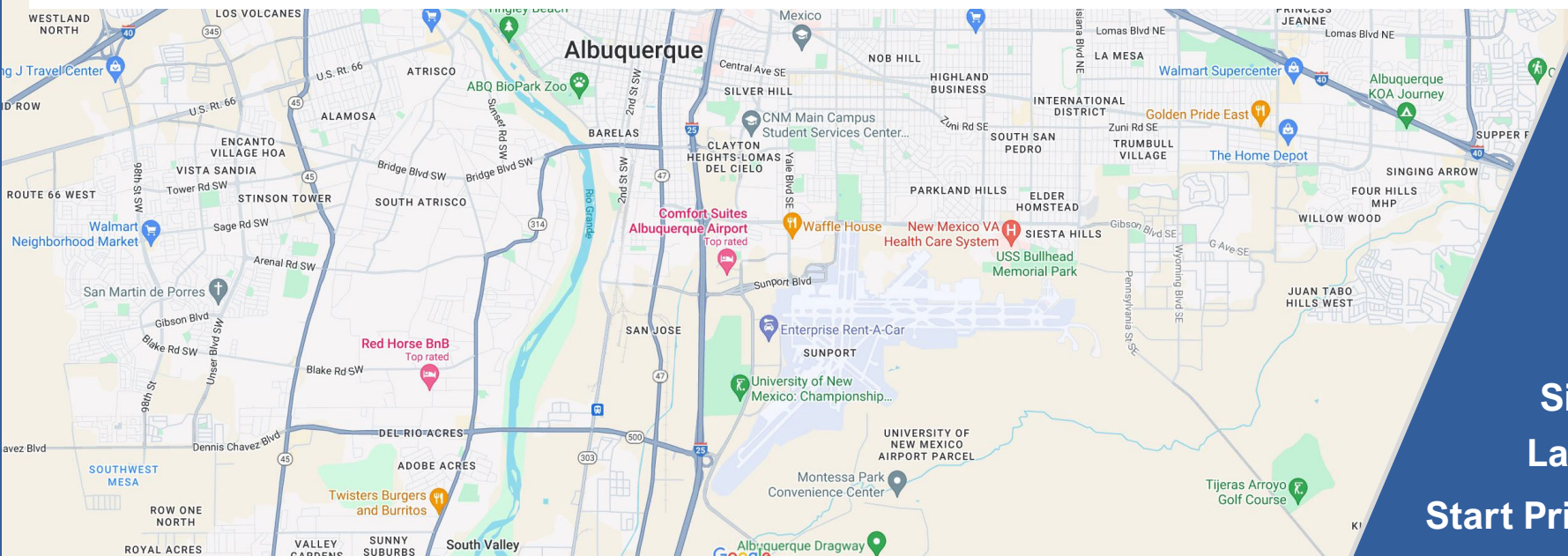


Portfolio of 11 single-family residential buildings in ABQ, NM



Single Family portfolio	# of units	Bldg. size (sf)	YOC	Ask Price with Seller	Financing	Legal Description
228 65th SW	1	1,426	1972	\$ 308,555		W Hubbell Heights
7919 Bell SE	1	1,044	1955	\$ 122,328		Lot 9, Block 1, Casas Serenas & Lot 10
7934 Bell SE	1	1,140	1987	\$ 118,730		Block 8, Being a Replat of Lots 22 & the N 1/2 of Lots 21 Block 8 Casas Serenas Addition
12952 Carrie Pl SE	1	1,069	1978	\$ 179,894		Lot 30 , Block 4, snd replat of Tract 4, Dorado Village Unit 2
708 Nicklaus SW	1	1,190	2004	\$ 179,894		Lot P1-3, Block 4, Plat of Copperwynd II Subdivision
406 Pennsylvania SE	1	858	1951	\$ 132,402		Lot 2, Block 8, Casas Sernas Addition
9828 Pinot Noir SW	1	1,496	2006	\$ 179,894		Lot 6, P2, Block 8 Recorrection Plat of Longfor at Arrow Wood
325 Tennessee SE	1	2,304	1959	\$ 123,767		Lot 35, Block 18 Mesa Verde Addition, Lot 35 & 36
216 Utah SE	1	1,058	1983	\$ 129,524		Lot 52, Amended Plat of Bell Park Villa Townhomes
316 Utah SE	1	1,154	1948	\$ 244,656		Lot 9, Block 21 Mesa Verde, Lot 9 & Lot 10
540 Rhode Island SE	1	875	1958	\$ 129,524		Lot 16, Block 2, Southern Terrace
Totals = 11 Properties	11	13,614		\$ 1,849,171		



