

950 –954 Augustine,
Las Cruces, NM 88001

Register for Confidential Information:
Virtual Tour

www.nmapartment.com/950augustine

<http://www.nmapartment.com/954augustine3d>



7 Units

Size: 4,323 sf

Land: 0.36 ac

Price: \$695,237

GRM: 9.86

Cap Rate: 6.90%

After Tax IRR: 18.1%

Conveniently located 7-plex

The Offering

On behalf of the Owner, NM Apartment Advisors, Deacon Property Services, and PMI of New Mexico are excited to bring to the market this Las Cruces 7-plex. This renovated property is centrally located with a short 1 mile walk to the revitalized downtown area of Las Cruces where shops, eateries, and local breweries can be found.

Comprised of two buildings in which one is a triplex and the other a quadplex, each building boasts reconditioned and updated units. Some of these updates in varying units include flooring, HVAC, appliances, water heaters, electrical upgrades, countertops, fixtures, and fresh exterior and interior paint. The Owner has left ample opportunity for value-add possibilities. Refrigerated air upgrades, fencing in yards, completing window replacements, and adding storage sheds are just a few of these opportunities.

Take advantage of the opportunity to own this updated multi-unit complex with value-add potential that is centrally located in a town with an approximate housing shortage of 5,600 units.



The Property

Address: 950-954 Augustine

Number of Units: 7

Year of construction: 1958 per owner

Bldg. Size: 3,725 sf approx.

Site Size: 0.36 ac

Avg. Unit Size: 532 sf

UPC#: 4-007-134-434-495, 4-007-134-441-493

Legal: Lot 1&2, Cox's Third Subdivision, Replat No.1

Ask Price: \$695,237

\$/ unit: \$99,320

\$/sf: \$186.64

	Actual/Est (2023)	Proforma (2024)
Avg. Rent:	\$839	\$928
GRM:	9.86	8.92
Cap Rate Before reserves:	6.90%	7.24%
Cap Rate After reserves:	6.67%	7.02%
Year 1 NOI:	\$46,382	\$48,792
Cash on Cash:	6.55%	8.29%
Before Tax IRR:	22.0%	
After Tax IRR:	18.1%	

Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:

950 Augustine, Las Cruces

950-954 Augustine, Las Cruces

Prepared by: Todd Clarke CCIM

6/22/2024

"As Is Condition"

Unit/Rent Summary

#	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	
1	950-1	2br/1ba	550	\$ 895	\$ 895	\$ 895	\$ 1.63	\$ 895	\$ 895	\$ 895	550	
1	950-2	1br/1ba	450	\$ 765	\$ 825	\$ 850	\$ 1.70	\$ 765	\$ 825	\$ 850	450	
1	950-3	1br/1ba	450	\$ 700	\$ 825	\$ 850	\$ 1.56	\$ 700	\$ 825	\$ 850	450	
1	950-4	1br/1ba	450	\$ 825	\$ 825	\$ 850	\$ 1.83	\$ 825	\$ 825	\$ 850	450	
1	954-1	1br/1ba	450	\$ 745	\$ 825	\$ 850	\$ 1.66	\$ 745	\$ 825	\$ 850	450	
1	954-2	1br/1ba	450	\$ 750	\$ 825	\$ 850	\$ 1.67	\$ 750	\$ 825	\$ 850	450	
1	954-3	3br/1.75ba	925	\$ 1,195	\$ 1,150	\$ 1,350	\$ 1.29	\$ 1,195	\$ 1,150	\$ 1,350	925	
7	total units / avg Unit size =		532	Total=				\$ 5,875	\$ 6,170	\$ 6,495	3,725	
	2 floorplan / Avg. Rent =			\$ 839	\$ 881	\$ 928	Annualized =	\$ 70,500	\$ 74,040	\$ 77,940		

Internal Rate of Return

		Year						Calculated for 1st year of next owners, ownership	Sales Worksheet
		1	2	3	4	5	6		
1 Total Potential Market Income	3.5% Increases	\$77,940	\$80,668	\$83,491	\$86,413	\$89,438	\$92,568		Calculation of Adjusted Basis
2 Less: loss to market lease	5.0%	\$3,900	\$4,037	\$4,178	\$4,324	\$4,475	\$4,632		1 Basis at Acquisition
3 Total Potential Income (Max Rent)		\$74,040	\$76,631	\$79,313	\$82,089	\$84,963	\$87,936		\$695,237
4 Less: Loss to lease	4.8%	\$3,540	\$3,664	\$3,792	\$3,925	\$4,062	\$4,204		2 + Capital Additions
5 Total Income		\$70,500	\$72,968	\$75,521	\$78,165	\$80,900	\$83,732		3 -Cost Recovery (Depreciation) Taken
6 Less: vacancy	5.0%	\$3,525	\$3,648	\$3,776	\$3,908	\$4,045	\$4,187		\$99,442
7 Effective Rental Income		\$66,975	\$69,319	\$71,745	\$74,256	\$76,855	\$79,545		4 =Adjusted Basis at Sale
8 Plus: Other Income	2.0% Increases	\$2,100	\$2,142	\$2,185	\$2,229	\$2,273	\$2,319		\$595,795
9 Gross Operating Income		\$69,075	\$71,461	\$73,930	\$76,485	\$79,128	\$81,864		
Total Operating Expenses	1.5% Increases	\$22,693	\$23,033	\$23,379	\$23,729	\$24,085	\$24,447		Calculation of Capital Gain
Net Operating Income		\$46,382	\$48,428	\$50,551	\$52,756	\$55,043	\$57,417		Disposition CAP Rate
									6.67%
Mortgage Balance		\$548,489	\$540,365	\$531,797	\$522,758	\$513,224			5 Sale Price
ADS		\$37,270	\$37,270	\$37,270	\$37,270	\$37,270			\$860,645
- Principal Reduction		\$7,701	\$8,123	\$8,569	\$9,038	\$9,534			6 -Costs of Sale
= Mortgage interest		\$29,569	\$29,147	\$28,701	\$28,232	\$27,736			8.0%
- cost recovery (annual)	27.5 yrs (1. 80%)	\$19,383	\$20,225	\$20,225	\$20,225	\$19,383			7 -Adjusted Basis at Sale
= Taxable Income		-\$2,570	-\$944	\$1,625	\$4,299	\$7,924			\$595,795
Tax on income at ordinary income rate of	2. 35%	\$0	\$0	\$569	\$1,505	\$2,773			8 =Gain or (Loss)
									\$195,998
NOI		\$46,382	\$48,428	\$50,551	\$52,756	\$55,043			9 -Straight Line Cost Recovery (limited to gain)
- Annual Debt Service		\$37,270	\$37,270	\$37,270	\$37,270	\$37,270			\$99,442
= Cash Flow Before Tax		\$9,112	\$11,158	\$13,281	\$15,486	\$17,773			# =Capital Gain from Appreciation
- Less Ordinary Income Tax		\$0	\$0	\$569	\$1,505	\$2,773			\$96,556
= Cash Flow After Tax		\$9,112	\$11,158	\$12,713	\$13,981	\$15,000			

