

Phase 1 – University of New Mexico South Campus Commercial Development Project



December 7, 2011

Mr. Kim Murphy
Lobo Development Corporation
801 University Blvd. SE
Suite 207
Albuquerque, New Mexico 87106

Re: Phase I – University of New Mexico South Campus Commercial Development Project

Dear Mr. Murphy:

We are pleased to submit our analyses, findings, and Phase I planning deliverables for the South Campus Development project. The site benefits from a highly visible and well trafficked location and is a virtual front door for the South Campus and the Main Campus beyond. Not only students and faculty receive a first impression of the University through this gateway, but visitors, sports fans, neighborhood residents and area employees will access the subject property as it is developed. We therefore thoughtfully applied our experience-based methodology and insight, as outlined in our June 22, 2011 engagement letter, to deliver the attached report to you. Critical to our work was sensitivity towards the long-term future growth strategies possible on and around the UNM campus.

The purpose of our work was to outline a menu of concepts for how a mixed-use development can best leverage the excellent opportunity the subject site provides. This roadmap can ultimately lead to implementation of a development plan at the appropriate time.

Our work included primary investigations, collaboration with our team partners and evaluation and critical analyses of third-party data sources. We leveraged our collective experience in working with similar projects and have provided insights and observations that have the potential to create a project that celebrates UNM's image, is complementary with existing University assets and remains symbiotic with the surrounding community.

Our summary report, of which this letter is a part, sets forth our approach, scope, market analyses, site evaluation, neighborhood review, Phase I plan and next steps. The plan includes a high-level design and merchandise mix concept which was carefully conceived and vetted in support of campus life and the needs of the surrounding expanded trade area.

Our process included:

- Interviews and consultations with key regional stakeholders
- Site-specific review analyses
- Market evaluation
- Potential tenant surveys and merchandise mix evaluation
- Design and master planning
- Consideration of implementation strategies

During our work we recognized that there are a number of stakeholders with considerable interest in the evolution of the Subject site. Our Phase I work is intended to provide a common platform for discussion, collaboration and ultimate acceptance of a plan.

Forest City and its partners would like to acknowledge the assistance of key stakeholders whose interaction benefited the process and our deliverables, specifically Kim Murphy, Amy Coburn, Steve Beffort, the Board of Directors of Lobo Development Corporation and the Lobo Development Corporation staff.

Our work was conducted during the third quarter through fourth quarter, 2011 and is based on information available during this time frame. We are not responsible for unforeseen events which occur subsequent to our analysis date.

We are pleased to provide assistance to Lobo Development and the University of New Mexico.

A handwritten signature in black ink that reads "Mark C. Siegel". The signature is written in a cursive, flowing style.

Mark Siegel
Vice President
Forest City Asset Services, LLC

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SECTION 1: INTRODUCTION

PROJECT TEAM

Forest City assembled an experienced team to address the unique economic opportunity presented by the Subject Site. In order to maximize value and best capture the market demand for this location, ka architects joined with Forest City to complete a preliminary plan. As well, a detailed market analyses was provided by Retail GeoScore to support the design and tenant mix conclusions presented in the study.

Forest City

Forest City is a multi-billion dollar, publicly-traded real estate advisor, investor, manager and developer with a proven legacy as a community builder and creator of economic growth. With an extensive portfolio of commercial and residential properties, as well as land throughout the United States, Forest City is a full-service real estate company that handles every aspect of investment, management, development and redevelopment. With years of experience and relationships with public and private sector entities throughout the US, Forest City has a deep understanding of the needs and opportunities facing its clients, partners and/or communities.

Forest City assists clients from the earliest stages of project planning to final delivery, ensuring that all decisions are informed ones. Our associates and partners excel at identifying unique opportunities, providing creative solutions to underlying issues, assembling the right mix of resources, implementing plans, and delivering long-term results. Forest City has built its reputation on meeting client needs by providing quality services that have credibility in the marketplace.

ka architects

Founded in 1960, ka architects has evolved into one of the profession's most highly-recognized national firms, specializing in the creation of solutions to meet the needs of the commercial real estate development community. Headquartered in Cleveland, OH, ka has served clients in residential, office, hospitality, entertainment, educational, and retail projects in 41 states, Puerto Rico, Mexico, and Canada. With in-house expertise in interior architecture, environmental graphic design, and landscape architecture, ka has been able to provide its clientele with coordinated single source total solutions to meet their needs, often with accelerated schedules, and never with unlimited budgets. Further, as one of a select few firms performing architectural services for the JC Penney Company and for Macy's, ka is in an enviable position to know in advance what the future may bring in the retail development world.

ka can be engaged at any stage of the development process, from the earliest master planning to the eventual site planning; from the schematic architectural plan, lease diagram, or blocking and stacking analysis to the final design of the architectural façade, interior finishes and furnishings; ka thoroughly enjoys working with its clients as a teammate to offer the most creative options for the team's consideration.

CAMPUS DISTRICTS

The University of New Mexico was founded as a public research university in Albuquerque, NM in 1889. The main campus of the University is located approximately one mile east of downtown Albuquerque, and is divided into three parts – the north, central and south campuses. The Central Campus, where Hodgin Hall, the University's first building, was erected and still stands, is home to the main academic university. The North Campus includes the medical and law schools as well as the University of New Mexico Hospital. The South Campus, and subject of our work, is located one mile south of the central campus. Centered around the intersection of University Boulevard and Avenida de Cesar Chavez, the South Campus comprises approximately 289 acres.

The Subject Site is located on the University of New Mexico's South Campus. The Site is a de facto front door; the first impression students, campus visitors, sports fans, local residents and area employees have of UNM. Visibility, access and connectivity are all excellent here and therefore present an important opportunity to create a transformational mixed-use project over time.

South Campus has historically supported three distinct land uses: athletics and athletic facilities, office/research space, and large-scale parking. An important fourth use, student housing, was added in 2011. Therefore, the Subject Site's access, visibility and footprint can become a gathering point for commercial activity in this area and a catalyst for fostering community interaction.

CAMPUS PLANNING

An important part of considering the future of the Subject Site is to understand the overall strategic plan for the Campus. The University completed various levels of planning as is summarized below. Our team evaluated this work and incorporated the resulting goals and objectives into our evaluation.

In 1994, the University embarked on a planning exercise with the goal of determining the physical implications of accommodating an estimated growth in student enrollment to 35,000 students. This resulted in the 1996 Campus Development Plan. This Plan focused on the Central and North campuses and proposed how the University should grow over a twenty-year time span. In 2007, the University produced the South Campus Master Plan to address the needs of the South Campus and UNM's athletic programs. The South Campus Master Plan acknowledged three distinct areas, including the UNM Science and Tech Park, the University's athletic facilities, and a large parcel of undeveloped land stretching from Avenida de Cesar Chavez to Gibson Boulevard and from University Avenue to I-25. The South Campus Master Plan focused mainly on establishing a vision for the future and growth of the athletic facilities and did not address the development of undeveloped parcels on the South Campus.

In 2009, the University updated its 1996 Campus Development Plan, with the UNM Master Plan 2009 Update (the "Update"). The Update built on the 1996 Plan to articulate a vision that reflected the University's then-current conditions and projected growth, and set forth a plan for physical growth over the succeeding ten-year period. One key aspect of the Update is that it incorporated the South Campus into the overall Master Plan. The Update proposed new complementary land uses for the undeveloped land on the South Campus in order to

create a fun, educational, and stimulating environment for students, faculty, and visitors. Specifically, it called for the following:

- The establishment of a network of streets south of Avenida de Cesar Chavez, between University Avenue and I-25 which would support the a mix of commercial and housing uses;
- The Creation of an open space network, including urban streetscapes, plazas, and trails to accommodate the large number of visitors who come to the athletic venues, and to provide an amenity to campus residents and those working at the UNM Science and Tech Park;
- Creating a multi-use trail along the South Diversion Channel to provide needed recreation opportunities;
- Diversify the mix of uses on the South Campus to include upperclassmen student housing and ancillary retail uses.

While planning is important, funding is paramount. In our experience the more commercial development can be self-sustaining through combining both education uses and private projects, the more likely progress can be made. Unfortunately, State funding for the University has declined over the past several years, leading the University to appropriately search for alternative revenue strategies. One suggested strategy involves utilizing Lobo Development to generate additional income for the University by developing commercial projects on University-owned land on its main campus.

THE PROCESS

In July 2011, Lobo Development Corporation and the University of New Mexico (the “Owner”) engaged Forest City Asset Services (“Forest City”) to assist with the development of four undeveloped parcels, comprised of roughly 58.8 acres, located on the University’s South Campus. Prior to Forest City’s engagement, Owner had received a letter of interest (LOI) from Cabela’s regarding the construction of a new Cabela’s store on the 39.4-acre parcel known as the Gibson Commercial District.

The LOI provided the Owner an opportunity to weigh what would be best for the Subject Site. In consultation with Forest City, it was determined that multiple objectives should be taken into account including:

- What can be maximally productive on the site in terms of economics to the Owner?
- What mix of uses can best satisfy the University’s goals and objectives over the long term relative to its strategic planning?
- What are the physical constraints of the site and how does that impact a plan?
- How does the site and its potential uses integrate into the surrounding community and existing University assets?
- What is the optimal mix of uses and for the retail, and what tenant mix best can meet objectives in the long term?
- What plan best balances maximum density with optimal traffic flow, accessibility to the campus and other site aspects?

As Owner's consultant, Forest City's initial objective was to define a development plan first in terms of possible anchor tenants, small shop retail users, and possible site layouts. Our Phase I work tasks focused on several areas:

1. Information Evaluation

- Review of information provided by Owner including the LDC Commercial Development Briefing Materials dated July 20, 2011;
- Review of the physical characteristics of the site, including visibility, topography, physical and visual impediments, access/traffic, utilities, environmental and flood plain considerations;
- Research of third-party data sources.

2. Trade Area Analysis

- Analyze economic, demographic and psychographic market data in terms of the trade area, its density and stratification/composition.

3. Market Evaluation/Retail Market Study

- Complete a market study focused on the feasibility of the commercial sites for retail development as well as benchmarking comparable projects in the US;
- Understand what merchandise categories are being adequately served, and what areas are not well represented, and layer that over the needs/wants of the population within the Subject Site's trade area;
- Prepare a competition analysis to understand how the proposed project fits into the existing retail landscape of Albuquerque. Further define which retailers may best succeed at the Site and which best serve the existing University population;
- Understand what anchor tenant options make the most sense for the Site.

4. Site Evaluation

5. Conceptual Plan Development

- Work with the Team's architect partner who specializes in retail development;
- Develop a menu of potential site concepts that can accommodate potential anchor tenants;
- Overlay the Owner's requirements for a pedestrian-friendly, creative mixed-use project that integrates into the fabric of the campus;
- Outline a high-level project master plan that would accommodate an 80,000-square foot. Cabela's store and ancillary uses.

6. Next Steps

- Create a roadmap for necessary future phases of work including the development of a more detailed phasing plan (from concept through design) and implementation.

Over a period of two months, Forest City worked with consultants in multiple disciplines to support these areas of focus. We also met with stakeholders through conference calls and face-to-face meetings. With the generous help of Lobo Development, the Team gathered information about the University's and other key stakeholders' goals for the sites, including desired types of tenancy, site amenities, and project schedule. Conceptual site plans for each of the sites were created which attempted to address the desired project components. After review with Lobo Development, the site plans were refined as needed.

The work product, findings and recommendations of this collaborative effort follows herein.

GUIDING PRINCIPLES

This Phase I summary report was created after a careful process of research and review. Underlying our work were certain key guiding principles to ensure proper context and scope. Accordingly, the Team's approach incorporates the following key principles and assumptions:

- The Subject Site includes a number of individual development parcels. The development program for these commercial sites must be tied directly to market demand in order to address economic conditions during changing cycles but also support design concepts and a flow that will endure over the long term.
- The development program must respect stakeholder objectives and provide a platform for consensus. The plan therefore will balance and incorporate the needs, goals, constraints and vision of the University and the primary stakeholders.
- The Team's experience confirms that quality mixed-use projects, especially those of scale and of critical importance to multiple constituencies require a multi-phased approach in order to remain viable over the long-term. Accordingly, a menu of commercial development themes will evolve around a central coordinating plan for the South Campus. The plans will incorporate certain foundational infrastructure components (i.e., roadway and highway off-ramp improvements).
- While success can be defined in many ways, the development program must first focus on long-term value creation for the University, the stakeholders and the regional community.
- The development program must be actionable and based upon realistic, achievable objectives.

SECTION 2: EXECUTIVE SUMMARY

CONCLUSION

The development sites located on The University of New Mexico's South Campus are well-positioned and should be able to successfully attract a mix of retail and restaurant users. The merchandise mix will serve the student, employee, visitor and residential populations that are currently underserved.

The sites are very well located, with ready access and outstanding visibility from I-25. These sites will support a variety of commercial platforms, primarily big-box/value retail, middle market junior anchors and various restaurants, service and convenience retailers. Conceptual plans as envisioned herein have been designed in support of the Owner's long-term strategies. Specifically, the plan accommodates providing services to the residents of Lobo Village, convenient amenities to the employees working at the UNM Science and Tech Park and to the fans attending sporting events at the various sports facilities located on the South Campus. The development can also serve to meet the University's desire to diversify its income sources.

SUMMARY

The University of New Mexico is the state's flagship research institution. The school is known for its beautiful campus and distinctive pueblo-style architecture all of which house its educational departments including top-ranked programs at the School of Medicine, School of Law and the School of Fine Arts. The University has also received the prestigious designation as a Carnegie I research university as rated by the Carnegie Foundation for the Advancement of Teaching. This designation, and the other accolades that the University annually receives, reflect the University's Mission, which is to serve as New Mexico's flagship institution of higher learning through demonstrated and growing excellence in teaching, research, patient care, and community service.

Since its founding in 1889, the school has grown to encompass more than 760 acres on three campuses just east of downtown Albuquerque. Each campus has its own personality, but they all reflect the UNM "Brand" in their own way. The South Campus, as the home to the UNM athletic programs and facilities as well as the University's Science and Tech Park, provides a wonderful and attractive setting for the many students, employees and Lobo fans that use this campus regularly. The South Campus is also, in many ways, the front door to the University, as it is adjacent to the Albuquerque International Sunport, and is the area of the University most visited by the non-student public who attend Lobo basketball and football games. (*See Figure 1*)

The goal of any development on the South Campus should be to create a place where all of the various groups that regularly use the facilities located on the South Campus can comfortably live, work and play. This goal can be achieved by properly programming the site to meet the varied needs of all of the diverse users – for the students

FIGURE 1



that live in Lobo Village; for employees working at the Science and Tech Park; for the students, faculty and fans that visit the athletic facilities; and for those living in the nearby residential communities who currently have limited shopping and dining choices within a convenient distance of their homes.

We have envisioned a phased series of developments that incorporate aspects of the University's 2009 Master Plan Update, the South Campus Placemaking Plan, as well as the University's Mission Statement, Vision Statement and its Core Values. Our conceptual plan creates a place where community can happen by bringing together retailers, restaurants, and amenities to the South Campus area. The preliminary plans for the development sites on the South Campus leverage our findings and map a variety of big-box, value, convenience and middle market retail options, as well as quick-serve and sit-down restaurants, all located in an attractive, walkable layout. Linkages have been created with a biking/walking trail and distinctive amenities have been suggested such as lush landscaping, a central plaza, and fountains.

The University's 2009 Master Plan calls for the development of mixed-use commercial space on the University's South Campus to serve recognized populations and our plan is respectful of this. Not surprisingly, our retail market study identified a dearth of retail options around the South Campus as compared with the volume of retail space on the north side of Albuquerque (north of I-40) and on the south side of Albuquerque.

Our findings and direct discussions with retailers confirm the opportunity for the South Campus site to attract one or more big-box retailers to anchor the commercial development on the University's South Campus. The subject sites are very well located, adjacent to I-25, and benefit from their proximity to UNM and the Central New Mexico Community College, which have a combined enrollment of more than 44,000 students. In addition, approximately 200,000 people live within 5 miles of the sites, with an average household income of \$49,061. Many shopping centers across the country are supported by similar demographics.

The opportunity for the site is to locate the appropriate anchor tenants as these retailers will support the theme and merchandising strategy of the project for years to come. The choice will also support the success of non-retail uses on the site as they evolve. We therefore prepared conceptual site plan options for each of the four commercial sites with this in mind. A detailed description of the proposed development plans for each site is included in Section 5 of this report.

SECTION 3: MARKET STUDY

The following high-level Market Analysis was prepared for Owner to provide context and support for the proposed developments. The trade area for the Subject Site was defined and it extends well beyond the Site. Defined by economic and physical factors, generally it is expressed by concentric rings of 1, 3 and 5 miles out from the Site. The demographics and psychographic data for these populations is included in this section.

The Market

DEMOGRAPHICS¹

As of September 2011, Albuquerque was home to 901,000 residents and is the largest city in the state of New Mexico. Albuquerque's work force is comprised of 397,000 and its unemployment rate stands at 7.0%, lower than the national average of 9.1%. Albuquerque's average unemployment rate for the past decade (2001-2010) was 5.3%, which was also lower than the national average of 6.1% for the same time period.

The tables below present data from the 2010 US Census. According to the 2010 Census, the population for the state of New Mexico, the city of Albuquerque, and the immediate project area has been growing steadily. Going forward, the annual growth rates for all of these areas are projected to be greater than that of the national average through 2015.

Although the majority of the current population is comprised of Caucasians, approximately 45% of the population is of Hispanic Origin both statewide and citywide. The proportion of Hispanics is slightly higher within the 3- and 5-mile radius of the Site. This is very positive as the single largest demographic group in terms of growth expectations in the US is among the Hispanic population.

The median age for the State and City is approximately 36.0 years, which is slightly lower than the national average of 37.3 years. Within the immediate market area, the median age is closer to 34.0 years which will influence what retailers most appeal to this demographic.

Median household income for the State, City, as well as immediate project area has been and will continue to trail the national average even though the projected growth rate for the state is projected to be slightly higher than the national average. At the same time, projected growth rates for the 3- and 5-mile radius are expected to

¹Note: demographic data typically does not track university students living on a university's campus. This population won't show up in household statistics where they attend school but they will appear as part of their parents home residence statistics. Only where a student lives independently on a 12 month lease or longer may this household data be captured. The information below only reflects the analysis of census data.

be approximately half of that of the US. The expectation is that student spending will help supplement spending projections, and retailers will need to recognize this dynamic.

	3-Mile Radius	5-Mile Radius	Albuquerque MSA	New Mexico	US
Population					
2000	72,544	191,132	729,649	1,819,046	281,421,906
2010	75,413	198,443	886,814	2,080,039	311,212,863
2015 Proj.	78,671	207,603	975,641	2,210,786	323,209,391
2010-2015 Proj. Annual Growth	.85%	0.91%	1.93%	1.23%	0.76%
Race and Ethnicity (2010)					
White Alone	61.2%	60.5%	66.4%	64.3%	71.9%
American Indian Alone	5.1%	5.0%	5.9%	9.3%	0.9%
Black Alone	5.3%	4.3%	3.4%	2.7%	12.5%
Asian Alone	2.5%	2.0%	2.0%	1.3%	4.7%
Other Race(s)	25.9%	28.2%	22.3%	22.4%	10.0%
Hispanic Origin (Any Race)	50.7%	58.2%	45.1%	45.3%	16.2%
Median Age					
2000	32.3	32.9	34.9	34.5	35.3
2010	33.4	34.1	36.0	35.7	37.0
2015 Proj.	33.8	34.6	36.1	35.9	37.3
Median HH Income					
2000	\$25,856	\$28,617	\$38,853	\$34,171	\$42,164
2010	\$35,594	\$37,722	\$52,001	\$44,427	\$54,442
2015 Proj.	\$37,948	\$40,643	\$58,347	\$50,848	\$61,189
2010-2015 Proj. Growth	1.29%	1.50%	2.33%	2.74%	2.36%

Source: ESRI

The development sites are located in the south-central portion of Albuquerque, approximately 2 miles from the Albuquerque CBD. As shown in *Figure 2* below, the sites are roughly bounded by I-25 to the west, Avenida de Cesar Chavez to the north, University Avenue to the east and Gibson Boulevard to the south. A map showing the 1-, 3- and 5-mile rings from the sites are below are included as *Figure 3*.

FIGURE 2



FIGURE 3



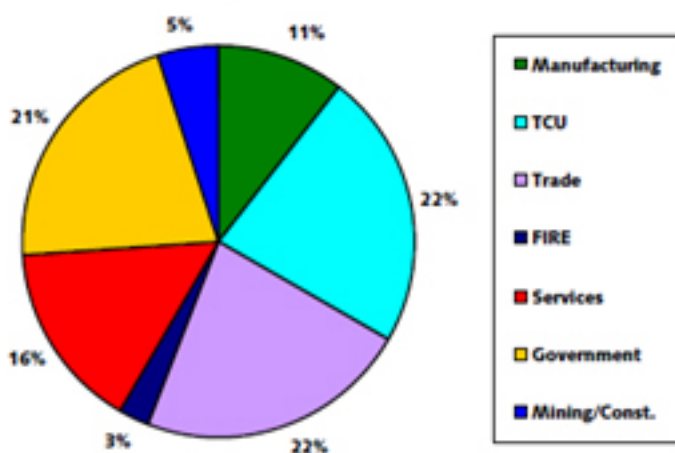
EMPLOYMENT

Albuquerque's employment base is fairly diverse. The three largest industries, all of which share the same proportion to the total employment base, are Trade, TCU (transportation, communications, utilities), and Government. Major employers in the Albuquerque include Kirtland Air Force Base, the University of New Mexico, the Albuquerque Public Schools, Sandia National Labs, Presbyterian Hospital, the City of Albuquerque, and the State of New Mexico.

Throughout the past decade, Albuquerque has managed to keep its unemployment rate lower than the national average. And despite lagging the US average in job growth during 2001-2007, Albuquerque has caught up and even exceeded the national average in overall employment growth, adding jobs in 2010-2011.

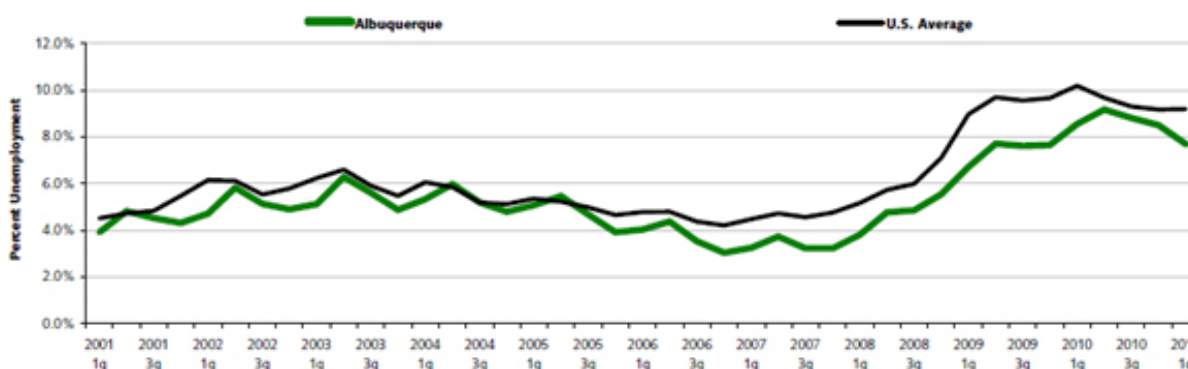
TOTAL EMPLOYMENT BY INDUSTRY

Based on All Industry Types



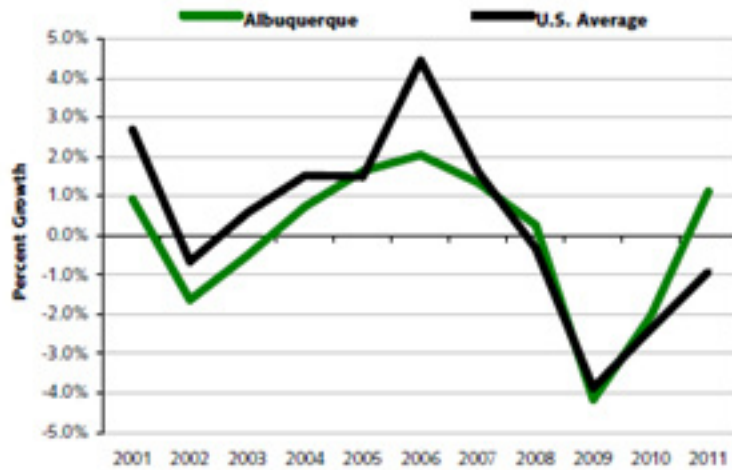
Source: Department of Labor, Bureau of Labor Statistics

HISTORICAL UNEMPLOYMENT RATES



OVERALL EMPLOYMENT GROWTH

Based on Number of Jobs Added per Year



Source: Department of Labor, Bureau of Labor Statistics

RETAIL

Albuquerque MSA

As reported by CoStar in December 2011, the vacancy rate for retail properties across the Albuquerque market is 7.5%. This is down slightly from a peak vacancy rate of 7.7% in the second quarter of 2010, and up from a record low vacancy rate of 5.2% in the first quarter of 2008. Rent growth has been negative for the past two years and now averages \$13.88/square foot across retail property types. According to CoStar, positive rent growth is projected to return by the second quarter of 2012 and vacancy is expected to slowly decrease over the next several years.

Market Surplus/Leakage

As reported by ESRI, there is a total retail sales potential in the 5-mile ring of \$1.523B; however, the area generates a surplus of \$2.873B in retail. This surplus factor of 30.7 represents a strong market where customers are drawn in from outside the trade area. This positive situation can be leveraged.

In terms of specific retail categories, the following selection is presented for a 5-mile ring per ESRI (2010 data):

Category	Demand Potential	Retail Sales	Surplus
Food and Beverage	\$205,099,000	362,914,000	27.8
Health and Personal	\$46,000,000	\$123,700,000	45.8
Clothing	\$52,315,000	\$116,130,000	37.9
Sporting Goods, Hobby	\$23,084,000	\$64,355,000	47.2

As shown above, the trade area around the Subject Site strongly captures demand well beyond its estimated potential. This is very supportive of retail (and mixed-use) development. Notably, the sporting goods category has the strongest surplus factor which is supported by the existing South Campus orientation.

Tapestry Segmentation

We completed a tapestry segmentation for the 5-mile ring surrounding the Subject Site. This analysis, provided by ESRI, looks at the psychographics of the area. Psychographics go beyond basic population data to describe the socioeconomic quality of a neighborhood. Based on indexes over or below the US average (which is 100), the ESRI data compartmentalizes a trade area into the type of persons who live in a particular market.

For the Subject Sites, the strongest correlations are in the following three categories:

Category	Index	% of the 5-Mile Ring
Metropolitans	1,105	13.1
Industrious Urban Fringe	846	12.9
Southwestern Family	1,106	9.9

Metropolitans: Residents of Metropolitans communities prefer to live in older city neighborhoods. Approximately half of these households are singles who live alone or with others; 40% are married-couple families. One in four of the residents is aged 20–34 years; the median age is 37.7 years. Diversity is low; most of the population is white.

The labor force participation rate of 67.2 percent is well above average; the unemployment rate is 8.3%. Half of the residents who are employed work in professional or managerial positions. More than 75% of the population aged 25 years and older have attended college or completed a degree program. Thirty % have earned a bachelor’s degree, and 23% hold a graduate degree. The median household income is \$60,191; the median net worth is \$102,460. Nearly half of the households earn extra income from interest, dividends, and rental properties.

Industrious Urban Fringe: Family is central to residents of Industrious Urban Fringe neighborhoods; slightly more than half of the households have children. Fifty-four % are married-couple families; 17 % are single parents. Multigenerational households are relatively common. The high proportion of children contributes to the relatively low median age of 29 years. Hispanics comprise 61.7% of the residents in these neighborhoods. More than one-fourth are foreign born, bringing rich, diverse cultures to these urban outskirts neighborhoods.

The median household income is \$45,118; the median net worth is \$41,572. The large average household size of 3.45 lowers the discretionary income available compared to segments with similar income. Residents take advantage of job opportunities offered in nearby cities; most work in the manufacturing, construction, retail trade, and service industries. The unemployment rate is higher than the US level, and education attainment.

Southwestern Families: A mix of family types comprise 80% of the households in Southwestern Families neighborhoods. These young families form the foundation of Hispanic life in the Southwest. Children are the center of these households that are composed mainly of married couples with children and single-parent families. The average family size is 3.97, the fourth largest among all the Tapestry Segmentation. The rest of the households in these neighborhoods are married couples with no children living at home and other families. Grandparents are caregivers in some of these households. The median age of this young market is 28.8 years. Ethnic diversity is high; 83% of the residents are Hispanic. Diversity is also evident in the 28% of foreign-born residents who immigrated before 1990. Fifty-six percent of the residents are white, 30% are of other race populations, and 5% are American Indian populations. At five times the US level, Southwestern Families has the highest percentage of American Indian population of the Tapestry segments.

The median household income for this segment is \$28,307. They carefully budget their income month to month to pay for the upkeep of their homes and families. Ten percent receive Supplemental Security Income; 10% receive public assistance. With little chance to save, their median net worth is \$16,944. Recent arrivals and older generations are language-isolated. Educational attainment levels are low; nearly 50% of residents aged 25 years and older have not graduated from high school. Most employed residents work in blue-collar and service jobs. Higher-than-average proportions of employed residents work in the construction, accommodation/food services, administrative and other services, agricultural, and mining industry sectors. The unemployment rate is 17.3%.

OFFICE

Albuquerque MSA

According to CoStar's Mid-Year 2011 Report, Albuquerque's office market consists of more than 2,900 buildings totaling nearly 37 million square feet, the majority of which are Class B, multi-tenant buildings that average 12,678 square feet. Vacancy rate for the market has managed to stay equal to or below the US average during the past eight quarters, ending Q2-2011 at 10.9%. Rental rates have remained relatively flat at approximately \$15/SF since 2007.

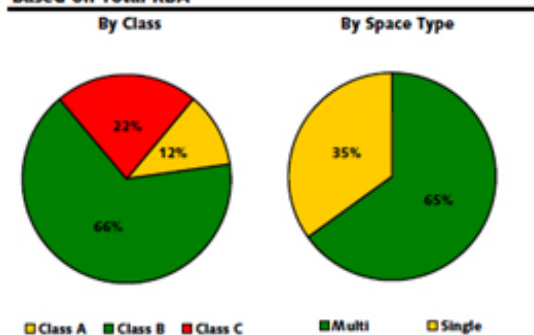
Historical data going back to 1982 show a cyclical pattern for the delivery of new office inventory, with the most recent peak having occurred during 2006-2009. There have been three new deliveries in 2011, totaling 55,620 square feet. Currently, there are four buildings under construction, totaling 145,092 square feet, 78% of which have been pre-leased.

SELECT OFFICE DATA		
As of Mid-Year 2011	Albuquerque MSA	Airport Submarket
Existing Inventory		
Number of Buildings	2,917	71
Total Size	36,981,285 sf	2,162,115 sf
Average Building Size	12,678 sf	--
Vacancy	10.9%	19.5%
YTD Net Absorption	289,465 sf	3,514 sf
Quoted Rates	\$15.59	\$13.85
Under Construction		
Number of Buildings	4	0
Total Size	145,092 sf	0
Average Building Size	36,273 sf	30,452 sf
Pre-Leased	78.0%	n/a
Current Year Deliveries		
Number of Buildings	3	0
Total Size	55,620 sf	0

Source: ESRI

EXISTING INVENTORY COMPARISON

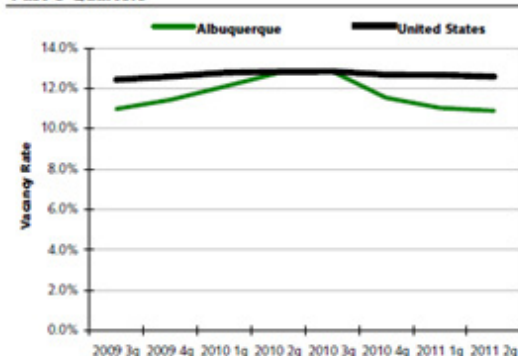
Based on Total RBA



Source: CoStar Property®

U.S. VACANCY COMPARISON

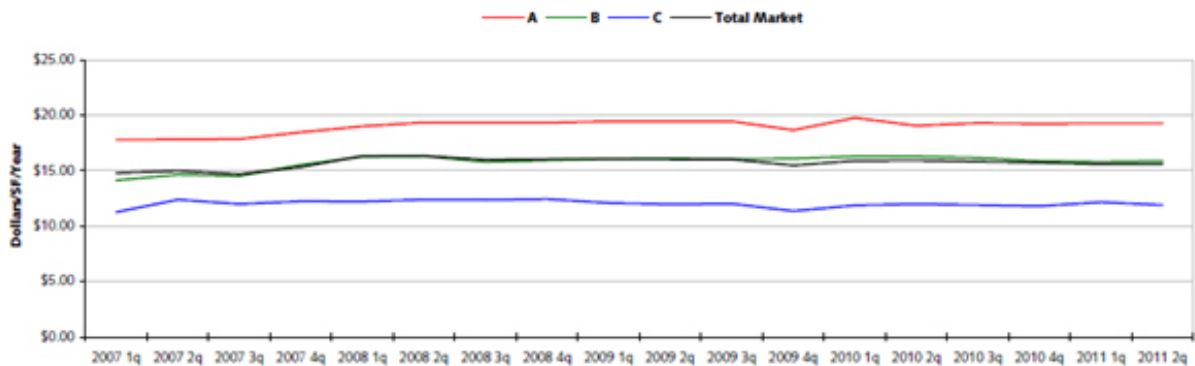
Past 8 Quarters



Source: CoStar Property®

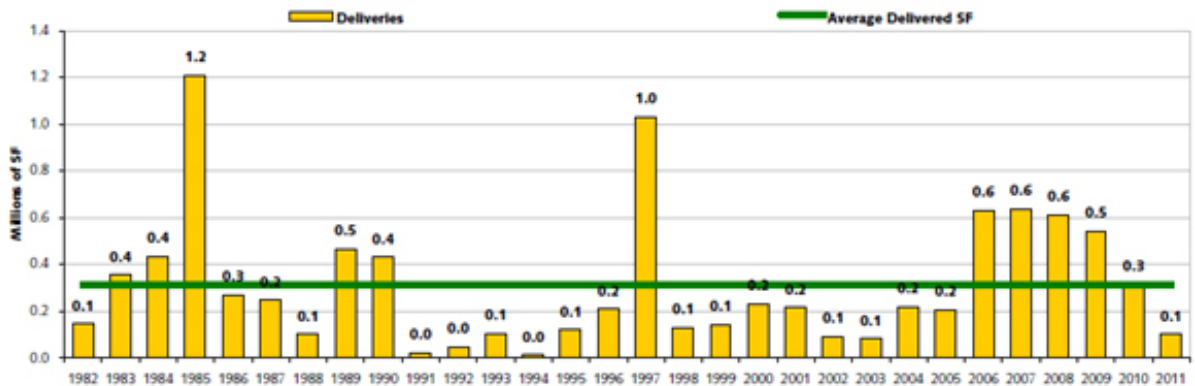
HISTORICAL RENTAL RATES

Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

HISTORICAL DELIVERIES 1982 - 2011



Source: CoStar Property®

* Future deliveries based on current under construction buildings.

Airport Submarket

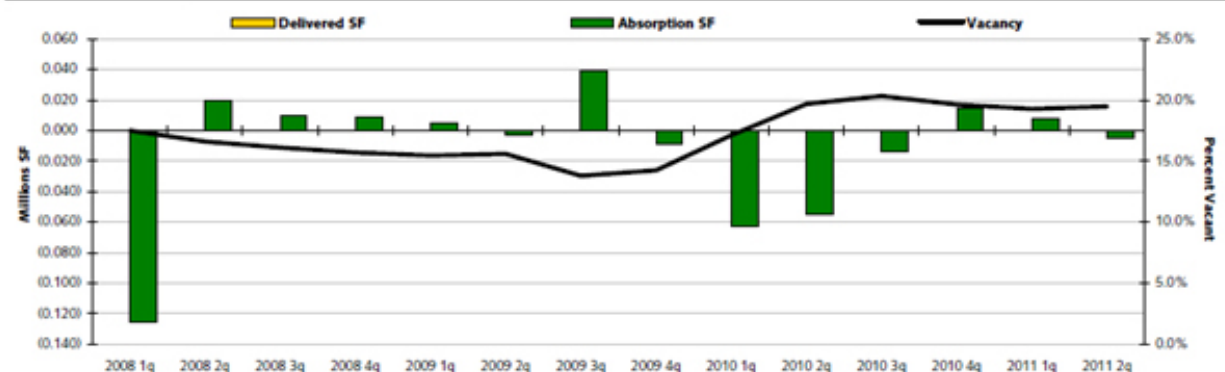
Office buildings provide the support for the daytime population figures which many retailers consider critical to their success. The following analysis considers the sub-market located in the Subject Site's general area.

Current office inventory for the Airport Submarket consists of 71 buildings with a total of more than 2.1 million square feet. The vacancy rate for this submarket has increased steadily over the past four years and hovered around 19.5% for 2011, which is almost double that of the overall Albuquerque market for the same period. Although net absorption was positive for the Q4- 2010 and the Q1-2011, it reversed this trend by the second quarter of this year posting a negative 4,545 square feet of absorption for the quarter. There have not been any new construction starts or new deliveries in at least the past four years.

Given the current data, the Airport Submarket does not reflect a high demand for new office buildings, and therefore such a product may not be the most economically feasible for the Subject Site.

As shown below, office statistics are on a stabilizing trend which is positive for the trade area. The existing inventory, in addition to the considerable University assets located in close proximity to the Subject Site, are positives for the retail market.

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



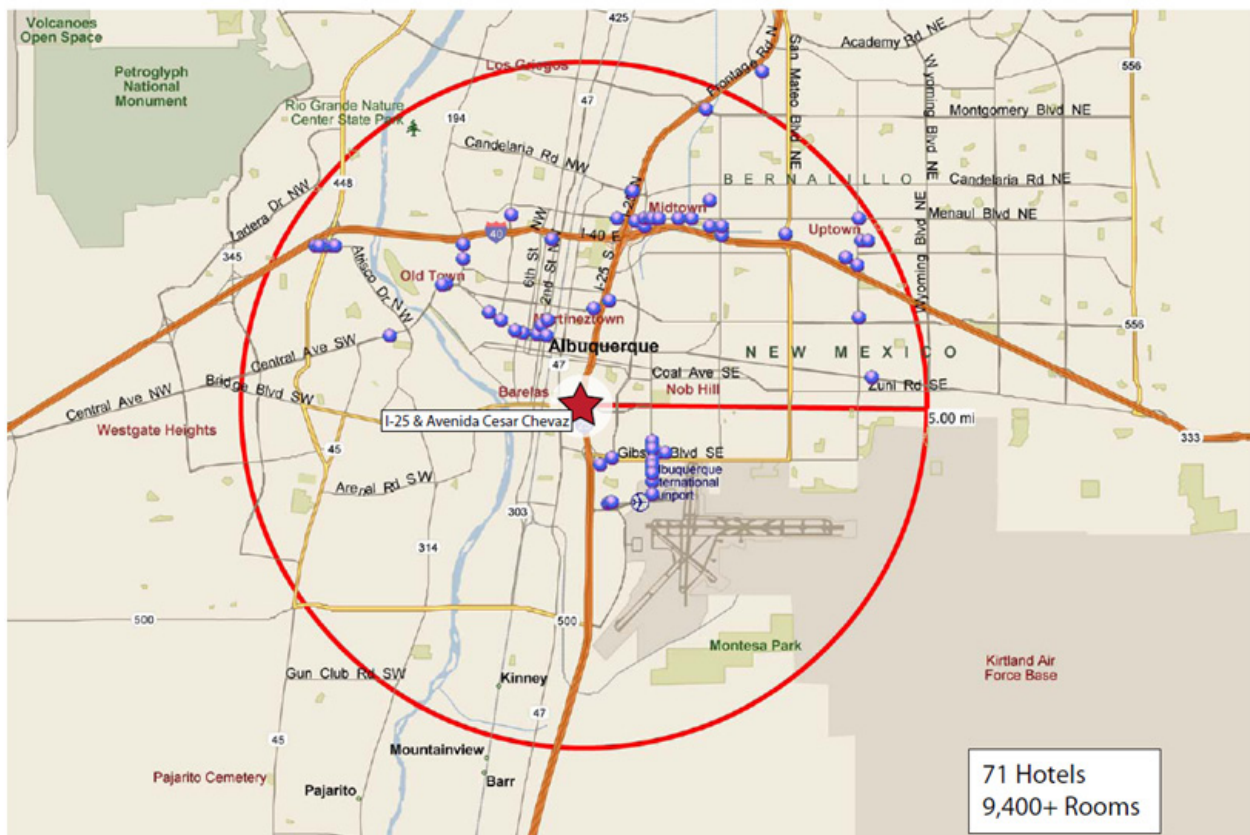
Source: CoStar Property®

HOTELS

Also important for retail demand are area hotels. Unlike local students, employees and residents, hotel guests change over nearly every night and provide a continuing pool of potential visitors for an area's commercial projects. Positively, the Subject Site is proximate to the Airport and so there are more than 70 hotels located within a 5-mile radius of the project site, totaling nearly 9,500 rooms. More narrowly, the Airport submarket itself has a supply of 17 hotels of varying quality, with a total of over 1,950 rooms. Year-to-date occupancies for the hotels in the Airport submarket, as of October 31, 2011, is 68.9%, with an average daily rate of \$86.68. This is virtually unchanged from the October 31, 2010 year-to-date numbers of 68.9% occupancy and an average rate of \$88.85.

