

# CAMPUS MARKET PLACE DEVELOPMENT

## UNIVERSITY OF NEW MEXICO

### ALBUQUERQUE, NEW MEXICO

\* TRADE SECRETS/CONFIDENTIAL/PROPRIETARY



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# CAMPUS MARKET PLACE DEVELOPMENT

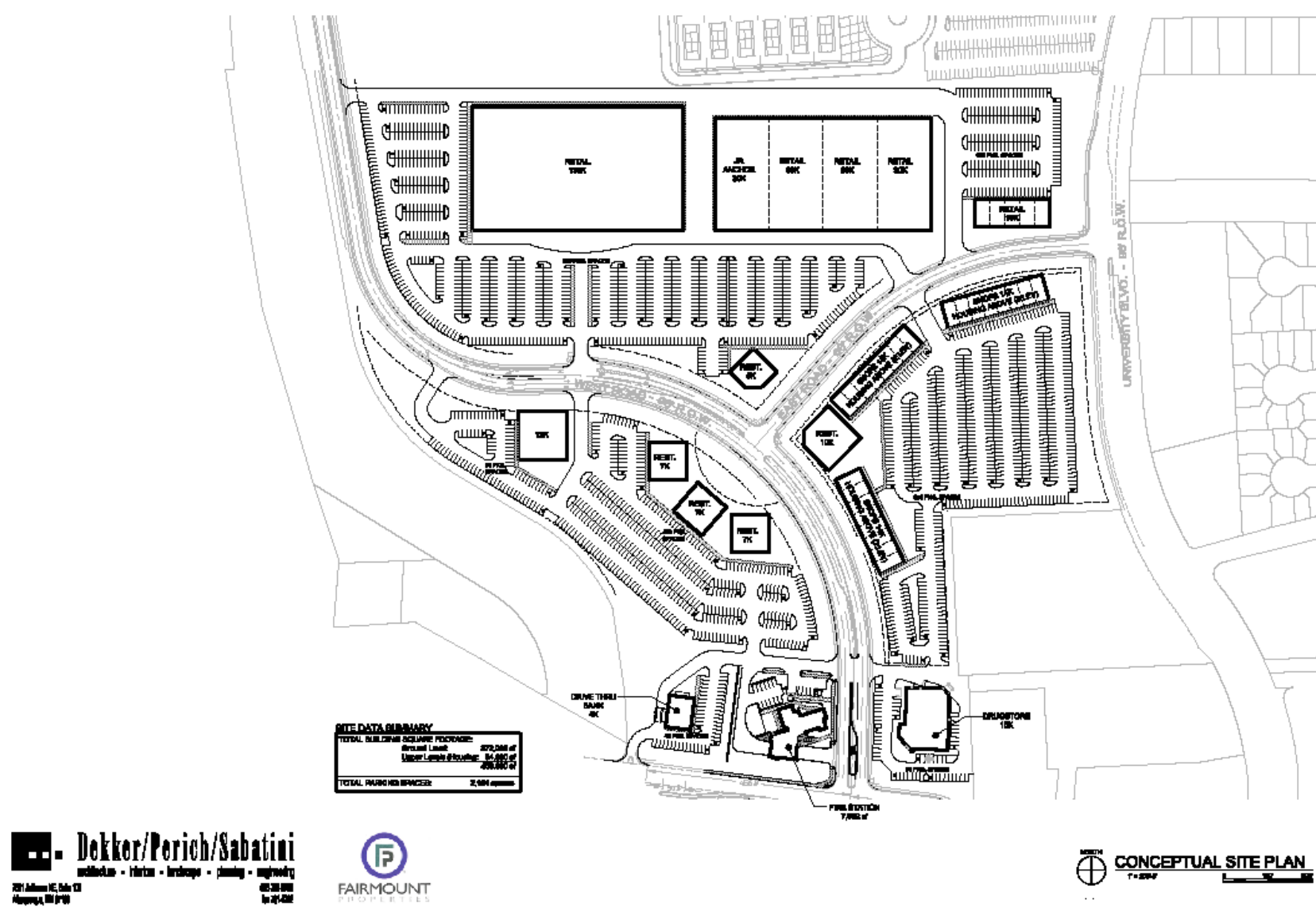
## SECTION I : DEVELOPMENT

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# SITE PLANNING

**May 2012** - Initial site plan concept received from Dekker Perich Sabatini (“DPS”)

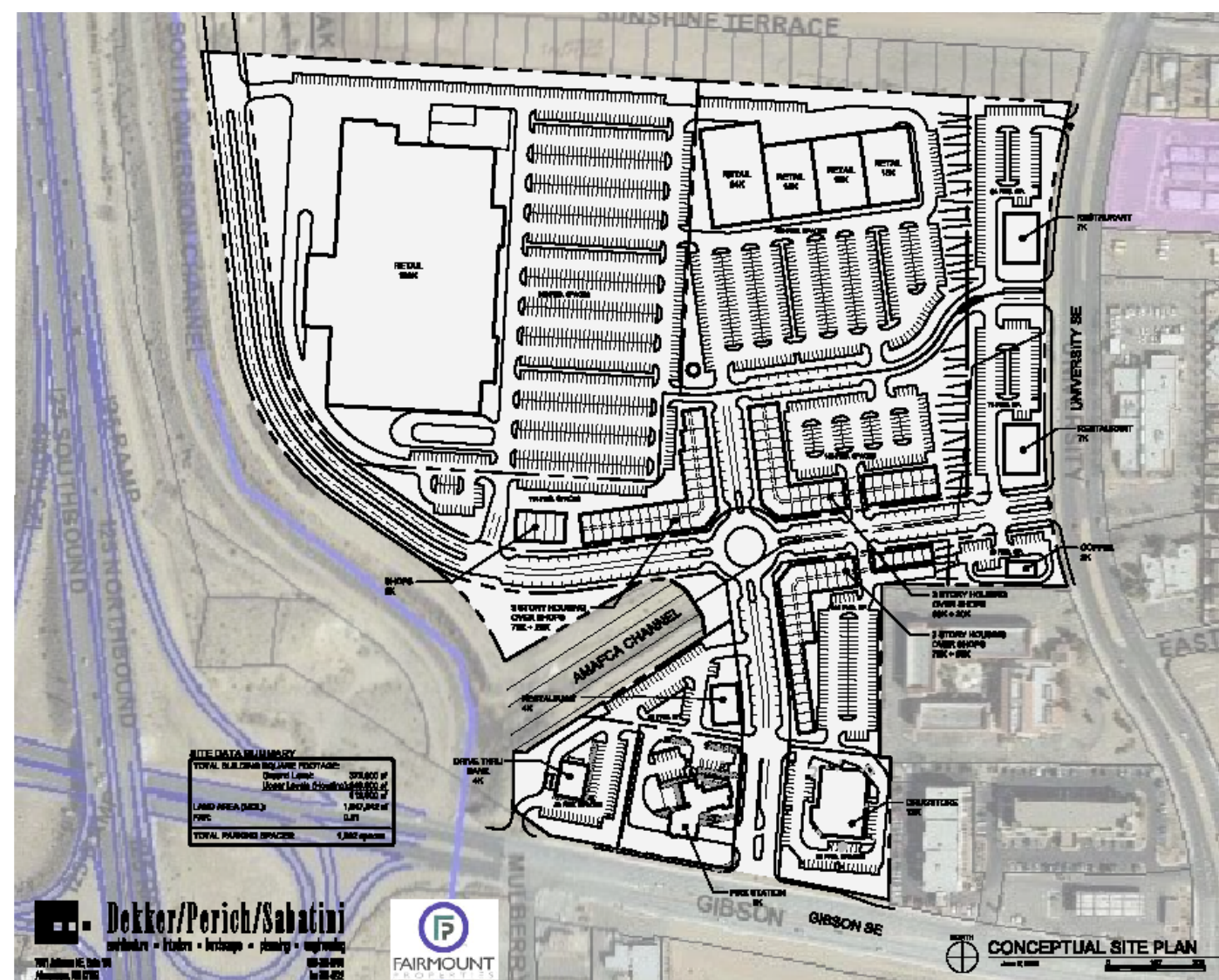


