

705-707 12th NW
Albuquerque, NM 87102

Downtown Diamond in the Rough



Units: 4

Size: ~2,015 sf

Land: 0.1607 ac

BID
Starting Price: \$285,000

GRM: 7.91

CAP: 7.40%

IRR After Tax 15.70%

Virtual Tour Front: <http://www.nmapartment.com/12th707nwfront>

Virtual Tour Back: <http://www.nmapartment.com/12th707nwback>

Virtual Tour Attic: <http://www.nmapartment.com/12th707attic>

Seller Concession to Buyer: [NMAA-2449707](http://www.nmapartment.com/12th707)

Tour Date: Noon, Tuesday, December 3rd, 2024

Offer Date: Noon, Thursday, December 5th, 2024

Register for Tour/Confidential Info: <http://www.nmapartment.com/12th707>



Property Information

On behalf of the Owners, NM Apartment Advisors and Deacon Property Services are honored to bring to market this unique Fourplex in downtown Albuquerque.

Excellent location just off 12th and Lomas gives quick and easy access to great shopping, restaurants, old town, and the Saw Mill District.

The property features a 1915 Adobe house with enclosed framed porches that has been converted into a fourplex in the 1930's. Three units downstairs with an attic apartment. Heavy textured walls, faux fireplaces and wood floors. Large double 50' x 142' lot with alley access.

Four distinct apartments offer well-preserved vintage character and charm. Residents love the built-ins, the raised ceilings, great natural light, and the gleaming wood floors. All units are separately metered for gas and electric. Shared water heater in separate cellar space. New 2024 roof with transferrable warranty. Seller has also recently updated major portions of the water and sewer lines.

This property offers tremendous upside for investors with vision and extra capital for renovations. Unique lot also offers plenty of parking options off 12th and the alley to the west in addition to private yard spaces for 3 of the apartments and additional space for an ADU / casita or.....?



The property is being marketed using the BID process, with a set date and time for property tours and a fixed offer deadline. In the event of multiple offers, the Seller will be inviting only the top 50% of buyers to a best and final round.

The Property

Address:	705-707 12th NW	
Number of units:	4	
Year of Construction:	1920	Per Assessor
	1915	Per owner
Year of construction:	1938	
Bldg. Size:	~2,015 sf +/-	
	2,105 sf	Per Assessor
Site Size:	0.1607 acres	
Avg. Unit Size:	504 sf	
Zoning:	R-T	
UPC#:	101305844322444703	
Legal:	Lots 21 & 22, Block 34 Perea Addition	
Ask Price:	\$285,000	
\$/ unit:	\$71,250	
\$/sf:	\$141.44	
	Actual	Proforma
Avg Rent:	\$751	\$1,030
GRM:	7.91	5.76
Cap Rate Before reserves:	7.40%	10.48%
Cap Rate After Reserves:	7.09%	10.16%
Year 1 NOI:	\$20,203	\$28,961
Before Tax IRR:	19.10%	
After Tax IRR:	15.70%	

Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:

705-707 12th Street NW

Prepared by: Todd Clarke CCIM

11/11/2024

"AS IS" Condition

Unit/Rent Summary		E		C		A				
#	Type Style	Approx Size	Actual Rent	Street Rate	Market Rent	Actual Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total sf
705	0br/1ba	332	\$ 695	\$ 695	\$ 895	\$ 2.09	\$ 695	\$ 695	\$ 895	332
707 1/2A	0br/1ba - avail	450	\$ 850	\$ 850	\$ 925	\$ 1.89	\$ 850	\$ 850	\$ 925	450
707 1/2B	1br/1ba - attic - avail	475	\$ 714	\$ 714	\$ 1,050	\$ 1.50	\$ 714	\$ 714	\$ 1,050	475
707 12th	1br/1ba - avail	758	\$ 745	\$ 745	\$ 1,250	\$ 0.98	\$ 745	\$ 745	\$ 1,250	758
4	total units / Avg. Unit Size=	504	\$ 751	\$ 751	\$ 1,030		\$ 3,004	\$ 3,004	\$ 4,120	2,015
	Avg Actual Rent \$/sf=		\$ 1.49	\$ 1.49	\$ 2.04		\$ 36,048	\$ 36,048	\$ 49,440	2,616 per Assessor

Benchmarks		Actual	Proforma
Offering Price	\$285,000		
\$/unit	\$71,250		
\$/sf	\$141.44		
GRM	7.91	5.76	
CAP Before Reserves	7.40%	10.48%	
CAP After Reserves	7.09%	10.16%	
Cash on Cash	6.19%	18.48%	
DCR=	1.28	1.83	
Walk Score: 76, Transit Score: 45, Bike Score: 86			



Income			
A.	Total Potential Market Income	\$ 49,440	
B.	Less: loss to market lease	\$ 13,392	27%
C.	Total Potential Income (Street)	\$ 36,048	
D.	Less: Loss to lease	\$ -	0%
E.	Total Income	\$ 36,048	
F.	Less: vacancy	\$ 1,802	5% Market average
G.	Effective Rental Income	\$ 34,246	
H.	Plus: Other Income	\$ -	
I.	Gross Operating Income	\$ 34,246	

Expenses (Annual)	Actual 2024		Based on: 2024/Actual/Estimates		Proforma 2025		Based on: Forthcoming yr.	
	\$/unit	%			\$/unit	%	Income: Line C - F + H	
Real Estate Taxes	\$2,471	618	7%	2024 Tax Bill Actual Amount	\$3,897	974	8%	85% Sales Price
Personal Property Taxes				assessed at \$153,600				\$ 242,250 Potential Assessment
Property Insurance	\$1,779	445	5%	2024 Actual	\$2,800	700	6%	Estimate
Property Management:								
Off Site Management	\$3,690	922	11%	10% plus NMGR	\$5,052	1,263	10%	Management @ 10% + NMGR
Payroll-Onsite Personnel								
Repairs and Maintenance	\$2,500	625	7%	Est. Historical Actual \$6,809.51	\$2,575	644	5%	Potential 2025 = 2024 + 3%
Utilities:								
Water, Sewer, & Garbage	\$1,625	406	5%	Actual 2024	\$1,674	418	3%	Potential 2025 = 2024 + 3%
Gas	\$815	204	2%	Actual 2024	\$839	210	2%	Potential 2025 = 2024 + 3%
Telephone								
Landlord Standby	\$38	10	0%	Actual 2024	\$39	10	0%	Potential 2025 = 2024 + 3%
Pest Control	\$225	56	1%	Actual 2024	\$232	58	0%	Potential 2025 = 2024 + 3%
Unit Turnover								
Landscaping								
Carpet Cleaning								
Internet				repairs + unit turn + reserve = 8 to 10%				
Reserve for replacement	\$900	225	3%	new lender will require	\$900	225	2%	new lender will require
Total Operating Expenses	\$14,042	\$3,511	41%		\$18,007	\$4,502	36%	
Net Operating Income	\$20,203	\$5,051			\$28,961			Potential Market less 5% vacancy + other income
Less: Annual Debt Service	\$15,793	\$ 213,750	75%	ADS Loan LTV Pmt Term Interest Rate	\$15,793	\$ 213,750	75%	ADS Loan LTV Pmt Term Interest
Cash Flow Before Taxes	\$4,410				\$13,168			

