

**532 Tennessee NE  
Albuquerque, NM 87108**



Complete confidentially agreement for additional information: <http://www.nmapartment.com/Tenn532NE>

Virtual tour <http://www.nmapartment.com/tenn3d>

Seller Concession to Buyer: [NMAA Listing #2584532](#)

**Units: 4**

**Size: 3,592 sf**

**Land: 0.15494 ac**

**Price: \$455,211**

**GRM: 9.03**

**Cap Rate: 6.70%**

**After Tax IRR: 19.8%**

## **Investment Summary**



# The Offering

On behalf of the owners, NM Apartment Advisors is excited to bring this amazing opportunity to purchase a four-plex in the Mesa Verde Neighborhood.

Each unit contains a large two bedroom, one bathroom unit with fireplace. Downstairs units have a private backyard area. Each building has it's own laundry facility.

The site offers an abundance of off-street and on-street parking and is very visible due to its unique and impressive curb appearance. Located across the street from Mesa Verde park the property is well located and close to grocery, shopping and a movie theater. Convenient freeway access and great public transportation and bike path connections.

A recently vacated unit is available for an owner-occupant and features brand new refrigerator, stove and dishwasher.

The same owner owns 530 and 532 and is open to selling them together.

Do not miss out on an opportunity to acquire a well built fourplex in one of the strongest rental markets in the country.



# The Property

**Address:** 532 Tennessee NE

**Number of original units:** 4

**Year of construction:** 1985 per county assessors records

**Bldg. Size:** 3,592 sf +/-

**Site Size:** 0.15494

**Avg. Unit Size:** 898 sf

**UPC#:** 101905736137510330

**Legal:** Lot A2, Bock 35 Mesa Verde Addition

**Ask Price:** \$455,211

**\$/ unit:** \$113,803

**\$/sf:** \$126.73

	Actual/Est (2024)	Proforma (2025)
<b>Avg. Rent:</b>	\$1,050	\$1,300
<b>GRM:</b>	9.03	7.30
<b>Cap Rate Before reserves:</b>	6.70%	8.29%
<b>Cap Rate After reserves:</b>	6.50%	8.09%
<b>Year 1 NOI:</b>	\$29,589	\$36,841
<b>Cash on Cash:</b>	5.70%	13.66%
<b>Before Tax IRR:</b>	23.8%	
<b>After Tax IRR:</b>	19.8%	

# Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:							532 Tennessee NE				
Prepared by:		Todd Clarke CCIM		3/31/2025		"AS IS" Condition					
Unit/Rent Summary							E	C	A		
#	Type	Style	Approx Size	Actual Rent	Street Rate	Market Rent	Actual Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total sf
532A	2/1		898	\$ 1,050	\$ 1,050	\$ 1,300	\$ 1.17	\$ 1,050	\$ 1,050	\$ 1,300	898
532B	2/1		898	\$ 1,050	\$ 1,050	\$ 1,300	\$ 1.17	\$ 1,050	\$ 1,050	\$ 1,300	898
532C	2/1		898	\$ 1,050	\$ 1,050	\$ 1,300	\$ 1.17	\$ 1,050	\$ 1,050	\$ 1,300	898
532D	2/1		898	\$ 1,050	\$ 1,050	\$ 1,300	\$ 1.17	\$ 1,050	\$ 1,050	\$ 1,300	898
4	total units / Avg. Unit Size=		898	\$ 1,050	\$ 1,050	\$ 1,300		\$ 4,200	\$ 4,200	\$ 5,200	3,592
	Avg Actual Rent \$/sf=			\$ 1.17	\$ 1.17	\$ 1.45		\$ 50,400	\$ 50,400	\$ 62,400	0 Per Assessor

