

Challenges in Homebuilding

Case Study- SW Heights Albuquerque

Centex®

The logo for Pulte Homes, featuring a stylized house icon with a yellow sun-like shape above it, and the text "Pulte HOMES" in a sans-serif font.

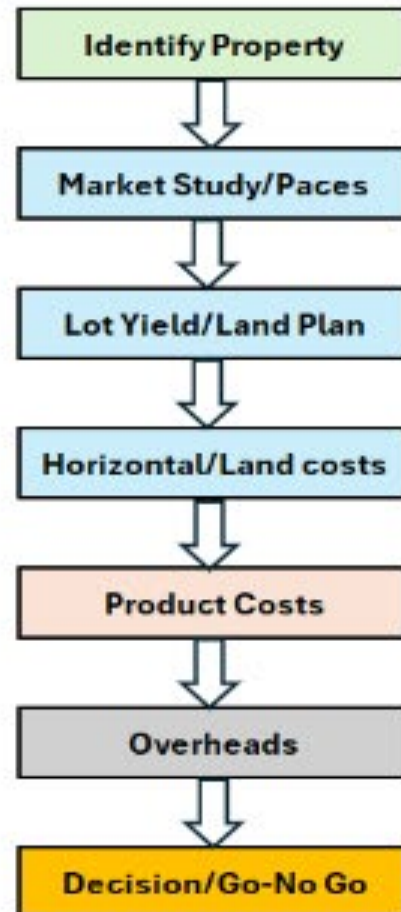
Del Webb®

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Sample Site — Asking Price \$3 Million



PROJECT ANALYSIS





Site 13.52 acres

- Analysis 40' wide lot at 4.5 Lots per acre
- Yields a project of 60 Lots

CMA:

- Average Sales Price in Abq MSA \$408,207
- Average Sales Price in SW Heights-\$297,582 (MLS)

Average Household Income 3-mile Radius of \$74,294

MFA recommended qualification guideline of \$235,000-\$240,000

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Market Study/Paces

Local Market Update – June 2025

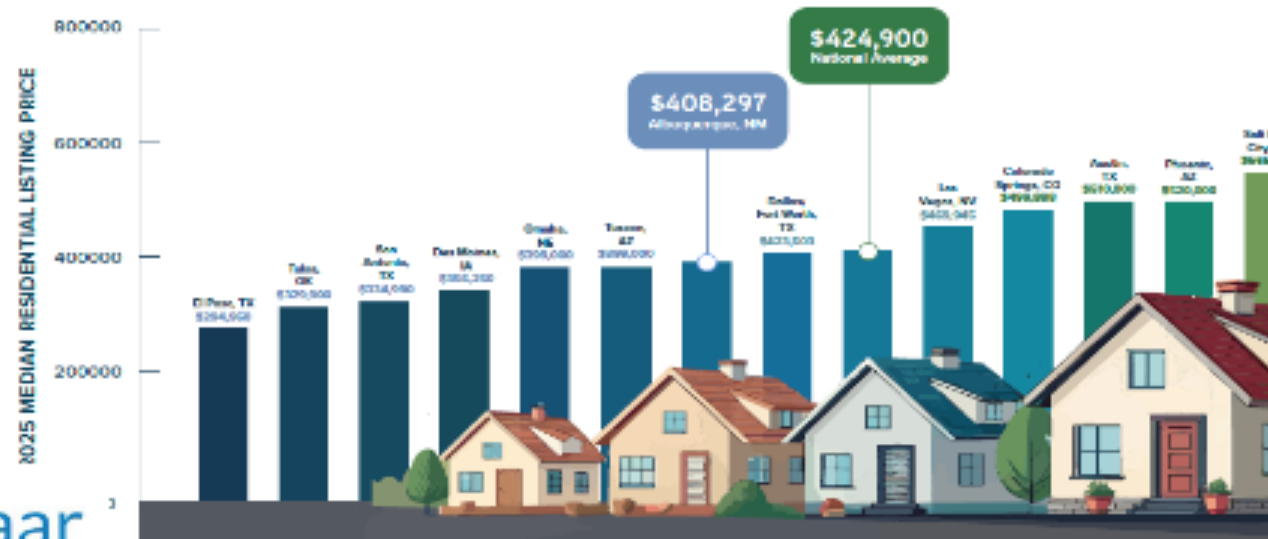
A Research Tool Provided by the Greater Albuquerque Association of REALTORS®



