

511 - 513 Candelaria Rd NW
Albuquerque, NM 87107



Register for additional information and Tour: www.nmapartment.com/511Candelaria

Tour on Tuesday, October 3rd, 2023 at noon

Offer deadline Thursday, October 5th, 2023 at noon

Fourteen North Valley Units

Units: 14

Size: 9,700 sf

Land: 0.2824 ac

Ask Price: \$1,239,653

GRM: 9.83

CAP: 7.28%

After Tax IRR: 14.0%

Potential Effective Federal
Tax Rate using Cost
Segregation and 2018 Tax
cut & Jobs act: **5.0%**

Deadline to close to lower your tax rate:
12/31/2023

Property Information

On behalf of the owners, NM Apartment Advisors is pleased to present this North Valley community for sale.

Located at 511-13 Candelaria NW and at the cross roads of high end new development along the Fourth street corridor and the beginning of the more rural/agricultural areas along the Rio Grande Blvd., and North America's largest bosque forest.

This 14 unit property is value add opportunity with a majority of the units renovated, and a couple in need of renovation as well as an overhaul of the laundry room.

Please note: the property is restricted by a Land Use Restriction Agreement (LURA) that provided long term affordable housing and is believed to be in place on this property for an additional 14 years. Please see page 5 for details. Even with the LURA in place, the rents are 28% below permissible rents creating a runway for a new owner to potentially achieve a 9.10% cap rate.

The property is being sold using the BID process with one date for tours and another for offers. Qualified investors can register for the tour and obtain confidential information by completing the online confidentially agreement www.nmapartment.com/511Candelaria.

Do not miss out on the opportunity to invest in a market with dynamic employment growth from all of the new Intel, Facebook, Intel and Amazon jobs.



The Property

Address: 511-13 Candelaria NW

Number of units: 14

Year of construction: 1974

Bldg. Size: 9,700 sf +/-

Site Size: 0.12824

Avg. Unit Size: 693 sf

UPC#: 1-014-060-299158-31032

Legal: Lot 13A, redivision of Lots 13-15, Block 16, Monkbridge Addition

Ask Price: \$1,239,653

\$/ unit: \$88,547

\$/sf: \$127.80

	Actual	LURA Limit Rents
Avg Rent:	\$750	\$1,037
GRM:	9.83	7.11
Cap Rate Before reserves:	6.28%	9.10%
Cap Rate After Reserves:	6.00%	8.82%
Year 1 NOI:	\$73,479	\$109,303
Before Tax IRR:	17.9%	
After Tax IRR:	14.5%	

Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:

511-513 Candelaria NW

Prepared by: Todd Clarke CCIM

8/28/2023

"As-Is Offering"

Unit/Rent Summary

				E		C		A			
#	Type	Style	Approx Size	Actual Rent	Street Rate	LURA limits	Actual Rent \$/sf	Total Actual	Total Max Rent for this type	LURA Max Rents	Total sf
1	2/1	511-1 Market	693	\$550	\$1,500	\$1,500	\$ 0.79	\$ 550	\$ 1,500	\$ 1,500	693
1	2/1	511-2 Market	693	\$950	\$1,500	\$1,500	\$ 1.37	\$ 950	\$ 1,500	\$ 1,500	693
1	2/1	511-3 Market	693	\$1,000	\$1,500	\$1,500	\$ 1.44	\$ 1,000	\$ 1,500	\$ 1,500	693
1	1/1	511-4 80% of AMI	693	\$780	\$1,020	\$1,020	\$ 1.13	\$ 780	\$ 1,020	\$ 1,020	693
1	1/1	511-5 50% of AMI	693	\$800	\$780	\$780	\$ 1.15	\$ 800	\$ 780	\$ 780	693
1	1/1	511-6 50% of AMI	693	\$595	\$780	\$780	\$ 0.86	\$ 595	\$ 780	\$ 780	693
1	1/1	511-7 50% of AMI	693	\$575	\$780	\$780	\$ 0.83	\$ 575	\$ 780	\$ 780	693
		Laundry Room (needs work)	-	-	-	-	-	\$ -	\$ -	\$ -	-
1	2/1	513-1 Market	693	\$595	\$1,500	\$1,500	\$ 0.86	\$ 595	\$ 1,500	\$ 1,500	693
1	2/1	511-2 80% of AMI	693	\$828	\$1,020	\$1,020	\$ 1.20	\$ 828	\$ 1,020	\$ 1,020	693
1	2/1	511-3 80% of AMI	693	\$950	\$1,020	\$1,020	\$ 1.37	\$ 950	\$ 1,020	\$ 1,020	693
1	1/1	511-4 50% of AMI	693	\$800	\$780	\$780	\$ 1.15	\$ 800	\$ 780	\$ 780	693
1	1/1	511-5 50% of AMI	693	\$660	\$780	\$780	\$ 0.95	\$ 660	\$ 780	\$ 780	693
1	1/1	511-6 50% of AMI	693	\$735	\$780	\$780	\$ 1.06	\$ 735	\$ 780	\$ 780	693
1	1/1	511-7 50% of AMI - vacant needs work	693	\$800	\$780	\$780	\$ 1.15	\$ 693	\$ 780	\$ 780	693
14	total units / Avg. Unit Size		693 sf	\$751	\$1,037	\$1,037	\$ 1.08	\$ 10,511	\$ 14,520	\$ 14,520	9,700
				\$ 751	Annualized =		\$ 126,132	\$ 174,240	\$ 174,240		

