VALENCIA VILLAGE · OFFERING MEMORANDUM

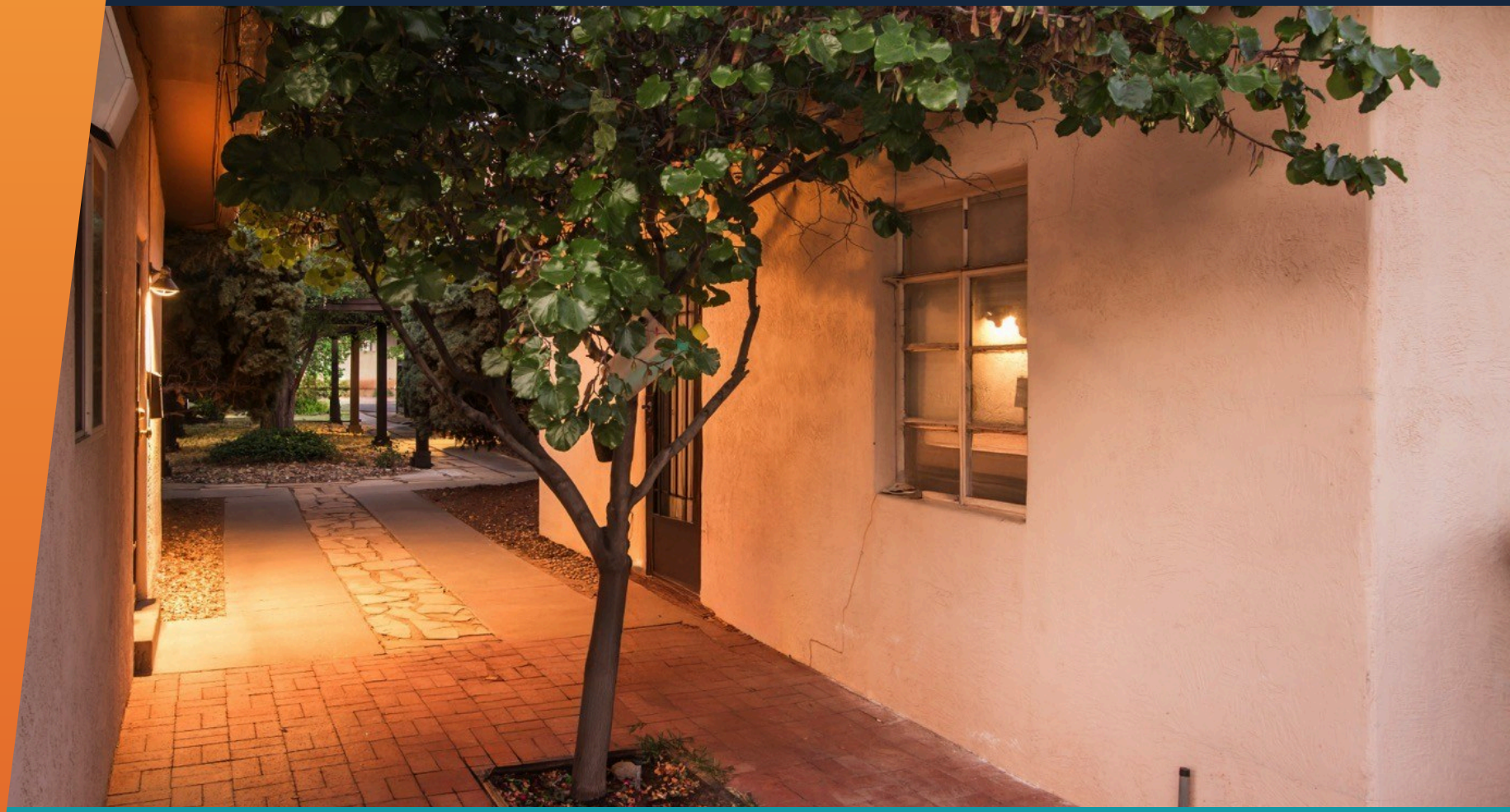
A Darling Triplex

OFFERED AT

$331,592

537 Valencia Dr SE

Albuquerque, NM 87108



1,929	3	$171.90	0.155	R-MH
BUILDING SF	UNITS	PRICE / SF	ACRES	ZONING

REGISTER FOR CONFIDENTIAL INFORMATION
www.nmapartment.com/valencia533

DOWNLOAD THE FLYER
www.nmapartment.com/apt/NMAA-Valencia537SE.pdf

BUYER'S BROKER COMPENSATION
compensation@nmapartment.com · NMAA-2686537

MAESTAS REAL ESTATE SERVICES

www.nmapartment.com

Why This Property

01 **Charming shared courtyard**
Lush landscaping, brick sidewalks and an attractive shared colonnade courtyard give Valencia Village real curb appeal.

02 **Room to raise rents**
Current rents average $825 against a $975 market average, lifting the cap rate before reserves from 6.11% to 7.58% proforma.

