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Owner of Rio Rancho's Mariposa says development poised for a comeback

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Last year, the Scottsdale-based real estate investment and development firm Harvard Investments bought Rio Rancho's 1,600-acre master-planned community Mariposa. With a reputation of buying and investing in distressed communities, the purchase of Mariposa was Harvard's first time working in the New Mexico market.

Some Mariposa homeowners faced challenges after its previous developer **left the project in 2012**. Some were also wary of Harvard.



COURTESY MARIPOSA

Mariposa was purchased by the Scottsdale-based firm Harvard Investments late last year.

"They felt Mariposa was a real black eye for the community, and people didn't see how it would ever get resurrected," said Tim Brislin, Harvard vice president.

Yet a year later and **with six homebuilders lined up**, Mariposa has staged something of a comeback. On August 15, **Mariposa will celebrate a grand reopening**, and kick off a new round of construction.

We asked Brislin about Harvard's move and Mariposa's future.

How did Mariposa land on Harvard's radar?

We source our projects from real estate brokers that we have relationships with, and this one was listed with a real estate broker we know very well in Arizona. It was brought to us because they know we like projects that are very challenging. In terms of real distress, this community had all the classic signs. No master developer in place, the HOA was completely out of sorts. The PID [public improvement district] needed to be recast and we needed to update the development agreement with the city. It was probably the most difficult community we've taken on by far. At same time it has all the elements there for great community. The infrastructure was all in place, it had beautiful property amenities you can't replace from scratch and they did a great job planning it.

What's been accomplished and how has the community reacted?

The PID was a major aspect of it. I definitely think that having to reorganize a public bond financing is very difficult to do. We hadn't done that before. We had a development agreement with the city that had been established years ago with the former developer, which covered a much larger property than what we were buying, so we had to separate that out and get things updated for a portion of the project verses the whole thing. The city was very easy to work with, from the mayor to the city council and development director. The residents were very anxious to have us close. They were excited to have someone at the helm again,

but at the same time they wanted to know who is this group and what will they do with this community. Once we came in, we did several HOA meetings to introduce ourselves. We told them what we were planning on doing, and they saw we were going to spend the money on the amenity center and pool and getting the park cleaned up.

How long will it take to fully develop Mariposa?

It could be 10 years, depending if the economy in general picks up more steam. We anticipate there will be approximately 2,000 units in Mariposa. To date there's about 125 homes that are built and occupied. We have another 300 to 400 lots on the ground that are re-grand opening right now. We do think demographically we'll have some families, but a large share of the families will be those with older children and empty nesters. That's a real opportunity in this market.

Stephanie Guzman

Reporter

Albuquerque Business First