Calculation of Sales Proceeds after tax	
# Sale Price	\$860,645
-Cost of Sale	\$68,852
# -Mortgage Balance(s)	\$513,224
# =Sale Proceeds Before Tax	\$278,569
# -Tax: Straight Line Recapture at	25.0% \$24,860
# -Tax on Capital Gains at	20.0% \$19,311
# =SALE PROCEEDS AFTER TAX:	3. \$234,397

IRR Before tax =	22.0%
n	\$
0	\$ (139,047)
1	\$9,112
2	\$11,158
3	\$13,281
4	\$15,486
5	\$17,773 + \$278,569

IRR After tax =	18.1%
n	\$
0	\$ (139,047)
1	\$9,112
2	\$11,158
3	\$12,713
4	\$13,981
5	\$15,000 + \$234,397

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 =

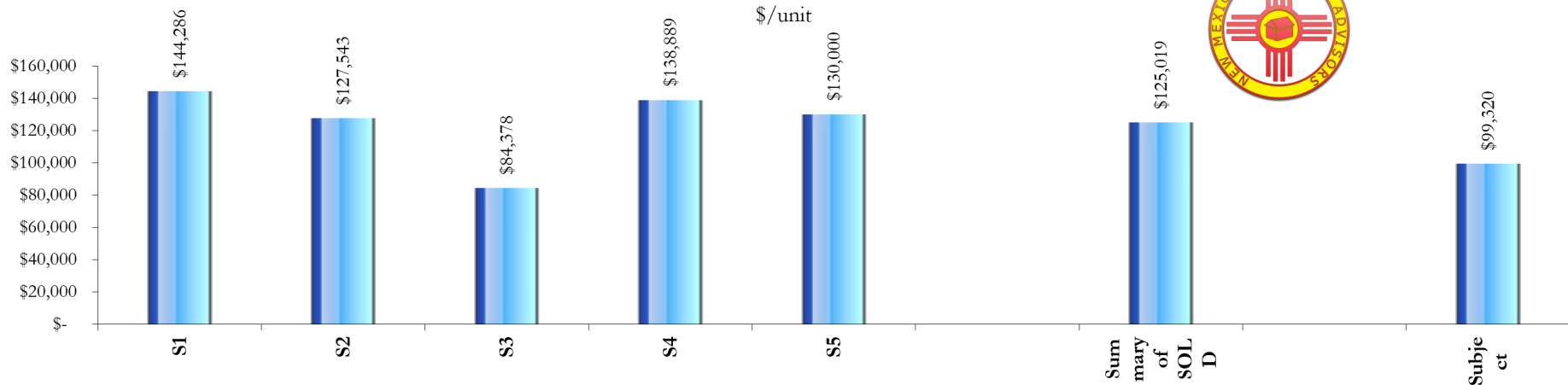
18%

Comparable Sales

Comparable Sales Analysis for:

950 Augustine, Las Cruces

Compiled by Todd Clarke CCIM



#	Name	Location	City	Units	Age	List Price	Sales Price	Sales Date	\$/unit	\$/sf	Avg. Rent	GRM	CAP *
S1		1550 Durazano	Las Cruces	7		\$ 1,090,143	\$ 1,009,999	12/29/23	\$ 144,286	\$ 137	\$1,096	10.97	6.5%
S2		1855 Girard NE	Albuquerque	20		\$ 2,520,856	\$ 2,550,856	10/30/23	\$ 127,543	\$ 165	\$870	12.21	5.4%
S3		1409 Girard NE	Albuquerque	23		\$ 1,940,692	\$ 1,940,692	10/16/23	\$ 84,378	\$ 202	\$694	10.13	5.8%
S4		354 Pueblo Solano	Village of Los Ranchos	9		\$ 1,250,000	\$ 1,250,000	3/17/23	\$ 138,889	\$ 288	\$1,003	11.54	6.2%
S5		3409 Tulane NE	Albuquerque	10		\$ 1,300,000	\$ 1,300,000	5/17/23	\$ 130,000	\$ 170	\$949	11.42	5.3%

Est 5% vac, 40% expenses

Summary of SOLD									\$ 125,019	\$192	\$922	11.25	5.84%
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Subject	950 Augustine, Las Cruces					\$ 695,237			\$ 99,320	\$187	\$839	9.86	6.67%
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Average of Comparable SOLD applied to subject property

\$/unit	\$	125,019	\$	875,133
\$/sf	\$	192	\$	716,690
CAP (Actual)	5.8%		\$	794,216
GRM (Actual)	11.25		\$	777,370

Average= \$ 790,852

Potential Lender: Ventana Fund



Ventana Fund is a NM headquartered, non-profit, CDFI and lender for multifamily communities that supports affordable housing with renovations that include energy savings.