03 **Parking and private patio**
Well-lit off-street parking at the rear and a private street-facing patio.

04 **Recent improvements**
New roof (2022), new driveways and sidewalks (2024), and a fully renovated Apartment #3 with a dedicated laundry room and built-in cabinetry.

05 **Laundry hookups in every unit**
#1 has a washer hookup in the kitchen. #2 and #3 have washer and dryer hookups.

06 **Walkable location**
Walking distance to multiple parks, retail and restaurants, with a Walk Score of 70. Works for an owner-occupant or an investor.



PRICE **$331,592**	PRICE / UNIT **$110,531**
CAP (2025) **6.11%**	CAP (PROFORMA) **7.58%**
GRM (2025) **11.16**	LAND **0.155 AC**

The Offering

On behalf of the owners, NM Apartment Advisors and Maestas Real Estate Services are pleased to present this gem of a triplex, which includes well-lit off-street parking, private patios and an attractive shared colonnade courtyard.

Located at 537 Valencia SE, the community oozes charm with lush landscaping and brick sidewalks, within walking distance of multiple parks, retail establishments and restaurants. The triplex also offers Solatube tubular skylights for abundant natural light and buried tool storage, accessed through a metal lid visible in the rear photos.

The owner's recent improvements include a new roof (2022) and new driveways and sidewalks (2024). Apartment #3 has been fully renovated and now includes a dedicated laundry room with built-in cabinetry. Apartment #1 has a washer hookup in the kitchen, and #2 and #3 have washer and dryer hookups.

Current rents average $825, which leaves a long runway to increase value by raising rents closer to the market average of $975. Do not miss this opportunity to be an owner-occupant or investor in a market with strong job growth and a housing shortage.

The owner also owns 533 Valencia SE, which can be made available for $331,593.

SHOWING POLICY

Please do not walk the property or disturb the residents. No visits without the Landlord's prior written approval.

OFFERING PRICE	PRICE / UNIT	PRICE / SF
$331,592	$110,531	$171.90

ADDITIONAL RESOURCES

Confidential documents	www.nmapartment.com/valencia533
Flyer	www.nmapartment.com/apt/NMAA-Valencia537SE.pdf
Buyer's broker compensation	Email compensation@nmapartment.com, subject NMAA-2686537

PROPERTY DETAILS

Address	537 Valencia Dr SE, Albuquerque, NM 87108
Units	Triplex, 3 one-bedroom / one-bath units, on 1 parcel
Year built	1940
Building size	1,929 SF (avg. unit 643 SF)
Land	0.155 acres
UPC	101805615447922902
Legal	Lot 10, Block 4, Plat of Shirley's Subdivision
Zoning	R-MH, Multi-family High Density
Land use	01, Low-density residential
Flood zone	FEMA Zone X
Neighborhood	South San Pedro NA · City Council District 6
Schools	Whittier ES · Wilson MS · Highland HS
Walk / Transit / Bike	70 / 43 / 87

Rent Roll & Income

Unit	Type	Approx. SF	Actual Rent	Street Rate	Market Rent	Actual $/SF	Total Actual	Total Max Rent	Total Market
537-1	1/1	643	$775	$850	$975	$1.21	$775	$850	$975
537-2	1/1	643	$850	$850	$975	$1.32	$850	$850	$975
537-3	1/1	643	$850	$850	$975	$1.32	$850	$850	$975
3 units	**Average**	**643**	**$825**	**$850**	**$975**	**$1.28**	**$2,475**	**$2,550**	**$2,925**
Annual		1,929	$1.28 /SF	$1.32 /SF	$1.52 /SF		$29,700	$30,600	$35,100

INCOME, YEAR 1

A	Total potential market income		$35,100
B	Less: loss to market lease	13%	$4,500
C	**Total potential income (street)**		**$30,600**
D	Less: loss to lease	3%	$900
E	**Total income**		**$29,700**
F	Less: vacancy (market average)	5%	$1,485
G	**Effective rental income**		**$28,215**
H	Plus: other income		$0
I	**Gross operating income**		**$28,215**

BENCHMARKS AT $331,592

$110,531 / unit · $171.90 / SF	2025 Actual	Proforma
GRM	11.16	9.45
Cap before reserves	6.11%	7.58%
Cap after reserves	5.91%	7.35%
Cash on cash	0.0%	7.2%
Debt coverage ratio	1.00	1.24

APOD prepared by Todd Clarke CCIM, 7/17/2026. Proforma is the 2027 column of the APOD. Walk Score 70, Transit Score 43, Bike Score 87.



