

**146 Rhode Island St SE  
Albuquerque, NM 87108**



Register for additional information: [www.nmapartment.com/rhodeisland](http://www.nmapartment.com/rhodeisland)

**4 Units**

**Size: 3,000 sf**

**Land: 0.155 ac**

**Price: \$335,000**

**GRM: 9.15**

**Cap Rate: 5.49%**

**After Tax IRR: 13.9%**

# The Offering

New Mexico Apartment Advisors is pleased to bring this fourplex to market. Located at 146 Rhode Island SE and on the hard corner of Zuni and Road Island, this fourplex is well positioned to take advantage of all of the new development in the area - from Bernalillo County's small housing community (one block east), to the City of Albuquerque's new International District Library (a few blocks north west), others are spending a lot of money in this area improving it.

This fourplex contains two bedroom one bathroom units that are current renting at \$763 a month. The property has a laundry room and resident storage—neither of which are available to residents - either of which would enhance an investors income stream.

Property has a new TPO roof (2022) (not shown below) with a 20 year warranty.

Carpe Diem in a market with forecasted occupancy and rent growth due to the expansion of the three of the six FAANG Stocks investment in our marketplace (Facebook, Amazon, and Netflix), not to mention the announced Intel expansion. **As a matter of disclosure, the Owner is a Licensed NM Real Estate Broker.**



# The Property

**Address:** 146 Rhode Island St SE

**Number of Units:** 4

**Year of construction:** 1980 per county assessors records

**Bldg. Size:** 3,000 sf approx.

**Site Size:** 0.155 acres

**Avg. Unit Size:** 750 sf

**UPC#:** 101905731800940210

**Legal:** Lot 10, Block 2, Unity Addition

**Ask Price:** \$335,000

**\$/ unit:** \$83,750

**\$/sf:** \$111.67

	Actual/Est (2021)	Proforma (2022)
<b>Avg. Rent:</b>	\$763	\$875
<b>GRM:</b>	9.15	7.98
<b>Cap Rate Before reserves:</b>	5.76%	6.71%
<b>Cap Rate After reserves:</b>	5.49%	6.44%
<b>Year 1 NOI:</b>	\$18,389	\$21,577
<b>Cash on Cash:</b>	2.63%	6.44%
<b>Before Tax IRR:</b>	17.1%	
<b>After Tax IRR:</b>	13.9%	

# Annual Property Operating Data (APOD)

## NM Apartment Advisors Financial Overview for:

146 Rhode Island SE

Prepared by: Todd Clarke CCIM

5/19/2022

"AS IS" Condition

### Unit/Rent Summary

								E		C		A			
#	Type Style	Approx Size	Actual Rent	Street Rate as of 09/21	Market Rent	Actual Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total sf					
A	2/1	750	\$ 775	\$ 775	\$ 875	\$ 1.03	\$ 775	\$ 775	\$ 875	750					
B	2/1 Effective 7/1	750	\$ 750	\$ 775	\$ 875	\$ 1.00	\$ 750	\$ 775	\$ 875	750					
C	2/1	750	\$ 775	\$ 775	\$ 875	\$ 1.03	\$ 775	\$ 775	\$ 875	750					
D	2/1	750	\$ 750	\$ 775	\$ 875	\$ 1.00	\$ 750	\$ 775	\$ 875	750					
4	total units / Avg. Unit Siz	750	\$ 763	\$ 775	\$ 875		\$ 3,050	\$ 3,100	\$ 3,500	3,000					
	Avg Actual Rent \$/sf=		\$ 1.02	\$ 1.03	\$ 1.17		\$ 36,600	\$ 37,200	\$ 42,000	3,126 per Assessor					

### Benchmarks

Offering Price	\$335,000		
\$/unit	\$83,750		
\$/sf	\$111.67	Actual	Proforma
GRM	9.15	7.98	
CAP Before Reserves	5.76%	6.71%	
CAP After Reserves	5.49%	6.44%	
Cash on Cash	2.63%	6.44%	
DCR=	1.14	1.33	
Walk Score: 72, Transit Score: 44, Bike Score: 56			



