction, becoming obsolete because of its expense or changing tastes? How do you see senior housing changing?
- Will the majority of apartment development be at the high end, or will it be possible to build to the budget of moderate-income singles and families?
- Will significant numbers of very large suburban homes be redone as multi-family housing? Are they likely to be sought-after by extended families? Or will the suburbs and their zoning authorities and homeowner associations—resist such change?
- Real Estate Finance
- Given the long lead time of real estate development, is it more difficult to obtain financing for a project that anticipates demand say it's attuned to the tastes of Generation Y or to retiring Baby Boomers who have less money than they expected—than when developers are building to accommodate today's market demands—or even yesterday's? Do lenders inhibit change?
- Will private-sector developers and sources of capital be engaged more frequently for infrastructure development? Will money be available to fund the infrastructure necessary to support development?
- Do you anticipate the U.S. being the source of development capital for Europe and Asia or is the capital flow likely to come into the U.S. from abroad?
- Will mixed-use developments be more or less difficult to finance than they are today, given anticipated market trends?
- Commercial/Office Development
- Do you see opportunity for American investors and developers in the radical urban transformation going on in Asia? What are the greatest impediments or risks?
- Can developers make acceptable profits if office tenants decrease leased space per employee? Will tenants increase their demand for amenities and will that make it more or less difficult to get a project designed, financed, built and leased?
- What importance will developers really give to energy



Housing New Mexico



The connections for an apartment owner

As mind mapped by Todd Clarke CCIM, American/NM Apartment Advisors Inc.