There currently does not appear to be any factors that would generate a significant demand for additional hotels in the submarket. While market conditions are such that a new hotel use may not be currently demanded in the market, the existing asset base should be supportive of commercial development at the Subject Site.

HOTELS WITHIN 5 MILE RADIUS



Sources: TripAdvisor.com; City Albuquerque

RECREATION, HEALTH AND WELLNESS

We recognize that the Mayor of Albuquerque is supportive of growing recreational and sports facilities throughout the City. While there is no direct plan in progress to develop additional parks and recreation land, UNM is willing to work in concert with City government to promote this agenda over time. The South Campus is well positioned, from an adjacency standpoint, to help capitalize on this effort. This can be a strong “brand” opportunity for the Subject Site and can be a catalyst for whatever development occurs as these discussions progress.

We recognize that the UNM athletic director, the Albuquerque parks and recreation department and others have had discussions as to how the South Campus can help encourage this agenda. Bike paths, BMX venues, ball fields, velodrome and other similar land uses are a part of the conversation.

While UNM is not willing to provide land directly to the City, it is clear that the development of the South Campus with retail supportive of health and wellness tenants is worth considering. In our Phase II work, this future branding potential in the South Campus as a potential.

Retail Market Study

To supplement the retail analyses required for our Phase I work, Forest City recommended that Owner engage the services of a retail research firm to provide a deep dive evaluation of the overall retail market in Albuquerque. Owner subsequently engaged the services of Retail GeoScore to prepare a Retail Opportunities Study which analyzed the two largest development sites on the UNM South Campus.

The Study determined that existing retail projects are unevenly distributed across the City. Specifically, the City is divided by I-40 with all of the City's fashion retail offerings located north of the Interstate. Coronado and Cottonwood Malls, and the new ABQ Uptown lifestyle center, are located here and are not proximate to the Subject Site. The north is also home to 5.69 million square feet of big-box/value retail. With 492,500 residents living north of I-40, there is 11.6 square feet of big-box/value retail per resident. For the area this is somewhat dense. More interesting is that south of I-40, there is no fashion retail which creates a considerable disparity. Further, an extremely low 1.89 million square feet of big-box/value retail is located here. The population south of I-40 totals 360,900 residents, equating to only 5.2 square feet per resident of big-box/value retail space – less than half of that available north of I-40. Of the big-box/value retail located south of I-40, Wal-Mart accounts for nearly half of the space, and another one-quarter of the space is more than 6 miles away from the UNM sites.

Therefore, the study appropriately concludes that a major opportunity exists for the development of big-box/value retail on the UNM sites. This is supported by several factors, such as: (1) the existing big-box supply is so low in relation to the south side's strong buying power; (2) the locational advantages of the UNM sites, such as Interstate frontage and access, as well as adjacency to the UNM and CNMCC campuses; and (3) the recently expressed desire by a leading big-box retailer to locate at the Gibson Commercial District site.

The Retail Study suggests that a representative list of big-box retailers can be contacted with a reasonable likelihood of interest. For example, Dick's Sporting Goods is opening a store near Cottonwood Mall on Albuquerque's west side which is evidence of their acceptance of the general market as a good location. Further, JCPenney and Kohl's would be appropriate for the Subject Site and should be approached.

In terms of smaller shop co-tenant retailers, moderate fashion retailers such as Buckle, DSW, Levi's, Old Navy, and Rue 21 can be reasonably recruited. In terms of restaurants and convenience retail users, the anchor stores will define the mix and we would expect strong interest as the larger footprint retailers express confidence in the Site.

The retail study states that the number one priority for the site should be pursuit of a sporting goods retailer such as Dick's, Cabela's or Bass Pro, and the pursuit of an off-mall JCPenney store in the soft goods category. Of course serving the student and local population should help prioritize what retailers are best for the site. The suggested number two priority in the soft goods category should be pursuit of a Kohl's store, with TJMaxx, Marshall's, Ross and/or Steinmart as additional tenants. These tenants match up well demographically within the trade area.

Direct Retailer Inquiries

As part of the market study work, Forest City directly contacted a number of retailers to gauge their requirements, interest in the Albuquerque market and the Subject Sites.

We focused on those categories that can most optimally serve the trade area demographic profile outlined earlier in this report. Specifically, we agree that sporting goods, apparel and general merchandise categories can best leverage the needs in the market and will provide a strong support base for generating co-tenant interest. Consultant has engaged in preliminary discussions with several possible tenants, including Wal-Mart, Target, Dick's Sporting Goods and PetSmart, and has sent informational packages regarding the project to each of these retailers. To date we have received expressions of interest from Wal-Mart, PetSmart, and Dick's and will pursue further negotiations with these tenants pursuant to Phase II of our engagement.

Conclusion

The demographic data shows positive projected population growth for Albuquerque over the next several years, outpacing the growth rate of the US over that period. This projection, coupled with the positive trend in job growth and gradual stabilization in unemployment indicate that there is sufficient support for real estate development in the market. Most importantly, the existing student population, visits from sports fans and University guests and daytime population coming from local employers all combine to further support mixed-use demand.

Specific to the Subject Sites, the information presented in the Retail Opportunities Study suggests that the best development opportunity lies within the big-box and value retail segments, with ancillary restaurant and service tenants filling in-line space. With a ratio of 4.0 square feet of combined regional and lifestyle shopping center space per capita, which is at the high end of the spectrum compared to similar markets, it is unlikely that the sites would support another lifestyle development. Furthermore, current office vacancy rates and abundance of hotel supply in the Airport submarket indicate that neither of these property types would be economically feasible at this time.

Limiting Conditions

The Market Analysis was prepared to assist UNM in its development planning, and therefore its use is limited to this purpose and may not be used for any other purpose. This report is intended to be read as a whole and not in parts.

The findings presented in this report are based, in part, on information provided to us by third-parties, and we assume the data provided to us is true and correct. Our work was conducted from July to October 2011 and is based on information available during this time period. We are not responsible for events which occur subsequent to our analysis date.

Given the changing nature of changing economic events, actual circumstances and events may differ from those outlined above subsequent to the issuance date of this report. We have no obligation to update our findings regarding changes in market conditions that occur subsequent to the completion of our fieldwork.

SECTION 4: SITE ANALYSIS

CONTEXT

It is critical to consider the surrounding land uses, what is complementary to any development on the Subject Sites and how the physical sites can accommodate what is the highest and best use of each parcel.

The Site Analysis brings together all of the primary elements necessary to understand the contextual, physical, perceptual and operational aspects of the Subject Site. This analysis is based on the process used in creating conceptual site plans for each of the project sites, on the conclusions included in the Retail Opportunities Study prepared by Retail GeoScore, and on conversations held with Lobo Development staff. This analysis led to the recommended implementation ideas and next steps included in Section 5 of this report.

PROJECT SITE ANALYSIS

The Project Area is comprised of four development sites located on the University's South Campus. The sites are generally situated in close proximity to the University's athletic facilities, and are all located east of I-25 and west of University Avenue. The four development sites are shown on the map attached on *Figure 4*.

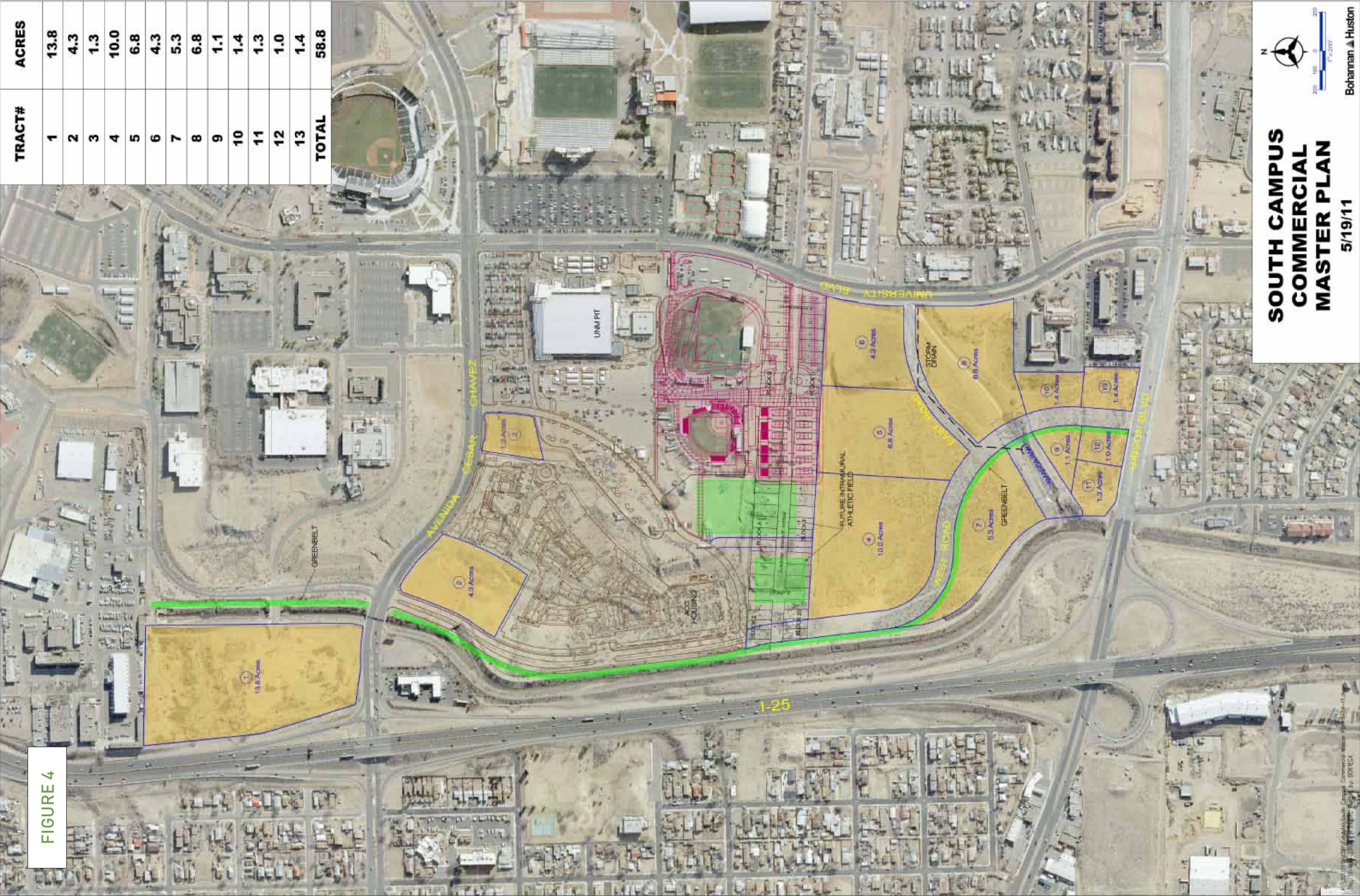
The Gibson Commercial District is the southernmost site and is bordered to the south by Gibson Boulevard. The three smaller development sites are all located along Avenida de Cesar Chavez. All of the sites benefit from direct interstate access and the two largest sites enjoy freeway frontage. Initial conceptual site plans were created for each site to determine possible project layouts and density.

The initial site plans were analyzed in conjunction with the Retail Study and combined with the University's desires for the sites. Based on the market data, there is a below average amount of retail located in this part of Albuquerque, and big box and value retail is most appropriate for this submarket.

Gibson Commercial District

The largest of the four development sites is the Gibson Commercial District (*Lots 4-13 on Figure 5*), which is comprised of approximately 39.4 acres of land. This site is bounded by the AMAFCA South Diversion Channel and I-25 to the west, University Avenue to the east, Gibson Boulevard to the south and the University's newly-completed Lobo Village student housing project and the undeveloped Sunshine Terrace subdivision to the north. Access to this site is very good, with a full interchange serving Gibson Boulevard from I-25. Visibility is also very good, with the site enjoying unimpeded site lines from I-25 for nearly 1,500 feet. The site slopes generally from the northeast to the southwest. In the northeast corner of the site is a parcel approximately 4 acres in size which sits as a plateau above the rest of the development site. A natural boundary also exists along the northern edge of the site, as the land to the north sits on a plateau much higher than the development site.

FIGURE 4

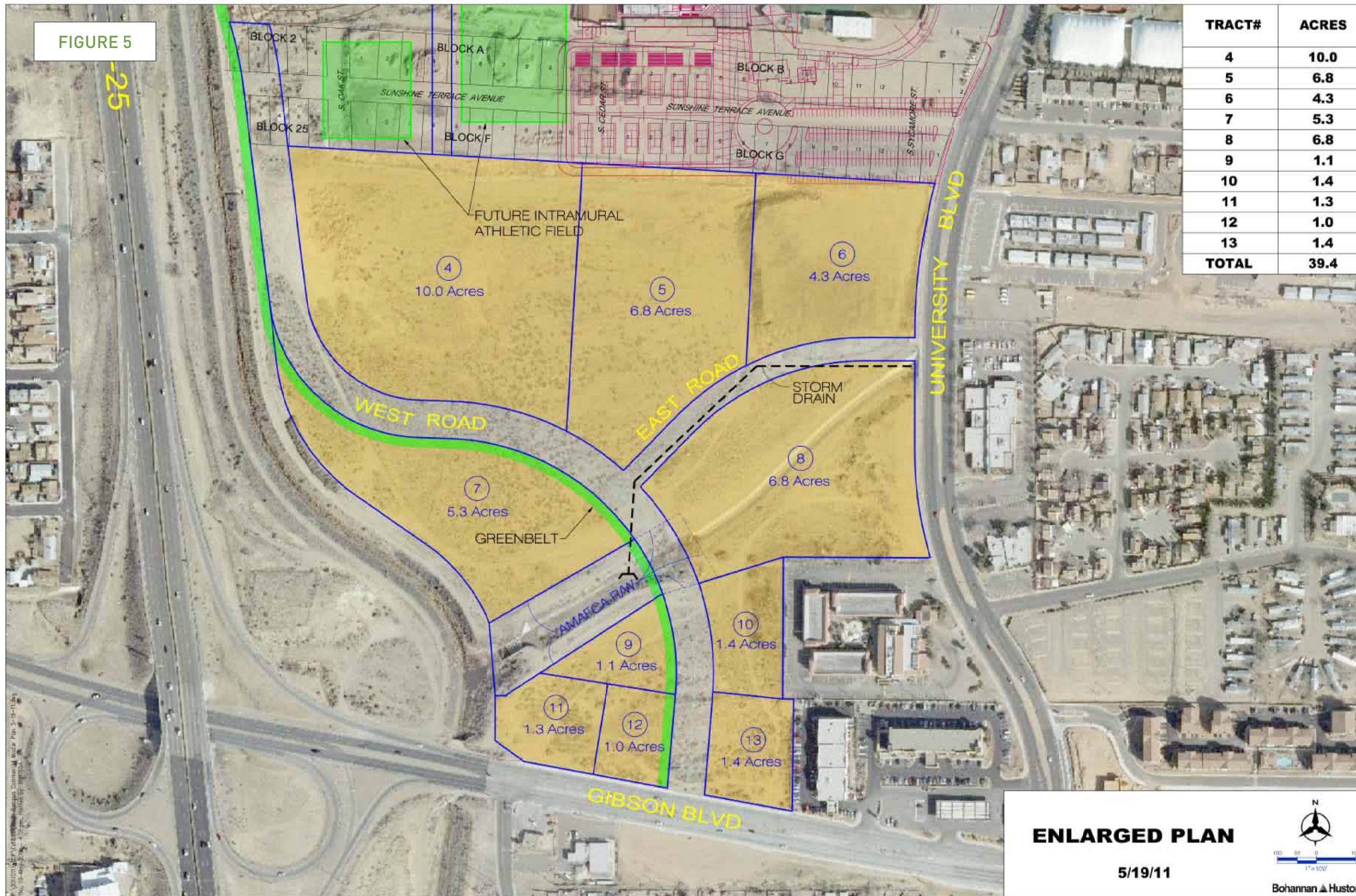


**SOUTH CAMPUS
COMMERCIAL
MASTER PLAN**

5/19/11

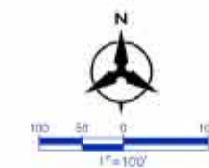
Bohannon & Huston

FIGURE 5



ENLARGED PLAN

5/19/11



Bohannon & Huston

A drainage channel known as the Genievas Arroyo Channel traverses the middle of the project site and drains into the South Diversion Channel at the southeastern corner of the site. The channel is approximately 1,400 feet long. The easternmost 700 feet of the channel is a concrete-sided channel that is operated and maintained by the City of Albuquerque. The westernmost 700 feet of the channel is a dirt-lined arroyo which is operated and maintained by AMAFCA. At the southern terminus of this channel is a concrete spillway. The proposed development plans assume that the Owner will obtain rights to construct improvements over the AMAFCA portion of the channel either through a license or easement agreement with AMAFCA or through the purchase of fee title to the property. The proposed site plans also assume that the Owner will be permitted to bury and/or relocate the City-maintained portion of the channel. Preliminary development plans would have to be modified should Owner not be able to arrange for use of the land comprising the channel.

A one-acre site at the southern edge of the site will be transferred to the City of Albuquerque and will house a newly-constructed fire station. The City plans construction of the fire station by mid-2012 and operations to commence by early 2013. The Owner is required to provide a development-ready site to the City, including all ingress/egress from Gibson Boulevard and all infrastructure to the Site. A preliminary site plan for the fire station is attached as *Figure 6*.

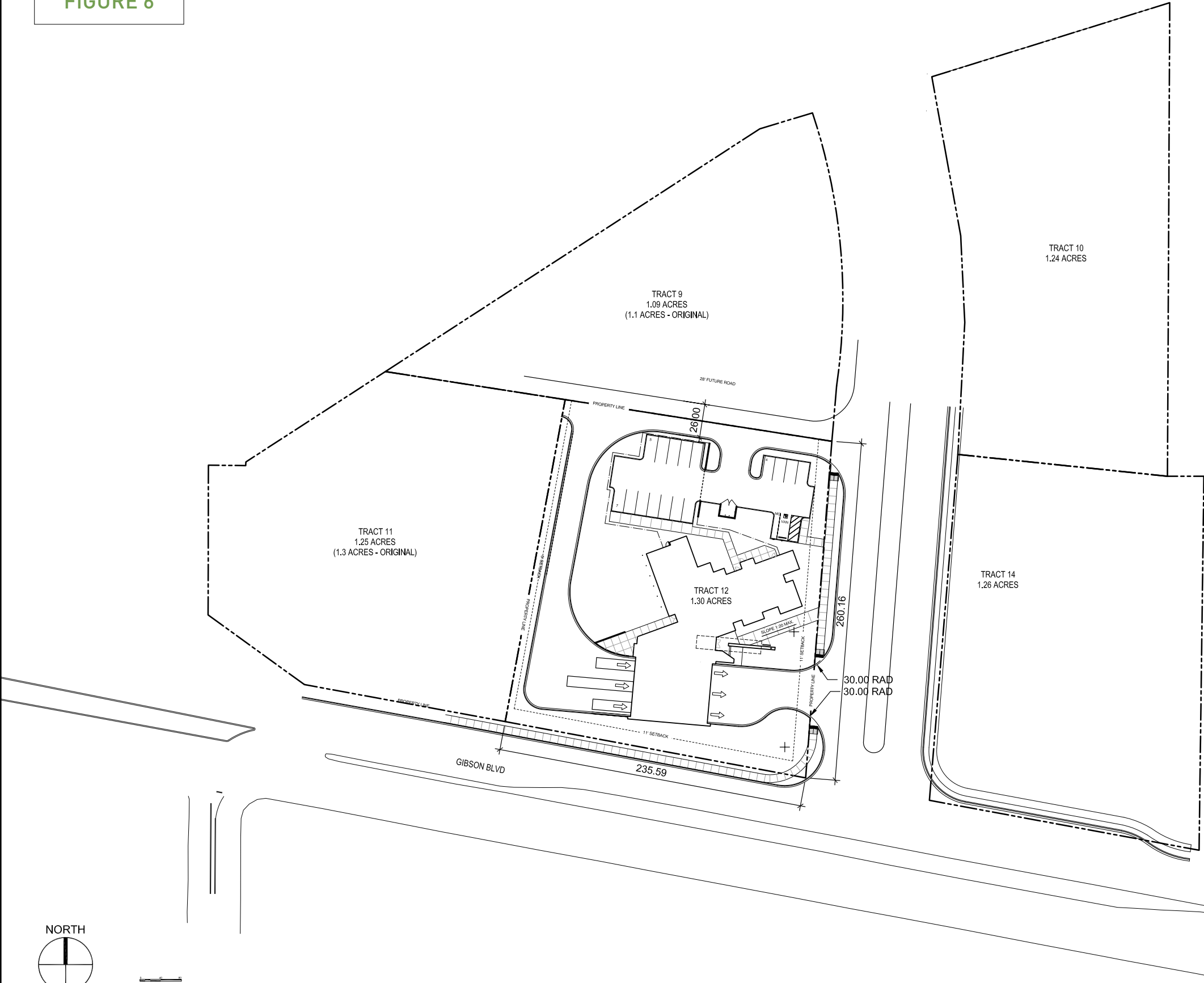
Avenida de Cesar Chavez

The second project site is located at the northwest corner of Avenida de Cesar Chavez and Langham Road (*Lot 1 on Figure 4*). This site is bounded to the west by I-25 and to the north by various industrial and commercial uses. The site is bounded to the east by the South Diversion Channel and Langham Road, and to the south by Avenida de Cesar Chavez. This 14-acre site is relatively flat. Access to the site is via an existing curb cut from Langham Road. A full interchange from I-25 serves Avenida de Cesar Chavez immediately west of the site, however, it is reported that this interchange is currently incapable of handling existing traffic demands as designed and will need to be upgraded to accommodate the increased traffic expected to result from the development of this site.


A third project site is located cater-corner to the previous site, at the southeastern corner of Avenida de Cesar Chavez and West Road (*Lot 2 on Figure 4*). This site of approximately 4.3 acres is bordered to the south and east by the newly-constructed Lobo Village student housing project, to the west by West Road and the South Diversion Channel and to the north by Avenida de Cesar Chavez. The site is predominately flat.

The fourth project site is located further east on Avenida de Cesar Chavez, on the eastern side of the Lobo Village development (*Lot 3 on Figure 4*). Bordering this site to the east is the parking lot for “The Pit”, the University’s basketball arena. This is the smallest of the four sites, at 1.3 acres. The site generally slopes from north to south.

FIGURE 6



July 14, 2011

	Dekker/Perich/Sabatini architecture ■ interiors ■ landscape ■ planning ■ engineering 7801 Jefferson N.E., Suite 100 Albuquerque, NM 87109		505 761-8700 fax 761-4222	NO.	DATE	DESIGNED BY	DRAWN BY	CHECKED BY
	CITY OF ALBUQUERQUE CAPITAL IMPLEMENTATION PROGRAM							
	PROJECT TITLE:							
	FIRE STATION 2 ALBUQUERQUE, NEW MEXICO							
	DRAWING TITLE:							
Design Review Committee		City Engineer Approval		Last Design Update	Mo./Day/Yr.		Mo./Day/Yr.	
City Project No. 8006.00		Zone Map No. L-15-Z		DWG.		Sheet Of		

[illegible]

PROJECT AREA ATTRIBUTES

The four commercial sites are located within the city limits of Albuquerque and are all located near the University of New Mexico athletic facilities, including the football stadium, the basketball arena, as well as the Triple-A baseball stadium for the Albuquerque Isotopes (*See Figure 7, map of South Campus*). The various sporting events held at these facilities are very well attended. In fact, with 578,328 in attendance in 2011, the Isotopes placed ninth in the nation in total attendance out of 142 minor league teams in the US. This was an average of 8,145 for each of their 71 home games. Further, the University of New Mexico is one of a very few schools to have both its men's and women's basketball programs rank in the top-20 in attendance during the 2010-11 season. The Lobo women were 7th with an average of 7,677 fans per game while the men finished No. 16 with an average of 14,570 in attendance per game. The UNM men and women together have both finished in the top-25 in attendance in each of the past 11 seasons.

UNM football attendance totaled 125,330, or 20,888 at each of its 6 home games.

Of critical importance to the Subject Site is the newly-constructed Lobo Village is home to 864 upperclassmen and graduate students. The UNM Science and Tech Park contains more than 662,000 square feet of office and lab space and has a daily employee count of approximately 2,000.

Accessibility/Visibility

The development Sites are located on the South Campus of the University of New Mexico, approximately one mile south of the University's Central Campus, and approximately 2 miles from downtown Albuquerque. Regional access to the Sites is via I-25, a part of the national interstate system. The Gibson Boulevard and the Avenida de Cesar Chavez exits serve the Sites. The visibility of the Sites is very good from the Interstate.

Ownership Structure/Existing Conditions

The Sites are owned by the University of New Mexico and are currently vacant. The Gibson Commercial District (the largest site), is bifurcated from the northeast to the southwest by an AMAFCA drainage channel which limits development flexibility somewhat. Adjacent to the Sites are two hotels to the southeast, The University of New Mexico's basketball arena, "The Pit", to the northeast, the Lobo Village student housing development to the north, and an AMAFCA drainage channel to the west.

Located within one mile of the Sites are the following:

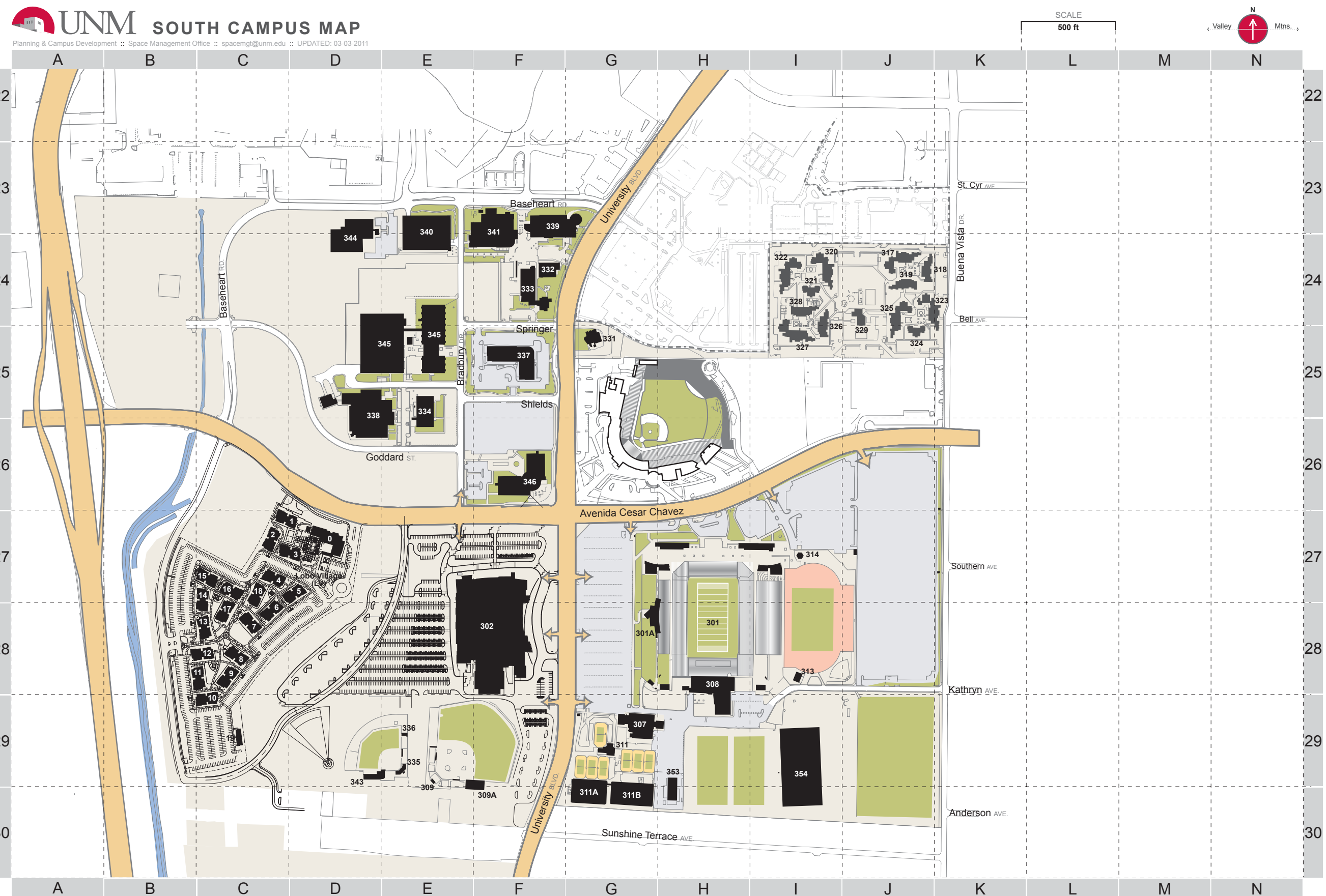
North: The University of New Mexico Central Campus and Central New Mexico Community College campus

South: Albuquerque International Sunport

East: Residential and commercial uses

West: Residential uses

FIGURE 7



Neighborhood Description

The primary market area is dominated by the University of New Mexico's South Campus, including its athletic facilities, and the University's Science and Tech Park.

Homes in the area are limited and tend to support a lower to middle income demographic. Commercial development is also limited in the general vicinity.

Over the long term it may be possible to consolidate additional land parcels currently held by third parties into the fabric of the South Campus development plan. The viability of any such annexation can be considered in future phases of our work.

PROJECT AREA TRAFFIC, ZONING AND PHYSICAL CHARACTERISTICS

Traffic

One of the most important factors that a retailer considers when evaluating a potential site is the volume of traffic that passes by on a regular basis. Generally, a traffic study, will count the number of cars and extrapolate figures based on differing times of day and days of the week. Although for a slightly different use, the Owner commissioned a Traffic Study from Bohannon Huston, Inc., which was completed on August 18, 2011. The study concluded that the development sites will primarily be served by I-25, Gibson Boulevard, University Avenue and Avenida de Cesar Chavez. I-25 is an access-controlled freeway with access to the Subject Site via the Gibson and Avenida de Cesar Chavez ramp junctions. The Bohannon study found that the average daily traffic on I-25 north of Gibson is a strong 113,000 per day.

Retail GeoScore's Retail Opportunity Study concluded that a very similar 111,000 cars pass the Gibson Commercial Development site daily, which is the second highest count in the City. The highest count (153,386) occurs on I-40 near the Coronado Mall/Uptown ABQ developments. However, the daily traffic count for I-25 near Gibson is much higher than the 73,920 cars that pass Cottonwood Mall on Coors Boulevard on average.

Bohannon's study also looked at the traffic counts on the other three roads bordering the development sites. Gibson Boulevard is a six-lane urban principal arterial with a raised median along the Gibson Commercial District site frontage. According to Bohannon, the 2010 Traffic Flow Map indicates that Gibson carries 28,600 vehicles per day across the site frontage. Traffic on Gibson during the peak hours is highly directional due to employment traffic at Kirtland Air Force base and Sandia National Laboratory. In the AM Peak Hour, 70% of the traffic is headed east, with approximately the same proportion headed west in the PM Peak Hour.

University Boulevard is a four-lane urban minor arterial, with a raised median. Left turn lanes are provided at select locations, including the site of the future East Road entrance to the Gibson Commercial District. The 2010 Traffic Flow map indicates that University has 6,700 vehicles per day north of Gibson.

Avenida de Cesar Chavez is a six-lane urban minor arterial with a raised median. A median opening provides full access to the West Road/Langham Street intersection. The 2010 Traffic Flow map shows that Cesar Chavez carries 26,200 vehicles per day. Traffic on Cesar Chavez during the peak hours is also highly directional due to UNM and CNM student traffic. In the AM Peak Hour 70% of the traffic is headed east, with approximately 60% headed west in the PM Peak Hour.

Zoning

The development sites are zoned for a variety of uses including residential, light commercial, and heavy commercial. However, it is clear based on strong legal precedent (Opinion from the New Mexico Attorney General dated April 18, 1994 and New Mexico Court of Appeals decision in County of Santa Fe v. Milagro Wireless, LLC dated August 3, 2001) that City zoning ordinances do not apply to land owned by a constitutionally created educational institution of the State of New Mexico such as the University. To that end, the University and the City have entered into a Memorandum of Understanding pertaining to the development of the Gibson Commercial District which explicitly states that the land is not subject to the land use, zoning, platting, or permitting jurisdiction of the City. In the Memorandum of Understanding, the University does agree to voluntarily employ the City subdivision approval process to subdivide the Gibson Commercial District land. A copy of the Memorandum of Understanding is included in the Appendix. However, because the University is a state-owned entity, so long as the development sites are owned by the University they will not be subject to City zoning codes.

Signage Opportunities

Because the two largest sites enjoy frontage along I-25, there is an opportunity to install one or more pylon signs along the highway frontage. Retailers consider this an important element in their marketing plans and is a distinct advantage for the any development on the Subject Site. Further, if possible an animated sign near the corner of I-25 and Gibson or I-25 and Avenida de Cesar Chavez may be considered which could be used to publicize events occurring on the South Campus, in addition to promoting any development project.

Given the high traffic counts on I-25 and the visibility from the freeway, the UNM development sites are well-positioned to support retail uses. The ability to install signage along the Interstate only enhances the attractiveness of the sites from a retail perspective.

PROJECT AREA OPPORTUNITIES AND CONSTRAINTS

Opportunities

There is evidence of limited retail options and services available for the visitors and students of the South Campus, as well as for the residents living in the multi-family and single-family developments adjacent to UNM's South Campus. There is a prime opportunity to develop big-box and value-oriented retail on Sites 1 and 2, and to develop service retail and restaurants on all four sites.

A second opportunity involves Owner acquiring the Vagabond Inn site abutting the eastern border of Site #1 and acquiring the lots in Sunshine Terrace that the Owner currently does not control. Execution of a mixed-use development on Site 1 will enhance the value of the Vagabond Hotel and Sunshine Terrace sites, and the University can reap the rewards of that value increase should it elect to purchase the sites now. Further, the University cannot control that which is ultimately developed on each of these sites unless it owns the sites.

A third opportunity involves the University's status as a State entity to structure a ground lease that takes advantage of the University's tax-exempt status. Ideally, this benefit would be passed on to the University in the ground lease as additional income.

Constraints

One possible constraint to the development of the Gibson Commercial District is the drainage channel that traverses the site. The land comprising this channel is not owned by the University and yet is incorporated into the development plan for the site. Should the University not be able to obtain an agreement with the City of Albuquerque and AMAFCA for the use and possible relocation of the drainage channel, the development potential of the site would be impaired and the proposed development plan for the site would need to be altered.

A second constraint for the Gibson Commercial District is the size and shape of the site. Due to the triangular shape of the site and the desire for access roads onto Gibson Boulevard and University Avenue, it is possible that the largest big-box retailer may not be able to fit its store and the required parking field onto the site.

A constraint to the development of Lot 1 is the current capacity of the access ramps from I-25 to and from Avenida de Cesar Chavez. The existing exit ramps are reportedly not capable of handling the current traffic volumes and will be required to be upgraded in association with a retail development on Lot 1. The cost of upgrading the access ramps will need to be absorbed in whole or in part by the development budget for the Lot 1 project.

CONCLUSION

The University of New Mexico owns approximately 50 acres of undeveloped land on its South Campus that it would like to develop with commercial uses. The sites are very well located, with ready access and outstanding visibility from I-25. These sites can support mixed-use development with a focus on primarily big-box/value retail, middle market junior anchors. Likely co-tenants can include a mix of restaurants, service and convenience retailers.

Based on our conceptual plans, developments of the type contemplated support the University's goal to provide services and amenities to the residents of Lobo Village. It also leverages demand from the employees working at the UNM Science and Tech Park, fans attending sporting events at the various sports facilities located on the South Campus and local employees and residents. The development can also serve to meet the University's desire to diversify its income sources.

SECTION 5: MASTER PLAN

SUMMARY

The project consists of four individual development sites on the University of New Mexico South Campus. The Forest City team met with Owner and discussed Owner's vision of the site and for the South Campus as a whole, and worked with ka Architecture to devise conceptual site plans for each of the four development sites.

The largest development site is the Gibson Commercial District, located north of Gibson Boulevard on the University's South Campus. This site was designed to accommodate a big-box retail store and ancillary retail and office space, initially in response to the University's receipt of a term sheet from Cabela's, a large-format hunting and fishing supplier. Several subsequent iterations of the site plan were created to allow for a larger anchor store, and to vary the layout of small shop retail space. Two site plans were completed for use at the ICSC Western leasing conference in September 2011. The first (*see Figure 8*) showed a big box anchor store of 80,000 square feet, with a 45,000-square foot fitness center, a junior anchor of 30,000 square feet and 173,000 square feet of smaller retail shops, made up mainly of restaurants and small shop tenants. The plan also included 21,600 square feet of second floor office space. A one-acre parcel located on the southern border of the site on Gibson Boulevard is reserved for use by the Albuquerque Fire Department. Total developable square footage is 350,100 square feet, and 1,664 parking spaces are planned. The plan also includes a landscaped roundabout at the intersection of West Road and East Road, a plaza with fountains in front of the main retail and office building, and a bike and hike path along the western edge of West Road. Traffic through the site is accommodated by the extension of West Road from its current terminus point at the northwestern corner of the site south through the site to Gibson Boulevard. Access from University Avenue will be accomplished by the construction of East Road, which will connect University Avenue to West Road near the center of the development. The plan calls for burial of the AMAFCA drainage channel that traverses the site, and requires that the University obtain title or usage of the AMAFCA drainage facility at the southwestern terminus of the drainage channel.

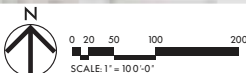
A second site plan (*see Figure 9*) was created which increased the size of the main anchor store to 133,000 square feet. The junior anchor store and fitness center are still planned at 30,000 square feet and 45,000 square feet, respectively. The second floor office space is reduced to 15,000 square feet and the small shop retail space is reduced to 152,000 square feet. Total retail space in this plan is 375,500 square feet, and 1738 parking spaces are provided. As a result of the larger anchor store, the configuration of West Road is moved more to the south, eliminating some of the retail south of West Road. All other aspects of the first design are retained, including the roundabout, the bike and hike path and the plaza.

