

**367 Main Street SE,
Los Lunas, NM 87031**

Register for
confidential property information : www.nmapartment.com/367mainst

Virtual Tour Main Building: www.nmapartment.com/main3d

Own a piece of New Mexico History!

Award winning, 1890's boomtown era, Town Dance hall

**Retail
Live/Work
Multifamily
Church/Hall
Salon/Med Spa
Charter School
Art Gallery/Studio
Events /Catering
Performance Venue
Excess Land Uses:
Apartments
Commercial
Warehouse
Excess Parking**

Bldg. Size: 3,358 sf

Land: .84 ac

Ask Price: \$495,000

Property Information

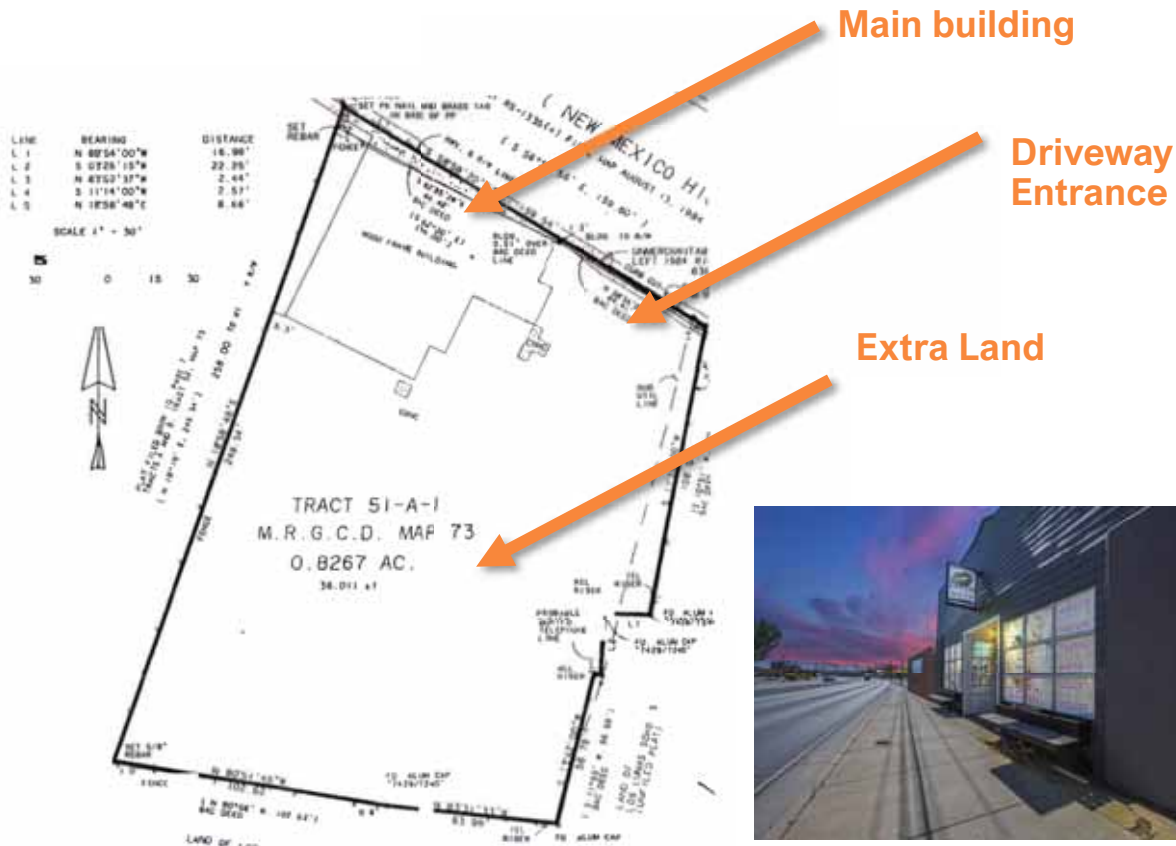
NM Apartment Advisors is excited to bring to market this well located property on the Los Lunas Main Street and just a block away from the Los Lunas water tower. The owner is an award winning architect who has a long, deep and rich history in this community and who has lovingly restored property.

This property offering is a rare opportunity to own a property rich in history and New Mexico's art scene.

The subject property contains one main building, that can easily be divided into three spaces and one small, one room, building as well as extra land that could be used in a variety of ways including (see pages 19-22 for potential site plans):

- Nine apartment units (based on comparable sales, this make the land worth \$180,000)
- 7,500 square foot commercial building
- ~60 parking spaces
- Charter School

The site formerly had portable school buildings on it and has utility connections.



The Property

Address: 367 Main Street SE,
Los Lunas 87031

Number of units: 3

Year of construction: 1890s

Bldg. Size: 3,358 sf +/-

Site Size: 0.84 acres

Zoning: C-1

Traffic Count: 23,000 per day

UPC#: 1-009-038-403-294-000000

Legal: Tract 51A1, Section 28 T,
7N, R2E, .84Acre, Map 73

List Price: \$495,000

\$ /sf: \$147.40

	Actual	Proforma
Avg Rent:	\$2,200	\$3,708
GRM:	18.75	11.12
Cap Rate Before reserves:	2.71%	7.36%
Cap Rate After Reserves:	2.56%	7.21%
Year 1 NOI:	\$12,659	\$35,674

As-is Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:

367 Main Street SE, Los Lunas, NM 87031

Prepared by: Todd Clarke CCIM

2/15/2024

Unit/Rent Summary

#	Type	Style	Approx Size	Market Rent as Hair Salon/ Massage Rooms		Market Rent as Hair Salon/ Massage Rooms		Actual Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total sf
				Street Rate		Street Rate						
1	Comm	Revive Salon & Spa	2,093	\$ 2,200	\$ 2,200	\$ 2,293	\$ 1.05	\$ 2,200	\$ 2,200	\$ 2,293		2,093
1	Comm	Rear Portion	1,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000	1,000
1	Comm	Massage Room	265	\$ -	\$ -	\$ 265	\$ -	\$ -	\$ -	\$ -	\$ 265	265
		Rental of additional parking				\$ 150					\$ 150	
3	total units Averages =		1,119	\$ 733	\$ 733	\$ 1,236	\$ 0.66	\$ 2,200	\$ 2,200	\$ 3,708		3,358
	Annualized =							\$ 26,400	\$ 26,400	\$ 44,496		

Benchmarks

Offering Price	\$495,000		
\$/unit	\$165,000		
\$/sf	\$147.43		
GRM	18.75	Actual	Proforma
CAP Before Reserves	2.71%		
CAP After Reserves	2.56%		
Cash on Cash	-11.94%		
DCR=	0.46		

Walk Score: 61; Bike Score: 44



Income

			0.84 acres
A.	Total Potential Market Income	\$ 44,496	20 parking spaces
B.	Less: loss to market lease	\$ 18,096	40.7%
C.	Total Potential Income (Street)	\$ 26,400	
D.	Less: Loss to lease	\$ -	0.0%
E.	Total Income	\$ 26,400	
F.	Less: vacancy	\$ 1,320	5.0% market vacancy
G.	Effective Rental Income	\$ 25,080	
H.	Plus: Other Income	\$ -	
I.	Gross Operating Income	\$ 25,080	