Expenses & Cash Flow

Expense (annual)	2025 Actual	$/Unit	%	2027 Proforma	$/Unit	%	Basis
Real estate taxes	$3,011	$1,004	11%	$3,141	$1,047	9%	2024 tax bill; assessed at $220,214 · Proforma: 85% of sales price, potential assessment $281,853
Property insurance	$2,043	$681	7%	$2,104	$701	6%	Owner actual 2025 + 3%
Off-site management							Likely owner occupant
Repairs	$2,125	$708	8%	$2,188	$729	6%	Owner actual 2025 + 3%
Gas	$96	$32	0%	$99	$33	0%	Owner actual 2025 + 3%
Electric	$103	$34	0%	$106	$35	0%	Owner actual 2025 + 3%
Pest control	$250	$83	1%	$258	$86	1%	Estimate + 3%
Unit turnover	$164	$55	1%	$169	$56	0%	Owner actual 2025 + 3%
Supplies	$148	$49	1%	$152	$51	0%	Estimate + 3%
Reserve for replacement	$675	$225	2%	$750	$250	2%	New lender will require
Total operating expenses	**$8,615**	**$2,872**	**31%**	**$8,967**	**$2,989**	**26%**	
Net operating income	**$19,600**	**$6,533**		**$24,378**			**Proforma: potential market less 5% vacancy + other income**
Less: annual debt service	$19,600			$19,600			
Cash flow before taxes	**$0**			**$4,778**			

LOAN TERMS

LOAN AMOUNT	LTV	INTEREST RATE	TERM
$265,274	80%	6.25%	30 yrs

MONTHLY PAYMENT	ANNUAL DEBT SERVICE	DOWN PAYMENT	PROFORMA DCR
$1,633	$19,600	$66,318	1.24

No off-site management is included in the APOD (likely owner occupant). Financing shown for illustration only. Buyers should obtain their own lender quote.



REAR PARKING

Five-Year Forecast

	Assumption	Year 1	Year 2	Year 3	Year 4	Year 5
Total potential market income	3.5% incr.	$35,100	$36,329	$37,600	$38,916	$40,278
Less: loss to market lease	12.8%	$4,500	$4,658	$4,821	$4,989	$5,164
Total potential income (max rent)		$30,600	$31,671	$32,779	$33,927	$35,114
Less: loss to lease	2.9%	$900	$932	$964	$998	$1,033
Total income		**$29,700**	**$30,740**	**$31,815**	**$32,929**	**$34,081**
Less: vacancy	5.0%	$1,485	$1,537	$1,591	$1,646	$1,704
Effective rental income		$28,215	$29,203	$30,225	$31,282	$32,377
Plus: other income	2.0% incr.	$0	$0	$0	$0	$0
Gross operating income		**$28,215**	**$29,203**	**$30,225**	**$31,282**	**$32,377**
Total operating expenses	2.0% incr.	$8,615	$8,787	$8,963	$9,142	$9,325
Net operating income		**$19,600**	**$20,416**	**$21,262**	**$22,141**	**$23,053**
Mortgage balance (start $265,274)		$262,165	$258,857	$255,336	$251,588	$247,599
Annual debt service		$19,600	$19,600	$19,600	$19,600	$19,600
Principal reduction		$3,108	$3,308	$3,521	$3,748	$3,989
Mortgage interest		$16,492	$16,292	$16,079	$15,852	$15,611
Cost recovery (27.5 yrs @ 80%)		$9,245	$9,646	$9,646	$9,646	$9,245
Taxable income		-$6,136	-$5,522	-$4,463	-$3,358	-$1,803
Tax at ordinary income rate	35%	$0	$0	$0	$0	$0
Cash flow before tax		**$0**	**$816**	**$1,662**	**$2,541**	**$3,453**
Less: ordinary income tax		$0	$0	$0	$0	$0
Cash flow after tax		**$0**	**$816**	**$1,662**	**$2,541**	**$3,453**

Tax advantages. As a commercial real estate investor, the federal tax code gives you three advantages: (1) deduct your annual mortgage interest before you calculate your taxable amount; (2) deduct your cost recovery/depreciation before you calculate your taxable amount, and when you sell you only pay back 25% of the benefit you received; (3) your long-term profit, or capital gain, is taxed at 20%. Together these could help lower an investor's effective federal tax rate from 35% to only 24%.

INITIAL EQUITY
$66,318

EFFECTIVE TAX RATE
24%

IRR BEFORE TAX
15.4%

IRR AFTER TAX
11.7%

ADJUSTED BASIS

Basis at acquisition	$331,592
Less: cost recovery taken	$47,429
Adjusted basis at sale	**$284,163**

CAPITAL GAIN

Year 6 NOI	$23,999
Disposition cap rate	5.9%
Sale price	$406,012
Less: costs of sale (8%)	$32,481
Less: adjusted basis	$284,163
Gain	**$89,367**
Less: straight-line recovery	$47,429
Capital gain from appreciation	**$41,939**

SALE PROCEEDS

Sale price	$406,012
Less: cost of sale	$32,481
Less: mortgage balance	$247,599
Proceeds before tax	**$125,932**
Less: recapture tax (25%)	$11,857
Less: capital gains tax (20%)	$8,388
Proceeds after tax	**$105,687**