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# SITE PLANNING

**June 8, 2012** - Revised plan to include Big Box Anchor with project specific footprint

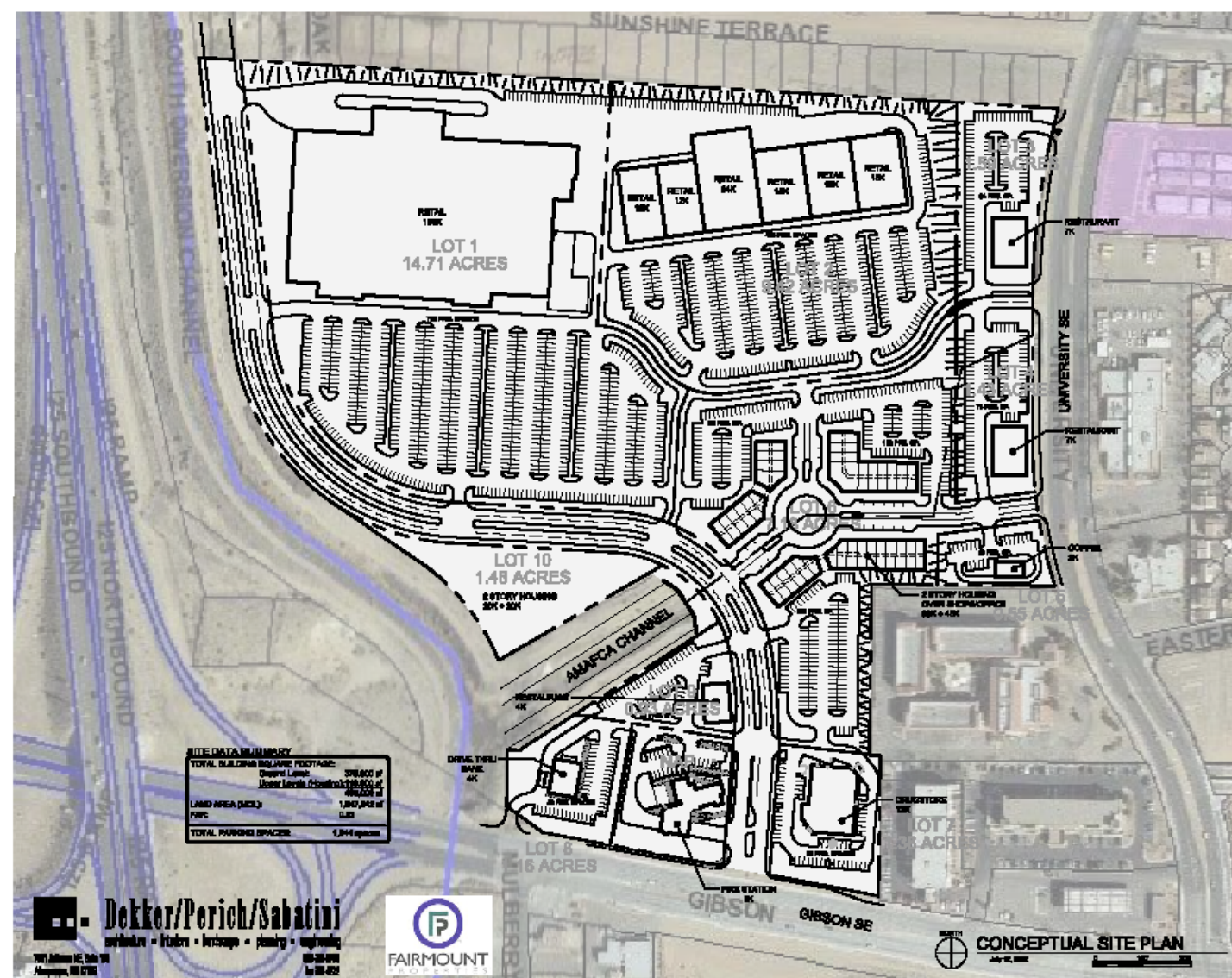


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# SITE PLANNING

July 12, 2012 - Revised plan to include new retail shops concept



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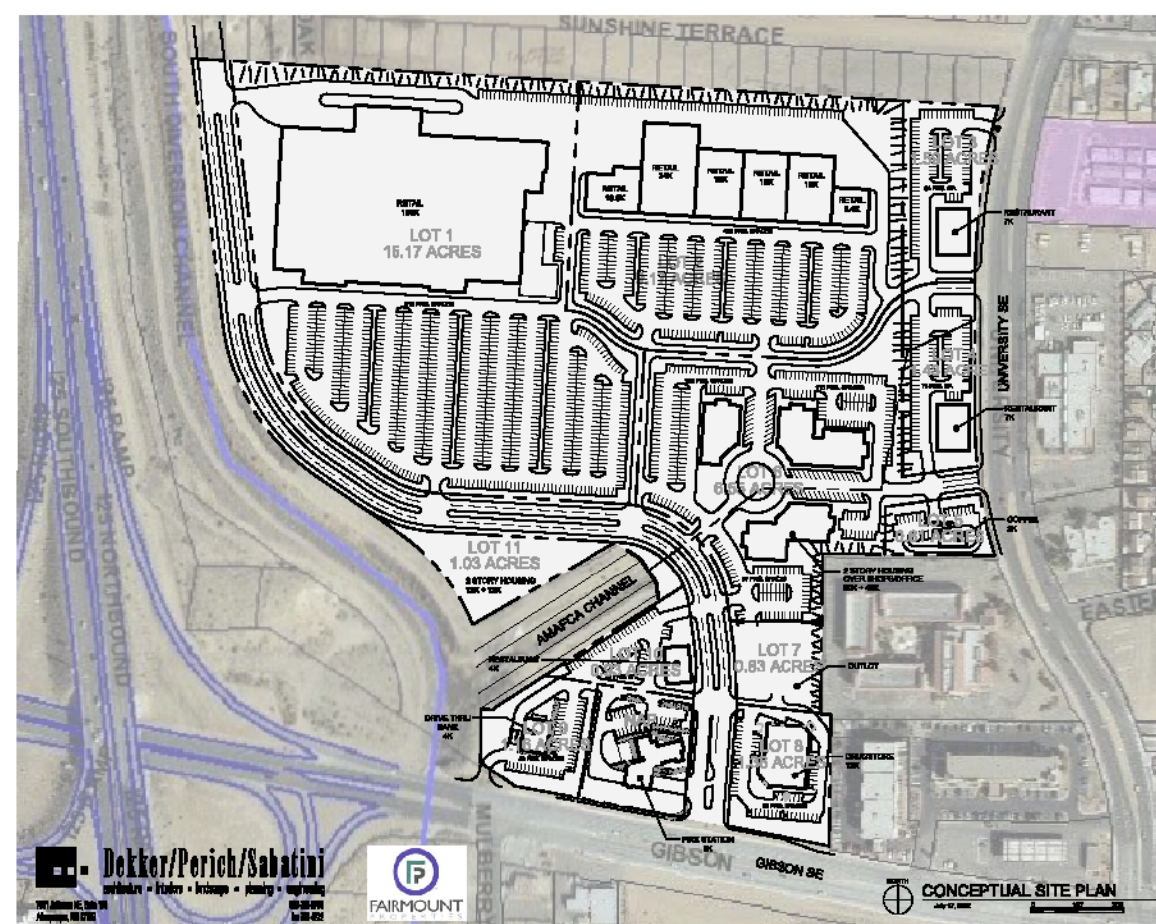
# SITE PLANNING