Internal Rate of Return

Internal Rate of Return Analysis

		Year						Calculated for 1st year of next owners, ownership
		1	2	3	4	5	6	
Total Potential Market Income	3.5% Increases	\$49,440	\$51,170	\$52,961	\$54,815	\$56,734	\$58,719	
2 Less: loss to market lease	27.1%	\$13,392	\$13,861	\$14,346	\$14,848	\$15,368	\$15,905	
3 Total Potential Income (Max Rent)		\$36,048	\$37,310	\$38,616	\$39,967	\$41,366	\$42,814	
4 Less: Loss to lease	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	
5 Total Income		\$36,048	\$37,310	\$38,616	\$39,967	\$41,366	\$42,814	
6 Less: vacancy	5.0%	\$1,802	\$1,865	\$1,931	\$1,998	\$2,068	\$2,141	
7 Effective Rental Income		\$34,246	\$35,444	\$36,685	\$37,969	\$39,298	\$40,673	
8 Plus: Other Income	2.0% Increases	\$0	\$0	\$0	\$0	\$0	\$0	
9 Gross Operating Income		\$34,246	\$35,444	\$36,685	\$37,969	\$39,298	\$40,673	
Total Operating Expenses	2.0% Increases	\$14,042	\$14,323	\$14,609	\$14,902	\$15,200	\$15,504	
Net Operating Income		\$20,203	\$21,121	\$22,075	\$23,067	\$24,098	\$25,169	
Mortgage Balance		\$211,245	\$208,579	\$205,742	\$202,722	\$199,508		
ADS		\$15,793	\$15,793	\$15,793	\$15,793	\$15,793		
- Principal Reduction		\$2,505	\$2,666	\$2,837	\$3,020	\$3,214		
= Mortgage interest		\$13,288	\$13,127	\$12,956	\$12,773	\$12,579		
- cost recovery (annual)	27.5 yrs @ 30%	\$7,946	\$8,291	\$8,291	\$8,291	\$7,946		includes mid month
= Taxable Income		-\$1,031	-\$297	\$829	\$2,003	\$3,573		
Tax on income at ordinary income rate of	35%	\$0	\$0	\$290	\$701	\$1,251		
NOI		\$20,203	\$21,121	\$22,075	\$23,067	\$24,098		
- Annual Debt Service		\$15,793	\$15,793	\$15,793	\$15,793	\$15,793		
= Cash Flow Before Tax		\$4,410	\$5,328	\$6,282	\$7,274	\$8,305		
- Less Ordinary Income Tax		\$0	\$0	\$290	\$701	\$1,251		
= Cash Flow After Tax		\$4,410	\$5,328	\$5,992	\$6,573	\$7,054		

Sales Worksheet

Calculation of Adjusted Basis

1 Basis at Acquisition	\$285,000
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$40,764
4 =Adjusted Basis at Sale	\$244,236

Calculation of Capital Gain

Disposition CAP Rate	7.1%
5 Sale Price	\$355,052
6 -Costs of Sale	\$28,404
7 -Adjusted Basis at Sale	\$244,236
8 =Gain or (Loss)	\$82,412
9 -Straight Line Cost Recovery (limited to gain)	\$40,764
# =Capital Gain from Appreciation	\$41,647

Calculation of Sales Proceeds after tax

# Sale Price	\$355,052
# -Cost of Sale	\$28,404
# -Mortgage Balance(s)	\$199,508
# =Sale Proceeds Before Tax	\$127,139
# -Tax: Straight Line Recapture at 25.0%	\$10,191
# -Tax on Capital Gains at 20.0%	\$8,329
# =SALE PROCEEDS AFTER TAX:	\$108,619

n	\$
0	\$ (71,250)
1	\$4,410
2	\$5,328
3	\$6,282
4	\$7,274
5	\$8,305 + \$127,139

n	\$
0	\$ (71,250)
1	\$4,410
2	\$5,328
3	\$5,992
4	\$6,573
5	\$7,054 + \$108,619

As a commercial real estate investor, the federal tax code gives you three advantages compared to other investments including:

1. Deduct your annual mortgage interest before you calculate your taxable amount;
2. Deduct your cost recovery/depreciation before you calculate your taxable amount, in the future when you sell the property, you only pay back 25% of the benefit you received;
3. Your long term profit, or capital gain, is taxed at 20%

The combination of these benefits could help lower an investor's effective federal tax rate from 35% federal tax rate to only 18%.