Location Aerial

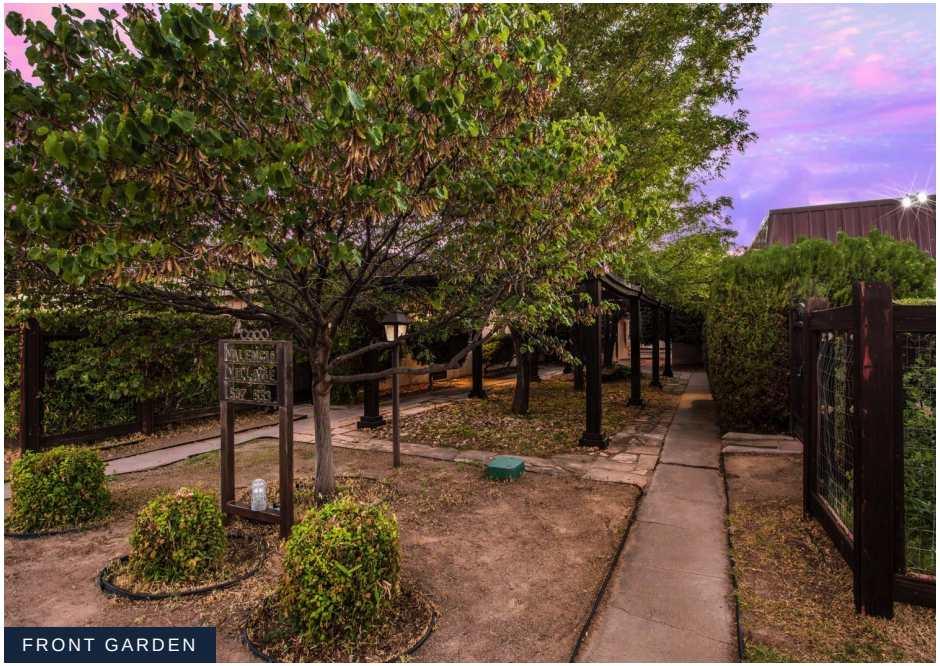


UNITS	BUILDING	LAND	YEAR BUILT	ZONING
3	1,929 SF	0.155 AC	1940	R-MH

Courtyard & Colonnade



COLONNADE



FRONT GARDEN



COURTYARD



REAR PARKING

Valencia Village



537 ENTRY


BRICK WALKWAY


COURTYARD



VALENCIA VILLAGE SIGN

