

CBRE



VILLA MENTMORE

3420 SANOSTEE DRIVE | GALLUP, NM



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EXECUTIVE SUMMARY



VILLA MENTMORE
3420 SANOSTEE DRIVE
GALLUP, NM 87301

LIHTC - Family

Price: \$3,968,505

Units: 52

Rentable square feet: 45,136

Year built: 2002

Initial TCCP ends: 2018

Final year of LIHTC restrictions: 2048

PROPERTY FEATURES

- A mix of two- and three-bedroom units featuring an oven, dishwasher, garbage disposal, and washer and dryer connections in select units
- Community amenities include a courtyard, laundry facility, barbecue and picnic area, and playground

DESIRABLE LOCATION

- The property is less than a 10-minute drive from Rio West Mall, which offers major retailers like JCPenney, Verizon Authorized Retailer, Hobby Lobby, and much more
- Villa Mentmore is within 10 miles of a variety of grocery stores including Walmart Supercenter, Family Dollar, Dollar General, and Albertson's
- Albuquerque International Sunport is a little over a two-hour drive from the property and features airlines like Alaska Airlines, American Airlines, Allegiant Airlines, Delta Air Lines, and more



AFFORDABLE RESTRICTIONS

Villa Mentmore currently operates under the Section 42 Low Income Housing Tax Credit (LIHTC) program, and has the following restrictions. Buyer must agree to maintain the affordable restrictions through the extended use period, including operating the property in compliance with state and federal regulatory agreements.

INITIAL TCCP ENDS: 2018
FINAL YEAR OF RESTRICTIONS: 2048

MCKINLEY COUNTY (MCKINLEY COUNTY, NM)

2020 4-PERSON AMI: \$36,600

- LIHTC LURA: Restricts 45 units at 40% AMI, 2 units at 50% AMI, and 5 units at 60% AMI
- HOME LURA: Restricts 9 units at 50% AMI
- 4% of the units are occupied by residents utilizing Section 8 vouchers

2020 INCOME LIMITS	40% AMI	50% AMI	60% AMI
1 person	\$17,440	\$21,800	\$26,160
2 people	\$19,920	\$24,900	\$29,880
3 people	\$22,440	\$28,050	\$33,660
4 people	\$24,920	\$31,150	\$37,380
5 people	\$26,920	\$33,650	\$40,380
6 people	\$28,920	\$36,150	\$43,380