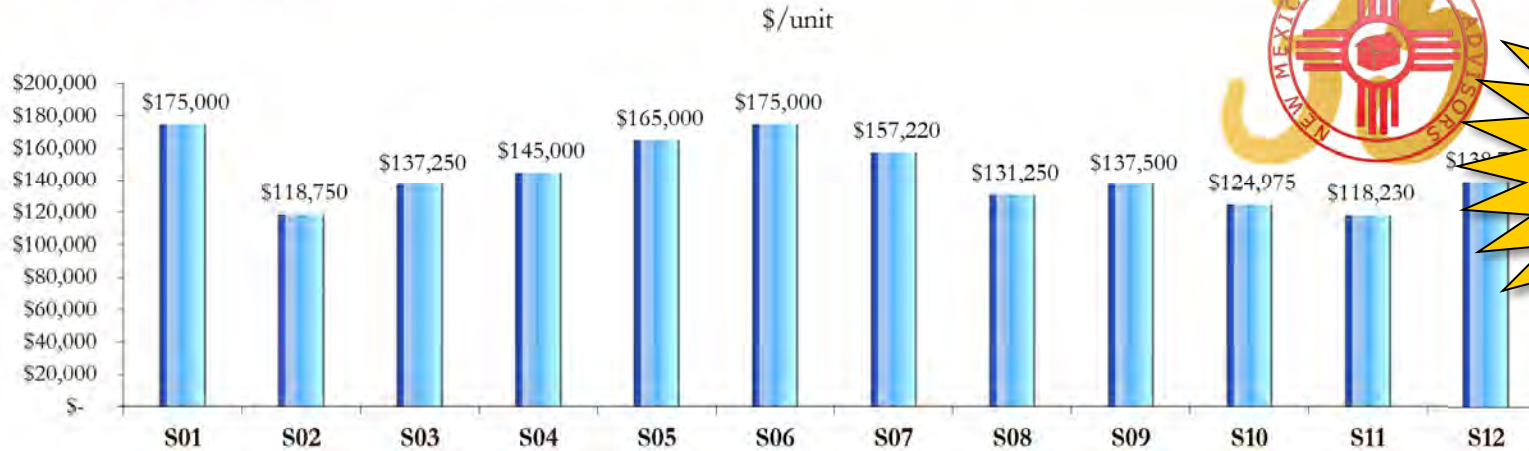
Investor's Effective Tax Rate = 18%

Comparable Sales

Comparable Sales Analysis for:

705-707 12th Street NW

Compiled by Todd Clarke CCIM



Recent Comparable sales indicate a potential value closer to \$458,778 or 60% higher than the start price.

#	Name	Location	Units	Age	List Price	Sales Price	Sales Date	\$/unit	\$/sf	Avg. Rent	GRM	CAP *
S01		907 Silver SW	4	1911	\$ 710,000	\$ 700,000	8/3/2023	\$ 175,000	\$ 184	\$1,284	11.36	5.0%
S02		1110 1st St NW	4	1901	\$ 495,000	\$ 475,000	7/28/2022	\$ 118,750	\$ 154	\$938	10.56	5.4%
S03		313 McKnight NE	4	1945	\$ 559,000	\$ 549,000	7/8/2022	\$ 137,250	\$ 156	\$775	14.76	3.9%
S04		652 Vancouver RR	4	1997	\$ 612,500	\$ 580,000	8/5/2024	\$ 145,000	\$ 215	\$1,163	10.39	5.5%
S05		224 Osuna NW	4	1992	\$ 594,945	\$ 660,000	6/17/2024	\$ 165,000	\$ 194	\$974	14.12	4.0%
S06		4313 Sabana Loop RR	4	2005	\$ 699,500	\$ 700,000	8/2/2024	\$ 175,000	\$ 170	\$1,025	14.23	4.0%
S07		4638 10th NW	4	1954	\$ 628,881	\$ 628,881	PENDING	\$ 157,220	\$ 250	\$1,061	12.35	4.6%
S08		1302 Dartmouth NE	4	1951	\$ 599,000	\$ 525,000	11/29/2023	\$ 131,250	\$ 201	\$643	17.01	3.4%
S09		12125 Menaul NE	4	1981	\$ 510,000	\$ 550,000	12/8/2023	\$ 137,500	\$ 154	\$816	14.04	4.1%
S10		4638 10th NW	4	1954	\$ 628,881		PENDING	\$ 124,975	\$ 250	\$1,061	12.31	5.8%
S11		423 Princeton SE	4	1940	\$ 508,245	\$ 472,920	7/25/2024	\$ 118,230	\$ 151	\$975	10.11	5.6%
S12		701 14th Street NW	4	1936	\$ 579,000	\$ 555,000	2/16/2023	\$ 138,750	\$ 219	\$906	12.76	4.5%

Average SOLD					\$ 593,746	\$ 585,390		\$ 143,660	\$191	\$968	12.83	4.6%
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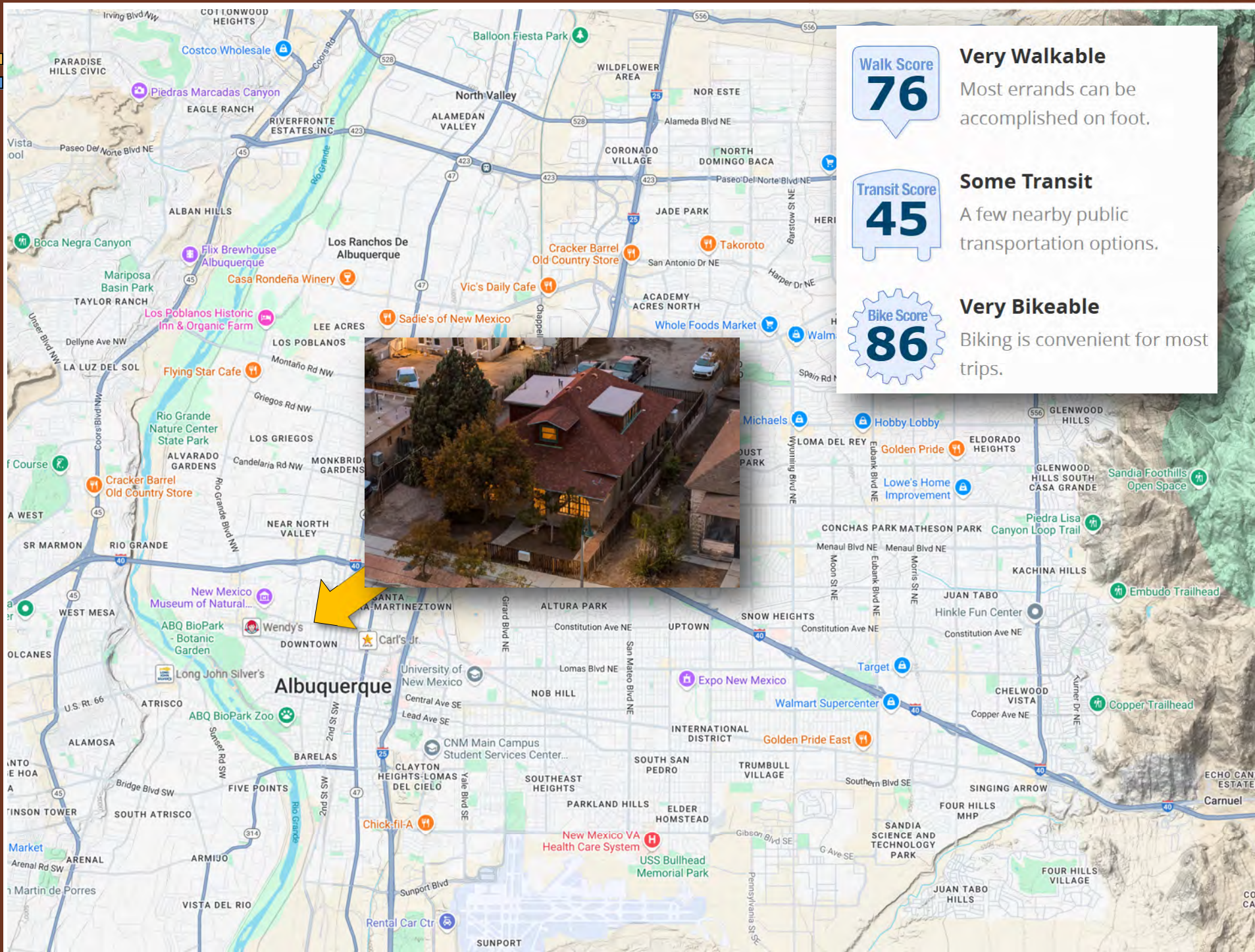
*imputed @ 5% vac, 40% exp