Interior, Virtually Staged





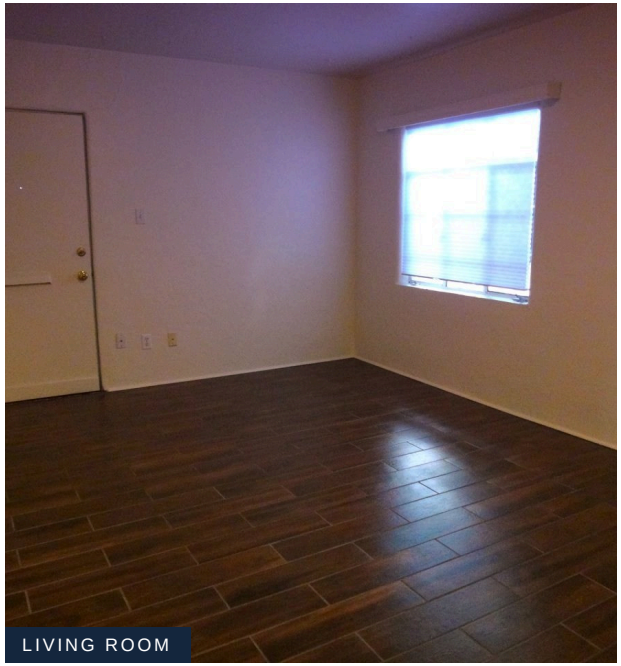


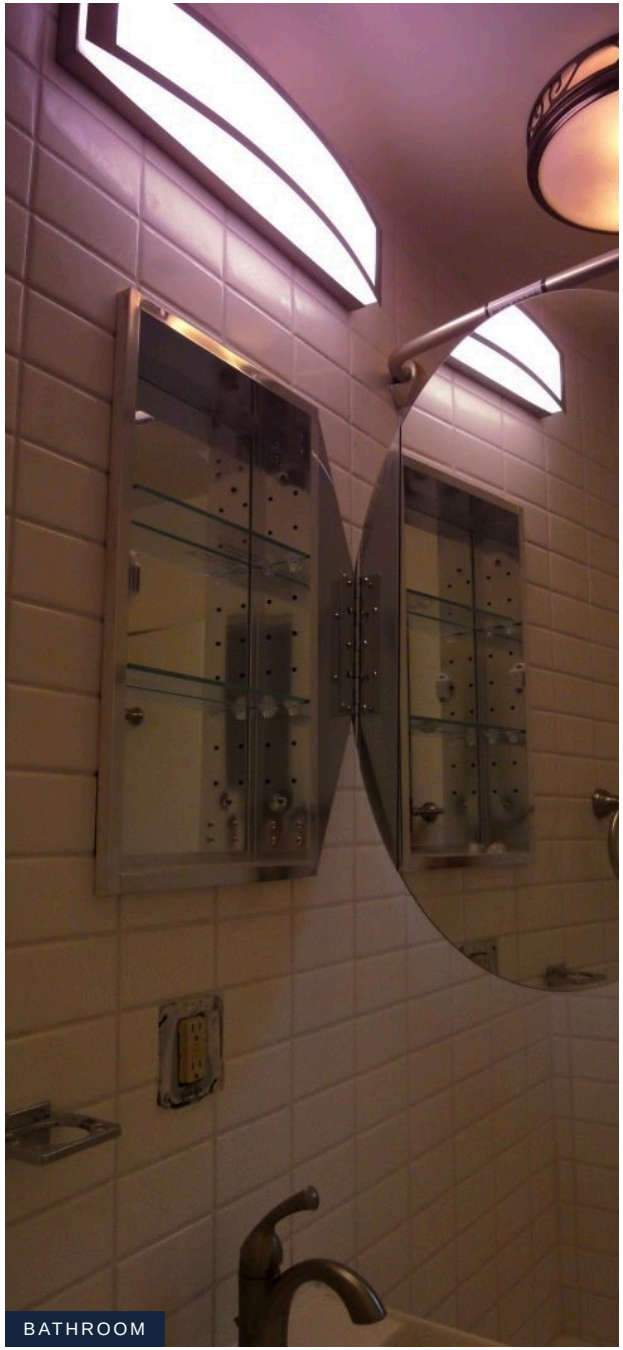


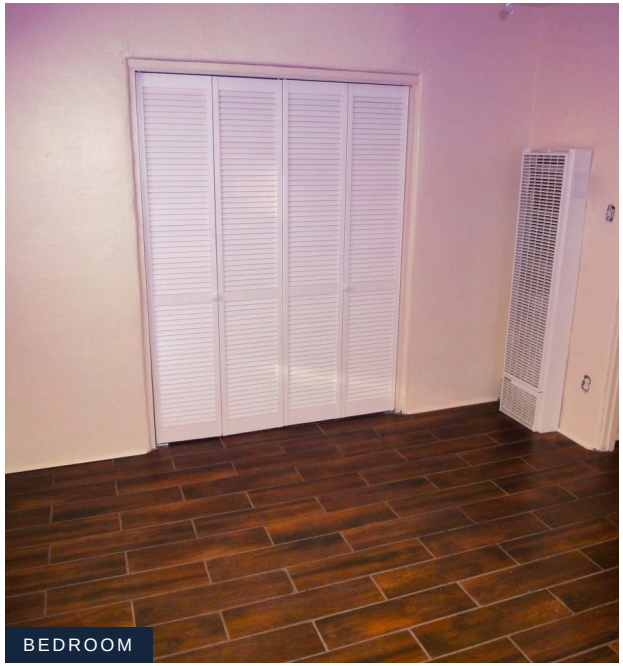
Photos are virtually staged. Furnishings are not included. Interiors are representative of the community; individual unit finishes vary.