Expenses (Annual)	Est. Based on Retail Tenant			Based on: Actuals			
		\$/unit	%				
Real Estate Taxes	\$2,851	\$950	11%	2023 Actual Taxes			
Personal Property Tax				current assessment	\$191,723		
Property Insurance	\$1,733	\$578	7%	2022/2023 Actual			
Property Management:							
Off Site Management				Current tenants are in care-taker			
Payroll-Onsite Personnel				arrangement			
Expenses/Benefits							
Taxes/Workman's Compensation							
Repairs and Maintenance	\$325	\$108	1%	2023 Actual			
Utilities	\$6,762	\$2,254	27%	2023 Actual for current owner \$6,762			
Contract Services:							
Parking							
Pest Control							
Unit Turnover							
Pool							
Reserve for replacement	\$750	\$250	3%	May be required by new lender			
Total Operating Expenses	\$12,421	\$4,140	50%				
Net Operating Income	\$12,659	\$4,220					
		Loan	LTV	Pmt	Term	Interest Rate	
Less: Annual Debt Service	Potential	\$27,430	\$ 371,250	75%	\$2,286	30	6.25%
Cash Flow Before Taxes		-\$14,771					

Proforma 2024	Based on: Forthcoming yr.		
	\$/unit	%	Income: Line C - F + H
\$3,727			
\$1,785			
\$335			
\$750			
\$6,597			
\$35,674			
ADS			
\$27,430	\$ 371,250	75%	\$2,286
\$8,244			30

The property owner has a long history with the current tenant who runs the property under a short term lease, caretaker arrangement that benefits both parties, but does not maximize the potential income for the property.

Proforma Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:

367 Main Street SE, Los Lunas, NM 87031

Prepared by: Todd Clarke CCIM

2/20/2024

Unit/Rent Summary

#	Type	Style	Approx Size	Market Rent as Hair Salon/ Massage Rooms		Street Rate	Market Rent as Event Center		Actual Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total sf
1	Comm	Revive Salon & Spa	2,093	\$ 2,093	\$ 2,093	\$ 2,093	\$ 3,140	\$ 1.00	\$ 2,093	\$ 2,093	\$ 2,093	\$ 3,140	2,093
1	Comm	Rear Portion	1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1.00	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,500	1,000
1	Comm	Massage Room	265	\$ 265	\$ 265	\$ 265	\$ 397	\$ 1.00	\$ 265	\$ 265	\$ 265	\$ 397	265
		Rental of additional parking					\$ 150					\$ 150	
3	total units Averages =		1,119	\$ 1,119	\$ 1,119	\$ 1,119	\$ 1,729	\$ 1.00	\$ 3,358	\$ 3,358	\$ 3,358	\$ 5,186	3,358
							Annualized =		\$ 40,292	\$ 40,292	\$ 40,292	\$ 62,237	

Benchmarks

Offering Price	\$495,000		
\$/unit	\$165,000		
\$/sf	\$147.43		
GRM	12.29	Actual	Proforma
CAP Before Reserves	6.74%		10.76%
CAP After Reserves	6.59%		10.61%
Cash on Cash	2.41%		18.50%
DCR=	1.10		1.77
Walk Score: 61; Bike Score: 44			



Income

			0.84 acres
A.	Total Potential Market Income	\$ 62,237	20 parking spaces
B.	Less: loss to market lease	\$ 21,946	35.3%
C.	Total Potential Income (Street)	\$ 40,292	
D.	Less: Loss to lease	\$ -	0.0%
E.	Total Income	\$ 40,292	
F.	Less: vacancy	\$ 2,015	5.0% market vacancy
G.	Effective Rental Income	\$ 38,277	
H.	Plus: Other Income	\$ -	
I.	Gross Operating Income	\$ 38,277	

Expenses (Annual)	Est. Based on Retail Tenant			Based on: Actuals			
		\$/unit	%				
Real Estate Taxes	\$2,851	\$950	7%	2023 Actual Taxes			
Personal Property Tax				current assessment	\$191,723		
Property Insurance	\$1,733	\$578	5%	2022/2023 Actual			
Property Management:							
Off Site Management							
Payroll-Onsite Personnel							
Expenses/Benefits							
Taxes/Workman's Compensation							
Repairs and Maintenance	\$325	\$108	1%	2023 Actual			
Utilities				2023 Actual for current owner \$6,762			
Contract Services:							
Parking							
Pest Control							
Unit Turnover							
Pool							
Reserve for replacement	\$750	\$250	2%	May be required by new lender			
Total Operating Expenses	\$5,659	\$1,886	15%				
Net Operating Income	\$32,618	\$10,873					
	ADS	Loan	LTV	Pmt	Term	Interest Rate	
Less: Annual Debt Service	\$29,639	\$ 371,250	75%	\$2,470	30	7.00%	
Cash Flow Before Taxes	\$2,979						

Proforma 2024	Based on: Forthcoming yr.	
	\$/unit	%
	\$3,727	
	\$1,785	
	\$335	
	\$0	
	\$750	
	\$6,597	
	\$52,529	
	ADS	
	\$29,639	
	\$22,889	

This proforma analysis assumes replacing the short term care-taker arrangement with long term leases.

Potential future income would be to focus on renting the facility out as an event center for weddings, parties, or other commercial uses.

3%

ABQ to Los Lunas in the path of growth

Los Lunas is part of the larger Greater Albuquerque Trade Area. The subject site is a 20 to 25 minute drive due south from downtown Albuquerque and in the path of growth.

6 miles to ABQ Airport
And Netflix studios



Planned but not announced intermodal rail park.



Here's why it's a smart choice to buy a new home in Los Lunas, NM

Los Lunas is one of the fastest-growing cities in New Mexico. Known for its business-friendly environment and welcoming practices, Los Lunas encourages growth through a spirit of responsible community development, and that's good news for job seekers and start-up companies. According to the Albuquerque Regional Economic Alliance (AREA), this smart approach has attracted businesses such as Meta (Facebook), Niagara Bottling, Wall Colmonoy, Fresenius Kidney Manufacturing, Accurate Machine & Tool, and a variety of retail stores.

Meta's 2021 announcement of a \$2 billion expansion at their Los Lunas Data Center is expected to support more than 400 new operational jobs.

Healthy growth in Los Lunas means increased opportunities for families who have convenient access to employment, education, and services that come with a thriving market. As a result of these types of measures and more, AREA reports that Los Lunas has experienced a population increase exceeding 1000 percent over the past 40 years, now reaching approximately 17,000.

New Solar array



KEY FACTS

863,034

Total Population

372,217

Housing Units

439.7

Population
Density

2.44

Average
Household Size

348,373

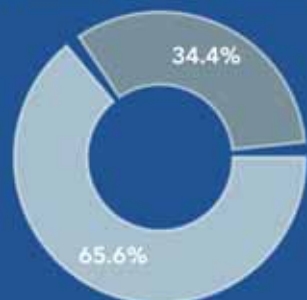
Total Households

82.3

Diversity Index

Los Lunas is part of the larger Greater Albuquerque Trade Area. The subject site is a 20 to 25 minute drive due south from downtown Albuquerque.