### Income

1	A.	Total Potential Market Income	\$ 42,000	
2	B.	Less: loss to market lease	\$ 4,800	11%
3	C.	Total Potential Income (Street)	\$ 37,200	
4	D.	Less: Loss to lease	\$ 600	2%
5	E.	Total Income	\$ 36,600	
6	F.	Less: vacancy 5.0%	\$ 1,830	5% Market average
7	G.	Effective Rental Income	\$ 34,770	
8	H.	Plus: Other Income	\$ -	
9	I.	Gross Operating Income	\$ 34,770	20-21 Actual \$28,162

Expenses (Annual)	2021 Actuals/Estimate			Based on: 2021 Actuals			Proforma 2022			Based on: Forthcoming yr.		
	\$/unit	%		\$/unit	%		\$/unit	%		\$/unit	%	
Real Estate Taxes	\$2,111	528	6%	2020 Tax Bill Actual Amount assessed at \$149,592	\$2,884	\$721	7%	61% Sales Price				
Personal Property Taxes												
Property Insurance	\$2,000	\$500	6%	Estimate	\$2,060	\$515	5%	Potential 2022 = 2021 + 3%				
Property Management:												
Off Site Management	\$3,126	\$781	9%	2021 Actual	\$3,987	\$997	9%	Management @ 10% +NMGRT				
Payroll-Onsite Personnel												
Repairs and Maintenance	\$2,200	\$550	6%	Estimate. Actual 2021 - \$17,487.14	\$2,266	\$567	5%	Potential 2022 = 2021 + 3%				
Utilities:												
Water, Sewer, & Garbage	\$1,944	\$486	6%	2021 Actual	\$2,003	\$501	5%	Potential 2022 = 2021 + 3%				
Gas	\$1,558	\$389	4%	2021 Actual	\$1,605	\$401	4%	Potential 2022 = 2021 + 3%				
Electric	\$1,925	\$481	6%	2021 Actual	\$1,982	\$496	5%	Potential 2022 = 2021 + 3%				
Cable												
Pest Control	\$318	\$80	1%	2021 Actual	\$328	\$82	1%	Potential 2022 = 2021 + 3%				
Unit Turnover												
Landscaping	\$300	\$75	1%	2021 Actual	\$309	\$77	1%	Potential 2022 = 2021 + 3%				
Carpet Cleaning												
Internet				repairs+unit turn+reserve=8to10%								
Reserve for replacement	\$900	\$225	3%	new lender will require	\$900	\$225	2%	new lender will require				
<b>Total Operating Expenses</b>	<b>\$16,381</b>	<b>\$4,095</b>	<b>47%</b>		<b>\$18,323</b>	<b>\$4,581</b>	<b>44%</b>					
<b>Net Operating Income</b>	<b>\$18,389</b>	<b>\$4,597</b>			<b>\$21,577</b>			Potential Market less 5% vacancy + other income				
	ADS	Loan	LTV	Pmt	Term	Interest Rate						
Less: Annual Debt Service	\$16,185	\$ 251,250	75%	\$1,349	30	5.00%						
<b>Cash Flow Before Taxes</b>	<b>\$2,203</b>							<b>\$5,392</b>				