Subject Property	705-707 12th Street NW	4			\$ 285,000			\$ 71,250	\$141	\$751	7.91	7.1%
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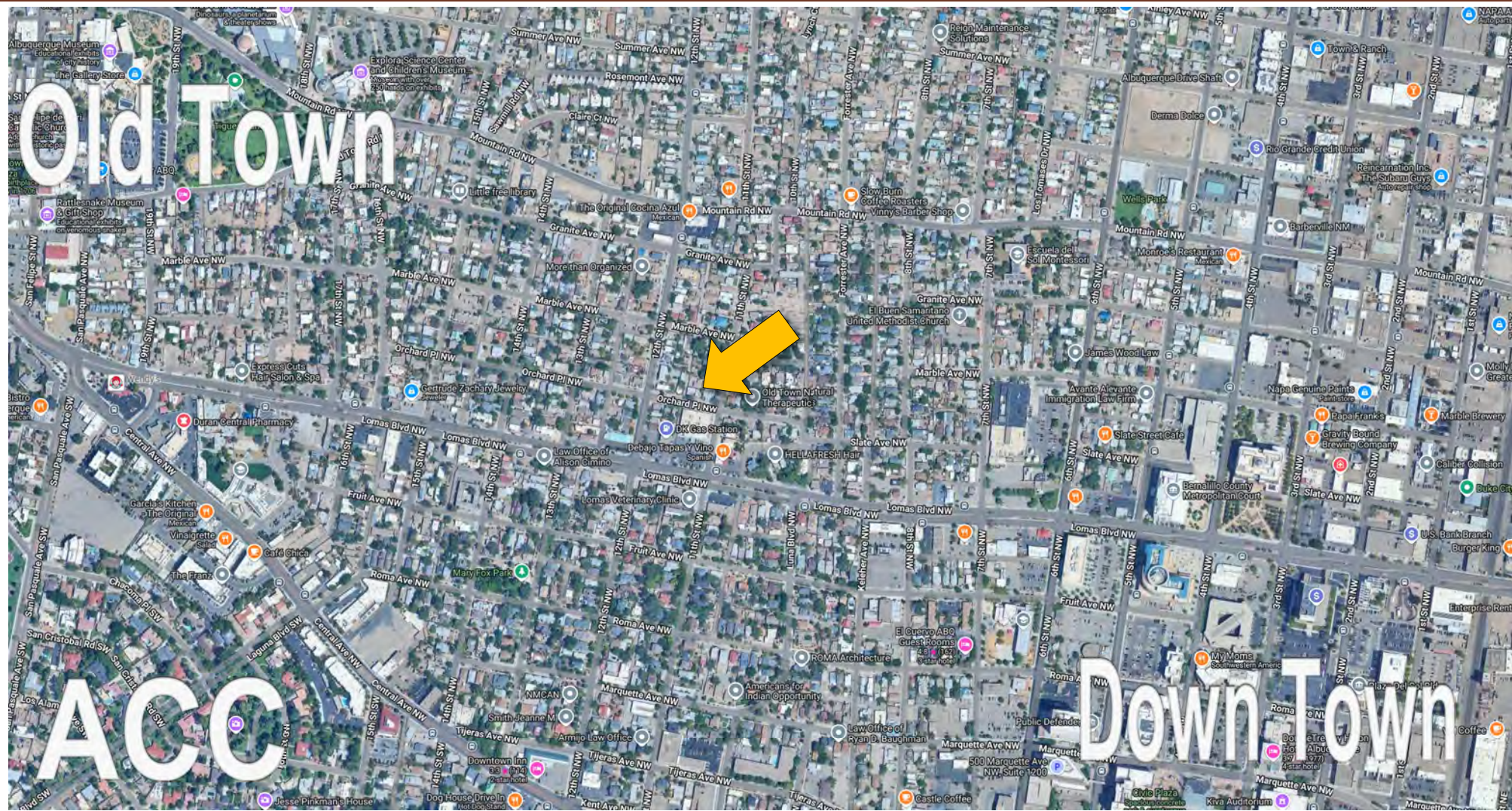
Average of Comparable SOLD applied to subject property

Average Rent for Sales =	\$968		
\$/unit	\$ 143,660	\$	574,642
\$/sf	\$ 191.44	\$	385,759
CAP (Actual)	4.6%	\$	435,291
GRM (Actual)	12.83	\$	439,420
Average=		\$	458,778

Location - Downtown



Location - between Old Town and Downtown



Survey

N. M. TITLE CO.
TI#A53038

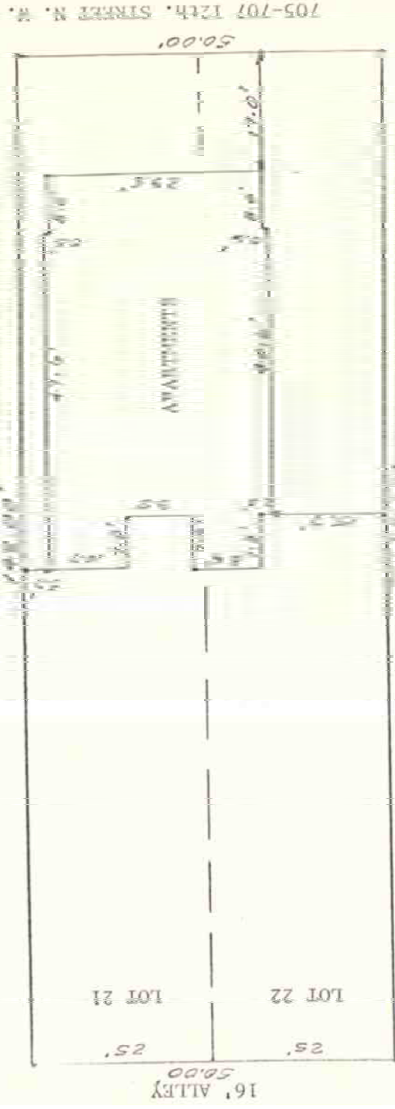
Office
133 EUBANK N.E.
SUITE 788

THE WAYJOHN SURVEYING CO.