July 12, 2012

- Revised plan to reflect comments received from development team meeting

October 24, 2012

- Revised plan to reflect leasing progress at Jr. Department Store area

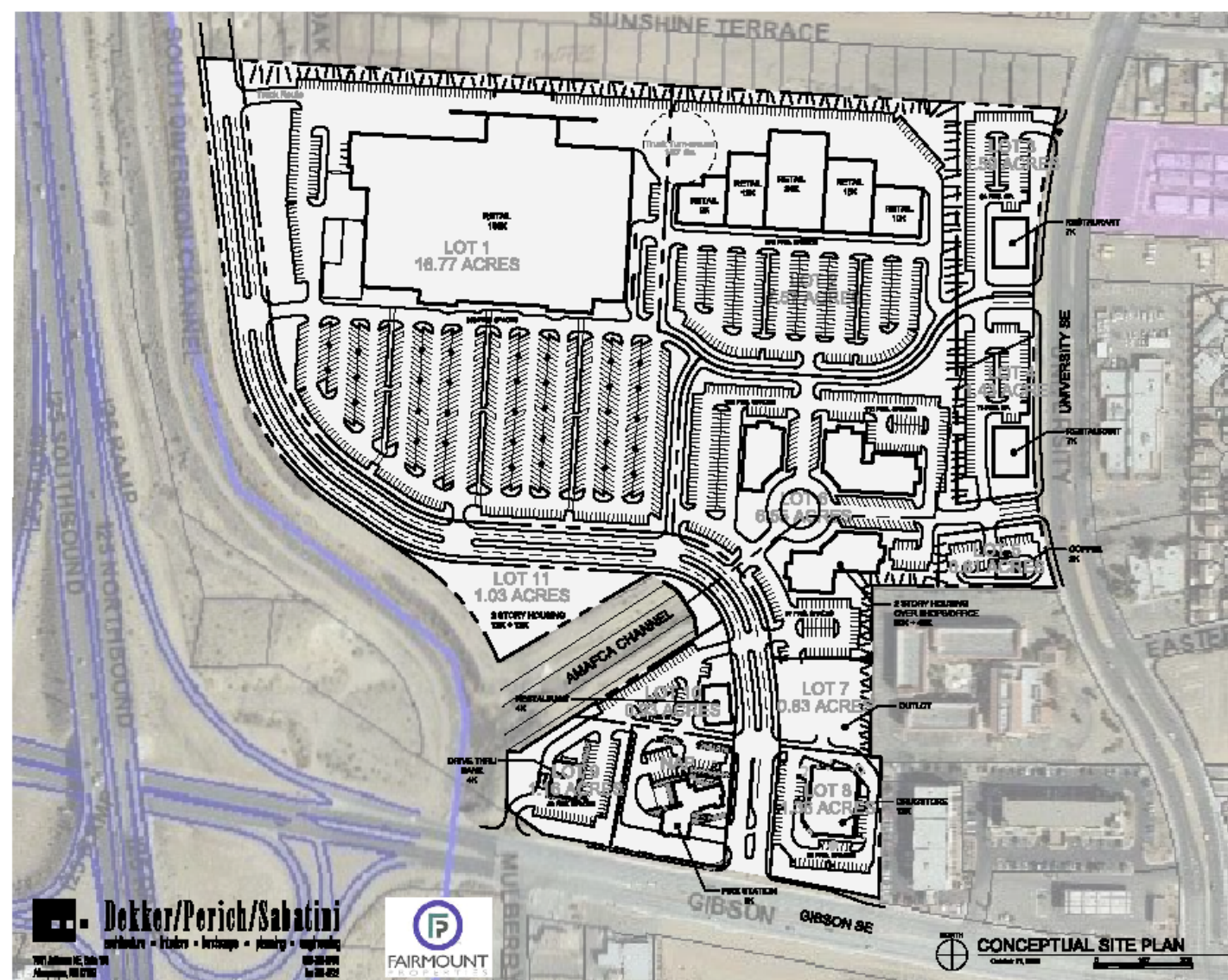


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# SITE PLANNING

**August 21, 2013** - Revised plan to reflect site specific layout received from Big Box retailer



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## ALBUQUERQUE, NM

### SITE PARCEL MAP

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# MASTER DEVELOPMENT AGREEMENT

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## July 2012 - December 2012

Drafted Master Development Agreement (“the MDA”) and negotiated terms with UNM

## December 20, 2012

MDA executed by University of New Mexico (“UNM”) and Fairmount Properties (“FP”)

Preliminary Materials - Pursuant to the MDA, the Preliminary Materials need to be submitted by April 1, 2014

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# MASTER DEVELOPMENT AGREEMENT

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## February 12, 2013

First Amendment to MDA executed by UNM and FP - extended deadline to agree on form of Ground Lease

## March 18, 2013

Second Amendment to MDA executed by UNM and FP - included obligation for FP to deliver Preliminary Notification of its intent to develop the Shopping Center Component and provide for consideration to be paid by FP for Extended Exclusivity Period.

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# GROUND LEASE FORM

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**October 12, 2012 - March 2013**

Drafted and negotiated terms with UNM counsel

**March 15, 2013**

Form of Ground Lease agreed to between UNM and FP

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# PROJECT BUDGETING

---

## June 6, 2012

Initial project proforma developed based on input from A&E consultants, local general contractor and market research

## July 2012 - August 2013

Evolution of project proforma - revisions on 7/12, 9/12, 1/13, 3/13, 5/13, 7/13, 8/13

## Current: (provided to Lobo Development under separate cover)

Based on updated construction cost estimation, leasing progress, and current financial assumptions and realities

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# PROJECT SCHEDULING

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**March 28, 2013**

Initial project schedule developed based on execution of the MDA

**July 12, 2013**

Schedule revised pursuant to civil engineer input on entitlements process and timing

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# PROJECT SCHEDULING

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**August 5, 2013**

Schedule revised to include potential Tax Increment Development District (“TIDD”) process and timing

**October 29, 2013**

Current Schedule - Completed - See Going Forward Section

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# ARCHITECTURE

---

**June 12, 2012**

Albuquerque meeting with DPS to discuss project concept and objective

**December 17, 2012**

Drafted Request For Proposal (RFP) and sent to DPS for architectural services proposal

**January 3, 2013**

Received architectural services proposal from DPS

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# ARCHITECTURE

---

**January 2013**

DPS selected as project architect

**May 20, 2013**

Albuquerque meeting with DPS to review project planning status and requirements

**July 23, 2013**

Received DPS proposal to prepare project Design Standards and Guidelines

**July 30, 2013**

Albuquerque meeting with DPS to provide project update and discuss move forward strategy

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# CIVIL ENGINEERING

---

**June 12, 2012**

Albuquerque meeting with Bohannon Huston (“BH”) to discuss project concept and objectives

**December 17, 2012**

Drafted RFP and sent to BH for civil engineering and surveying services

**January 4, 2013**

Received professional services form from BH

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# CIVIL ENGINEERING

---

**January 2013**

BH selected as project civil engineer

**May 20, 2013**

Albuquerque meeting with BH to review project planning status and requirements

**June 20, 2013**

Authorized BH to proceed with topographic surveys

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# CIVIL ENGINEERING

---

**July 30, 2013**

Received topographic surveys from BH

**July 31, 2013**

Albuquerque meeting with BH to provide project update and discuss move forward strategy