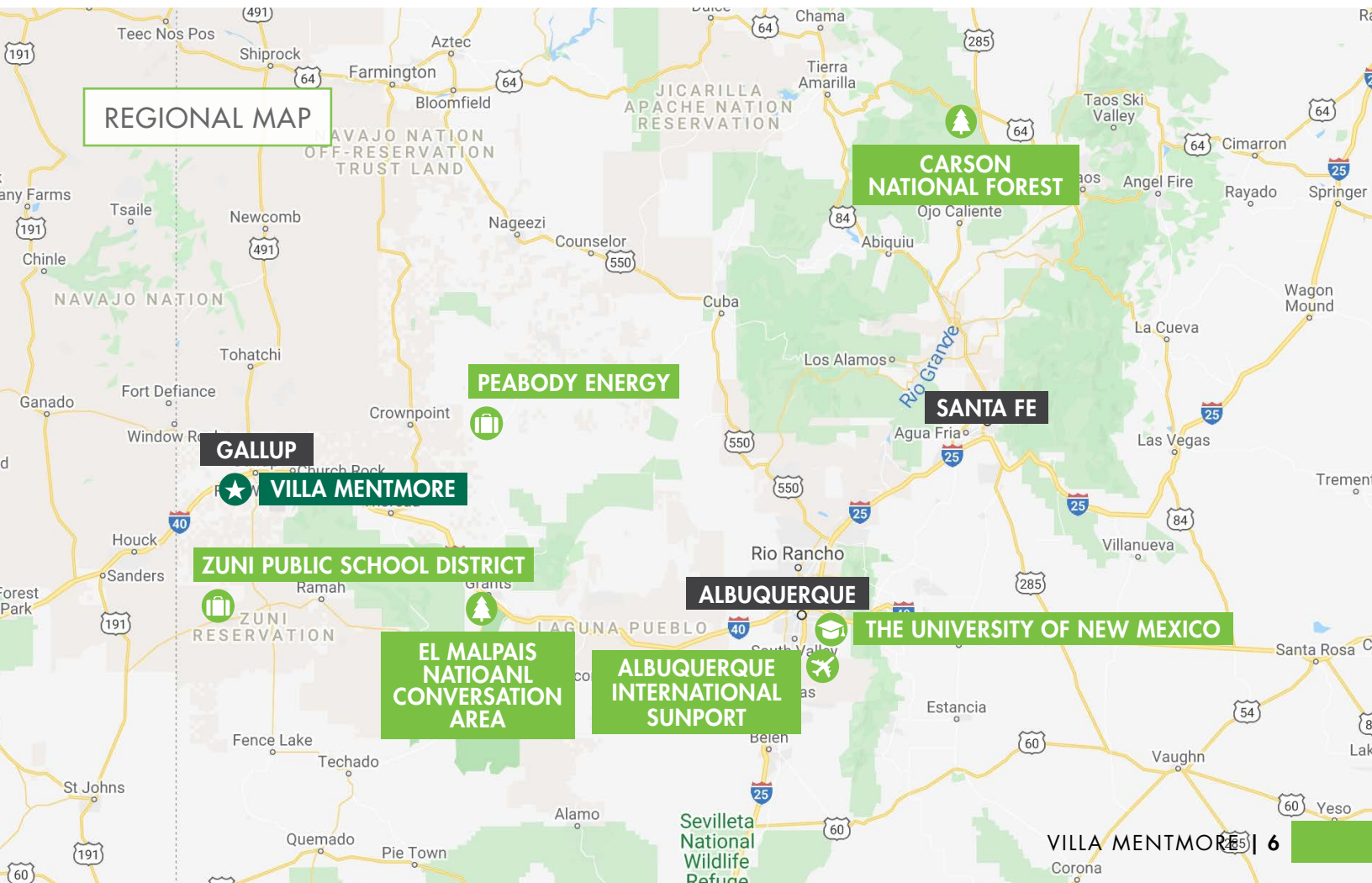
PROPERTY DETAILS

YEAR BUILT	2002	TOPOGRAPHY	Flat
NUMBER OF BUILDINGS	7	WASHER/DRYER CONNECTIONS	Yes (in three bedroom units only)
NUMBER OF UNITS	52	WATER	Not individually metered
NUMBER OF STORIES	2	ELECTRIC	Individually metered
PARCEL NUMBER	2-111-087-254-067	GAS	Individually metered
ZONING	Multifamily Residential High (MFRH)	FRAMING	Wood
LOT SIZE	2.99 acres	EXTERIOR	Stucco
DENSITY	17.39 units/acre	PARKING SURFACE	Asphalt
PARKING SPACES	104	ROOF	Shingles
PARKING RATIO	2 spaces/unit	AGE OF ROOF	18 years
LANDSCAPING	Mature trees and xeriscape		