# Internal Rate of Return

## Internal Rate of Return Analysis

		Year					Calculated for 1st year of next owners, ownership
		1	2	3	4	5	6
Total Potential Market Income	3.5% Increases	\$42,000	\$43,470	\$44,991	\$46,566	\$48,196	\$49,883
2 Less: loss to market lease	11.4%	\$4,800	\$4,968	\$5,142	\$5,322	\$5,508	\$5,701
3 Total Potential Income (Max Rent)		\$37,200	\$38,502	\$39,850	\$41,244	\$42,688	\$44,182
4 Less: Loss to lease	1.6%	\$600	\$621	\$643	\$665	\$689	\$713
5 Total Income		\$36,600	\$37,881	\$39,207	\$40,579	\$41,999	\$43,469
6 Less: vacancy	5.0%	\$1,830	\$1,894	\$1,960	\$2,029	\$2,100	\$2,173
7 Effective Rental Income		\$34,770	\$35,987	\$37,246	\$38,550	\$39,899	\$41,296
8 Plus: Other Income	2.0% Increases	\$0	\$0	\$0	\$0	\$0	\$0
9 Gross Operating Income		\$34,770	\$35,987	\$37,246	\$38,550	\$39,899	\$41,296
Total Operating Expenses	2.0% Increases	\$16,381	\$16,709	\$17,043	\$17,384	\$17,732	\$18,086
<b>Net Operating Income</b>		\$18,389	\$19,278	\$20,203	\$21,166	\$22,168	\$23,210
		\$251,250					
Mortgage Balance		\$247,543	\$243,647	\$239,551	\$235,245	\$230,720	
ADS		\$16,185	\$16,185	\$16,185	\$16,185	\$16,185	
- Principal Reduction		\$3,707	\$3,897	\$4,096	\$4,305	\$4,526	
= Mortgage interest		\$12,478	\$12,289	\$12,089	\$11,880	\$11,659	
- cost recovery (annual)	27.5 yrs <b>1.</b> 80%	\$9,340	\$9,745	\$9,745	\$9,745	\$9,340	includes mid mont
= Taxable Income		-\$3,429	-\$2,756	-\$1,631	-\$459	\$1,168	
Tax on income at ordinary income rate of	<b>2.</b> 35%	\$0	\$0	\$0	\$0	\$409	
NOI		\$18,389	\$19,278	\$20,203	\$21,166	\$22,168	
- Annual Debt Service		\$16,185	\$16,185	\$16,185	\$16,185	\$16,185	
= <b>Cash Flow Before Tax</b>		\$2,203	\$3,093	\$4,018	\$4,981	\$5,983	
- Less Ordinary Income Tax		\$0	\$0	\$0	\$0	\$409	
= <b>Cash Flow After Tax</b>		\$2,203	\$3,093	\$4,018	\$4,981	\$5,574	

## Sales Worksheet

### Calculation of Adjusted Basis

1 Basis at Acquisition	\$335,000
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$47,916
4 =Adjusted Basis at Sale	\$287,084

### Calculation of Capital Gain

Disposition CAP Rate	5.5%	
5 Sale Price		\$422,825
6 -Costs of Sale	8.0%	\$33,826
7 -Adjusted Basis at Sale		\$287,084
8 =Gain or (Loss)		\$101,915
9 -Straight Line Cost Recovery (limited to gain)		\$47,916
=Capital Gain from Appreciation		\$53,999

### Calculation of Sales Proceeds after tax

Sale Price	\$422,825	
-Cost of Sale	\$33,826	
-Mortgage Balance(s)	\$230,720	
= <b>Sale Proceeds Before Tax</b>	\$158,280	
-Tax: Straight Line Recapture at	25.0%	\$11,979
-Tax on Capital Gains at	20.0%	\$10,800
= <b>SALE PROCEEDS AFTER TAX:</b>	\$135,501	

IRR Before tax =	17.1%
n	\$
0	\$(83,750)
1	\$2,203
2	\$3,093
3	\$4,018
4	\$4,981
5	\$5,983 + \$158,280

IRR After tax =	13.9%
n	\$
0	\$(83,750)
1	\$2,203
2	\$3,093
3	\$4,018
4	\$4,981
5	\$5,574 + \$135,501

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 19%.

Investor's Effective Tax Rate = 19%

# Property Photograph - Aerial



# Property Photographs - Exterior



# Property Info - GIS



**City Address: 146 RHODE ISLAND ST SE**

**County Address: 146 RHODE ISLAND SE**

5/27/2022

[www.cabq.gov/gis](http://www.cabq.gov/gis)

City of Albuquerque Property Report

Ownership Data from [Bernalillo County Assessor](#)

(County Assessor's data for tax year 2021)