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# GEOTECHNICAL/ ENVIRONMENTAL ENGINEERING

---

**November 2012**

Conducted interviews of local geotechnical/ environmental consultants

**December 17, 2012**

Drafted RFP and sent to prospective consultants

**January 15, 2013**

Received proposals from prospective consultants

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# GEOTECHNICAL/ ENVIRONMENTAL ENGINEERING

---

**April 2013**

X8E Vinyard selected as project geotechnical engineer and environmental consultant

**May 10, 2013**

Authorized X8E Vinyard to conduct a subsurface investigation of the uncontrolled fill at the northeast quadrant of the Gibson site to determine soil composition and suitability as structural fill

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# GEOTECHNICAL/ ENVIRONMENTAL ENGINEERING

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**May 21, 2013**

Albuquerque meeting with X8E Vinyard and BH to discuss subsurface investigation findings

**May 22, 2013**

Received Geotechnical Subsurface Report from X8E Vinyard

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# COST ESTIMATION

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**June 12, 2012**

Received preliminary site improvement and public infrastructure cost estimates from civil engineer and local general contractor

**July 20, 2012**

Received preliminary building cost information from local general contractor

**March 21, 2013**

Received updated and revised cost estimate from Big Box site from retailer's preferred local

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# COST ESTIMATION

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**September 16, 2013**

Received Engineer's Opinion of Probable Cost for public infrastructure from project civil engineer

**October 2, 2013**

Received cost estimate for mass grading from local general contractor and local excavator

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# CAMPUS MARKET PLACE DEVELOPMENT

## SECTION I : DESIGN/PLANNING

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## ALBUQUERQUE, NM

### PARCEL III

-  DISCOUNT ANCHOR
-  JUNIOR ANCHORS
-  OUT PARCELS
-  VILLAGE CENTER - SMALL SHOP
-  FIRE STATION
-  LANDSCAPE
-  HARDSCAPE
-  PAVING
-  TRAFFIC LIGHT
-  PYLON SIGN LOCATION

ESTIMATED ANNUAL SALES: \$150 - \$200 MILLION



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## ALBUQUERQUE, NM

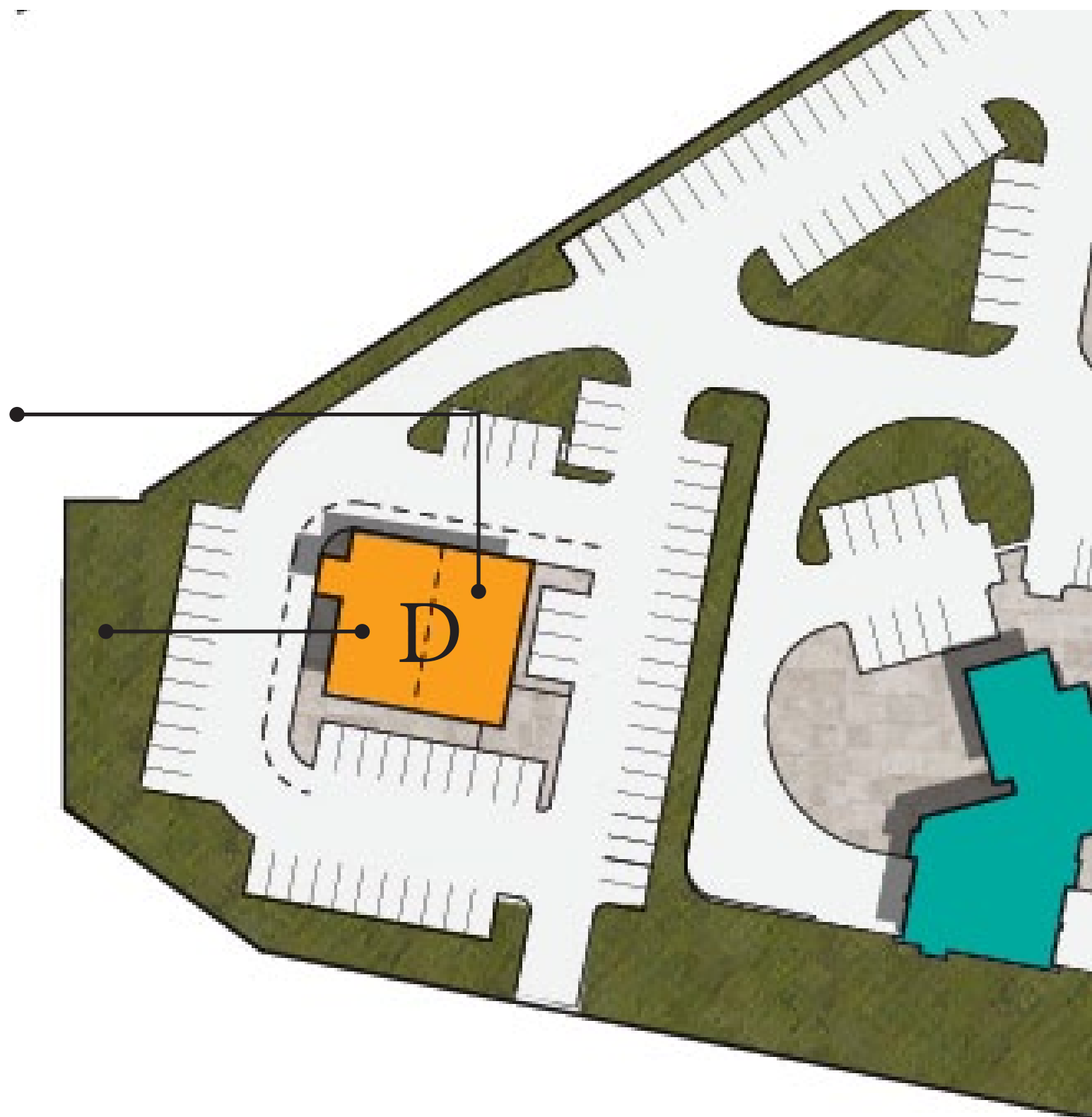
### ENLARGED OUT PARCEL SITE



2,500 SF



2,000 SF



-  DISCOUNT ANCHOR
-  JUNIOR ANCHORS
-  OUT PARCELS
-  VILLAGE CENTER - SMALL SHOP
-  FIRE STATION
-  LANDSCAPE
-  HARDSCAPE
-  PAVING



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FAIRMOUNT  
PROPERTIES

## ALBUQUERQUE, NM

### ENLARGED TOWN CENTER

- VILLAGE CENTER - SMALL SHOP
- OUT PARCELS
- LANDSCAPE
- HARDSCAPE
- PAVING

THE SMALL SHOP DISTRICT WILL CONSIST OF FAST CASUAL DINING AND OTHER FOOD: 5 GUYS BURGERS AND FRIES, PEI WEI, JIMMY JOHN'S, CHILE RIO, KEVA JUICE, Q BURGER, MENCHIES, PANERA BREAD, AND FREDDY'S FROZEN CUSTARD; CONVENIENCE USES LIKE SALLY BEAUTY, GREAT CLIPS, GNC, GAME-STOP, VERIZON, T-MOBILE, AND RADIO SHACK; AND SOFT GOODS LIKE DRESS BARN, MAURICES, RUE 21, AND PAYLESS SHOES.