Benchmarks

Offering Price	\$1,239,653		
\$/unit	\$88,547		
\$/sf	\$127.80		
GRM	9.83	Actual	Proforma
CAP Before Reserves	6.28%	9.10%	
CAP After Reserves	6.00%	8.82%	
Cash on Cash	2.99%	14.26%	
DCR=	1.14	1.68	
Walk Score: 65; Transit Score: 26; Bike Score: 76			



Income

1	A.	Total Potential Market Income	\$ 174,240	
2	B.	Less: loss to market lease	\$ -	0%
3	C.	Total Potential Income (Street)	\$ 174,240	
4	D.	Less: Loss to lease	\$ 48,108	28%
5	E.	Total Income	\$ 126,132	
6	F.	Less: vacancy	\$ 3,784	3.0% Market based estimate
7	G.	Effective Rental Income	\$ 122,348	
8	H.	Plus: Other Income		Potential Laundry Income and RUBs on W/S/T
9	I.	Gross Operating Income	\$ 122,348	

		EOY 2022		Based on:		Proforma 2024		Based on:		Forthcoming yr.	
Expenses (Annual)			\$/unit	%			\$/unit	%		Income: Line C - F + H	
20	Real Estate Taxes	\$3,353	\$240	3%	2022 Actual	\$11,731	\$838	7%	Est. 61% of ask price		
21	Personal Property Taxes				assessed at \$201,571						
22	Property Insurance	\$6,704	\$479	5%	Owners Actual	\$6,905	\$493	4%	Potential 2024 = 2022 + 3%		
23	Property Management:										
24	Off Site Management	\$11,785	\$842	10%	8% - NMGR - Est for next owner	\$14,269	\$1,019	8%	Potential 2024 = 2022 + 3%		
25	Payroll-Onsite Personnel										
26	Repairs and Maintenance	\$9,788	\$699	8%	Estimate	\$10,081	\$720	6%	Potential 2024 = 2022 + 3%		
29	Utilities:										
30	Water, Sewer, & Garbage	\$5,138	\$367	4%	Owner Actual	\$5,292	\$378	3%	Potential 2024 = 2022 + 3%		
31	Gas				paid by tenant				paid by tenant		
32	Electric				paid by tenant				paid by tenant		
33	Cable				paid by tenant				paid by tenant		
34	Telephone				paid by tenant				paid by tenant		
35	MFA Lura inspection fee	\$700	\$50	1%	Actual	\$721	\$52	0%	Potential 2024 = 2022 + 3%		
36	Legal	\$1,000	\$71	1%	Est. Owner Actual \$2,180	\$1,030	\$74	1%	Potential 2024 = 2022 + 3%		
39	Miscellaneous	\$1,000	\$71	1%	Est.	\$1,030	\$74	1%	Potential 2024 = 2022 + 3%		
42	Pest Control										
43	Unit Turnover	\$5,000	\$357	4%	Est.	\$5,150	\$368	3%	Potential 2024 = 2022 + 3%		
44	Landscaping										
45	Carpet Cleaning										
46	Other				repairs+unit turn+reserve=8to10%						
48	Reserve for replacement	\$3,500	\$250	3%	Most lenders will require.	\$3,500	\$250	2%	Most lenders will require.		
49	Total Operating Expenses	\$47,969	\$3,426	39%		\$59,710	\$4,265	34%			
50	Net Operating Income	\$74,379	\$5,313			\$109,303			Potential Market less 5% vacancy + other income		
	Less: Annual Debt Service	\$65,109	\$ 929,740	75%	ADS	\$65,109	\$ 929,740	75%	ADS		
	Cash Flow Before Taxes	\$9,271				\$44,195					

DISCLOSURE: LURA (land use restriction agreement)

A LURA or Land Use Restriction Agreement is a deed restriction that is placed on a property that assures long term affordability. This property's LURA dates back to the late 1980s/early 1990s and restricts the ability for current and future owners to raise rents above a percentage of area median income. The LURA is believed to run for additional 14 years and is administered by NMMFA. Of the 14 total units, 4 are allowed to be market rents, 3 need to qualify for low income (80% of AMI) and 7 for very low income (50% of AMI).