Properties that need extensive renovation / rehabilitation like this property are ideal for the Ventana Fund's Threshold product.

Application, term sheet and more can be found at

<http://www.ventanafund.org/loan-products/>

"We have worked with the Ventana Fund on several deals and have enjoyed working with them. They have allowed us to look at many deals in underserved areas of New Mexico, like Las Vegas or Moriarty, that we normally wouldn't have been able to. Places that need investment but that currently have holes in the capital market for financing." - **Sam Kunzman, Cory Sutphin, Edge Capital**

"I have worked with many lenders in the past and working with Ventana Fund is by far the easiest and least painful process I have encountered. Ventana Fund has extremely competitive rates and terms, and has been able to move more quickly than any other lender I have ever worked with. I would do all of my deals with Ventana Fund if I could." - **Joey Barr**

Term Sheet

Loan to Value:	Up to 80%
% of renovations funded in loan	Up to 80%
Interest rate range	4.5% to 5.50%
(depends on affordability, risk and % of renovations dedicated to energy savings)	
Application Fee	\$2,500
Origination Fee	1% of loan value
Amortization:	30 years
Balloon	5 years

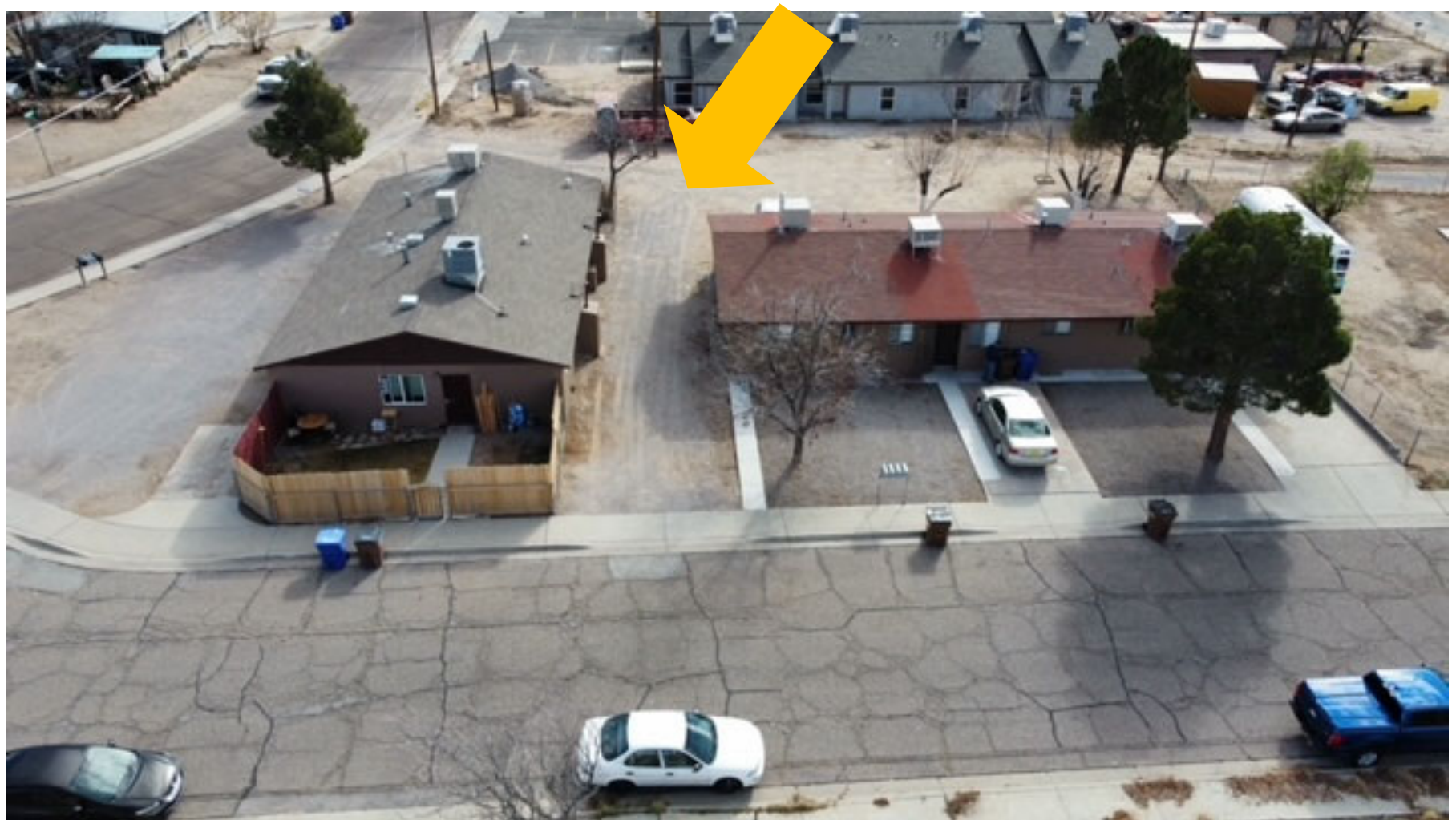
For More info Contact Loan Officer:

Bill Dolan

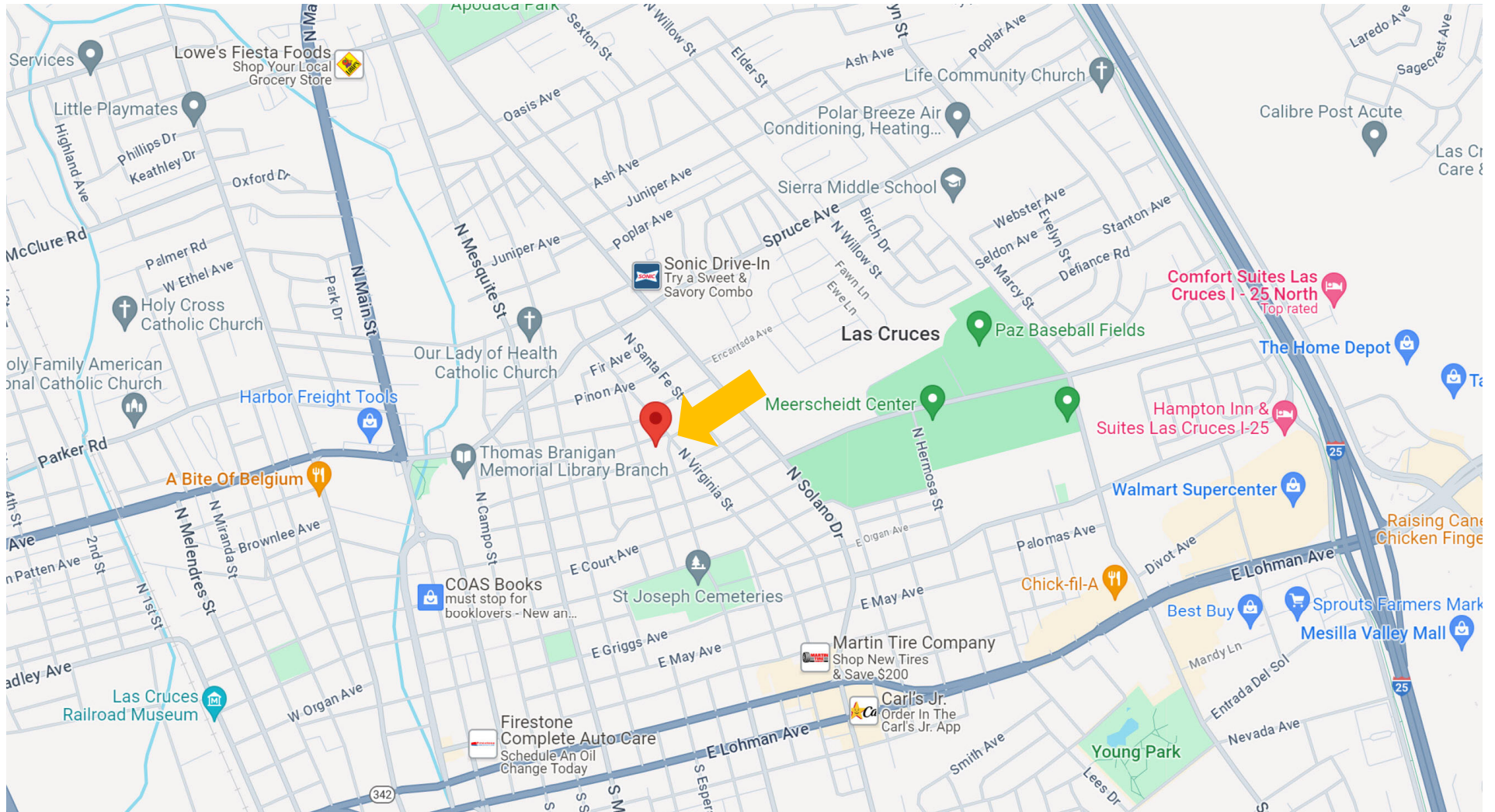
vwdolan@ventanafund.org

*Disclosure: Todd Clarke is an unpaid, volunteer board member of Ventana Fund

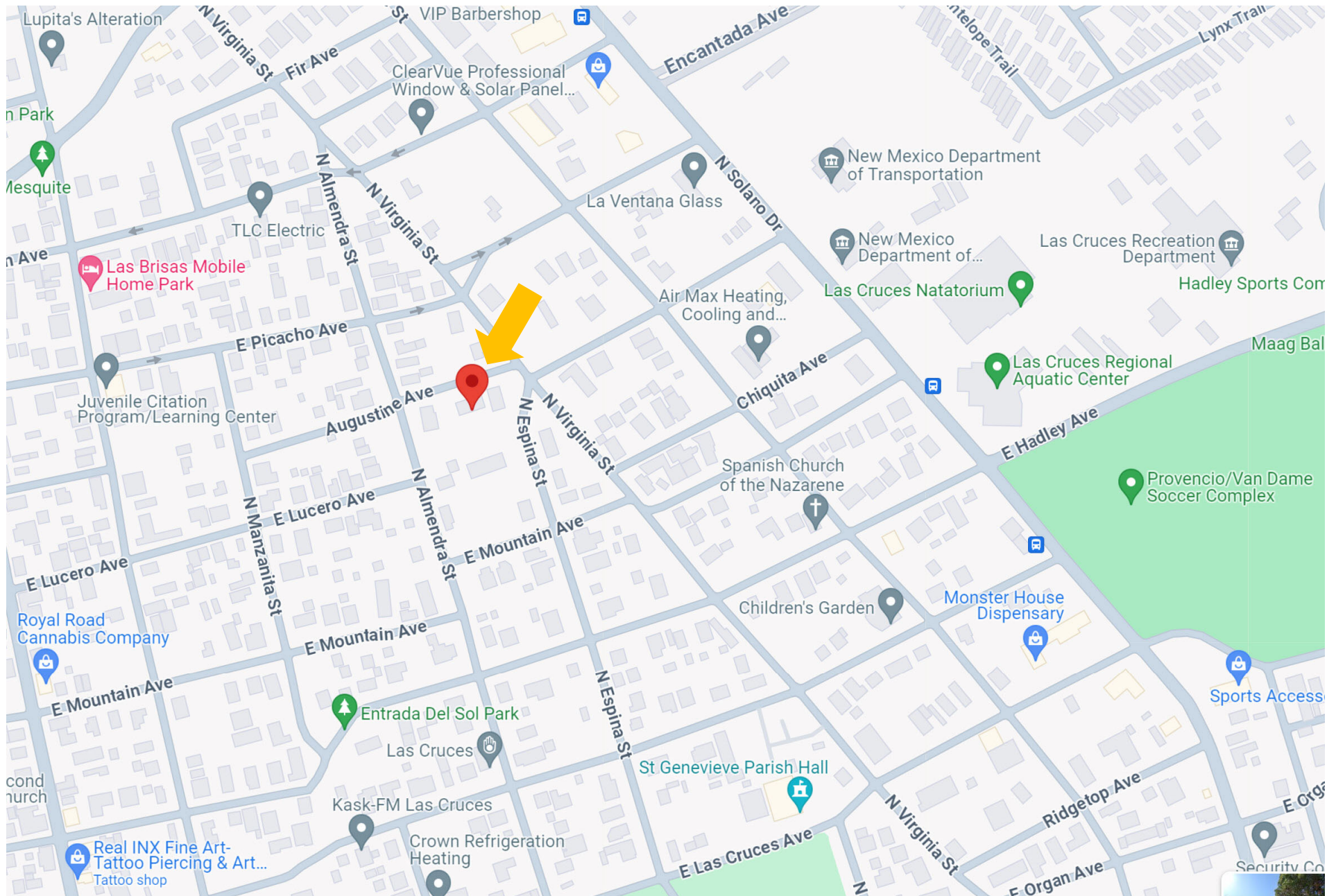
Drone Photo



Property Info - Location



Property Info - Neighborhood Location



Property Photographs - Exterior



Property Photographs - Interior



Property Photographs - Interior



Property Photographs - Interior

Virtual tour

<http://www.nmapartment.com/954augustine3d>



Property Photographs - Interior



Property Photographs - Interior



Assessor's Information - 950 Augustine, Las Cruces

Account: R0230255 *Mill Levy does not include Special District Rates such as: Lower Rio Grande Flood Levy, Hueco Levy, Mclead Watershed Levy, Caballo Soil and Water Conservation Levy, and La Union Watershed Levy.

Location				Owner Information		Assessment History			
Situs Address 950 AUGUSTINE AVE				Owner Name EDGE CAPITAL IV LLC		Actual (2023 - Residential Cap applied) \$128,583			
Deed Holder				Owner Address 1324 6TH NW		Primary Taxable \$42,861			
Tax Area 2IN_R - 2IN_R				ALBUQUERQUE, NM 87102		Tax Area: 2IN_R Mill Levy: 30.927000			
Parcel Number 4-007-134-434-495						Type	Actual	Assessed	SQFT Units