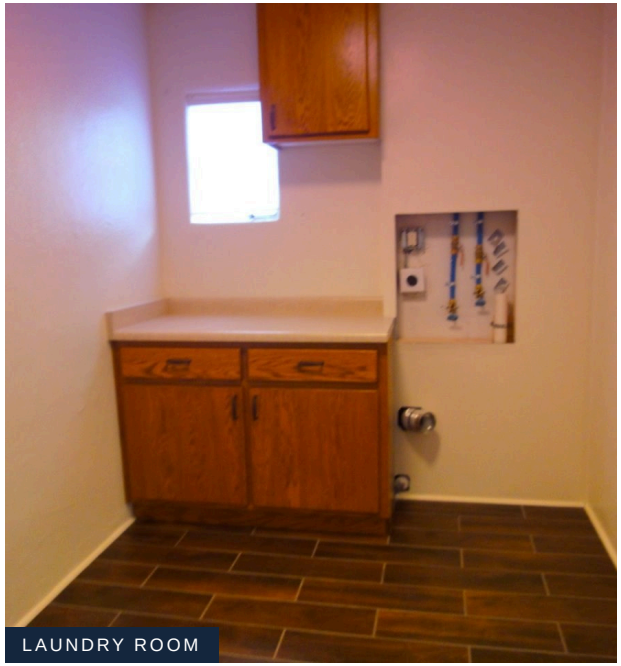
Renovated Unit 3


KITCHEN

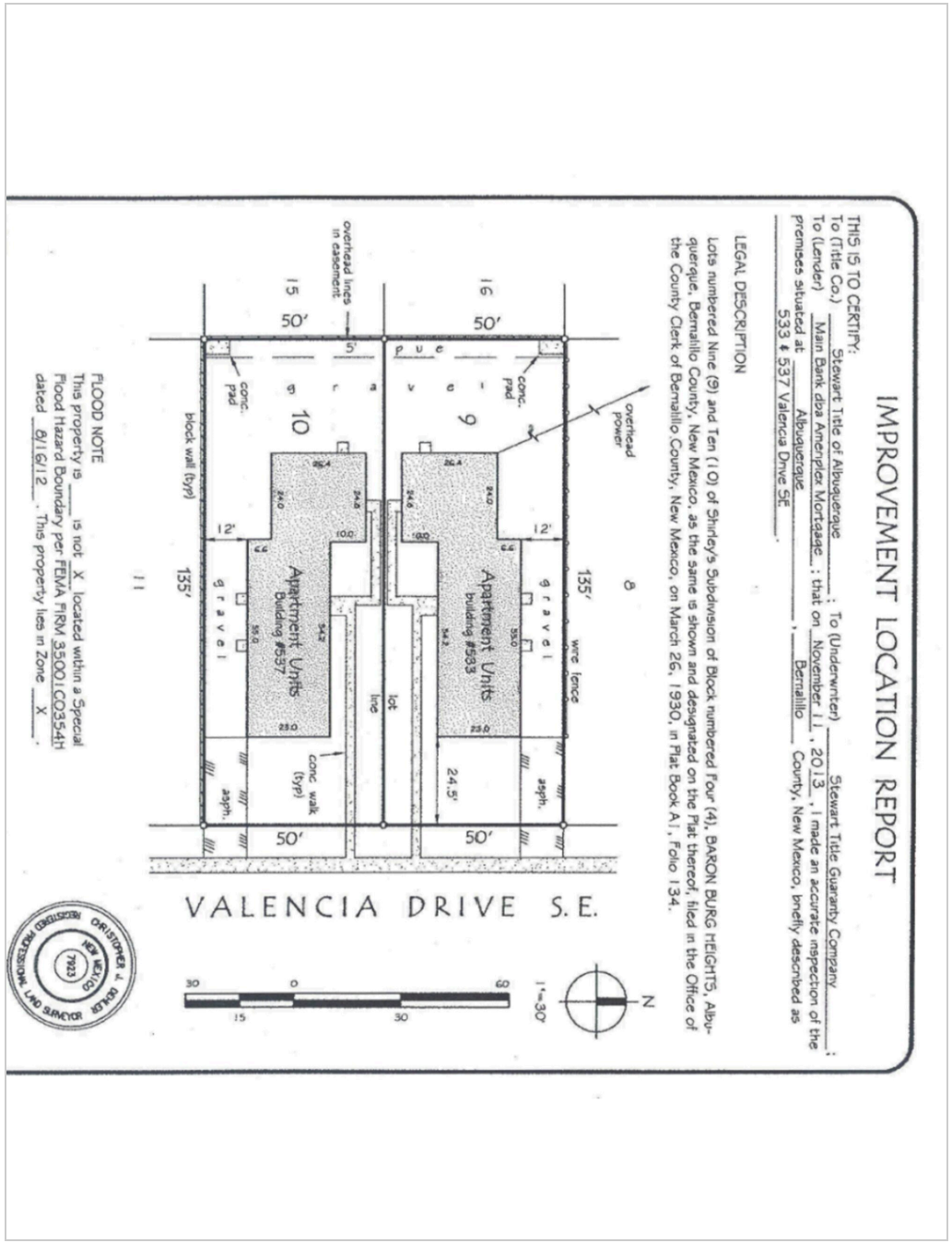

LIVING ROOM


BATHROOM


BEDROOM


LAUNDRY ROOM

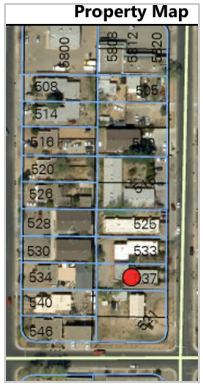
Site & Parcel



PARCEL DATA

Address	537 Valencia Dr SE
Owner of record	537 Valencia LLC
UPC	101805615447922902
Legal	Lot 10, Block 4, Plat of Shirley's Subdivision of Block 4, Baron Burg Heights
Land	0.155 acres
Property class	R
Land use	01, Low-density residential
Jurisdiction	Albuquerque · Zone Atlas L-18
IDO zone district	R-MH, Multi-family High Density
Neighborhood	South San Pedro NA
City Council	District 6
Schools	Whittier ES · Wilson MS · Highland HS
FEMA flood zone	X