11 Units

11 Properties

Size: 13,614 sf

Land: 1.581 acres

Start Price: \$1,849,171

Cap Rate: 5.03%

**Seller financing 4.85%
Interest rate**

**With Seller financed, 4.85% Interest rate, 78.5% LTV,
30 year amortization, 6 year call
Ideal for 103 exchange investor who wants to parcel out
future tax consequences with upside.**

Amazing Portfolio opportunity

NM Apartment Advisors is excited to offer this once in a decade opportunity to acquire a portfolio of single family residential investments spread across Albuquerque

Area amenities include Ta-Lin International market, Expo! NM, The NM StateThe portfolio straddles historic Route 66, home to the Albuquerque Rapid Transit corridor which offers quick connections to the Uptown retail district, Nob Hill, UNM/CNM Area as well as downtown, Kirtland Air Force Base and Sandia National Laboratories.

The sellers are offering financing to qualified investors (*) with 21.5% down payment, 78.5% loan to value, 4.85% interest rate, 30 year amortization and a 6 year call. (*subject to sellers review of buyers credit report, financial statement, deal resume, and tax returns).

This portfolio is ideal for a sophisticated investor who wants to complete their last 1031 exchange, then sell these properties individually at a retail price (that is currently about 23% above the market price).

Need something larger? The seller also owns an additional 53 unit, multifamily portfolio.

This portfolio will go quick to investors who are tracking the rent growth in the market from the shortage of housing due to all of the new Netflix, Facebook, Amazon and Intel jobs.



Register for
confidential property information : www.nmapartment.com/sfportfolio

of units 11 units

of Buildings: 11

Year of construction: 1948-2006, average 1973

Bldg. Size: 13,614 sf +/-

Site Size: 1.5811 acres

Avg. Unit Size: 1,238 sf

Ask Price: \$1,849,171

\$/ unit: \$168,106

\$/sf: \$135.83

Avg Rent: \$1,168 \$1,634

GRM: 11.99 8.57

Cap Rate
Before 5.03% 8.03%
reserves:

Cap Rate After 5.03% 8.03%
Reserves:

Year 1 NOI: \$92,950 \$148,492

Before Tax IRR: 18.4%

After Tax IRR: 14.3%

3

Proforma 2024		Based on: Forthcoming yr.				
	\$/unit	%	Income: Line A - F + H			
\$15,177	\$1,380	7%	Potential 2024 = 2022 + 6%			
\$11,330	\$1,030	5%	Potential 2024 = 2022 + 3%			
\$16,527	\$1,502	8%	8% + GRT			
\$6,035	\$549	3%	Potential 2024 = 2022 + 3%			
\$6,118	\$556	3%	Potential 2024 = 2022 + 3%			
\$1,236	\$112	1%	Potential 2024 = 2022 + 3%			
			new lender will require			
\$56,423	\$5,129	26%				
\$148,492	Potential Market less	5% vacancy + other income				
ADS	Loan	LTV	Pmt	Term	Interest	
\$91,920	\$	1,451,599	79%	\$7,660	30	4.85%
\$56,573						