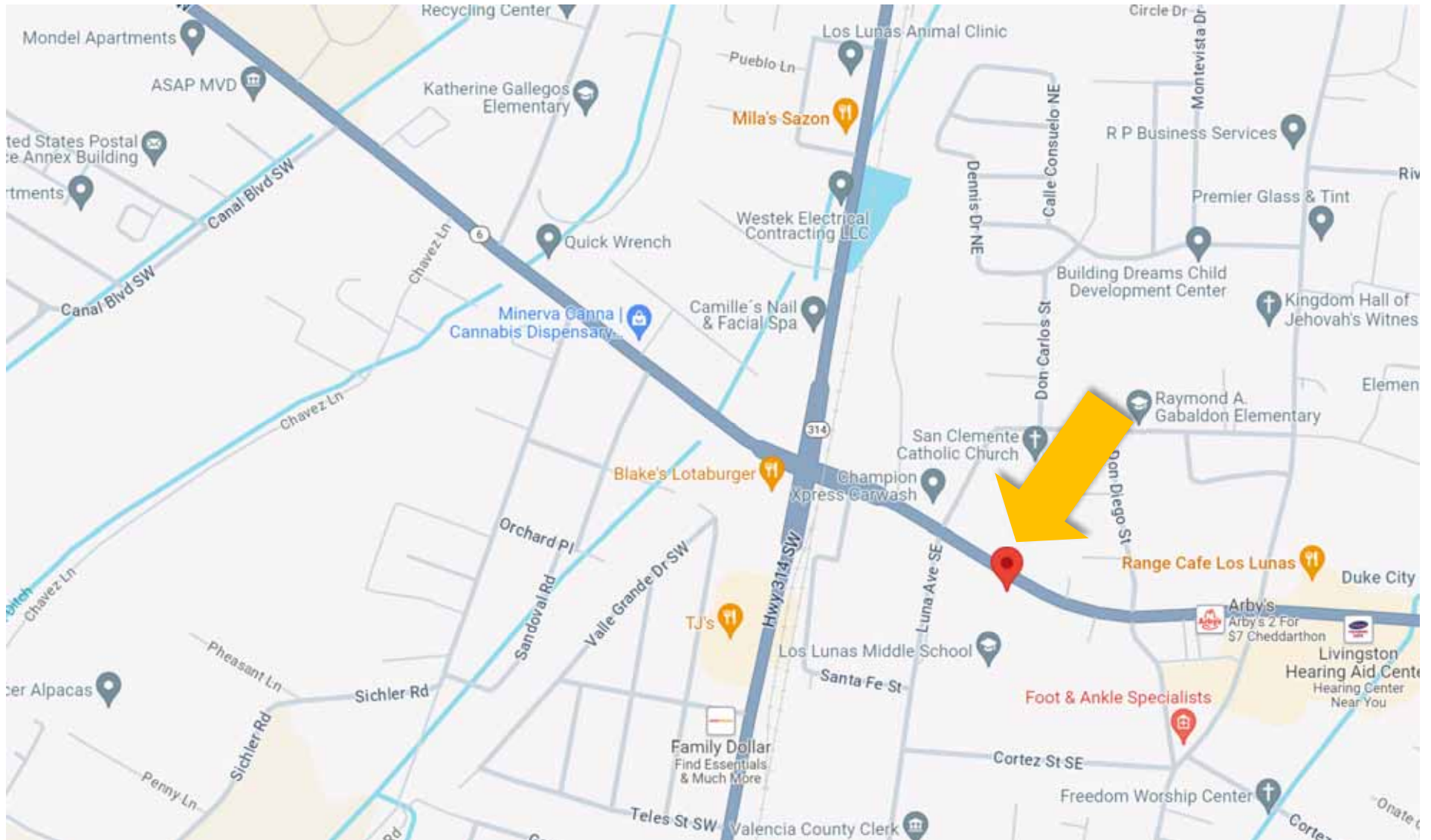
Total Housing Units by Occupancy



● Owner Occupied HUs ● Renter Occupied HUs

Households by Size	Number	Percent
Total Households	348,373	-
1-Person Household	105,232	30%
2-Person Household	116,838	34%
3-Person Household	52,623	15%
4-Person Household	40,921	12%
5-Person Household	19,826	6%
6-Person Household	8,153	2%
7+ Person Household	4,780	1%
Average Household Size	2.44	-

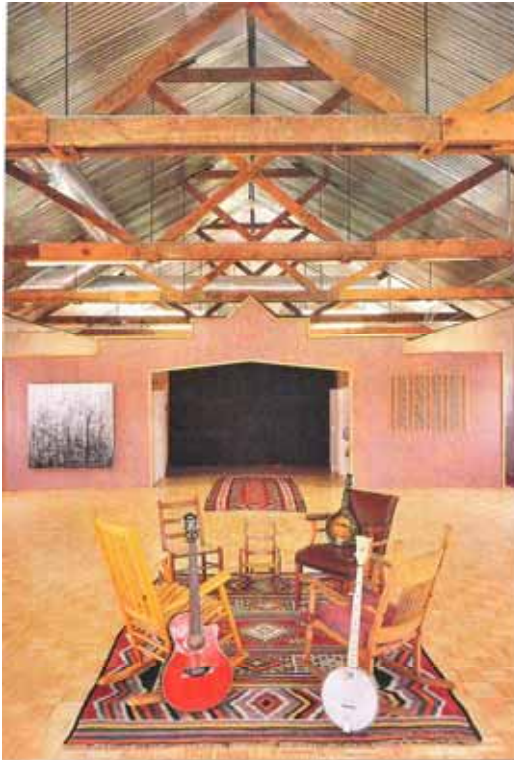
Location Map



Subject property



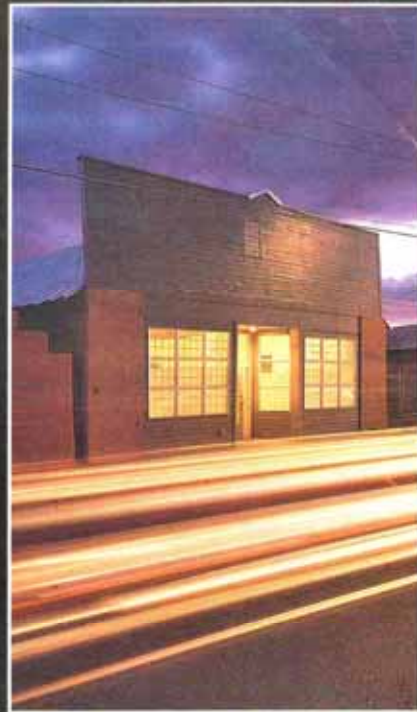
As featured in Su-Casa Magazine, AIA Award winner



Luna Dance Hall, photography by Kirk Gittings.



76 SU CASA / SPRING 2005



Merit Award for Restoration, Rehabilitation, or Remodeling
Luna Dance Hall
John Friedman, architect

The simple plank and glass storefront of the Luna Dance Hall could be found in any thriving New Mexican community a century ago. Railroad-era building materials transformed adobe residences and commercial buildings into fashionable public buildings and entertainment venues such as the Luna Dance Hall and Barber Shop. The Luna Dance Hall in the Village of Los Lunas has been rescued from demolition by architect John Friedman, who could envision another lifetime of service for the old honky-tonk parlor. By gutting the interior to its structural elements, Friedman has created a playful and inspired living space for a single father and his teenage son. The faithfully preserved street facade yields to a light and airy interior crowned by the exposed roof structure and mechanical systems. Additional attached rooms on the side with a courtyard/patio and garden create a private compound, secluded yet still easily accessible to the street life of the old village.

A building with Soul...

The simple plank and glass “boomtown” storefront of the original Dance Hall could be found in any thriving New Mexico community over a century ago. The building’s walls are double thick terrone adobe and roof structure is rough sawn timber trusses.

Local architect, John Friedman, who envisioned another lifetime of service for the old honky-tonk parlor, carefully restored the interior to its original structural elements. The faithfully preserved street façade opens to a bright and airy interior with exposed roofer structure.

Additionally rooms and a small adobe casita open to an inviting courtyard with patio and garden creating a private compound, secluded yet easily accessible to Main street.