Southwest Heights – 92

East of Cancito Reservation, South of Central Ave, West of Coors Blvd SW, North of Dennis Chavez Blvd

Single-Family Detached	June			Year to Date		
	2024	2025	% Change	Thru 6-2024	Thru 6-2025	% Change
New Listings	59	59	0.0%	389	337	- 13.4%
Pending Sales	51	40	- 21.6%	329	284	- 13.7%
Closed Sales	44	40	- 9.1%	314	278	- 12.1%
Days on Market Until Sale	22	23	+ 4.5%	28	34	+ 21.4%
Median Sales Price*	\$302,500	\$292,459	- 3.3%	\$285,000	\$292,500	+ 2.6%
Average Sales Price*	\$296,347	\$295,863	- 0.9%	\$290,471	\$297,582	+ 2.4%
Percent of List Price Received*	99.7%	100.0%	+ 0.3%	99.8%	99.6%	- 0.2%
Inventory of Homes for Sale	86	69	- 19.8%	—	—	—
Months Supply of Inventory	1.7	1.5	- 11.8%	—	—	—



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Land Costs

	Costs	Per Lot
Raw Land	\$ 3,000,000	\$ 50,000
Engineering & Survey	\$ 280,929	\$ 4,682
Grading	\$ 1,316,507	\$ 21,942
Infrastructure (Water, Sewer, Storm)	\$ 740,734	\$ 12,346
Walls	\$ 671,967	\$ 11,199
Street Improvements	\$ 396,829	\$ 6,614
Dry Utilities (Gas & Electric)	\$ 226,409	\$ 3,773
Landscaping	\$ 276,793	\$ 4,613
Administration, Overhead Muni Fees	\$ 368,077	\$ 6,135
Contingency	\$ 156,464	\$ 2,608
GRT	\$ 343,487	\$ 5,725
Off Sites	\$ 500,000	\$ 8,333
Total	\$ 8,278,198	\$ 137,970

- Utilized Should-costing based on similar projects
- GRT Statewide Tax
- Offsite possibilities
 - DOT- signal, lane expansion
 - Water utility improvements
 - AMAFCA
 - Power and Gas expansion

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House Costs

3015 -Cochiti Plan	Permit and Fees	\$	10,150
	Pre- Slab	\$	3,980
	Foundation and Flatwork	\$	24,413
	Framing and Lumber	\$	44,780
	Front end shell	\$	21,090
	MEP	\$	37,429
	Insulation, Drywall, Paint	\$	15,894
	Finishes and cleaning	\$	30,457
	Third party inspections	\$	1,410
	GRT Summation	\$	13,451
	Total House Costs	\$	189,603



Priced at Average Sales Price

		Total Investment	Per Home
	Raw Land	\$ 3,000,000	\$ 50,000
	Land Development (In Tracts)	\$ 4,434,711	\$ 73,912
	Offsite requirements	\$ 500,000	\$ 8,333
	House Costs	\$ 9,892,320	\$ 164,872
	Permits and Fees	\$ 609,000	\$ 10,150
	GRT	\$ 1,150,578	\$ 19,176
Projected Sales Price	\$ 297,582		\$ 326,443
	Gain/Shortfall		\$ (28,861)

Priced at Average Sales Price plus 15% for New

		Total Investment
	Raw Land	\$ 3,000,000
	Land Development (In Tracts)	\$ 4,434,711
	Offsite requirements	\$ 500,000
	House Costs	\$ 9,892,320
	Permits and Fees	\$ 609,000
	GRT	\$ 1,150,578
Projected Sales Price	\$ 342,219	
	Gain/Shortfall	

\$37,659 in Offsite, GRT and Permits

Priced at Average Sales Price

		Total Investment	Per Home		
	Raw Land	\$ 2,700,000	\$ 45,000		
	Land Development (In Tracts)	\$ 4,434,711	\$ 73,912		
	Offsite requirements	\$ -	\$ -	Site Ready	
	House Costs	\$ 9,892,320	\$ 164,872		
	Permits and Fees	\$ 152,250	\$ 2,538	75% Reduction	
	GRT	\$ 277,944	\$ 4,632	75% Reduction	
Projected Sales Price	\$ 297,582		\$ 290,954		
	Gain/Shortfall		\$ 6,628		

Priced at Average Sales Price with reduction in fees, GRT and Offsite obligations and 10% price reduction.



Questions?