1000 W. 1st St.
Albuquerque, N.M. 87108
Phone 843-9308

Buyer: HILL
C-5-30-86

CERTIFICATE OF SURVEY



Unless otherwise indicated, unrecorded easements, overhang of eaves private and community walls, driveways, steps, and other improvements subject to confirmation, but not shown on the plat of record, are not covered by this certificate. This certificate does not constitute a boundary or corner survey.

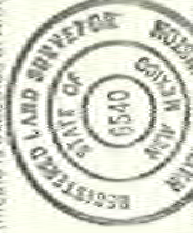
I, Wayne E. Johnston, New Mexico Registered Land Surveyor No. 6540, do hereby certify that I have checked the location of the buildings and improvements on the following described real estate:

Lots numbered Twenty-One (21) and Twenty-Two (22) in Block numbered Thirty-Six (34) of the PEREA ADDITION, to the City of Albuquerque, New Mexico, as the same is shown and designated on the Map of said Addition, filed in the office of the County Clerk of Bernalillo County, New Mexico, on May 1, 1991,

I further certify that the location of said buildings and improvements on said real estate are as shown on the above drawing and that the location of the utility easements as shown on the plat of the above addition are also as shown on the above drawing and that there are no encroachments on the above described real estate and the same is true and correct to the best of my knowledge and belief.

IN WITNESS WHEREOF, this certificate is executed at Albuquerque, New Mexico, this 19th day

of May 19 86



Wayne E. Johnston
WAYNE E. JOHNSTON
REGISTERED LAND SURVEYOR
LICENSE NUMBER 6540

CABQ - GIS Information

City of Albuquerque Property Report

Platted Parcel Address: 707 12TH ST NW
Assessor Parcel Address: 707 12TH ST NW
Report Date: 11/9/2024



www.cabq.gov/gis

Bernalillo County Assessor Ownership Data

[\(Click here for more information\)](#)

Owner Name: DOS CERRILLOS HOLDINGS LLC
Owner Address: PO BOX 5767 PALM SPRINGS CA 92263-5767
Uniform Property Code (UPC): 101305844322444703 **Tax Year:** 2024 **Tax District:** A1AM
Legal Description: * 021 034PEREA ADDN & L22
Property Class: R **Document Number:** 2004000730 122203 WD **Acres:** 0.1607

Albuquerque Planning and Zoning Data

[Bernalillo County Planning and Zoning](#)

Jurisdiction: ALBUQUERQUE **Zone Atlas Page:** [J-13](#)
IDO Zone District: [R-1](#) **IDO District Definition:** Townhouse
Land Use: 01 | Low-density Residential **Lot:** 22 **Block:** 34 **Subdivision:** PEREA ADDN

Neighborhood Associations

[Office of Neighborhood Coordination](#)

City Recognized Neighborhood Associations: Downtown Neighborhoods Association, Downtown Neighborhoods Association

Services

Police Beat: 232 **Area Command:** VALLEY
Residential Trash Pickup and Recycling: Thursday

City Council Districts

City Council District: [2 - Joaquin Baca](#) **Councilor Email:** joaquinbaca@cabq.gov
Policy Analyst: Nathan A. Molina **Policy Analyst Email:** namolina@cabq.gov **Policy Analyst Phone #:** 505-768-3332

Other Legislative Districts

US Congressional District: 1 - Melanie Stansbury
County Commission District: 1 - Barbara Baca
NM House Of Representatives: 11 - Javier Martínez
NM Senate: 13 - Bill B. O'Neill

APS School Service Areas

[Albuquerque Public Schools](#)

Elementary School: LEW WALLACE **Middle School:** WASHINGTON **High School:** ALBUQUERQUE

FEMA Flood Zone: X

[FEMA Flood Map Service Center](#)