LOCAL MAP



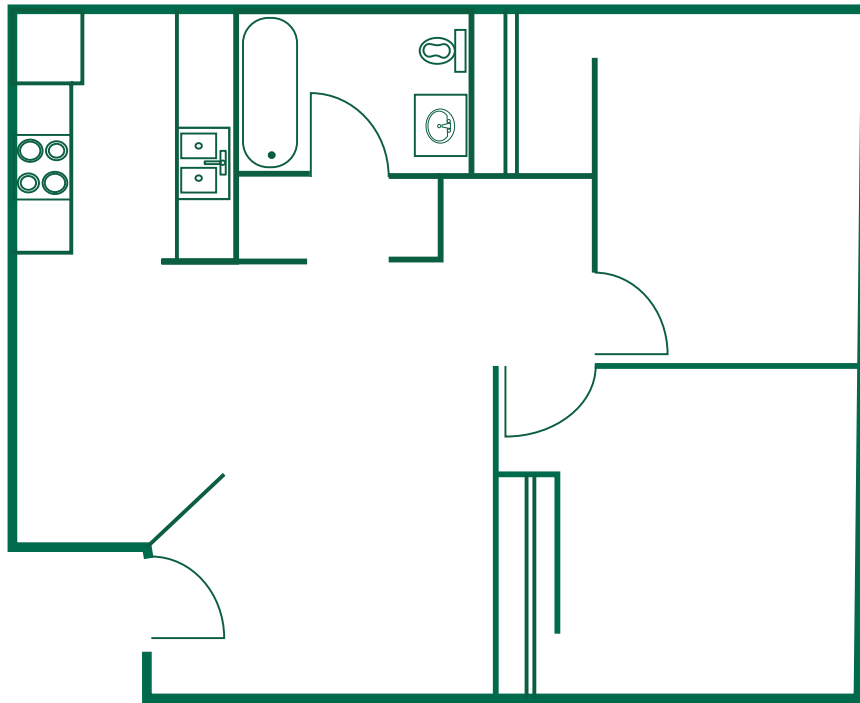
REGIONAL MAP



AERIAL MAP

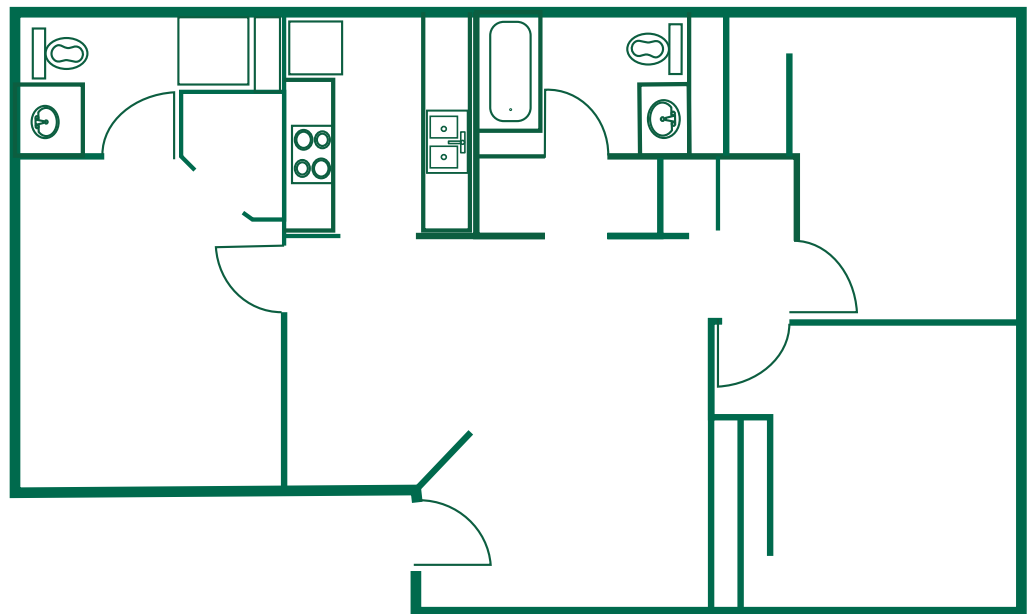


FLOOR PLANS



TWO BEDROOM | ONE BATH
817 SQUARE FEET
40 UNITS

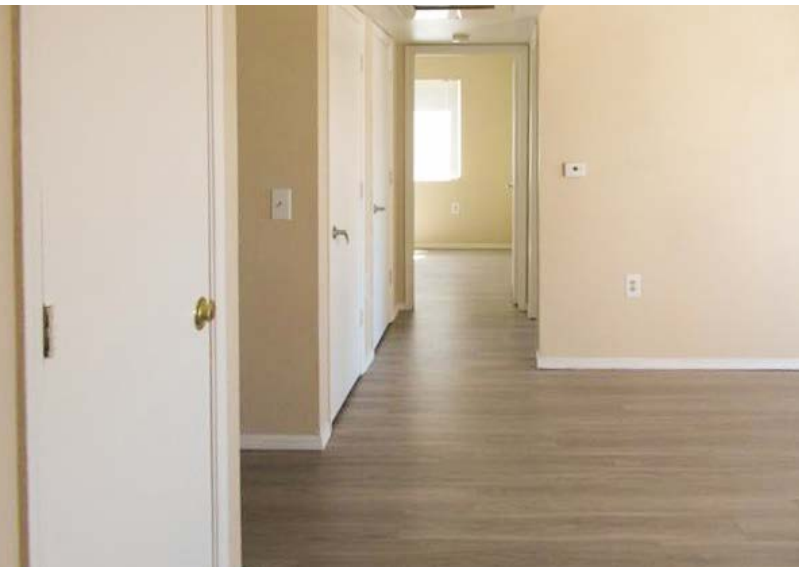
THREE BEDROOM | TWO BATH
1,038 SQUARE FEET
12 UNITS





UNIT AMENITIES

Oven | Dishwasher | Garbage disposal | Washer and dryer connections in select units





COMMUNITY AMENITIES

Courtyard | Laundry facility | Barbecue and picnic area | Playground





GALLUP, NM

LOCATION OVERVIEW

Gallup has a population of 22,105 and is a quaint town nestled along historic route 66. The town offers a suburban feel and is filled with various attractions in arts, culture, and outdoor recreation. Residents can find themselves basking in the red rock beauty of the town that is rich in Native American culture.