2005 article on property history

October 29, 2005 • Valencia County News-Bulletin • Locals: Heritage • 7

Music and flying feet returning to floors of newly revived dance hall in Los Lunas

By JANE MOCHMAN
News-Bulletin Staff Writer
jane.mochman@valencia-county.com

Los Lunas

When you walk by the restored Luna Dance Hall building on Los Lunas' Main Street, your mind can hear the music floating out amid the laughter of yesterday.

The building was marketed as a tear-down when architect John Friedman purchased the circa-1900s adobe building two years ago.

"Buildings have souls and integrity," Friedman said. "When you undertake a renovation, you have to take time to let its soul shine through. You want to make people see its uniqueness and protect it."

That desire to protect the pre-statehood buildings within the village has been Friedman's quest since arriving in Los Lunas in 1980.

"I think we are going to regret it if we let the pre-statehood buildings be destroyed and not weave them into our culture and the economy of this village," Friedman said.

His first project was turning the White Cafe building, which is located across the street from the Luna Mansion, into his offices.

"I rented this building for years and then finally purchased it and renovated it," he said of the terrace building. "It has 16-inch-thick walls and it still has its original pressed tin ceiling tiles. There is great light from the windows, which keeps the main room light and airy."

Friedman said that, to keep the integrity of the building, his staff uses a wood stove for heat in the winter.

The White Cafe was opened in 1909 by Paula Romero who married Pete Little.

"Little had a Greek heritage, which is reflected in the arched doorways of the rooms," Friedman said. "The front portion of the building was the restaurant, with the kitchen in the middle and living space in the rear."

In about 1915, Helen Lucas opened a pharmacy in the former cafe, a perfect site because it was next door to Dr. Winter's home and office, which is now Teofilo's Restaurant. Through the years, the building has been used as a real estate office, bus station and health food store.

"I feel it's a shame to lose the quiet village atmosphere as the area is growing," said Friedman, who once served on the Village of Los Lunas planning and zoning commission. "When they made Main Street four lanes, we lost the wandering road that was similar to the way NM 47 goes through the Tome area."

He is glad to see property owners restor-

"Buildings have souls and integrity. When you undertake a renovation, you have to take time to let its soul shine through. You want to make people see its uniqueness and protect it."

JOHN FRIEDMAN
Architect

ing the pre-statehood buildings along Main Street for modern-day use.

"With the proper renovation, a building can come alive again," he said.

A good example of this is the Luna Dance Hall west of the Los Lunas Middle School parking lot.

"This building was founded over and divided into offices. When we took the boards off, we found the original terrace from the 1900s," he said of the renovation that took two years to complete.

Friedman and his son, Jory, lived in the building while they worked to restore the building into a gallery-studio-performance space with a living area.

"This building was built like a barn with a boomtown facade facing Main Street," he said. "The building is simple and symmetrical with its gabled roof. From the front door, you can see how symmetrical the design is; the windows are placed across from each other and spaced evenly along the east and west walls."

He added that the building was built after the railroad came to Los Lunas because the rafters were milled. "Prior to 1912, the rafters would be vigas," he said.

The dance hall building was originally owned by State Rep. Fred Luna's grandmother, Onesima Luna, and her second husband, Razon.

"I remember that there was a pool table in the building and an area that kids could go and drink soda pop," Luna said of his memory of the building.

Friedman says he has also heard some great family stories centered around the dance hall and barber shop that was located to the east of the building.

"Tales Anibal's father was the barber



Jane Mochman/News-Bulletin photo

ARCHITECT JOHN FRIEDMAN stands in a former barber shop adjacent to the Luna Dance Hall, which he has converted into an enclosed patio during renovations of the pre-statehood buildings on Main Street in Los Lunas.

■ See Dance hall, Page 10

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Suber-Hall photo

JOHN FRIEDMAN saved the historic Luna Dance Hall and former barber shop from demolition by renovating them for new uses.

Dance hall: Now has stage

from PAGE 7

during the 1920s. He tells that he met his wife, Celise, because she lived next door to the west of the dance hall," Friedman said.

"When we were pulling the floor to replace the foundation, we found lots of 1900 coins and old tobacco cans."

Through the years, the building has housed many businesses, including the Fence Post Mercantile from the 1960s to the 1980s, and, in recent years, the cable TV company.

Friedman made the building his home while he renovated it and now he plans to rent it to Adria Thompson and Jonelle Thompson-Arango for the Blue A Movie Dance School.

"I think that's pretty close to returning it to its original use," Friedman said. "These walls need to hear music again."

But the process of revealing the soul of the building was not easy. Friedman worked on the building every free moment he had for two years.

"When we got the building, we began stripping away elements to reveal the old dance hall building," he said. "The tall windows were boarded up or bricked in. The original boomtown front facade was covered with plywood and rough-sawn boards."

As the renovation progressed, the building came back alive.

Friedman's vision was to allow the dance hall to reemerge as the primary focal point of the building. The old boarded-up windows were opened, the interior plaster walls refinished and the original boomtown facade was restored.

"When I opened the windows up and the light flowed in, the building came alive again," Friedman said.

"The goal was to return the dance hall as a place of music, gathering and celebration, while adding a new use as a residence. We wanted to develop a great room and two small sleeping spaces in the back area of the building," he said.

"To do that, we designed a free-standing, symmetrical wooden structure, which simply divides the large room into a residence and gallery spaces without touching the original plastered walls or ceilings. The structure contains the sleeping spaces and a large closet, which serves a double duty as a stage for performers and dancers."

A new galvanized ceiling with exposed ductwork and conduit unify and brighten the large room. Custom-designed furniture, shelving and light fixtures complete a design that presents a contemporary Southwestern image respectfully living within a historic adobe envelope.

An added surprise to visitors is the courtyard area that was created where the last building had been. When Friedman bought the property, the roof to the shop was falling in, so he had it removed, but left the adobe walls to create privacy from Main Street.

Friedman connected the back section of the barber shop, which remained roofed, to the dance hall for the residence's kitchen and bathroom.

"This is a good example of what people can do to make a pre-statehood building modern and useable," Friedman said of the renovation that won a merit award for restoration, rehabilitation and remodeling during the 2004 So Casa Magazine/American Institute of Architect Albuquerque residential design awards competition.



Suber-Hall photo

THE BARN-LIKE BUILDING has been divided into a performing space and a residential area with a divider that includes two sleeping areas and a closet that can also be used as a stage.