**Owner Name:** DEMAY JAN

**Owner Address:** 1104 BERNALILLO PL SE, ALBUQUERQUE NM 87123-4202

**UPC:** 101905731800940210

**Tax Year:** 2021 **Tax District:** A1A

**Legal Description:** \* 10 2 UNITY ADD'N SIZE: 50 X 135

**Property Class:** R **Document Number:** 2017069677 083105 WD - EN

**Acres:** 0.15

City Zoning and Services

**IDO Zone District:** MX-L

**IDO District Definition:** Low Intensity

**Old Zoning Designation:** C-1

**Old Zoning Description:**

**Land Use:** 01 | Low-density Residential

**Lot:** 10 **Block:** 2 **Subdivision:** UNITY ADDN

**Police Beat:** 336 **Area Command:** SOUTHEAST

**Jurisdiction:** ALBUQUERQUE

**Zone Atlas Page:** [K19](#) (opens in new window)

**City Neighborhood Association:** Trumbull Village Association

**Residential Trash Pickup:**

Political Districts

**City Council District:** [6 - Pat Davis](#)

**County Commission District:** 3 - Adriann Barboa

**NM House of Representatives:** Kay Bounkeua

**NM Senate:** Mimi Stewart

School Districts

**Elementary:** WHERRY

**Middle:** VAN BUREN

**High School:** HIGHLAND

**FEMA Flood Zone:** X

For questions about floodplain information, please contact the COA Floodplain Manager at 924-3986 or email [ccherne@cabq.gov](mailto:ccherne@cabq.gov)



**Very Walkable**

Most errands can be accomplished on foot.



**Good Transit**

Many nearby public transportation options.

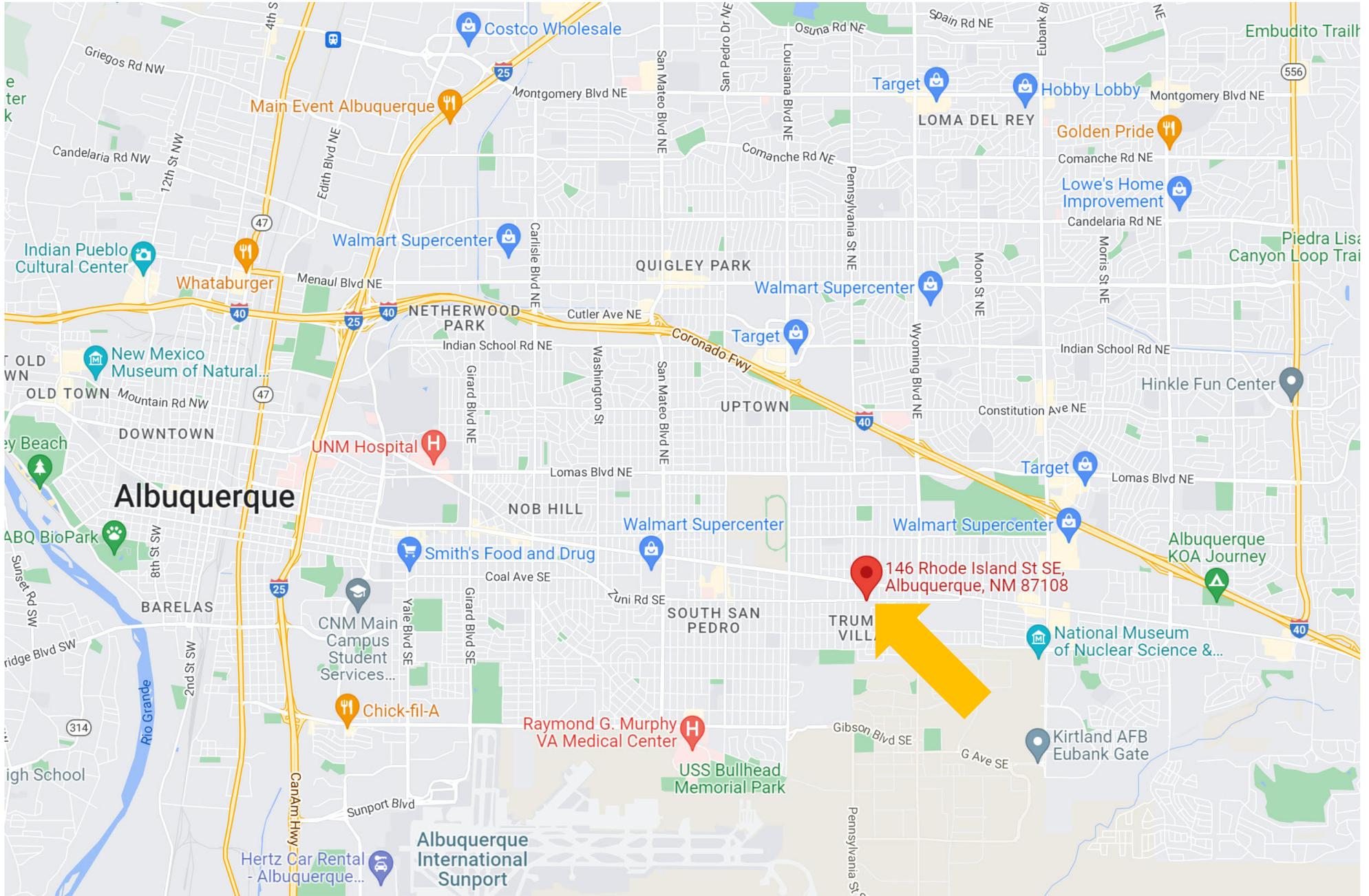


**Very Bikeable**

Flat as a pancake, excellent bike lanes.