ARTS AND CULTURE

Every evening during the summer months, the McKinley Courthouse Square Plaza hosts summer nightly Indian dances that feature a variety of area tribes highlight rattle, flute, and drum instruments. Residents can meet the dancers and musicians after their performance surrounded by local vendors showcasing traditional foods. Cultural junkies can also take part in the Inter-Tribal Ceremonial, taking place in August and features a complete display of precious Indian fine arts which include jewelry, pottery, Navajo rugs, basketry, and much more. In the evening, there is a parade that runs along Route 66 in downtown Gallup with dancers dressed in bright colored attire.

OUTDOOR ADVENTURES

During the first week of December, visitors can take part in the Red Rock Balloon Rally, which brings color to the sandstone bluffs of Gallup. 200 balloons take flight in all different shapes and colors, making it one of the largest in North America since 1981. For a workout with a view, biking is a popular hobby among residents in Gallup. The Gallup North Hogback Trail is just northwest of the Red Rock Motorsports area and is a 20-minute drive from the property. The trail is always open to the public and offers cliff exposure. In addition, the Zuni Mountains features 25 plus miles of trail for running, mountain biking, and hiking.

Gallup also offers a plethora of rodeo events throughout the year. The city puts on the "Best of the Best Rodeo" in June every year showcasing the top contestants from junior high and high school. Rodeos also take place during the early days of the Ceremonial, and pays homage to the horsemanship skills many tribes take pride in.

MAJOR EMPLOYERS

- » GALLUP- MCKINLEY COUNTY SCHOOLS (1,992 EMPLOYEES)
- » GALLUP INDIAN MEDICAL CENTER (1,692 EMPLOYEES)
- » WALMART (530 EMPLOYEES)
- » REHOBOTH MCKINLEY CHRISTIAN HOSPITAL (506 EMPLOYEES)
- » CITY OF GALLUP (390 EMPLOYEES)
- » BUREAU OF INDIAN AFFAIRS (323 EMPLOYEES)
- » UNIVERSITY OF NEW MEXICO - GALLUP (266 EMPLOYEES)
- » ZUNI PUBLIC SCHOOL DISTRICT (261 EMPLOYEES)
- » PEABODY ENERGY (240 EMPLOYEES)
- » ANDEAVOR/WESTERN REFINING (213 EMPLOYEES)
- » MCKINLEY COUNTY (155 EMPLOYEES)
- » MCKINLEY PAPER/BOP PAPPEL (129 EMPLOYEES)
- » ESCALANTE GENERATING STATION (117 EMPLOYEES)
- » BNSF RAILWAY COMPANY (50 EMPLOYEES)
- » SACRED WINDS COMMUNICATION (44 EMPLOYEES)
- » EL PASO NATURAL GAS COMPANY (23 EMPLOYEES)
- » CONTINENTAL DIVIDE ELECTRIC CO-OP (15 EMPLOYEES)

SCHOOLS

- » TOBE TURPEN ELEMENTARY SCHOOL (0.4 MILE)
- » CHIEF MANUELITO MIDDLE SCHOOL (2.4 MILES)
- » GALLUP HIGH SCHOOL (2.5 MILES)
- » UNM GALLUP (7.4 MILES)

GROCERY STORES

- » SHOP 'N SAVE (4.2 MILES)
- » FAMILY DOLLAR (5.9 MILES)
- » WALMART SUPERCENTER (6.1 MILES)
- » DOLLAR GENERAL (6.4 MILES)
- » ALBERTSONS (8.2 MILES)
- » T&R MARKET (11.4 MILES)
- » JOHN MURPHY GROCERY (22.4 MILES)
- » BASHAS (37.9 MILES)

PARKS AND RECREATION

- » HADDEN PARK (0.3 MILE)
- » GALLUP SPORTS COMPLEX (6.0 MILES)
- » SKY CITY PARK (7.0 MILES)
- » PLAYGROUND OF DREAMS (7.6 MILES)
- » CITY PARK (8.1 MILES)
- » FORD CANYON PARK (8.2 MILES)
- » INDIAN HILLS PARK (11.5 MILES)
- » RED ROCK PARK (15.1 MILES)

RETAIL AND RESTAURANTS

- » GAMESTOP (5.3 MILES)
- » DOLLAR TREE (5.3 MILES)
- » RIO WEST MALL (6.0 MILES)
JCPENNY, VERIZON AUTHORIZED RETAILER, HOBBY LOBBY, CRACKER BARREL, CHINESE KITCHEN
- » AMERICAN HERITAGE PLAZA (6.0 MILES)
BIG LOTS, SAFEWAY, FAMILY DOLLAR, SUBWAY, MCDONALD'S, TACO BELL, DENNY'S, SIZZLER
- » THE HOME DEPOT (6.1 MILES)
- » VERIZON AUTHORIZED RETAILER (7.4 MILES)