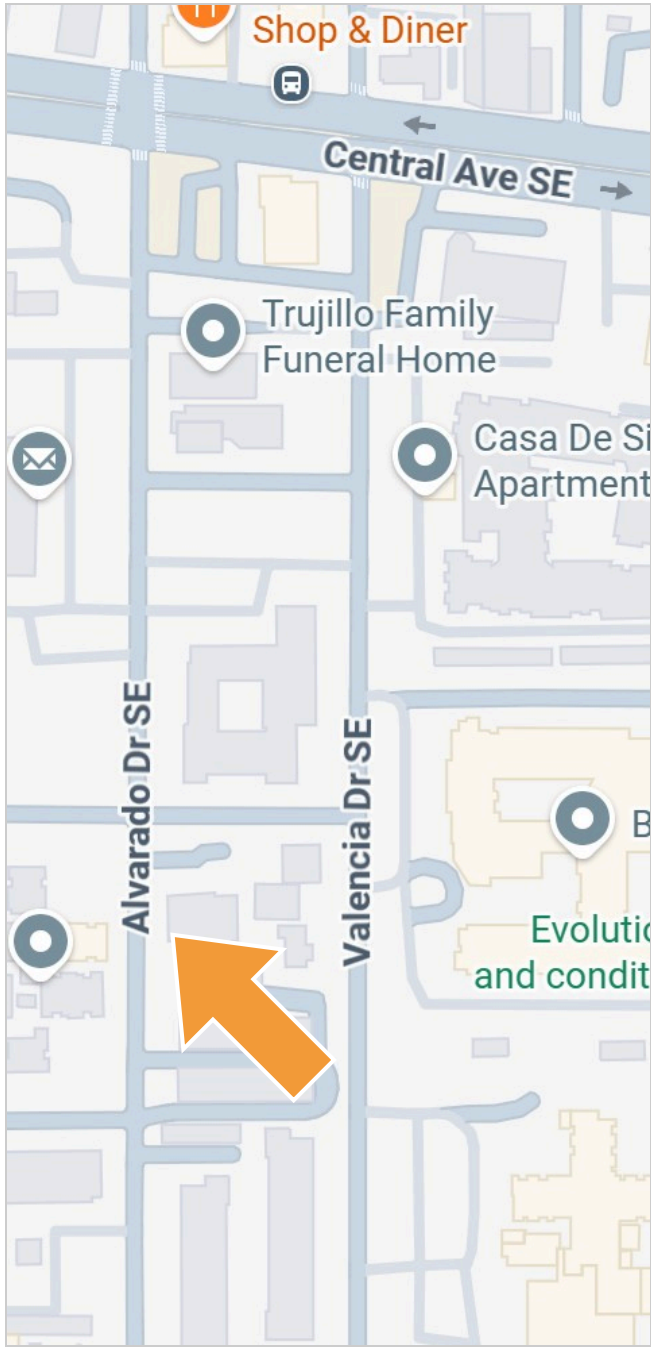
The improvement location report covers Lots 9 and 10. 537 Valencia is Lot 10, building labeled #537. Source: City of Albuquerque GIS report, 7/17/2026, and Bernalillo County Assessor.



PROPERTY MAP

Red marker shows the subject parcel on the City of Albuquerque GIS map.

Near Central Ave



GETTING AROUND

WALK SCORE	TRANSIT SCORE	BIKE SCORE
70	43	87

Just south of Central Ave SE, between Alvarado Dr SE and Valencia Dr SE, the property is within walking distance of multiple parks, retail establishments and restaurants.

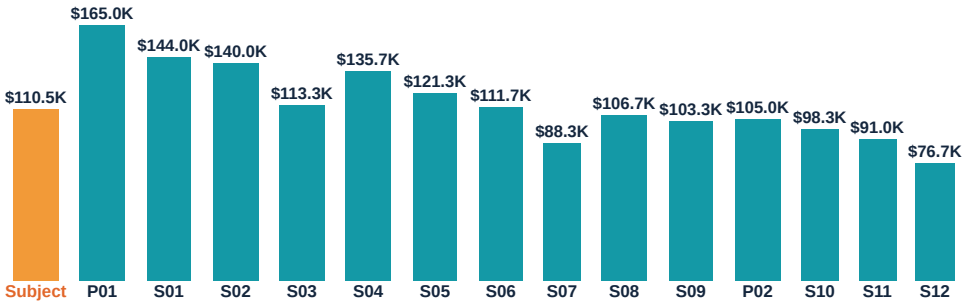
The city's transportation investment along historic Route 66 includes the A.R.T. (Albuquerque Rapid Transit), a $130M upgrade to the corridor.