Portfolio Summary - Internal Rate of Return

		Year						Calculated for 1st year of next owners, ownership
		1	2	3	4	5	6	
1 Total Potential Market Income	4.5% Increases	\$215,700	\$225,407	\$235,550	\$246,150	\$257,226	\$268,801	
2 Less: loss to market lease	28.5%	\$61,512	\$64,280	\$67,173	\$70,195	\$73,354	\$76,655	
3 Total Potential Income (Max Rent)		\$154,188	\$161,126	\$168,377	\$175,954	\$183,872	\$192,146	
4 Less: Loss to lease	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	
5 Total Income		\$154,188	\$161,126	\$168,377	\$175,954	\$183,872	\$192,146	
6 Less: vacancy	5.0%	\$7,709	\$8,056	\$8,419	\$8,798	\$9,194	\$9,607	
7 Effective Rental Income		\$146,479	\$153,070	\$159,958	\$167,156	\$174,678	\$182,539	
8 Plus: Other Income	2.0% Increases	\$0	\$0	\$0	\$0	\$0	\$0	
9 Gross Operating Income		\$146,479	\$153,070	\$159,958	\$167,156	\$174,678	\$182,539	
Total Operating Expenses		\$56,423	\$57,551	\$58,702	\$59,876	\$61,074	\$62,295	
Net Operating Income		\$90,056	\$95,519	\$101,256	\$107,280	\$113,605	\$120,244	
Mortgage Balance		\$1,429,597	\$1,406,504	\$1,382,266	\$1,356,826	\$1,330,124		
ADS		\$91,920	\$91,920	\$91,920	\$91,920	\$91,920		
- Principal Reduction		\$22,002	\$23,093	\$24,238	\$25,440	\$26,702		
= Mortgage interest		\$69,918	\$68,827	\$67,681	\$66,479	\$65,218		
- cost recovery (annual)		\$51,555	\$53,794	\$53,794	\$53,794	\$51,555		includes mid mo
= Taxable Income		-\$31,417	-\$27,102	-\$20,219	-\$12,993	-\$3,168		
Tax on income at ordinary income rate of		\$0	\$0	\$0	\$0	\$0		
NOI		\$90,056	\$95,519	\$101,256	\$107,280	\$113,605		
- Annual Debt Service		\$91,920	\$91,920	\$91,920	\$91,920	\$91,920		
= Cash Flow Before Tax		-\$1,864	\$3,599	\$9,336	\$15,360	\$21,685		
- Less Ordinary Income Tax		\$0	\$0	\$0	\$0	\$0		
= Cash Flow After Tax		-\$1,864	\$3,599	\$9,336	\$15,360	\$21,685		

Sales Worksheet

Calculation of Adjusted Basis

1 Basis at Acquisition	\$1,849,171
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$264,492
4 =Adjusted Basis at Sale	\$1,584,679

Calculation of Capital Gain

Disposition CAP Rate	5.0%
5 Sale Price	\$2,392,168
6 -Costs of Sale	\$191,373
7 -Adjusted Basis at Sale	\$1,584,679
8 =Gain or (Loss)	\$616,115
9 -Straight Line Cost Recovery (limited to gain)	\$264,492
# =Capital Gain from Appreciation	\$351,623

Calculation of Sales Proceeds after tax

# Sale Price	\$2,392,168
# -Costs of Sale	\$191,373
# -Mortgage Balance(s)	\$1,330,124
# =Sale Proceeds Before Tax	\$870,671
# -Tax: Straight Line Recapture at	\$66,123
# -Tax on Capital Gains at	\$70,325
# =SALE PROCEEDS AFTER TAX:	\$734,223

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 23%.