Legal Summary Subd: COX'S THIRD SUBDIVISION REPLAT NO 1 (BK 20 PG 370 - 0324022) Lot: 1 Block: 17 S: 7 T: 23S R: 2E						Residential Land	\$25,000	\$8,333 8851.000	1.000
						Residential Improvement	\$103,583	\$34,528 2100.000	4.000
Neighborhood I04 - ORIG-TOWNSIT									
Transfers									
Record Sequence	Reception Number	Book Page	Sale Date	Grantor	Grantee	Doc Type	Parcel Number		
9	2140569		12/21/2021	LAEMMLE,RICHARD D	EDGE CAPITAL IV LLC	A1	4007134441493		
8	0432379		09/24/2004	RUGGER PARTNERSHIP#1	LAEMMLE,RICHARD D	A1	4007134434495		
7	0432378		09/28/2004	LAEMMLE,RICHARD D ETAL LAEMMLE,BAMBIL L ETAL	LAEMMLE,RICHARD D	C	4007134434495		
6	0328263		08/04/2003	THOMAS,TUDUR G	RUGGER PARTNERSHIP#1	A1	4007134434495		
5	0328258		08/04/2003	RUGGER PARTNERSHIP#1	THOMAS,TUDUR G	A1	4007134434495		
4	9924151		09/17/1999	SANDOVAL JULIAN G	RUGGER PARTNERSHIP#1	A1	4007134460492		
3	9924150		09/11/1999	SANDOVAL JULIAN M JR ETAL SANDOVAL HELEN M-EST-ETAL	SANDOVAL JULIAN G	A2	4007134460492		
2	9924149		08/17/1999	ARMIJU,MARY E ETAL SANDOVAL JULIAN G JR ETAL SANDOVAL HELEN M-EST-ETAL	SANDOVAL JULIAN G	A2	4007134460492		
1	BK 225 PG 492-493					Conversion	4007134434495		
Images									

Photo Sketch GIS



Walk Score

69

Somewhat Walkable

Some errands can be accomplished on foot.