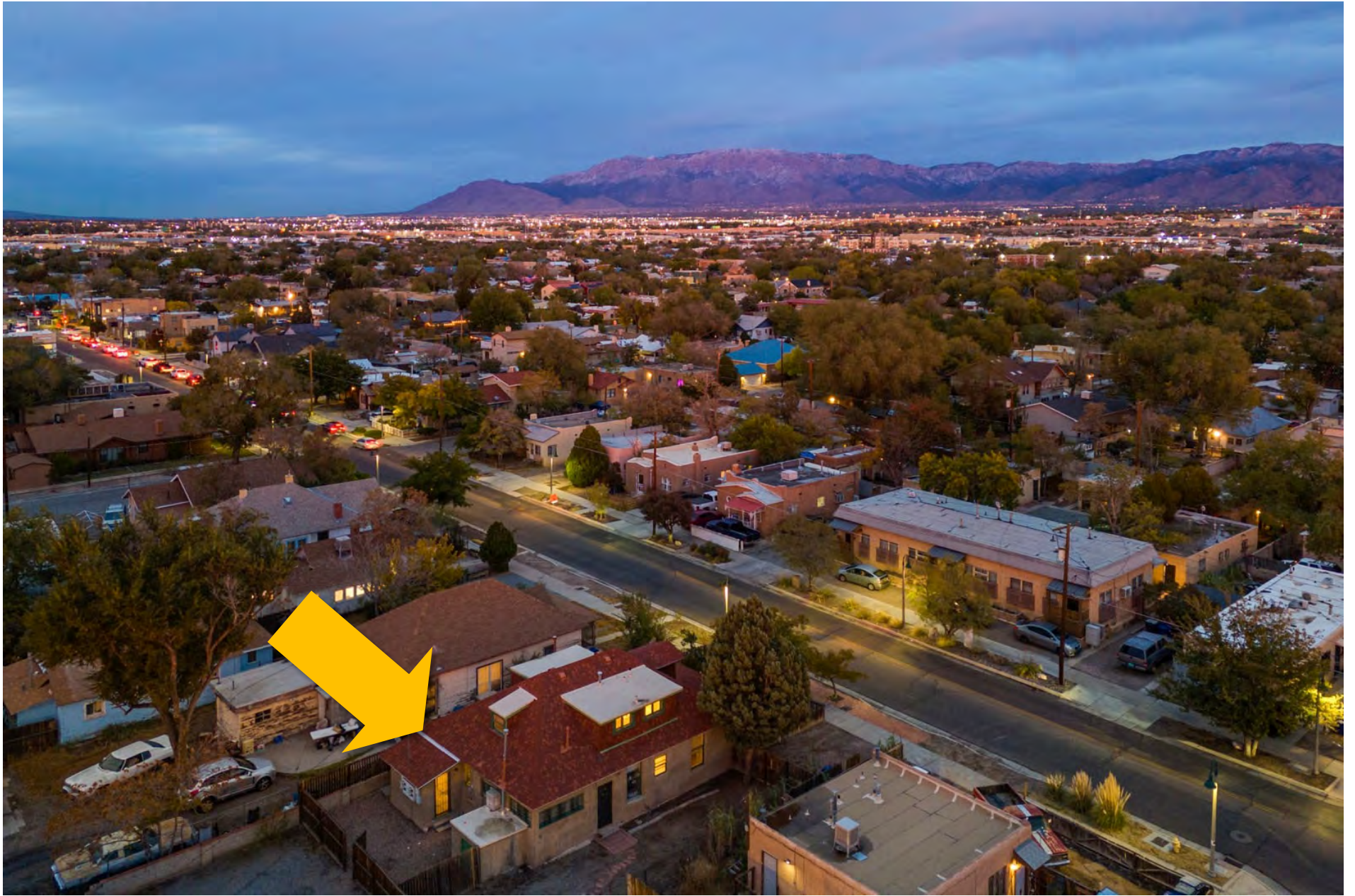
Property Map



Drone Photo



Drone Photo



Property Photos



Property Photos



Property Photos - Virtual tour Front



All measurements are estimates

Virtual Tour Front: <http://www.nmapartment.com/12th707nwfront>

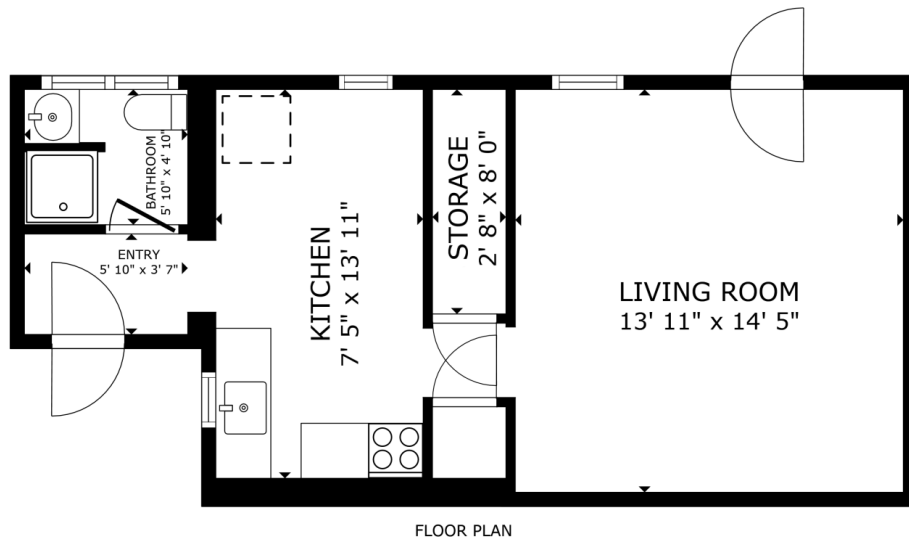
Property Photos - Interior - Front



Property Photos - Interior - Front



Property Photos - Virtual tour Back



All measurements are estimates

Virtual Tour Back: <http://www.nmapartment.com/12th707nwback>

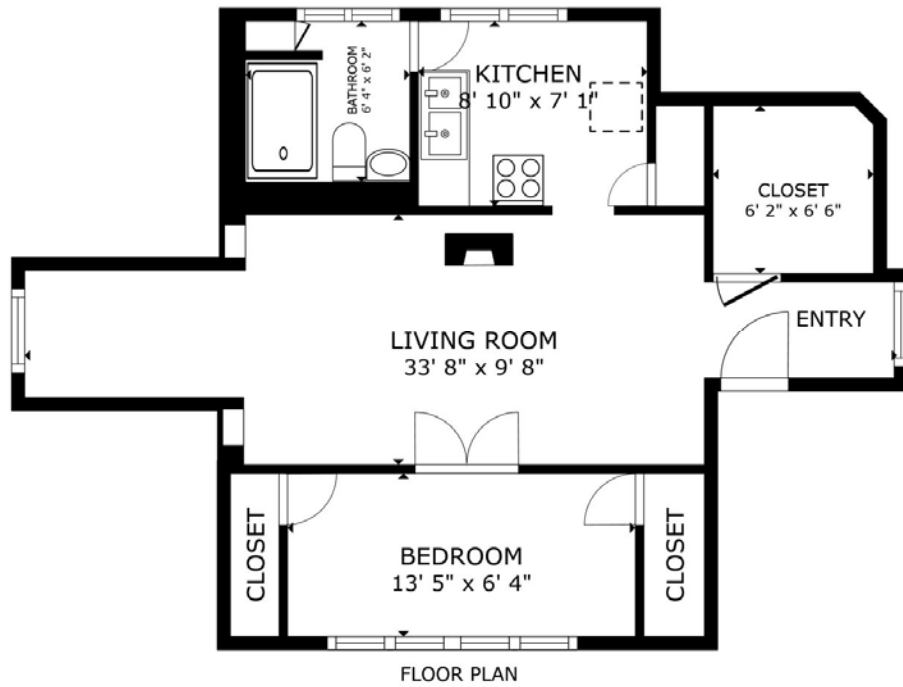
Property Photos - Interior - Back



Property Photos - Interior - Back



Property Photos - Virtual tour Attic



Virtual Tour Attic: <http://www.nmapartment.com/12th707attic>



All measurements are estimates

Property Photos - Interior - Attic



Property Photos - Interior - Attic



Reasons to Invest in Albuquerque, NM

Albuquerque is home to



Facebook

Data Center

A



Distribution center under construction—announced 1,000

A

Apple

N



announced \$1 Billion of new programming

G

Google

Three of the six F.A.A.N.G. tech companies: Due to Sandia and Los Alamos National (nuclear) Laboratories - New Mexico has more PhDs per capita than any other state.

#3rd place in United States for Film and TV

The city has made a major investment in its transportation corridor - along historic Route 66 the new A.R.T. or Albuquerque Rapid Transit has been installed - a \$130M investment and upgrade into this transit corridor. Did you know that apartment communities in the top 10% of walk, bike or transit scores achieve 25% higher rents?