FIGURE 8



Site Data - SP-02	
Anchor	80,000 sf
Jr. Anchor	30,000 sf
Fitness	45,000 sf
Retail	173,500 sf
Office	21,600 sf
<hr/>	
Total Development	350,100 sf
<hr/>	
Parking Required	
Retail @ 4/1000 sf	1134 spaces
Fitness @ 5/1000 sf	225 spaces
Office @ 3.3/1000 sf	71 spaces
<hr/>	
Total Required	1430 spaces
<hr/>	
Parking Provided	
Surface	1594 spaces
Garage	70 spaces
<hr/>	
Total Provided (4.75 OVERALL RATIO)	1664 spaces

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CONCEPTUAL SITE PLAN

FORESTCITY
DEVELOPMENT

Lobo Development

UNIVERSITY OF NEW MEXICO MIXED-USE DEVELOPMENT

Albuquerque, New Mexico

CONCEPT DESIGN



SP-02B
09.02.2011
ka # 11060-02

FIGURE 9



Site Data - SP-01	
Anchor	133,000 sf
Jr. Anchor	30,000 sf
Fitness	45,000 sf
Retail	152,500 sf
Office	15,000 sf
Total Development	375,500 sf
Parking Required	
Retail @ 4/1000 sf	1262 spaces
Fitness @ 5/1000 sf	225 spaces
Office @ 3.3/1000 sf	50 spaces
Total Required	1537 spaces
Parking Provided	
Surface	1668 spaces
Garage	70 spaces
Total Provided (4.63 OVERALL RATIO)	1738 spaces

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CONCEPTUAL SITE PLAN

FORESTCITY
DEVELOPMENT

Lobo Development

UNIVERSITY OF NEW MEXICO MIXED-USE DEVELOPMENT

Albuquerque, New Mexico

CONCEPT DESIGN



SP-01B

09.02.2011

ka # 11060-02

The largest site, known as the Gibson Commercial District, is comprised of approximately 40 acres. The site plan (attached) calls for the development of between 350,100 square feet and 375,500 square feet of commercial space. The site lays out with the major anchors aligned along the northern edge of the site, backing up to the grade-change. On the northwestern portion of the site is located a large big-box anchor, anticipated to be a store like Wal-Mart, Target, Cabela's, Bass Pro or some other large format retailer. To the east of the big box anchor is a junior anchor of approximately 30,000 square feet to 45,000 square feet. This would house a Dick's Sporting Goods, Best Buy, Marshall's, or similar retailer. Moving further to the east is a series of small shop, inline retail shops in an "L" shape, following the contour of the site.

The second retail site is located north of Avenida de Cesar Chavez and is expected to primarily house retail uses. Several designs were considered for this site, including citing a 100,000+ square feet retailer on the northern edge of the site, with a restaurant or other outparcel tenant on the southern end of the site. Another site plan showed several junior anchors on the site with a handful of small shop buildings, adding up to a total of 126,000 square feet of retail space. (*see Figure 10*)

The third development site is situated cater-corner from the site above. The University would like this site to provide amenities to the students residing in Lobo Village. The 4.3-acre site has been designed to accommodate 42,000 square feet of retail space, including an 18,000-square foot grocery store and additional convenience retail and restaurant space. (*see Figure 11*)

The fourth development site is located on the southern side of Avenida de Cesar Chavez, just east of Lobo Village. It is anticipated that this site will house a restaurant/brewpub of approximately 12,000 square feet.

PROPOSED MASTER PLAN

As we have stated, the development sites are very well located within the City of Albuquerque and act as the "front door" to the University for the many that utilize the facilities located on the South Campus. This provides the University with a wonderful opportunity to design a series of projects that will ultimately serve to blend the campus with the surrounding neighborhood while at the same time making a statement to all that enter the South Campus that they have entered onto the campus of the University of New Mexico. This can be achieved through the selection of tenants that will be complimentary to the existing uses on the South Campus and that will serve the needs of the various constituencies that live, work and play nearby. Our proposed site plans help to further this goal by incorporating bike and walking paths, lavish landscaping, plazas, and fountains in a walkable, mixed-use community that includes a variety of uses including big-box retail, small-shop space, restaurants, service retail, office space and a fitness center. Additional details such as building design and materials, signage, gateways, and sculpture can be used to tie these developments on the South Campus into the fabric of the other University campuses and make it apparent to all that pass by that this area is a part of the University of New Mexico campus.

FIGURE 10



SITE DATA - SP-01

RETAIL	97,000 SF
PARKING PROVIDED	689 SPACES
PARKING RATIO PROVIDED	7 SPACES/1000 SF

BASEHART SE

SCIENCE AND TECHNOLOGY
PARK AT UNIVERSITY
OF NEW MEXICO

GODDARD STREET SE

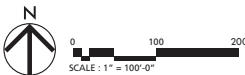
LANGHAM SE

AVENIDA CESAR CHAVEZ SE

25

PAN AMERICAN FREEWAY

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CONCEPTUAL SITE PLAN

FORESTCITY
DEVELOPMENT

Lobo Development

UNIVERSITY OF NEW MEXICO MIXED-USE DEVELOPMENT
Albuquerque, New Mexico

CONCEPT DESIGN

50

ka

ka inc. com

SP-01

09.07.2011

ka # 11060-02

FIGURE 11



PROJECT COST

Our Phase I work envisioned the creation of a menu of conceptual plans. While high-level costs can be approximated for the Subject Sites, detailed on-site and off-site investigations will be required during subsequent phases of work to better define overall costs. Also, the range of costs will vary considerably depending upon what anchor(s) ultimately locate on the Site. This will directly influence the co-tenants that locate on the site and what mixed-use elements can occur as well. Final configurations will result from this.

Therefore, costs can best be determined in future phases of work as conceptual plans are refined and one or more major tenants commit to the project.

IMPLEMENTATION/NEXT STEPS

Consultant's Phase I engagement consisted of conducting a high-level review of the owner's development sites on the South Campus and determining their suitability for retail development. Based on the conclusions of the Retail Opportunities Study, the preliminary site plans prepared by ka architects, and preliminary discussions with retailers, it has been determined that the South Campus sites should support the type of commercial development desired by the University and other stakeholders.

Next steps will involve furthering the preliminary development plans for the Gibson Commercial District and the two smaller sites on Avenida de Cesar Chavez. The next phase should advance the Project plan and its entitlements so that the Project's final site plan can be designed, the Project's economics and development schedule can be forecast, a leasing/marketing/branding plan completed and a project schedule can be established for each development site. The following work should be performed to advance the development of the Gibson Commercial District and the two smaller sites on Avenida de Cesar Chavez:

- Identify and meet with potential tenants to determine anchors and small shop tenants;
- Develop a leasing plan and determine potential rents, sales expectations, leasing procurement costs;
- Agree on a merchandising mix;
- Develop project marketing and branding plans;
- Develop a final site plan;
- Develop architectural design guidelines for the project;
- Create a preliminary project cost budget and project schedule;
- Determine anticipated project returns;
- Explore various financing options;
- Explore various ownership and deal structures;
- Analyze legal and other requirements for the project;
- Collaborate with key stakeholders.

The next phase should take approximately 6 to 8 months to complete.

SECTION 6: APPENDIX

UNM SOUTH GIBSON COMMERCIAL DISTRICT TRAFFIC IMPACT STUDY

INITIAL SUBMITTAL

AUGUST 18, 2011

Prepared For:

UNM Real Estate Development Department

Lobo Development Corporation

2811 Campus Boulevard, NE

Albuquerque, NM 87131

Prepared By:

Bohannon  **Huston**

Engineering

Spatial Data

Advanced Technologies



**UNM SOUTH GIBSON COMMERCIAL DISTRICT
TRAFFIC IMPACT STUDY**

INITIAL SUBMITTAL

AUGUST 18, 2011

PREPARED BY:

**BOHANNAN HUSTON, INC.
7500 JEFFERSON ST NE
COURTYARD ONE
ALBUQUERQUE, NM 87109**

PREPARED FOR:

**UNM REAL ESTATE DEVELOPMENT DEPARTMENT
LOBO DEVELOPMENT CORPORATION
2811 CAMPUS BOULEVARD, NE
ALBUQUERQUE, NM 87131**

Prepared By:

 8/18/11
ERIC J. WRAGE, P.E., P.T.O.E. DATE

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I. INTRODUCTION

The University of New Mexico Real Estate Department (Lobo Development Corporation, solely owned by UNM) is charged with developing non-educational land owned by UNM in order to raise funds for educational services and provide campus amenities through appropriate commercial development. A vicinity map of the proposed UNM South Gibson Commercial District is shown in Figure 1. Detailed site determination has not been completed at this time, however an initial land use plan has been developed based on market analysis and development opportunities. The Preliminary lot layout is shown in Figure 2.

A. STUDY PURPOSE

The purpose of the traffic study is to determine the impacts of the proposed development on the existing street network and to recommend any mitigation measures that may be necessary to support the additional traffic generated by the proposed development.

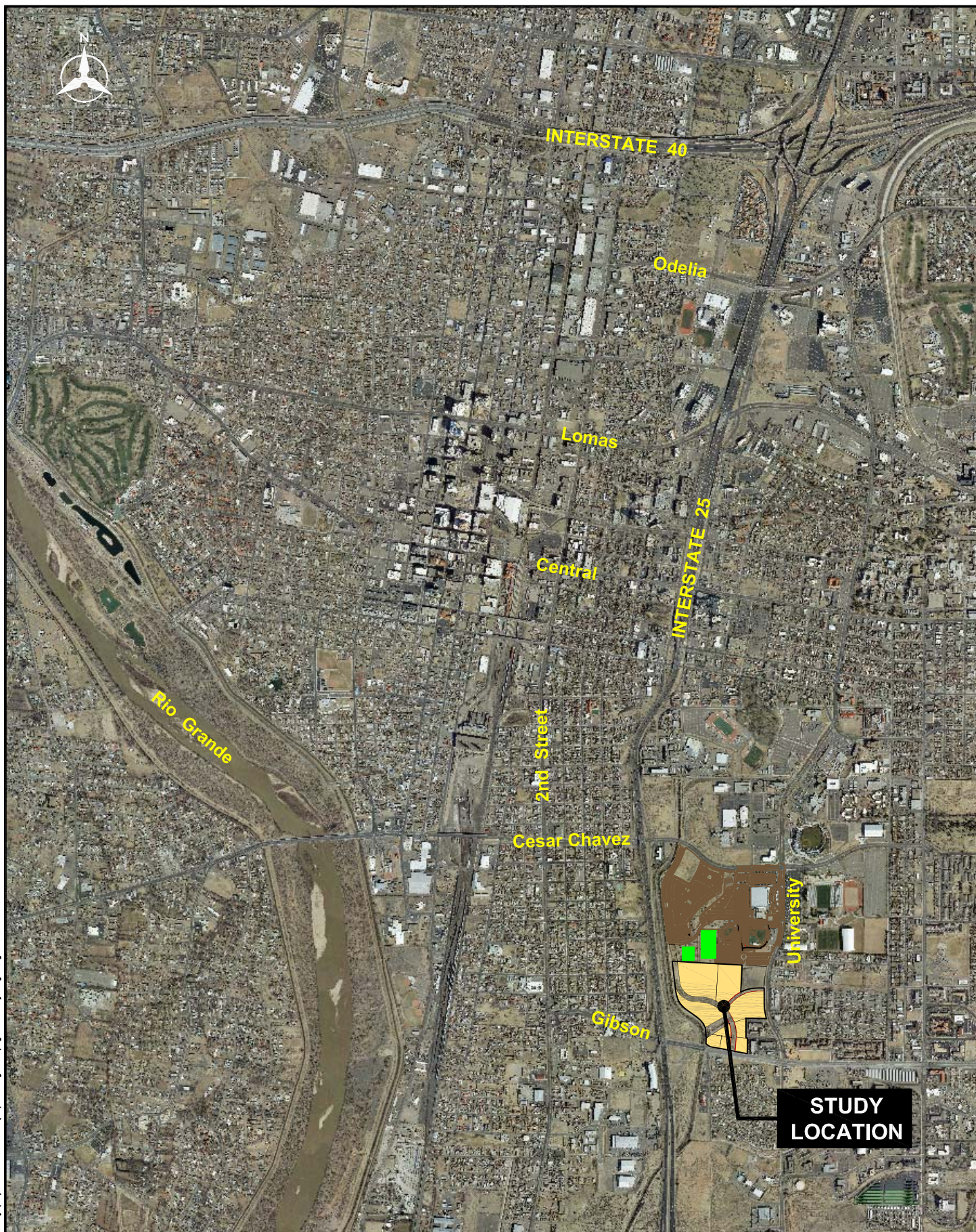
B. STUDY PROCEDURE

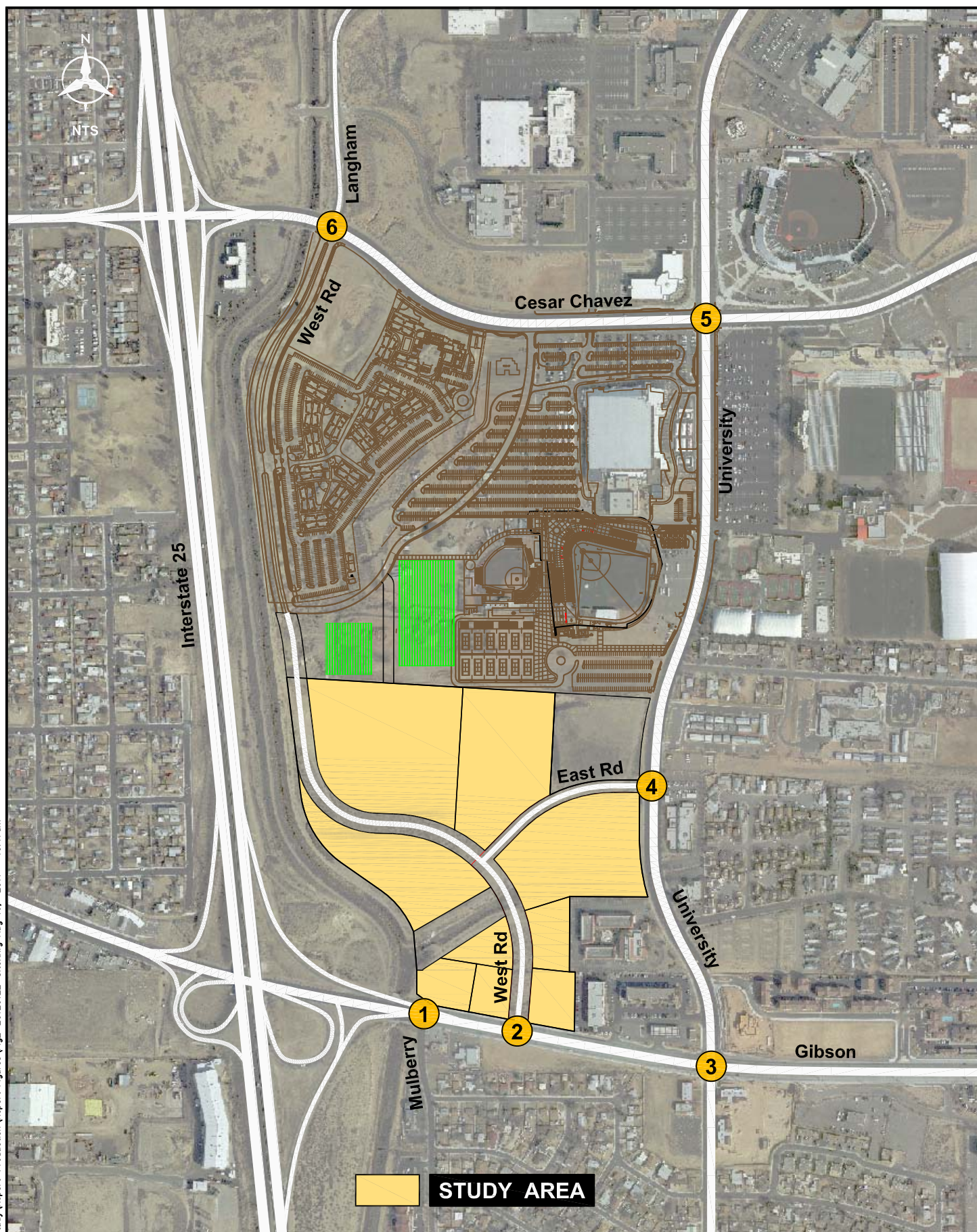
The study was conducted using established traffic engineering procedures. Discussions were held with the City of Albuquerque Planning Department and the NMDOT District Traffic Engineer to develop the scope of study. The study will include analysis of the following intersections:

- Gibson Boulevard and Mulberry Street (full access unsignalized)
- Gibson Boulevard and Future Entrance/West Road (full access)
- Gibson Boulevard and University Boulevard (signalized)
- University Boulevard and Future Entrance/East Road (full access unsignalized)
- Avenida Cesar Chavez and University Boulevard (signalized)
- Avenida Cesar Chavez and West Road/Langham Road (unsignalized)

The intersection evaluations include analysis for the AM and PM peak hours for the following traffic conditions:

- Existing (2011) traffic
- Future Completion Year without proposed development or future access points (2015 No Build)
- Future Completion Year (2015 Build) with full buildout of the site





II. EXISTING AREA CHARACTERISTICS

A. GENERAL AREA CHARACTERISTICS

The site is bordered by Gibson Boulevard on the south, the AMAFCA Channel on the west, University Boulevard on the east, and the UNM Athletic fields on the north. See Figure 2. North and east of the site are the campuses of UNM and CNM. Areas to the east are residential, commercial and hotel uses. South of the site is an area of residential development, offices, and the Albuquerque International Sunport. To the west is I-25, with additional residential development west of the interstate.

The site will primarily be served by I-25, Gibson Boulevard, University Boulevard and West Road via Avenida Cesar Chavez.

I-25 is an access controlled freeway with access to the site via the Gibson and Avenida Cesar Chavez ramp junctions. North of Gibson, the 2010 MRCOG Traffic Flow Map shows that I-25 carries 113,200 vehicles per day.

Gibson Boulevard is a six-lane urban principal arterial with a raised median along the site frontage. The 2010 Traffic Flow Map indicates that Gibson carries 28,600 vehicles per day across the site frontage. Traffic on Gibson during the peak hours is highly directional due to employment traffic at Kirtland Air Force Base and Sandia National Laboratory. In the AM Peak Hour 70% of the traffic is headed east, with approximately the same proportion headed west in the PM Peak Hour.

University Boulevard is a four-lane urban minor arterial, with a raised median. Left turn lanes are provided at select locations, including the future East Road entrance. The future East Road entrance also aligns with an existing driveway that serves the City of Albuquerque Housing Services offices. The 2010 Traffic Flow map indicates that University has 6,700 vehicles per day traveling north of Gibson.

Avenida Cesar Chavez is a six-lane urban minor arterial with raised median. A median opening provides full access to the West Road/Langham Street intersection. The 2010 Traffic Flow Map shows that Cesar Chavez carries 26,200 vehicles per day. Traffic on Cesar Chavez during the peak hours is also highly directional due to UNM and CNM student traffic. In the AM Peak Hour 70% of the traffic is headed east, with approximately 60% headed west in the PM Peak Hour.

West Road/Langham is a two-lane local street that serves CNM and the UNM Science and Technology Park to the north. Currently the south leg (West Road) will serve the new UNM Lobo Village student housing complex, but will be extended to Gibson to serve this commercial development. This intersection is not ideal for a traffic signal due to the

proximity of the Northbound I-25 ramp; however the level of traffic to be generated by this proposed development, in addition to future commercial development on UNM property to the northwest of this intersection, will likely drive the need for a traffic signal at this intersection in the future. At Gibson, previous MRCOG Metropolitan Transportation Board actions have provided for a full-access T-intersection midway between Mulberry Street and University Boulevard (MRCOG Resolution R-03-31, adopted January 22, 2004). Resolution R-03-31 foresaw a future signalized intersection at this location. This resolution also allows a right-in/right-out only driveway on the north side of Gibson aligned with Mulberry Street on the south. A copy of Resolution R-03-31 is included in Appendix A.

Mulberry Street is two-lane a local street that serves a residential development south of Gibson. It currently has full movement, unsignalized access to Gibson.

East Road will be a new full access intersection with University Boulevard that will serve the site. This intersection will align with the entrance to City of Albuquerque Housing Services.

B. EXISTING TRAFFIC VOLUMES

Traffic counts for the existing city intersections analyzed in the study area were collected by Mike Henderson Consulting June 28 and 29, 2011. The City of Albuquerque Housing Services driveway on University was counted by Bohannon Huston on July 12, 2011. Figure 3 is a summary of the existing peak hour traffic volumes, existing laneage, turning movements, and intersection levels of service. Traffic counts are included in Appendix B.

C. EXISTING LEVELS OF SERVICE

The 2000 Highway Capacity Manual (HCM) defines Level of Service (LOS) for signalized and un-signalized intersections as follows:

Table 1 – LOS Definitions			
Level of Service	Signalized (sec/veh)	Definition	Un-Signalized (sec/veh)
A	<10	Most vehicles do not stop.	<10
B	>10 and <20	Some vehicles stop.	>10 and <15
C	>20 and <35	Significant numbers of vehicles stop.	>15 and <25
D	>35 and <55	Many vehicles stop.	>25 and <35
E	>55 and <80	Limit of acceptable delay.	>35 and <50
F	>80	Unacceptable delay.	>50

LOS D is generally considered acceptable in urban areas and is the City's design standard for major intersections.

Existing intersection traffic volumes were analyzed using intersection methodology from the *2000 Highway Capacity Manual* (HCM). Synchro version 7 was used to perform the level of service calculations. Individual intersection output is included in Appendix C. The signalized intersection results are summarized in Table 2.



The results indicate that both of the signalized intersections operate at an acceptable level of service under existing traffic conditions.

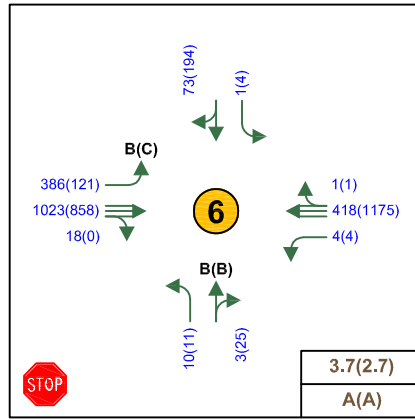
Table 2 – 2011 Existing Signalized Intersection Capacity Analysis Results						
Signalized Intersections	2011 AM Peak			2011 PM Peak		
	Delay (sec.)	V/C	LOS	Delay (sec.)	V/C	LOS
Gibson & University	15.4	0.86	B	15.4	0.91	B
Cesar Chavez & University	13.3	0.61	B	15.8	0.71	B
* - some movements LOS E						
** - some movements LOS F						

The unsignalized intersection results are summarized in Table 3. The analysis shows that the minor street left movements at Mulberry & Gibson, and West Road/Langham & Cesar Chavez, have high delay. Mulberry is too close to the I-25 NB-to-EB off-ramp to be signalized. The West Road/Langham intersection does not meet the Peak Hour traffic signal warrant. The existing traffic entering or exiting the City of Albuquerque Housing Services driveway has low average delay.

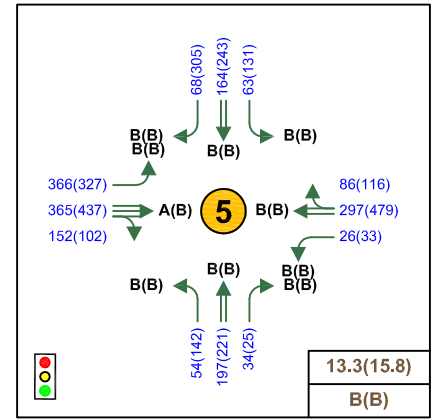
Table 3 – 2011 Existing Unsignalized Intersection Capacity Analysis Results									
Un-signalized Intersections	2011 AM Peak				2011 PM Peak				
	Movement	Delay (sec.)	v/c	Queue (ft.)*	LOS	Delay (sec.)	v/c	Queue (ft.)	LOS
Gibson & Mulberry									
WB Left	27.4	0.08	25	D	11.8	0.04	25	B	
NB Left/Right	148.5	0.66	75	F	38.6	0.39	50	E	
University & Future East Road									
WB Left/Right	10.6	0.01	0	B	10.1	0.03	25	B	
SB Left	8.0	0.01	25	A	7.9	0.01	25	A	
Cesar Chavez & Langham/West Rd									
EB Left	10.8	0.42	75	B	15.3	0.29	50	C	
WB Left	11.3	0.01	25	B	10.3	0.01	25	B	
NB Left	220	0.44	50	F	82.4	0.24	25	F	
NB Through/Right	11.1	0.01	0	B	10.7	0.04	25	B	
SB Left	50.8	0.01	25	F	43.3	0.05	25	E	
SB Through/Right	9.7	0.10	25	A	16.2	0.42	75	C	
* - delay calculated with 2-stage maneuver at Gibson/Mulberry and Cesar Chavez & Langham/West Road									
** - HCM queue rounded to next 25-foot increment									

LEGEND

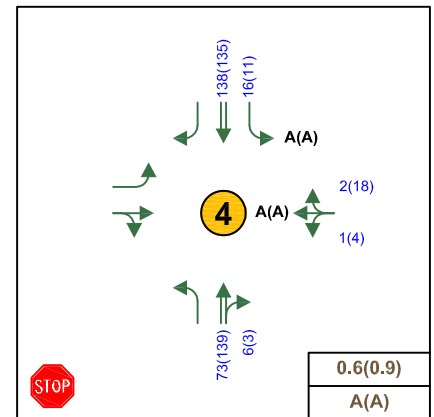
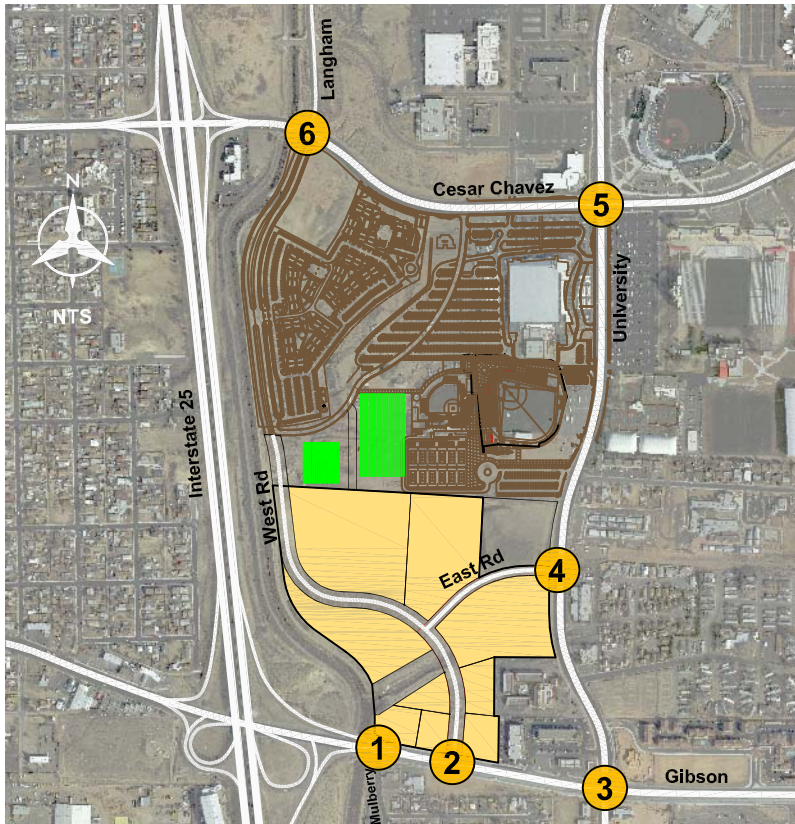
-  Thru Lanes
(# as indicated)
-  Turning Lanes
(# as indicated)
- 1234(1234) AM(PM) Traffic Counts
- X(X) AM(PM) Level of Service (LOS)



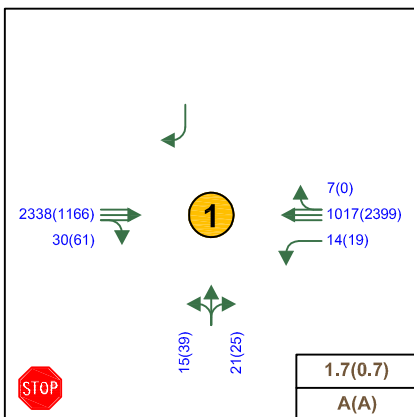
Cesar Chavez/Langham



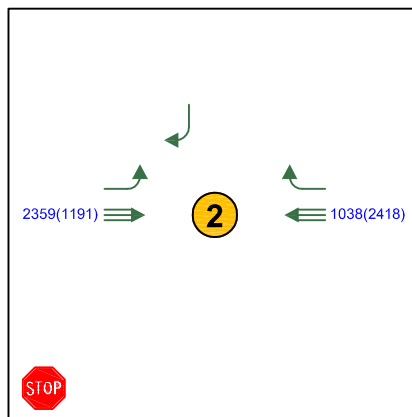
Cesar Chavez/University



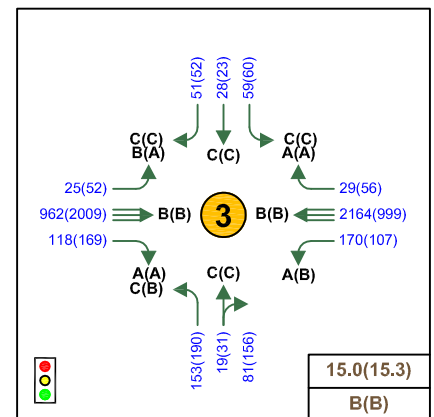
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

III. BACKGROUND TRAFFIC PROJECTIONS

A. 2015 NO-BUILD TRAFFIC PROJECTIONS

Background traffic was increased to represent 2015 levels without the future development. The 2006 – 2010 MRCOG Traffic Flow Maps were used to evaluate traffic growth in the vicinity of the site. Reported values for I-25, north and south of Gibson; Gibson, east and west of I-25; and University, north of Gibson, were used in the determination. Traffic growth on I-25 has been 1.8% – 2.1%, while traffic growth on Gibson and University has been flat to negative. A background growth rate of 1.4% a year was used. Spreadsheets and graphs showing the development of the growth rate are included in Appendix D.

Figure 4 on page 11 shows the No Build traffic volumes, number of lanes, and level of service.

The No Build analysis also assumes that the proposed development and future access points are not constructed.

B. 2015 NO-BUILD INTERSECTION CAPACITY ANALYSIS

The intersections were again analyzed using Synchro version 7. Synchro output is included in Appendix E. The signalized intersection results are summarized in Table 4.

The signalized intersections again operate at acceptable levels of service.

Table 4 – 2015 No Build Signalized Intersection Capacity Analysis Results						
Signalized Intersections	2015 No Build AM Peak			2015 No Build PM Peak		
	Delay (sec.)	V/C	LOS	Delay (sec.)	V/C	LOS
Gibson & University	14.8	0.82	B	16.8	0.80	B*
Cesar Chavez & University	14.0	0.62	B	18.5	0.81	B
* - some movements LOS E						
** - some movements LOS F						

Table 5 is a summary of the unsignalized intersection No-Build results. As in the existing condition, both the Mulberry & Gibson, and West Road/Langham & Cesar Chavez intersections have LOS F for the minor street left turn movements. A Peak Hour Volume traffic signal warrant analysis was performed for the no build traffic volumes at West Road/Langham and is included in Appendix E. Mulberry was not evaluated due to the proximity to the I-25 NB-to-EB off ramp onto Gibson. A traffic signal at West Road/Langham is not warranted by volume, but the calculated total delay for the northbound

left turn is 11 vehicle hours, exceeding the warrant value of 4 hours of vehicle delay. It is important to note that this delay includes the two-stage gap maneuver.

Table 5 – 2015 No Build Unsignalized Intersection Capacity Analysis Results								
Un-signalized Intersections	2015 No Build AM Peak				2015 No Build PM Peak			
	Delay (sec.)	v/c	Queue (ft.)*	LOS	Delay (sec.)	v/c	Queue (ft.)	LOS
Gibson & Mulberry								
WB Left	31.1	0.10	25	D	12.3	0.04	25	B
NB Left/Right	225	0.86	100	F	45.4	0.44	50	E
University & Future East Road								
WB Left/Right	10.8	0.01	0	B	10.2	0.03	25	B
SB Left	8.1	0.02	25	A	8.0	0.01	25	A
Cesar Chavez & Langham/West Rd								
EB Left	11.5	0.46	75	B	16.9	0.33	50	C
WB Left	11.8	0.01	25	B	10.9	0.01	25	B
NB Left	1,008	2.32	175	F	355	1.06	100	F
NB Through/Right	23.5	0.08	25	C	15.6	0.11	25	C
SB Left	65.3	0.2	25	F	52.5	0.09	25	F
SB Through/Right	9.9	0.11	25	A	17.7	0.46	75	C
* - HCM queue rounded to next 25-foot increment								

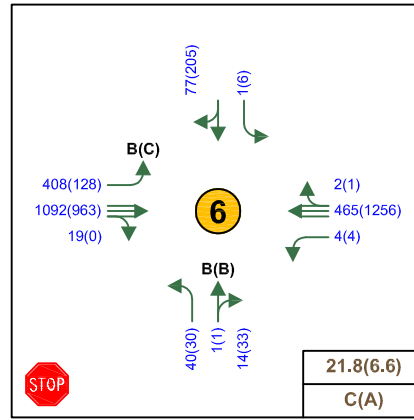
LEGEND

Thru Lanes
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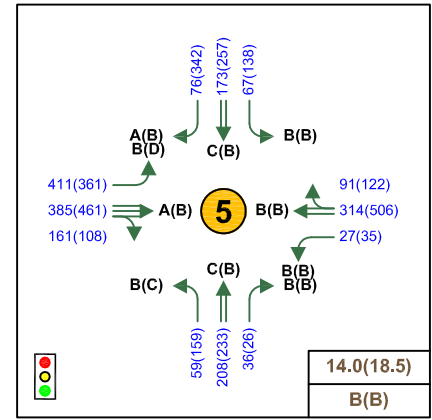
Turning Lanes
(# as indicated)

1234(1234)
AM(PM) Traffic
Counts

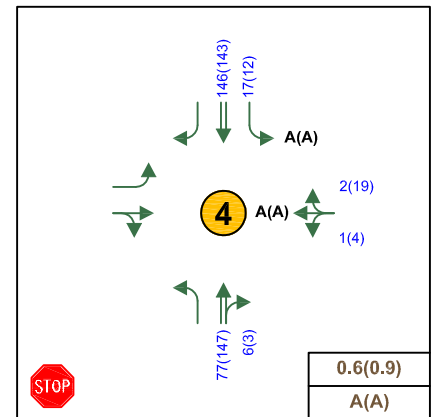
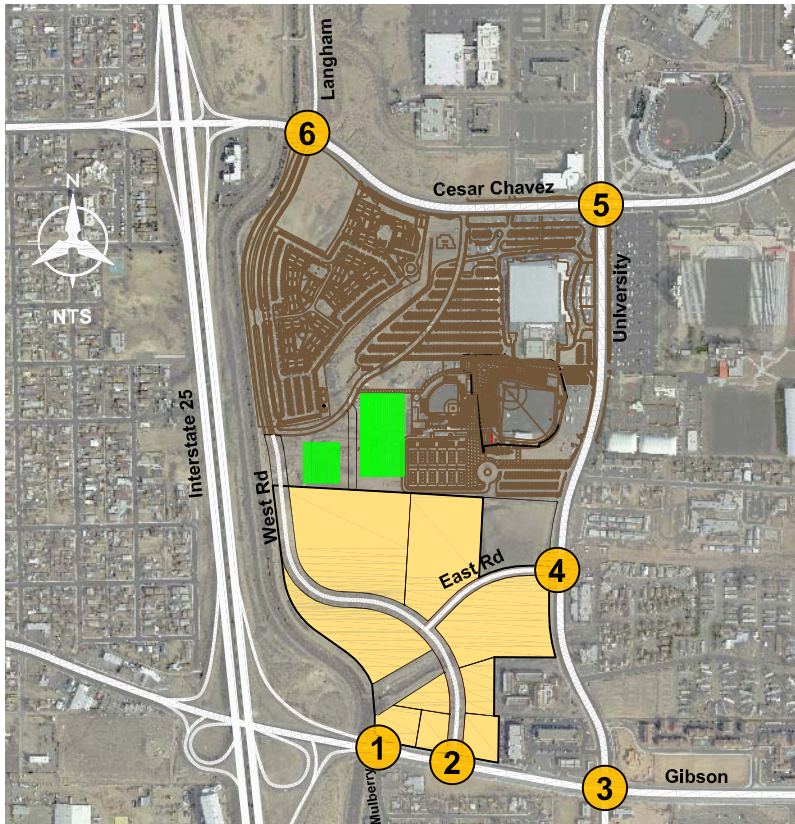
X(X)
AM(PM) Level
of Service (LOS)



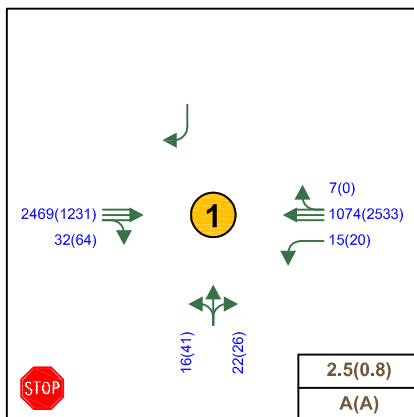
Cesar Chavez/Langham



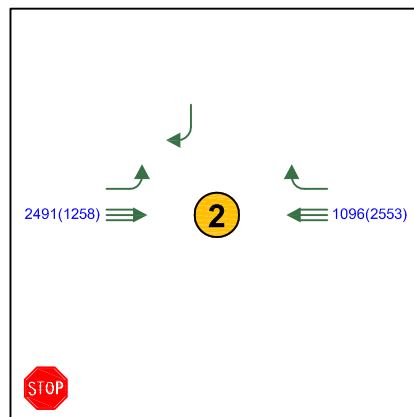
Cesar Chavez/University



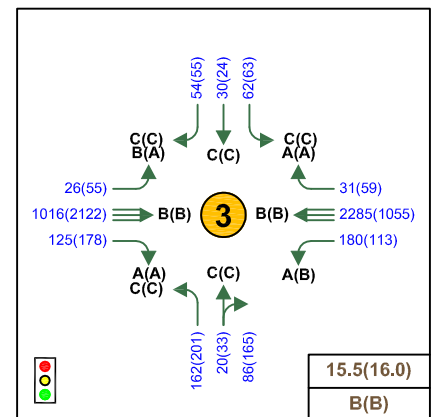
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

IV. PROPOSED SITE CHARACTERISTICS

A. PROPOSED DEVELOPMENT

The precise land uses for the site are still under development, although UNM Real Estate Department (Lobo Development) has identified anticipated or “target” uses for the parcels. The land uses used for this traffic study are 1) 90,000 square foot (sf) sporting goods superstore, 2) 75,000 sf supermarket, 3) 60,000 sf of specialty retail, 4) 75,000 of specialty retail, 5) 5,000 sf of specialty retail, 6) 6,000 sf of specialty retail, 7) 2,500 sf fast-food restaurant with drive-thru, 8) 2,500 sf service station with convenience mart, 9) a City of Albuquerque fire station, and 10) 6,000 sf high-turnover sit-down restaurant. Items 7) and 8) will be combined into one site and will be located at the right-in/right-out only driveway aligned with Mulberry on the west side of the site.

B. TRIP GENERATION

Generated trips are broken down into three types; 1) primary, 2) pass-by trips, and 3) diverted link. The *Trip Generation* report defines these trips as follows:

- **Primary Trips** - These trips are made for the specific purpose of visiting the generator. The stop at that generator is the primary reason for the trip. For example, a home to shopping to home combination of trips is a primary trip set.
- **Pass-by Trips** - These trips are made as intermediate stops on the way from an origin to a primary trip generation. Pass-by trips are attracted from the traffic passing the site on an adjacent street that contains direct access to the generator site. These trips do not require a diversion from another roadway. For example, stopping at the store on the way home from work is an example of a pass-by trip. The supermarket was assumed to have 20% pass-by in the PM peak hour only. The fast-foot restaurant with drive-thru was assumed to have 30% pass-by in the AM and PM peak hours. The service station with convenience mart was assumed to have 35% pass-by in the AM and PM peak hours. The high turnover restaurant was assumed to have 15% pass-by in the PM peak hour only. All of these values do not exceed the averages for each land use as reported in the *Trip Generation Handbook*.
- **Diverted Linked Trips** - These trips are attracted from the traffic volume on the roadway within the vicinity of the generator, but which require a diversion from that roadway to another roadway to gain access to the site. The roadways could include streets or freeways adjacent to the generator, but without access to the generator.

