Freedom Flats - Alamogordo, NM

Offering Memorandum • 32-Unit Multifamily Investment

1301, 1309, 1317, & 1325 Fillmore Avenue • Alamogordo, New Mexico 88310

Offering Price

$4,099,999

$128,125 per unit

Current Cap Rate

7.21%

Stabilized & cash-flowing

Occupancy

100% Occupied

Clean rent roll

Capital Deployed

$1.2M+ in upgrades

Fully renovated, 2024

Exclusively Presented By:

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Property Details • Improvements (Asset Transformation)

Over **$1,200,000** in interior and exterior upgrades completed.

Property Details

- Legal: Subd: ASPEN PARK Lot: 10 - Subd: ASPEN PARK Lot: 9 - Subd: ASPEN PARK Lot: 8 - Subd: ASPEN PARK Lot: 7
- R-4 zoning (High Density Residential/Multifamily)
- 0.33 acre lot size per lot. 1.32 acres total
- 7,738 sf per building. Total of 30,952 sf
- 4, 2 story buildings with 8 units built in 1983
- All 32 units are 2 bed 1 bath units. 967 sf per unit
- Slab foundation. Wood Frame W/slump block facade. Pitched asphalt roofs
- Onsite 320 sf workshop/storage
- 2 onsite community coin operated laundry rooms with each room containing 3 new washer and 3 new dryers
    - 144 sf & 168 sf, respectively
- 4 off street handicap and 48 general parking spaces
    - Off-street parking available as well
- Separately metered for gas and electric
- RUBS in place for water, sewer, and garbage
- 1 master water meter
    - Individual water shutoffs per unit located in water heater closet
- PVC sewer lines
- 100 amp electric service per unit w/copper wiring
- Individual electric water heaters per unit
- 2 onsite garbage dumpsters located in each parking lot plus additional bins located in the alley
- Dusk to dawn parking and unit porch lighting throughout

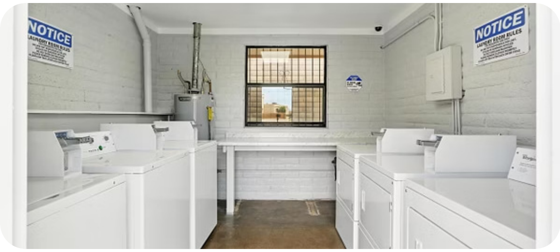
Improvements

Interior

- Full unit rehabs — all 32 units completed
    - LVT and carpet flooring
    - Updated fixtures throughout
    - Interior 2 color paint
    - Refinished/updated counter tops
    - Refinished/updated bathroom vanities
    - Ceiling fans in bedrooms and living rooms
    - Dishwashers installed
    - Over the range microwaves installed
    - Plus other items based upon individual unit need

Exterior

- Rehabbed community laundry room. 6 new washers & 6 new dryers (coin-operated)
- Roof replaced on 4 buildings (2024) — $124,654
- New property signage
- All new refrigerated air HVAC units throughout
- New stairs & landings (metal and wood)
- Parking lot crack fill, reseal, and striping
    - 4 dedicated handicap parking spaces created
- Gutters replaced
- Upgraded low-water desert landscaping W/deco rock and accent boulders
- Full exterior 2 color paint





INVESTMENT SUMMARY

Freedom Flats • Strategic Location • Limited Supply

$4,099,999	7.21%	100%	$128K
Asking Price	Current Cap Rate	Occupied	Per Unit

1. **Fully Renovated — No Capital Required**
   Over $1.2M invested. HVAC, flooring, appliances, plumbing, and exterior work are complete. The buyer collects income from day one.

2. **Priced Below Replacement Cost**
   $128,125 per unit. No new product can be built in this market at a comparable basis.

3. **Rent Growth Is Built In, Not Projected**
   Current rents trail the comp set by $100–$155. Leases roll through 2026–2027. Upside requires no additional investment.

4. **Military Demand Is Structural, Not Cyclical**
   Holloman AFB's 21,000 personnel need housing. BAH covers rent. On-base housing has a waitlist. That demand does not fluctuate with GDP.