# Area Map



# The Market—Albuquerque, NM

Although the rest of the country might know Albuquerque for its award winning TV Show, Breaking Bad, astute investors are looking at Albuquerque as the place to invest.

With neither a boom or bust mentality, Albuquerque has a strong record of rent increases and a lack of new product. This results in high barriers to entry for competing apartments making multifamily investment a solid choice.

Thanks to major employers like Sandia National Laboratories and Intel Albuquerque is home to more PhD's per capita than in any city in North America.

Albuquerque has an exceptional quality of living, offering over 147 miles of hiking and biking trails inside the city as well as mile high Sandia mountains, and North America's largest cottonwood forest, Albuquerque is known for its 300+ days of sunshine, skiing and golf in the same day, stunning sunsets, and abundance of outdoor activities, Albuquerque is the amenity for most apartment residents.



**film**newmexico



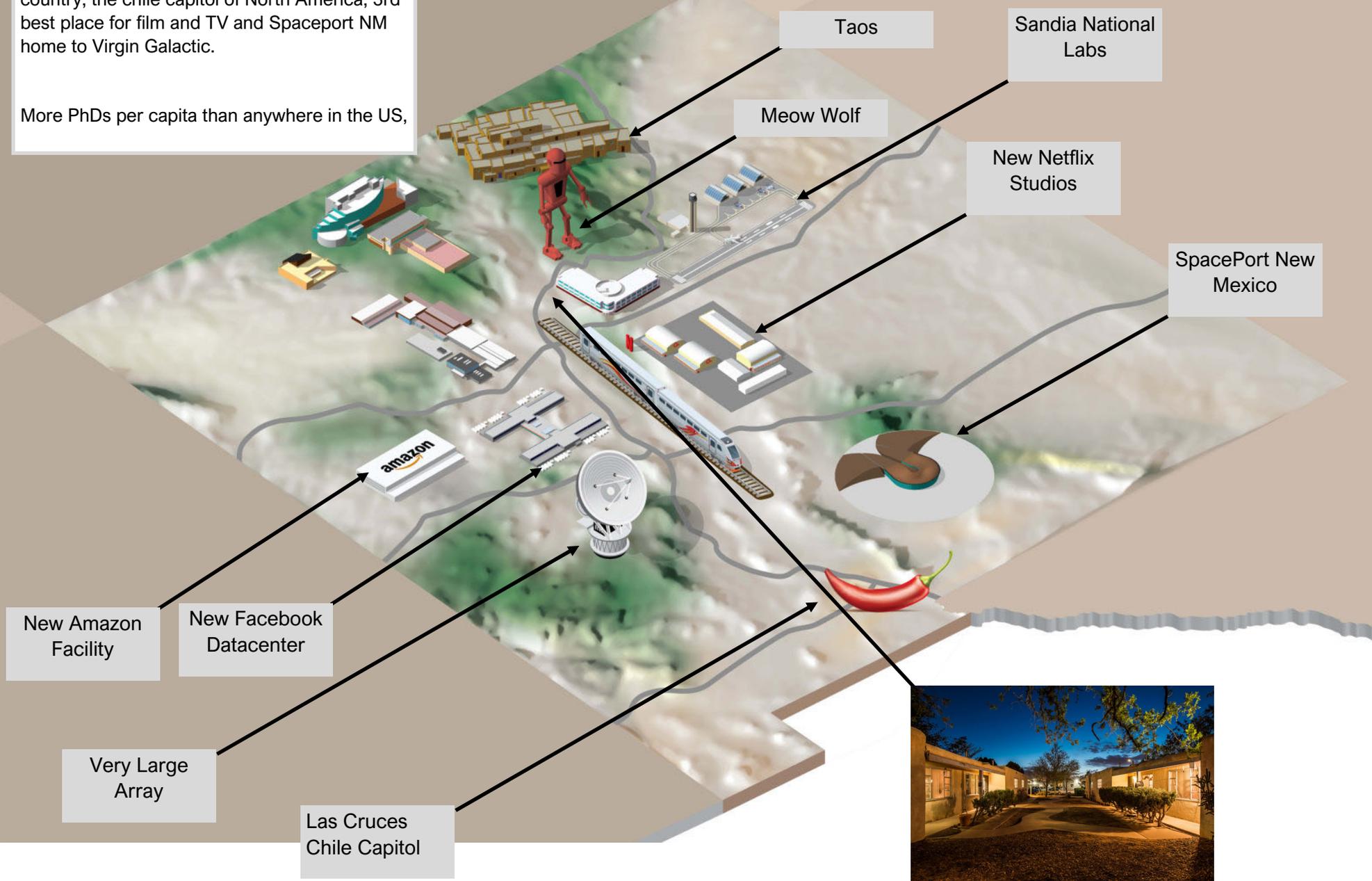
## Albuquerque, New Mexico in the news

- ☑ **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*
- ☑ **Forbes Ranks Albuquerque #8 in Best Cities for Jobs**  
*Forbes, October 2007*
- ☑ **UNM Schools Ranked Among Best**  
*Hispanic Business- September 2007*
- ☑ **Albuquerque Named 25th Among America's Hottest Job Markets**  
*Washington Business Journal—BizJournal September 2007*
- ☑ **Albuquerque Named Among the 50 Best Adventure Towns**  
*National Geographic Magazine, September 2007*