For this study, the diverted link trips have been included in with the primary trips.
All trips to the site were considered primary trips.
Trips generated by the proposed development are summarized as follows:

Table 6 – Trip Generation							
Land Use	ITE Land Use Code	Size	24 Hour Two-Way Volume*	AM Peak Hour***		PM Peak Hour***	
				Enter	Exit	Enter	Exit
Sporting Goods Superstore	861	90 TGSF	-	-	-	131	148
Supermarket	850	75 TGFA	7,668	164	105	322	309
Pass-By – 20% PM						80	77
Specialty Retail Center	814	60 TGFA	2,604	-	-	73	93
Specialty Retail Center	814	75 TGFA	3,246	-	-	89	113
Specialty Retail Center	814	5 TGFA	222	-	-	6	8
Specialty Retail Center	814	6 TGFA	266	-	-	7	9
Fast Food with Drive-Thru	934	2.5 TGFA	1,240	44	42	31	29
Pass-By – 30% AM & PM				19	18	13	12
Service Station with Convenience Mart	946	2.5 TGFA	-	66	63	79	79
Pass-By – 35% AM & PM				35	34	42	42
Fire Station*		10.1 TGFA	100	10	10	10	10
High-Turnover (Sit-Down) Restaurant	932	6 TGFA	763	36	33	33	23
Pass-By – 15% PM						6	4
Total Generated Volume			16,109	374	305	922	956
Total Peak Hour Pass-By Trips				54	52	142	136
Internal Capture (assumes 15% in PM Peak only – excludes Fast-Food/Conv Mart on separate pad)						101	107
Total Peak Hour Volume Added to Adjacent Street				320	253	680	713
Total Driveway Volume (excludes internal capture)				374	305	821	849
TGFA – thousand gross floor area - no data available in the Trip Generation Manual * - Trip Generation Manual does not have Fire Station - estimated							

C. TRIP DISTRIBUTION AND ASSIGNMENT

Three different trip distributions were developed for this project. One of the lots is anticipated to be “destination retail,” meaning that it is expected to draw patrons from across the metropolitan area. The distribution for this parcel was developed using the entire metropolitan area as the travel shed. The other two distributions considered a 2-mile radius and is referred to as “community retail” in the following figures. The third distribution was developed for the fast-food restaurant/service station with convenience mart parcel which will be served primarily by right-in/right-out only access.

The destination retail trip distribution percentages are shown in Figure 5 on page 15. The destination retail trip assignment of the total project trips to the individual intersections is shown on Figure 6 on page 16.

The percentage trip distribution for the community retail trips are shown in Figure 7 on page 17, with the peak hour trips assigned to the individual intersection is shown in Figure 8 on page 18.

Similarly the right-right-out only, fast-food restaurant/service stations with convenience mart figures are shown in Figure 9 and Figure 10 on page 19 and page 20.

LEGEND

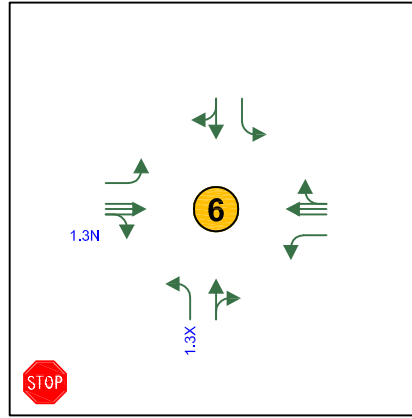
Thru Lanes
(# as indicated)

Turning Lanes
(# as indicated)

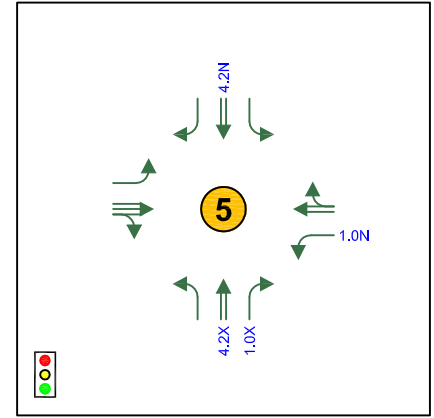
1234(1234)
AM(PM) Traffic
Counts

N Entering

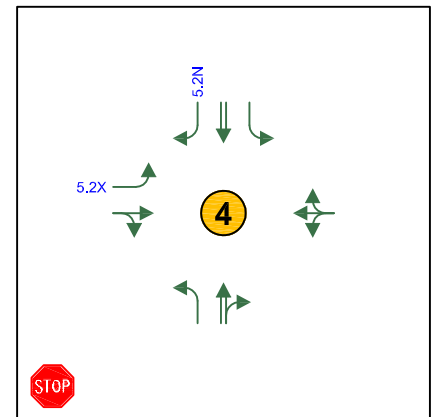
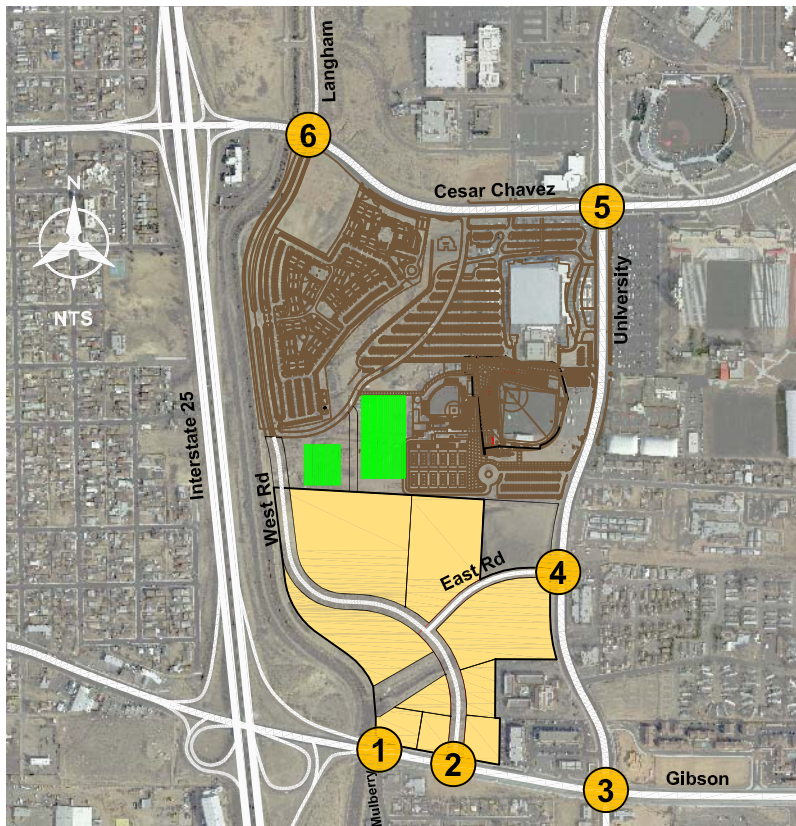
X Exiting



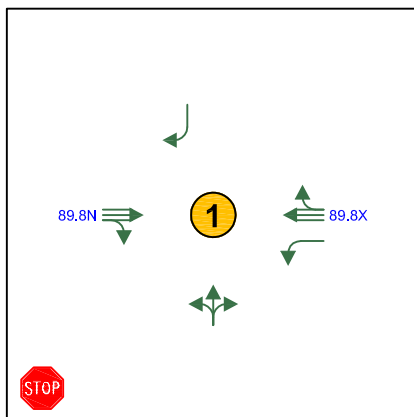
Cesar Chavez/Langham



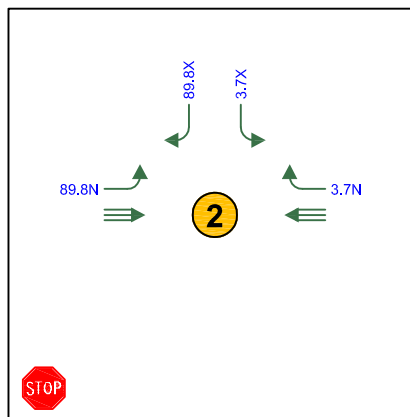
Cesar Chavez/University



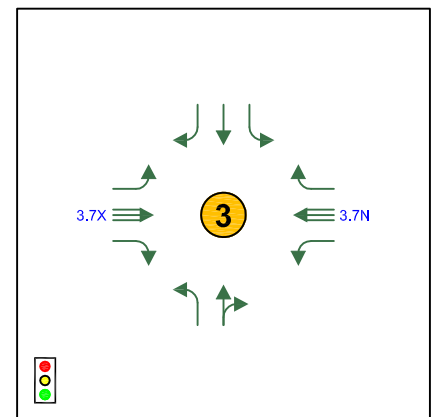
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Gibson/Mulberry



Gibson/Entrance



Gibson/University

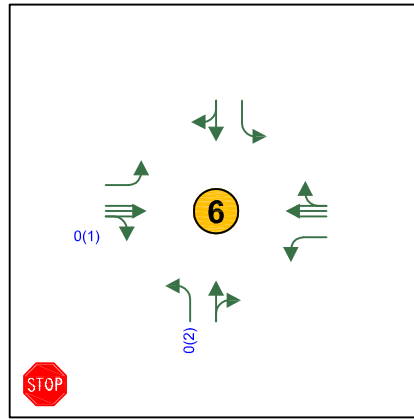
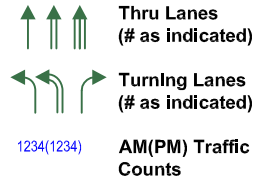
Bohannon & Huston

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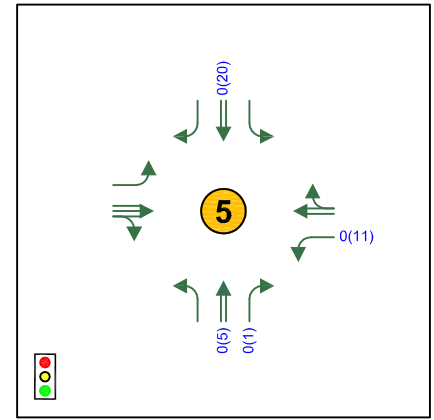
UNM Gibson Commercial District Traffic Impact Analysis

FIGURE 5
Destination Retail
TRIP DISTRIBUTION
PERCENTAGES

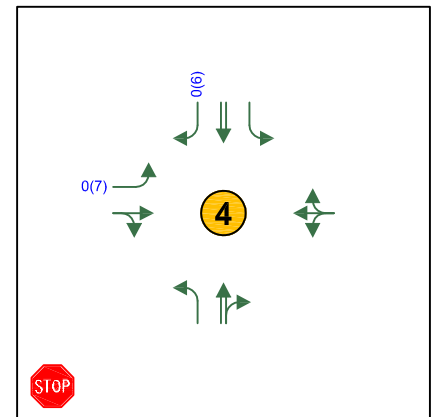
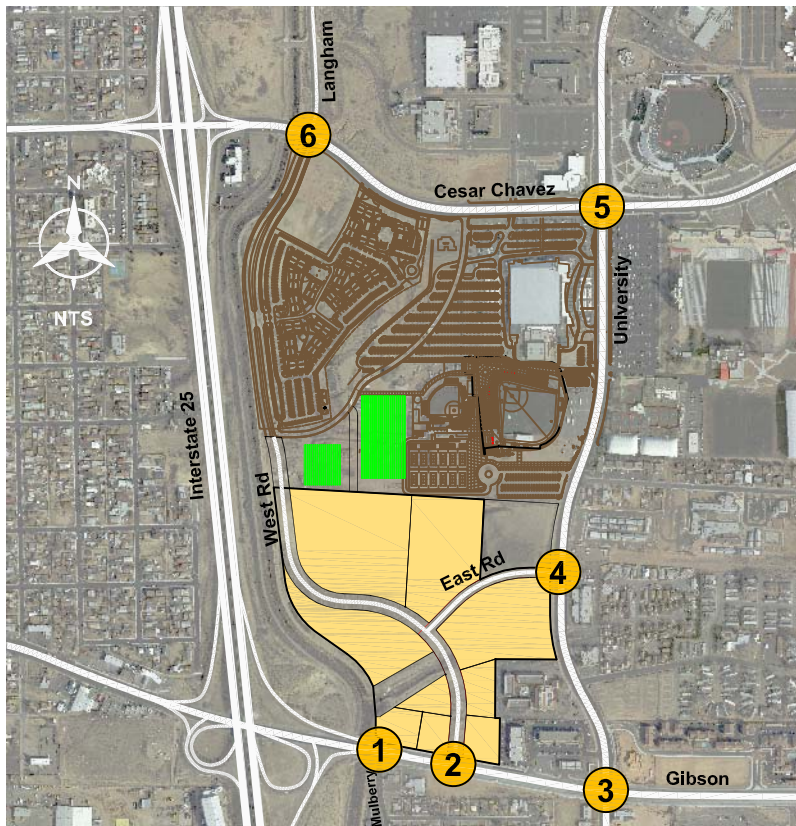
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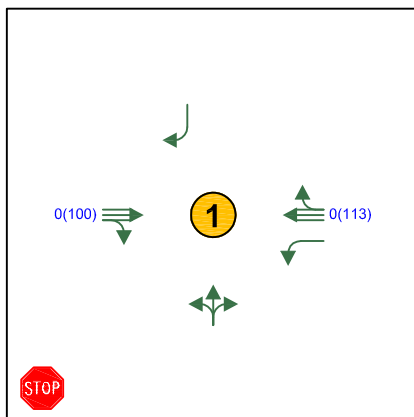
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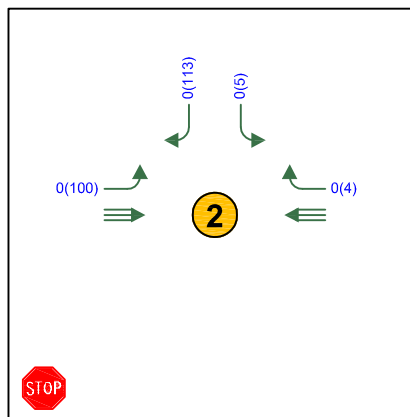
Cesar Chavez/University



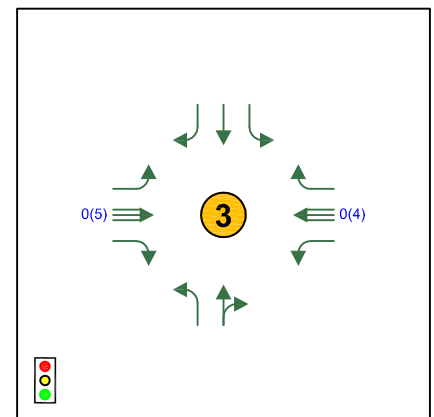
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

LEGEND

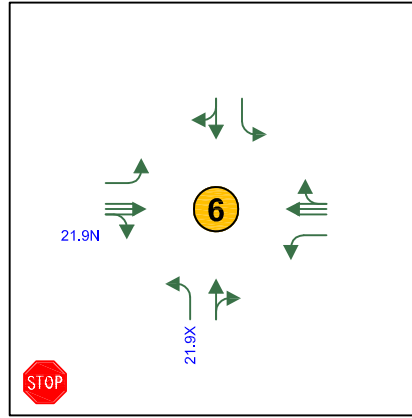
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(# as indicated)

Turning Lanes
(# as indicated)

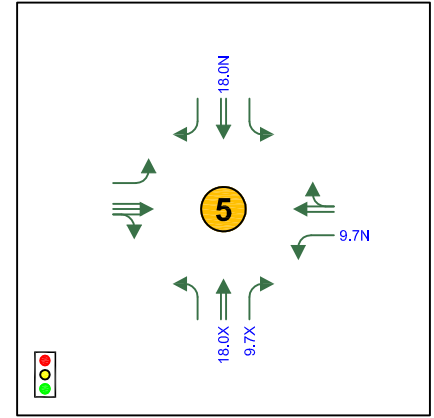
1234(1234)
AM(PM) Traffic
Counts

N Entering

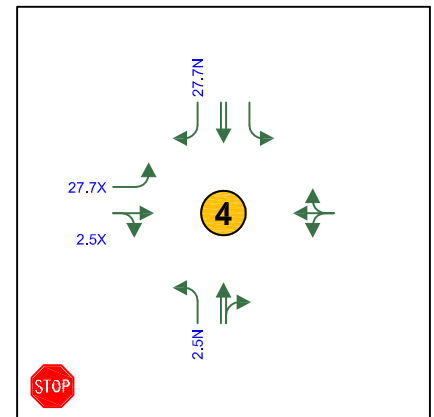
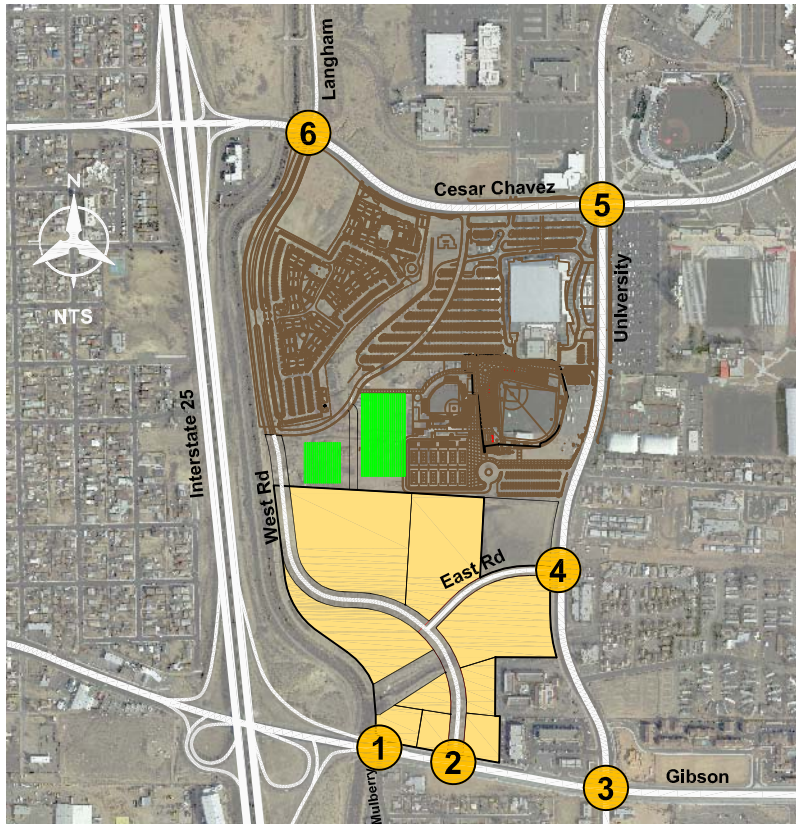
X Exiting



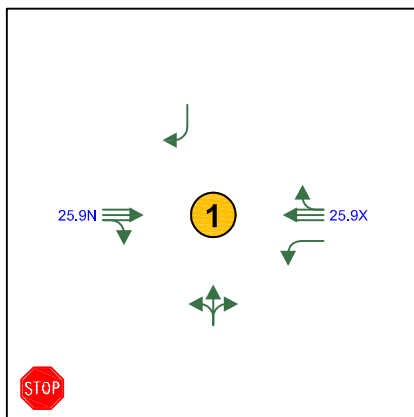
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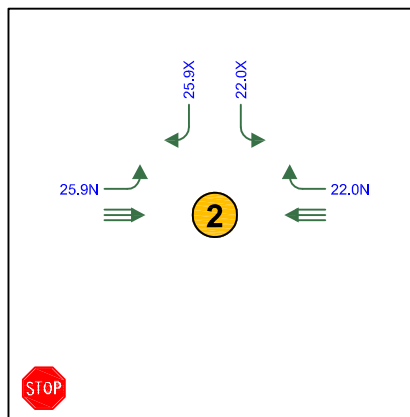
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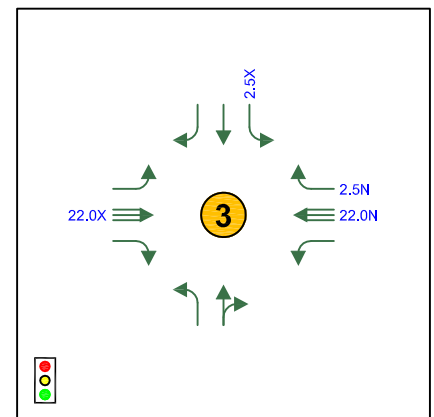
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

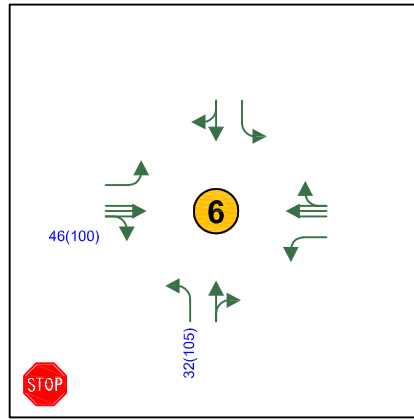
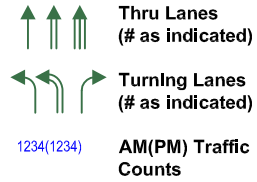
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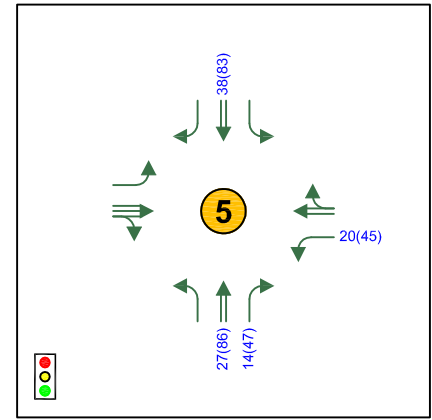
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FIGURE 7
Community Retail
TRIP DISTRIBUTION
PERCENTAGES

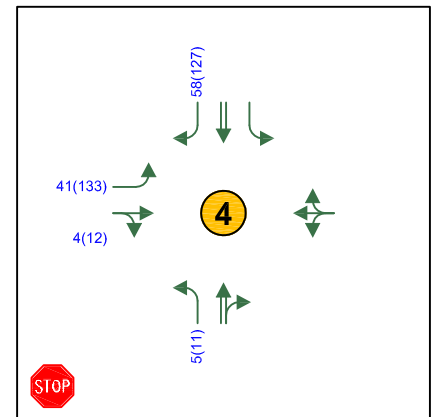
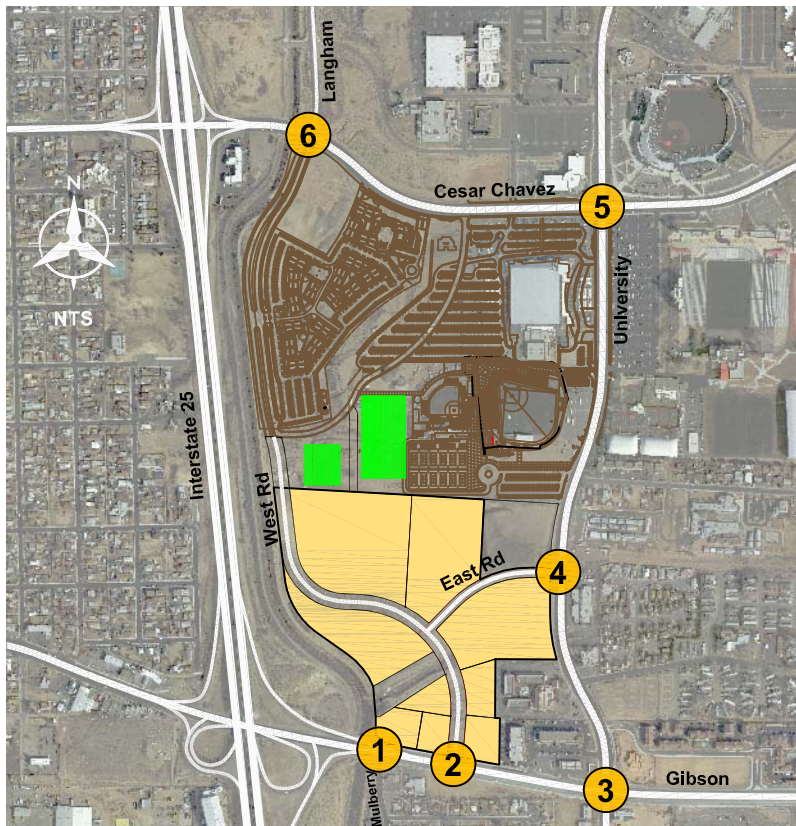
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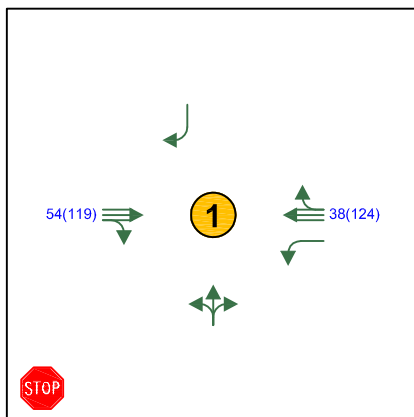
Cesar Chavez/Langham



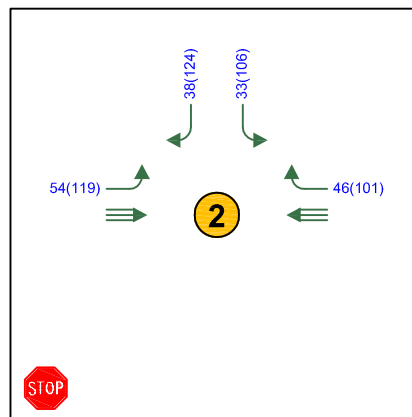
Cesar Chavez/University



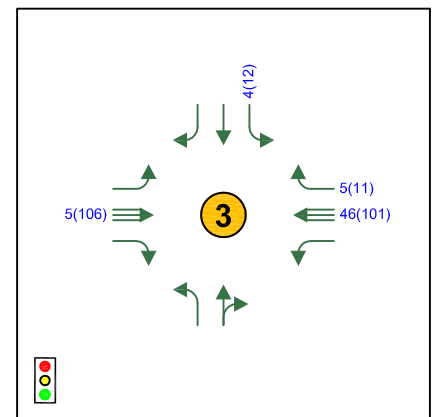
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

LEGEND

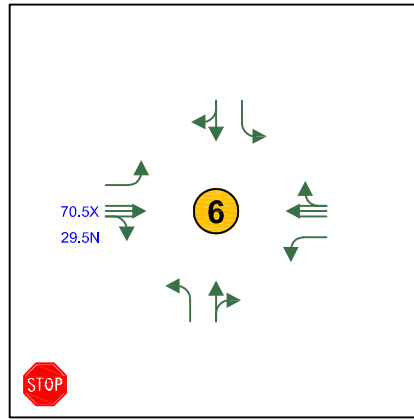
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Turning Lanes
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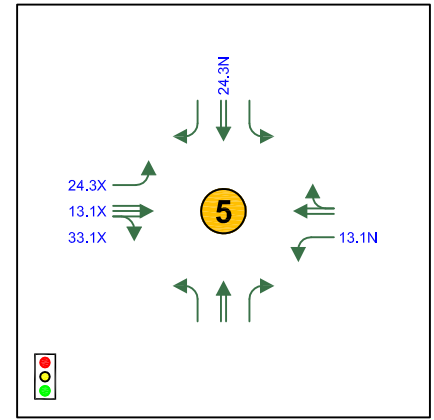
1234(1234)
AM(PM) Traffic
Counts

N Entering

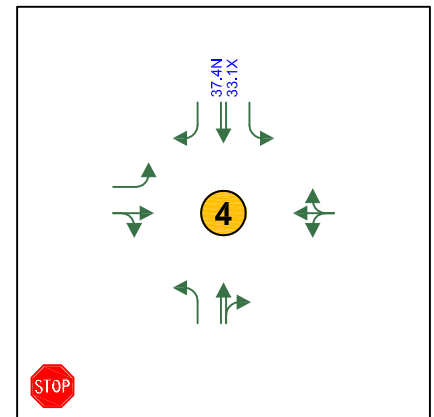
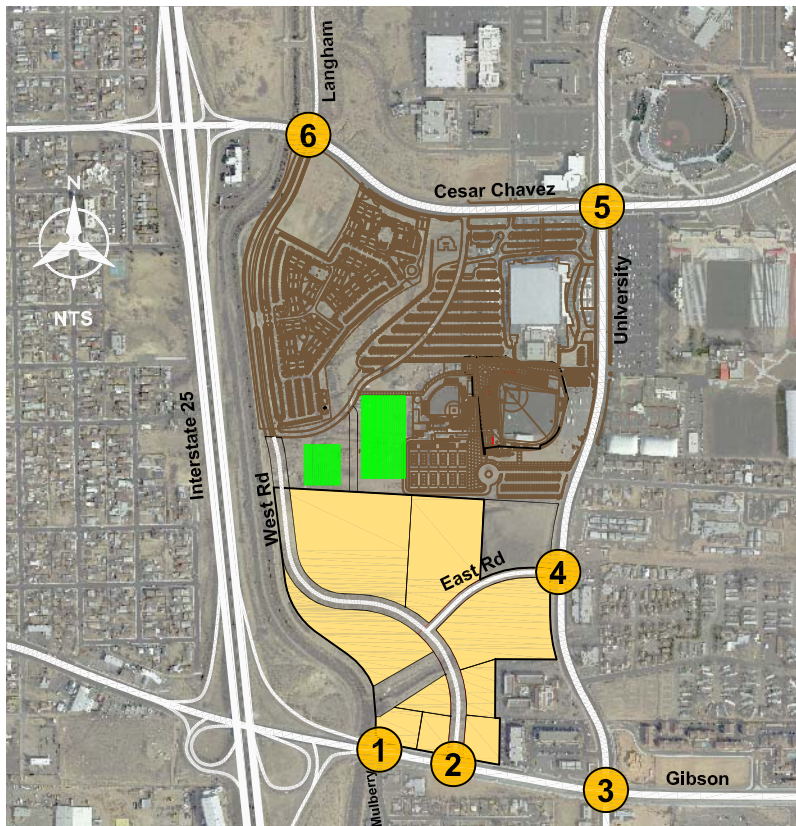
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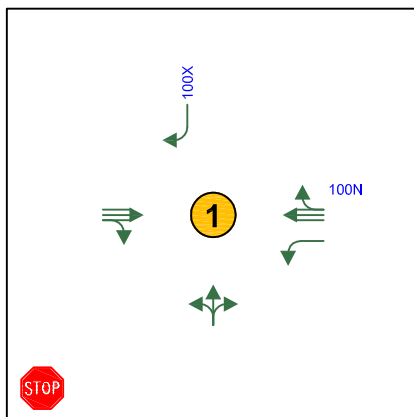
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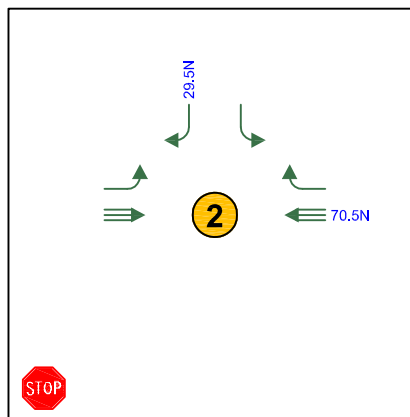
Cesar Chavez/University



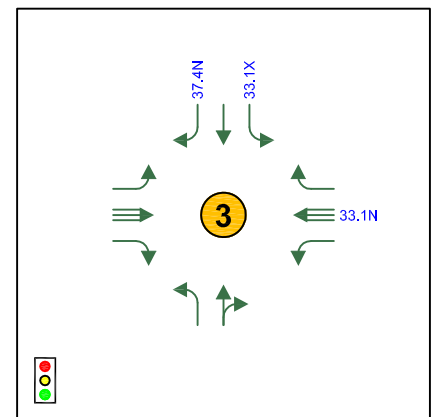
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

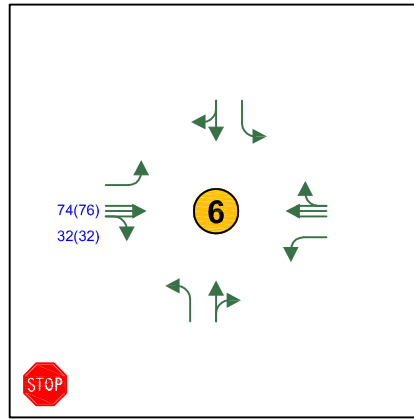
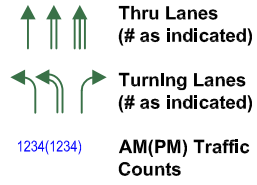
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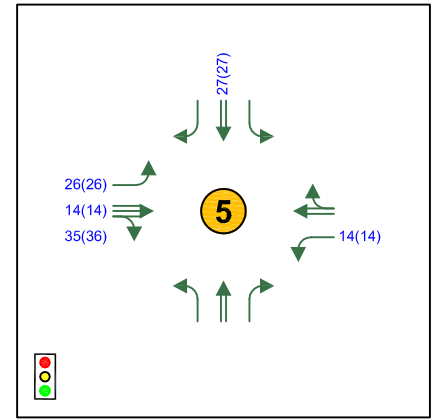
UNM Gibson Commercial District Traffic Impact Analysis

FIGURE 9
Right-In/Right-Out Fast
Food/Gas/Conv Mart
TRIP DISTRIBUTION PERCENTAGES

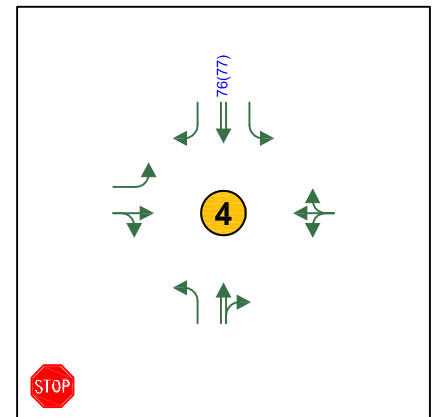
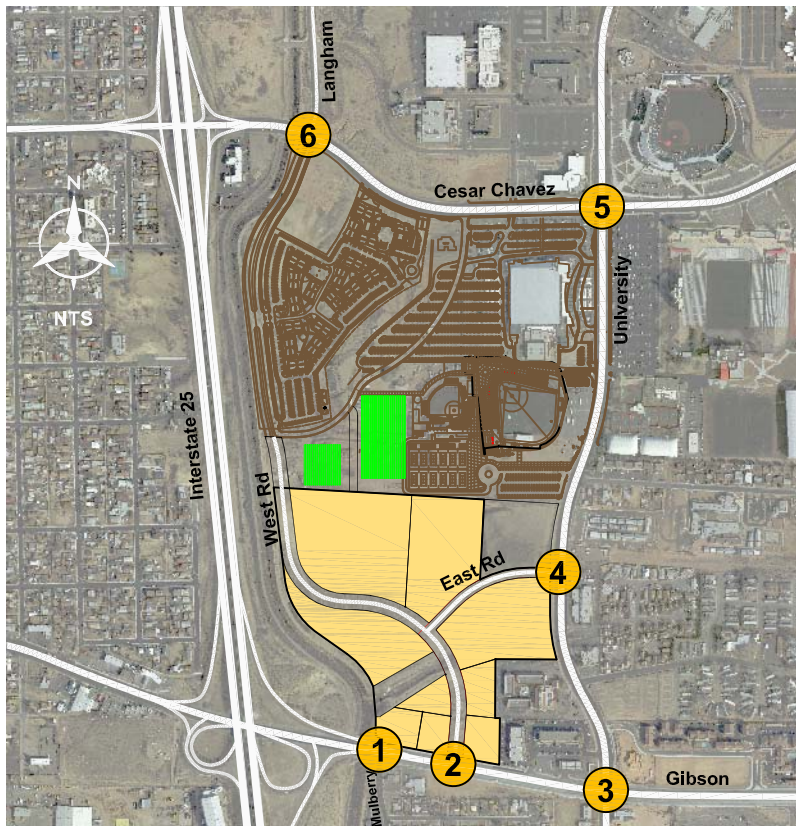
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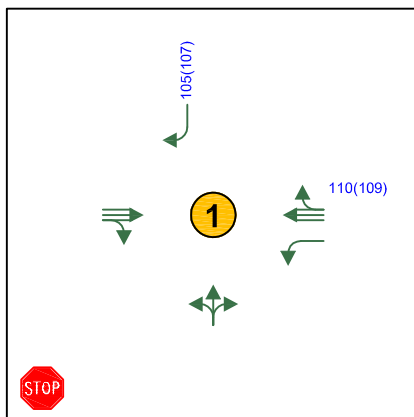
Cesar Chavez/Langham



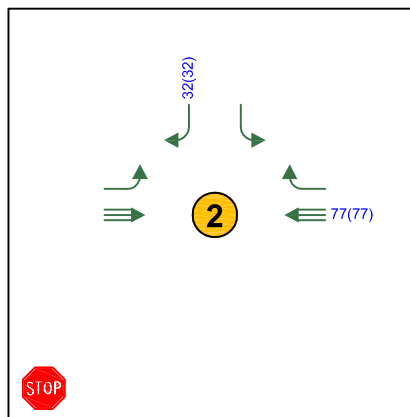
Cesar Chavez/University



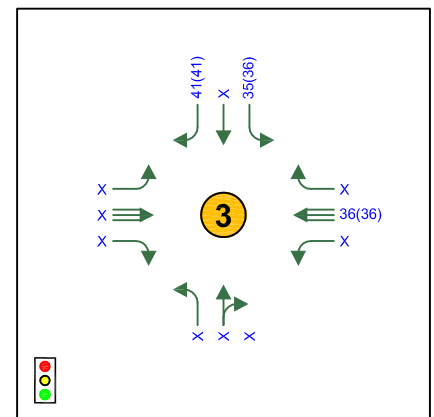
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

V. BUILD TRAFFIC ANALYSIS

The following section will discuss the results of the build traffic analysis.

A. 2015 BUILD TRAFFIC VOLUMES

Based on the trip distribution and assignments discussed above, the estimated traffic generated by the proposed site development was then added to the No-Build traffic projections. Details of the Build traffic volume computations are included in Appendix D.

Figure 11, page 24, is a summary of the 2015 Build Peak hour traffic projections, lane geometry, and movement and intersection level of service for the build year analysis

B. RESULTS AND DISCUSSION

The intersections were again analyzed using Synchro version 7. Table 7 and Table 8 show the results for the signalized and unsignalized intersections, respectively. The Synchro output is included in Appendix G.

Table 7 – 2015 Build Signalized Intersection Capacity Analysis Results						
Signalized Intersections	2015 Build AM Peak			2015 Build PM Peak		
	Delay (sec.)	V/C	LOS	Delay (sec.)	V/C	LOS
Gibson & University	16.2	0.86	B*	24.3	0.95	C**
2 nd SB Left	15.1	0.64	B	20.2	0.69	C*
Cesar Chavez & University						
No signal at Langham/West Road	15.0	0.66	B	21.6	0.74	C
With signal at Langham/West Road	13.8	0.60	B	19.5	0.72	B
Gibson & Entrance/West Road	6.0	0.58	A	14.4	0.77	B*
Cesar Chavez & Langham/West Rd	13.2	0.56	B	20.9	0.68	C
Cesar Chavez & I-25 NB Ramp	10.4	0.76	B*	9.5	0.72	A
* - some movements LOS E						
** - some movements LOS F						

It can be seen from the table that the forecast build volumes will operate at an acceptable level of service at the Cesar Chavez and University intersection. With the addition of the build traffic, the intersection of Gibson and University will require a second southbound left turn lane in order to have no movements that operate at LOS F; however the intersection as a whole will operate at an acceptable level of service with a single

southbound left turn lane. A review of the aerial photography appears to show a lane that has been chevroned out that could be used as a second southbound left turn lane.

The intersections of Gibson & West Road/Future Entrance and Cesar Chavez & West Road/Langham were also evaluated with traffic signals due to their poor performance as unsignalized intersections (see Table 8 below). Both intersections satisfy the Peak Hour volume traffic signal warrant and both are anticipated to have minor street of delay greater than 5 vehicle hours in the build scenario. The Peak Hour Volume traffic signal warrant analysis for each intersection is included in Appendix G. The Gibson & West Road Entrance traffic signal was assumed to be coordinated with the signal at University, and the Cesar Chavez & West Road/Langham traffic signal was assumed to be coordinated with the Cesar Chavez & University and I-25 Northbound Ramp & Cesar Chavez traffic signals.