Benchmarks			Income		
Offering Price	\$455,211		A.	Total Potential Market Income	\$ 62,400
\$/unit	\$113,803		B.	Less: loss to market lease	\$ 12,000 19%
\$/sf	\$126.73		C.	Total Potential Income (Street)	\$ 50,400
GRM	9.03	Actual Proforma	D.	Less: Loss to lease	\$ - 0%
CAP Before Reserves	6.70%	7.30	E.	Total Income	\$ 50,400
CAP After Reserves	6.50%	8.29%	F.	Less: vacancy	5.0% \$ 2,520 5% Market average
Cash on Cash	5.70%	8.09%	G.	Effective Rental Income	\$ 47,880
DCR=	1.21	13.66%	H.	Plus: Other Income	\$ -
		1.51	I.	Gross Operating Income	\$ 47,880 2023 Actual \$ 85,242

Expenses (Annual)	Actuals 2023			Based on: Estimates/Actuals			Proforma 2024			Based on: Forthcoming yr.		
	\$/unit	%		\$/unit	%		\$/unit	%		\$/unit	%	
Real Estate Taxes	\$3,543	886	7%	2023 Property Taxes assessed at \$251,938	\$6,188	\$1,547	10%	85% of Sales Price x mill rate				
Personal Property Taxes	\$2,397	\$599	5%	Owners Actual 2023	\$2,469	\$617	4%	\$ 386,930 Est. assessment				
Property Insurance	\$5,153	\$1,288	11%	Est. @ 10% +NMGR	\$6,395	\$1,599	10%	Potential 2024 = 2023 + 3%				
Property Management:												
Off Site Management	\$2,873	\$718	6%	Estimate.	\$2,959	\$740	5%	Potential 2024 = 2023 + 3%				
Payroll-Onsite Personnel												
Expenses/Benefits												
Taxes/Workman's Compensation												
Repairs and Maintenance	\$2,592	\$648	5%	Owners Actual 2023	\$2,670	\$667	4%	Potential 2024 = 2023 + 3%				
Utilities:												
Water, Sewer, & Garbage	\$300	\$75	1%	Estimate	\$309	\$77	0%	Potential 2024 = 2023 + 3%				
Landlord Standby	\$114	\$28	0%	Estimate	\$117	\$29	0%	Potential 2024 = 2023 + 3%				
Accounting and Legal	\$120	\$30	0%	Estimate	\$124	\$31	0%	Potential 2024 = 2023 + 3%				
Advertising/Licenses/ Commissions												
Pest Control	\$300	\$75	1%	Estimate	\$309	\$77	0%	Potential 2024 = 2023 + 3%				
Unit Turnover												
Landscaping												
Carpet Cleaning												
Internet				repairs+unit turn+reserve=8to10%								
Reserve for replacement	\$900	\$225	2%	new lender will require	\$900	\$225	1%	new lender will require				
Total Operating Expenses	\$18,291	\$4,573	38%		\$22,439	\$5,610	36%					
Net Operating Income	\$29,589	\$7,397			\$36,841			Potential Market less 5% vacancy + other income				
Less: Annual Debt Service	ADS	Loan	LTV	Pmt	Term	Interest Rate						
Cash Flow Before Taxes	\$24,403	\$ 364,169	80%	\$2,034	30	5.35%	\$24,403	\$ 364,169	80%	\$2,034	30	5.35%
	\$5,186			Quote: Ventana Fund	\$12,438							