Comparable Properties

#	Location	Units	Built	List Price	Sales Price	Sales Date	$/Unit	$/SF	Avg. Rent	GRM	Cap*
P01	502 Vassar SE	3	1946	$495,000	$495,000	PENDING	$165,000	$201	$767	17.93	3.2%
S01	3508 Thaxton SE	3	1948	$450,000	$432,000	10/22/2025	$144,000	$188	$808	14.85	3.8%
S02	311 Princeton SE	3	1940	$419,900	$420,000	9/24/2025	$140,000	$157	$1,146	10.18	5.6%
S03	309 Princeton SE	3	1926	$450,000	$340,000	3/26/2026	$113,333	$137	$800	11.81	4.8%
S04	1813 Del Norte SW	3	1936	$389,700	$407,000	7/29/2025	$135,667	$100	$868	13.02	4.4%
S05	1423 Edith SE	3	1959	$375,000	$364,000	6/26/2026	$121,333	$209	$917	11.03	5.2%
S06	421 California SE	3	1960	$335,000	$335,000	7/22/2025	$111,667	$140	$733	12.70	4.5%
S07	2129 Coal SE	3	1955	$350,000	$265,000	5/1/2026	$88,333	$194	$667	11.04	5.2%
S08	1129 Georgia SE	3	1956	$335,000	$320,000	3/11/2026	$106,667	$122	$800	11.11	5.1%
S09	3428 Vail SE	3	1962	$340,000	$310,000	10/8/2025	$103,333	$141			
P02	1033 Louisiana SE	3	1957	$334,000	$314,999	PENDING	$105,000	$137	$965	9.07	6.3%
S10	1037 Louisiana SE	3	1958	$300,000	$295,000	9/23/2025	$98,333	$128	$883	9.28	6.1%
S11	933 Louisiana SE	3	1958	$360,000	$273,000	9/30/2025	$91,000	$91	$892	8.50	6.7%
S12	512 Cardenas SE	3	1960		$230,000	5/4/2026	$76,667	$96			
	Average sold			**$379,508**	**$342,929**		**$114,310**	**$146**	**$854**	**11.71**	**5.1%**
	Subject: 537 Valencia SE	**3**	**1940**	**$331,592**			**$110,531**	**$172**	**$825**	**11.16**	**5.9%**

PRICE PER UNIT



AVERAGE SOLD APPLIED TO SUBJECT

$/unit at $114,310	$342,929
$/SF at $145.81	$281,263
Cap (actual) at 5.1%	$386,163
GRM (actual) at 11.71	$330,367
Average	**$335,180**

PROPERTY TAX

Assessed at	$220,214
Real estate taxes, 2025 Actual	$3,011
Potential assessment	$281,853
Proforma 2027 taxes	$3,141

Compiled by Todd Clarke CCIM. *Imputed at 5% vacancy, 40% expenses.

Reasons to Invest in Albuquerque

MAJOR EMPLOYERS

Data center

Distribution center, announced 1,000 new jobs

Announced $1 billion of new programming

Due to Sandia and Los Alamos National Laboratories, New Mexico has more PhDs per capita than any other state.

#3 place in the United States for Film and TV.

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.

ALBUQUERQUE 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**
  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



MILLIONAIRE HOUSEHOLDS	CONCENTRATION
40,450	**4.97%**

Total households 813,135 · Rank 44 (+1 from last year) · Median income for all households $47,169 · Median home value $174,700.

Los Alamos, best known for the world-famous national laboratory, **has the second-highest concentration of millionaires per capita of any city in the U.S. at 13.2%.** Top-paying jobs include general internal medicine, engineering management and psychiatry.

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.

Taos

Sandia National Labs

Meow Wolf

New Netflix Studios

SpacePort New Mexico

New Amazon Facility

New Facebook Datacenter

Very Large Array

Las Cruces Chile capital



Read This First

Please do not walk the property or disturb the residents. No visits without the Landlord's prior written approval.

My name is Todd Clarke CCIM CIPS and I am a commercial Realtor who has been selling apartment investments for over 37 years. In that time, I have listed/sold over 19,786 units totaling $930.2M in over 1,033 transactions. I also teach investment sales analysis for the CCIM Institute (29 years, over 5,000 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.

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 closing costs.

The current activity level from investors in our marketplace is three times higher than it was before the 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, whereas every one of my Sellers has 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.**

Investment Sales Process & Thoughts

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 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 as 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 Buyer's 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.

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.

BUYER'S BROKER COMPENSATION

Is the Seller offering a credit for a buyer to self represent or paying a fee for a buyer's broker? NM Apartment Advisors has created a mechanism where you can email 24/7 to discover what compensation/credit a seller is offering. Email compensation@nmapartment.com with the subject NMAA-2686537 to receive a document confirming buyer's broker compensation and/or buyer's credit from the seller for this listing.

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

Todd Clarke CCIM
Qualifying Broker / CEO

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SCAN FOR THE FLYER

Confidential documents	www.nmapartment.com/valencia533
Flyer	www.nmapartment.com/apt/NMAA-Valencia537SE.pdf
Buyer's broker compensation	Email compensation@nmapartment.com, subject NMAA-2686537
Showings	Please do not walk the property or disturb the residents. No visits without the Landlord's prior written approval.
Representation	The owner and property are represented by Todd Clarke CCIM of NM Apartment Advisors. If there is any information you need on the market, submarket, or the property, please reach out.

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