Exterior Photographs



Exterior Photographs



Aerial Photos



Interior Photographs - current use day spa



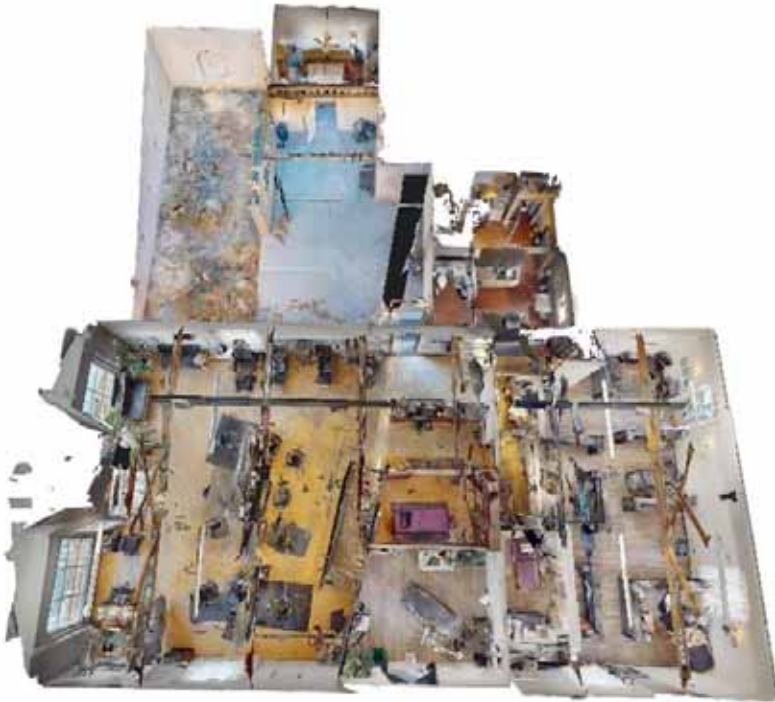
Interior Photographs - current use day spa