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SMALL SHOP ELEVATION

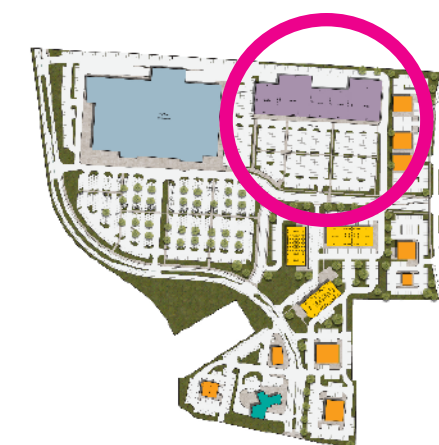
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## ALBUQUERQUE, NM

### ENLARGED JUNIOR ANCHORS

-  DISCOUNT ANCHOR
-  JUNIOR ANCHORS
-  OUT PARCELS
-  VILLAGE CENTER - SMALL SHOP
-  FIRE STATION
-  LANDSCAPE
-  HARDSCAPE
-  PAVING





JUNIOR ANCHORS ELEVATION



JUNIOR ANCHORS ENLARGED ELEVATION A

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JUNIOR ANCHORS ENLARGED ELEVATION B



JUNIOR ANCHORS ENLARGED ELEVATION C

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## PARCEL IV

OBSERVATIONS FROM GAME CHANGING RETAIL ANCHORS

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## ALBUQUERQUE, NM

### PARCEL IV : ENTERTAINMENT

- URLACHERS
- TOBY KEITH'S
- LANDSCAPE
- HARDSCAPE
- PATIO
- PAVING

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## TOBY KEITH'S RENDERING

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**TOBY KEITH'S**  
PARCEL IV

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**TOBY KEITH'S**  
PARCEL IV

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## URLACHER'S RENDERING

### PARCEL IV

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**URLACHER'S**  
PARCEL IV

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# CAMPUS MARKET PLACE DEVELOPMENT

## SECTION I : LEASING

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# WALMART

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**May 2012** - Met with Walmart exclusive representative at Las Vegas ICSC

**August 2012 - February 2012**

- Multiple calls, emails, and Letter of Intent (“LOI”) exchanges with representative

**March 14, 2013** - Sent final revised LOI

**May 8, 2013** - Walmart confirmed accepted LOI

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# WALMART

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- July 7, 2013 - Received docs from representative
- July 16, 2013 - Walmart deal approved at Real Estate Committee (“REC”)
- July 18, 2013 - Received comments from Outside Counsel
- July 23, 2013 - Reviewed comments and responded to Counsel
- August 3, 2013 - Received comments from Counsel

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# WALMART

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- August 6, 2013
  - Internal meeting to review WM docs
- August 12, 2013
  - Sent comments to Counsel
- August 16, 2013
  - Received revised docs from Outside Counsel
- August 22, 2013
  - Sent revised docs to Walmart
- September 26, 2013
  - Received revised docs from Walmart

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# TOBY KEITH'S

## I LOVE THIS BAR AND GRILL

---

- April 15, 2013** - Sent proposal to Tenant's exclusive representative
- May 20, 2013** - Meeting at Las Vegas ICSC
- June 25, 2013** - Site visit with Representative
- July 2, 2013** - Revised LOI sent
- July 17, 2013** - Meeting with Ownership

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# TOBY KEITH'S

## I LOVE THIS BAR AND GRILL

---

- August 4, 2013 - Received revised LOI
- August 9, 2013 - Sent revised LOI
- August 11, 2013 - Received signed LOI from Tenant
- September 19, 2013 - Met with Representative, started drafting lease

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# URLACHER'S

## SPORTS BAR

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January 20, 2013 - February 4, 2013

- Numerous phone calls placed to obtain contact information for Brian Urlacher

February 11, 2013

- Sent initial letter to Bryce Karger, agent for Brian Urlacher, to determine interest in restaurant concept at UNM

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# URLACHER'S

## SPORTS BAR

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- March 4, 2013** - Second letter to agent fleshing out possible deal with restaurant operator
- March 15, 2013** - Conference call with agent
- April 10, 2013** - Conference call with regional, best in class, sports themed restauranteur
- April 12, 2013** - Conference call with Bryce Karger, Brian Urlacher, and CEO of Restauranteur

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# URLACHER'S

## SPORTS BAR

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- April 22, 2013** - Conference call with Restaurateur CEO and Financier
- April 23, 2013** - Sent LOI to Restaurateur
- May 13, 2013** - Sent revised LOI
- June 21, 2013** - Sent revised LOI
- June 24, 2013** - Site visit with Restaurateur CEO and Financier;  
meeting with UNM, market research in Albuquerque

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# URLACHER'S

## SPORTS BAR

---

- July 8, 2013 - Sent Revised LOI
- July 22, 2013 - Sent Final Revised LOI
- August 1, 2013 - Restaurateur finalizing deal with Urlacher
- September 11, 2013 - Received signed LOI from Restaurateur
- September 12, 2013 - Sent revised plan; started drafting lease for Stadium Site

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# PETCO

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- May 2012 - Requested and received prototype plans
- August 2012 - Sent LOI to Tenant's exclusive representative
- September 2012 - Received revised LOI
- November 2012 - Sent revised LOI

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# PETCO

---

- March 12, 2013** - Received revised LOI
- March 15, 2013** - Internally reviewed LOI and extensive construction exhibit
- April 29, 2013** - Sent revised LOI
- May 20, 2013** - Meeting at Las Vegas ICSC; reviewed LOI
- July 11, 2013** - PetCo advised they wanted to alter the deal to a built-to-suit (“BTS”)

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# PETCO

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- August 2, 2013 - Sent revised LOI for BTS
- August 19, 2013 - Received revised LOI
- August 20, 2013 - Sent revised LOI
- August 27, 2013 - Received revised LOI
- September 3, 2013 - Sent final LOI

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# PETCO

---

- September 17, 2013 - Landlord signed LOI; sent to Tenant
- October 7, 2013 - Presented to Tenant's REC; deal approved by Tenant
- October 16, 2013 - Received lease draft from Tenant

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# ROSS DRESS FOR LESS

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- May 20, 2013 - Meeting at Las Vegas ICSC
- June 24, 2013 - Meeting with Tenant's exclusive representative
- August 12, 2013 - Meeting with Representative in Albuquerque
- August 20, 2013 - Sent request for prototypical plans
- August 21, 2013 - Sent proposal to Ross

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# ROSS DRESS FOR LESS

---

- September 10, 2013 - Revised LOI from Ross
- September 13, 2013 - Sent revised LOI
- September 19, 2013 - Meeting at San Diego ICSC; discussed LOI, Tenant to revise
- October 10, 2013 - Sent request for prototypical plans

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# STARBUCKS

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- September 2012 - Sent proposal to Tenant's exclusive representative
- November 2012 - Received revised LOI
- December 2012 - Sent revised LOI
- February 1, 2013 - Requested plans to deliver Starbucks shell
- February 24, 2013 - Received revised LOI

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# STARBUCKS

---

- March 6, 2013** - Received prototypical plans
- March 26, 2013** - Sent revised LOI and construction specs
- May 20, 2013** - Meeting at Las Vegas ICSC
- July 1, 2013** - Starbucks requested deal be changed to a BTS on parcel D
- July 8, 2013** - Contact NM builder for Starbucks to determine costs

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# STARBUCKS

---

- August 27, 2013 - Sent revised LOI BTS on parcel D
- September 4, 2013 - Conference call to discuss LOI
- September 12, 2013 - Sent revised site plan
- September 16, 2013 - Waiting on final LOI revision from Tenant
- September 17, 2013 - Tenant requested revised site plan

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# STARBUCKS

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- September 19, 2013 - Meeting at San Diego ICSC
- September 23, 2013 - Revised plan and sent to Tenant
- October 1, 2013 - Revised plan and sent to Tenant
- October 11, 2013 - Conference call with Tenant and Representative to discuss LOI, awaiting revised LOI