Additional information on this program can be found in the confidential document center to qualified investors who complete the confidentially agreement at <http://www.nmapartment.com/511Candelaria>



[Home](#) > [Institution & Asset Sales](#) > [Real Estate and Property Marketplace](#) > [Affordable Housing Program](#)

Affordable Housing Program

Introduction

The FDIC manages an Affordable Housing Program established by the former Resol through a network of state housing agencies and non-profit entities, monitors and ens the Affordable Housing Program.

Manuals

For use by Monitoring Agencies and Property Owners

- [Property Owner's Manual](#)
- [State Agency Manual](#)

Income and Rent Limits

2023 (effective 05/15/23)

- [FDIC Affordable Rents - PDF](#)
- [FDIC Income Limits - PDF](#)
- [FDIC Data Income and Rent Limits - Excel](#)

<https://www.fdic.gov/buying/owned/affordable/> and

“PROGRAM BACKGROUND The Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) required that the Resolution Trust Corporation (FDIC) develop a program for selling residential properties to provide affordable housing opportunities. In response to this provision, FDIC established the Affordable Housing Disposition Program (AHP), or herein referred to as the Affordable Housing Program (AHP), to enhance its ability to sell single family and multifamily properties that will benefit Low Income families. Pursuant to the Resolution Trust Corporation Completion Act, the FDIC terminated on December 31, 1995, and all of FDIC's rights and obligations were transferred to the FSLIC Resolution Fund, the successor in interest to the FDIC, which is managed by the Federal Deposit Insurance Corporation (FDIC). This transfer does not affect the terms and conditions of the Land Use Restriction Agreements (LURAs), as owners' responsibilities continue, and the FDIC, as manager of the FSLIC Resolution Fund, assumes the FDIC's obligations. AHP encourages qualified for-profit and nonprofit housing developers, as well as public agencies, to purchase FDIC-held multifamily properties. Under the program, FDIC sells properties to eligible purchasers who make an acceptable offer at or above the property's net realizable market value established by FDIC. In return for purchasing a property at a price below the fair market value, purchasers agree to make units available to Low and Very Low Income households at affordable rents. The rent and income restrictions are designed to assure that, for the next 40 to 50 years, the property serves families in need of affordable housing “
-<https://www.fdic.gov/buying/owned/affordable/manuals/owner/ownmanch1.pdf>

FEDERAL DEPOSIT INSURANCE CORPORATION FY 2023
STATE:NEW MEXICO

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P R O G R A M	FDIC AFFORDABLE RENTS					
	EFFICIENCY	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM	5 BEDROOM
Albuquerque, NM MSA						
50% RENT LIMIT	680	780	878	1040	1200	1268
65% RENT LIMIT	890	1020	1148	1365	1572	1664

<https://www.fdic.gov/buying/owned/affordable/documents/fdic-affordablerents-2023.pdf>

Potential Lender: Ventana Fund



Ventana Fund is a NM headquartered, non-profit, CDFI and lender for multifamily product 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
(505) 270-5650