Interior Photographs - Prior use residence/gallery



Floorplan & Virtual Tour

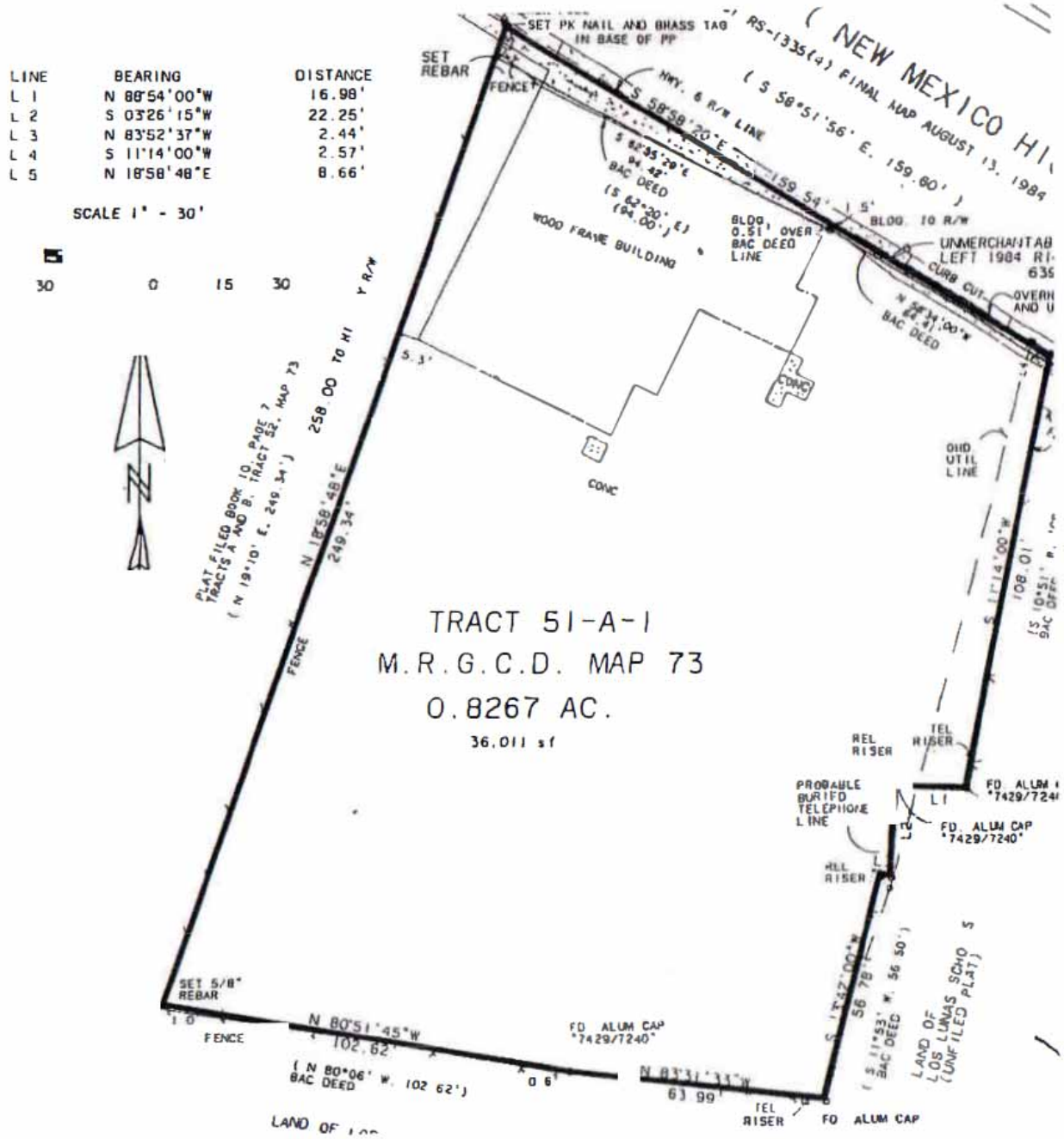


Virtual tour: www.nmapartment.com/main3d

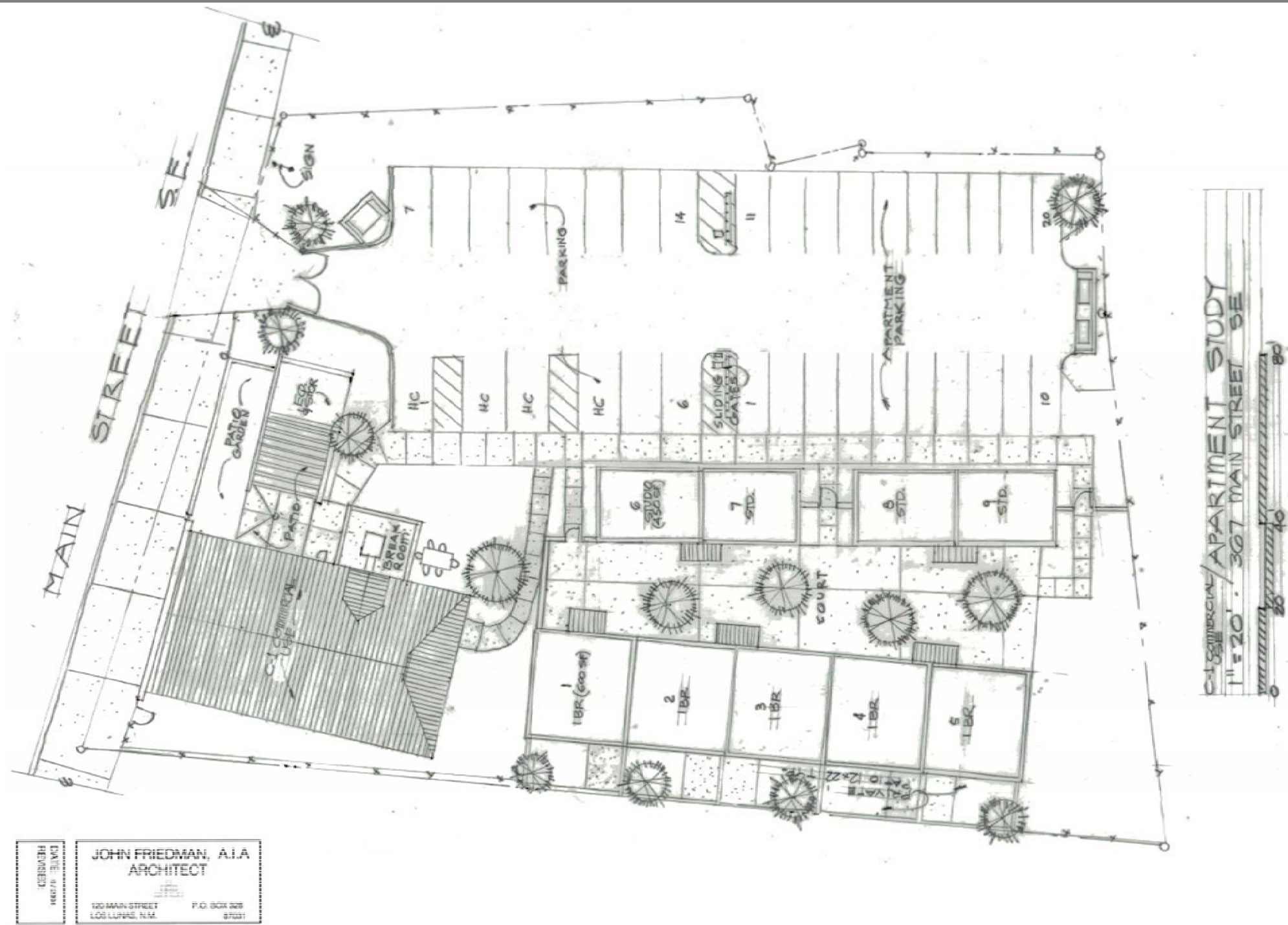
Measurements are Approximate



Plat with dimensions



Potential Uses for additional Land #1 - 9 apartment units



20



20

- 20

20

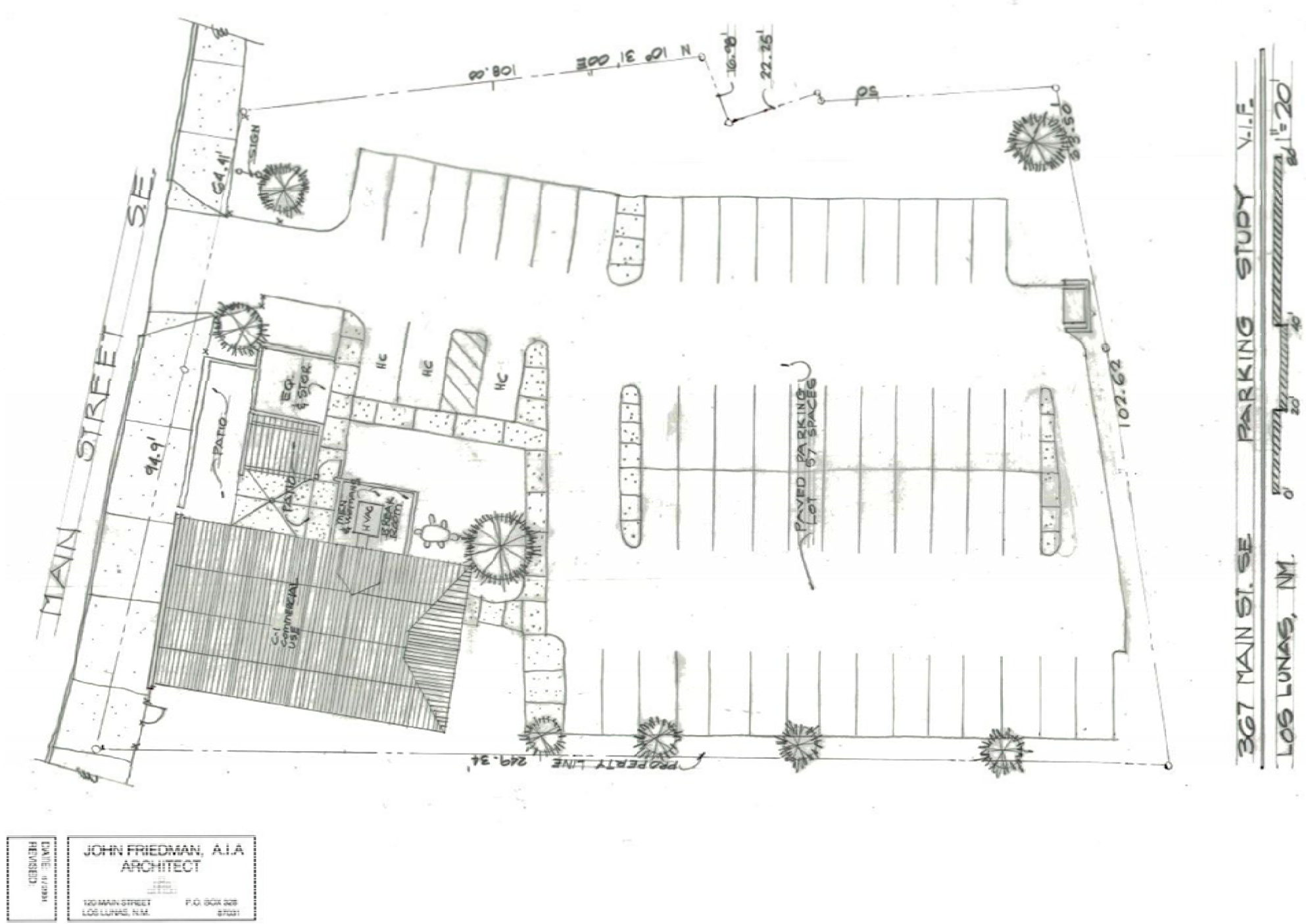
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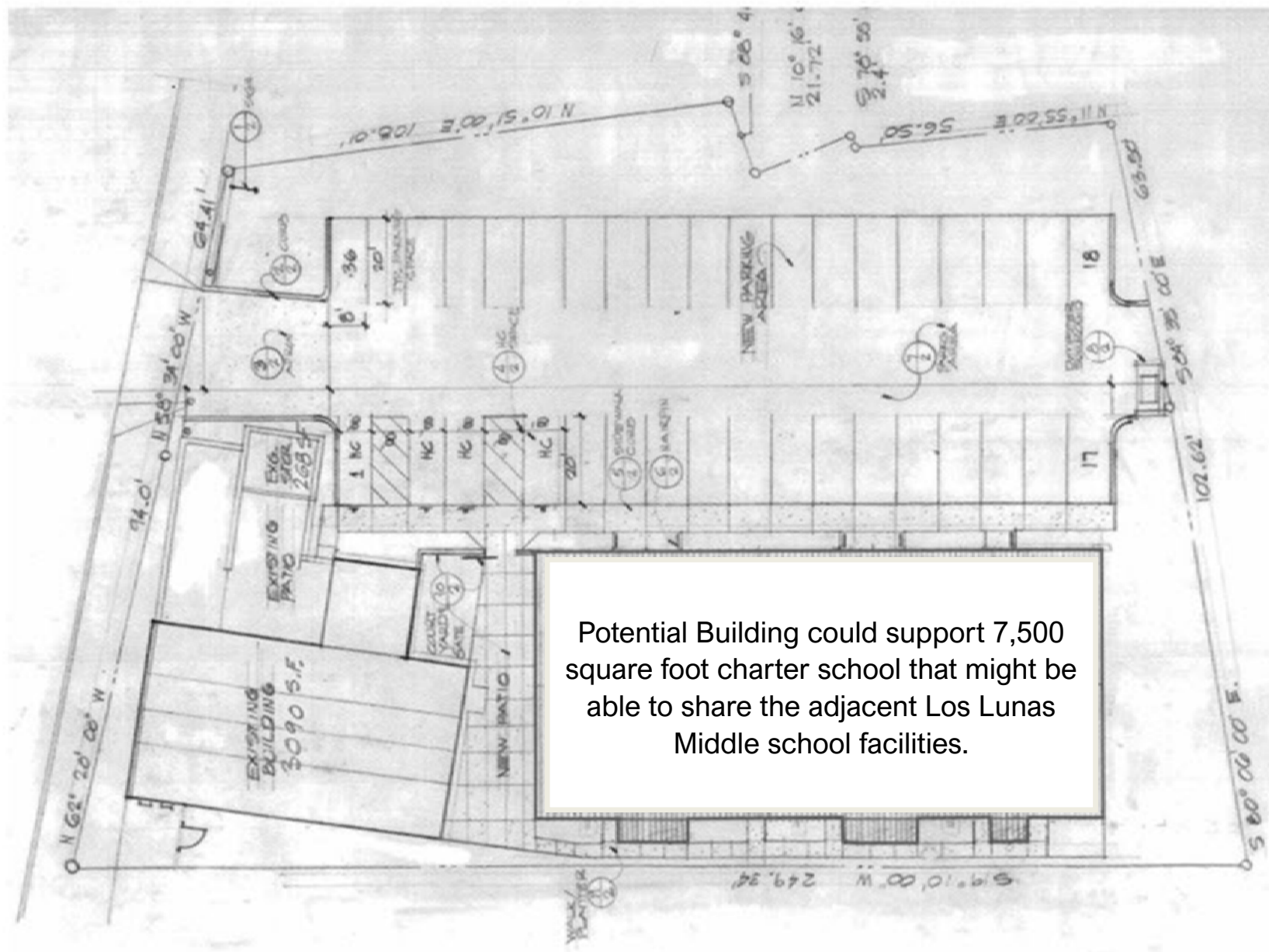
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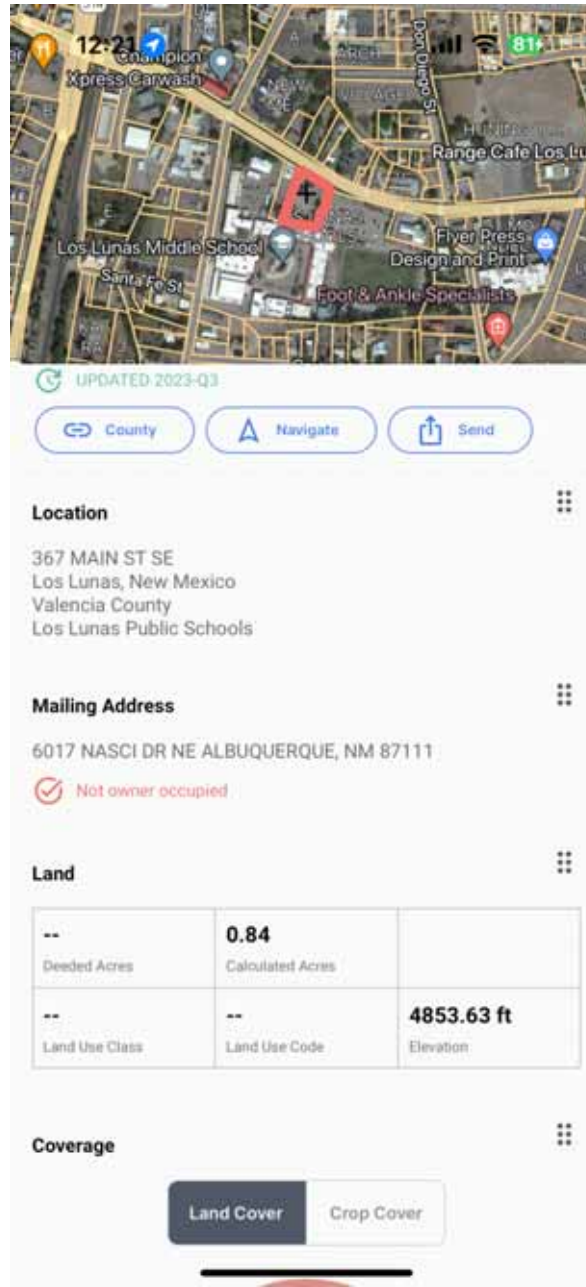
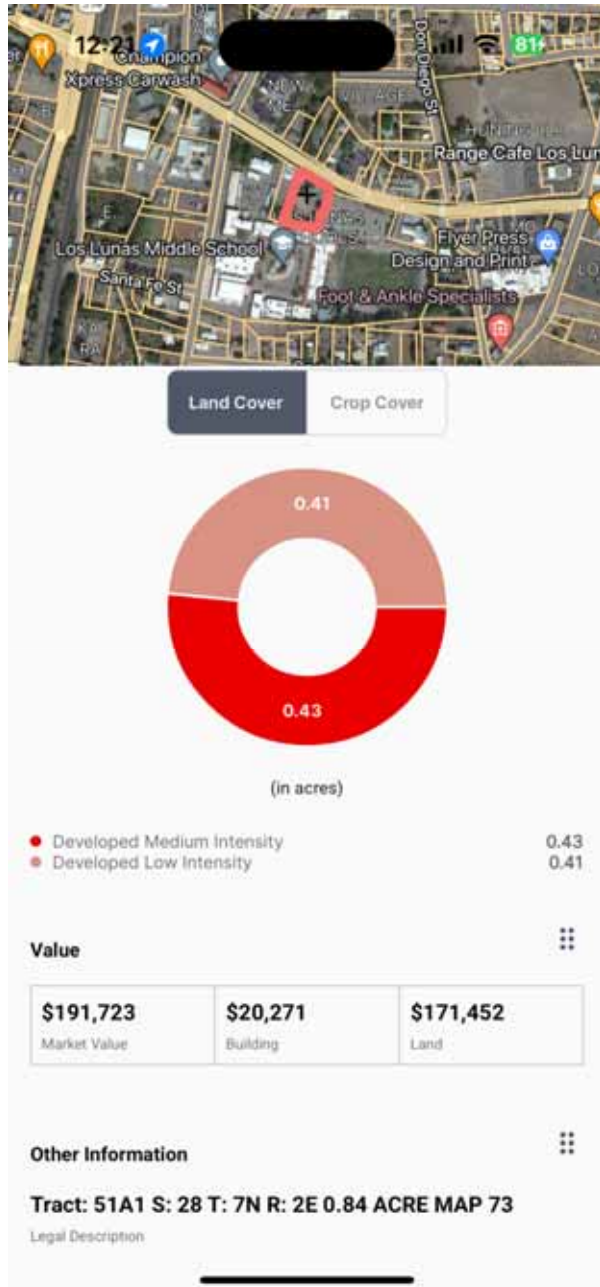
Potential Uses for additional Land #3 - Extra parking



Potential Uses for additional Land #4 - Charter School



Landglide property Information & Walk Score



Walk Score
61

Somewhat Walkable

Some errands can be accomplished on foot.

Bike Score
44

Somewhat Bikeable

Minimal bike infrastructure.

24



AREA 750 SQ
 CONSTRUCTION TYPE V-B
 OCCUPANT GROUP - B
 ACCESSIBLE AREA - 9000 SF
 ACTUAL AREA - 30000 SF
 OCCUPANT LOAD IS 1 PER 100 SF
 30 OCCUPANTS

PRIOR 250 SECTION 2405
 GROUP 15 30000/10 = 3

	MALE (A) (Males) (Females) (Total)	FEMALE (B) (Males) (Females) (Total)
HC	(1)	(1)
LAV	(1)	(1)

TOLENT ANALYSIS

FROM 28C SECTION 2405
GROUP B. 3000/20 = 5

MALE (A) AGE	FEMALE (B) AGE
WC (1)	1 (2)
LAV 1 (1)	1 (2)

About Los Lunas, according to NM True



Welcome to Los Lunas!