# Internal Rate of Return

		Year						Calculated for
		1	2	3	4	5	6	1st year of next owners, ownership
Total Potential Market Income	4.0% Increases	\$62,400	\$64,896	\$67,492	\$70,192	\$72,999	\$75,919	
2 Less: loss to market lease	19.2%	\$12,000	\$12,480	\$12,979	\$13,498	\$14,038	\$14,600	
3 Total Potential Income (Max Rent)		\$50,400	\$52,416	\$54,513	\$56,693	\$58,961	\$61,319	
4 Less: Loss to lease	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	
5 Total Income		\$50,400	\$52,416	\$54,513	\$56,693	\$58,961	\$61,319	
6 Less: vacancy	5.0%	\$2,520	\$2,621	\$2,726	\$2,835	\$2,948	\$3,066	
7 Effective Rental Income		\$47,880	\$49,795	\$51,787	\$53,858	\$56,013	\$58,253	
8 Plus: Other Income	2.0% Increases	\$0	\$0	\$0	\$0	\$0	\$0	
9 Gross Operating Income		\$47,880	\$49,795	\$51,787	\$53,858	\$56,013	\$58,253	
Total Operating Expenses	2.0% Increases	\$18,291	\$18,657	\$19,030	\$19,411	\$19,799	\$20,195	
<b>Net Operating Income</b>		\$29,589	\$31,138	\$32,757	\$34,448	\$36,214	\$38,058	
Mortgage Balance		\$359,127	\$353,808	\$348,198	\$342,280	\$336,037		
ADS		\$24,403	\$24,403	\$24,403	\$24,403	\$24,403		
- Principal Reduction		\$5,042	\$5,319	\$5,610	\$5,918	\$6,242		
= Mortgage interest		\$19,361	\$19,084	\$18,792	\$18,485	\$18,160		
- cost recovery (annual)	27.5 yrs @ 80%	\$12,691	\$13,243	\$13,243	\$13,243	\$12,691	includes mid mont	
= Taxable Income		-\$2,463	-\$1,189	\$722	\$2,720	\$5,362		
Tax on income at ordinary income rate of	35%	\$0	\$0	\$253	\$952	\$1,877		
NOI		\$29,589	\$31,138	\$32,757	\$34,448	\$36,214		
- Annual Debt Service		\$24,403	\$24,403	\$24,403	\$24,403	\$24,403		
= <b>Cash Flow Before Tax</b>		\$5,186	\$6,735	\$8,354	\$10,045	\$11,811		
- Less Ordinary Income Tax		\$0	\$0	\$253	\$952	\$1,877		
= <b>Cash Flow After Tax</b>		\$5,186	\$6,735	\$8,101	\$9,093	\$9,934		

## Sales Worksheet

### Calculation of Adjusted Basis

1 Basis at Acquisition	\$455,211
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$65,110
4 =Adjusted Basis at Sale	\$390,101

### Calculation of Capital Gain

Disposition CAP Rate	6.5%
5 Sale Price	\$585,513
6 -Costs of Sale	\$46,841
7 -Adjusted Basis at Sale	\$390,101
8 =Gain or (Loss)	\$148,570
9 -Straight Line Cost Recovery (limited to gain)	\$65,110
# =Capital Gain from Appreciation	\$83,460

### Calculation of Sales Proceeds after tax

# Sale Price	\$585,513
# -Cost of Sale	\$46,841
# -Mortgage Balance(s)	\$336,037
# =Sale Proceeds Before Tax	\$202,634
# -Tax: Straight Line Recapture at	25.0% \$16,278
# -Tax on Capital Gains at	20.0% \$16,692
# =SALE PROCEEDS AFTER TAX:	\$169,665

IRR Before tax = 23.8%

n	\$
0	\$ (91,042)
1	\$5,186
2	\$6,735
3	\$8,354
4	\$10,045
5	\$11,811 + \$202,634