5. **New Mexico Is Repricing**
   Project Jupiter, Pacific Fusion, and $1.8B in state VC commitments represent capital arriving at a scale this state has not seen. This asset is priced before that rerating is complete.

FREEDOM FLATS: 32-UNIT INVESTMENT ANALYSIS (APOD)

THE PROPERTY

Property:	**Freedom Flats-32 Units**
Address:	1301, 1309, 1317, & 1325 Fillmore
	Alamogordo NM 88310
Units:	32
Appx. Lot Size:	1.32 Acres / 57,499.20 SF
Year Built:	1983

PRICING & TERMS

Price:	**$4,099,999.00**
Down:	**$1,025,000**
1st Loan:	**$3,074,999**

VALUE INDICATORS

	Current	Market
GRM:	9.08	8.30
CAP Rate:	**7.21%**	**7.77%**
Price/Unit:	$128,125	$128,125
Price/SqFt:	$132.50	$132.50
Cash Return:	6.66%	8.92%
Annual Return:	10.07%	12.34%
SqFt. Income:	$14.60	$15.96

UNIT MIX & SCHEDULED INCOME

# Of Units	Unit Type	Apprx. Sq. Ft.	Actual Rent	Monthly Income	Market Rent	Market Income
2	2/1	967	$945	$1,890	$1,195	$2,390
2	2/1	967	$995	$1,990	$1,195	$2,390
4	2/1	967	$1,025	$4,100	$1,195	$4,780
1	2/1	967	$1,075	$1,075	$1,195	$1,195
17	2/1	967	$1,095	$18,615	$1,195	$20,315
1	2/1	967	$1,145	$1,145	$1,195	$1,195
1	2/1	967	$1,195	$1,195	$1,195	$1,195
4	2/1	967	$1,250	$5,000	$1,250	$5,000
Total:	**32**	**30,944**		**$35,010**		**$38,460**

Other Income - Pet Fees	$252	+3%	$260
Other Income - RUBS	$1,600	+3%	$1,648
Other Income - Laundry	$450	+3%	$463
Other Income - Late Fees/Other Fees	$196	+3%	$201
Other Income - Misc	$129	+3%	$133
Monthly Gross Scheduled Income:	$37,637	(T12 actual)	$41,166
Annual Gross Scheduled Income:	$451,641	(T12 actual)	$493,987

CASH FLOW ANALYSIS

		Current		Market
Gross Potential Rent:		$420,120		$461,520
Gross Scheduled Income:		$451,641		$493,987
Vacancy:	*5.0%*	($21,006)	*5.0%*	($23,076)
Effective Gross Income:		$430,635		$470,911
Expenses:	*29.9%*	($135,198)	*30.8%*	($152,278)
Net Operating Income (NOI):		**$295,438**		**$318,633**
Loan Payment:		($227,200)		($227,200)
2nd payment:		$0		$0
Cash Flow After Debt Service:		$68,238		$91,434
Debt Service Coverage Ratio (DSCR):		1.30		1.40
Plus principal reduction		$35,012		$35,012
Return on Equity:	*10.07%*	$103,250	*12.34%*	$126,446

ASSUMPTIONS

		EXP. PSF	EXP. UNIT
1. Current Vacancy, Collection Loss:	**5.0%**	$0.48	$462.10
1a. Market Vacancy, Collection Loss:	**5.0%**	$0.74	$718.03
2. Expense Rate:	**29.9%**	$0.16	$156.25
3. 1st Loan Interest Rate:	**6.25%**	$1.39	$1,345.74
4. 2nd. Loan Terms:	**0.00%**	$0.48	$460.20
5. 2nd Call Date:	**0**	$0.61	$594.36
6. Vacant Units/Month:	**1.6**	$0.07	$70.17
7. Expense Per Unit/Year:	**$0**	$0.15	$149.25
8. Year Amortization:	**30**	$0.20	$194.06
9. Expense Per SqFt:	**$4.37**	$0.07	$71.23
10. Monthly Payment 1st Loan:	**$18,933**	$0.00	$0.00
11. Monthly Payment 2nd Loan:	**$0**	$0.00	$3.53
		$4.37	$4,224.93