Albuquerque offers over 300 days of sunshine, ski and golf in the same day, hundreds of miles of biking/hiking trails, more parks/open space per person and North America's largest bosque forest.



Albuquerque, New Mexico in the news

- 9th best mid-sized city of the Future**
Foreign Direct Investment magazine—03/2015
- 6th best city to travel to for food snobs**
- America's best city for Global Trade for Skilled Workforce**
Global Trade magazine—11/2014
- 3rd best city for rent growth**
All Property Management as reported in ABQ Journal—10/2013
- 6th best city in US for connecting workers to jobs using Public Transportation**
Brookings Institute—July 2012
- One of the 10 best park systems in the nation**
Trust for Public Land—2012
- 3rd most fittest city**
Men's Fitness Magazine—2012
- 3rd best city to make movies**
Moviemaker.com—June 2012
- Top 25 best places to Retire**
CNNMoney.com—Sept. 2011
- 15th best city in Bloomberg's Business Week (best cities)**
Bloomberg's Business Week—2011
- #17th best bike friendly city**
Bicycling Magazine—2010
- Top Ten for Being a Healthy Community**
Outside Magazine—#6—August 2009
- One of the Best Cities in the Nation**
Kiplinger Magazine—#2—July 2009
- Top 10 places to Live**
U.S. News & World Report—June 2009
- AAA rates Albuquerque 2nd in vacation affordability**
American Automobile Association—June 2008
- UNM Anderson School Ranked in Global 100**
Aspen Institute, October 2007

Kiplinger Millionaires in America 2020: All 50 States Ranked | Slide 9 of 52
44. New Mexico



MILLIONAIRE HOUSEHOLDS: 40,450
TOTAL HOUSEHOLDS: 813,135
Concentration of Millionaires: 4.97%
RANK: 44 (+1 from last year)
MEDIAN INCOME FOR ALL HOUSEHOLDS: \$47,169
MEDIAN HOME VALUE: \$174,700

New Mexico is a land of stark contrasts when it comes to its millionaire population. Los Alamos, New Mexico – best known for the world-famous Los Alamos National Laboratory – seems like an unlikely place to find a lot of millionaires. **But at 13.2%, it has the second-highest concentration of millionaires per capita of any city in the U.S.**

In addition to medicine, top-paying jobs are found in general internal medicine, engineering management and psychiatry.

Yet outside of Los Alamos, the state's concentration of millionaires puts it in the bottom 10 in the U.S. Fewer than 1 in 20 households claiming investable assets of \$1 million or more.

The upside of having fewer millionaires is that it helps keep a lid on living costs, which are 8.9% below the U.S. average.

For residents of all means, the Land of Enchantment is [somewhat tax-friendly](#), though [it's a mixed bag for retirees](#). Social Security benefits are subject to tax by

Multifamily investment sales process and thoughts:

My name is Todd Clarke CCIM CIPS and I am a commercial Realtor who has been selling apartment investments for over 35 years. In that time, I have listed/sold over 17,802 units totaling \$859M in over 900 transactions. I also teach investment sales analysis for the CCIM institute (27 years, over 4,000 students in a dozen countries). I share this with you so you know that the balance of this document comes from experience, and my ideals about how the apartment business runs. This also gives you insight into how we counsel and advocate for our clients.

Most of your **Buyer's questions** about rents, expenses, and property info can be answered by downloading the flyer & APOD (Annual Property Operating Data) from the document center. **Please READ THEM. If you are new to investment sales, I am glad to assist you, but please know:**

Showings/Tours

Residents have rights under the NM Landlord Resident Relations act, and Landlords take that law seriously.

Many Landlords consider their residents to be their **customers**. They work hard to keep them **happy**. Any attempt by a 3rd party to visit the property without the Landlord's prior written approval jeopardizes the Landlord's and Resident's happy customer relationship.

Do not disturb the residents, do not walk the property. It is considered rude to do either, and many Sellers will refuse to work with Buyers who violate this provision.

Landlords (Sellers) rarely are willing to show a property prior to having an offer.

Where possible, we have included virtual tours in high definition – please look to the flyer for those links.

Sellers suggest Buyers make an offer subject to inspection and that the buyer work hard to consolidate their inspections and appraisal review on the same business day, to minimize the impact on the residents, who are the sellers clients.

Commercial vs. Residential Real Estate sales

Apartment investments are considered commercial real estate sales. Although the occasional apartment will sell to an owner/occupant, from the Seller's and Listing Broker's perspective, they approach the transaction in a business-like manner, where it is all about the numbers, and very little about the emotions.

Commercial brokers work regular business hours during business days, and so do most of their clients. Please do not write an offer with an expiration date on a weekend, or a response period of anything less than 3 business days. Please do not text, or expect return phone calls after regular business hours.

Offers

Commercial transactions often start with a two page letter of intent or LOI – this allows the parties to share the skeleton of a deal. If they can reach a meeting of the minds, they will then flesh out the details in a purchase and sale agreement. If your client chooses to do a letter of intent, please make sure your letter of intent form includes the basics like price, closing date, contingencies, and who pays what closings costs.

The current (2021) activity level from investors interest in our marketplace is three times higher than it was before then pandemic, which was 10 times higher than it was in 2016, our market is saturated with out of state investors, and I often tell buyers that they have a 1 in 10 chance of becoming an owner, where as everyone of my Sellers have a 1 in 1 chance of selling.

Please let your client know that I work with my clients on a merit based negotiation system - we do not play the high/low game, and my **listing agreement pre-authorizes me to let you know when a (low) offer is likely not to be responded to by my Seller, so call first before your client suggests a low ball offer.**

If your client's strategy is to count days on market and expect a discount, please let them know we specialize in helping our clients establish the leading edge of current market pricing, and our clients are prepared to wait for the right investor who can meet their deal goals.

The follow-up questions Sellers ask after what is the price is, does the Buyer know the market? Have they been here? Do they have a team (management, lender, etc.) in place? Be prepared to answer these questions an advocate for your buyer, particularly if there are multiple competing offers.

Most of my Sellers are as focused on certainty of closing as they are the price, so don't be surprised when we ask you for proof of funds of down payment and a prequal letter from a qualified lender.

The standard in commercial transactions is that the Buyer pays for their own inspections and financing costs, and issues raised by the Buyer's lender are the Buyers to deal with. As the seller is sharing the information on the property with the buyer, the expectation is the buyer will share all information with the seller so they can troubleshoot/problem solve together.