TRANSPORTATION

- » ALBUQUERQUE INTERNATIONAL SUNPORT (150 MILES)

FINANCIAL ANALYSIS

PROPERTY INFORMATION

Villa Mentmore
3420 Sanostee Drive
Gallup, NM 87301
McKinley County

Year Built 2002
 Number of Units 52
 Property Type LIHTC - Family
 Projected Closing Date August 1, 2020
 Hold Period 10 Years

Placed In Service April 24, 2003
 End of TCCP December 31, 2018
 Final Year of LIHTC Restrictions 2048 (Ext Use: 30 Yrs)

Qualified Contract Eligible Yes
 Right of First Refusal No
 Opportunity Zone Yes

Purchase Price	\$3,968,505
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Per Unit	\$76,317
Per SF	\$88
Total Acquisition Costs	\$4,060,805
Cost Per Unit	\$78,092
Cost Per SF	\$90
Exit Cap Rate	7.50%
Exit Cost of Sale	4.50%

Total Debt	\$530,000
Aggregate LTV	13.4%
Aggregate LTC	13.1%
Equity	\$3,530,805

SOURCES AND USES

Uses of Funds	Total \$	Per Unit \$
Purchase Price	\$3,968,505	\$76,317
Due Diligence and Closing	\$35,000	\$673
Capital Improvements	\$52,000	\$1,000
Financing Costs	\$5,300	\$102
Total Uses of Funds	\$4,060,805	\$78,092

Sources of Funds	Total \$	Total %
First Mortgage	\$530,000	13.1%
Total Debt	\$530,000	13.1%
Total Equity	\$3,530,805	86.9%
Total Sources of Funds	\$4,060,805	100.0%

FINANCING ASSUMPTIONS

First Mortgage - New Financing

Original Loan Amount	\$530,000	Loan to Value	13.4%
Loan Amount at Start of Analysis	\$530,000	Loan to Cost	13.1%
Proposed or Existing Origination Date	Proposed August 1, 2020	Term Maturity Date	10.0 Years July 1, 2030
Permanent Interest Rate	4.50%	Amortizing Annual Debt Service	\$32,225
Interest Rate Method	30/360	Amortizing DSCR (Year 0)	1.28
Interest-Only Period (In Months)	0	Amortizing DSCR (Year 1)	1.47
Amortization (In Months)	360		
Loan Constant	6.08%		
Loan Origination Fee	1.00%		

Notes

Analysis reflects new financing.

Potential lender escrow requirements have not been included.

Underwritten loan proceeds based on minimum DSCR requirements using lender NOI of \$40,691. Adjustments include removal of any Section 8 voucher overhang, minimum economic loss requirements, and expense adjustments per Agency guidelines with consideration for historical occupancy and budgeted management changes by a new owner.

UNIT MIX

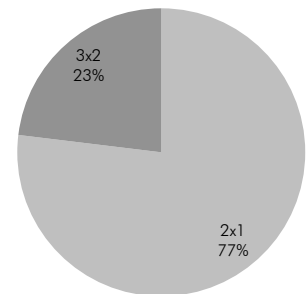
Unit Type	AMI %	# of Units	SF	Current Asking Rent	Year 1 Rent Growth	Year 1 Rents	2020 Max Allowable Rent	Utility Allowance	Net Max Rent
2x1	40	39	817	426	10	436	495	69	426
2x1	50	1	817	549	12	561	618	69	549
3x2	40	6	1,038	480	11	491	571	91	480
3x2	50	1	1,038	622	14	636	713	91	622
3x2	60	5	1,038	765	17	782	856	91	765
Total		52	45,136	\$24,490	\$551	\$25,041	\$28,342	\$3,852	\$24,490
Average			868	\$471	\$11	\$482	\$545	\$74	\$471