Bike Score

61

Bikeable

Some bike infrastructure.

Assessor's Information - 954 Augustine, Las Cruces


Account: R0230256 *Mill Levy does not include Special District Rates such as: Lower Rio Grande Flood Levy, Hueco Levy, Mclead Watershed Levy, Caballo Soil and Water Conservation Levy, and La Union Watershed Levy.

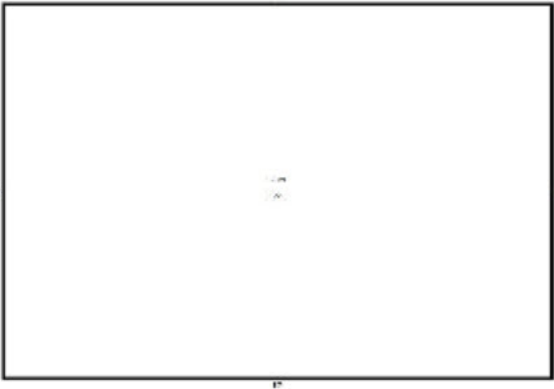
Location		Owner Information		Assessment History	
Situs Address 954 AUGUSTINE AVE		Owner Name EDGE CAPITAL IV LLC		Actual (2023 - Residential Cap applied)	\$146,493
Deed Holder		Owner Address 1324 6TH NW		Primary Taxable	\$48,831
Tax Area 2IN_R - 2IN_R		ALBUQUERQUE, NM 87102		Tax Area: 2IN_R Mill Levy: 30.927000	
Parcel Number 4-007-134-441-493				Type	Actual Assessed SQFT Units
Legal Summary Subd: COX'S THIRD SUBDIVISION REPLAT NO 1 (BK 20 PG 370 - 0324022) Lot: 2 Block: 17 S: 7 T: 23S R: 2E				Residential Land	\$25,000 \$8,333 7065.000 1.000
Neighborhood I04 - ORIG-TOWNSIT				Residential Improvement	\$121,493 \$40,498 2223.000 4.000

Transfers						
Record Sequence	Reception Number	Book Page	Sale Date	Grantor	Grantee	Doc Type Parcel Number
10	2140569		12/21/2021	LAEMMLE, RICHARD D	EDGE CAPITAL IV LLC	A1 4007134441493
9	1816664		06/29/2018	LAEMMLE, RICHARD D	LAEMMLE, RICHARD D	SSP 4007134441493
8	0514233		04/20/2005	RUGGER PARTNERSHIP#1	LAEMMLE, RICHARD D	A1 4007134441493
7	0514232		05/02/2005	LAEMMLE, RICHARD D ETAL LAEMMLE, BAMBI L ETAL	LAEMMLE, RICHARD D	C 4007134441493
6	0328264		08/04/2003	THOMAS, TUDUR G	RUGGER PARTNERSHIP#1	A1 4007134441493
5	0328257		08/04/2003	RUGGER PARTNERSHIP#1	THOMAS, TUDUR G	A1 4007134441493
4	9924151		09/17/1999	SANDOVAL, JULIAN G	RUGGER PARTNERSHIP#1	A1 4007134460492
3	9924150		09/11/1999	SANDOVAL, JULIAN M JR ETAL SANDOVAL, HELEN M-EST-ETAL	SANDOVAL, JULIAN G	A2 4007134460492
2	9924149		08/17/1999	ARMJO, MARY E ETAL SANDOVAL, JULIAN G JR ETAL SANDOVAL, HELEN M-EST-ETAL	SANDOVAL, JULIAN G	A2 4007134460492
1	BK 225 PG.492-493				Conversion	4007134434495

Tax Year	Taxes
2023	\$1,510.20
2022	\$1,487.00

Photo Sketch GIS





Walk Score

69

Somewhat Walkable

Some errands can be accomplished on foot.