Scaling Expense Factor: 3% **1.03**

EXP. PSF	EXP. UNIT	ANNUAL OPERATING EXPENSES		PROJECTED	
$0.82	$797.47	**Real Estate Taxes**	$14,787.20	$25,519.00	75% of List Price
$0.76	$739.57	**Insurance**	$22,977.00	$23,666.31	Est +3%
$0.17	$160.94	**Flood Insurance**	$5,000.00	$5,150.00	Est. +3% (1301 & 1309)
$1.52	$1,471.60	**Professional Mgmt**	$43,063.54	$47,091.10	10% of EGI
$0.49	$474.01	**Repairs & Maintenance**	$14,726.44	$15,168.23	T12 +3%
$0.63	$612.19	**Utilities (W/S/G)**	$19,019.51	$19,590.10	T12 +3%
$0.07	$72.28	**Utilities (Gas)**	$2,245.57	$2,312.94	T12 +3%
$0.16	$153.73	**Utilities (Electric)**	$4,776.11	$4,919.39	T12 +3%
$0.21	$199.88	**Landscaping**	$6,210.00	$6,396.30	T12 +3%
$0.08	$73.37	**Advertising**	$2,279.43	$2,347.81	T12 +3%
$0.00	$0.00	**Pest Control**	$0.00	$0.00	T12 +3%
$0.00	$3.53	**Misc/Admin/Legal**	$113.00	$116.39	T12 +3%
$4.92	**$4,758.67**	**Total Expenses**	**$135,197.80**	**$152,277.57**	

COMMENTS:

As leases renew, they will be increased closer to market rents.

Rental Comparables – 2BD/1BA | Alamogordo, NM

1216 Cuba Ave – Unit 1

Alamogordo, NM 88310

2 Bed / 1 Bath

Refrigerated A/C

In-unit Washer/Dryer

Rent: $1,200/mo

Source: Craigslist / TurboTenant

The View On Scenic

2116 N Scenic Dr, Alamogordo, NM

2 Bed / 1 Bath | 957 Sq. Ft.

On-site Laundry

Rent: $1,100/mo

Source: Rentable.co

Las Ventanas

2200 1st St, Alamogordo, NM

2 Bed / 1 Bath | 876 Sq. Ft.

Pool, Modern Kitchen, Hardwood Floors

Rent: $1,594/mo

Source: Homefinder / Zumper

1625 Aspen Dr – Apt B

Alamogordo, NM 88310

2 Bed / 1.5 Bath | 1,100 Sq. Ft.

In-unit Laundry, Fenced Yard

Rent: $1,100/mo

Source: Zillow

Multiple Paths to Ownership

Freedom Flats is a versatile asset that delivers compelling value to a broad range of investment profiles. Whether the priority is immediate yield, tax efficiency, portfolio stability, or long-term appreciation, this property presents a clear and executable opportunity.

1 **Family Offices & Private Investors**

7.21% current cap. Fully renovated, 100% occupied. Cash flow from day one with little to no further value-add required.

2 **1031 Exchange Buyers**

Timeline pressure drives motivation. Freedom Flats can close in 30–45 days with a clean rent roll and available financials. Deploy exchange proceeds into a higher-yielding, military-anchored asset without a renovation runway.

3 **Regional Operators**

Stabilized and operating. Folds into an existing NM portfolio with minimal incremental overhead. No capital required beyond routine maintenance.

4 **Real Estate Professionals / Tax Efficiency Seekers**

For investors who qualify under Real Estate Professionals (REPS), this asset's bonus depreciation profile is meaningful. Year-1 cost segregation on a $4.1M purchase can generate substantial deductions against active income. The asset works on a pre-tax basis; the tax profile is an additional layer.

5 **Military Housing Specialists**

Operators who understand BAH-covered housing recognize its structural protection. Holloman's BAH grew 11.9% in 2026. Military tenants pay via allotment — this asset type performs more predictably than civilian workforce housing in comparable secondary markets.