IRR After tax = 19.8%

n	\$
0	\$ (91,042)
1	\$5,186
2	\$6,735
3	\$8,101
4	\$9,093
5	\$9,934 + \$169,665

Investor's Effective Tax Rate =

17%

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%

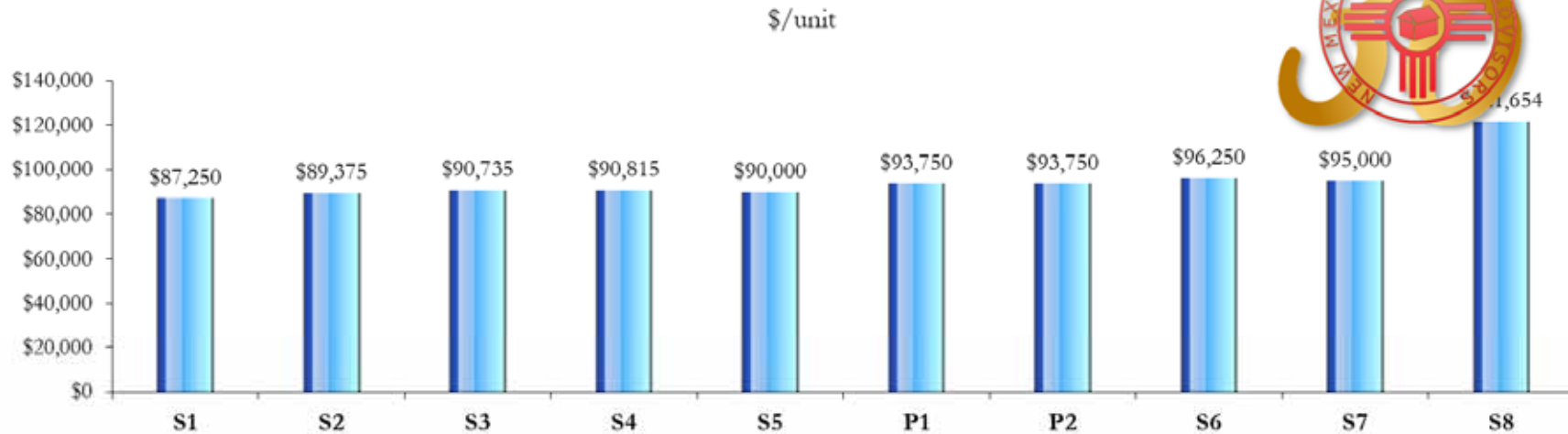
The combination of these benefits could help lower an investor's effective federal tax rate from 35% federal tax rate to only 17%.



# Comparable Sales

## Comparable Sales Analysis for:

532 Tennessee NE



#	Location	QD	Units	Age	List Price	Sales Price	Sales Date	\$/unit	\$/sf	Avg. Rent	GRM	CAP *
S1		346 Virginia NE	4	1942	\$ 349,000	\$ 349,000	7/12/2024	\$87,250	\$ 139.66			
S2		647 Mesilla SE	4	1951	\$ 357,500	\$ 357,500	5/29/2024	\$89,375	\$ 149.39			
S3		339 Grove SE	4	1960	\$ 363,258	\$ 362,938	PENDING	\$90,735	\$ 146.58	\$763	9.91	6.23%
S4		433 Grove SE	4	1960	\$ 363,258	\$ 363,258	PENDING	\$90,815	\$ 131.05	\$763	9.92	6.23%
S5		130 Rhode Island SE	4	1980	\$ 360,000	\$ 360,000	6/28/2024	\$90,000	\$ 120.00	\$830	9.04	6.83%
P1		537 Dallas SE	4	1982	\$ 375,000	\$ 375,000	PENDING	\$93,750	\$ 131.07	\$663	11.79	5.24%
P2		424 Georgia SE	4	1961	\$ 375,000	\$ 375,000	PENDING	\$93,750	\$ 117.19	\$594	13.15	4.69%
S6		300 Texas SE	4	1960	\$ 385,000	\$ 385,000	11/27/2024	\$96,250	\$ 120.31	\$628	12.77	4.83%
S7		138 Rhode Island SE	4	1980	\$ 380,000	\$ 380,000	3/20/2024	\$95,000	\$ 121.56			
S8	Seller financed	401 Georgia SE	4	1980	\$ 486,614	\$ 486,614	3/12/2024	\$121,654	\$ 160.49	\$1,200	8.45	7.31%