Bike Score

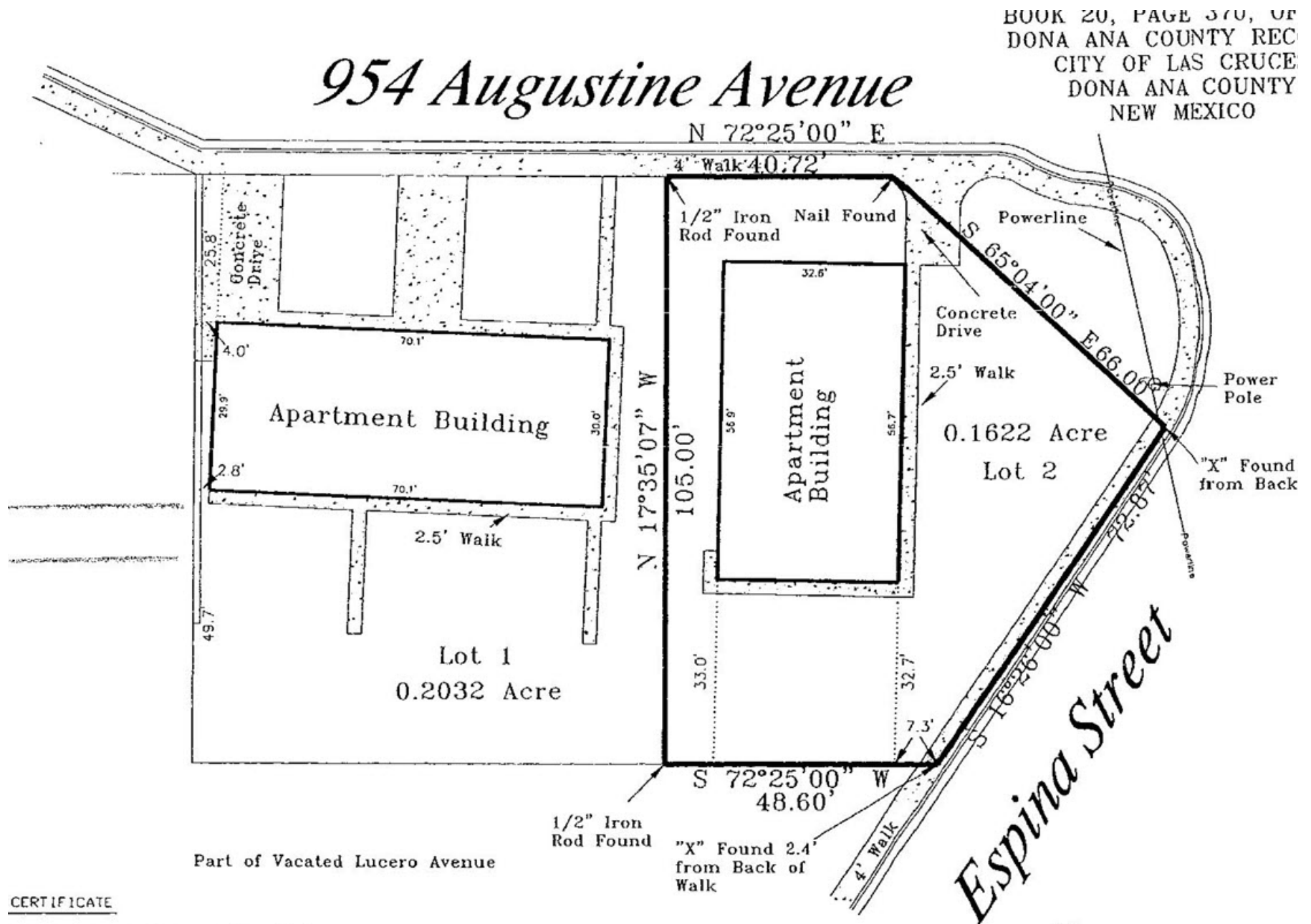
61

Bikeable

Some bike infrastructure.



Survey - 950 - 954 Augustine Ave



Zoning Letter



STATEMENT OF ZONING

The property located at 950 Augustine Ave., and having Map Code Numbers or Account ID Numbers of R0230255, in Las Cruces, New Mexico, is zoned as follows:

R-2 (Multi-Dwelling Low Density)

Comments: The R-2 district is a low density multi-dwelling residential district allowing up to 15 dwelling units per acre. Single-family site-built/manufactured, patio homes, townhomes, apartments (in any configuration/grouping not exceeding the density or eight attached unit limit) and mobile home parks are the only types of housing permitted in this zone. This type of development should be compatible with high density single-family developments, medium density multi-dwelling districts and low intensity commercial districts. For more information regarding land uses and development standards in C-2 districts, please refer to Section 38-32 and Section of 38-33 of the 2001 Zoning Code as amended.

The above described property located in the City of Las Cruces, New Mexico, has been reviewed and found to be zoned as indicated above in accordance with the Las Cruces Zoning Atlas. Accordingly, I do hereby approve and issue this Statement of Zoning.

November 4, 2021
Date


Kyle Metzgar
Senior Planning Technician

Please be advised that the information presented on this document is taken from the City of Las Cruces Zoning Atlas. Nothing shall prevent the City of Las Cruces from amending this information if review of the Zoning Ordinance shows the Atlas to be in error.



Las Cruces, nestled in the heart of southern New Mexico, captivates residents and newcomers alike with its unique blend of natural beauty, cultural richness, and a welcoming spirit. This charming city boasts a picturesque backdrop of the Organ Mountains, providing outdoor enthusiasts with countless hiking and recreational opportunities. It's vibrant arts scene, exemplified by the Mesilla Valley, beckons those seeking cultural immersion, while the annual Renaissance Arts Faire, downtown Farmers Market, freshly revitalized downtown scene, and the Dia de los Muertos celebrations add to its cultural charm.

Moreover, the cost of living in Las Cruces remains reasonable, and the city's commitment to education, anchored by New Mexico State University (NMSU), appeals to families and academics alike. With its sunny climate and strong sense of community, it's no wonder that people and Las Cruces an inviting and fulfilling place to call home.

The city is strategically positioned in southern New Mexico, offers residents an array of remarkable advantages due to its proximity to various significant destinations. Just a short drive away, the bustling city of El Paso, Texas, boasted with its diverse cultural and urban amenities, making it an accessible hub for entertainment and other employment opportunities. Meanwhile, Las Cruces stands as a gateway to scientific exploration, with NASA's White Sand Test Facility nearby, contributing to the city's appeal for science enthusiasts and professionals. The vast White Sands National Park, just a 45-minute drive away, renowned for its surreal gypsum dunes, provides residents with unique natural playground for hiking, photography, learning, and

The Market—Las Cruces, NM

entertainment.

For those intrigued by military history and technology, the nearby White Sands Missile Range offers an unparalleled glimpse into cutting-edge research and testing. Additionally, Las Cruces finds itself at the forefront of space exploration, thanks to nearby Spaceport America, making it an exciting hub for commercial spaceflight ventures.

Boasting a diverse and resilient economy that draws strengths from various sectors, Las Cruces serves as a conduit for multiple job opportunities. Agriculture remains a significant contributor, with chile and pecan farming being notable staples. The presence of NMSU nurtures education and research related industries, fostering a skilled workforce. The city's proximity to the U.S.-Mexico border supports trade and commerce, with logistics and transportation playing a vital role. Healthcare and government sectors are also prominent employers, with institutions like Memorial Medical Center & Mountain View Hospital and government agencies providing stable jobs.