6 **Buy-and-Hold Investors**

The NM growth thesis is multi-year, not multi-month. Oracle, Pacific Fusion, and the National Labs are building permanent infrastructure. A 5–10 year horizon means acquiring below replacement cost, collecting yield, and exiting into a more deeply institutionalized market.

Modernized Interiors

Enhanced Resident Experience — Designed for Today's Tenant

Kitchens

New countertops, updated cabinetry, upgraded appliances, and recessed lighting throughout.

Appliances

Refrigerators, electric stoves, dishwasher, and new over the range microwaves.

Bathrooms

Tub surrounds with large-format tile or refinished stalls, updated vanity, modern fixtures, and fresh lighting.

Living Spaces

LVT wood-look flooring, two-tone paint throughout, and updated lighting fixtures.

Community Laundry

2 fully updated laundry rooms with 6 new coin-operated washers and 6 new dryers.

Comfort

Each unit outfitted with a new split HVAC system and thermostat.

Interior Paint

Fresh wall paint with 2nd accent color for doors and trim.

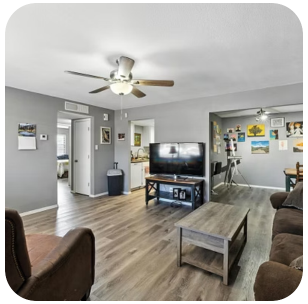
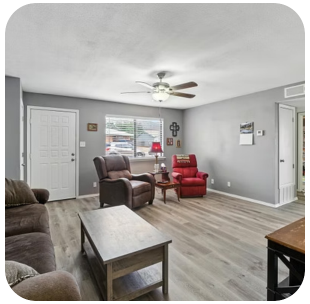
Windows

Double pane windows throughout each unit.









Enhanced Exterior Appeal

Curb Appeal & Community Upgrades — Built to Impress from the Outside In












Stairs & Landings

Updated stairs, treads, & landings. Aged and weathered wood was replaced.

Exterior Paint

Fresh 2 color scheme. Each building painted with a base color and an accent color.

Roof

New roofs in 2024 on 4 buildings with maintenance completed on out buildings.

Gutters

New gutters installed in 2024 on buildings.

Exterior Lighting

Dusk to dawn lighting in the parking area as well as for the porches of each unit.

Parking Lots

Parking lot crack fill and reseal as well as restriping of both parking lots.

Landscaping

Low maintenance deco rock and accent boulders. Reoccurring landscaping service 2x a month.

Refuse Locations

Convenient onsite garbage receptacles located in each parking lot. Other receptacles located in the back alley.

Mailboxes

USPS cluster box located onsite.

Water Shutoffs

Individual water shutoffs for each unit.

New Mexico's Moment Has Arrived

Technology, infrastructure, energy, film production, and defense investment are reshaping the state's economic outlook. For the first time in decades, New Mexico is attracting simultaneous investment from AI, defense, aerospace, energy, data infrastructure, and film production.

New Mexico: The Arc of Capital

Past New Mexico

Undervalued, under-owned, overlooked by institutional capital.

Current New Mexico

Technology investment, data centers, defense expansion, National Lab growth, infrastructure spending.

Future New Mexico

Population growth, job creation, housing demand, institutional capital entry.

Capital Flowing Into New Mexico

Project Jupiter (Oracle / OpenAI Stargate)

Southern NM data center campus within $500B national AI infrastructure initiative.

Pacific Fusion ($1B+)

Clean fusion R&D campus at Mesa del Sol, Albuquerque — targeting commercial fusion power delivery.

NM State Investment Council ($1.8B+)

Sovereign fund at $71B. Venture commitments reported Jan 2026 include Pacific Fusion, XGS Energy, and Castelion.

Sandia & Los Alamos National Labs ($7B+ budgets)

20,000+ scientists, engineers, and contractors. Ongoing budget growth drives statewide housing demand.