Average SOLD					\$ 379,463	\$ 379,431		\$ 94,858	\$134	\$777	10.72	5.9%
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\*imputed @ 5% vac, 40% exp

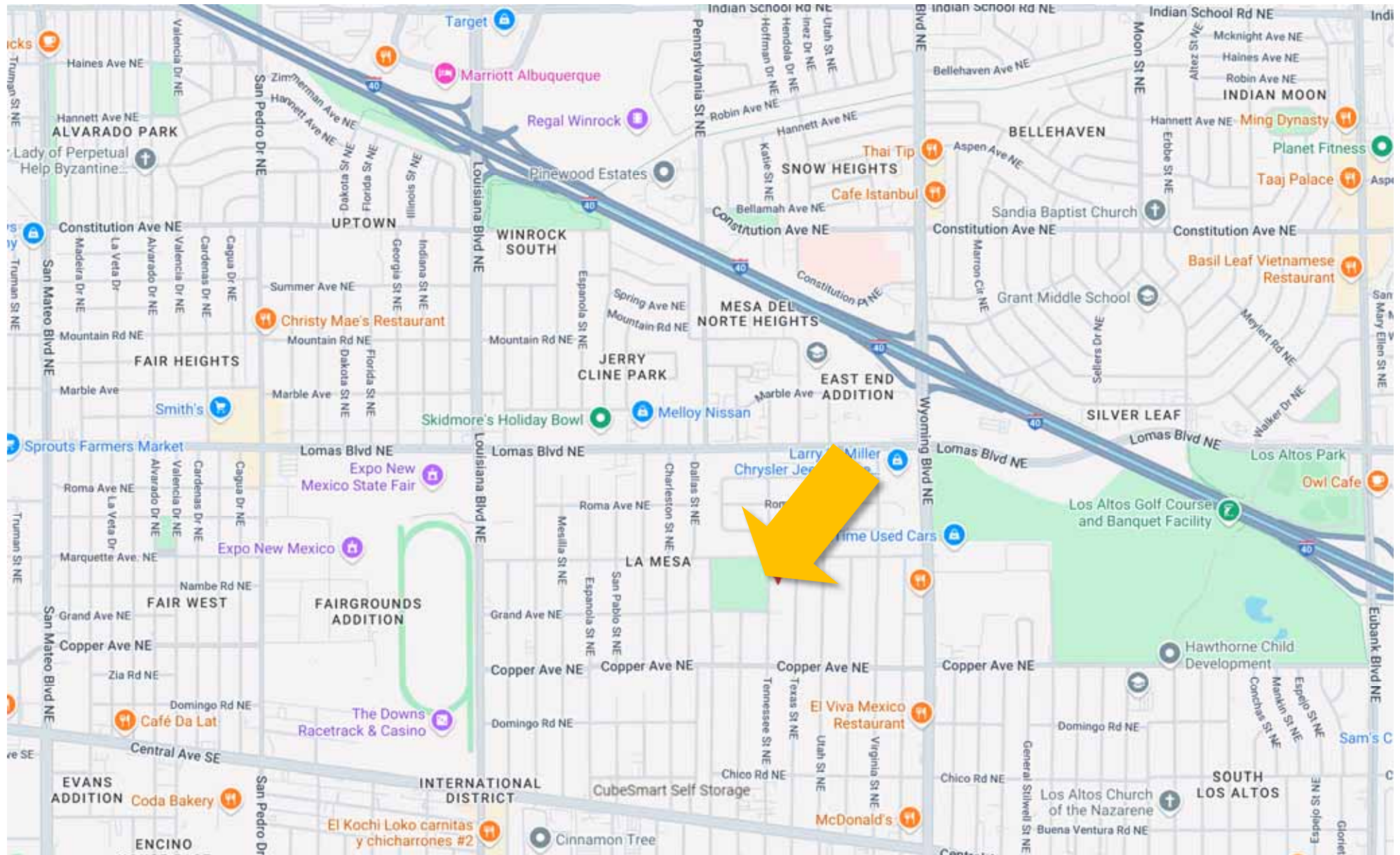
Subject P532 Tennessee NE			4		\$ 455,211			\$ 113,803	\$127	\$1,050	9.03	6.5%
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Average of Comparable SOLD applied to subject property