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

Internal Rate of Return

		Year	1	2	3	4	5	6	Calculated for 1st year of next owners, ownership
Total Potential Market Income	3.5% Increases		\$174,240	\$180,338	\$186,650	\$193,183	\$199,944	\$206,942	
2 Less: loss to market lease	0.0%		\$0	\$0	\$0	\$0	\$0	\$0	
3 Total Potential Income (Max Rent)			\$174,240	\$180,338	\$186,650	\$193,183	\$199,944	\$206,942	
4 Less: Loss to lease	27.6%		\$48,108	\$49,792	\$51,534	\$53,338	\$55,205	\$57,137	
5 Total Income			\$126,132	\$130,547	\$135,116	\$139,845	\$144,739	\$149,805	
6 Less: vacancy	3.0%		\$3,784	\$3,916	\$4,053	\$4,195	\$4,342	\$4,494	
7 Effective Rental Income			\$122,348	\$126,630	\$131,062	\$135,649	\$140,397	\$145,311	
8 Plus: Other Income	2.0% Increases		\$0	\$0	\$0	\$0	\$0	\$0	
9 Gross Operating Income			\$122,348	\$126,630	\$131,062	\$135,649	\$140,397	\$145,311	
Total Operating Expenses	1.0% Increases		\$47,969	\$48,449	\$48,933	\$49,422	\$49,917	\$50,416	
Net Operating Income			\$74,379	\$78,182	\$82,129	\$86,227	\$90,481	\$94,895	
Mortgage Balance			\$917,780	\$905,113	\$891,699	\$877,492	\$862,447		
ADS			\$65,109	\$65,109	\$65,109	\$65,109	\$65,109		
- Principal Reduction			\$11,960	\$12,667	\$13,414	\$14,206	\$15,045		
= Mortgage interest			\$53,148	\$52,442	\$51,694	\$50,902	\$50,063		
- cost recovery (annual)	27.5 yrs	1. 80%	\$34,562	\$36,063	\$36,063	\$36,063	\$34,562	includes mid mon	
= Taxable Income			-\$13,330	-\$10,323	-\$5,628	-\$738	\$5,856		
Tax on income at ordinary income rate of		2. 35%	\$0	\$0	\$0	\$0	\$2,049		
NOI			\$74,379	\$78,182	\$82,129	\$86,227	\$90,481		
- Annual Debt Service			\$65,109	\$65,109	\$65,109	\$65,109	\$65,109		
= Cash Flow Before Tax			\$9,271	\$13,073	\$17,021	\$21,119	\$25,372		
- Less Ordinary Income Tax			\$0	\$0	\$0	\$0	\$2,049		
= Cash Flow After Tax			\$9,271	\$13,073	\$17,021	\$21,119	\$23,323		

Sales Worksheet

Calculation of Adjusted Basis

1 Basis at Acquisition	\$1,239,653
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$177,311
4 =Adjusted Basis at Sale	\$1,062,342

Calculation of Capital Gain

Disposition CAP Rate	6.0%
5 Sale Price	\$1,581,589
6 -Costs of Sale	\$126,527
7 -Adjusted Basis at Sale	\$1,062,342
8 =Gain or (Loss)	\$392,720
9 -Straight Line Cost Recovery (limited to gain)	\$177,311
=Capital Gain from Appreciation	\$215,409

Calculation of Sales Proceeds after tax

Sale Price	\$1,581,589
-Cost of Sale	\$126,527
-Mortgage Balance(s)	\$862,447
=Sale Proceeds Before Tax	\$592,615
-Tax: Straight Line Recapture at	25.0% \$44,328
-Tax on Capital Gains at	20.0% \$43,082
=SALE PROCEEDS AFTER TAX:	\$505,206

IRR Before tax =	17.9%
n	\$
0	\$ (309,913)
1	\$9,271
2	\$13,073
3	\$17,021
4	\$21,119
5	\$25,372 + \$592,615

IRR After tax =	14.5%
n	\$
0	\$ (309,913)
1	\$9,271
2	\$13,073
3	\$17,021
4	\$21,119
5	\$23,323 + \$505,206

Investor's Effective Tax Rate = 19%

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%

See page 6 for the secret sauce that could help you lower your effective federal tax rate to 5%!

The combination of these benefits could help lower an investor's effective federal tax rate from 35% federal tax rate to only 19%.



Comparable Sales

Comparable Sales Analysis for:

511-513 Candelaria NW

Compiled by Todd Clarke CCIM



#	Name	Street	Units	Age	List Price	Sales Price	Sales Date	\$/unit	\$/sf	Avg. Rent	GRM	CAP
S1		2307 New York SW	8	1936	\$ 1,293,000	\$ 1,268,288	6/27/2022	\$ 158,536	\$ 264	\$1,200	11.01	5.6%
S2		1209 Martin Luther King NE	10	1954	\$ 1,100,000	\$ 995,000	12/14/2022	\$ 99,500	\$ 118	\$767	10.81	5.7%
S3		1307 Tijeras NW	12	1950	\$ 1,200,000	\$ 1,000,000	11/15/2022	\$ 83,333	\$ 116	\$695	9.99	6.2%
S4		1320 Martin Luther King NE	12	1978	\$ 1,350,000	\$ 1,200,000	PENDING	\$ 100,000	\$ 275	\$689	12.09	5.1%
S5		354 Pueblo Solano NW	9	1966	\$ 1,250,000	\$ 1,250,000	3/17/2023	\$ 138,889	\$ 288	\$1,060	10.92	5.7%
S6		3409 Tulane NE	10	1979	\$ 1,300,000	\$ 1,300,000	5/27/2023	\$ 130,000	\$ 155	\$980	11.05	5.6%
S7		5900 Marble NE	24	1968	\$ 1,360,000		PENDING	\$ 81,250	\$ 106	\$704	9.62	4.4%
S8		924 Valencia SE	20	2000	\$ 1,955,736	\$ 1,955,736	PENDING	\$ 97,787	\$ 111	\$828	9.84	4.8%
S9		501 Girard SE	14	2012	\$ 2,000,000	\$ 2,000,000	8/27/2022	\$ 142,857	\$ 216	\$804	14.81	4.2%
S10		1410 Truman SE	8	1979	\$ 860,000	\$ 820,000	9/8/2022	\$ 102,500	\$ 131	\$794	10.76	5.7%
S11		1340 San Mateo SE	7	1957	\$ 708,022	\$ 708,022	8/20/3679	\$ 101,146	\$ 133	\$829	10.17	6.1%
S12		2115 Gold SE	4	1940	\$ 697,000	\$ 697,000	1/31/2022	\$ 174,250	\$ 261	\$788	18.43	3.4%
S13		1023 2nd SW	6	1901	\$ 695,000	\$ 695,000	10/21/2022	\$ 115,833	\$ 154	\$933	10.34	6.0%
S14		616 Coal SW	5	1901	\$ 650,000	\$ 650,000	5/10/2022	\$ 130,000	\$ 167	\$780	13.89	4.4%

* imputed w/5% vacancy, 40% expenses

Avg. SOLD					\$ 1,177,789		\$ 118,277	\$ 178	\$847	11.70	5.2%
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Subject	511-513 Candelaria NW	14		\$ 1,239,653	AVAIL	\$ 88,547	\$ 128	\$751	9.83	6.3%
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Average of Comparable SOLD applied to subject property

\$/unit	\$ 118,277	\$ 1,655,882
\$/sf	\$ 178.20	\$ 1,728,558
CAP (Actual)	5.2%	\$ 1,430,630
GRM (Actual)	11.70	\$ 1,430,862
Average=		\$ 1,561,483

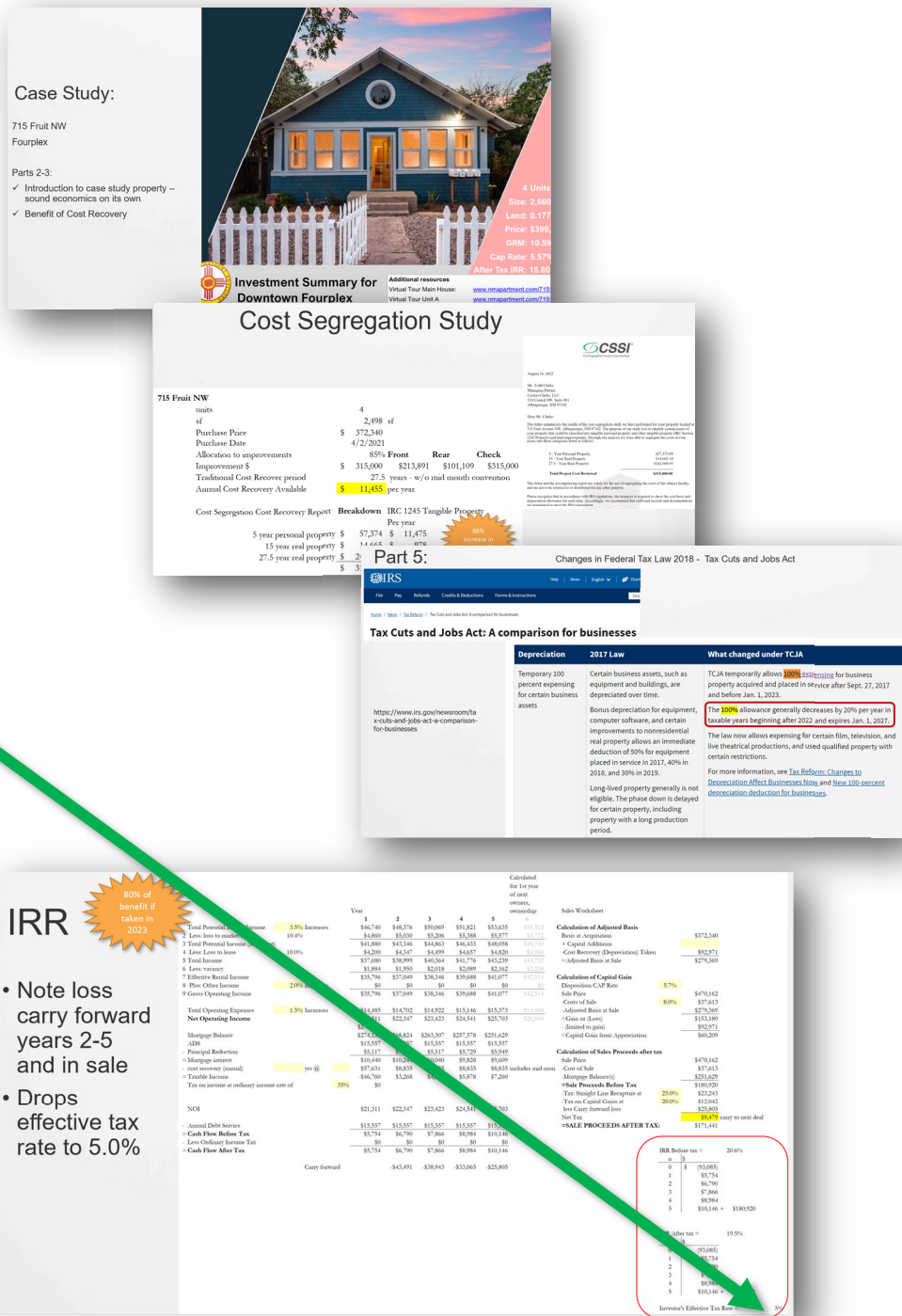
How to lower your effective tax rate using cost segregation and the 2018 tax cut & jobs act