In eastern Valencia County close to the corazón of New Mexico, wilderness areas await exploration by visitors to the Rio Abajo. Los Lunas, the county seat, stands along both banks of the Rio Grande and is located about twenty miles south of Albuquerque. Outdoor enthusiasts and wayfarers along old Route 66 will find plenty of soul-replenishing activities in and near the Village of Los Lunas. Begin your explorations from the Village to travel afield before returning for the night.

Within town and the immediate vicinity, visitors can enjoy and explore historic and cultural sites such as Cerro de Tomé and Cerro de Los Lunas Preserve, hiking trails and state parks in the Manzano Mountains, and Spanish Colonial-era ruins at the Salinas Pueblo Missions National Monument. Short driving distances from the Village afford visitors access to other cultural sites, including the Gutiérrez-Hubbell House in south Albuquerque, Isleta Pueblo, and the plaza at the Village of Tomé, location of Valencia County's first seat of government. Five nearby historic Catholic churches, including Immaculate Conception Church in Tomé and Saint Augustine Church at Isleta Pueblo, serve as tangible reminders of Spain's priority to introduce Catholicism in the New World. Los Lunas is located at the temporal and geographic crossroads of New Mexico history—as a site along the north-south Camino Real as well as the east-west U.S. Route 66.

Vestiges of Los Lunas' rich past are evident in historic buildings such as the Huning Mercantile Building and Residence, established and built in 1859; the Atchison, Topeka, and Santa Fe Railroad Depot (1879); the Luna-Otero Residence (1880-1881); Dr. William Frederick Wittwer's home (1904-1917); the Los Lunas Public School (1912); and the Solomon Luna High School (1926). New Mexico Highway 6 runs through town, which ninety years ago was a stretch of unpaved road designated as Route 66—the Mother Road connecting Chicago, Illinois, to Santa Monica, California. Our roots are on the Route, as we like to say in Los Lunas!

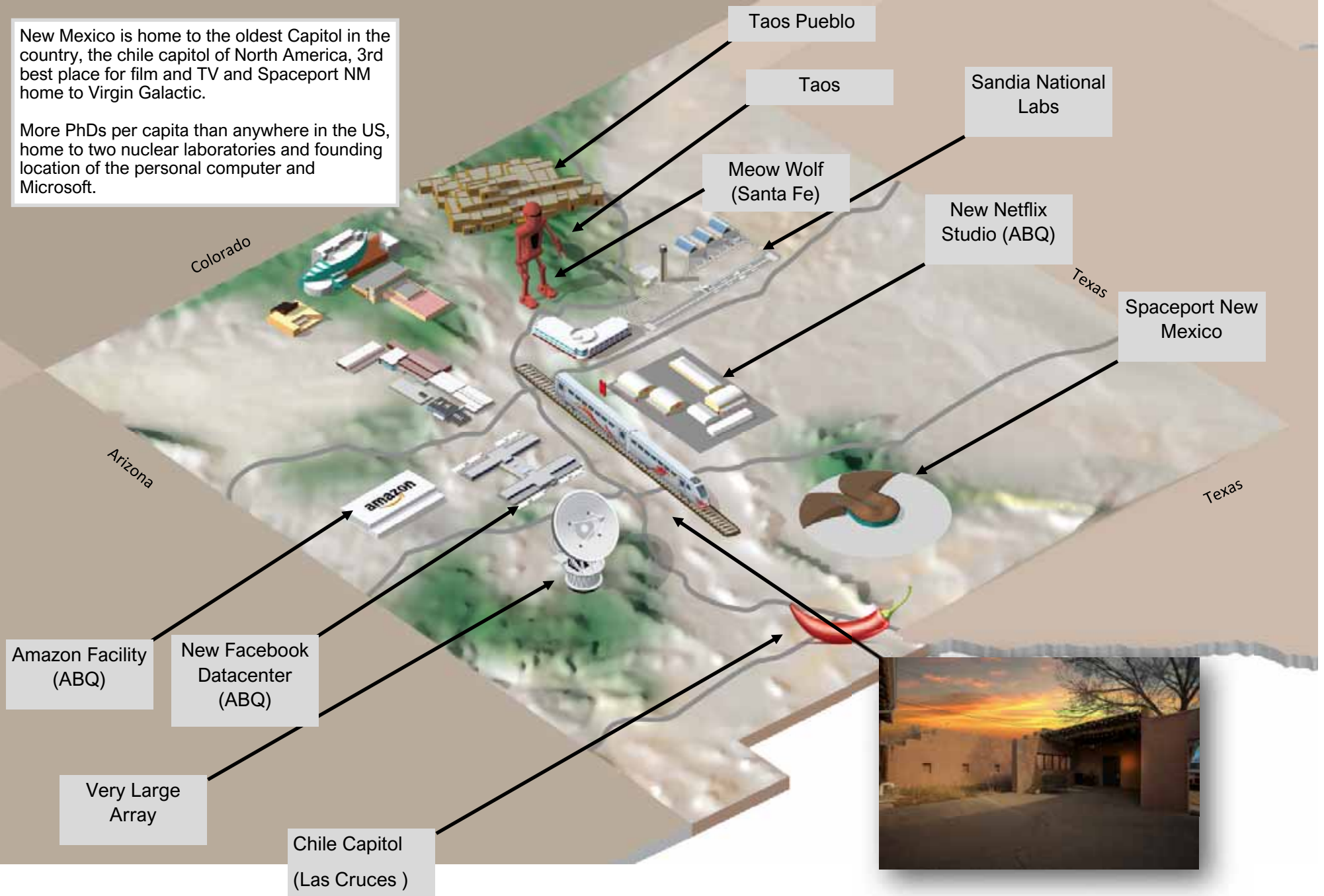
Located on Interstate 25 and on the Rail Runner route, Los Lunas is as easily accessible on these two travel corridors as well as on New Mexico Highways 6 and 314. Plan your visit to Los Lunas to feed your soul. Enjoy a stop at the Los Lunas Museum of Heritage & Arts, a great meal at our local restaurants, and the wonderful views of the Manzano Mountains! Los Lunas is literally and figuratively on the crossroads of New Mexico, and we invite you to begin your journey through the Rio Abajo over “roads less traveled” to discover Los Lunas!

Plan your visit to Los Lunas and the Rio Abajo with a review of current events on our local heritage tourism webpage, VisitLosLunas.org. Explorers, outdoor enthusiasts, passers-through, and neighbors from near and far are welcome to discover Los Lunas and the Rio Abajo!

NM Points of Interest

New Mexico is home to the oldest Capitol in the country, the Chilean Capitol 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 35 years. In that time, I have listed/sold over 16,411 units totaling \$727MM. I also teach investment sales analysis for the CCIM institute (25 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**

Further Information

Do not walk property or disturb residents.

To register for access to confidential documents go to:

www.nmapartment.com/367mainst

Virtual tour: www.nmapartment.com/main3d

Marketing Advisors

The property and portfolio are being marketed using the BID Process - Additional information on the sales process can be found at www.nmapartment.com/bidprocess/bidprocess.pdf

The owner and property is represented by Todd Clarke CCIM of NM Apartment Advisors, who has thirty-five years of experience in marketing apartments in the New Mexico area. 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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