

West Side leads home building

By [Nancy Salem](#)
Tribune reporter

Home building in the Albuquerque area is limping a bit this year, but there are some bright spots -- namely the West Side.

The Northwest and Southwest mesas along with Rio Rancho account for nearly two-thirds of the housing starts in the metropolitan area.

"This continues to represent a significant shift in where our homes are being built," said Jim Folkman, executive vice president of the Home Builders Association of Central New Mexico. "For many years, most of the city's housing activity has been in the Northeast Heights, but that has changed dramatically the past three or four years.

"The most notable change has occurred on the Southwest Mesa, which is capturing about 20 percent of the market."

He said the market share for that area has averaged about 8 percent since 1986. The number of starts in the Northeast Heights has paralleled starts on the Southwest Mesa the past two years.

Some 1,149 building permits for single-family homes were issued in July, August and September, down 2.1 percent from 1,174 in the same three-month period last year, according to the Albuquerque Metropolitan Housing Digest compiled by the Home Builders Association of Central New Mexico.

Second-quarter permits were down 15.6 percent from the second quarter of 1999, from 1,559 to 1,316. First-quarter permits were down 6.7 percent, from 1,226 to 1,144.

For the year through September, 3,634 permits were issued, down 7.4 percent from the 3,923 issued through September 1999.

A total of 4,899 single-family permits were issued in 1999. That was down 0.3 percent from 4,914 issued in 1998. The 1998 figure was up 16.9 percent from 4,205 issued in 1997.

"We are encouraged that there has been an improvement in single-family housing starts in the third quarter over the second quarter, but we are reluctant to assign a trend to the results of a single month or quarter," Folkman said. "But we think there are some fairly strong trends developing."

He said Rio Rancho's housing starts "have been ramping up all year." He said those figures indicate a resurgence in that market as builders replace the once-dominant AMREP, which left the home building business in 1998.

Folkman said unincorporated Bernalillo and Valencia counties have seen a consistent downturn in starts the past year. Permits for the city of Albuquerque also are down from the same period last year and at a greater rate than the metropolitan area in general.

"Really, the only winner in the housing-start race is Rio Rancho, and they are coming off a down year in 1999," he said. "While these downturns may be greater than we anticipated, we have to remember that 1998 and 1999 were record years for our industry in the Albuquerque area."

He said that level of activity would be hard to maintain, especially in light of mortgage rate increases the past year.

The digest uses figures from the city of Albuquerque, unincorporated Bernalillo County, the city of Rio Rancho, the village of Los Lunas and unincorporated Valencia County.

Single-family permits issued in Rio Rancho were up 21.9 percent in the third quarter, from 151 last year to 184 this year. Unincorporated Bernalillo County was unchanged at 80 permits. The city of Albuquerque was down 0.3 percent, from 859 to 856; and unincorporated Valencia County was down 35.6 percent, from 45 to 29 permits. Figures were not available for Los Lunas.

For the year through September, Rio Rancho single-family permits were up 26.4 percent, from 387 to 489; unincorporated Bernalillo County was down 13.8 percent, from 298 to 257; Albuquerque was down 9 percent, from 2,967 to 2,699; Los Lunas was down 45 percent, from 89 to 40; and unincorporated Valencia County was down 18.1 percent, from 182 to 149.

The most active subdivisions in the area in the third quarter were Paradise Skies in Northwest Albuquerque with 89 permits; Desert Springs, Southwest, 81; Ventana Communities, Northwest, 70; Sunrise Ranch, Southwest, 44; Enchanted Hills, Rio Rancho, 42;

Avalon, Northwest, 41; Northern Meadows, Rio Rancho, 40; Tuscany, Northwest, 38; Seven Bar Communities, Northwest, 38; and Stonebridge, Northwest, 35.

The most active subdivisions for the year through September were Ventana, 255; Desert Springs, 221; Paradise Skies, 183; High Desert Communities, Northeast, 166; Avalon, 126; Mirabella, Southeast, 116; Seven Bar Communities, 110; Stonebridge, 102; Vista Sandia, Southwest, 92; and Villa del Norte, Northeast, 87.

"We are not overly surprised at this quarter's results. We may be down slightly from where we thought we would be but only slightly," Folkman said.

"We believe that the housing industry is still very strong in the metropolitan area, and we are very optimistic that with the addition of new jobs at Intel, Eclipse Aviation and other companies, we will continue to grow at a sustainable rate sometime into the future."