BID Process

If this property is being marketed with the BID process, then **the ask (start) price is set low** with the intention of garnering a lot of investor interest that will lead to multiple offers, a best and final round **with a final close price that is considerably higher than the original ask price**. This process may be new to you, but we have been using it for over 16 years. By participating in the BID Process, best case, your buyer becomes an owner, worst case they receive an education on current market conditions.

If the property is being marketed using the BID process, the tour date and time is the **only time** the property is available for a viewing. This is not an inspection. Please do not bring your vendors, inspectors, ladders, etc. This is not an open house, but a guided tour that lasts 10 to 20 minutes and allows you a chance to view the interior condition.

Client Control

Your client's actions represent you in this transaction, and your actions represent them. Please let your client know they have only one chance to make a good impression with my Sellers.

When in doubt, please ask for permission via email, **do not** take action and expect forgiveness from a Seller. Please let your clients know that their actions will be considered by the Seller when they review offers and rank them in likelihood to close.

Open invitation – on a monthly basis, we host a luncheon for brokers and property managers who have an interest in apartment investments – just email me for an invitation.

Please know that I love this business and I am glad to share my knowledge, expertise and enthusiasm with you and your Buyer. I want to help you, help them, to be a great landlord and investor.

I look forward to working on this transaction with you—Sincerely, **Todd Clarke CCIM CIPS**

Is the Seller offering a credit for a buyer to self represent or paying a fee for a buyer's broker?

NM Apartment Advisors has created a mechanism, where you can email 24/7 to discover what compensation/credit a seller is offering by sending an

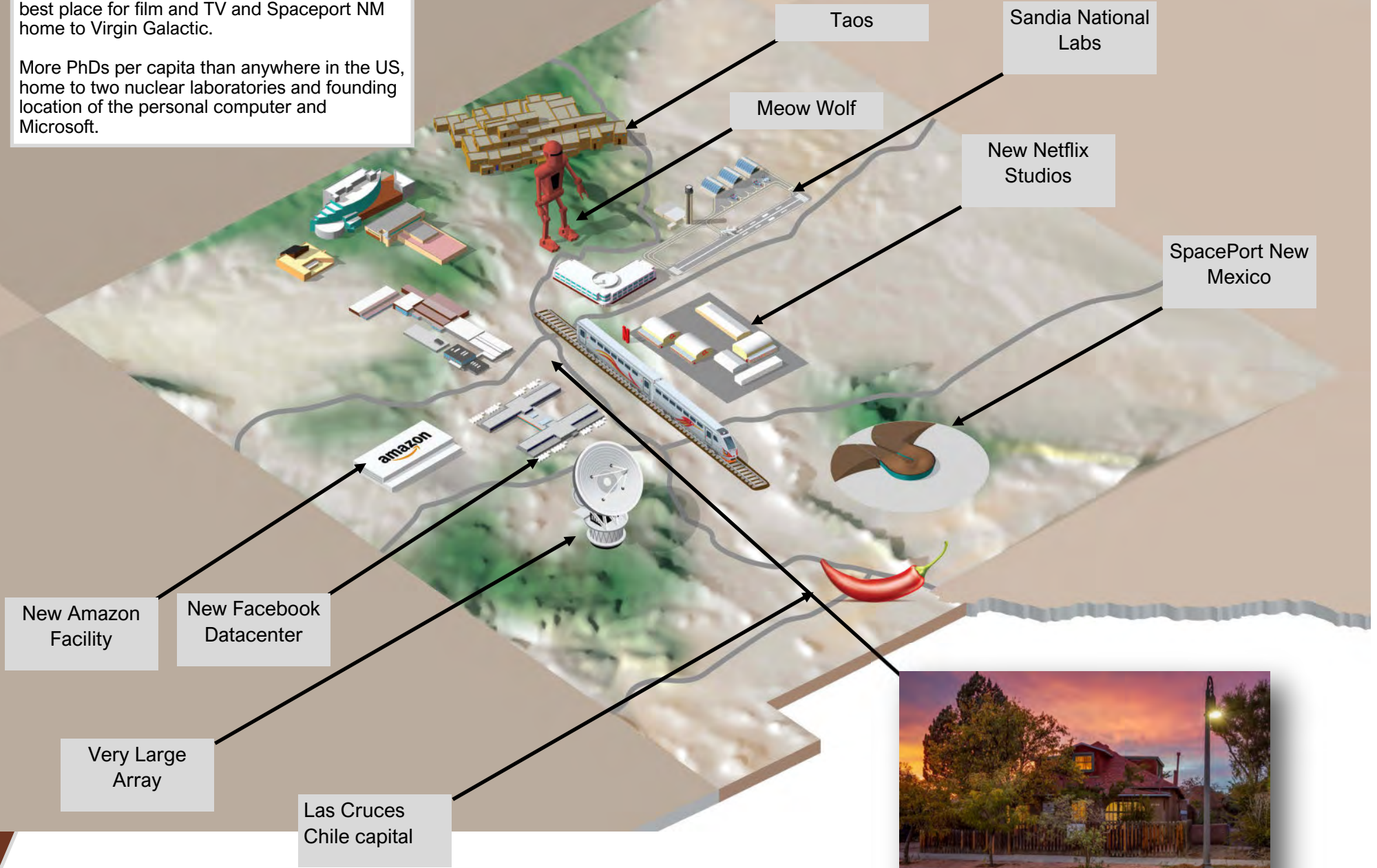
Email to compensation@nmapartment.com with the subject: **NMAA-2449707**

To receive a document confirming buyer's broker compensation and/or buyer's credit from the seller for this listing.

New Mexico is on the international map

New Mexico is home to the oldest Capitol in the country, the chile capital of North America, 3rd best place for film and TV and Spaceport NM home to Virgin Galactic.

More PhDs per capita than anywhere in the US, home to two nuclear laboratories and founding location of the personal computer and Microsoft.



Albuquerque's Economic Engines

Albuquerque offers a diversity of economic engines from Amazon, to Intel, to UNN/CNM to Facebook/Meta, Sandia National Laboratories to the downtown medical cluster (3 hospitals) to the Netflix studios.



Further Information

Do not walk property, or disturb residents.

To register for access to confidential documents go to:

<http://www.nmapartment.com/12th707>

Marketing Advisors

In the event of multiple offers, BID process will be used. Additional information on the sales process can be found at www.nmapartment.com/bidprocess/bidprocess.pdf

The owner and property are represented by Todd Clarke CCIM of NM Apartment Advisors. If there is any information you need on the market, submarket, or the property, please do not hesitate to ask.

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