The intersection of Gibson and West Road/Future Entrance is already anticipated to be signalized per the MTB Resolution R-03-01, stating that “in order to preserve the mobility function of Gibson Boulevard between Interstate 25 and University Boulevard a traffic analysis has shown there should be no more than three (3) signalized intersections in the future along this approximately one-half mile of roadway, including the existing signal at University.” The three signalized intersections in the future were anticipated to be 1) the existing traffic signal at University and Gibson, 2) this proposed intersection, and 3) a future traffic signal at a future re-aligned northbound ramp intersection with I-25.

As mentioned in Section II.A, General Area Characteristics, on page 4, the Avenida Cesar Chavez and West Road/Langham Street intersection is not an ideal location for a traffic signal, due to the proximity of the northbound ramp with I-25. However to fulfill its mission to the University of New Mexico, the UNM Real Estate Department (Lobo Development) has an obligation to maximize benefit of property that it holds in trust for the University. Lobo Development anticipates future commercial development of the lands west of the UNM Science and Technology Park, particularly north of Cesar Chavez and west of Langham Street, as well as the southeast corner of the intersection. This will inevitably lead to additional traffic in the area, further demonstrating the need for a traffic signal. The large forecast delays will likely lead to motorists to start to take additional chances (i.e., shoot shorter gaps in traffic) in order to try and make the left turn movement if a traffic signal is not present.



Traffic from the site studied in this report does have the opportunity to use the West Road exit onto Gibson or East Road exit onto University. This is considered likely for a substantial portion of the traffic that will use the West Road/Cesar Chavez exit, particularly repeat customers who know that there is a long delay. However, as the no build analysis

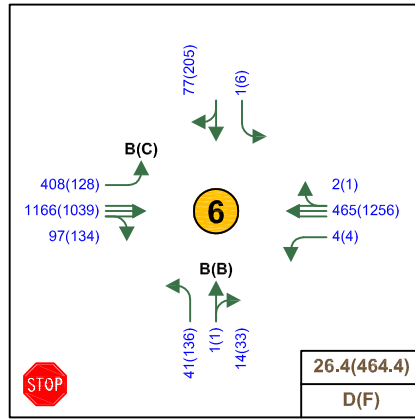
demonstrated, even a small number of exiting left turns will have substantial delay. Concerns about queue back-up will be discussed in Section V.D, Queues of Interest, on page 26.

Table 8 – 2015 Build Unsignalized Intersection Capacity Analysis Results								
Un-signalized Intersections	2015 Build AM Peak				2015 Build PM Peak			
	Delay (sec.)	v/c	Queue (ft.)*	LOS	Delay (sec.)	v/c	Queue (ft.)	LOS
Gibson & Mulberry no signal at entrance								
WB Left	32.7	0.11	25	E	14.0	0.05	25	B
NB Left/Right	273	0.95	100	F	294	1.18	150	F
SB Right	14.4	0.30	50	C	50.9	0.71	125	F
Gibson & Mulberry with signal at entrance								
WB Left	32.7	0.11	25	E	14.0	0.05	25	B
NB Left/Right	260.3	0.95	125	F	50.1	0.47	75	F
SB Right	13.0	0.27	50	B	13.1	0.27	50	B
Gibson & Entrance/West Road								
EB Left	10.5	0.08	25	B	115	1.05	275	F
SB Left	31.0	0.20	25	D	Err	Err	Err	F
SB Right	9.1	0.08	25	A	17.3	0.53	100	C
University & Future East Road								
EB Left	15.7	0.12	25	C	28.5	0.50	75	D
EB Right	9.4	0.01	0	A	10.1	0.06	25	B
WB Left/Right	11.1	0.01	0	B	10.7	0.04	25	B
NB Left	8.3	0.00	0	A	8.9	0.02	25	A
SB Left	8.1	0.02	25	A	8.0	0.01	25	A
Cesar Chavez & Langham/West Road								
EB Left	11.5	0.46	75	B	16.9	0.33	50	C
WB Left	13.0	0.01	25	B	12.4	0.01	25	B
NB Left	1,320	2.87	175	F	Err	5.37	Err	F
NB Through/Right	25.8	0.09	25	D	17.2	0.12	25	C
SB Left	68.4	0.02	25	F	53.7	0.09	25	F
SB Through/Right	9.9	0.11	25	A	17.7	0.46	75	C
* - HCM queue rounded to next 25-foot increment Err – demand exceeds capacity and delay, queue and v/c cannot be calculated								

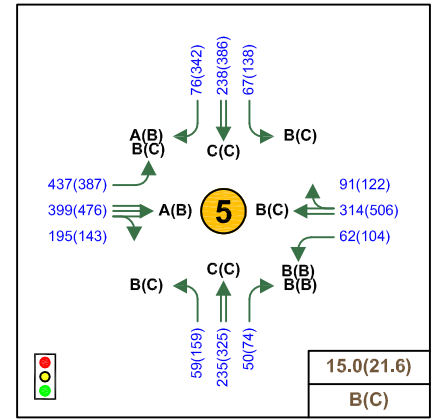
The unsignalized intersection results show that the minor street left turn from Mulberry onto westbound Gibson will continue to perform at a poor level of service with high delay. This movement does have direct access to the traffic signal at University Boulevard, albeit through neighborhood streets. The analysis also shows that the performance of this movement will improve with signalization of the West Road Entrance to the site.

LEGEND

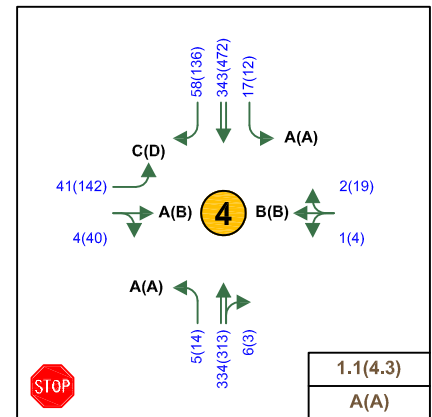
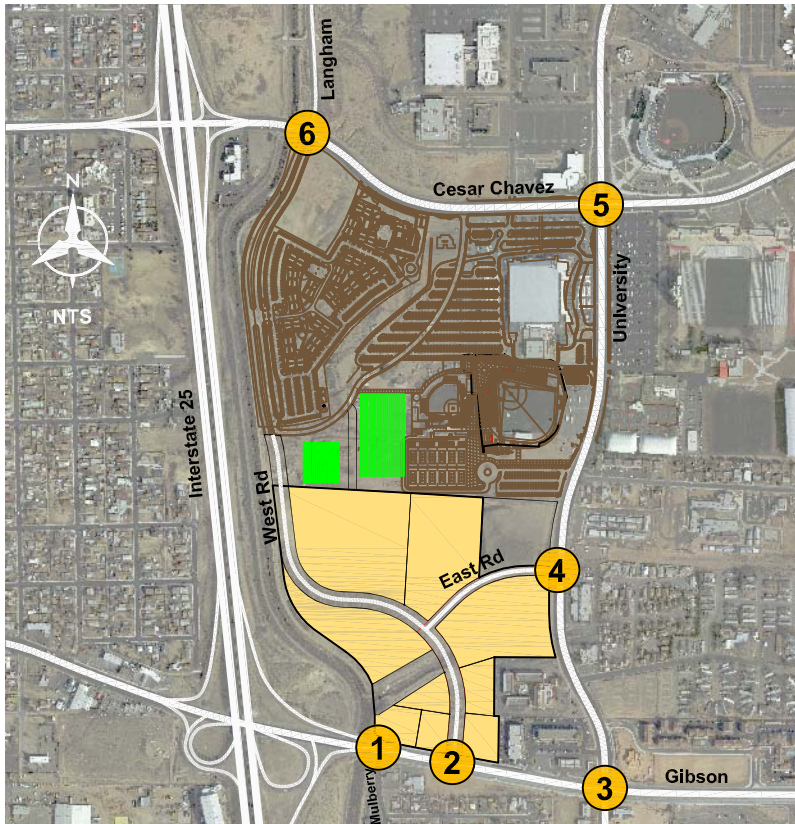
-  Thru Lanes
(# as indicated)
-  Turning Lanes
(# as indicated)
- 1234(1234) AM(PM) Traffic Counts
- X(X) AM(PM) Level of Service (LOS)



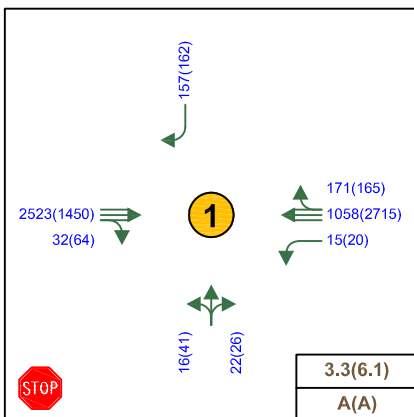
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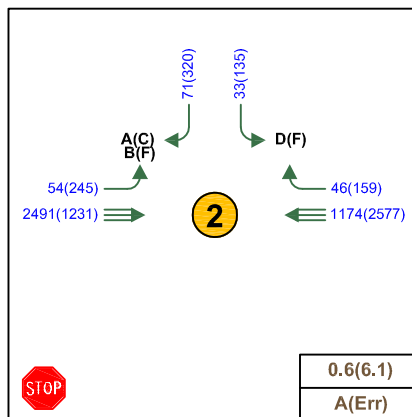
Cesar Chavez/University



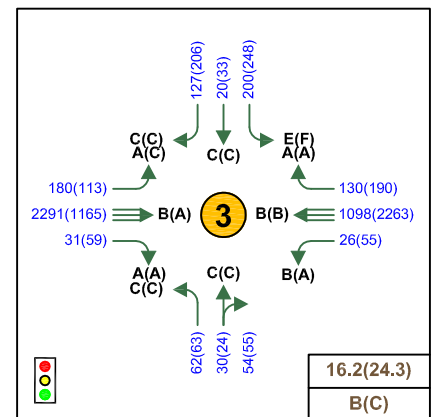
East Road/University



Gibson/Mulberry



Gibson/Entrance



Gibson/University

The University and East Road/City of Albuquerque Housing Services intersection is expected to operate at acceptable levels of service in the build scenario.

C. I-25 GIBSON ON-RAMP EVALUATION

Table 9 shows the results from the 2010 HCM ramp analysis procedures for the Gibson on-ramp to northbound I-25. As actual counts are not available for the I-25 mainline, the 2010 MRCOG Traffic Flow Map was used to estimate interstate traffic volumes. For both AM and PM peak hours a K value of 0.10 was used (10% of the daily traffic is assumed to occur in the peak hour). For the AM Peak Hour a D of 0.55 for northbound traffic was used, with a D value of 0.45 for the PM Peak Hour. The analysis indicates that the existing ramp operates at LOS D, with LOS E anticipated in the 2015 no build peak hours. The HCM analysis summaries are included in Appendix H.

Table 9 – Gibson I-25 NB On-Ramp Analysis Summary		
Scenario	AM Peak Hour	PM Peak Hour
2011 Existing Conditions – Ramp analysis	D / 34.2 / 54.4	D / 34.9 / 53.9
2015 No Build – Ramp analysis	E / 36.1 / 53.0	E / 36.7 / 52.3
2015 Build (existing acceleration lane length of 670 feet) – Ramp analysis	F / 37.5 / 51.6	F / 40.4 / 47.2
2015 Build (1,500-foot acceleration lane)** - Ramp analysis	F / 33.4 / 51.8	F / 36.1 / 46.9
2015 Build Weave Analysis – NB Gibson On-Ramp to NB Cesar Chavez Off-Ramp	E / 35.5 / 49.4	E / 38.9 / 45.0
* - Legend: LOS / ramp vehicle density (passenger cars per mile per lane / average speed in segment (MPH))		
** - 2010 HCM procedures limit acceleration lane length to 1,500 feet for merge segments		

For the 2015 Build scenario, the ramp operation (merge) deteriorates to LOS F. The 2010 HCM ramp procedures limit the acceleration (or deceleration) lane length to 1,500 feet. Lengthening the acceleration lane from its present length of 670 feet, to the maximum analysis length of 1,500 feet, still results in LOS F. It should be noted that this 670 feet of existing acceleration lane length includes approximately 360 feet of acceleration lane that is tangent to, but not adjacent to the freeway mainline. As there is approximately 1,900 feet (including the 360 feet of adjacent acceleration lane) between the Gibson and Cesar Chavez ramps, any improvements would result in the construction of an auxiliary lane between the two ramps. This would then become a weaving segment. Data was not collected for this

report at the Cesar Chavez off-ramp; however data was collected at this intersection in 2009 for the UNM Off-Campus Student Housing Access Study.

Using those traffic counts, the 2010 HCM weave segment analysis was completed for the 2015 Build scenario. The results are LOS E and are shown in the table above. As this project is anticipated to develop over a period of years, there is opportunity to work with the NMDOT to determine the best approach to improve this segment, however typically interstate improvements are the purview of the NMDOT and FHWA.

D. QUEUES OF INTEREST

Several vehicle queues are of interest in this study, particularly at the West Road Entrance on Gibson and the West Road/Langham intersection on Cesar Chavez.

The queues of interest are shown in Table 10. All queues reflect the HCM 95th percentile signalized queue as computed by Synchro, rounded up the the next 25-foot increment (to reflect vehicle lengths).

Gibson and Mulberry Street Westbound-to-Southbound Left

The expected westbound-to-southbound left turn queue into Mulberry is limited to a single vehicle, 25 feet. Due to the low left turn volume at this intersection, the DPM allows a 50 foot westbound left turn lane onto Mulberry.

Gibson and West Road Entrance Eastbound-to-Northbound Left

The 95th percentile eastbound left turn queue into the West Road Entrance on Gibson is approximately 250 feet when a traffic signal is present. The average queue is reported to be 150 feet. To provide the 250 feet of required storage length for the eastbound left turn into West Road will require re-design of the existing westbound-to-southbound left turn lane onto Mulberry.

However to provide the 50-foot westbound left turn lane into Mulberry does not allow for the full 250 feet to be provided for the eastbound left turn lane. This raises concerns regarding queue spillover from the left turn bay into eastbound through traffic lanes. Further review of the table shows that the 250-foot queue is in the PM Peak Hour, when eastbound through traffic on Gibson is lower than the AM Peak Hour. In the AM Peak Hour the expected queue is just 25 feet and will fit into the available 200-foot turn bay without affecting the heavy eastbound traffic. In the PM Peak Hour there will be short periods of time when the eastbound left turn queue may spillover into the eastbound through lane, blocking one of the three eastbound through lanes. Analysis of the PM Peak Hour with just two eastbound through lanes shows that the eastbound through movement will still operate at LOS A. In addition the analysis shows that the eastbound through queue is 100 feet for three lanes of

eastbound traffic, and 160 feet for two lanes. Therefore, the eastbound queue should not block the entering or exiting traffic from Mulberry Street.

Gibson and West Road Entrance Southbound Left and Right

The southbound turn queues for traffic leaving the site at the Gibson Entrance is also a concern for providing access to parcels on the south end of the site. Without a traffic signal, demand for the southbound-to-eastbound left turn exceeds capacity and a queue length cannot be calculated. With a traffic signal the southbound left queue is 225 feet after two cycles. The HCM does not provide a procedure to estimate vehicle queue beyond 2 cycles. The first proposed median break north of Gibson to serve these parcels should be no closer than 250 feet so as not to be blocked by traffic queued to turn onto Gibson.

Cesar Chavez and West Road/Northbound I-25 Ramp

The queue interaction on Cesar Chavez and the I-25 Northbound Ramp also requires discussion. Although not included in previous analysis results, the traffic counts from the UNM Housing Access Analysis at the I-25 Northbound Ramp were evaluated to determine the queue lengths between these two intersections. The concern is whether the eastbound queue from West Road/Langham will back up into the ramp intersection.

The analysis shows that in the AM Peak Hour both the eastbound left turn and eastbound through queue at West Road will be 200 feet. This 200-foot eastbound through queue will also be present in the PM Peak Hour. As there is approximately 500 feet between the northbound-to-eastbound I-25 Ramp off-ramp and the West Road/Langham intersection, there is not expected to be a back-up of traffic from West Road/Langham that will block or extend to the ramp intersection. However, northbound-to-eastbound off-ramp traffic will likely encounter congestion, and possible stopped vehicles, shortly after entering the Cesar Chavez traffic stream.

Table 10 – Queues of Interest		
Intersection/Movement	AM Peak	PM Peak
Gibson & Proposed Entrance/West Road – No signal		
EB Left	25	275
EB Through	does not stop	does not stop
SB Right	25	100
SB Left	25	Err
Gibson & Proposed Entrance/West Road– With signal		
EB Left	25	250
EB Through	300	100
WB Through	50	150
SB Right	50	#225
SB Left	75	175
Gibson & University		
EB Left (1 SB Left)	75	#75
EB Left (2 SB Lefts)	100	100
EB Through (1 SB Left)	#450	150
EB Through (2 SB Lefts)	250	250
SB Left (1 Left)	#200	#225
SB Left (2 Lefts)	125	#175
Cesar Chavez & Langham/West Road - No signal		
EB Left	75	50
EB Through	n/a	n/a
Cesar Chavez & Langham/West Road – With signal		
EB Left	200	75
EB Through	200	200
Cesar Chavez & I-25 NB Ramp – With Signal at West/Langham		
WB Through	200	175
Err – volume exceeds capacity and queue cannot be calculated # 95th percentile volume exceeds capacity, queue may be longer. Queue shown is max after two cycles. M Volume for 95 th percentile queue is metered by upstream signal Queue lengths rounded to next 25-foot increment		

VI. CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS

All of the existing intersections operate at acceptable levels of service in the AM and PM Peak Hours for existing conditions and anticipated 2015 No Build conditions, except for the northbound-to-westbound left turn movement at the Gibson and Mulberry intersection. That intersection cannot be signalized due to its close proximity to the I-25 NB Off-ramp (less than 250 feet).

The Gibson/ Avenida Cesar Chavez/ University Boulevard corridor is expected to have substantial development in the coming years. This project, and future commercial development of other parcels owned by UNM Real Estate Department (Lobo Development), will increase traffic in the area. The density of development anticipated will require the construction of infrastructure and reconsideration and re-evaluation of traffic operations in the area.

With the completion of the project, all signalized intersections will operate at acceptable conditions. The intersection of Gibson and University will operate at an overall acceptable level of service; although the southbound left turn will operate at LOS F. A second southbound left turn lane allows this movement to operate at an acceptable level of service. This lane is available, however currently is striped out with chevrons.

The University and East Road intersection will operate at an acceptable level of service as an unsignalized intersection with the addition of the build traffic.

The West Road Entrance on Gibson to the site will have minor street left turn and entering left turn movements operating at LOS F in an unsignalized condition in the PM Peak Hour. A traffic signal is warranted in the PM Peak Hour for both volume and delay, based on the calculated delay determined in this analysis. The westbound left turn queue onto Mulberry was found to be 25 feet, and the eastbound left turn into the site at the West Road Entrance is 250 feet. Analysis has shown that PM peak hour eastbound through traffic on Gibson will operate at LOS A in the remaining two through lanes in the event that there is queue spillover from the eastbound left through lane that blocks one of the three eastbound through lanes. The AM eastbound left turn volume is low and will not exceed the available turn bay length.

The southbound left turn at West Road and Gibson has a 175-foot queue in the PM Peak. The first median cut to access the parcels on the west should be no closer than 250-feet from Gibson, which satisfies DPM driveway location requirements. In addition, a short

50-75-foot northbound left turn lane should be cut into the median to remove left turning traffic from West Road through traffic.

The West Road/Langham entrance of Avenida Cesar Chavez will also have minor street left turn movements that operate at LOS F in the AM and PM Peak Hours. This intersection satisfies the Peak Hour Volume Warrant in the PM Peak Hour and the Peak Hour Delay Warrant in both the AM and PM peak hours. Analysis of the 95th percentile queues indicates that the eastbound through and left queue at West Road/Langham will not back up into the I-25 Northbound Off-Ramp intersection. Although traffic from the site has the opportunity to use the Gibson West Road intersection as an exit, this intersection will have high delays for the minor street left turn movements onto Cesar Chavez as an unsignalized intersection. Future, anticipated additional development in the area will require the eventual construction of a traffic signal in order to allow the highest and best use of the surrounding land.

Evaluation of the operation of the Gibson westbound-to-northbound I-25 on-ramp shows that the ramp is operating at LOS D with existing volumes, LOS E for 2015 no-build volumes, and LOS F for 2015 Build volumes. Extending the ramp length to the maximum analysis level of 1,500 feet still results in LOS F. Constructing a single northbound auxiliary lane between the Gibson on-ramp and Avenida Cesar Chavez off-ramp will result in LOS D for the weave segment, although typically interstate improvements are the purview of the NMDOT and FHWA.

B. RECOMMENDATIONS

The recommendations are listed below. They are also shown in Figure 12.

Locate the West Road Entrance on Gibson approximately midway between Mulberry and University as allowed by the MRCOG MTB Resolution R-03-31. Signalize the intersection and coordinate traffic signal operation with the Gibson and University traffic signal.

Provide a 50-foot westbound left turn lane into Mulberry to maintain full access to this intersection, consistent with MRCOG MTB Resolution R-03-31.

Provide the most eastbound left turn lane storage length as possible into the West Road entrance to the site. The 95th percentile queue is expected to be 250 feet, however to maintain westbound left-in access at Mulberry requires a shorter eastbound left turn lane. Initial evaluations indicate that the maximum eastbound left turn lane that can be accommodated is 200 feet, while still providing 50 feet for the westbound left into Mulberry.

The first median break on West Road north of Gibson should be no closer than 250 feet so as not to be blocked by southbound traffic queued to turn onto Gibson. In addition, a short 50-75-foot northbound left turn lane should be cut into the median to remove left turning traffic from West Road through traffic.

Right-in/right-out driveways on the approach and departure leg of West Road at Gibson should follow DPM driveway location criteria and should be a minimum of 150-feet north of Gibson. Fire Station requirements may require a waiver of this criteria. The driveway for the Fire Station site should be signed so that queued vehicles do not block the driveway prohibiting emergency egress. In addition, a median break should be provided to allow the fire station to have emergency left-out access to northbound West Road.

Construct a 150-foot westbound right turn lane at both the West Road Entrance and Right-In/Right-Out Entrance on Gibson, and a 150-foot southbound right turn lane at the East Road entrance on University. If the 150 feet cannot be achieved at the West Road Entrance on Gibson due to existing development, provide the longest practicable right turn lane. The bridge over the AMAFCA Channel prevents an eastbound right turn lane to be constructed at the West Road/Langham intersection with Cesar Chavez.

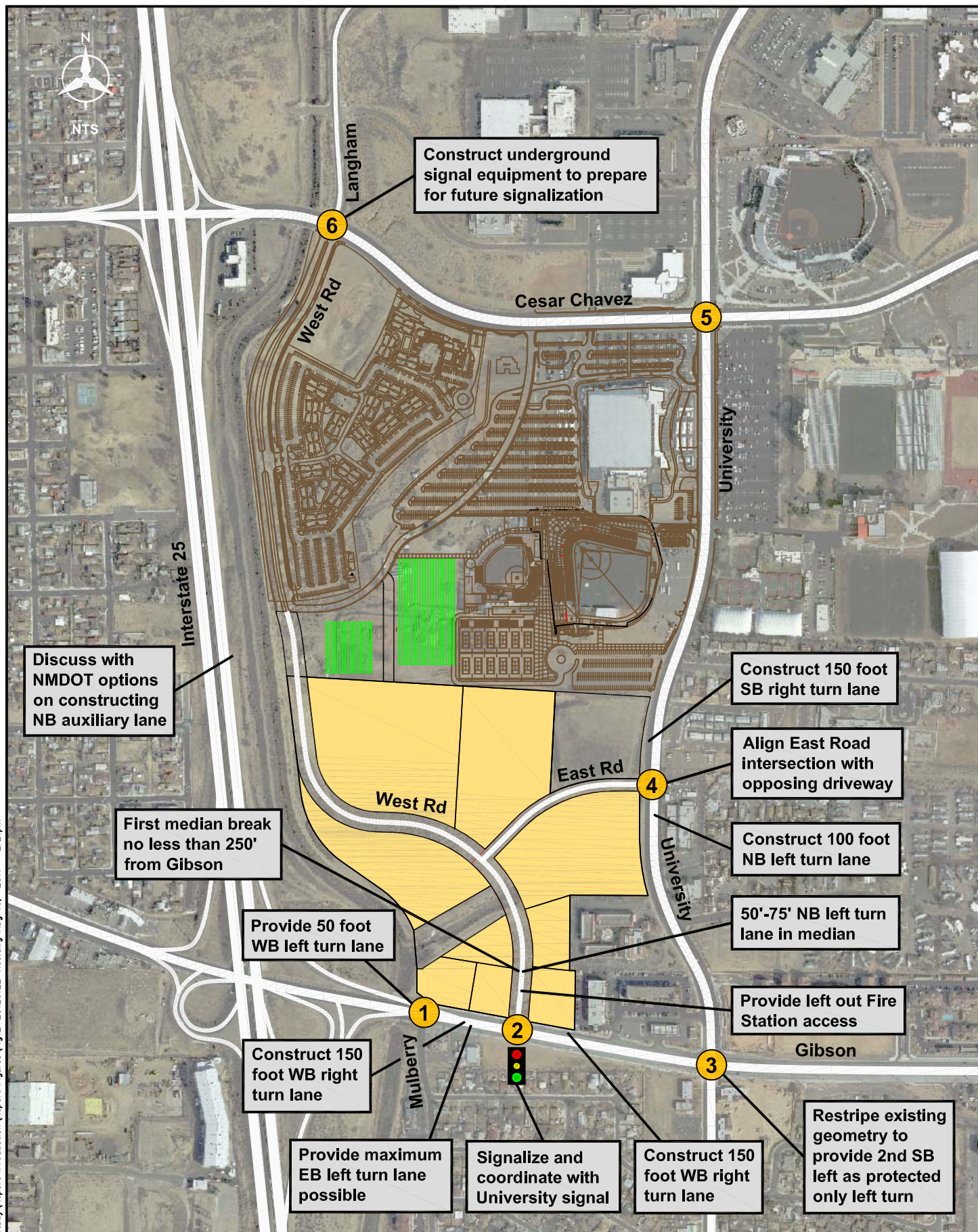
Construct a 100-foot northbound left turn lane at the East Road entrance on University per DPM guidelines.

Align the East Road intersection with the driveway to the City of Albuquerque Housing Services driveway.

Make necessary striping modifications to provide a second southbound left turn lane at Gibson and University. Modify traffic signal heads and timing plan as required to operate as a protected-only left turn movement.

The underground conduit and structures for a traffic signal at the West Road/Langham intersection with Avenida Cesar Chavez should be constructed to plan for the eventual signalization of this intersection. This traffic signal should be coordinated with the traffic signals at the I-25 Northbound Ramp and University Boulevard to ensure that queues do not back up into the I-25 ramp intersection.

UNM should begin discussions with the NMDOT to determine the appropriate course of action on improvements to northbound I-25 between Gibson and Avenida Cesar Chavez, however typically interstate improvements are the purview of the NMDOT and FHWA.



Retail Opportunities Study:
University of New Mexico South Campus,
Interstate 25 & Gibson Blvd, Albuquerque, NM

October, 2011

Prepared for
Lobo Development Corporation

Prepared by
Retail GeoScore LLC
(formerly Oster Research Group)
2604 NE 96th Avenue
Ankeny, IA 50021
515-965-5405

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EXECUTIVE SUMMARY

Findings: Market Support

This study deals with two development sites, 14 & 45 acres in size, on the city's south side between I-25 & the UNM campus. The sites each have an I-25 interchange. Daily traffic on I-25 totals 111,000, the city's second highest. Strong metro market support will result.

Localized market support will come from the adjoining 44,000 college population: University of New Mexico & nearby community college. The city's largest hospitals also are in this vicinity. Within 5 miles, we find 8 of 10 of the city's largest employment centers.

Also within 5 miles, there is a residential population of 200,000. By itself, this population (considering its demographic profile) will support major retail development. Many examples are provided in this study. Typical tenants: JCPenney, Dick's, Kohl's, Old Navy, etc.

Findings: Retail Competition

East-west I-40 divides the metro area into "haves" and "have nots" with respect to existing retail facilities. The north side has all of the metro's fashion retail: Coronado & Cottonwood Malls & the new ABQ Uptown lifestyle center. The north also has 5.69 million sq. ft. of big-box/value retail. As the north's population is 492,500, this comes to 11.6 sq. ft. of this type of big-box/value retail per resident.

In sharp contrast, the south side, lacking any fashion retail, has just 1.89 million sq. ft. of big-box/value retailing. The south side population totals 360,900. Thus, south side residents have only 5.2 sq. ft. of big-box/value retail per capita -- less than half as much.

But even this understates the disparity. Wal-Mart accounts for ½ of the south side's supply. Another ¼ is far (6 miles) away. The result is that a virtual "retail desert" exists in the UNM vicinity.

Conclusions: Development Feasibility

A key factor in this regard is the arrival of ABQ Uptown. It has had a major area-wide impact, as illustrated by its UNM campus shuttle service. ABQ Uptown brings the metro's fashion retail to 4.0 sq. ft. per capita, high for southwestern metros. This, not the UNM vicinity demographics (roughly the same as ABQ Uptown's), precludes high-fashion retail development at the UNM sites.

Major opportunities for UNM retail development lie in the big-box/value sector. This is because: (1) the existing big-box supply is so low in relation to the south side's strong buying power, (2) plus the location advantages that the UNM sites enjoy, (3) and the recently expressed interest by leading big-box retailers. As a result, all considered, a UNM value retail strategy is economically feasible.

Suggestions: Development Priorities

The first step is anchor store recruitment. In this regard, a window of opportunity is open. Desirable anchors, leading U.S. sporting goods big-box retailers, are seeking locations in Albuquerque. Dicks will open on the West Mesa and needs another location. Cabela's and Bass Pro are both considering single-store market entries. One of these three should be recruited for the UNM development.

In addition, a leading soft goods anchor should be recruited. The first choice is an "off-mall" JCPenney (none in Albuquerque today). Second choice is Kohl's (today with 3 stores but none on south side).

With anchors of this caliber, moderate fashion shops will follow: Buckle, DSW, Levi's, Maurice's, Old Navy, Rue 21, etc. Other desirable follow-on categories include: sit-down restaurant, office supply, convenience grocery, cinema, miscellaneous services, etc.

PART 1 - UNM RETAIL SITES & SURROUNDING MARKET SUPPORT

Subject Site Locations

Exhibit 1.1 shows the subject sites. In the foreground, “Site 1” consists of about 45 acres. It is located in the northeast quadrant of Interstate Highway 25 and Gibson Boulevard. In the background, “Site 2,” 14-acres in size, is located in the northeast quadrant of Interstate 25 and Avenida Cesar Chavez.

This area is dominated by the 600-acre campus of the University of New Mexico. This highly-ranked public institution serves 28,688 students. Additionally, the nearby main campus of Central New Mexico Community College serves 16,000+ students.

The subject sites adjoin the South Campus, where the UNM athletic facilities (plus a pro baseball stadium) are located. Hundreds of thousands of enthusiastic “Lobos” fans are drawn from throughout the state. For example, attendance for both the men’s and women’s hoops games at the UNM Arena, local known as “The Pit,” ranks 13th among all universities nationally.

Albuquerque Employment Epicenter

Exhibit 1.4 identifies Albuquerque’s leading employment centers. Within about two miles, we find the two large colleges (UNM & CNMCC) and two major hospitals (UNM & Presbyterian). All rank among the city’s top-10.

A bit further, in and around the CBD, we find other large employment centers. In the opposite direction, in and near the airport, we find Kirtland AFB and Sandia National Labs.

Traffic Volumes Generated

As shown in Exhibit 1.5, traffic volume on I-25 near the subject sites averages 111,598 per day. This is midway between current traffic volumes on I-40 near Coronado/ABQ Uptown (153,386) and on Coors Blvd near Cottonwood Mall (73,920).

Trade Areas & Retail Opportunities

Shopping centers generally serve trade areas that are irregularly shaped. They extend further in some directions than others. However, by standardizing the radius distance, comparisons among trade areas are facilitated. We can then look at specific shopping centers and stores that are being supported by populations with demographic profiles similar to those of the UNM sites. This provides a “first approximation” of what possibly could be achieved at the UNM sites.

Exhibit 1.6 provides current demographic data for the residential populations within indicated radius distances of the subject sites. At a distance of 5 miles, the total population is just over 200,000. The average household income is \$49,061. The 5-mile zone has 7,182 households with incomes of \$100,000+ annually.

Exhibit 1.7 identifies 25 shopping centers with 5-mile population and incomes that, taken together, are most similar. It can be seen that some very large shopping centers are being supported in trade areas that are similar demographically. Tenant rosters include major retailers such as JCPenney, Dick’s, Kohl’s, Target, Wal-Mart, Sports Authority, Ross, Marshall’s, Old Navy, etc.

PART 2 - OPPORTUNITIES FOR FASHION-ORIENTED ESTINATION RETAIL?

Definitions

The terms “destination retail” and “major retail” are often applied interchangeably. Both terms refer to shopping centers and stores that draw customers from relatively large geographic areas. This type of retail achieves the highest sales levels and commands the highest rental rates. Because revenue generation is a key objective, this study focuses exclusively on destination retail uses.

There are two types of destination retail. One is fashion-oriented and consists principally of “regional centers” (too large for the UNM sites) and “lifestyle centers” (they vary in size but physically could be accommodated). The other destination retail is value-oriented and features “big-box” retailers (from 10,000 to 200,000 sq. ft. in size) in so-called “power center” locations.

Existing Fashion Retail

Exhibit 2.1 shows Albuquerque’s fashion retail today. Three shopping centers are clustered on the east side about 5 miles from the UNM sites: ABQ Uptown (a new and surprisingly strong lifestyle center, as profiled in Exhibit 2.2); Coronado Mall (a large and healthy regional center, as profiled in Exhibit 2.3); and Winrock Center, another large region center that is much less healthy.

About 9 miles from the UNM sites, on the West Mesa, there is Cottonwood Mall. It is a regional center, similar to Coronado in size and quality, as profiled in Exhibit 2.4.

Drivers of New Development

Regional centers are products of a retail era when mid-range fashion department stores (Macy’s, Dillard’s, etc.) were of central importance for new development. Today high-fashion department stores (Nordstrom, Bloomingdale’s, etc.) continue to play this role. But they are more selective in market and site selection.

Most of today’s fashion retail development, such as ABQ Uptown, is of the lifestyle variety. Department stores play either minor or no roles in determining where and when lifestyle centers are developed. Rather, the shops have become the catalysts. They do well in both lifestyle centers and regional centers.

Prospects for More Fashion Retail

Is it likely that, following the recent opening of ABQ Uptown, another lifestyle center can be developed in the near-future? Albuquerque currently has 4.0 sq. ft. of combined regional and lifestyle center space (GLA). Among the major metros in the southwest region, as shown in Exhibit 2.5, Albuquerque is at the high end of the spectrum. Consequently, another lifestyle development appears to be unlikely in the near future.

What about individual fashion shops? Among those listed in Exhibit 2.6, Albuquerque has 37. On a ratio basis, this comes to 12 shops per affluent (\$125,000+) households. Compared with the other major metros, this figure is above average, again suggesting little pressure for large-scale additions. Smaller and lower-fashion additions are not precluded, as discussed in Part 5.

PART 3 - OPPORTUNITIES FOR BIG-BOX/VALUE DESTINATION RETAIL?

Big-Box/Value Retail in Albuquerque

Let's begin with a specific example. Exhibit 3.1 shows Plaza Paseo del Norte, a 35-acre 375,000 sq. ft. power center located on the West Mesa near Cottonwood Mall. The owner is Kimco, one of the largest retail REITs. The big-box anchors are Target (119,000 sq. ft.), Hobby Lobby (31,200 sq. ft.), Ross (28,300 sq. ft.), Movies West (27,900 sq. ft.) and Hancock Fabrics (12,000 sq. ft.).

Big-Box/value is the fastest growing sector of destination retail. In Albuquerque, there is 7.6 million sq. ft. of big-box/value retail, compared with 3.4 million sq. ft. of fashion retail. This ratio (2.25 times) is illustrated by Exhibit 3.2. It shows Cottonwood Mall and a large cluster of big-boxes and power centers in the foreground.

Disparity: South vs. North Albuquerque

Big-box/value retail caters to the entire socio-economic spectrum of the nation's population. For this reason, the geographic distribution of big-box stores in most markets tends to mirror the distribution of the population.

In Albuquerque, however, there is a disparity between the two distributions. This is evident from Exhibit 3.3, a map showing big-boxes south of I-40 (red dots) and north of the freeway (black dots). Exhibit 3.4 provides summary statistics: south of I-40, 1.89 million sq. ft. or 5.2 sq. ft. per capita; north of I-40, 5.69 million sq. ft., or 11.6 sq. ft. per capita.

The UNM sites, located on Albuquerque's south side, can benefit from the apparent pent-up demand for big-box retail.

Big-Boxes Not in Albuquerque Yet

Some of the nation's major big-box chains have not found their way to Albuquerque yet. Exhibit 3.4 shows two of them, Bass Pro and Cabela's. New Mexico is one of few states currently without either one or both of these retailers. They deserve to be considered candidates for the UNM sites.

Another sporting goods retailer, Dick's, has recently announced plans to open its first store in New Mexico. It will be located in one of the power centers near Cottonwood Mall. Unlike Bass Pro or Cabela's, Dick's generally follows up with at least one more store in a market of this size. Dick's also should be considered.

Following are some others candidates and their nearest current locations: Sport Chalet (Phoenix), Gordman's (Colorado Springs), DSW Shoe (El Paso), Academy (El Paso), and Steinmart (El Paso).

Big-Boxes Already in Albuquerque

Now consider the other extreme. The big-box retailer with the most stores in Albuquerque is Wal-Mart. Exhibit 3.6 shows a dozen discount-only or supercenter Wal-Mart stores in the metro market. Two Wal-Mart Neighborhood Food Markets also are in Albuquerque. Five of the Wal-Mart general merchandise stores and one of the food stores are located south of I-40.

In contrast, 25 of Albuquerque's current big-box retailers operate stores only on north side of I-40. They should be considered for the UNM sites. Exhibits 3.7 and 3.8 show shopping center or district co-tenancy/clustering rates for many of these retailers.

PART 4 - MAJOR U.S. COLLEGES WITH NEARBY DESTINATION RETAIL

Destination Retail & College Campuses

What could they possibly have in common? They would seem to be different entities, with no apparent synergies binding them together. Are they not entirely different kinds of attractions catering to different subsets of the population?

But consider this: Wal-Mart, the nation's largest and most innovative retailer, in January of this year launched a new store concept. It is called "Wal-Mart on Campus." The first store, intended to test the concept, is located on the campus of the University of Arkansas in Fayetteville, 10 miles from Wal-Mart headquarters in Bentonville. Initial reports indicate the test store is exceeding expectations.

On further consideration, the confluence of destination retail and college campuses may not be so far fetched. College students are consumers. Because they are young and self-expressive, most students are fashion-oriented. Because their budgets are tight, most students are classic value shoppers as well.

Survey of Major College Campuses

Because the subject sites adjoin the UNM campus, one of the objectives of this study was to identify large U.S. college campuses that already have major retail facilities nearby. Our survey spanned the nation's 300 largest college campuses based on enrollment. The surveyed campus locations are shown in Exhibit 4.1.

Supreme Example: Multiple Shopping Centers

Let's begin with the supreme example, the single college campus with the most destination retail in its vicinity. This is San Joaquin Delta College in Stockton, CA, with a 20,223 student enrollment.

As shown in Exhibit 4.3, this attractive junior college campus is bounded on three sides by major retail facilities. They include two large regional centers (Weberstown Mall and Sherwood Mall), two good-sized power centers (Robinhood and College Square), plus a lifestyle center (Stonecreek Village) opened in 2008. In total, about 2.6 million sq. ft. of retail GLA are nearby.

Others: Regional, Lifestyle, Power, & Mixed-Use Centers

Several examples of regional shopping centers near major college campuses were identified. Exhibit 4.4 shows that San Francisco State University, with a student enrollment of 30,469, directly adjoins Stonestown Galleria, a major Bay Area regional center.

Exhibit 4.5 shows the University of Washington. The Seattle campus has 45,943 students. Next to it is University Village, one of the largest and strongest lifestyle centers in the U.S.