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# FIVE GUYS

## BURGERS AND FRIES

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- September 2012 - Sent proposal to Tenant's exclusive representative
- October 2012 - Received LOI from Tenant
- April 4, 2013 - Received revised construction specs
- July 8, 2013 - Consulted counsel on LOI
- July 15, 2013 - Revised construction specs

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# FIVE GUYS

## BURGERS AND FRIES

---

- July 22, 2012 - Sent Revised LOI and Exhibit C
- September 5, 2013 - Discussion regarding move to Parcel D with Starbucks
- September 12, 2013 - Sent revised site plan
- October 1, 2013 - Sent further revised plan
- July 15, 2013 - Tenant reviewing plans and LOI

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# JIMMY JOHNS

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- May 20, 2013 - Meeting at Las Vegas ICSC
- May 31, 2013 - Sent proposal
- July 9, 2013 - Received LOI from Tenant's exclusive representative
- July 11, 2013 - Sent revised LOI for Chavez site
- July 15, 2013 - Sent Revised LOI for Gibson Site
- August 12, 2013 - Meeting in Albuquerque
- September 4, 2013 - Sent updated site package

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# SUBWAY

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- April 2013 - Spoke to Tenant about Site
- May 16, 2013 - Received LOI
- May 20, 2013 - Meeting at Las Vegas ICSC
- July 8, 2013 - Sent updated site plan
- August 12, 2013 - Meeting in Albuquerque
- September 4, 2013 - Subway reviewing LOI

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# SUBWAY

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- September 6, 2013 - Conference call with Tenant's exclusive representative
- September 30, 2013 - Received revised LOI from Tenant
- October 1, 2013 - Further revised LOI and sent to Tenant
- October 15, 2013 - Conference call with Tenant and Representative will receive signed LOI from Tenant

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# JOANNS

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- July 9, 2013 - Spoke with Tenant's exclusive representative
- July 25, 2013 - Sent updated site plan
- August 2, 2013 - JoAnn liked site, ran it through their research dept.
- September 6, 2013 - Sent updated site plan

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# JOANNS

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- September 19, 2013 - Met with Tenant's exclusive representative at San Diego ICSC
- October 1, 2013 - Sent proposal
- October 15, 2013 - Spoke to Representative, Tenant reviewing site
- October 21, 2013 - Received revised proposal
- October 24, 2013 - Sent revised proposal

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# SHOE CARNIVAL

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July 25, 2013

- Sent site package

August 2, 2013

- Spoke to Tenant's exclusive representative, Tenant likes site and timing will work well

September 6, 2013

- Sent updated site plan

September 19, 2013

- Meeting with Tenant at San Diego ICSC, need to schedule site visit

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# SHOE CARNIVAL

---

- October 1, 2013 - Sent proposal
- October 15, 2013 - Spoke with Tenant, he needs to follow up with Tenant
- October 21, 2013 - Received initial comments to LOI
- October 24, 2013 - Sent Revised LOI
- October 31, 2013 - Conference call with Representative

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# SALLY BEAUTY

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- July 25, 2013 - Sent updated site package to Tenant and Tenant's exclusive representative
- July 31, 2013 - Sent LOI
- August 12, 2013 - Meeting with Representative in Albuquerque waiting for Tenant to review
- September 6, 2013 - Sent updated site plan, Tenant still reviewing LOI

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# SALLY BEAUTY

---

- September 23, 2013 - Call with Representative to negotiate terms of LOI
- October 4, 2013 - Conference call with Representative
- October 20, 2013 - Conference call with Representative
- October 25, 2013 - Received revised LOI from Tenant, will not present to REC until April 2014

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# CATO FASHION

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- August 23, 2013 - Meeting at Columbus ICSC
- September 5, 2013 - Sent site package
- September 6, 2013 - Sent LOI
- October 4, 2013 - Conference call with Tenant
- October 29, 2013 - Turned deal over to Tenant's exclusive representative
- November 1 2013 - Conference call with Representative

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# RACK ROOM SHOES

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- September 5, 2013 - Meeting with Tenant in Ohio
- September 6, 2013 - Sent LOI
- September 19, 2013 - Meeting at San Diego ICSC
- October 4, 2013 - Call with Tenant, turning deal over to another RE rep
- October 29, 2013 - Call with new rep, received revised LOI

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# TARGETED TENANTS -LOW INTEREST

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Big 5	Maurices	Hibbett's
Carl's Jr	Popeyes	Black Mesa
Pizza 9	Mor Furniture	McDonalds
Vans	Jersey Mike	Wells Fargo
Walgreens	Anna's Linens	Taco Cabana
Yogurtland	Ghengis Grill	Cafe Rio
Chipotle	DSW	Revol

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# TARGETED TENANTS -LOW INTEREST

---

PetSmart

Vitamin World

Justice

Sprint

Church's Chicken

Bass Pro

Gordmans

Carters

Bed, Bath

Cabellas

Which Wich

Java Joe

TGI Fridays

5 Star Burger

Pei Wei

Sports Authority

Sportsman's Warehouse

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# TARGETED TENANTS -HIGH INTEREST

---

Marshall's

Great Clips

Radio Shack

Famous Footwear

Houlihan's

Game Shop

Payless Shoes

GNC

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# TARGETED TENANTS -HIGH INTEREST

---

Red Robin

Supercuts

Panda Express

Costa Vida

Panera Bread

Wendy's

Olive Garden

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# TARGETED TENANTS -HIGH INTEREST

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Sports Clips

Dress Barn

Lane Bryant

UPS Store

Keva Juice

Rue 21

Shoe Dept.

Office Max

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# TARGETED TENANTS -HIGH INTEREST

---

Encore

Mattress Firm

Outback

La Madeline

Staples

Chili's

Carrabbas

Rosati's Pizza

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# TARGETED TENANTS -HIGH INTEREST

---

Quizno's

Q Burger

Firehouse Subs

Wecks

Arby's

Pieology

Nestle Toll House

Freddy's

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# MARKETING

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- May 2012** - Presented project at Las Vegas ICSC
- May 2013** - Presented project at Las Vegas ICSC with banner and detailed collateral pieces
- June 2013** - Installed signage at Site
- June 2013** - Presented project at NAIOP's June meeting in Albuquerque that included panel discussion

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# UNM SOUTH CAMPUS

## SECTION II

### FINANCIAL AND ECONOMIC OVERVIEW

## Development Strategy

Focus on Parcel III and Stadium Site;  
Utilize Parcel II for Stadium Site Parking

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## ALBUQUERQUE, NM

### SITE PARCEL MAP

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# YIELD ANALYSIS

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- Given capitalization rates for the Albuquerque market for commercial assets (7.5%-8.0%), for investment purposes, the project ought to achieve at least a 10.0% cash-on-cost unlevered yield.
- Currently, given market conditions and project costs, FP is underwriting the project to a 9.50%
- In order to achieve this yield and maximize ground rent to UNM, the project needs financial support to reduce private development costs

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# REASONS FOR ECONOMIC GAP

- Non-Accretive Wal-Mart Deal @ \$0.98 psf/ ground rent plus site cost reimbursements
- Lower rents for South Albuquerque market
- NM Gross Receipts Tax (“GRT”) in excess of \$2 Million on development
- Unusually high site work costs - \$320,000 per acre; Typically closer to \$250,000 per acre; impact is over \$3 Million
  - AMAFCA Channel
  - Sunshine Terrace
  - Existing Topography
  - Public Improvements
- Lack of Public Finance

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# PUBLIC FINANCE PROFESSIONALS

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- To date, FP has retained some of Albuquerque's best legal and public finance professionals to investigate various government incentives for the project:
  - Bond Counsel – Peter Franklin (Modrall Sperling)
  - Bond Underwriter – Kit Caldwell (Southwest Securities)
  - Financial Analyst – Mitch Moseman (Taussig & Assoc.)
  - Architectural Consultant - Dale Dekker