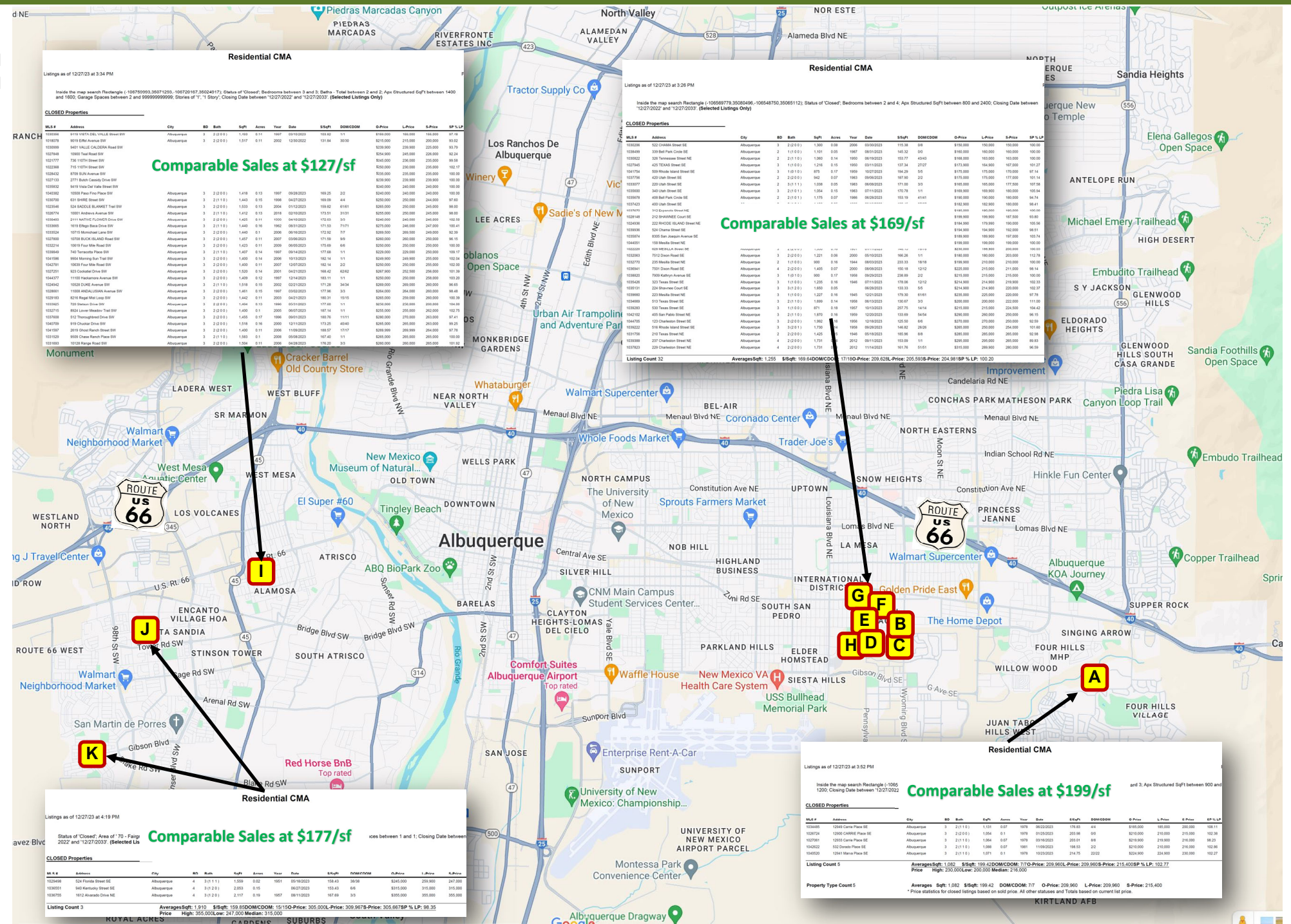
IRR Before tax =		18.4%
n	\$	
0	\$	(397,572)
1		-\$1,864
2		\$3,599
3		\$9,336
4		\$15,360
5		\$21,685 + \$870,671

IRR After tax =		14.3%
n	\$	
0	\$	(397,572)
1		-\$1,864
2		\$3,599
3		\$9,336
4		\$9,336
5		\$15,360 + \$734,223