Exhibit 4.6 shows Ohio State University, enrollment 55,014, in Columbus. Lennox Town Center, a power center, is nearby.

Exhibit 4.7 shows the Philadelphia campus of the University of Pennsylvania and Sansom Common, a small mixed-use center.

PART 5 - UNM SOUTH CAMPUS RETAIL OPTIMIZATION STRATEGY

Plans & “Realities”

Plans are absolutely necessary. Before any significant course of action is embarked upon, whether in the public or private sector, it is vital that plans be prepared and subjected to review by appropriate parties. That’s the only way that criticisms can be flushed out, necessary corrections can be made and consensus for the endeavor can be secured.

In the field of retail development, the realities of the marketplace always come into play as well. Some things, although planned, may not be economically feasible. For example, some might like to see a high-end lifestyle center (like ABQ Uptown) developed on the subject 45-acre site. One of the objectives of this study is to bring out the reasons why this course of action is unrealistic.

Plans & “Priorities”

Let’s say a particular course of action is identified. All the appropriate parties “buy on” to it. The first implementation step may be to secure the participation of retailer ABC. That’s because it is anticipated that several other key retailers will then be motivated to join the development.

Then reality sets in: it turns out that ABC is not available, for one reason or another. This sort of thing happens again and again. Then the developer does not “scrap the plan.” Rather the developer “shifts priorities,” moves to retailer DEF, which in turn leads to participation by another set of key retailers.

Suggested Priority: Recruit Major Sporting Goods Retailer

Timing is critically important. Right now, the nation’s three major sporting goods big-box retailers are all looking at Albuquerque. One of them, Dick’s, has secured a location on the West Mesa. There’s no doubt that Dick’s will follow up with at least one more store in this market. Either of the subject sites would be ideal, both for Dick’s and for the UNM shopping center development. Our suggested priority #1: pursue this course of action.

Then, depending on what happens, pursue priority #2: Cabela’s or Bass Pro. As sporting goods retailers, they are even stronger than Dick’s. They would pull shoppers from throughout the state. The only difference is that Dick’s probably needs to move faster.

Suggested Priority: Recruit Major Soft Goods Retailer

Since the early part of the previous decade, the JCPenney Co. has been pursuing a dual market strategy: first, maintain a strong presence in the major malls of this country and, second, secure “off-mall” locations in the top lifestyle or power centers, those located an adequate distance from the mall stores. The off-mall stores range from 85,000 to 105,000 sq. ft. in size. So far, several hundred have opened across the country but not in Albuquerque. Our suggested priority #1: a JCP off-mall store for the UNM site.

Our suggested priority #2: seek participation by Kohl’s (3 stores in the market but none south). Then, backstop that with the following suggestions: TJ Maxx, Marshall’s, Ross, and Steinmart.

EXHIBIT 1.1 UNM RETAIL DEVELOPMENT SITES & NEARBY LAND USES



EXHIBIT 1.2 - TOP EDUCATION, TRANSPORTATION & EMPLOYMENT CENTERS

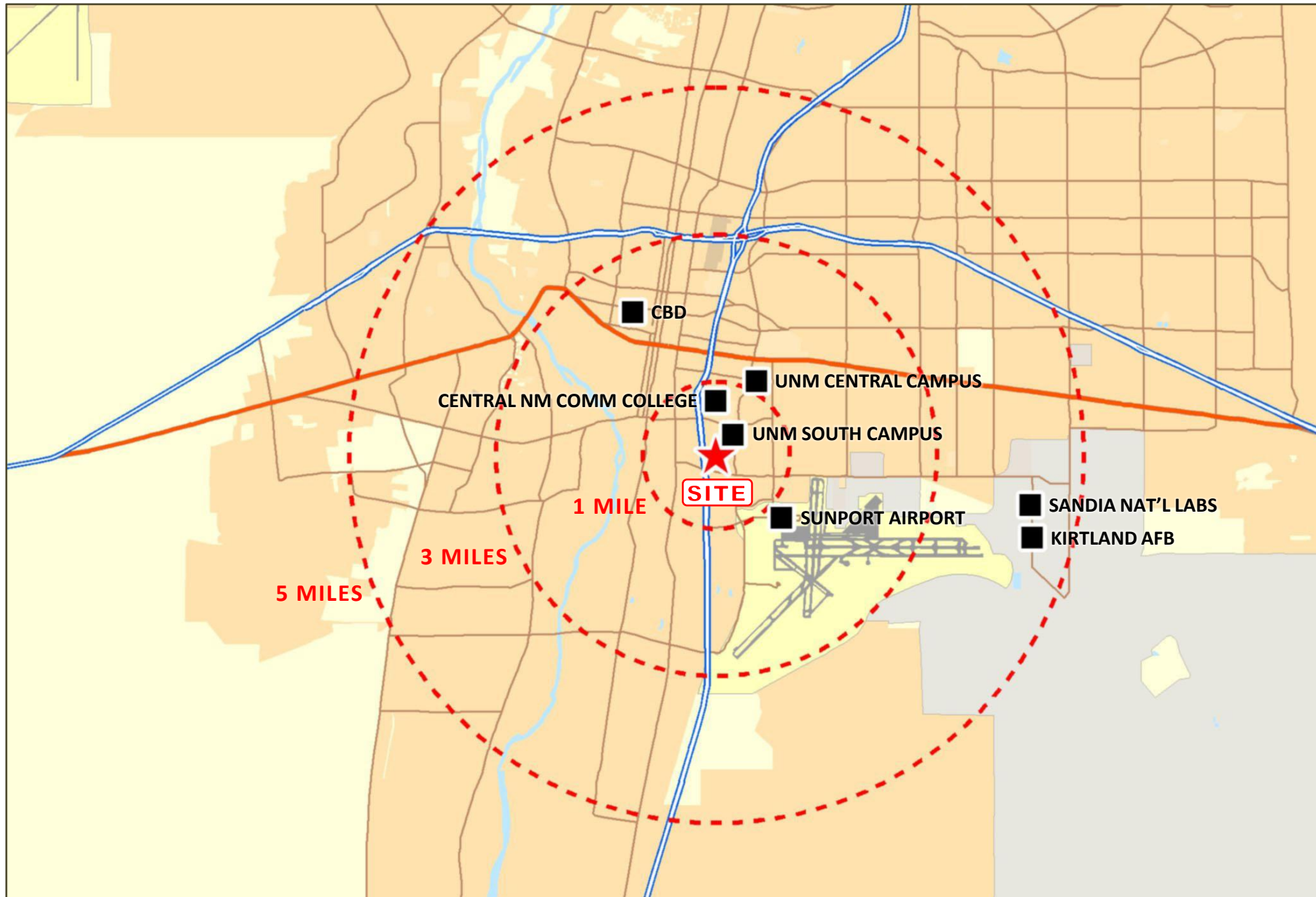
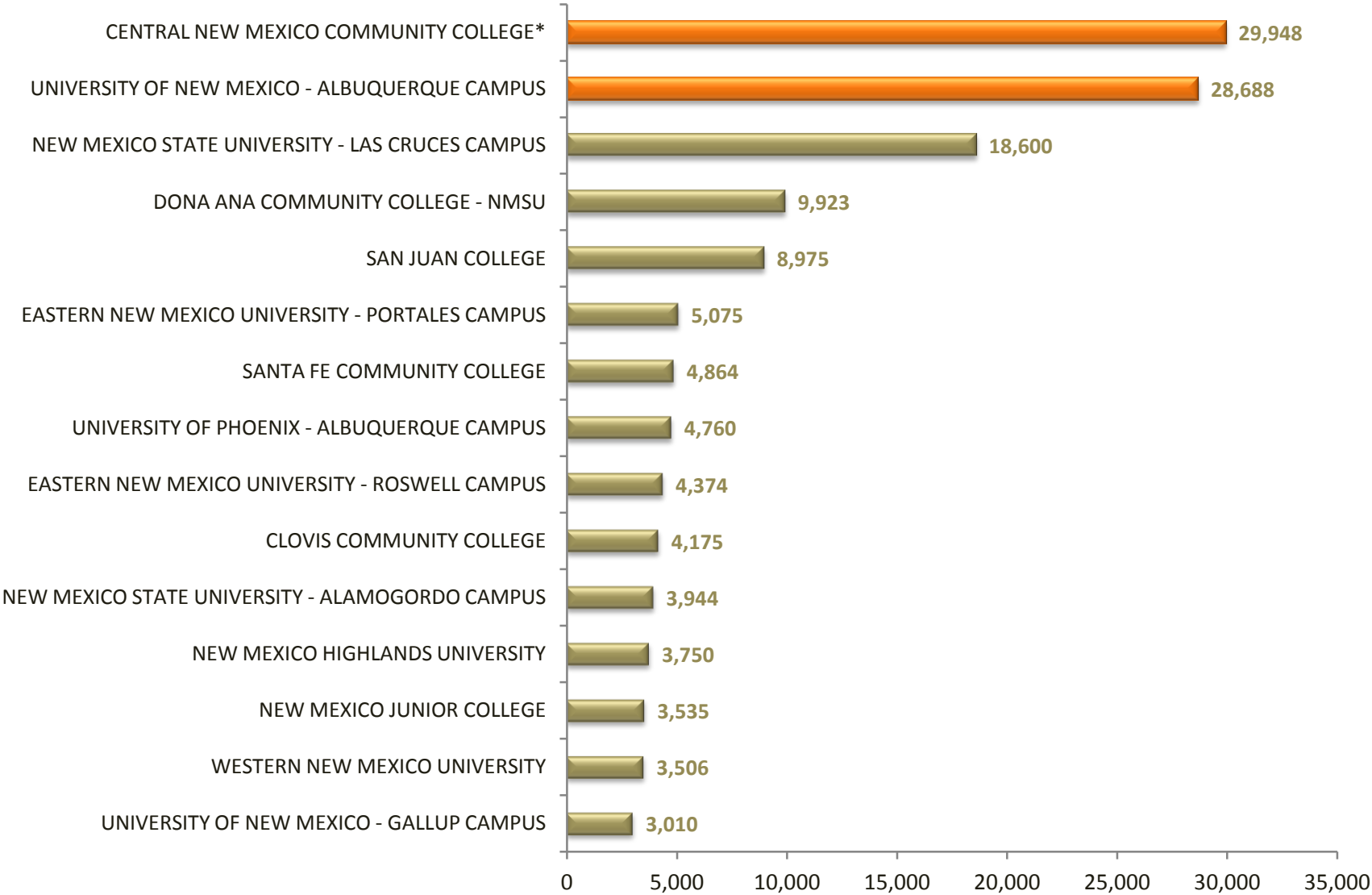


EXHIBIT 1.3 - WITHIN 1 MILE: 2 OF NEW MEXICO’S LARGEST STUDENT POPULATIONS

STUDENT ENROLLMENT



* Includes all Albuquerque metro campuses. CNM Main Campus: 16,000+

Source: National Center for Educational Statistics - NCES.ED.GOV

EXHIBIT 1.4 - FIVE MILES: EIGHT OF THE METRO'S TOP-TEN EMPLOYMENT CENTERS

Organization	Employees	Description
1. Kirtland Air Force Base (Civilian)*	16,200	Air Force Materiel Command
2. University of New Mexico	15,890	Educational Institution
3. Albuquerque Public Schools	14,000	Public School District
4. Sandia National Labs	7,940	National Security Science & Technology
5. Presbyterian	7,369	Hospital/Medical Services
6. UNM Hospital	5,950	Hospital/Medical Services
7. City of Albuquerque	5,940	Government
8. State of New Mexico	5,910	Government
9. Lovelace	3,700	Hospital/Medical Services
10. Intel Corporation	3,300	Semiconductor Manufacturer

*Kirtland's employment number includes civilian federal employees and contractors employed on and off base, including Sandia National Labs. Sandia National Labs employment is also shown separately.

Source: Albuquerque Economic Development (AED), Inc.

EXHIBIT 1.5 - DIRECTLY ADJOINING SITE: HIGH VEHICULAR TRAFFIC ON I-25

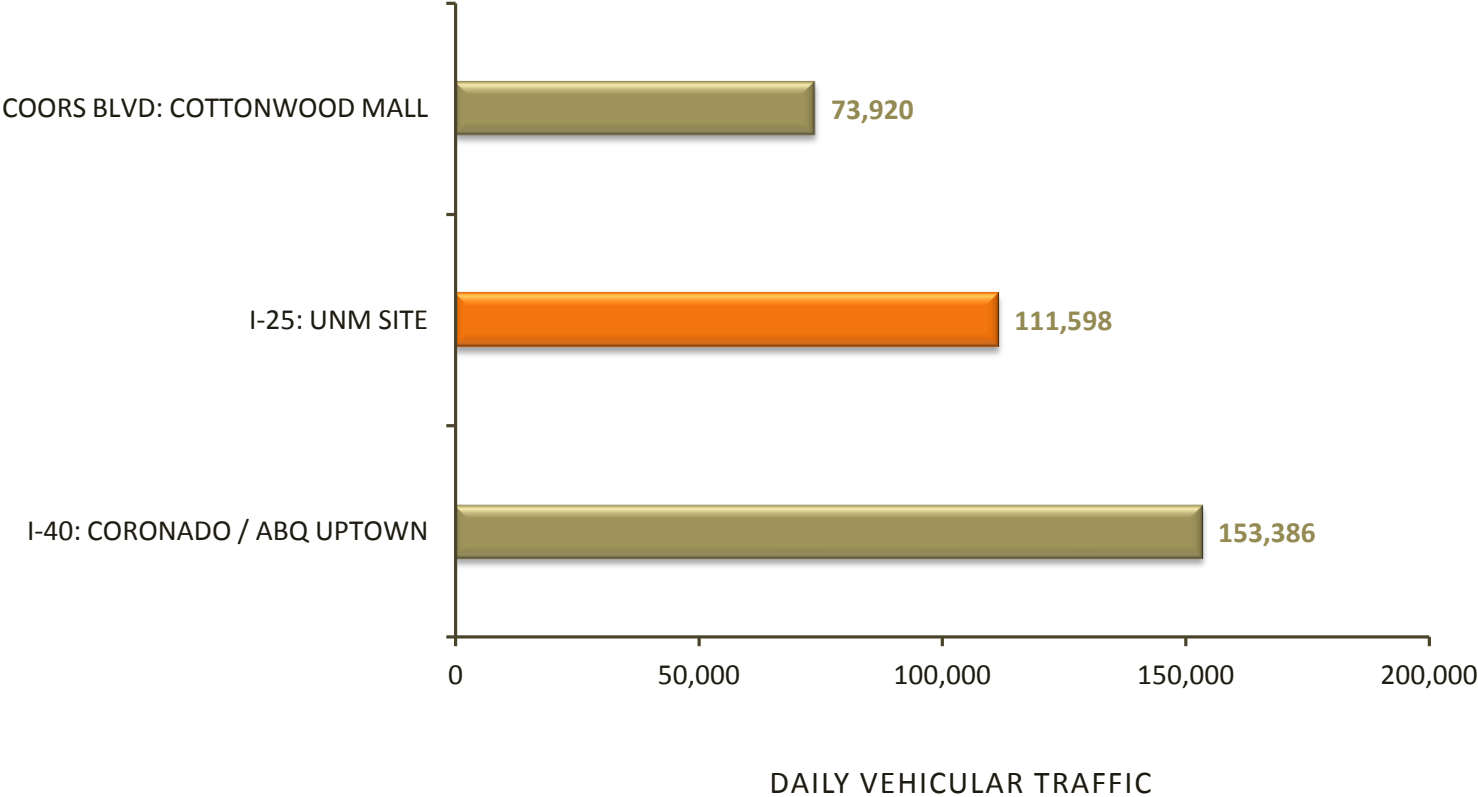


EXHIBIT 1.6 - SURROUNDING RESIDENTIAL DEMOGRAPHICS: 1, 3, & 5 MILES

Demographic	1 Mile	3 Miles	5 Miles
Population*	8,815	72,976	200,039
Households	2,962	30,844	81,228
Average Household Income	\$37,300	\$49,728	\$49,061
Households, \$100K+ Income	159	2,968	7,182
Per Capita Income	\$12,826	\$23,126	\$21,362

*Population figures do not include student populations at the University of New Mexico (28,688) and Central New Mexico Community College (29,948)

Source: Scan/US 2010 Demographics

EXHIBIT 1.7 - 25 RETAIL ANALOGS: SIMILAR 5-MILE POPULATIONS & INCOMES

CENTER NAME	MAJOR TENANTS	INLINE TENANTS
ALPINE SUMMIT - Grand Rapids, MI	MARSHALLS, PARTY CITY, PETCO, ULTA	DRESSBARN
BAYOU WALK - Shreveport, LA	BARNES & NOBLE, KROGER, OFFICEMAX, OLD NAVY, PARTY CITY, PETCO	CATHERINES
BROOKS CORNER - San Antonio, TX	HOME DEPOT, KIRKLAND'S, PETCO, ROSS DRESS FOR LESS, TARGET	CATHERINES, GAMESTOP, MERLE NORMAN, PAYLESS SHOESOURCE, RAINBOW
CENTURY SQUARE - West Mifflin, PA	CARMIKE CINEMA, DOLLAR TREE, DUNHAM'S SPORTS, OFFICE DEPOT, PETSMART, SHOP N SAVE	GNC
CHICOPEE MARKETPLACE - Chicopee, MA	HOME DEPOT, MARSHALLS, STAPLES, WAL-MART	FASHION BUG, GAMESTOP, OLYMPIA SPORTS, PAYLESS SHOES
CLEARWATER MALL - Clearwater, FL	COSTCO, GOLFSMITH, HH GREGG, LOWE'S, MICHAELS, PETSMART, PIER 1, ROSS DRESS FOR LESS, TARGET	CATHERINES, DAVID'S BRIDAL, DRESSBARN, EASY SPIRIT, FAMOUS FOOTWEAR, GAMESTOP, JARED JEWELERS, MEN'S WEARHOUSE, NINE WEST
FAIRMOUNT FAIR - Syracuse, NY	BED BATH & BEYOND, DICK'S SPORTING GOODS, HOMEGOODS, MARSHALLS, MICHAELS, PETSMART, TARGET, ULTA	GAMESTOP
GLENSFORD COMMONS - Fayetteville, NC	BARNES & NOBLE, KIRKLAND'S, OLD NAVY	
GREEN ORCHARD - Walker, MI	BURLINGTON COAT FACTORY, HOBBY LOBBY, KOHL'S, LOEK'S THEATRE, OFFICEMAX	SHOE CARNIVAL
GREEN RIDGE SQUARE - Grand Rapids, MI	BEST BUY, BED BATH & BEYOND, OFFICE DEPOT, T.J.MAXX, TARGET, TOYS R US	BATH AND BODY WORKS, DEB, FASHION BUG, GAMESTOP, GNC, JUSTICE, LANE BRYANT, RUE21
JANTZEN BEACH SUPERCENTER - Portland, OR	BABIES R US, BARNES & NOBLE, BEST BUY, BURLINGTON COAT FACTORY, HOME DEPOT, MICHAELS, OFFICE DEPOT, OLD NAVY, PETCO, PIER 1, ROSS DRESS FOR LESS, SPORTS AUTHORITY, STAPLES, TARGET, TOYS R US	CASUAL MALE XL, CATHERINES, GNC, MASTERCUTS, PAYLESS SHOESOURCE, RITZ CAMERA
MARKETPLACE, THE - Council Bluffs, IA	JCPENNEY, PETCO, SHOPKO	DEB, SHOE CARNIVAL
MIDTOWN PLAZA - Montgomery, AL	OFFICE DEPOT, ROSS DRESS FOR LESS, WAL-MART	FOOT LOCKER, GAMESTOP, PAYLESS SHOESOURCE, SHOE CARNIVAL
MOBILE FESTIVAL CENTRE - Mobile, AL	ACADEMY, BED BATH & BEYOND, GUITAR CENTER, MARSHALLS, MICHAELS, OFFICEMAX, ROSS DRESS FOR LESS	DRESSBARN, GAMESTOP, NINE WEST
POWER PLANT OF HAMPTON ROADS - Hampton, VA	BASS PRO SHOPS, BJ'S WHOLESALE CLUB, LOWE'S	
RIDGEMONT PLAZA - Greece, NY	BEST BUY, KMART	GAMESTOP
RIVER FALLS - Clarksville, IN	BASS PRO, DICK'S SPORTING GOODS, TOYS R US, GREAT ESCAPE THEATRES	
RIVERDALE SHOPS - West Springfield, MA	KOHL'S	DAVID'S BRIDAL, DRESSBARN, FASHION BUG, GAMESTOP, GNC, JUSTICE, LIFE UNIFORM
SHOPPES AT RIO GRANDE VALLEY - Edinburg, TX	ACADEMY, BURLINGTON COAT FACTORY, JCPENNEY, ROSS DRESS FOR LESS, T.J.MAXX	CHILDREN'S PLACE, LANE BRYANT
SOUTHLAKE PAVILION - Morrow, GA	BABIES R US, BARNES & NOBLE, BEST BUY, HH GREGG, HOME DEPOT, PARTY CITY, PETSMART, ROSS DRESS FOR LESS, TARGET	DAVID'S BRIDAL, GAMESTOP, MEN'S WEARHOUSE, PAYLESS SHOESOURCE, GAMESTOP, PEARLE VISION
SOUTHLAND FOUR SEASONS - Pittsburgh, PA	JO-ANN, OFFICEMAX	
SUNRISE COMMONS - Brownsville, TX	KMART, MARSHALLS, OLD NAVY, PARTY CITY, ROSS DRESS FOR LESS, STAPLES	ICING BY CLAIRE'S, LANE BRYANT, RUE21, SHOE CARNIVAL
TRENTON CROSSING - McAllen, TX	BEALLS, BEST BUY, HOBBY LOBBY, KOHL'S, MARSHALLS, OFFICEMAX, OLD NAVY, PETSMART, ROSS DRESS FOR LESS, TARGET	CLAIRES, DRESSBARN, FOOT LOCKER, GAMESTOP, GNC, PAYLESS SHOESOURCE, RACK ROOM SHOES, RUE21, SHOE CARNIVAL
TUCSON SPECTRUM - Tucson, AZ	BED BATH & BEYOND, BEST BUY, HARKINS THEATRES, JCPENNEY, KIRKLAND'S, MARSHALLS, MICHAELS, OFFICEMAX, PARTY CITY, PETSMART, ROSS DRESS FOR LESS, SPORTS AUTHORITY	BATH AND BODY WORKS, FASHION BUG, LANE BRYANT,
VILLAGE EAST SHOPPING CENTER - Salem, OR	BORDERS, ROSS DRESS FOR LESS	CATHERINES

EXHIBIT 2.1 - MAJOR FASHION CENTERS IN ALBUQUERQUE TODAY



EXHIBIT 2.2 - ABQ UPTOWN: A NEW & SUCCESSFUL LIFESTYLE CENTER



TYPE: **LIFESTYLE** OWNER: **SIMON** GLA: **220,000** LEVELS: **1** #STORES: **50** YEAR OPEN: **2006** YEAR ACQUIRED: **2011**

SELECT TENANTS:

INLINE: ANN TAYLOR LOFT, ANN TAYLOR, ANTHROPOLOGIE, APPLE, BCBGMAXAZRIA, BEBE, BORDERS, BRAVO! CUCINA ITALIANA, CHICO'S, COLDWATER CREEK, CALIFORNIA PIZZA KITCHEN, EDDIE BAUER, FRANCESCA'S COLLECTIONS, GYMBOREE, JARED JEWELERS, J. JILL, JOS. A. BANK, L'OCCITANE EN PROVENCE, LUCKY BRAND JEANS, MAC COSMETICS, POTTERY BARN, SELECT COMFORT, SOMA INTIMATES, TALBOTS, TRADER JOE'S, WHITE HOUSE BLACK MARKET, WILLIAMS-SONOMA

EXHIBIT 2.3 - CORONADO: THE EAST SIDE'S REGIONAL SHOPPING CENTER



TYPE: **REGIONAL** OWNER: **GGP** GLA: **1,151,734** LEVELS: **2** #STORES: **150** YEAR OPEN: **1964** LAST RENO: **1995**

SELECT TENANTS:

ANCHOR: ANCHOR VACANCY, BARNES & NOBLE, JCPENNEY, KOHL'S, MACY'S, SEARS

INLINE: 5-7-9, AEROPOSTALE, ALDO, AMERICAN EAGLE OUTFITTERS, BAKERS, BANANA REPUBLIC, BATH AND BODY WORKS, BODY SHOP, THE, BROOKSTONE, BUCKLE, CHAMPS SPORTS, CHARLOTTE RUSSE, CHILDREN'S PLACE, CLAIRE'S, COACH, CRABTREE & EVELYN, EXPRESS, FINISH LINE, FOOT LOCKER, FOREVER 21, FREDERICK'S OF HOLLYWOOD, GAMESTOP, GAMESTOP, GAP, GAP, GNC, GODIVA CHOCOLATIER, GORDON'S JEWELERS, HELZBERG DIAMONDS, HOLLISTER, HOT TOPIC, ICING BY CLAIRE'S, JOURNEY KIDS, JOURNEYS, JUSTICE, KAY JEWELERS, KIDS FOOT LOCKER, LADY FOOT LOCKER, LANE BRYANT, LENS CRAFTERS, LIDS, LIDS, MASTERCUTS, MEN'S WEARHOUSE, MOTHERHOOD MATERNITY, NEW YORK & COMPANY, PACSUN, PAYLESS SHOESOURCE, PUREBEAUTY, SAM GOODY, SEPHORA, SPENCER'S, TORRID, UNDERGROUND STATION, VICTORIA'S SECRET, ZALES, ZUMIEZ

EXHIBIT 2.4 - COTTONWOOD: THE WEST SIDE'S REGIONAL SHOPPING CENTER



TYPE: **REGIONAL** OWNER: **SIMON** GLA: **1,040,700** LEVELS: **2** #STORES: **130** YEAR OPEN: **1994**

SELECT TENANTS:

ANCHOR: ANCHOR VACANCY, DILLARD'S, JCPENNEY, MACY'S, OLD NAVY, SEARS, UNITED ARTISTS THEATERS

INLINE: 5-7-9, AEROPOSTALE, ALDO, AMERICAN EAGLE OUTFITTERS, BATH AND BODY WORKS, BCBGMAXAZRIA, BEN BRIDGE JEWELER, BODY SHOP, THE, BUCKLE, BUILD-A-BEAR, C.J. BANKS, CACHE, CHAMPS SPORTS, CHILDREN'S PLACE, THE, CHRISTOPHER & BANKS, CLAIRE'S, CLAIRE'S, DISNEY STORE, THE, EDDIE BAUER, EXPRESS, F.Y.E, FAMOUS FOOTWEAR, FINISH LINE, FOOT LOCKER, FOREVER 21, GAMESTOP, GAP, GNC, GORDON'S JEWELERS, HOLLISTER, HOT TOPIC, ICING BY CLAIRE'S, J.B. ROBINSON JEWELERS, JOURNEY KIDS, JOURNEYS, KAY JEWELERS, KIDS FOOT LOCKER, LADY FOOT LOCKER, LANE BRYANT, LENS-CRAFTERS, LIMITED, THE, MASTERCUTS, MOTHERHOOD MATERNITY, PACSUN, PAYLESS SHOESOURCE, REGIS SALONS, REGIS SALONS- SENSATIONS, SELECT COMFORT, SHI BY JOURNEYS, SPENCER'S, THINGS REMEMBERED, TRADE SECRET, ULTA, UNDERGROUND STATION, VICTORIA'S SECRET, VITAMIN WORLD, WET SEAL, YANKEE CANDLE, ZALES, ZUMIEZ

EXHIBIT 2.5 - CAN ALBUQUERQUE SUPPORT ADDITIONAL FASHION RETAIL?

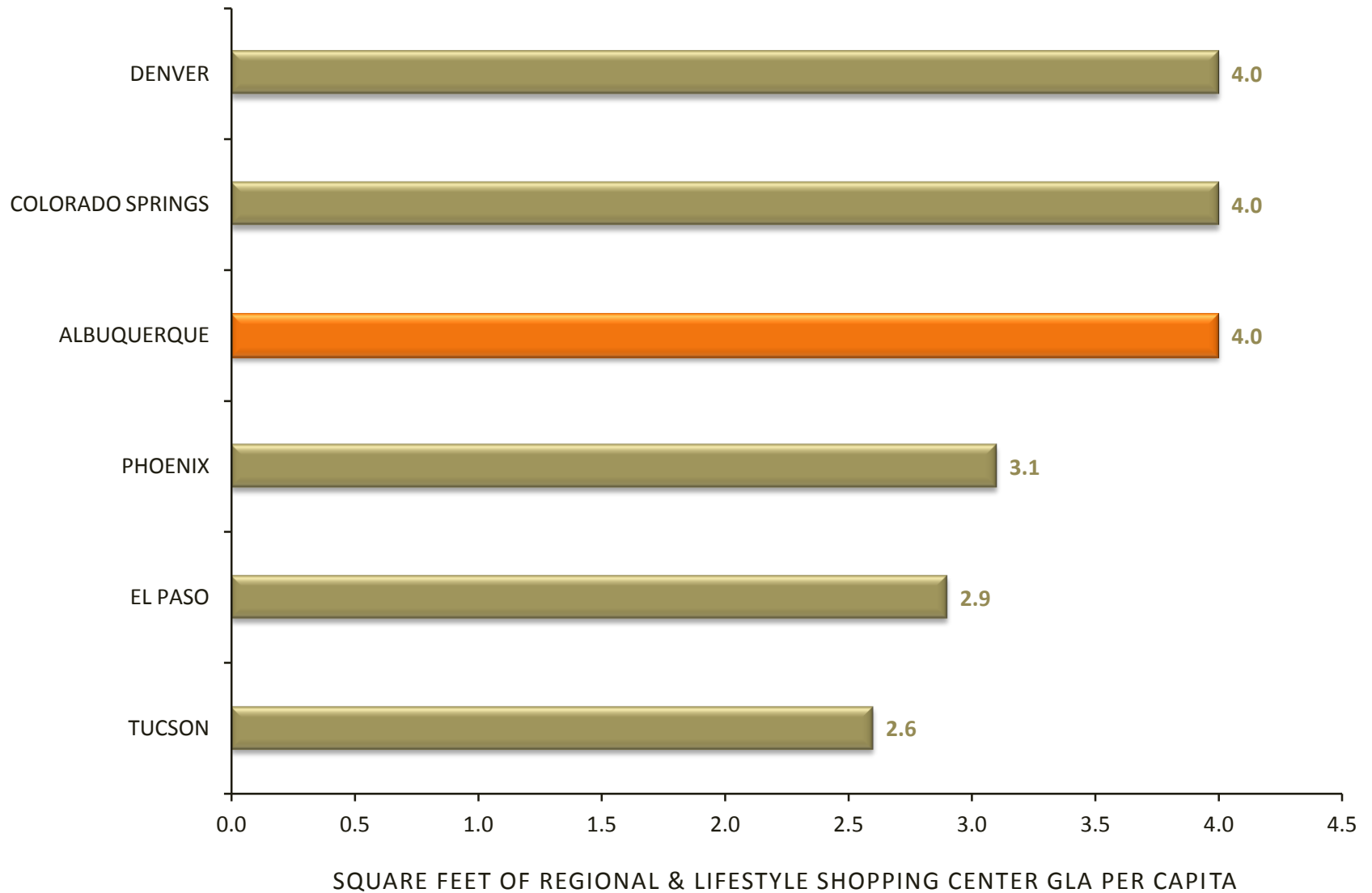
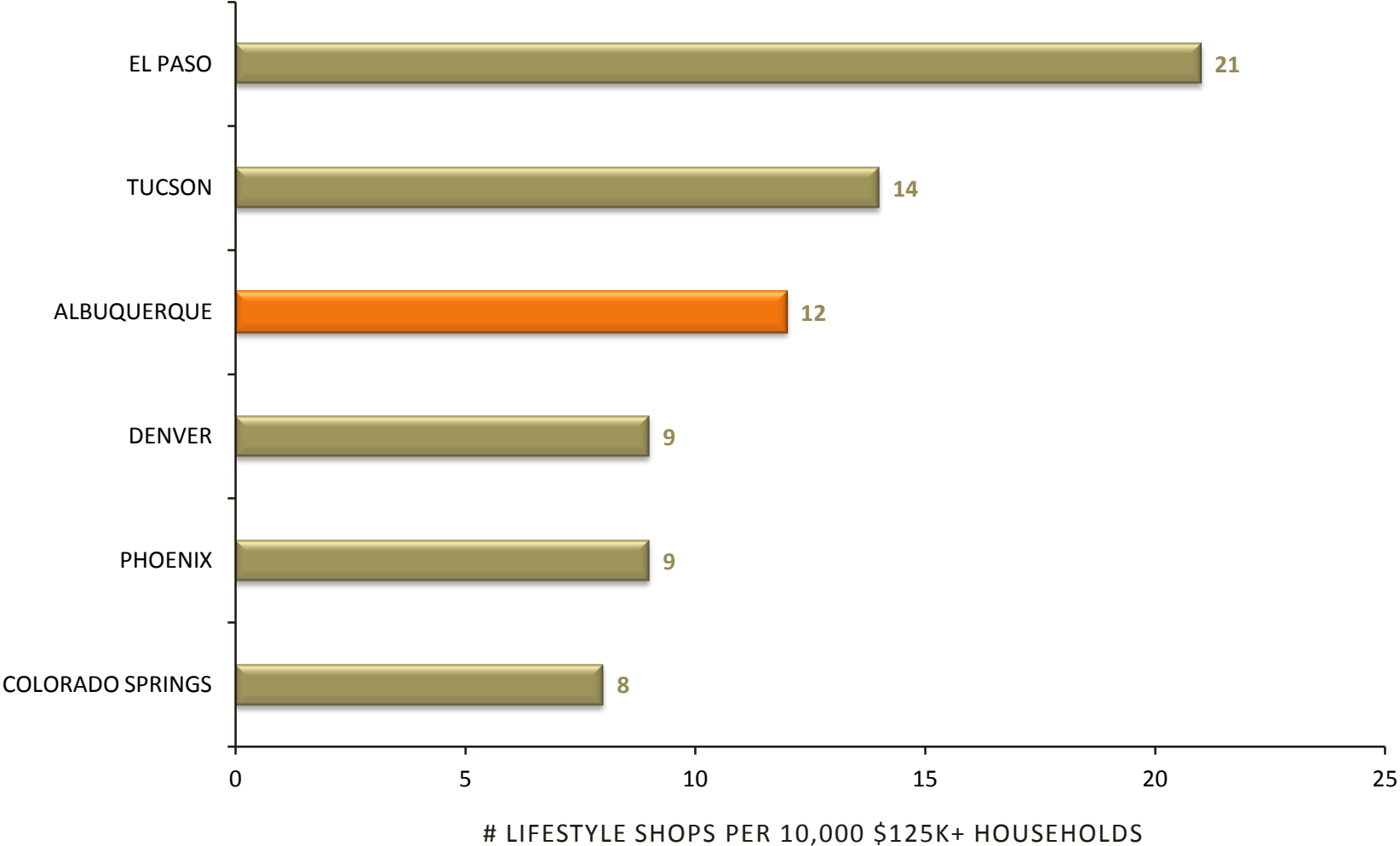


EXHIBIT 2.6 - CAN ALBUQUERQUE SUPPORT SELECTED LIFESTYLE SHOPS?