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# POTENTIAL SOLUTION TO BRIDGE GAP

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## Government Incentives

- Obtain government incentives/assistance from the City of Albuquerque to cover the cost of public infrastructure and/or trap newly generated GRT.
- In NM this is typically done by forming a Tax Increment Development District (“TIDD”) or a Public Improvement District (“PID”).
- Based on multiple discussions with civic and political leaders, FP has been advised that neither of these financing mechanisms are viable solutions for the City of Albuquerque.
- Recent Developments - Update

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# POTENTIAL SOLUTION TO BRIDGE GAP

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## New Market Tax Credits (“NMTC”)

- FP determined the project does reside within an eligible census tract for NMTC.
- Fairmount’s public finance team has conducted multiple meetings with the New Mexico Finance Authority (“NMFA”). On 10/22/13, FP was informed that while the NMFA has approximately \$4.5 Million in remaining allocation for this year, they just recently found out that a federal rule is mandating that 100% of the allocation be applied to a rural area.
- The NMFA has an application in for additional allocation, but won’t know what they will get, if anything, until Spring 2014.

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# POTENTIAL SOLUTION TO BRIDGE GAP

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## UNM Participation

- In early stages of negotiation, UNM committed to participating in the development of the project.
- This commitment was documented in Section 55 of the Ground Lease and approved at the UNM Board of Regents' meetings on December 11, 2012
- Based on the current unavailability of NMTC, as well as the low probability of receiving government assistance from the City of Albuquerque, FP believes such participation on the part of UNM is now imperative for the project to move forward.

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# UNM PARTICIPATION

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- UNM will contribute the previously approved \$10 Million toward on/off site work and infrastructure on Parcel III.
- This investment will enhance the value of the property, bridge the economic gap, maximize the ground rent to UNM and allow the development to go vertical.
- Assuming a \$10 Million contribution from UNM and a certain assumed amount of assistance on the site's public infrastructure contribution from the City, the consolidated project proforma (penciling to a 9.50% yield) can support an annual ground rent payment of approximately \$900,000 to UNM.

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# CONSOLIDATED PROFORMA SNAPSHOT: PARCEL III AND IV

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- Total Project Cost - \$48 Million
- Total On/Off Site Work/Infrastructure - \$14.5 Million
- Includes site work costs necessary to modify Parcel II to accommodate displaced parking.
- To date, the project has incurred costs over \$500,000. Split approximately 50/50 between FP overhead and third party costs and expenses.
- Projected Net Operating Income (NOI) - \$2.5 Million
- Cash on Cost Unlevered Yield – 9.50%
- Projected Ground Rent Payment to UNM - \$900,000

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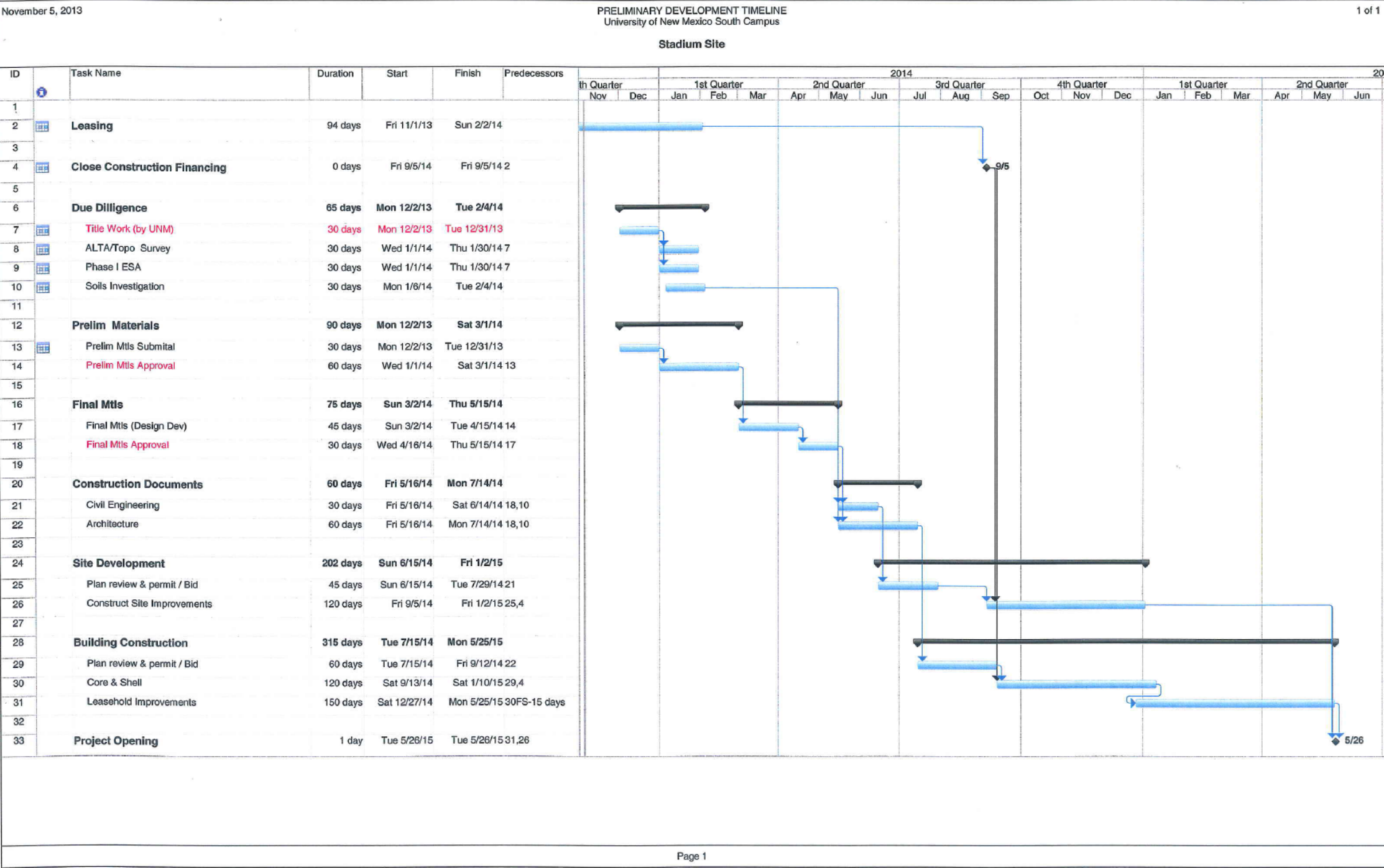
# CAMPUS MARKET PLACE DEVELOPMENT