- ☑ **New Mexico Ranked Fifth Nationally for Manufacturing Momentum**  
*Business Facilities, June 2007*
- ☑ **Albuquerque Ranked #9 Among Cities for Most Educated Workforce**  
*Business Facilities- June 2007*
- ☑ **New Mexico Ranked #7 for Pro-Business Climate (#1 in the Southwest)**  
*Business Facilities, June 2007*
- ☑ **Albuquerque Ranked #2 Arts Destination**  
*AmericanStyle Magazine, June 2007*
- ☑ **Albuquerque Named Among the Top 20 Metros for Nanotech**  
*Wilson Center's Project on Emerging Nanotechnologies, May 2007*
- ☑ **Albuquerque Named one of the Top 20 Midsize Cities for Doing Business**  
*Inc.com, April 2007*
- ☑ **Albuquerque Fittest City in the Nation**  
*Men's Fitness, March 2007*
- ☑ **Albuquerque One of America's 50 Hottest Cities,**  
*Expansion Management, February 2007*
- ☑ **Albuquerque Named a Top 10 City for Movie Making,**  
*MovieMaker Magazine, Winter 2007*
- ☑ **Albuquerque Ranked 3rd Smartest City to Live,**  
*Kiplinger's Personal Finance, May 2006*
- ☑ **Albuquerque One of the Top Metros in U.S. Overall for Public Schools**  
*- Expansion Management, May 2006*
- ☑ **Bizjournals Survey Ranks Albuquerque 18th for Jobs,**  
*BizJournals, November 2006*
- ☑ **Albuquerque Best in Nation for Business and Careers**  
*Forbes, May 2006*
- ☑ **Forbes Magazine Ranks Albuquerque as 5th Best Metro Overall and Lowest Cost City for Doing Business-** *Forbes, May 2005*

# New Mexico is on the international map

New Mexico is home to the oldest Capitol in the country, the Chile 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,