Netflix ABQ Studios

108-acre Mesa del Sol campus. Four new soundstages added 2024. $812M+ spent in NM since 2019. 8,000+ film industry employees statewide.

Buena Vista III Solar + Storage Project

$262 million private-sector solar and battery storage facility in Otero County.

New Mexico remains one of the few Southwestern states where investors can still buy quality multifamily assets at a meaningful discount to replacement cost. Sources: ABQ Journal Jan 2026; Santa Fe New Mexican Oct 2025; NM EDD Oct 2025; NM Film Office Jun 2024; Intel Corp press release Jan 2024; agendasuite.org. Market data provided for general informational purposes only. Seller makes no representations regarding future economic conditions or investment outcomes.

The New Mexico Growth Story Comes to Alamogordo & Otero County

A market supported by national defense priorities, hospitality & tourism, limited housing supply, and long-term federal investment.

$420M+

Holloman Economic Contribution

Earned income contributed to the local Alamogordo economy annually.

21K+

Military & Community Members

Military, civilian, contractor, and family members at Holloman AFB.

$3.7B

White Sands Economic Impact

Annual economic impact of White Sands Missile Range on the region.

3K+

Annual Tests at White Sands

Annual tests and events conducted at White Sands Missile Range.

Holloman Air Force Base — Defense Mission

- F-16 Viper pilot training — 49th Wing, Air Education and Training Command
- MQ-9 Reaper drone operator training for remotely piloted aircraft
- Treaty-linked missions — not subject to BRAC base closure process
- On-base housing at capacity with an active waitlist
- 2026 Basic Allowance for Housing (BAH) up **11.9%** year over year

White Sands Missile Range

- Largest military installation in the United States
- Missile defense, hypersonics, and directed-energy programs
- Defense modernization drives sustained employment growth

Hospitality & Tourism

- White Sands National Monument generates 700,000+ visitors per year
- Newly revitalized Main Street
- International Space Hall of Fame sees 100,000 visitors per year
- McGinn's and Heart of the Desert Pistachio farms attract 500,00+ visitors per year
- Close proximity to Cloudcroft, Ruidoso, & the Inn of the Mountain Gods