## SECCION III: GOING FORWARD

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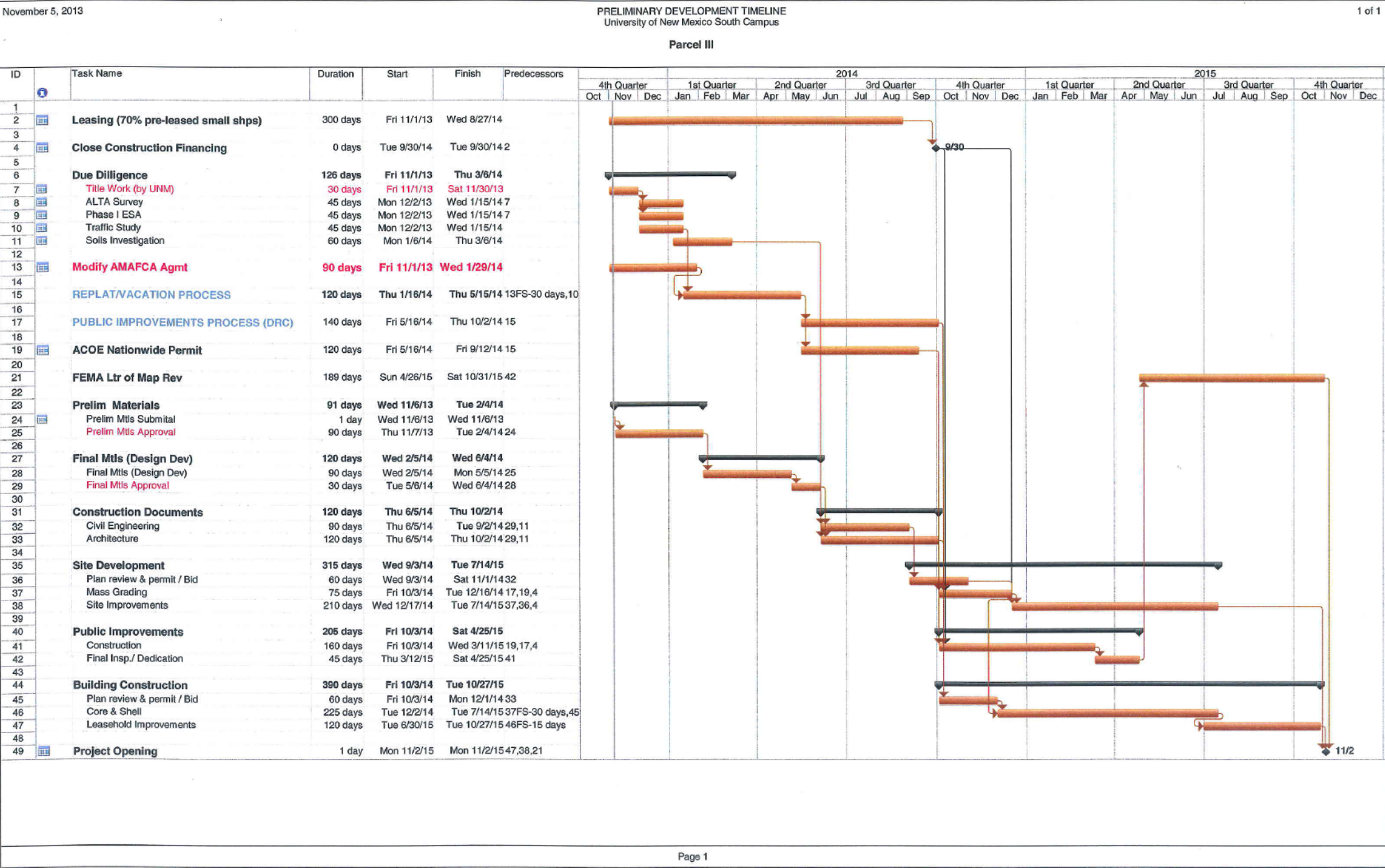
# PROJECT SCHEDULE PARCEL IV



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# PROJECT SCHEDULE PARCEL III



\* TRADE SECRETS/CONFIDENTIAL/PROPRIETARY



# RESPONSIBILITIES MATRIX

Deliverables Matrix  
UNM South Campus  
Parcel III

ITEM	FROM						TO		
	X8e	BH	DPS	UNM	Lobo	FMP	UNM	Lobo	FMP
Title Work				1					1
ALTA Survey		1				2		2	1
Phase 1 ESA	1					2		2	1
Soils Report	1					2		2	1
AMAFCA license agmt modification				1	1				1
Replat		1				2		2	1
ACOE permit		1				2		2	1
FEMA Letter of Map Revision		1				2		2	1
Design Standards			1			2		2	1
<u>PRELIMINARY MATERIALS</u>									
Prelim Development Plans (Civil)		1				2		2	1
Prelim Development Plans (Arch)			1			2		2	1
Preliminary Schedule						1		1	
Preliminary Budget						1		1	
Prelim Materials Reimbursables						1		1	
Proposed Revisions						1		1	
Reimbursable Schedule						1		1	
<u>FINAL MATERIALS</u>									
Final plans and specifications (Civil)		1				2		2	1
Final plans and specifications (Arch)			1			2		2	1
Final Schedule						2		2	
Final Budget						2		2	
<u>CONSTRUCTION DOCUMENTS</u>									
Site Improvements		1				2		2	1
Buildings			1			2		2	1
Public Improvements		1				2		2	1

11/4/2013

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# REIMBURSABLE SCHEDULE



November 4, 2013

Reimbursable Schedule  
UNM South Campus - Parcel III

Item Description		Year 2014											
		Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Total
DUE DILLIGENCE	Title (by UNM)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	ALTA Survey	\$0	\$8,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,500
	Traffic Study	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
	Geotechnical	\$0	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,000
	Phase I ESA	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
DESIGN	Civil Engineering	\$0	\$30,000	\$35,000	\$50,000	\$50,000	\$90,000	\$90,000	\$60,000	\$50,000	\$20,000		\$475,000
	Architecture	\$0	\$50,000	\$60,000	\$75,000	\$100,000	\$150,000	\$150,000	\$150,000	\$75,000	\$30,000	\$20,000	\$860,000
Marketing		\$10,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$100,000
Legal		\$20,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$200,000
Leasing Commisions		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$440,000
FC Consulting Fee		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$0	\$0	\$500,000
Misc		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$11,000
Total		\$71,000	\$176,500	\$203,000	\$193,000	\$218,000	\$308,000	\$308,000	\$278,000	\$693,000	\$118,000	\$88,000	\$2,654,500

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# PARCEL IV SCHEDULE MILESTONES

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**May 15, 2014**

Conclude design review and approval process with Lobo Development

**July 14, 2014**

Complete construction plans and specifications

**September 5, 2014**

Commence construction of site improvements

**September 13, 2015**

Commence building construction

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# PARCEL IV SCHEDULE MILESTONES

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**December 27, 2014**

Turnover core and shell space to Tenant for store build-outs

**May 26, 2015**

Project opening

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# PARCEL III SCHEDULE MILESTONES

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**January 29, 2014**

UNM modification to AMAFCA easement/road crossing license agreement

**June 4, 2014**

Conclude design review & approval process with Lobo Development

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# PARCEL III SCHEDULE MILESTONES

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**August 27, 2014**

Achieve pre-leasing of Jr. Dept. store area and 70% of small retail shop space

**September 30, 2014**

Close on construction financing

**October 2, 2014**

Complete City review & approval of public infrastructure plans

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# PARCEL III SCHEDULE MILESTONES

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**October 2, 2014**

Complete construction plans & specifications for site improvements and building construction

**October 3, 2014**

Commence earth moving and public infrastructure work

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# PARCEL III SCHEDULE MILESTONES

---

**October 2, 2014**

Commence building construction

**December 17, 2014**

Commence construction of site improvements

**June 30, 2015**

Turnover core and shell space to tenants for store build-outs

**November 2, 2015**

Project Opening

\* TRADE SECRETS/CONFIDENTIAL/PROPRIETARY



# LEASING GOING FORWARD

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- Secure approval for Stadium Site and execute leases with Toby Keith and Urlacher's
- Increase marketing for Parcel III to capitalize on momentum from Stadium Site development
- Finalize LOI's for all current junior anchor tenants and begin drafting leases.
- Pursue and secure final tenant for junior anchor row
- Refine merchandising plan for small shops and out parcels and secure tenants

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# FINANCING GOING FORWARD

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- Finalize capital stack and sources and uses
- Confirm and structure contributions from UNM and the City of Albuquerque
- Secure partner for approximately \$9.5 Million of required equity
- Begin discussions with lenders on construction financing for both parcels; \$25 Million
- Construction financing close on 9/30/14

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