Being the 2nd largest city in the state, Las Cruces Public Schools provides close to 4,000 jobs to a wide array of individuals. Las Cruces' economic diversity and growth in sectors like education and healthcare have spurred job opportunities, increasing the demand for housing. NMSU plays a significant role in the need for off campus housing, both near and far from the main campus. Investing in multi-family properties in Las Cruces has proven to be a highly advantageous endeavor.

The city's steady population growth and economic diversification have led to a consistent demand for rental housing, ensuring a relatively stable rental income stream. Las Cruces' affordable cost of living and lower property acquisition costs compared to larger metropolitan areas can make entry into the multi-family real estate market more accessible. Additionally, the city's pleasant climate, low crime rate, and proximity to various attractions make it an appealing location for tenants, further enhancing the market's potential for long term success.



Las Cruces, New Mexico in the news

- ☑ 34th safest city in the U.S.-Wallet Hub: Oct 2022
- ☑ 4th Best Run City in the U.S., 2020, WalletHub
- ☑ 2019 APA-NM Planning Award for Innovation for the Las Cruces Arts and Cultural District
- ☑ 2019 Creative Tourism Award for "Best Strategy for Creative Tourism Development" from the Barcelona-based Creative Tourism Network
- ☑ #15 in nation as best place to retire 2018, TopRetirements.com
- ☑ 131 best cities in America to raise a family in 2023, Niche
- ☑ US News & World Report-10 cites for Real Estate Steals-Las Cruces
- ☑ Forbes/Milken Report-Best Small Metro Area for Business & Careers
- ☑ Forbes 4-#39 Best Small Places for Business and Careers
- ☑ CNN/Money-Top 25 Cities for Jobs



Multifamily investment sales process and thoughts:

My name is Todd Clarke CCIM and I am a commercial Realtor who has been selling apartment investments for over 35 years. In that time, I have listed/sold over 13,909 units totaling \$572M. I also teach investment sales analysis for the CCIM institute (23 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.

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 (2020) activity level from investors interest in our marketplace is 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.

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

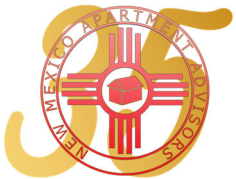
Further Information

Do not walk property or disturb residents.

To register for access to confidential documents go to: www.nmapartment.com/950-954augustine

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, who has over 35 years of experience in marketing apartments, Kyle Deacon of Deacon Property Services, LLC, and Marvid Charlson of PMI of NM, who currently manages the property. If there is any information you need on the market, submarket, or the property, please do not hesitate to ask.



Todd Clarke 

CEO

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NMREC License #13711

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tclarke@nmapartment.com

www.nmapartment.com



Kyle Deacon

Qualifying Broker

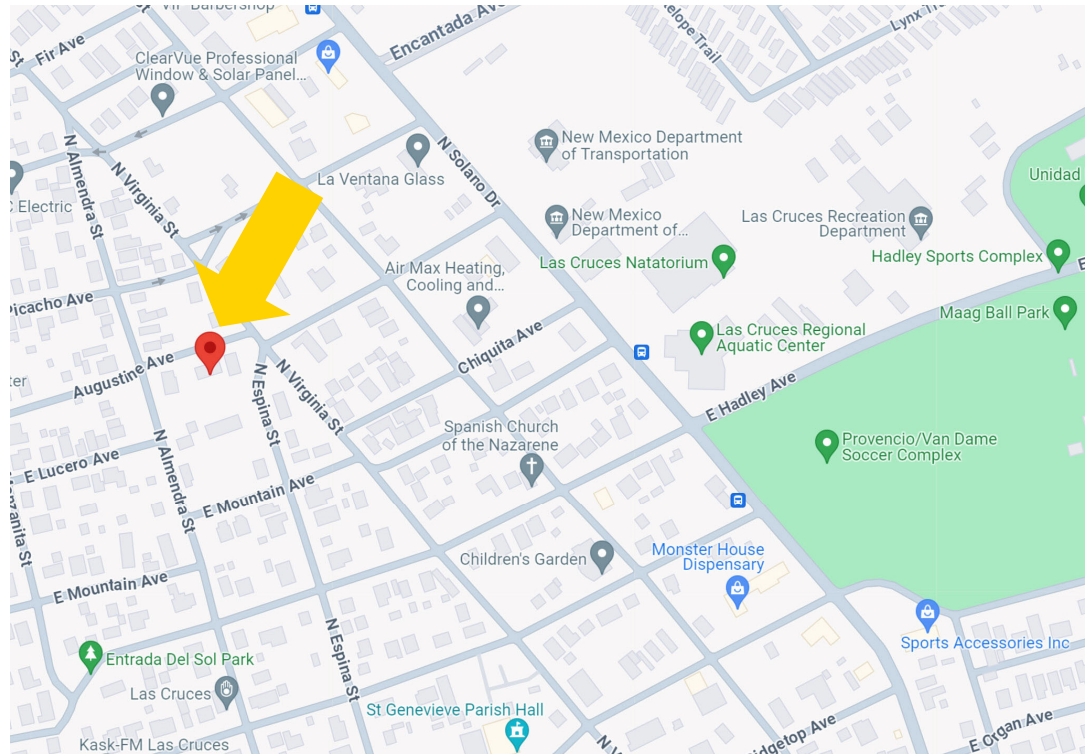
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Marvid Charlson

Qualifying Broker

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