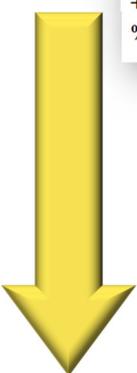


# The Market 2022 and beyond

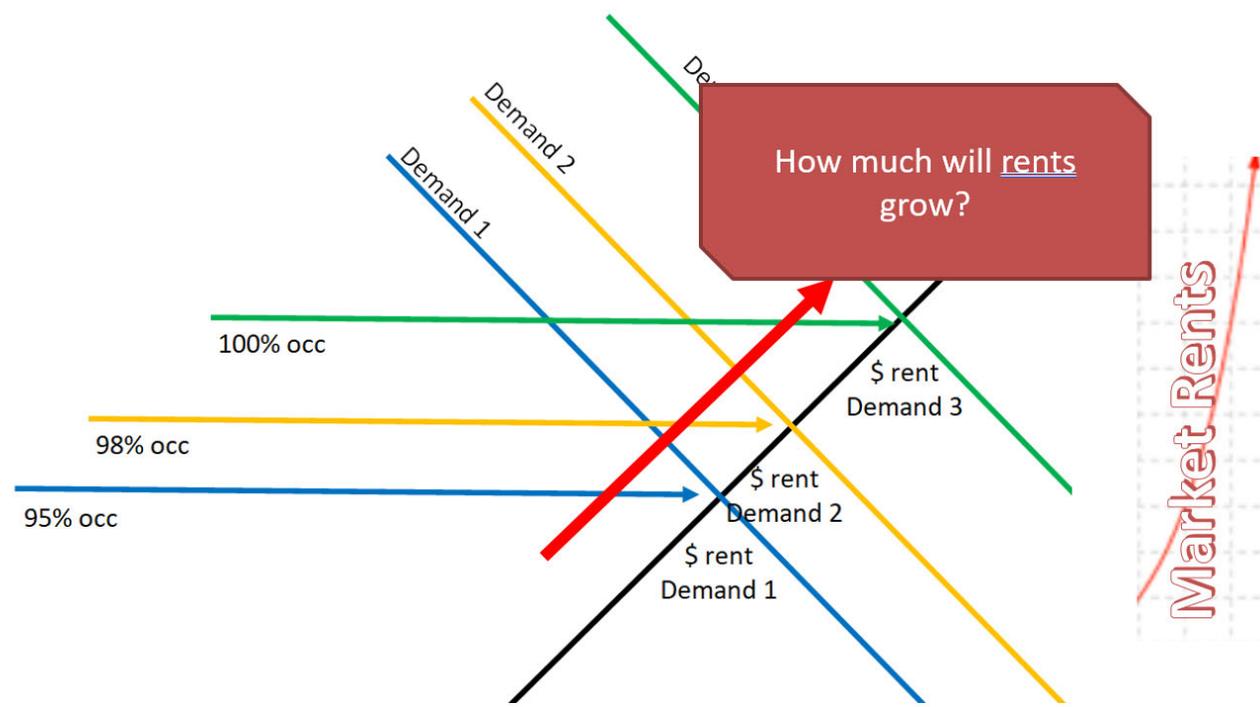


EBM	4,305	-	2,805	1,500	4,305
Total New Jobs			7.84	1.00	
P/E Ratio =					2.17
Total New People			21,991	1,500	23,491
# of persons per household					2.52
Total New Households			20,229	13,149	new single family houses needed
% that rent					
# of new apartments needed at 100% occupancy					
Occupancy Rate at ideal market balance					
# of new apartments needed at 95% occupancy					
# of apartments built in 2020 & 2021 =					
NEW Gap					
Total units ABQ/Rio Rancho					
Occupancy in 2019 - # of units occupied at					
# of vacant units =					
+New Gap + occupied units - new occupied unit					
% occupancy					

## Supply/Demand



Thousands of new economic base jobs equates to the demand for tens of new housing units which the market can not supply.



Review the full Forecast 2021 at [www.nmartment.com/](http://www.nmartment.com/)

