

EAGA Business Builder

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Today's speaker was James Jaramillo—Coba Investment Co.



Mr. Jaramillo's family tree has grown in Albuquerque for nearly 400 years, though he has personally not been here for quite that long. Jerry's Market in the South Valley remains a reminder of the family's roots. Although no longer owned by the Jaramillo family, just that it still exists keeps old memories alive and it is a testament to the great Jaramillo heritage. James grew up in Albuquerque, but was actually born in Los Angeles, California. It appears that he only lived there long enough to get a birth certificate before his family returned to the land of his ancestors. Moving a few hundred miles east of LA, but arriving in probably not too different surroundings because here, the family lived in the infamous 'war zone' area of town. James seems to have fared alright though. He attended Whittier Elementary, Wilson Middle School and Highland High—wait...scratch that Highland reference. James wanted to go there to play football, but Dad was against the Albuquerque Public School version of higher education (higher being anything after middle school), so James attended Sandia Prep. The younger Mr. Jaramillo wasn't too keen on Sandia Prep while he was there (in spite of doing well in basketball and track), but in the college years afterward, James realized that Prep did provide him with a quite beneficial education. College was a lot easier because of the Sandia Prep experience. After high school, it was on to not UNM. Remember the elder Mr. Jaramillo's thoughts about higher education around here. Durango, Colorado would be a good place to attend college - according to Dad Jaramillo. James did go there for a year, but the cold and snow were not his cup of tea, and the general lack of social opportunities away from the college were a problem as well. So, in spite of family objections, the next year James was off to college at UNLV. On the surface, that decision sounds like it was based on the social opportunities more than the educational opportunities. We didn't hear the basis for the original decision for choosing UNLV, but the results were definitely positive in the education aspect. The University had the attitude that its students were there to receive an education, and those students were expected to act accordingly. Students were dropped from a class if they missed 3 sessions in a semester. Likewise, being in class, but not in any condition to productively participate was also a not tolerated situation. The professors, for the most part, had personal, real world, experience in the subject they were teaching, so the knowledge and information conveyed to the students allowed for a very beneficial learning experience. James earned a degree in finance, and decided to move back to Albuquerque to begin his next big thing. For a short time, he worked for his brother while figuring what direction to head. James remembered a thought posed by one of his college professors—A person can make vacant land productive by installing a car wash on it. That sounded like an enticing adventure to try. First there was the need to acquire some land, then construct a car wash. Mr. Jaramillo became an official businessman in 1999 when he opened his first carwash at Isleta and I-25. The endeavor caused James to realize that there could be improvements in the process if he was able to personally direct and control how things went. As noted above, the project that James just completed was pretty basic in what was needed. First acquire some land—that activity could be improved if he were a Real Estate Broker; Second, build a car wash—that activity could be improved if James were a contractor. So lets do those things. James earned his contractor's license, and he also became a qualified broker. His first office was in his initial car wash. And why not? He was already the jack-of-all-trades at that facility. Operator, janitor, and everything else. Over the next few years, Mr. Jaramillo had built his empire up to five car washes and laundromats. He was bringing in about \$80K per month, and moving forward. He kept acquiring land, via loans, and by 2008 that empire had some land alright, but was also about \$15 million in debt. Does the year 2008 sound familiar to anyone? The financial instabilities of that era hit this property magnate very hard. Mr. Jaramillo discovered how quickly a heavily leveraged property magnate becomes a persona non grata in the banking world during a financial crash. Pulling out of that took about five years and it was a tedious, stressful, harrowing...and many other scary adjectives...task. But James pulled through only slightly (in relative terms) scathed. And once again, he learned a couple of beneficial things along the way. Such as: a person needs the support and encouragement of friends during troubled times; and a person should read and understand everything in loan documents. It seems that the property loan agreements that James had signed contained some not so fine print concerning sort of important things like personal guarantees and the loaning institution's ability to, at their discretion, call the loans if the financial situation of the borrower had any negative changes. But, as noted, James managed to pull through, and these days he has very little debt, and that is while controlling about 300 acres of industrial property and 180 or so apartment units. Mr. Jaramillo is currently working with a team that acquires property and facilities for investors. Most of their funding comes from private capital, so there are not so many restrictions and red-tape, and there is seldom, if ever, the need for personal guarantees and loan call provisions. His team has access to a substantial amount of investors that have a substantial amount of capital, and they are ready to purchase right now. Deals can often be finalized in as little as 30 days. James predicts that the outlook for growth in Albuquerque is quite good for at least the next 2 years. Movie industry rebates from the state continue to bolster the growth in that segment of industry. Cost of living here is about 40% less than in Los Angeles. Job flow into the area is good, but would be even better if there were a reasonable supply of usable industrial space. Existing industrial buildings are old and do not meet the current needs. New facilities will have to be built. Some companies are relocating to New Mexico, but those are still less than could be if our state had a better attitude, and record, when it comes to the essentials. Crime is still a big problem; school systems are still a big problem; available employees are a problem; and, over all, New Mexico is the toughest state of all in which to conduct business. But the New Mexico's weather is an upside, and the new pandemic induced remote working has encouraged folks that like being isolated to relocate to our area. If you want to know more about how James' insights, knowledge and 24 years of experience can help you with selling your property, or maybe building one of the much needed industrial facilities, give him a call at 505-480-1602. He is quite willing and very able to help you with those needs. And he will do it with a smile on his face...he is not married you know.

Contact information for Executive Director: Mario Hernandez

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- ◆ Welcome to our newest member: Acme Iron and Metal, Inc. - Representative Paul Winn.
- ◆ Our next meeting will be at 7:00am on June 22nd at the Tanoan Country Club. Tanoan is following CDC guidelines regarding COVID. If you are fully vaccinated you are not required to wear a mask. There is not a way to confirm who is fully vaccinated and we will rely on the honor system.
- ◆ The 2021 Summer Bash is coming up very soon. It will be Saturday, July 10th, at the Turpen's property in the south valley. Google Maps can direct you to El Nido Farm on El Nido Amado Rd SW. Sign up sheets will be only available at our next two breakfast meetings. The Bash is always a great event, so please plan on attending. There is no charge for EAGA members and their spouse/significant other. Fee for guests will be \$30 per individual / \$50 per couple.
- ◆ The next Bash Committee meeting will be at 5:30pm on June 22nd, at the home of Kit and Toni Turpen. Committee members, please confirm that you will attend so that Kit can plan appropriately. RSVP to Kit via phone at 505-449-855 or Pat Maloy at 505-263-3837.
- ◆ Upcoming speakers:

June 22 nd	Scott Peck—MP Group
June 29 th	*** <i>Speaker needed</i> ***
July 6 th	NO MEETING - 4th of July Holiday
July 13 th	*** <i>Speaker needed. We can use your help.</i> ***
July 20 th	*** <i>Speaker needed. We can use your help.</i> ***
July 27 th	*** <i>Speaker needed. We can use your help.</i> ***
- ◆ Please consider speaking at one of our Tuesday morning meetings. As you can see from the list above, we need speakers for every meeting after June 22nd. We certainly could use your assistance.
- ◆ *Please note that there will not be a meeting on July 6th in honor of the 4th of July holiday.*
- ◆ First announcement for a prospective new member:

PLTi
Representative: Michael R Vidal
Category: Fire Alarm Contractor
Sponsor: Miguel Mendoza

If you have an objection to this company becoming a member, or if you have information that you feel should be considered during the review process, please contact Membership Committee Chairman, Jack Zipper (jdzipper@comcast.net or via phone at 505-259-5959) as soon as possible.

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