Notes

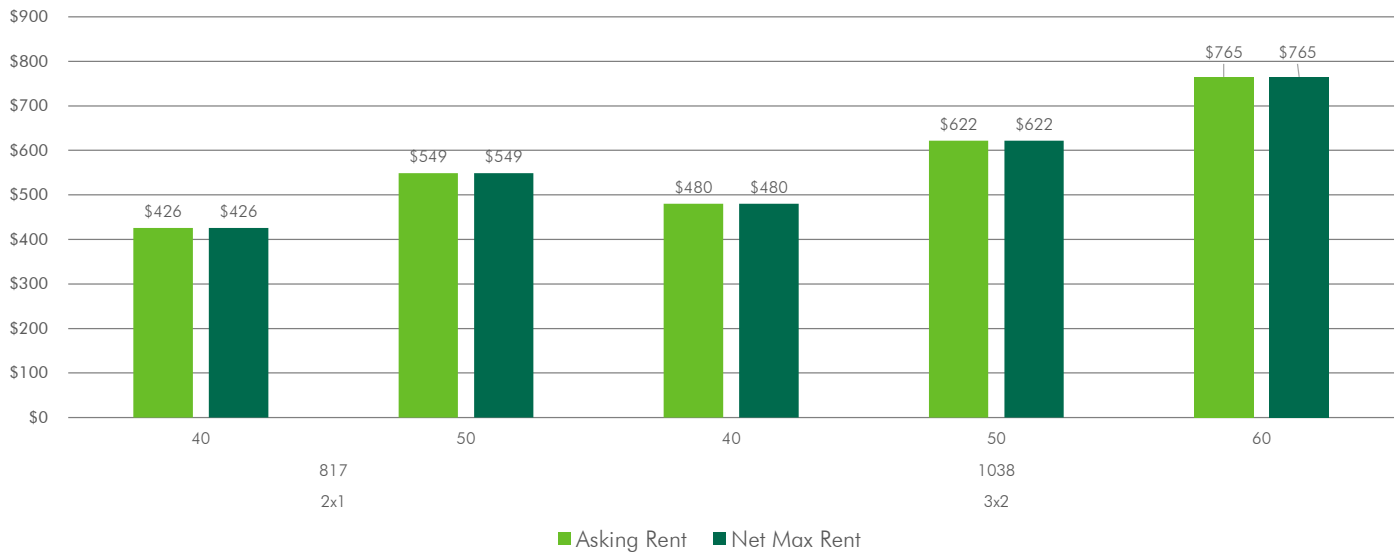
- 4% of the units are occupied by residents utilizing Section 8 vouchers
- 5% of the units are ADA compliant with differing square footage

Affordability Restrictions

- LIHTC LURA: Restricts 45 units at 40% AMI, 2 units at 50% AMI, and 5 units at 60% AMI. Restrictions terminate at the end of 2048. The property is qualified contract eligible
- HOME LURA: Restricts 9 units at 50% AMI. Restrictions terminate at the end of 2048



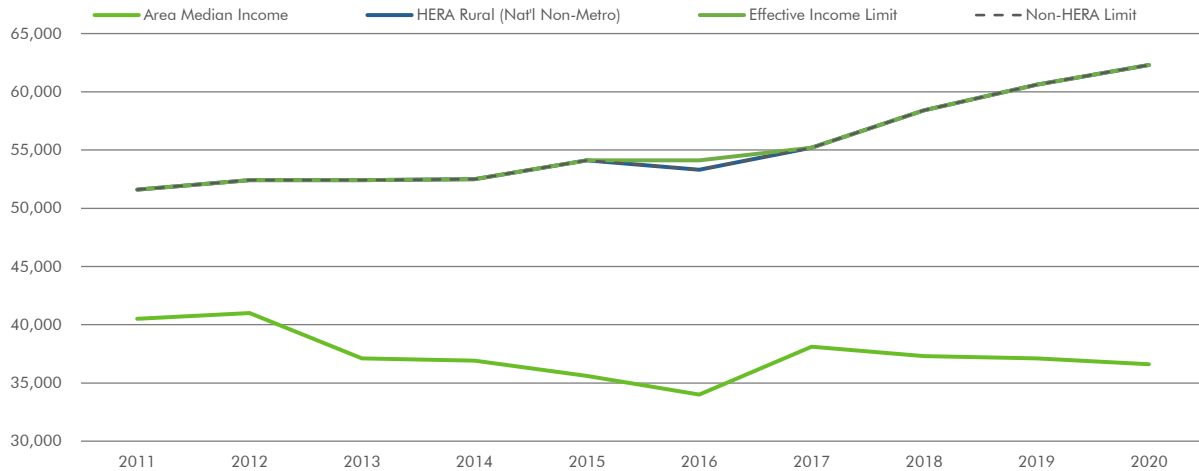
Asking Rents vs. Net Max Rents



INCOME AND EXPENSE NOTES

- (1) Loss-to-Lease: Underwriting assumes all new leases and renewals will be rented at the current asking rents over the first 12 months.
- (2) Gross Potential Rent: Year 0 reflects March 2019 trailing 12 months.
- (3) Vacancy: As of April 15, 2020, the property was 100% occupied. Analysis reflects a stabilized occupancy of 95.5%.
- (4) Real Estate Taxes: Analysis assumes real estate taxes will grow at 3% for the entirety of the hold period.
- (5) Audit/Accounting Fees: Excludes the audit expense which will not be required after a sale.