Alamogordo Housing Demand Drivers

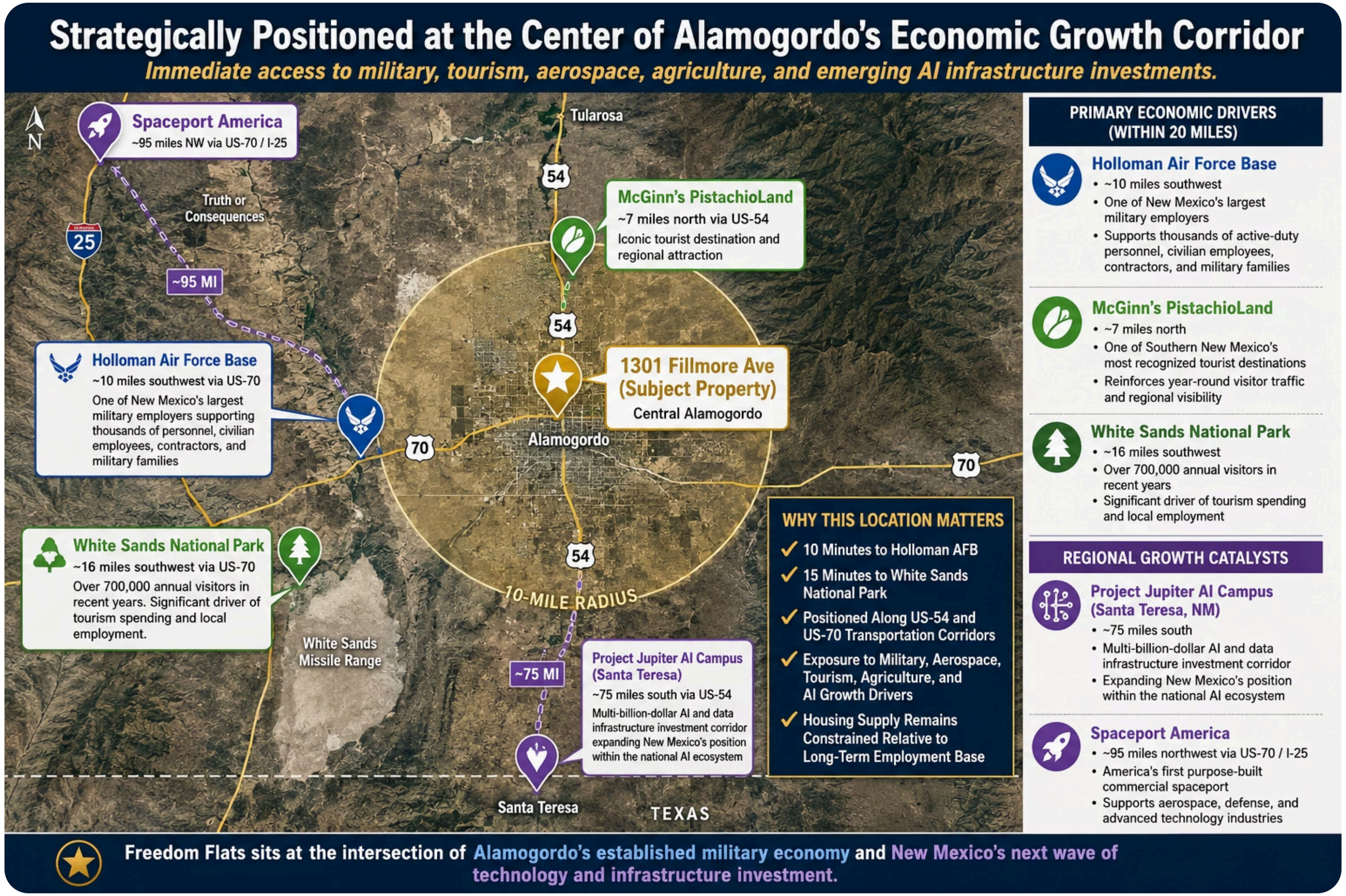
- Active duty military and their families — primary rental demand
- DoD civilian employees and contractors
- Military retirees choosing to remain in the local area
- Minimal new multifamily construction in the last 30 years
- White Sands National Park tourism and service employment
- Sacramento Mountains regional service workforce

Sources: Holloman AFB Public Affairs; White Sands Missile Range Economic Impact Study; MyBaseGuide 2026 (BAH); USAF 49th Wing; National Park Service; Alamogordo Center of Commerce. All economic figures are estimates provided for general market context only.

Alamogordo Economic Growth Corridor

A Community at the Intersection of Defense, Tourism, and Regional Commerce

Alamogordo sits at the convergence of multiple sustained economic engines — Holloman AFB, White Sands Missile Range, White Sands National Park, and the broader Sacramento Mountains regional service economy.



The Power of Bonus Depreciation

Understanding how tax treatment can influence after-tax investment returns.

EDUCATIONAL CONTENT ONLY. This page is not tax advice, legal advice, or an investment recommendation. Individual results vary. Consult your CPA, tax attorney, and legal counsel before making any investment decision.

What Is Cost Segregation?

An engineering study that identifies which components of a property qualify for shorter depreciable lives (5, 7, or 15 years) rather than the standard 27.5-year residential schedule.

What Is Bonus Depreciation?

A tax provision allowing 100% of qualifying short-life property to be deducted in Year 1 rather than spread over the asset's depreciable life. The One Big Beautiful Bill Act (signed July 4, 2025) made this permanent.

The Passive Activity Limitation

For most investors, depreciation losses from rental property are passive activity losses. They can only offset passive income — not W-2 or active income. They carry forward indefinitely and are released at disposition. For passive investors, depreciation reduces or eliminates federal tax on distributions and improves after-tax IRR.

Real Estate Professionals (REPs) Qualification Requirements

750+ hours/year in real estate. Real estate must be your primary occupation. A qualifying Real Estate Professional who materially participates treats rental losses as non-passive under IRC §469 — allowing depreciation losses to offset W-2 or active income dollar for dollar.