Investor's Effective Tax Rate =

23%

Portfolio Summary - Location Map



Portfolio Summary - Comparable Sales

Comparable Sales Analysis for Single Family portfolio

										List Price		
Loc	Type	Style	Approx Size	Actual Rents	Street Rate	Market Rent	YOC	Recent Neighborhood Comparable Sales/sf	Value based on Recent Neighborhood Comparable Sales	Value at current cap rate	Potential Value based on market rents	
A	12952 Carrie Pl SE	3br/2ba, 1/2 garage	1,069	\$1,250	\$1,250	\$1,775	1978	\$199	\$212,731	\$179,894	\$255,450	
B	216 Utah SE	3br/2ba	1,058	\$900	\$900	\$1,700	1983	\$169	\$178,802	\$129,524	\$244,656	
C	316 Utah SE	4br/3ba, 1 car garage	1,154	\$1,700	\$1,700	\$2,100	1948	\$169	\$195,026	\$244,656	\$302,223	
D	325 Tennessee SE	3br/1ba	2,304	\$860	\$860	\$1,750	1959	\$159	\$366,336	\$123,767	\$251,852	
E	540 Rhode Island SE	3br/1ba, no garage	875	\$900	\$900	\$1,250	1958	\$169	\$147,875	\$129,524	\$179,894	
F	406 Pennsylvania SE	2br/1ba, 1 car garage	858	\$920	\$920	\$1,250	1951	\$169	\$145,002	\$132,402	\$179,894	
G	7919 Bell SE	2br/1ba, no garage	1,044	\$850	\$850	\$1,200	1955	\$169	\$176,436	\$122,328	\$172,699	
H	7934 Bell SE	2br/2ba, 1 car garage	1,140	\$825	\$825	\$1,250	1987	\$169	\$192,660	\$118,730	\$179,894	
I	228 65th SW	4br/2ba, no garage	1,426	\$2,144	\$2,144	\$2,500	1972	\$127	\$181,102	\$308,555	\$359,789	
J	708 Nicklaus SW	3br/2ba	1,190	\$1,250	\$1,250	\$1,450	2004	\$177	\$210,582	\$179,894	\$208,678	
K	9828 Pinot Noir SW	3br/2ba, 2 car garage	1,496	\$1,250	\$1,250	\$1,750	2006	\$177	\$264,732	\$179,894	\$251,852	
			13,614	\$12,849	\$12,849	\$17,975				\$2,271,285	\$1,849,171	\$2,586,882
Potential over list =									23%	29%		