HISTORICAL RENT AND INCOME LIMITS



Notes

- The property is located in the McKinley County, NM Income Limit Area
- The historical Consumer Price Index data below reflects the Western United States and is obtained from the U.S. Bureau of Labor Statistics

	2012	2013	2014	2015	2016	2017	2018	2019	2020
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Percent Below Effective Peak

Area Median Income								56.5684%	
High Housing Cost (FMR)								43.84%	
State Non-Metro MFI								8.75%	13.48%
HERA Special Bonus								24.79%	

4-Person 50% Income Limit

Non-HERA	23,850	23,500	23,600	24,200	25,350	26,150	26,850	26,550	27,450
% Growth		-1.47%	0.43%	2.54%	4.75%	3.16%	2.68%	-1.12%	3.39%
Effective Limit	26,200	26,200	26,250	27,050	27,050	27,600	29,200	30,300	31,150
% Growth		0.00%	0.19%	3.05%	0.00%	2.03%	5.80%	3.77%	2.81%

2-Bedroom Rent at 60% AMI

Non-HERA	645	634	637	654	685	706	726	717	742
% Growth		-1.71%	0.47%	2.67%	4.74%	3.07%	2.83%	-1.24%	3.49%
Effective Limit	708	708	709	730	730	745	789	819	841
% Growth		0.00%	0.14%	2.96%	0.00%	2.05%	5.91%	3.80%	2.69%

HISTORICAL AMI, NON-HERA RENT, CPI, AND FMR

Year	Area Median Income		Non-Hera (2BR @ 60%)		Consumer Price Index		2BR Fair Market Rent	
2010	35,800		606		221		638	
2011	40,500	13.13%	636	4.95%	227	2.84%	643	0.78%
2012	41,000	1.23%	645	1.42%	232	2.15%	542	-15.71%
2013	37,100	-9.51%	634	-1.71%	236	1.48%	626	15.50%
2014	36,900	-0.54%	637	0.47%	240	1.86%	637	1.76%
2015	35,600	-3.52%	654	2.67%	243	1.17%	749	17.58%
2016	34,000	-4.49%	685	4.74%	248	1.93%	658	-12.15%
2017	38,100	12.06%	706	3.07%	255	2.84%	667	1.37%
2018	37,300	-2.10%	726	2.83%	263	3.35%	697	4.50%
2019	37,100	-0.54%	717	-1.24%	270	2.69%	755	8.32%
2020	36,600	-1.35%	742	3.49%	274	1.32%	714	-5.43%
3-Yr Avg	-1.33%		1.69%		2.45%		2.46%	
5-Yr Avg	0.72%		2.58%		2.43%		-0.68%	
10-Yr Avg	0.44%		2.07%		2.16%		1.65%	

GROWTH RATES AND OCCUPANCY ASSUMPTIONS

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Year Ending	Jul-2021	Jul-2022	Jul-2023	Jul-2024	Jul-2025	Jul-2026	Jul-2027	Jul-2028	Jul-2029	Jul-2030
Income Growth										
Rental Income Growth	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Other Income Growth	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Economic Loss										
Vacancy (-) *	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Bad Debt (-) *	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Concessions (-) *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Economic Loss	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Expense Growth										
Real Estate and Other Taxes	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Insurance	2.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Utilities	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Contract Services	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Repairs and Maintenance	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Marketing and Promotion	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Payroll	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Management Fee **	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Administrative	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Replacement Reserves	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes: * Calculated as a percentage of Gross Potential Rent | ** Calculated as a percentage of Effective Gross Income

10-YEAR CASH FLOW

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Period Ending	Jul-2021	Jul-2022	Jul-2023	Jul-2024	Jul-2025	Jul-2026	Jul-2027	Jul-2028	Jul-2029	Jul-2030	

Unleveraged Acquisition Costs

Purchase Price	3,968,505										
Due Diligence and Closing	35,000										
Capital Improvements	52,000										
Total Unlev. Acq. Costs	\$4,055,505										