Watch our case study video that explains how using **Cost Segregation** and understanding the **2018 tax cut & jobs act** can lower your effective Federal Tax rate: (<http://www.nmapartment.com/cretaxbenefits2023>)

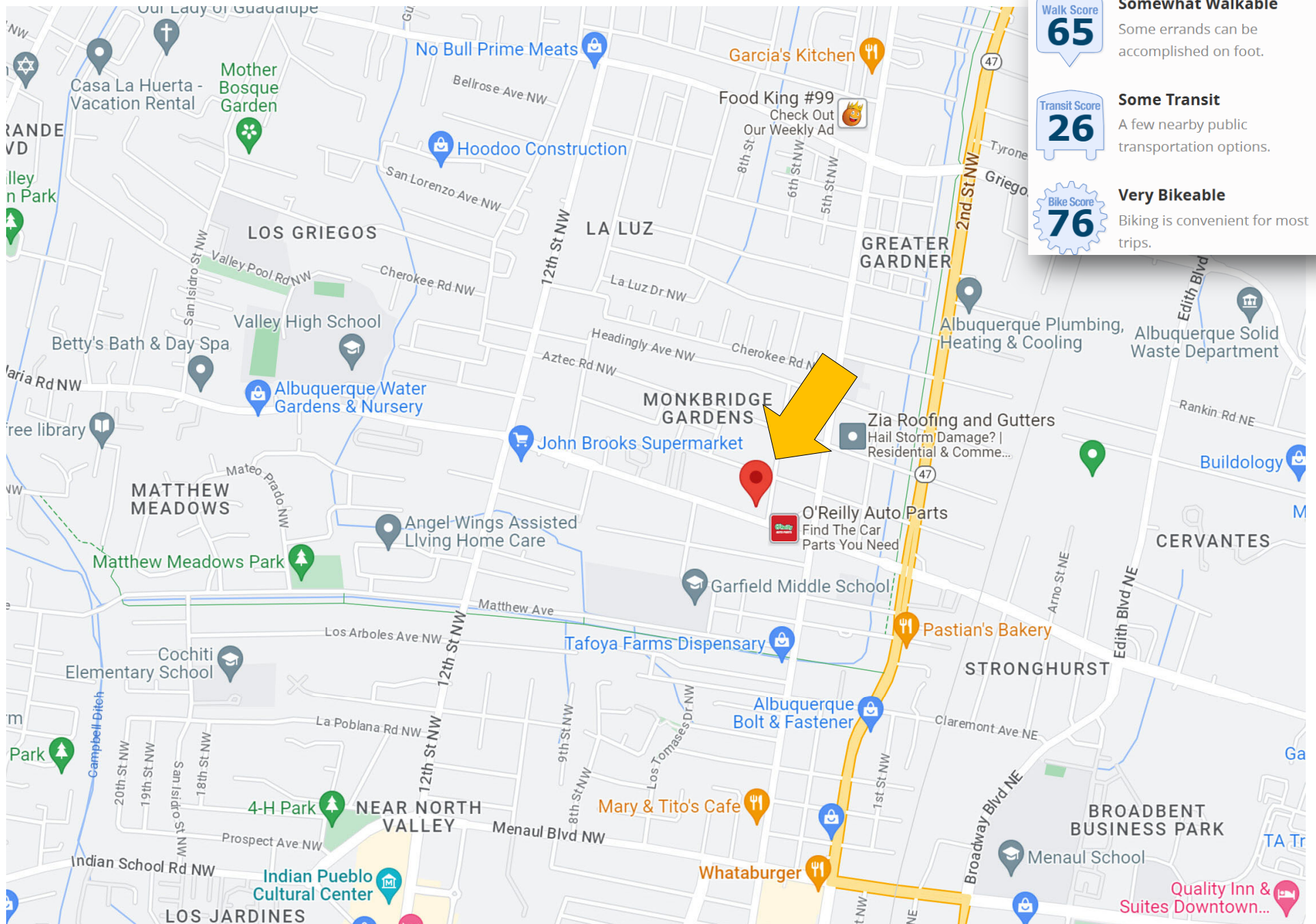
Outline of this case study driven video includes:

1. Benefits of owning commercial real estate;
2. Introduction to case study property – sound economics on its own;
3. Benefit of Cost Recovery;
4. Benefit of Cost Segregation studies;
5. Benefit of 2018 tax changes - 2018 Changes in tax law under Tax Cuts and Jobs Act;
6. Comparison of #3-#5;
7. How to drive your effective tax rate to 5.0%;
8. Why you should acquire before year end 2022;
9. Bonus Round – are you fulltime in commercial real estate?

NM Apartment Advisors is not an accounting firm and does not offer accounting advice, but we would strongly encourage you to contact your CPA to see if the information provided in this case study could benefit you and/or your clients by closing on this investment offering before the end of 2023.



Location - Neighborhood



Property Photographs - Drone



Property Photographs - Drone



Property Photos



Platted Parcel Address: 511 CANDELARIA RD NW

Assessor Parcel Address: 511 CANDELARIA NW

Report Date: 8/19/2023

www.cabq.gov/gis

Bernalillo County Assessor Ownership Data

[Visit the Bernalillo County Assessor Office for more information.](#)

Owner Name: 511 & 513 CANDELARIA LLC

Owner Address: 1328 ATRISCO DR NW ALBUQUERQUE NM 87105-1108

Uniform Property Code (UPC): 101406030515631033

Tax Year: 2023

Tax District: A1AM

Legal Description: *13A REDIVISION OF LOTS 13 THRU 15 BLOCK 16 MONKBRIDGE ADDITION

Property Class: R

Document Number: See Bernalillo County Assessor Record Search Portal

Acres: 0.2824

Albuquerque Planning and Zoning Data

Jurisdiction: ALBUQUERQUE

IDO Zone District: [MX-L](#)

IDO District Definition: Low Intensity

Zone Atlas Page: [G-14](#)

Land Use: 03 | Commercial Retail

Lot: 13A

Block: 16

Subdivision: MONKBRIDGE ADDN REDIVISION LOTS 13-15

[Bernalillo County Planning and Zoning](#)

Neighborhood Associations

City Recognized Neighborhood Associations: [Greater Gardner & Monkbridge NA](#)

[Albuquerque Office of Neighborhood Coordination](#)

Services

Police Beat: 238

Area Command: VALLEY

Residential Trash Pickup and Recycling: Thursday

City Council Districts

City Council District: [2 - Isaac Benton](#)

Councilor Email Address: ibenton@cabq.gov

Policy Analyst: Nathan A. Molina

Policy Analyst Email Address: namolina@cabq.gov

Policy Analyst Phone Number: 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

Elementary School: LA LUZ

Middle School: GARFIELD

High School: VALLEY

[Albuquerque Public Schools](#)

FEMA Flood Zone: X



Somewhat Walkable

Some errands can be accomplished on foot.



Some Transit

A few nearby public transportation options.



Very Bikeable

Biking is convenient for most trips.

Reasons to invest in Albuquerque, NM

Albuquerque is home to three of the six F.A.A.N.G. tech companies:



Facebook

Data Center

A



Distribution center under construction—announced 1,000

A

Apple

N



announced \$1 Billion of new programming

G

Google

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.