LIFESTYLE STORE NAME	ALBUQUERQUE	COLORADO SPRINGS	DENVER	EL PASO	PHOENIX	TUCSON
ABERCROMBIE KIDS	0	0	1	1	1	1
ABERCROMBIE & FITCH	0	0	3	1	3	1
AMERICAN EAGLE OUTFITTERS	2	2	6	2	10	2
ANN TAYLOR LOFT	2	1	6	0	7	2
ANN TAYLOR	1	1	2	0	5	1
ANTHROPOLOGIE	1	0	2	0	3	1
APPLE	1	1	4	0	5	1
BROOKS BROTHERS	0	0	2	0	1	2
BEBE	1	0	2	1	5	1
BANANA REPUBLIC	1	1	7	1	5	2
CHICO'S	2	1	7	2	9	2
COACH	1	0	3	1	6	2
COLDWATER CREEK	1	1	5	1	7	2
CRATE & BARREL	0	0	3	0	2	1
EDDIE BAUER	2	1	7	0	3	2
EXPRESS	2	2	7	4	6	2
GAP	3	1	10	3	6	2
GUESS	0	0	4	1	4	2
GYMBOREE	1	2	6	2	7	2
HOLLISTER	2	1	4	2	7	2
J.CREW	0	0	3	0	3	1
J. JILL	1	1	4	0	4	2
JOHNSTON & MURPHY	0	0	3	0	2	0
JOS. A. BANK	1	1	7	1	4	1
LUCKY BRAND JEANS	1	0	3	0	3	1
POTTERY BARN	1	1	3	0	3	1
RESTORATION HARDWARE	0	0	3	0	1	0
SEPHORA	1	0	3	0	4	1
TALBOTS	1	1	7	1	6	2
URBAN OUTFITTERS	1	0	2	0	3	1
VICTORIA'S SECRET	2	3	12	3	13	3
WHITE HOUSE BLACK MARKET	2	1	5	0	6	2
WILLIAMS-SONOMA	1	1	4	0	3	1
ZUMIEZ	2	1	6	2	7	2
TOTAL LIFESTYLE STORE COUNT:	37	25	156	29	164	51

EXHIBIT 2.6 - CAN ALBUQUERQUE SUPPORT SELECTED LIFESTYLE SHOPS, CONTINUED



	ALBUQUERQUE	COLORADO SPRINGS	DENVER	EL PASO	PHOENIX	TUCSON
TOTAL LIFESTYLE STORE COUNT	37	25	156	29	164	51
CBSA \$125K+ HOUSEHOLDS	30,895	29,438	164,859	13,689	191,654	35,709

EXHIBIT 3.1 - PLAZA AT PASEO DEL NORTE: A 35-ACRE POWER CENTER EXAMPLE



Plaza Paseo Del Norte

Coors Blvd. & Irving Blvd., Albuquerque, NM



EXHIBIT 3.2 - COTTONWOOD POWER SHOPPING DISTRICT, ALBUQUERQUE'S LARGEST



EXHIBIT 3.3 - BIG-BOX/VALUE RETAIL LOCATIONS, NORTH (BLACK) VS. SOUTH (RED) OF I-40

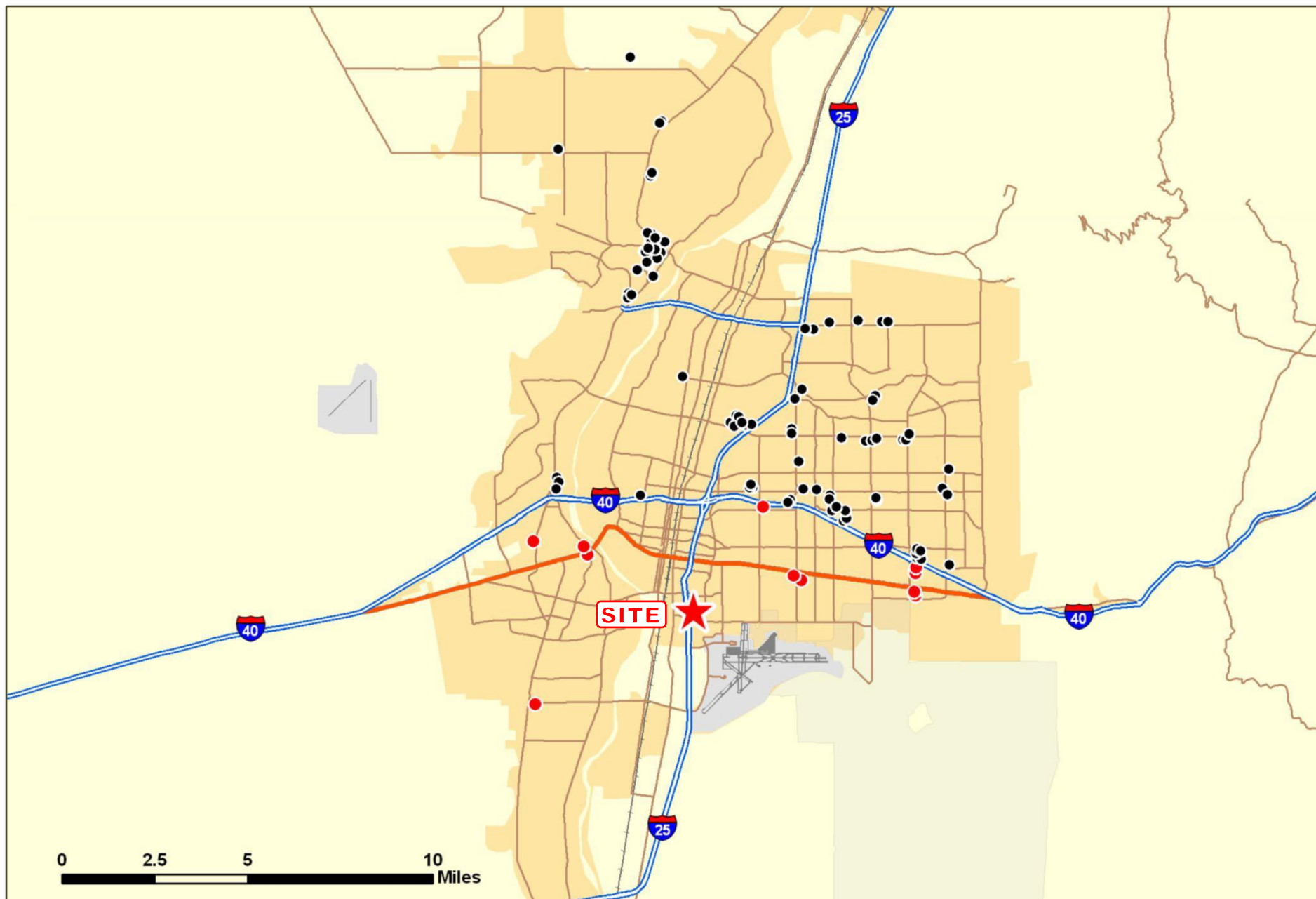


EXHIBIT 3.4 - BIG-BOX/VALUE RETAIL STORES, NORTH VS. SOUTH OF I-40

NORTH OF I-40	
RETAILER (COUNT)	RETAILER (COUNT)
BABIES R US (1)	OLD NAVY (2)
BARNES & NOBLE (2)	PARTY CITY (2)
BED BATH & BEYOND (3)	PETCO (3)
BEST BUY (2)	PETSMART (3)
BIG LOTS (4)	PIER 1 (3)
BURLINGTON COAT (2)	REI (1)
WORLD MARKET (2)	ROSS DRESS FOR LESS (3)
COSTCO (2)	SAM'S CLUB (2)
HOBBY LOBBY (3)	SPORTS AUTHORITY (2)
HOME DEPOT (4)	SPORTSMAN'S WHSE. (1)
JO-ANN (3)	STAPLES (4)
KMART (2)	T.J.MAXX (1)
KOHL'S (3)	TARGET (5)
LOWE'S (5)	TOYS R US (2)
MARSHALLS (2)	TRADER JOE'S (2)
MICHAELS (2)	ULTA (1)
OFFICE DEPOT (3)	WAL-MART (7)
OFFICEMAX (4)	
TOTAL BIG-BOX GLA: 5.69 MILLION SQ. FT. TOTAL POPULATION: 492,500 PERSONS SQUARE FEET PER CAPITA: 11.6 SQ. FT. PER PERSON	

SOUTH OF I-40	
RETAILER (COUNT)	
BIG LOTS (2)	
COSTCO (1)	
HOME DEPOT (2)	
KMART (2)	
LOWE'S (1)	
OFFICE DEPOT (1)	
PETSMART (1)	
ROSS DRESS (1)	
SAM'S CLUB (1)	
STAPLES (1)	
WAL-MART (5)	

EXHIBIT 3.5 - OPPORTUNITIES: STATE LACKS CABELA'S AND BASS PRO

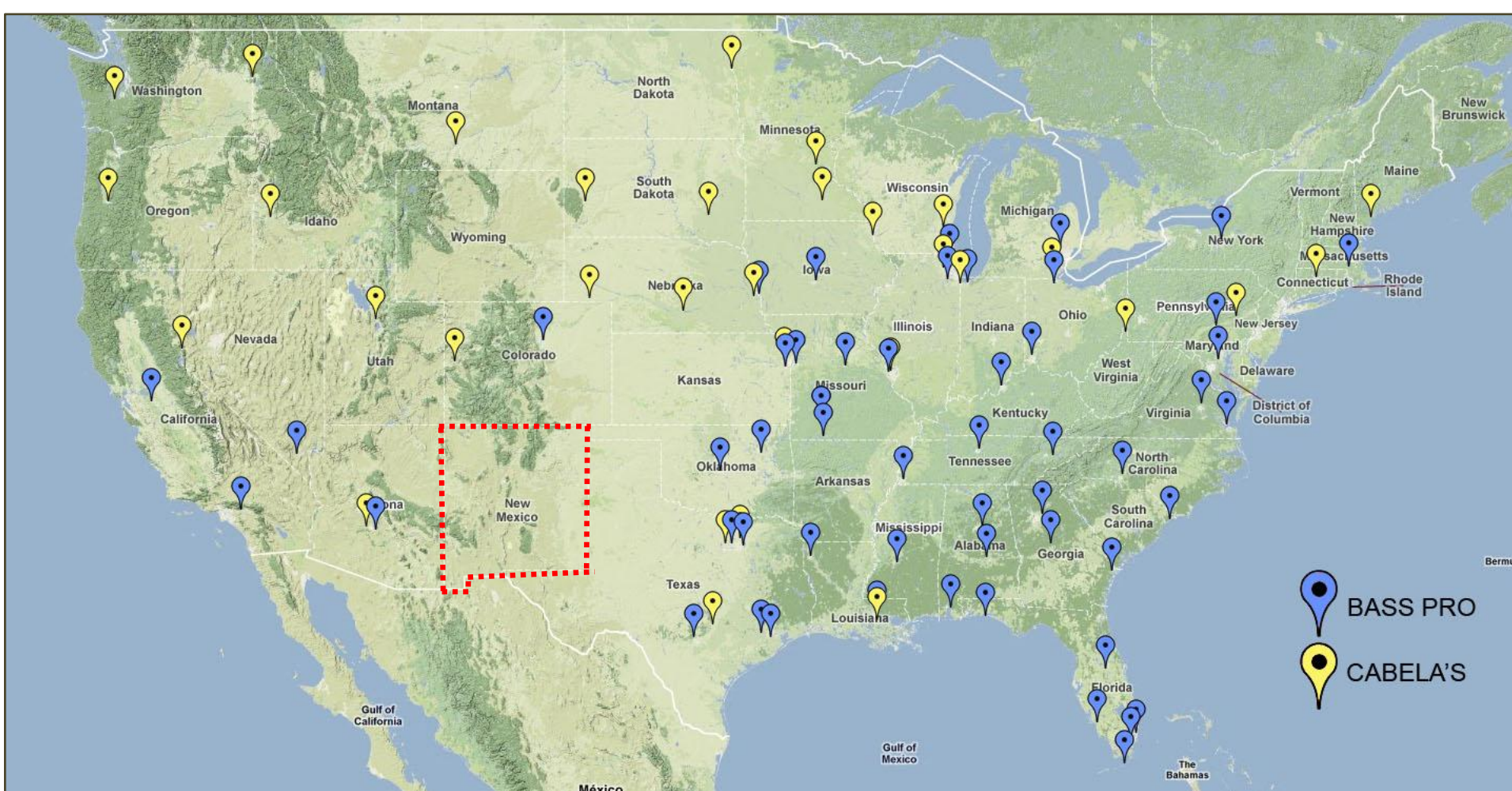


EXHIBIT 3.6 - ALBUQUERQUE'S DOZEN WAL-MART STORES TODAY

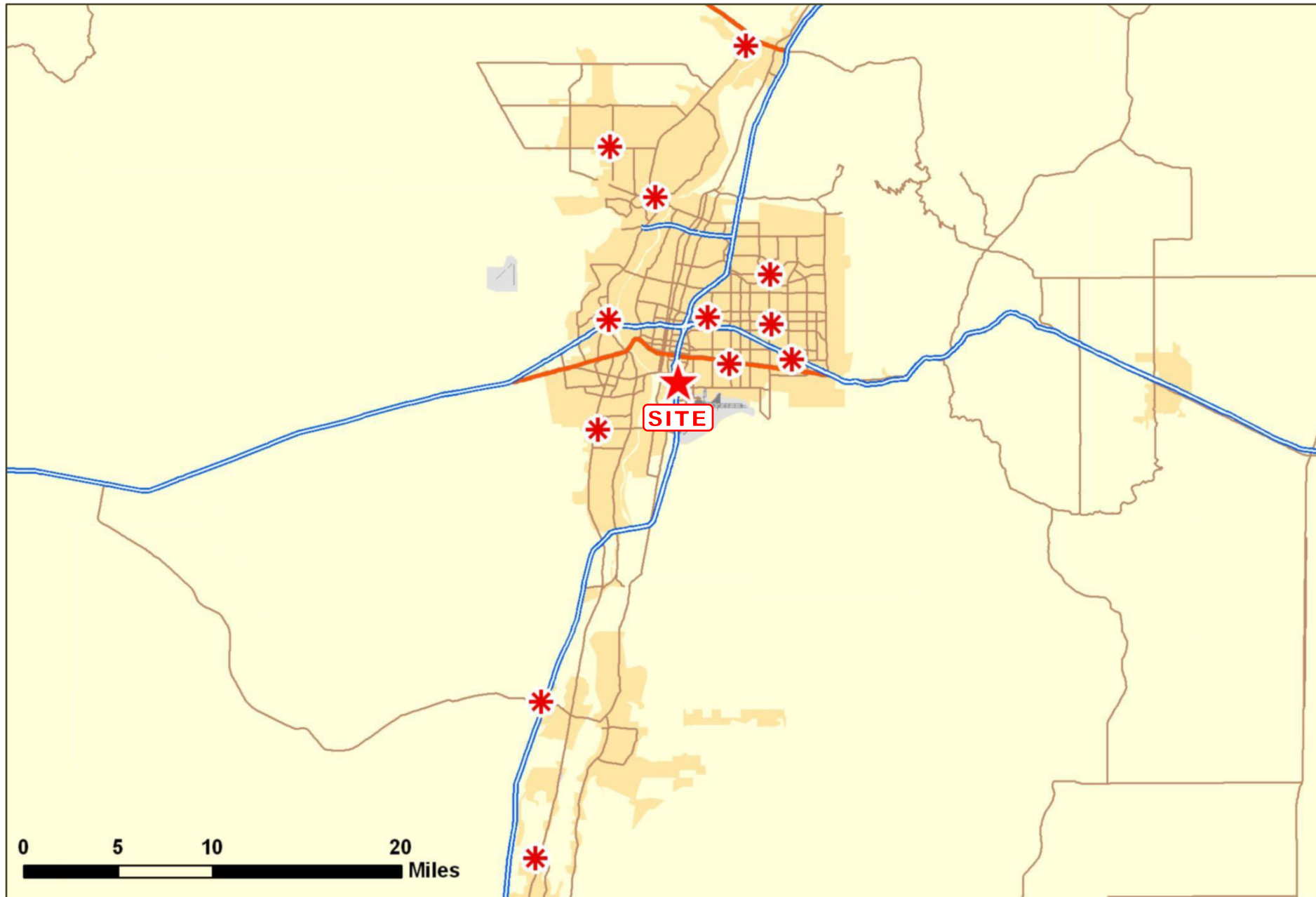


EXHIBIT 3.7 - RETAIL CLUSTERING IN THE U.S.: SELECTED ANCHOR STORES

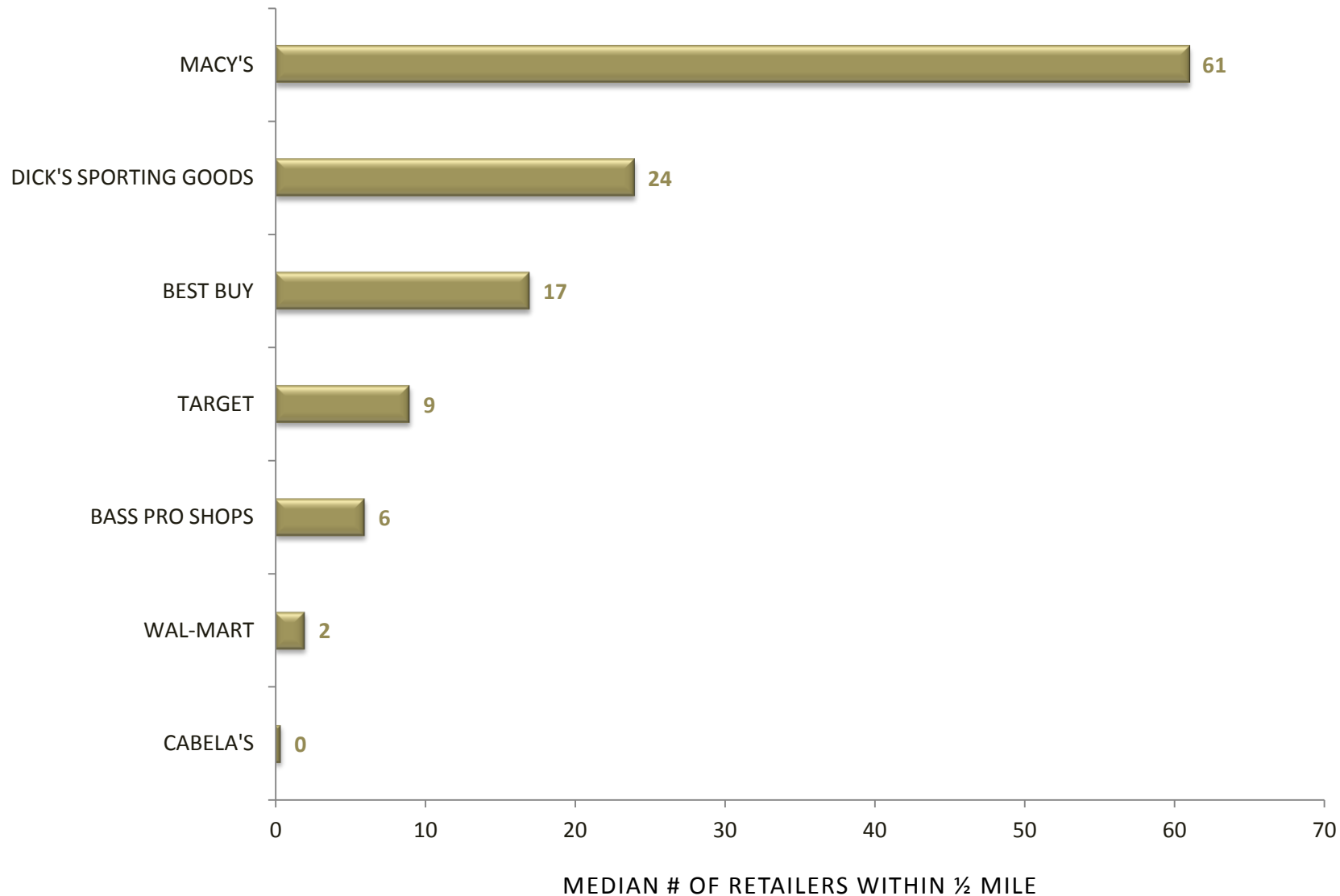
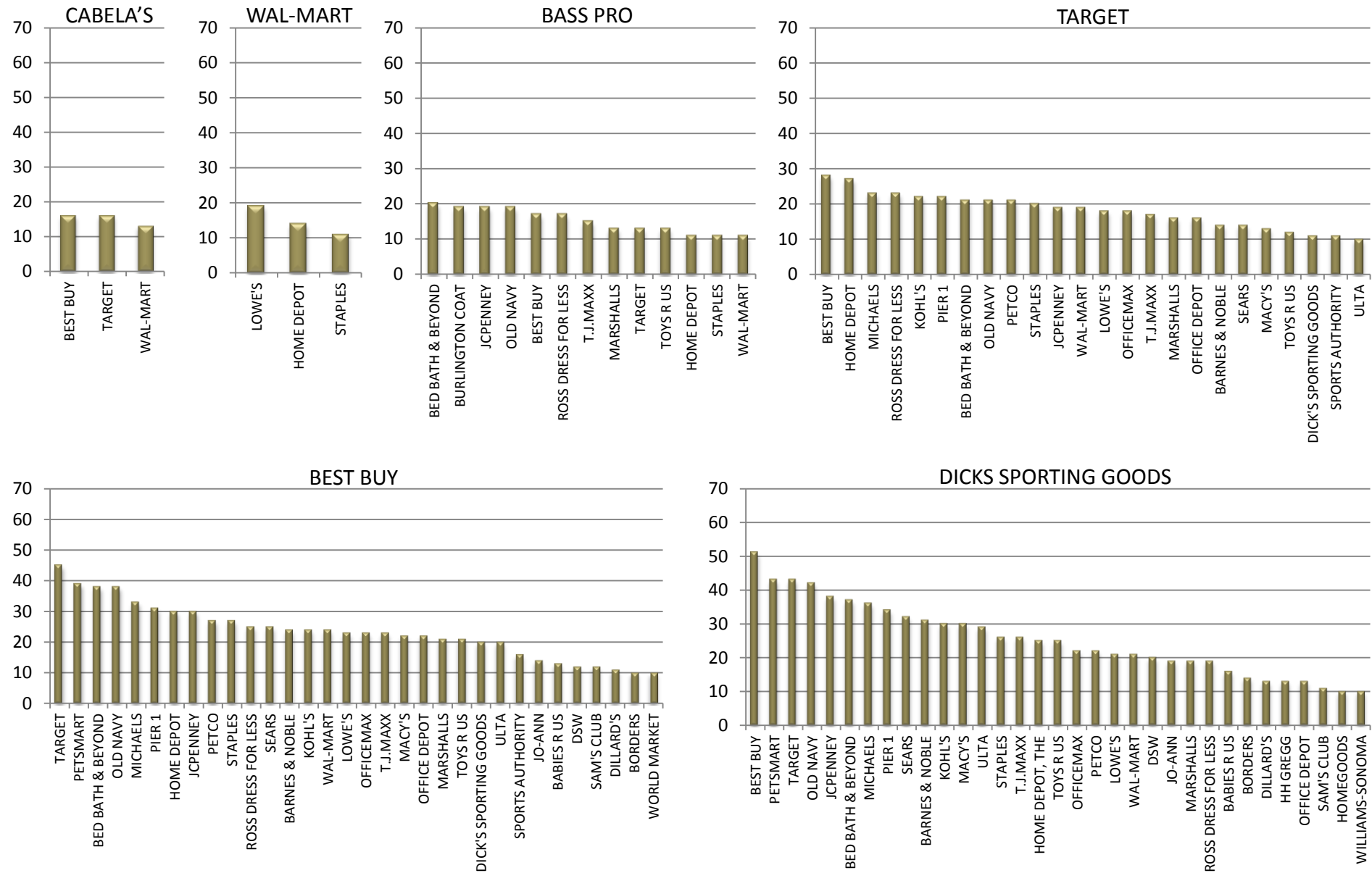
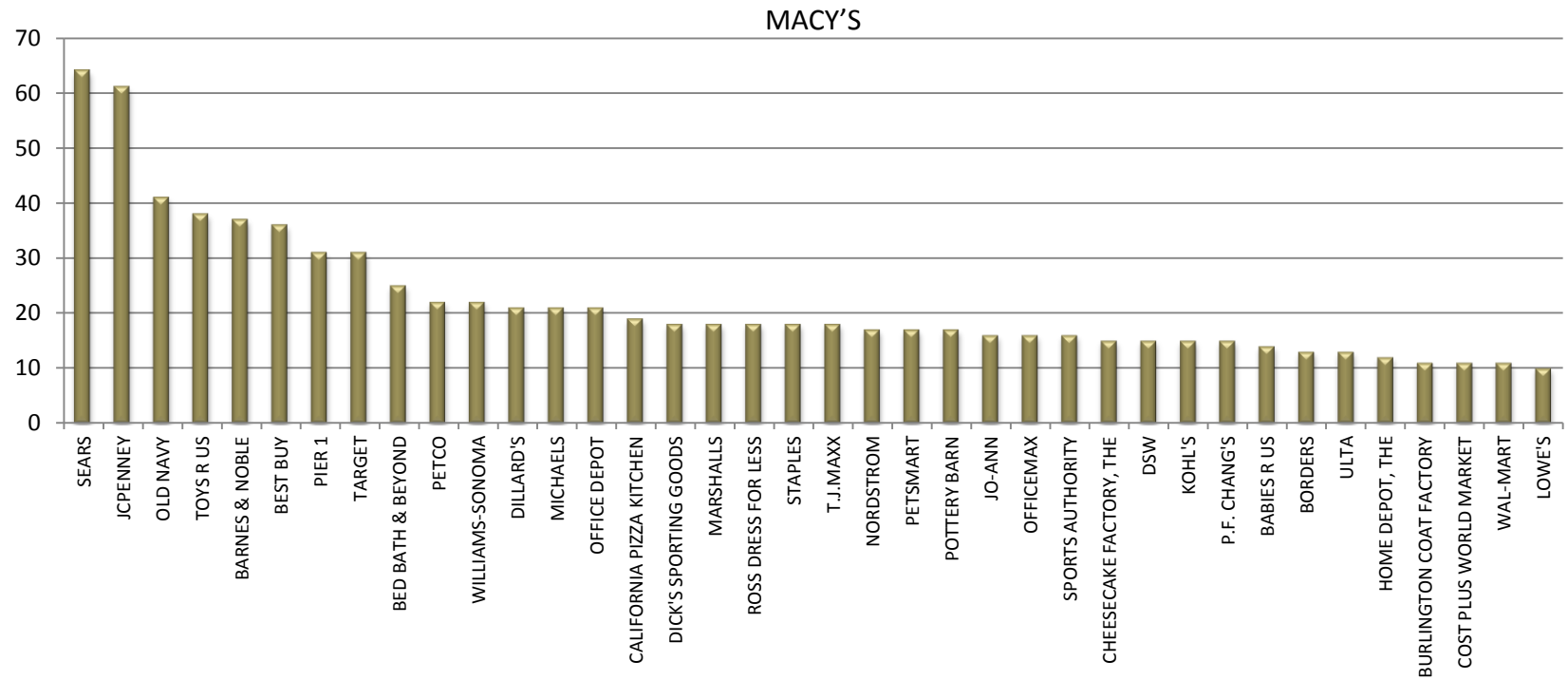


EXHIBIT 3.8 - RETAIL CLUSTERING: NEARBY ANCHORS WITHIN ½ MILE



NOTE: ONLY DISPLAYING NEARBY ANCHOR WHEN PRESENT IN MORE THAN 10% OF STORES IN GIVEN CHAIN

EXHIBIT 3.8 - RETAIL CLUSTERING: NEARBY ANCHORS WITHIN ½ MILE, CONTINUED



NOTE: ONLY DISPLAYING NEARBY ANCHOR WHEN PRESENT IN MORE THAN 10% OF STORES IN GIVEN CHAIN

EXHIBIT 4.1 - MAJOR U.S. COLLEGE CAMPUS VICINITIES SURVEYED

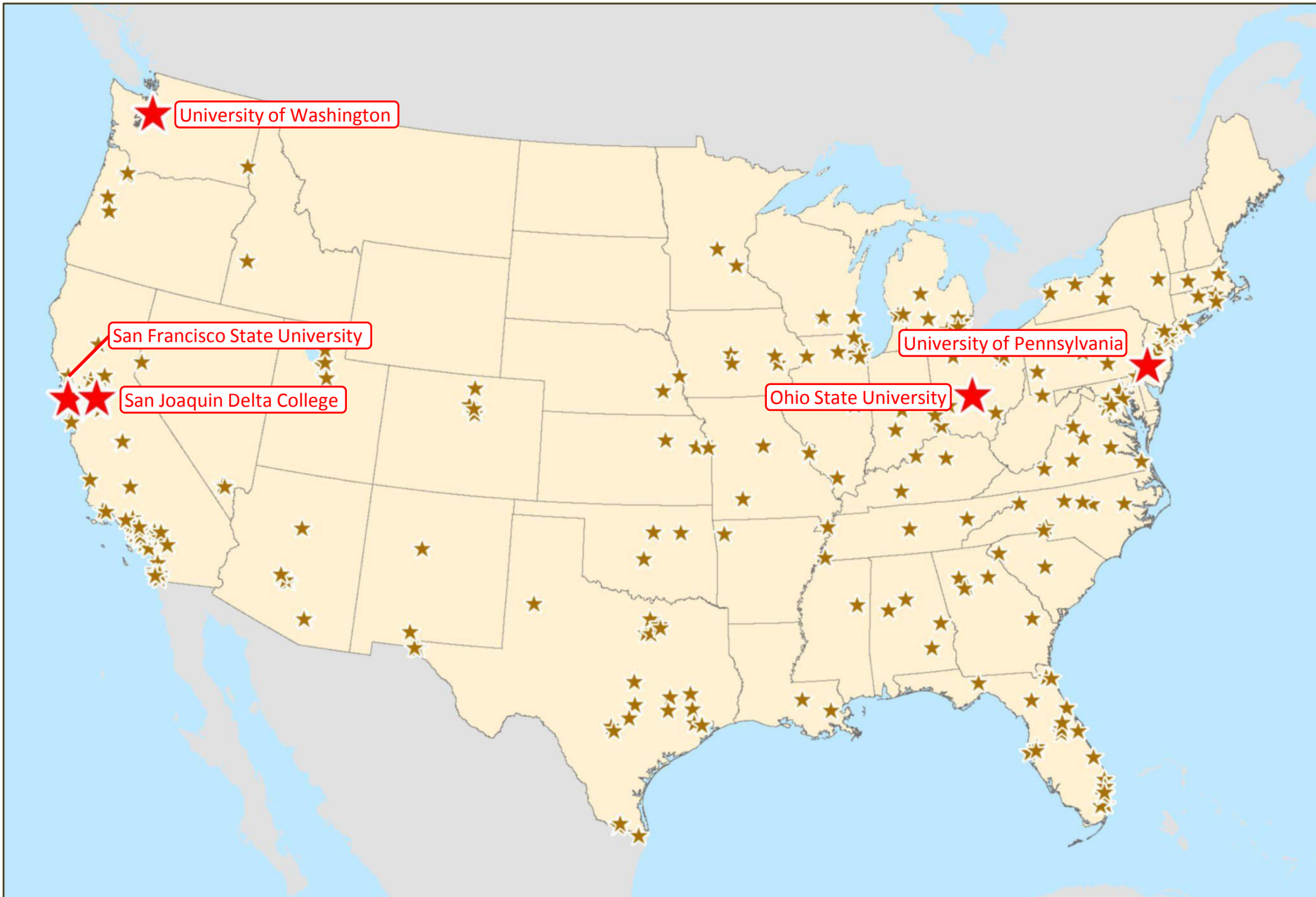
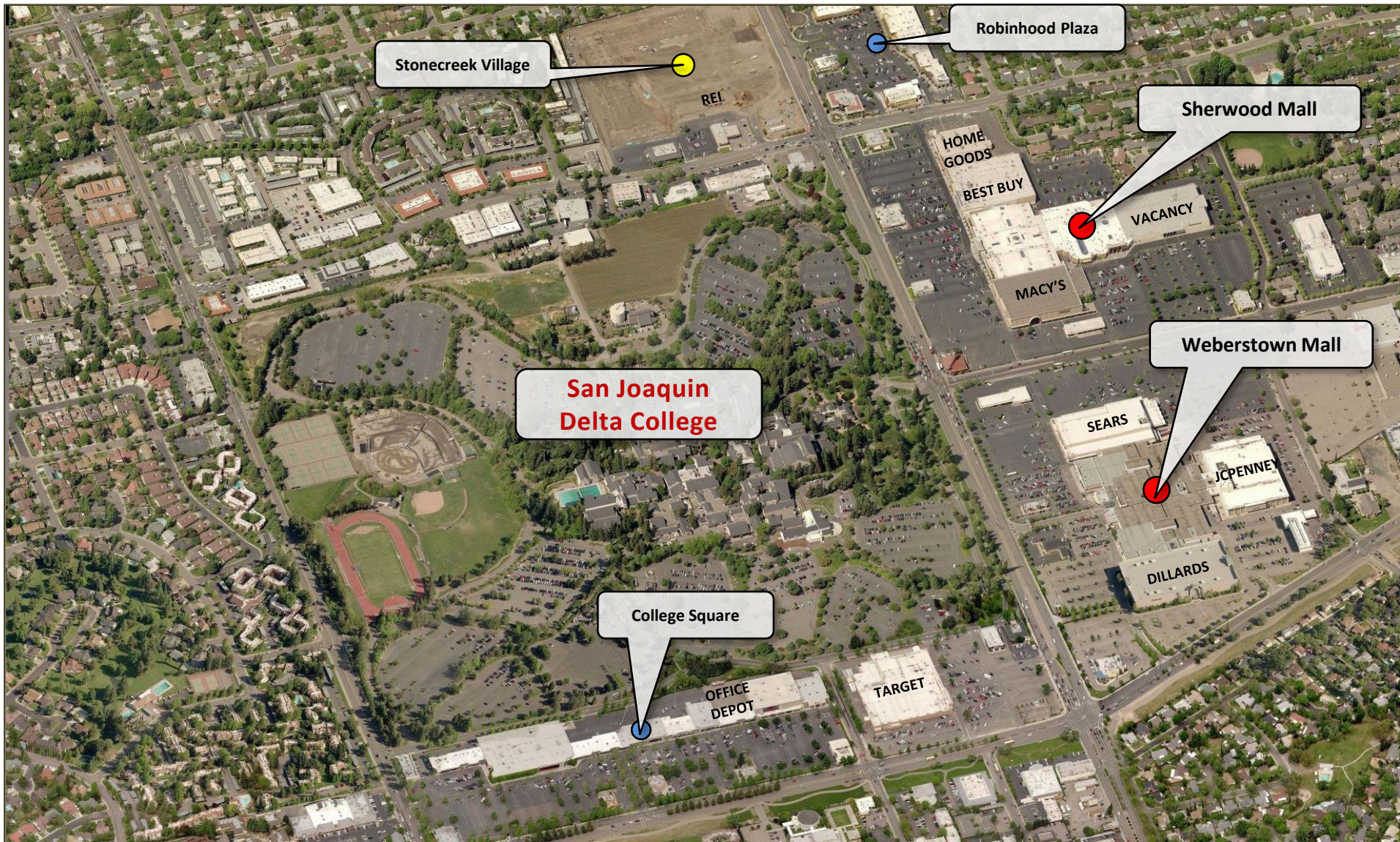


EXHIBIT 4.2 - EXAMPLES: SHOPPING CENTERS LOCATED NEAR COLLEGE CAMPUSES

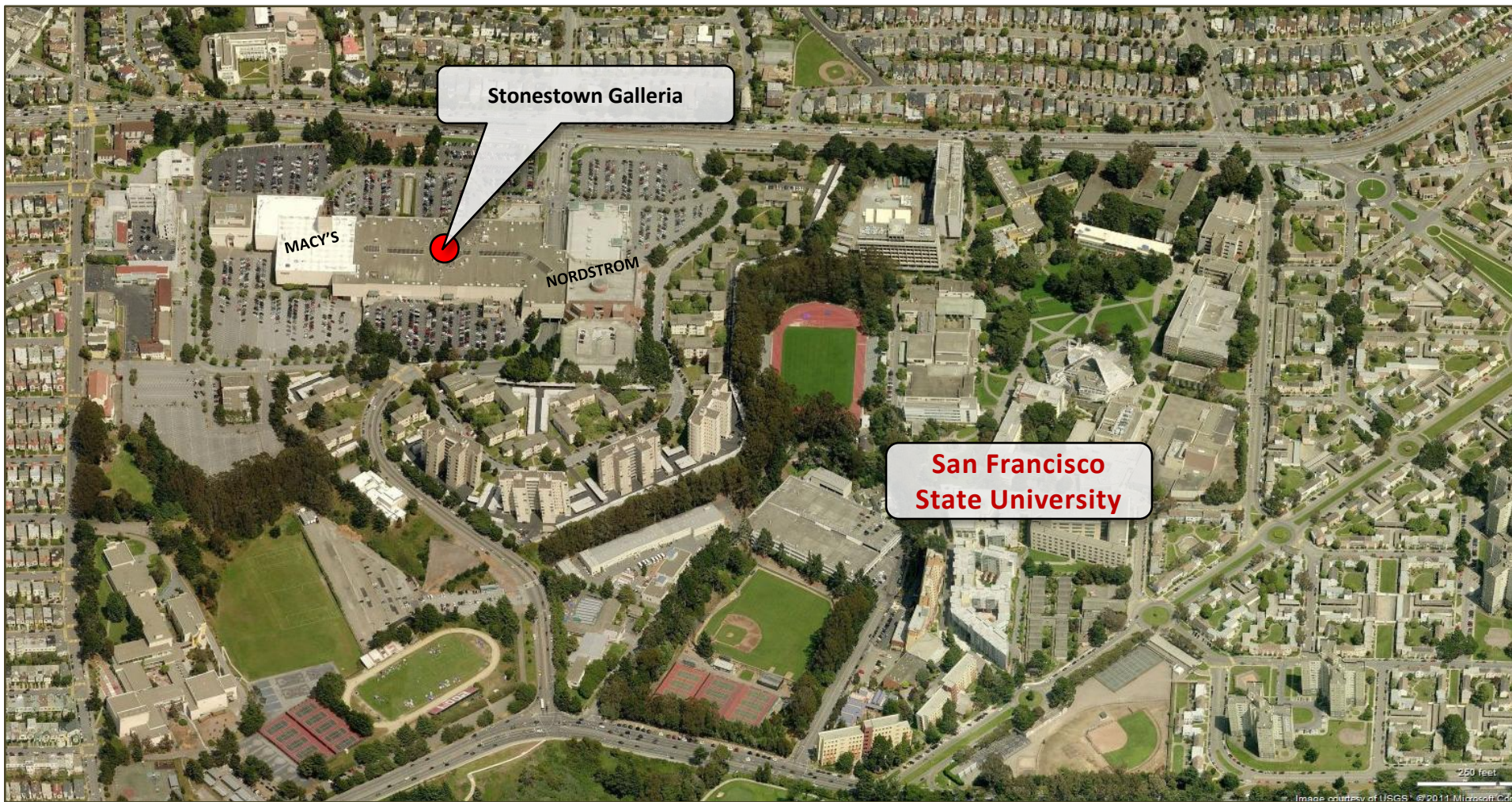
COLLEGE CAMPUS	CITY, STATE	CENTER NAME	CENTER TYPE	DISTANCE TO CENTER
San Joaquin Delta College, 20,223 Student Enrollment	Stockton, CA	Sherwood Mall, Weberstown Mall, Stonecreek Village, College Square, Robinhood Plaza	Multiple (Regional, Lifestyle, & Power Center)	.40 mi
San Francisco State University, 30,469 Student Enrollment	San Francisco, CA	Stonestown Galleria	Regional Center	.30 mi
University of Washington, 45,943 Student Enrollment	Seattle, WA	University Village	Lifestyle Center	.65 mi
Ohio State University, 55,014 Student Enrollment	Columbus, OH	Lennox Town Center	Power Center	.40 mi
University of Pennsylvania, 24,599 Student Enrollment	Philadelphia, PA	Sansom Common	Mixed-Use Center	.20 mi

EXHIBIT 4.3 - MULTI-CENTER EXAMPLE: SAN JOAQUIN DELTA COLLEGE



- Regional Center
- Lifestyle Center
- Power Center

EXHIBIT 4.4 - REGIONAL CENTER EXAMPLE: SAN FRANCISCO STATE UNIVERSITY



TYPE: **REGIONAL**

OWNER: **GGP**

GLA: **851,815**

LEVELS: **2**

#STORES: **130**

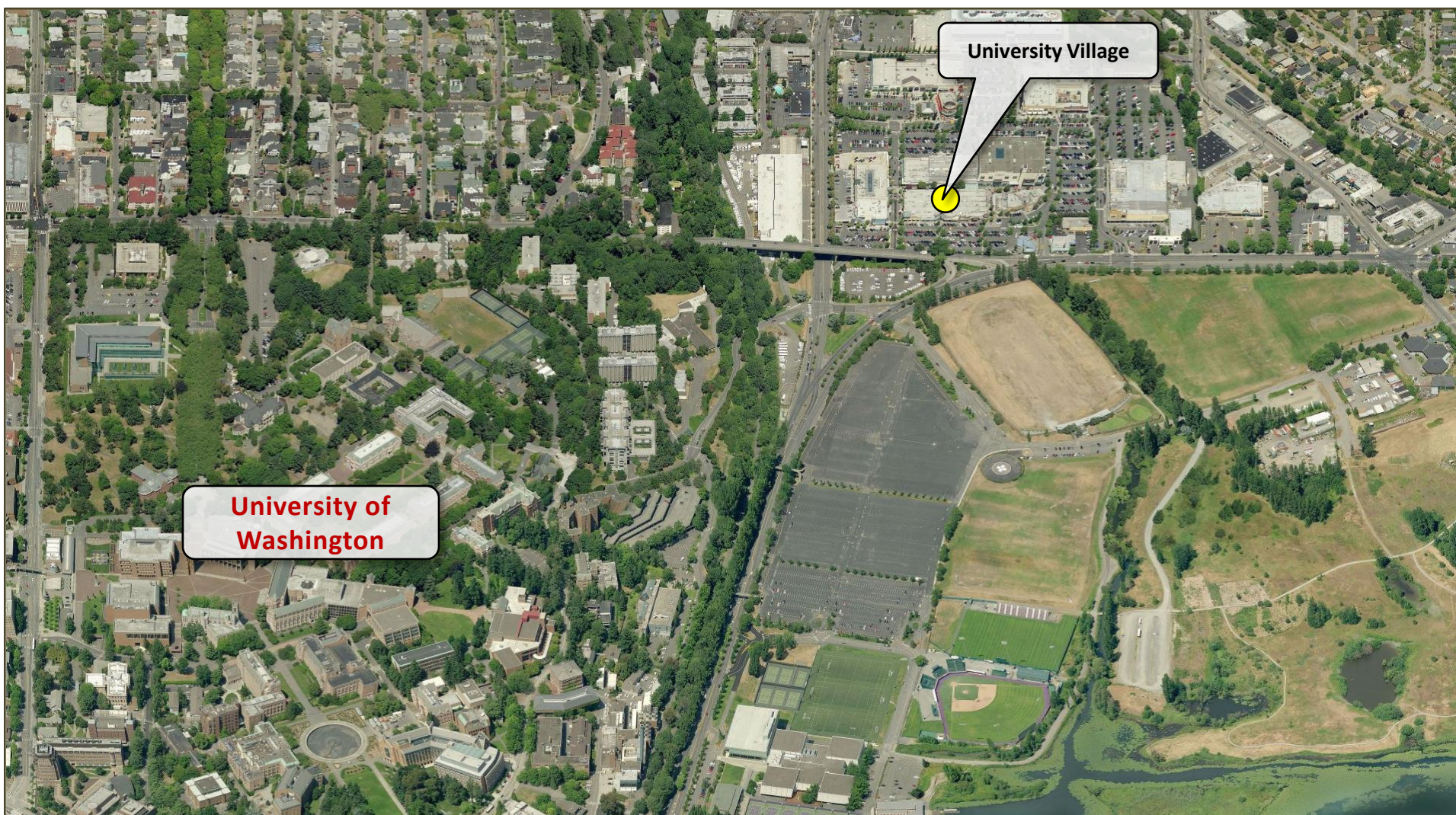
YEAR OPEN: **1952**

SELECT TENANTS:

ANCHOR: BORDER'S, MACY'S, NORDSTROM, TRADER JOES

INLINE: ALDO, AMERICAN EAGLE OUTFITTERS, ANN TAYLOR LOFT, APPLE, BANANA REPUBLIC, BARE ESSENTUALS, BATH AND BODY WORKS, BEN BRIDGE JEWELER, BODY SHOP, THE, BROOKSTONE, CHAMPS SPORTS, CHICO'S, CHILDREN'S PLACE, THE, CLAIRE'S, COACH, EDDIE BAUER, EXPRESS, FOOT LOCKER, FOREVER 21, FRANCESCA'S COLLECTIONS, GAMESTOP, GAP, GNC, GODIVA CHOCOLATIER, GUESS, GYMBOREE, H & M, HOT TOPIC, J. JILL, J.CREW, LENS CRAFTERS, L'OCCITANE EN PROVENCE, LUCKY BRAND JEANS, METROPARK, NINE WEST, ORIGINS, PAPYRUS, PUMPKIN PATCH, PUREBEAUTY, REGIS SALONS, SEPHORA, STERLING WORKS-CALIFORNIA, SWAROVSKI CRYSTAL, TALBOTS, TORRID, VICTORIA'S SECRET, WET SEAL, WHITE HOUSE BLACK MARKET, WILLIAMS-SONOMA