Average Rent for Sales =

		\$777	
\$/unit	\$ 94,858		\$ 379,431
\$/sf	\$ 133.73		\$ 480,360
CAP (Actual)	5.9%		\$ 500,704
GRM (Actual)	10.72		\$ 513,202
<b>Average=</b>			<b>\$ 468,424</b>

# Property Info - Location



# Exterior Photos

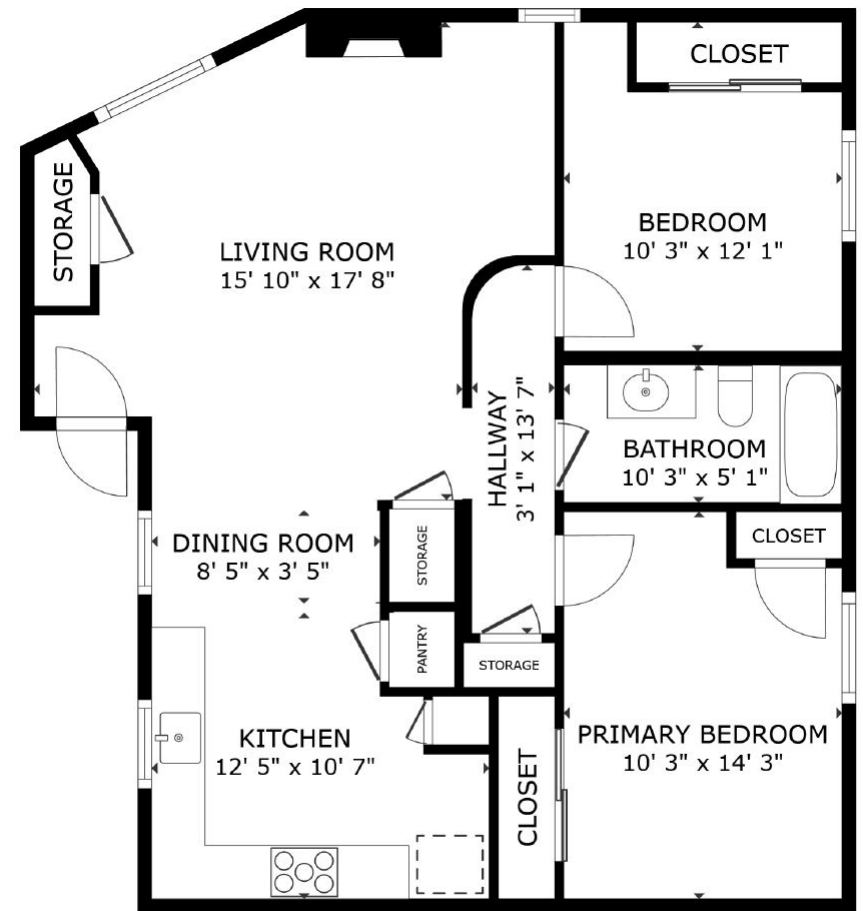


# Drone Photos





# Floorplan & Virtual Tour– 532



FLOOR PLAN

Virtual tour: <http://www.nmapartment.com/tenn3d>

All Measurements are Approximate

# Interior Pictures - 532



# Interior Pictures - 532



# Interior Pictures - 532



# Property Info - GIS

<b>Platted Parcel Address:</b>	532 TENNESSEE ST NE
<b>Assessor Parcel Address:</b>	532 TENNESSEE ST NE
<b>Report Date:</b>	3/21/2025