# New Development in area - City Library - \$15.5M



STORYTELLING



LIVING WALL



LEARNING



ENRICHMENT



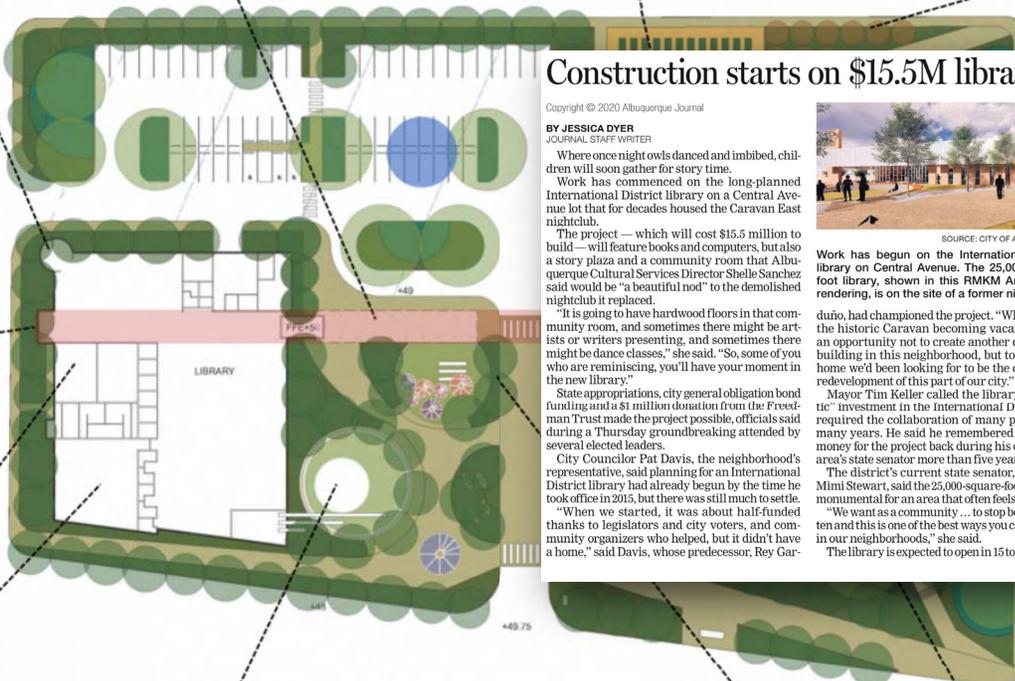
INTEGRATED PV



COMMUNITY GARDEN



EDIBLE LANDSCAPE



## Construction starts on \$15.5M library

Copyright © 2020 Albuquerque Journal  
 BY JESSICA DYER  
 JOURNAL STAFF WRITER

Where once night owls danced and imbibed, children will soon gather for story time.

Work has commenced on the long-planned International District library on a Central Avenue lot that for decades housed the Caravan East nightclub.

The project — which will cost \$15.5 million to build — will feature books and computers, but also a story plaza and a community room that Albuquerque Cultural Services Director Shelle Sanchez said would be “a beautiful nod” to the demolished nightclub it replaced.

“It is going to have hardwood floors in that community room, and sometimes there might be artists or writers presenting, and sometimes there might be dance classes,” she said. “So, some of you who are reminiscing, you’ll have your moment in the new library.”

State appropriations, city general obligation bond funding and a \$1 million donation from the Freeman Trust made the project possible, officials said during a Thursday groundbreaking attended by several elected leaders.

City Councilor Pat Davis, the neighborhood’s representative, said planning for an International District library had already begun by the time he took office in 2015, but there was still much to settle.

“When we started, it was about half-funded thanks to legislators and city voters, and community organizers who helped, but it didn’t have a home,” said Davis, whose predecessor, Rey Gar-



SOURCE: CITY OF ALBUQUERQUE

Work has begun on the International District library on Central Avenue. The 25,000-square-foot library, shown in this RMMK Architecture rendering, is on the site of a former nightclub.

duño, had championed the project. “When we saw the historic Caravan becoming vacant, we saw an opportunity not to create another dilapidated building in this neighborhood, but to create the home we’d been looking for to be the catalyst for redevelopment of this part of our city.”

Mayor Tim Keller called the library a “gigantic” investment in the International District that required the collaboration of many people over many years. He said he remembered allocating money for the project back during his days as the area’s state senator more than five years ago.

The district’s current state senator, Democrat Mimi Stewart, said the 25,000-square-foot project is monumental for an area that often feels neglected.

“We want as a community ... to stop being forgotten and this is one of the best ways you can feel that in our neighborhoods,” she said.

The library is expected to open in 15 to 18 months.



SCULPTURE



GATHERING



OUTDOOR PERFORMANCE



FREE LIBRARY



COMMUNITY EVENTS

# 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 30 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 3<sup>rd</sup> 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.  
Register for confidential information at  
[www.nmapartment.com/rhodeisland](http://www.nmapartment.com/rhodeisland)

# 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](http://www.nmapartment.com/bidprocess/bidprocess.pdf)

The owner and property are represented by Todd Clarke CCIM of NM Apartment Advisors, who has over thirty-two 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



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