Forbes

Best Places for Business
#1
ALBUQUERQUE,
NEW MEXICO

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**
Travel+Leisure—03/2015
- ☑ **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.**

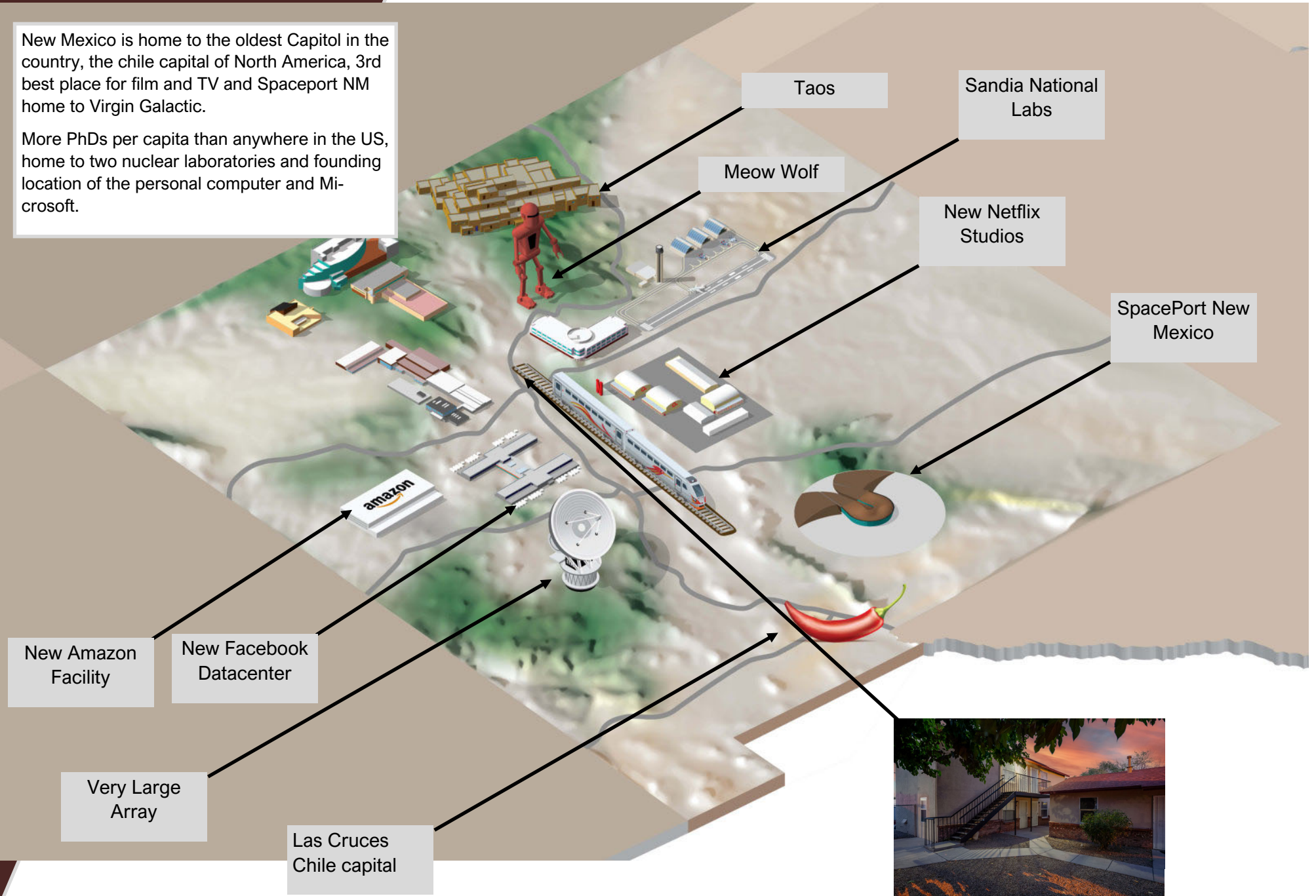
In addition to medicine, top-paying jobs are found in general internal medicine, engineering management and psychiatry.

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.

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.



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 34 years. In that time, I have listed/sold over 16,373 units totaling \$753M. I also teach investment sales analysis for the CCIM institute (26 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 trouble-shoot/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**

Further Information

Do not walk property, or disturb tenants.

To register for access to confidential documents go to:

www.nmapartment.com/511Candelaria

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. 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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