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

## Bernalillo County Assessor Ownership Data [\(Click here for more information\)](#)

<b>Owner Name:</b>	TRAN KYAN & NGUYEN KATIE THAO		
<b>Owner Address:</b>	1208 SABAL DR SAN JOSE CA 95132-2749		
<b>Uniform Property Code (UPC):</b>	101905736137510330	<b>Tax Year:</b> 2024	<b>Tax District:</b> A1A
<b>Legal Description:</b>	*A-2 35 MESA VERDE ADDN (REPL OF TR A BLK 35 MESA VERDE ADDN) CONT 0.15495 AC		
<b>Property Class:</b> R	<b>Document Number:</b> 2022009823 012722 WD - EN	<b>Acres:</b> 0.155	

## Albuquerque Planning and Zoning Data [Bernalillo County Planning and Zoning](#)

<b>Jurisdiction:</b> ALBUQUERQUE	<b>Zone Atlas Page:</b> <a href="#">K-19</a>
<b>IDO Zone District:</b> <a href="#">R-ML</a>	<b>IDO District Definition:</b> Multi-family Low Density
<b>Land Use:</b> 01   Low-density Residential	<b>Lot:</b> A2 <b>Block:</b> 35 <b>Subdivision:</b> MESA VERDE ADDN

## Neighborhood Associations [Office of Neighborhood Coordination](#)

<b>City Recognized Neighborhood Associations:</b>	La Mesa Community Improvement Association, La Mesa Community Improvement Association
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## Services

<b>Police Beat:</b> 335	<b>Area Command:</b> SOUTHEAST
<b>Residential Trash Pickup and Recycling:</b> Tuesday	

## City Council Districts

<b>City Council District:</b> <a href="#">6 - Nichole Rogers</a>	<b>Councilor Email:</b> <a href="mailto:nrogers@cabq.gov">nrogers@cabq.gov</a>
<b>Policy Analyst:</b> Paloma Garcia	<b>Policy Analyst Phone #:</b> 505-768-3100
<b>Policy Analyst Email:</b>	

## Other Legislative Districts

<b>US Congressional District:</b>	1 - Melanie Stansbury
<b>County Commission District:</b>	3 - Adriann Barboa
<b>NM House Of Representatives:</b>	19 - Janelle I Anyanonu
<b>NM Senate:</b>	17 - Mimi Stewart

## APS School Service Areas [Albuquerque Public Schools](#)

<b>Elementary School:</b> LA MESA	<b>Middle School:</b> HAYES	<b>High School:</b> HIGHLAND
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<b>FEMA Flood Zone:</b> X	<a href="#">FEMA Flood Map Service Center</a>
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Walk Score  
**46**