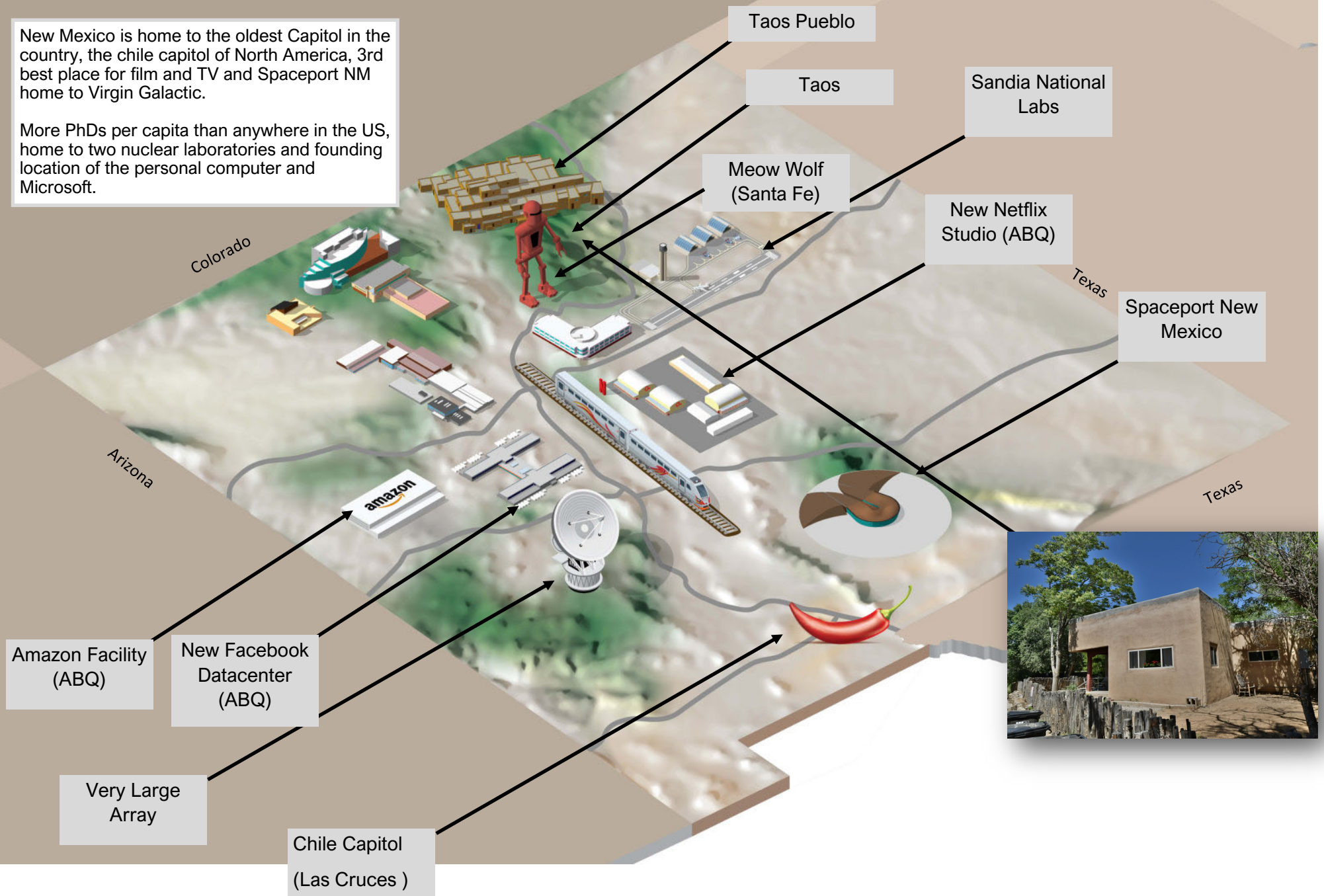
Portfolio Summary - Location Map with Photos



NM Points of Interest

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, home to two nuclear laboratories and founding location of the personal computer and Microsoft.



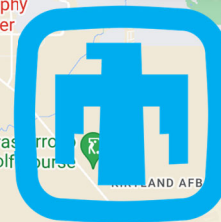
Albuquerque's Economic Engines

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



DMC

NETFLIX



Name	NM crew	NM talent (performing artists)	NM background and extras
Paul's Promise aka "Retribution"	35	10	80
Them Covenant (Episode 8)	199	32	500
The Harder They Fall	350	25	100
Captive	22	4	15
Peace River	5	15	25
Roswell (Season 3)	275	110	2200
Canyon del Muerto	130	30	600
Third Story Automotive	0	4	0
Land of Dreams (Part 2)	30	20	150
Cry Macho	200	0	700
Intrusion	134	32	134
Meow Wolf Denver	150	60	75
Slayers	33	5	2
The Commando	35	14	28
Cleaning Lady (Pilot)	120	400	500
Cop Shop	51	27	30
Outer Range	428	7	1000
The Wrong Guy	20	10	5
Twalette	1	2	4
Better Call Saul (Season 6)	400	110	1500
Monogamy	35	11	30
Dr. Death (Season 1)	170	5	100
Holiday in Santa Fe	18	5	50
Dig	26	5	0
Surrounded	140	21	30
When You Finish Saving the World	110	13	80
The Ray	100	5	25
Lullaby	85	4	0
Total	3302	986	7963

Source: New Mexico Film Office



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 16,411 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/mfportfolio

Marketing Advisors

In the event of multiple offers, the Seller will be 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 over thirty-four 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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