EXHIBIT 4.5 - LIFESTYLE CENTER EXAMPLE: UNIVERSITY OF WASHINGTON



TYPE: **LIFESTYLE**

OWNER: **UVM**

GLA: **400,000**

LEVELS: **1**

#STORES: **80**

YEAR OPEN: **1956**

SELECT TENANTS:

INLINE: ANTHROPOLOGIE, APPLE, BANANA REPUBLIC, BARNES & NOBLE, BEN BRIDGE JEWELER, BRIGHTON COLLECTIBLES, BRYN WALKER, CHICO'S, COLE HAAN, CRATE & BARREL, CREWCUTS, EDDIE BAUER, EILEEN FISHER, FRANS CHOCOLATES, GAP, GNC, H & M, HANNA ANDERSSON, J.CREW, JUICY COUTURE, KIEHL'S, LAND OF NOD, L'OCCITANE EN PROVENCE, LUCKY BRAND JEANS, LUCY, LULULEMON, MAC COSMETICS, MADEWELL, NORTH FACE, THE, PAPYRUS, PASTA & CO., POTTERY BARN, POTTERY BARN KIDS, RESTORATION HARDWARE, SEPHORA, SONY STYLE, TIFFANY & CO., TOMMY BAHAMA, VICTORIA'S SECRET, WILLIAMS-SONOMA, YVES DELORME

EXHIBIT 4.6 - POWER CENTER EXAMPLE: OHIO STATE UNIVERSITY



TYPE: **POWER**

OWNER: **DDR/CASTO**

GLA: **352,913**

LEVELS: **1**

#STORES: **15**

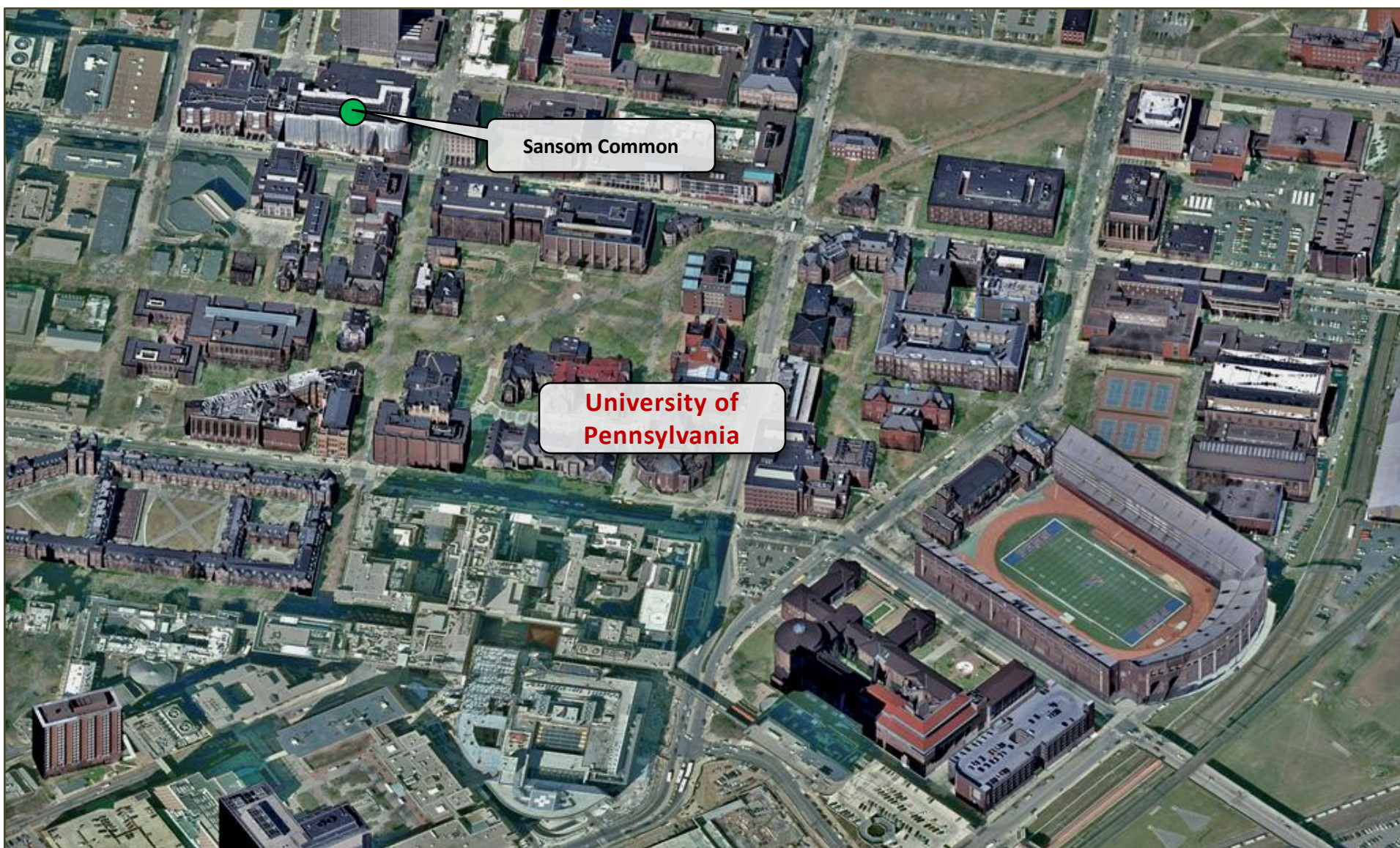
YEAR OPEN: **1997**

SELECT TENANTS:

ANCHOR: AMC IMAX THEATRES, BARNES & NOBLE, COST PLUS WORLD MARKET, OLD NAVY, PETCO, STAPLES, TARGET

INLINE: BATH & BODY WORKS, FAMOUS FOOTWEAR, MEN'S WEARHOUSE

EXHIBIT 4.7 - MIXED-USE CENTER EXAMPLE: UNIVERSITY OF PENNSYLVANIA



TYPE: **MIXED-USE**

OWNER: **U OF PENN**

GLA: **150,000**

YEAR OPEN: **1998**

SELECT TENANTS:

ANCHOR: INN AT PENN, PENN BOOKSTORE

INLINE: AMERICAN APPAREL, COSI, DOUGLAS COSMETICS, URBAN OUTFITTERS

EXHIBIT 5.1 - DEVELOPMENT PLAN SKETCH: UNM SOUTH CAMPUS SITE 1



Site Data - SP-01	
Anchor	133,000 sf
Jr. Anchor	30,000 sf
Fitness	45,000 sf
Retail	162,500 sf
Office	15,000 sf
Total Development	375,500 sf
Parking Required	
Retail @ 4/1000 sf	1262 spaces
Fitness @ 5/1000 sf	225 spaces
Office @ 3.3/1000 sf	50 spaces
Total Required	1537 spaces
Parking Provided	
Surface	1668 spaces
Garage	70 spaces
Total Provided	1738 spaces
JULY 2011 OVERALL RATIO	

2011 © All ideas, arrangements, and plans indicated or represented by the above drawings are property of ka, inc. and were created for the sole use in connection with the specified project. No part of the drawings, arrangements, or ideas herein shall be duplicated or used in whole or part for any other purpose whatsoever without the expressed written permission of ka, inc.

EXHIBIT 5.2 - DEVELOPMENT PLAN SKETCH: UNM SOUTH CAMPUS SITE 2



SITE DATA - SP-01

RETAIL	97,000 SF
PARKING PROVIDED	689 SPACES
PARKING RATIO PROVIDED	7 SPACES/1000 SF

BASEHART SE

SCIENCE AND TECHNOLOGY
PARK AT UNIVERSITY
OF NEW MEXICO

GODDARD STREET SE

LANGHAM SE

AVENIDA CESAR CHAVEZ SE

PAN AMERICAN FREEWAY

25



CONCEPTUAL SITE PLAN

UNIVERSITY OF NEW MEXICO MIXED-USE DEVELOPMENT
Albuquerque, New Mexico

CONCEPT DESIGN

FORESTCITY Lobo Development
DEVELOPMENT

50 SP-01
ka 09.07.2011
ka # 11060-02
kabo.com

**MEMORANDUM OF UNDERSTANDING
PERTAINING TO THE UNIVERSITY OF NEW MEXICO
GIBSON COMMERCIAL DISTRICT DEVELOPMENT**

This Memorandum of Understanding (the "**Memorandum of Understanding**") pertaining to the University of New Mexico Gibson Commercial District Development is entered into by and between the City of Albuquerque, a New Mexico municipal corporation (the "**City**") and the Regents of the University of New Mexico, a constitutionally created educational institution of the State of New Mexico (the "**University**" or "**UNM**") (collectively, the "**Parties**").

RECITALS

WHEREAS, the University owns approximately 45.77 acres of land, including approximately 0.35 acres of land owned by Albuquerque Metropolitan Arroyo Flood Control Authority ("**AMAFCA**"), which UNM intends to acquire from AMAFCA prior to final plat approval, (the "**UNM Gibson Commercial District**") located within the City limits highlighted in yellow on **Exhibit A** attached hereto, upon which the University intends to develop commercial, retail, and fire station uses; and

WHEREAS, the University and the City have entered into a Land Exchange Agreement (the "**Land Exchange Agreement**"), executed on September 13, 2011, whereby the University has agreed to convey certain property to the City for a fire station ("**Fire Station Site**").

WHEREAS, the University wishes to undertake the necessary efforts to plan the development, plat the parcels, and develop the related and necessary infrastructure for the UNM Gibson Commercial District including the Fire Station Site, in order to enable the subsequent construction of commercial, retail, and fire stations uses in the UNM Gibson Commercial District; and

WHEREAS, the University will retain ownership of all the land, including the subsequently platted parcels within the UNM Gibson Commercial District, except for the Fire Station Site, which will be conveyed, in fee simple, to the City pursuant to the terms of the Land Exchange Agreement; and

WHEREAS, UNM wishes to make available to the UNM Gibson Commercial District, certain infrastructure and services so that the University can commence development of the UNM Gibson Commercial District in the year 2011 and comply with the Land Exchange Agreement; and

WHEREAS, the Parties wish to reach an agreement regarding the design, approval, permitting, construction, and installation of the infrastructure necessary to access and service the UNM Gibson Commercial District, including, but not

limited to, access to City streets, paving, curbs, gutters, sidewalks and storm drainage.

NOW, THEREFORE, the Parties agree that:

UNDERSTANDING

1. The Recitals are hereby restated and incorporated herein as part of this Memorandum of Understanding.
2. The University will take the necessary steps to commence the development of the UNM Gibson Commercial District in November/December 2011, or as soon thereafter as possible, which will, among other things, implement the Land Exchange Agreement.
3. The rezoning, subdivision, permitting and subsequent conveyance of Parcel 2 to the City and the construction of West Road and related infrastructure must occur in accordance with the timelines in the Land Exchange Agreement. In the event that the subdivision and infrastructure identification and approval of the entire UNM Gibson Commercial District as shown on Exhibit A, cannot be completed in accordance with those timelines, the Parties agree that the rezoning subdivision and infrastructure construction of Parcel 2 will be completed independent of the remainder of the UNM Gibson Commercial District Property.
4. The University will bind its successors, assigns and/or replacement parties, if any, to the terms of this Memorandum of Understanding, except for those that necessarily remain with the University.
5. The University will retain title to the land comprising the UNM Gibson Commercial District, except for (1) the Fire Station Site, which is to be conveyed, in fee simple, to the City for the construction of a City fire station and (2) any right-of-way that may be dedicated to the City or any other governmental entity. In the event UNM conveys title to any of the parcels within the Gibson Commercial District to a private entity, the City's normal development approval process shall thereafter apply to the parcel or parcels conveyed.
6. Because the UNM Gibson Commercial District is property of the University, a constitutionally created educational institution of the State of New Mexico, it is not subject to the land use, zoning, platting, or permitting jurisdiction of the City. Consequently, except for the fire station site:
 - a. City zoning or other land use approval is not necessary for development within the UNM Gibson Commercial District.

- b. City building permits are not necessary for development within the UNM Gibson Commercial District.
 - c. City planning and platting approval is not necessary for development within the UNM Gibson Commercial District.
- 7. Notwithstanding Section 6(c) *supra*, UNM agrees, subject to the exceptions contained herein, to voluntarily employ the City subdivision approval process Section 14-14-1-1 *et seq.* ROA 1994 overseen by the City Development Review Board (the “DRB”) to subdivide University lands to create platted parcels within the UNM Gibson Commercial District, as shown on Exhibit A (which are subject to change in number, size, and shape), and arrange for the construction of infrastructure, and if necessary the dedication of right of way and easements, as may be reasonably required by the DRB to serve the UNM Gibson Commercial District. The City subdivision approval process, which shall be reasonably administered, shall include, but not be limited to the following:
 - a. City review and approval of preliminary and final plat application(s).
 - b. City review and approval of grading and drainage plan.
 - c. City Design Review Committee work order process.
 - d. City Development Process Manual standards for the construction of infrastructure which may be dedicated to the City of Albuquerque.
 - e. Traffic impact access study analyzing the impacts of the UNM Gibson Commercial District on area traffic flows and specifying needed infrastructure improvements, which study will be subject to review and approval by the City's traffic engineer, prior to DRB approval of the final plat.
 - f. A Subdivision Improvement Agreement (SIA) substantially in the form attached hereto as Exhibit B to be entered into by the Parties subsequent to execution of this Memorandum of Understanding, which will set forth the respective responsibilities for procurement, construction and installation of necessary infrastructure. Required infrastructure may include, but is not limited to:
 - 1) curb cuts
 - 2) curbs
 - 3) gutters
 - 4) sidewalks

- 5) lane expansions, changes or additions
- 6) median cuts or additions
- 7) traffic signals or signage
- 8) storm drainage
- 9) landscaping

Any required infrastructure identified in the City approved traffic impact access study shall also be included in the SIA as necessary infrastructure.

- g. An understanding with the City Fire Department regarding hydrant placement and access thereto within the UNM Gibson Commercial District.
 - h. A financial guaranty in an amount approved by the City's Design Review Committee covering the cost of the infrastructure required by the DRB to serve the UNM Gibson Commercial District, which will be provided by the University or other(s) authorized by the University.
 - 1) The guaranty may take the form of a bond, municipal lien, approved, if and as necessary, by the appropriate approval authority to the satisfaction of the City, irrevocable letter of credit or other security instrument acceptable to the City.
 - i. The City administrative appeal process as prescribed by the City Subdivision Ordinance.
- 8. UNM agrees, in lieu of the City requiring a vehicle turnaround at the north end of the new portion of West Road ("**West Road South**"), to allow two-way public access from that point north to Avenida de Caesar Chavez for the full length and width of the existing University owned road ("**West Road North**") with the understanding that if the parties, acting reasonably, agree, the University may dedicate West Road North to the City provided that West Road North has been built to City standards.
 - 9. The University will reach a separate understanding with the Albuquerque Bernalillo County Water Utility Authority (the "**Water Authority**") regarding the provision of water and wastewater services to the UNM Gibson Commercial District.
 - 10. The University will reach a separate understanding with AMAFCA regarding the acquisition or use of the 0.35 acres owned by AMAFCA as part of the development of the Gibson Commercial District.

11. This Memorandum of Understanding shall expire one (1) year after the City engineer signs the letter of completion and acceptance of infrastructure to be dedicated to the City, unless the parties agree in writing to extend this Memorandum of Understanding to remain in effect thereafter.
12. Nothing in this Memorandum of Understanding shall be construed to waive any rights, claims or defenses asserted heretofore or hereafter by any of the Parties.
13. All notices and other communications under this Memorandum of Understanding shall be in writing and shall be deemed duly given: (i) when delivered personally or by prepaid overnight courier, with a record of receipt, (ii) the fifth business day after mailing if mailed by certified mail, return receipt requested, (iii) the day of transmission, if sent by facsimile or telecopy during regular business hours or the day after transmission, if sent after regular business hours, provided that, in either event, the completed transmission is electronically verified, or (iv) the day of transmission, if sent electronically, if there is proof of receipt on the day of transmission or the first day thereafter on which receipt can be verified, to the Parties at the following addresses, telecopy numbers, or e-mail addresses (or to such other address, telecopy number, or e-mail address as a Party may have specified by notice given to the other Party pursuant to this provision):

If to the City:

Robert J. Perry
Chief Administrative Officer
City of Albuquerque
City / County Bldg. - 11th Floor
Albuquerque, NM 87102
Facsimile: (505) 768-3019
Telephone: (505) 768-3000
E-mail: rjperry@cabq.gov

With a copy to:

Robert D. Kidd, Jr., Interim City Attorney
City of Albuquerque
One Civic Plaza, NW
City/County Building
4th Floor, Room 4015
Albuquerque NM 87102
Facsimile: (505) 768-4525
Telephone: (505) 768-4500
E-mail: rkidd@cabq.gov

If to the University: Director of Real Estate
Attention: Kim D. Murphy
University of New Mexico
2811 Campus Boulevard NE
MSC 3595
1 University of New Mexico
Albuquerque, NM 87131-0001
Facsimile: (505) 277-6290
Telephone: (505) 277-4620
E-mail: kmurphy@unm.edu

With a copy to: University Counsel
Attention: Lee K. Peifer, Esq.
University of New Mexico
Scholes Hall, Room 152
MSC05 3310
1 University of New Mexico
Albuquerque, NM 87131-0001
Facsimile: (505) 277-4154
Telephone: (505) 277-5035
E-mail: lpeifer@salud.unm.edu

and

Rodey, Dickason, Sloan, Akin & Robb,
P.A.
Street Address: Attention: John P. Salazar, Esq.
201 Third Street NW, Suite 2200
Albuquerque, NM 87102
Mailing Address: P.O. Box 1888
Albuquerque, NM 87103-1888
Facsimile: (505) 768-7395
Telephone: (505) 765-5900
E-mail: jsalazar@rodey.com

14. This Memorandum of Understanding may be executed in one or more counterparts, including facsimile counterparts, each of which shall be a fully binding and enforceable contract and agreement against the party signing such counterpart, but all such counterparts shall together constitute but one agreement.
15. This Memorandum of Understanding may be amended, upon mutual agreement of the Parties, by written agreement executed by each of the Parties.

16. The Parties agree to hereafter negotiate and enter into such further and more definitive agreements, as may be necessary, to effectuate the transactions contemplated by this Memorandum of Understanding.
17. If any part of this Agreement is held to be invalid or unenforceable, the remainder of the Agreement will remain valid and enforceable if the remainder is reasonably capable of completion.
18. This Memorandum of Understanding is signed, sealed, executed and delivered by the Parties as of the date indicated next to the respective signatures below, with the Effective Date to be the date of the last signature affixed hereto.

**CITY OF ALBUQUERQUE,
a New Mexico municipal corporation**

By: 

Robert J. Perry
Chief Administrative Officer

Date: 10/11/11

**REGENTS OF THE UNIVERSITY OF NEW MEXICO,
a constitutionally created educational institution of the
State of New Mexico**

By: 

David W. Harris
Executive Vice President for
Administration, COO and CFO

Date: Oct. 10, 2011

ACKNOWLEDGEMENT OF THE CITY OF ALBUQUERQUE

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 11th day of October, 2011, by Robert J. Perry, Chief Administrative Officer, City of Albuquerque, a New Mexico municipal corporation, on behalf of said corporation.

Marc E. Chavez
Notary Public

My commission expires:

2/17/13



ACKNOWLEDGEMENT OF THE UNIVERSITY

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 10 day of October, 2011, by Kim D. Murphy, Director of Real Estate, for David W. Harris, Executive Vice President for Administration, COO and CFO, University of New Mexico, on behalf of the Regents of the University of New Mexico.

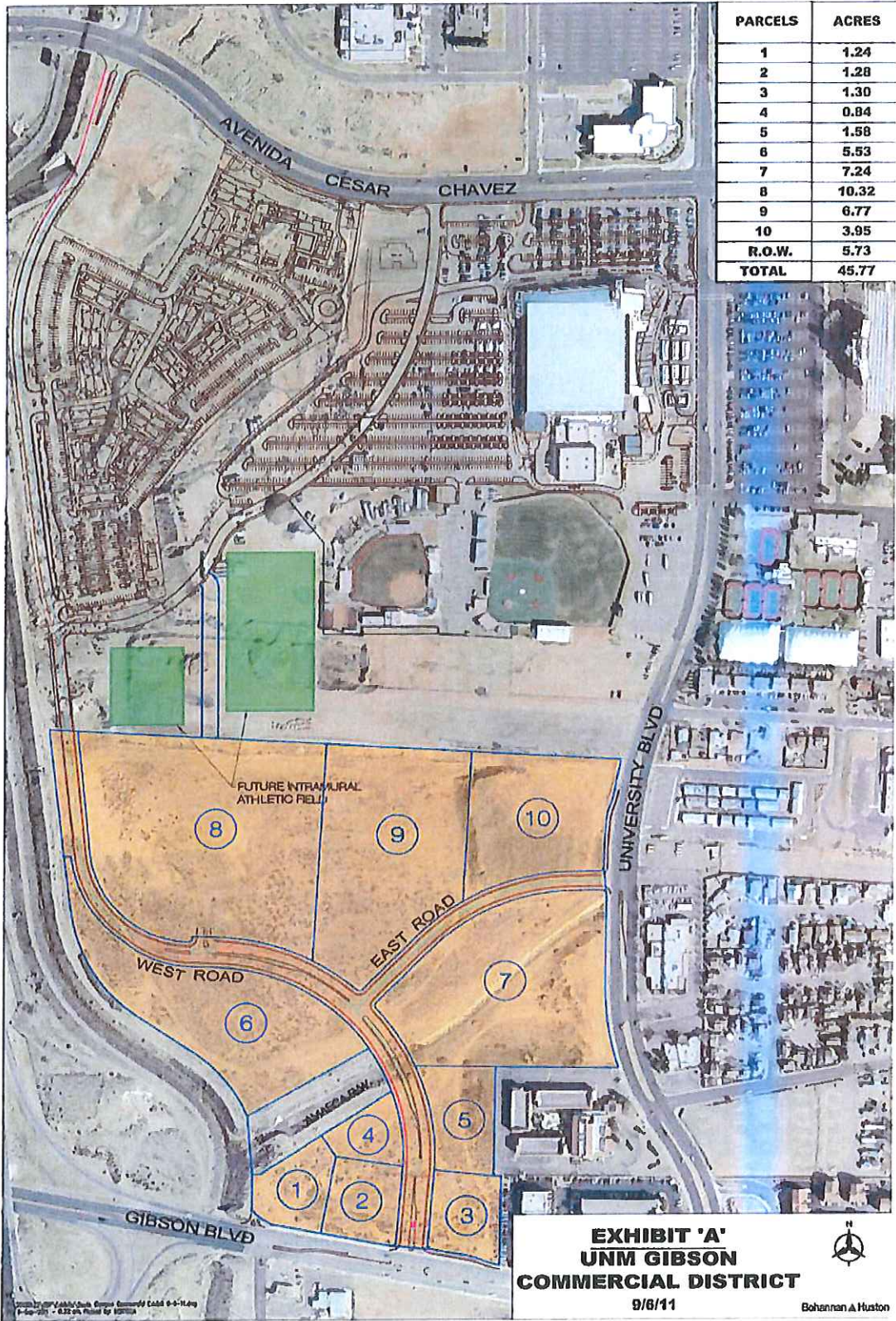
Bertha M. Gomez
Notary Public

My commission expires:

11/3/14



UNM Gibson Commercial District
 (Parcel Sizes / Number of Parcels)
 (Subject to Change)



No. of Lots: _____
Nearest Major Streets: _____

FIGURE 12

SUBDIVISION IMPROVEMENTS AGREEMENT-PUBLIC AND/OR PRIVATE (Procedure B)

AGREEMENT TO CONSTRUCT PUBLIC AND/OR PRIVATE SUBDIVISION IMPROVEMENTS

THIS AGREEMENT is made this _____ day of _____, 20____, by and between the City of Albuquerque, New Mexico ("City"), a municipal corporation, whose address is P. O. Box 1293 (One Civic Plaza), Albuquerque, New Mexico 87103, and The Regents of the University of New Mexico ("Subdivider"), a [state the type of business entity, for instance, "New Mexico corporation," "general partnership," "joint venture," "individual," etc.:] body corporate, on behalf of THE UNIVERSITY OF NEW MEXICO, a constitutionally created educational institution of the State of New Mexico, whose address is 2811 Campus Blvd, MSC 3595 Albuquerque, NM 87131 and whose telephone number is 505-277-4620, is made in Albuquerque, New Mexico, and is entered into as of the date of final execution of this Agreement.

1. Recital. The Subdivider is developing certain lands within the City of Albuquerque, Bernalillo County, New Mexico, known as [existing legal description:] _____, recorded on _____ in the records of the Bernalillo County Clerk at Book _____, pages _____ through _____ (the "Subdivision"). The Subdivider certifies that the Subdivision is owned by [state the name of the present real property owner exactly as shown on the real estate document conveying title in the Subdivision to the present owner:] The Regents of the University of New Mexico ("Owner").

The Subdivider has submitted and the City has approved a preliminary plat or Site Development Plan identified as _____ describing Subdivider's Property.

The City and the Subdivider have entered into a Memorandum of Understanding ("MOU") dated _____, 2011 for the development of the Subdivision. In the event of a conflict between the terms of the MOU and the terms of this Agreement, the parties shall attempt to reconcile the conflict. If the parties are unable to reconcile the conflict then the terms of the MOU shall control. The Subdivision Ordinance ("S.O.") and/or the Zoning Code, Section 14-16-3-11, require the Subdivider, at no cost to the City, to install certain public and/or private Improvements, which are reasonably related to the development of the Subdivision, or to financially guarantee the construction of the public and/or private improvements as a prerequisite to approval of the final plat, building permit or the Site Development Plan for the Subdivision

2. Improvements and Construction Deadline. The Subdivider agrees to install and complete the public and/or private improvements described in the Request for Financial Guaranty Requirement, as and if amended by the Financial Guaranty Amount (the "Improvements"), to the reasonable

EXHIBIT B

satisfaction of the City, on or before the _____ day of _____, 20____ ("Construction Completion Deadline"), at no cost to the City. The Improvements are shown in greater detail on the Subdivider's proposed and approved plans, which have been filed with the City Engineer and are identified as Project No. _____.

Note: To compute the Construction Completion Deadline: If a final plat will be filed after Subdivider meets the requirements of this Agreement, the Construction Completion Deadline can be no later than two years after execution of this Agreement. (See Subdivision Ordinance Section 14-14-3.) If a final plat will not be filed pursuant to this Agreement, the Construction Completion Deadline can be no later than one year after approval of the preliminary plat by the Development Review Board ("DRB"), unless the DRB grants an extension, not to exceed one additional year per extension, and the Subdivider processes an amendment to the Agreement. (See Subdivision Ordinance Section 14-14-3.) If this Agreement, with any amendments does not utilize the maximum time allowed for completion of construction, the Subdivider may obtain an extension of the Construction Completion Deadline if Subdivider shows adequate reason for the extension.

3. Work Order Requirements. The City agrees to issue a Work Order pursuant to the City's Development Process Manual after:

A. The Subdivider causes to be submitted all documents, and meets all requirements listed in Development Process Manual, Volume 1, Chapter 5, Work Order Process, and figure 1, including submitting a Certificate of Insurance, issued by State Risk Management, in a form acceptable to the City. The certificate must establish that the Subdivider has procured or has caused to be procured general liability insurance in the amount of not less than One Million Dollars (\$1,000,000) combined single limit for accidents or occurrences which cause bodily injury, death or property damage as a result of any condition of the Subdivision, the Improvements or the Subdivider's construction activities within, or related to the Subdivision. The insurance policy must name the City of Albuquerque, its employees and elected officials, as their interest may appear, as additional insured. The Subdivider must maintain or cause to be maintained the insurance until the City accepts the public Improvements and/or approves the private Improvements. The cancellation provision must provide that, if the policy is either canceled prior to the expiration date of the policy or is materially changed or not renewed, the issuing company will mail 30 days written notice to the City, attention City Engineer.

B. The Subdivider complies with all applicable laws, ordinances and regulations, including, but not limited to the City Excavation Ordinance and Sidewalk Ordinance, and pays the following required engineering, staking, testing fees, and other related City fees and County Clerk recording fees:

<u>Type of Fee</u>	<u>Amount</u>
Engineering Fee	3.25% of Actual Construction Cost as required per City-approved estimate.
Excavation and Sidewalk Ordinance, Street Restoration Fees	(Figure 7)

EXHIBIT B

Note: The Subdivider must pay the City all City fees which have been incurred during construction before the City will accept the public Improvements.

4. Surveying, Inspection and Testing. The Improvements shall be inspected, surveyed and tested in accordance with all applicable laws, ordinances, and regulations, and according to the following terms:

A. Construction Surveying. Construction surveying for the construction of the public Improvements shall be performed by Bohannon Huston, Inc., and construction surveying of the private Improvements shall be performed by Bohannon Huston, Inc. If the construction surveying is performed by an entity other than the City, the City may monitor the construction surveying and the Subdivider shall ensure that the construction surveying entity provides all construction surveying field notes, plats, reports and related data to the City which the City requires for review. Record drawings shall be provided by the entity performing the survey. The Subdivider shall pay the City a reasonable fee for any construction surveying performed by the City at Subdivider's request or as reasonably deemed necessary by the City.

B. Construction Inspection Methods. Inspection of the construction of the public Improvements shall be performed by Bohannon Huston, Inc., and inspection of the private Improvements shall be performed by Bohannon Huston, Inc., both New Mexico Registered Professional Engineers. If the inspection is performed by an entity other than the City, the City may monitor the inspection and the Subdivider shall ensure that the inspecting entity provides all inspection results, reports and related data to the City which the City requires for review. The City retains the right to perform its own general overall inspection of the construction project at any time prior to final acceptance of the Improvements, if deemed necessary or advisable by the City Engineer. The Subdivider shall pay the City a reasonable fee for the level of inspection performed by the City at Subdivider's request or as reasonably deemed necessary by the City.

C. Field Testing. Field testing of the construction of the public Improvements shall be performed by _____, and field testing of the private Improvements shall be performed by _____, both certified testing laboratories under the supervision of a New Mexico Registered Professional Engineer, in accordance with the current City of Albuquerque Standard Specifications for Public Works Construction. If any field testing is performed by an entity other than the City, the City may monitor the field testing and the Subdivider shall ensure that the field testing entity provides all field testing results, reports and related data to the City which the City requires for review. The Subdivider shall pay the City a reasonable fee for any field testing performed by the City at Subdivider's request or as reasonably deemed necessary by the City.

D. Additional Testing. The City retains the right to perform all additional testing which the City Engineer deems is necessary or advisable, and the Subdivider shall pay the City a reasonable fee therefor.

5. Financial Guaranty. If final plat approval is not requested prior to construction of the Subdivision, a financial guaranty is not required. If final plat approval is requested prior to construction of the Subdivision, the Subdivider must provide the City with a financial guaranty in an amount

EXHIBIT B

of not less than 125% of the estimated remaining cost of constructing the Improvements, as approved by the City Engineer. The financial guaranty must be irrevocable and may be in the form of a letter of credit, escrow deposit or loan reserve letter issued by a Federally Insured Financial Institution; a bond issued by a surety qualified to do business in New Mexico; or other pledge of liquid assets which meets all City requirements. The City must be able to call the financial guaranty at any time within the sixty (60) days immediately following the Construction Completion Deadline.

To meet the Subdivision Ordinance requirements, the Subdivider has acquired or is able to acquire the following Financial Guaranty:

Type of Financial Guaranty: _____
Amount: \$ _____
Name of Financial Institution or Surety providing Guaranty: _____
Date City first able to call Guaranty: _____
[Construction Completion Deadline]: _____ 20____.
If Guaranty other than a Bond, last day City able to call Guaranty
is: _____, 20____.
Additional information: _____

6. Notice of Start of Construction. Before construction begins, the Subdivider shall deliver an acceptable Notice to Proceed to the City and shall arrange for a preconstruction conference and all required inspections.

7. Completion, Acceptance and Termination. When the City receives Subdivider's final acceptance package, the City shall review it for completeness and accuracy. (See DPM Volume 1, Chapter 5, Work Order Process, Step 9.) If the package is acceptable, the City shall approve the package and issue a Certificate of Completion and Acceptance for the public Improvements and a Certificate of Completion for the private Improvements. Thereafter, the Subdivider's obligations to the City pursuant to this Agreement shall terminate, with the exception of the bond or other guarantee which the Subdivider has provided to assure the materials and workmanship, as required by the Subdivision Ordinance. After the City approves the final acceptance package, the City will promptly release this Agreement and the Financial Guaranty.

8. Conveyance of Property Rights. When the Improvements are completed, if the City does not own the real property upon or in which the public Improvements are constructed, the Subdivider will convey to the City all real and personal property rights which the City reasonably deems associated with the public Improvements, free and clear of all claims, encumbrances and liens before the City will accept the public Improvements. Conveyance may be made by appropriate dedication on the final plat of the Subdivision.

9. Reduction of Financial Guaranty Upon Partial Completion. The Subdivider shall be entitled to a reduction of the Financial Guaranty as a result of completing construction of part of the Improvements if the following conditions are met:

EXHIBIT B

A. Loan Reserve Financial Guaranty. If a loan reserve letter was provided as the Financial Guaranty, the Subdivider must follow the procedures and meet the requirements detailed in the Development Process Manual, Volume 1, Chapter 5.

B. Non-Loan Reserve Financial Guaranty. If a Financial Guaranty other than a loan reserve letter has been provided, the completed Improvements must be free-standing, functionally independent of any Improvements which have not yet been completed and completed in substantial compliance with the approved construction plans, as determined by City on-site inspection in order to qualify for a Financial Guaranty reduction. If the Improvements which have been completed meet all City requirements, the City Engineer will estimate the cost of completing the remaining Improvements. Thereafter, the subdivider must submit the following documents to the City for review and approval:

(1) A revised Financial Guaranty in an amount of not less than 125% of the cost of completing the remaining Improvements, as estimated by the City;

(2) A bond or other instrument acceptable to the City, which guarantees the completed Improvements against defective materials and workmanship for the period required by the Subdivision Ordinance.

(3) Conveyance of real and personal property rights which meet the requirements of section 8 of this Agreement.

After the City receives and approves the required documents, the City shall issue a Partial Certificate of Completion and Acceptance for the completed public Improvements and a Certificate of Partial Completion for the completed private Improvements.

10. Subdivider Responsibility. Until the Improvements are accepted by the City, the Subdivider shall be solely responsible for maintaining the premises upon which the Improvements are being constructed in a safe condition. Subdivider shall be responsible for claims, damages, liabilities or damages arising from personal injury or damage to persons or tangible property to the extent they result from the negligent act or failure to act of Subdivider or its employees pursuant to this Agreement, except that Subdivider liabilities shall be subject to the immunities and limitations of the Tort Claims Act § 41-4-1, et. seq., NMSA, 1978, as amended. By entering into this Agreement, Subdivider and its employees as defined in the New Mexico Tort Claims Act do not waive sovereign immunity, do not waive any defense, and/or do not waive any limitation of liability pursuant to law. No provision of this Agreement modifies or waives any provision of the New Mexico Tort Claims Act. Nothing herein is intended to impair any right or immunity under the laws of the State of New Mexico.

11. Assignment. This Agreement shall not be assigned without the prior written consent of the City and the Subdivider and the express written concurrence of any financial institution or surety which has undertaken to guarantee the completion of the Improvements. The City's approval will not be withheld unreasonably. If so assigned, this Agreement shall extend to and be binding upon the successors and assigns of the parties hereto.

12. Release. If the Subdivision or any part thereof is sold, conveyed or assigned, the City will not release the Subdivider from its obligations under

EXHIBIT B

this Agreement and will continue to hold the Subdivider responsible for all Improvements until a successor in interest to the Subdivider has entered into a Subdivision Improvements Agreement with the City. Thereafter, if the Subdivider's successor in interest has provided a substitute financial guaranty acceptable to the City, the City will release this Agreement and any related Financial Guaranty.

13. Payment for Incomplete Improvements. If the Subdivider fails to satisfactorily complete construction of the Improvements by the Construction Completion Deadline, and such failure continues for thirty (30) days after written notice of such failure from City to Subdivider, the City may construct or cause the Improvements to be constructed as shown on the final plat and in the approved plans and specifications. The Subdivider shall be jointly and severally liable to pay to the City for the actual cost, including, but not limited to engineering, legal and contingent costs, together with any damages, either direct or consequential which the City may incur as a result of Subdivider's failure to perform as required by this Agreement. If the direct or indirect costs and damages to the City exceed the amount of the City's Claim of Lien or any Financial Guaranty, the Subdivider shall be liable to, and shall pay, the City for all such costs and damages. The surety or sureties shall be jointly and severally liable to pay to and indemnify the City for the total cost to the extent of their obligations pursuant to any Financial Guaranty. Notwithstanding anything set forth or implied herein to the contrary, in no event shall either the City or the Subdivider be liable under this Agreement for (and each party hereby waives the right to claim or sue for) any indirect, speculative or punitive damages.

14. Binding on Subdivider's Property. The provisions of this Agreement constitute covenants running with Subdivider's Property for the benefit of the City and its successors and assigns until terminated, and are binding on the Subdivider and the Owner and their heirs, successors and assigns.

15. Notice. For purposes of giving formal written notice, including notice of change of address, the Subdivider's and the City's addresses are as stated in the first paragraph of this Agreement. Notice may be given either in person or by certified U.S. mail, postage paid. Notice will be considered to have been received within six (6) days after the notice is mailed if there is no actual evidence of receipt.

16. Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

17. Changes to Agreement. Changes to this Agreement are not binding unless made in writing, signed by both parties.

18. Construction and Severability. If any part of this Agreement is held to be invalid or unenforceable, the remainder of the Agreement will remain valid and enforceable if the remainder is reasonably capable of completion.

19. Captions. The captions to the sections or paragraphs of this Agreement are not part of this Agreement and will not affect the meaning or construction of any of its provisions.

EXHIBIT B

20. Form not Changed. Subdivider agrees that changes to this form are not binding unless initialed by the subdivider and signed by the City Legal Department on this form.

21. Authority to Execute. If the Subdivider signing below is not the Owner of the Subdivision, the Owner must execute a Power of Attorney.

22. Force Majeure. For the purposes of any of the provisions of this Agreement, in the event of any delay in the performance of such obligations due to causes beyond the control of, and without the fault or negligence of, such party, including without limitation acts of God, acts of the public enemy, acts of war or terrorism, acts of the federal, state or local government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, severe or inclement weather, shortages in labor, supplies or materials, or delays due to such causes; it being the purpose and intent of this Section 22 that in the event of the occurrence of any such delay, the City will reasonably consider granting an extension of the time or times for performance of the obligations of the party suffering such delay hereunder for the period of the delay.

Executed on the date stated in the first paragraph of this Agreement.

SUBDIVIDER:

THE REGENTS OF THE UNIVERSITY OF NEW CITY OF ALBUQUERQUE
MEXICO, a body corporate, on behalf of
THE UNIVERSITY OF NEW MEXICO, a
constitutionally created educational
institution of the State of New Mexico

By: _____
Name: Kim D. Murphy
Title: Director of Real Estate
Dated: _____

By: _____
City Engineer
Dated: _____

SUBDIVIDER'S NOTARY

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on the _____ day of _____, 2011 by Kim D. Murphy, Director of Real Estate of the University of New Mexico, a constitutionally created educational institution of the State of New Mexico on behalf of the Regents of the University of New Mexico, a body corporate of the University of New Mexico.

Notary Public

My Commission Expires:

EXHIBIT B

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STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

Notary Public

My Commission Expires:

FORESTCITY

FC Asset Services, LLC | 50 Public Square, Suite 1000B, Cleveland, Ohio 44113 | 216-621-6060 phone | www.forestcity.net