Illustrative Comparison — Same Asset. Same Price.

Not a projection or guarantee. Illustrative only.

Item	Passive Investor	REPS Investor
Purchase Price	$4,100,000	$4,100,000
Land Value Est.	$820,000	$820,000
Depreciable Basis	$3,280,000	$3,280,000
Accelerated Basis Est.	~30%	~30%
Accelerated Depreciation	~$984,000	~$984,000
Depreciation Character	Passive — offsets passive income only; carries forward	Non-Passive — offsets W-2 / active income
Est. Year-1 Tax Savings	Varies — consult CPA	~$364,080 (illustrative @ 37%)
Year-1 Pre-Tax Cash Flow	$68,238	$68,238

For many investors, after-tax returns are just as important as pre-tax returns when evaluating long-term multifamily investments.

IMPORTANT: This page is general educational information only. It does not constitute tax advice, legal advice, or an investment recommendation. Figures are illustrative estimates only. Actual results will vary based on income level, entity structure, filing status, and applicable IRS rules. Seller makes no representation regarding any tax benefit. Consult your own CPA, tax attorney, and legal counsel before making any investment decision. Sources: One Big Beautiful Bill Act (Pub. L. 119), IRS Notice 2026-11, IRC Section 469.

Disclaimer, Confidentiality, & Reality Check

1

Confidentiality Statement

This Offering Memorandum has been prepared by the listing brokers and is being delivered to prospective purchasers solely for their consideration. By receiving this document, the recipient acknowledges that the information contained herein is confidential and agrees not to reproduce, distribute, or disclose any portion of this memorandum to any third party without the prior written consent of the listing brokers.

2

No Representation or Warranty

The information contained in this Offering Memorandum has been obtained from sources believed to be reliable. However, neither the seller nor the listing brokers make any representation or warranty, express or implied, as to the accuracy or completeness of the information. Prospective purchasers are encouraged to independently verify all information contained herein and to consult with their own legal, tax, and financial advisors.

3

Financial Projections

Any projections, opinions, assumptions, or estimates provided in this memorandum are for illustrative purposes only and represent a general overview of anticipated property performance. Actual results may vary materially from projections. The seller makes no representations regarding future economic conditions, rental rates, occupancy levels, or investment outcomes.

4

Tax & Legal Matters

Nothing in this Offering Memorandum constitutes tax advice, legal advice, or an investment recommendation. All tax-related information is provided for general educational purposes only. Prospective purchasers should consult their own CPA, tax attorney, and legal counsel prior to making any investment decision. The seller and listing brokers make no representations regarding any tax benefit, including but not limited to depreciation, cost segregation, or bonus depreciation outcomes.

5

No Obligation

This memorandum does not constitute an offer to sell or a solicitation of an offer to buy. The seller reserves the right, in its sole and absolute discretion, to withdraw this offering at any time, to reject any and all offers, and to modify the terms of any transaction without notice. The seller and listing brokers shall have no legal commitment or obligation to any prospective purchaser unless and until a purchase and sale agreement is fully executed and all required conditions are satisfied.

Thank You & Next Steps

Freedom Flats is available for immediate acquisition. The path to close is clear, the documentation is ready, and the property is performing.

1

Detailed Document Request / Buyer's Broker Compensation

Confidential document center is available upon request. Please email listing brokers and include property address in subject line. Listing Brokers will reach out.

2

Submit LOI

Send Letter of Intent with terms and timeline.

3

Property Tour

Scheduled site visit. Please do not walk the property on your own or disturb tenants.

4

Mutual Agreement

Negotiate and execute a mutually accepted purchase agreement.

5

Due Diligence

Complete inspections, review financials, and verify all property details.

6

Close Escrow

Ideal 60 day close after date of mutual acceptance.

The listing brokers are available to answer questions, facilitate site tours, and provide full access to financial and property documentation. Freedom Flats is priced to close — fully renovated, fully occupied, and generating income from day one.

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