Income

Market Rents	293,880	300,492	307,253	314,167	321,235	328,463	335,854	343,410	351,137	359,038	367,116
Loss-to-Lease (%)	4.61%	2.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Loss-to-Lease (Gain)	13,560	8,264	3,073	3,142	3,212	3,285	3,359	3,434	3,511	3,590	3,671
Gross Potential Rent	\$280,320	\$292,229	\$304,181	\$311,025	\$318,023	\$325,178	\$332,495	\$339,976	\$347,626	\$355,447	\$363,445
Vacancy (-)	12,614	13,150	13,688	13,996	14,311	14,633	14,962	15,299	15,643	15,995	16,355
Bad Debt (-)	1,402	1,461	1,521	1,555	1,590	1,626	1,662	1,700	1,738	1,777	1,817
Concessions (-)	0	0	0	0	0	0	0	0	0	0	0
Total Economic Loss	\$14,016	\$14,611	\$15,209	\$15,551	\$15,901	\$16,259	\$16,625	\$16,999	\$17,381	\$17,772	\$18,172
% Economic Loss	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Total Other Income	\$5,650	\$5,777	\$5,907	\$6,040	\$6,176	\$6,315	\$6,457	\$6,602	\$6,751	\$6,903	\$7,058
Effective Gross Income	\$271,954	\$283,394	\$294,879	\$301,514	\$308,298	\$315,234	\$322,327	\$329,580	\$336,995	\$344,578	\$352,331
% Change	-0.72%	4.21%	4.05%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

Operating Expenses

Real Estate and Other Taxes	10,160	10,160	10,414	10,674	10,941	11,215	11,495	11,782	12,077	12,379	12,688
Insurance	20,531	21,044	22,096	23,201	24,361	25,579	26,858	28,201	29,611	31,092	32,647
Utilities	59,650	61,141	62,670	64,237	65,842	67,488	69,176	70,905	72,678	74,495	76,357
Contract Services	274	281	288	295	302	310	318	326	334	342	351
Repairs and Maintenance	33,301	34,134	34,987	35,862	36,758	37,677	38,619	39,584	40,574	41,588	42,628
Marketing and Promotion	353	362	371	380	390	399	409	420	430	441	452
Payroll	50,323	51,581	52,871	54,192	55,547	56,936	58,359	59,818	61,314	62,847	64,418
Management Fee	14,957	15,587	16,218	16,853	17,506	18,178	18,868	19,575	20,300	21,044	21,807
Administrative	23,925	24,523	25,136	25,765	26,409	27,069	27,746	28,439	29,150	29,879	30,626
Replacement Reserves	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600
Total Expenses	\$230,620	\$235,959	\$242,197	\$248,335	\$254,653	\$261,158	\$267,854	\$274,749	\$281,849	\$289,160	\$296,691

Net Operating Income	\$41,334	\$47,436	\$52,682	\$53,179	\$53,644	\$54,077	\$54,473	\$54,831	\$55,146	\$55,417	\$55,640
% Change	3.40%	14.76%	11.06%	0.94%	0.88%	0.81%	0.73%	0.66%	0.58%	0.49%	0.40%

Gross Sale Proceeds	0	0	0	0	0	0	0	0	0	0	744,146
Less Existing Debt Balance	0	0	0	0	0	0	0	0	0	0	424,474
Less Cost of Sale	0	0	0	0	0	0	0	0	0	0	33,487
Net Sale Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$286,185

First Mortgage - New Financing

Principal Payments	8,550	8,943	9,354	9,783	10,233	10,703	11,195	11,709	12,247	12,809	
Interest Payments	23,675	23,282	22,871	22,442	21,992	21,522	21,031	20,516	19,978	19,416	
Mortgage Repaid	0	0	0	0	0	0	0	0	0	0	
Mortgage Funding Proceeds	(530,000)	0	0	0	0	0	0	0	0	0	
Loan Fees	5,300	0	0	0	0	0	0	0	0	0	
Total DS - First Mortgage	(\$524,700)	\$32,225	\$32,225	\$32,225	\$32,225	\$32,225	\$32,225	\$32,225	\$32,225	\$32,225	\$32,225

Net Cash Flow	\$15,211	\$20,457	\$20,953	\$21,419	\$21,851	\$22,248	\$22,605	\$22,921	\$23,192	\$23,415	
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Total Lev. Cash Flow	(\$3,530,805)	\$15,211	\$20,457	\$20,953	\$21,419	\$21,851	\$22,248	\$22,605	\$22,921	\$23,192	\$309,600
Debt Service Coverage Ratio		1.47	1.63	1.65	1.66	1.68	1.69	1.70	1.71	1.72	1.73



AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the "Property"), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgement of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates' interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms' length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

PHOTOGRAPHY

Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.

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