**Car-Dependent**  
Most errands require a car.

Transit Score  
**38**

**Some Transit**  
A few nearby public transportation options.

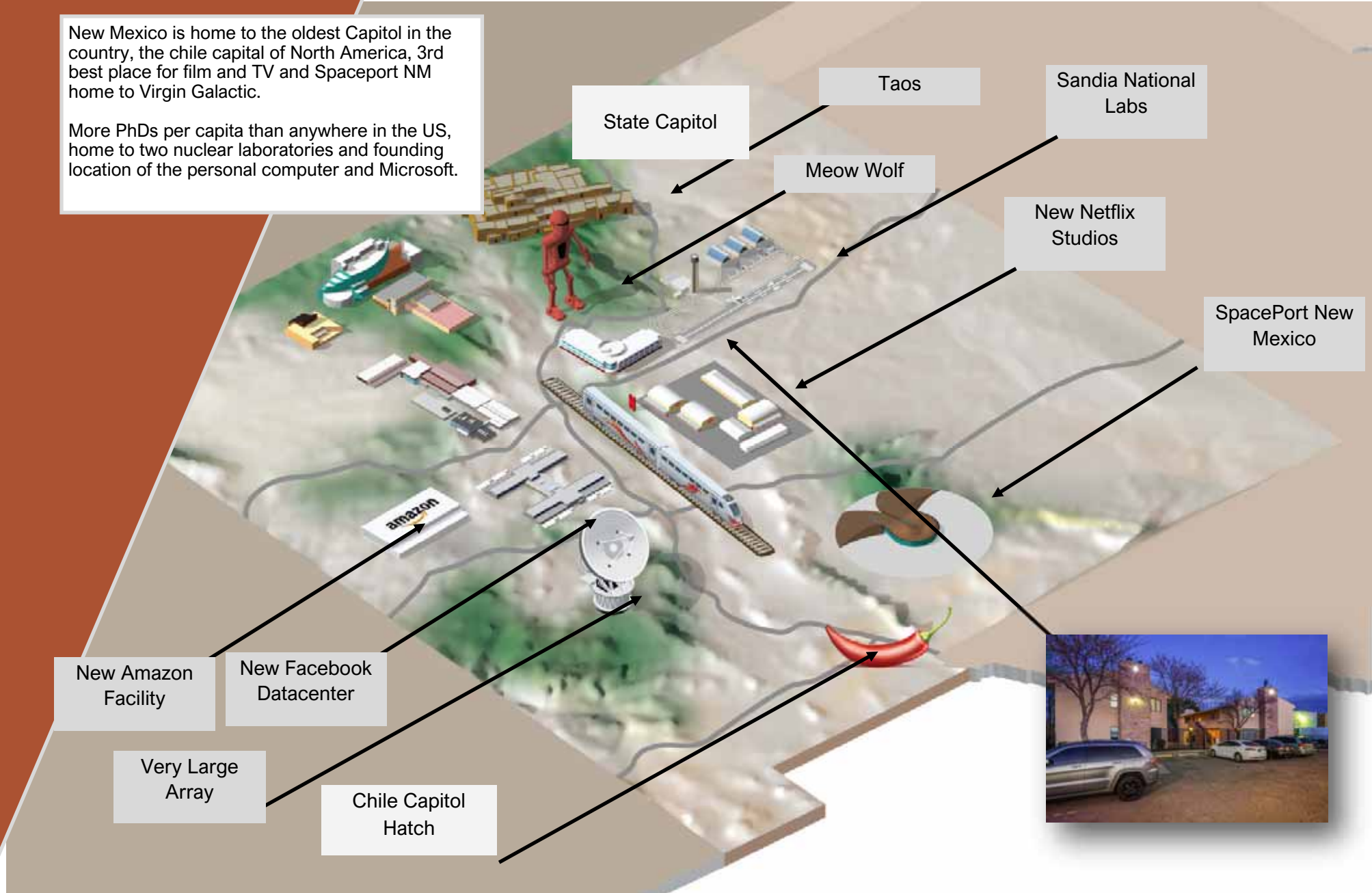
Bike Score  
**53**

**Bikeable**  
Some bike infrastructure.

# 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.



# 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.



## filmnewmexico



## 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*

# 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



Sandia National Laboratories

**NEW MEXICO PRODUCTIONS THAT HAVE WRAPPED**

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
<b>Total</b>	<b>3302</b>	<b>986</b>	<b>7963</b>

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 36 years. In that time, I have listed/sold over 18,520 units totaling \$881.9M in over 975 transactions. I also teach investment sales analysis for the CCIM institute (27 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, 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**

### 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 by sending an

Email to [compensation@nmapartment.com](mailto:compensation@nmapartment.com) with the subject: [NMAA-2584532](mailto:NMAA-2584532)

To receive a document confirming buyer's broker compensation and/or buyer's credit from the seller for this listing.

# Further Information

Do not disturb residents. Contact listing agent for additional information and register online for confidential information.

<http://www.nmapartment.com/Tenn532NE>

# 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. If there is any information you need on the market, submarket, or the property, please do not hesitate to ask.

Todd Clarke  CIPS

CEO

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