

The Offering

NM Apartment Advisors is excited to bring to market this rare opportunity to own a far northeast heights owner occupant style triplex. These units were custom designed for multi-generational living and include private backyard areas.

The unit mix includes:

- Unit A is a 1,274 square foot, 3 bedroom / 2 bathroom with a 2 car garage.
- Unit B is a 1,007 square foot, 2 bedroom, 1bathroom home.
- Unit C is a 829 square foot, 2 bedroom, 1 bathroom home.

Located in a very quiet and serene NE Heights neighborhood close to foothills trails and shopping.

Do not miss out on this opportunity to buy a core asset in a market with strong economic growth from all of the new Netflix, Facebook, Intel, and Amazon jobs that have created a housing shortage that has led to double digit annual rent growth.



The Property

Address: 12229 Menaul Blvd NE

Number of units: 3

Year of 1977 per county construction: assessors records

Bldg. Size: 3,107sf +/- per Assessor

Site Size: 0.1884 acres

Avg. Unit Size: 1,037 sf

UPC#: 102205943630110604

Legal: Lot 18A Replat of Lots 15 thru

25, Block 7, Brentwood Hills

Subdivision

Ask Price: \$579,429

\$/ unit: \$193,143

\$/sf: \$186.31

	Actual/Est (2022)	Proforma (2023)
Avg. Rent:	\$1,325	\$1,633
GRM:	12.15	9.85
Cap Rate Before reserves:	5.36%	6.62%
Cap Rate After reserves:	5.25%	6.50%
Year 1 NOI:	\$30,399	\$37,656
Cash on Cash:	-02.0%	4.99%
Before Tax IRR: After Tax IRR:	17.2% 13.2%	

Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for: 12229 Menaul NE Prepared by: Todd Clarke CCIM 11/27/2023 Unit/Rent Summary E C Total Max Rent Total Market Renovated Actual Approx Unit # Type Style **Actual Rent** Potential Total sf Size Street Rate Market Rents Rent \$/sf Total Actual for this type 3br/2ba w/2cg 1,274 \$ 1,675 \$ 1.28 \$ A 1,625 \$ 1,625 1,675 2,100 1,274 В 2br/1ba - eff 2/1 1,007 \$ 1,200 \$ 1,200 \$ 1,550 \$ 1.19 \$ 1,200 1,200 1,007 1,550

1.39 \$

1,150

3,975

47,700

1,250 \$

1,633

1.58

Benchmarks			
Offering Price	\$579,429		
\$/unit	\$193,143		
\$/sf	\$186.31	Actual	Proforma
GRM		12.15	9.85
CAP Before Reserves		5.36%	6.62%
CAP After Reserves		5.25%	6.50%
Cash on Cash		-0.02%	4.99%
DCR=		1.00	1.24

829 \$

1,037 \$

2br/1ba - eff 2/1

Avg Actual Rent \$/sf=

total units / Avg. Unit Siz

C



1,200 \$

1,358 \$

1.31 \$

Income				
A.	Total Potential Market Income	\$ 58,800		
B.	Less: loss to market lease	\$ 9,900	17%	
C.	Total Potential Income (Street)	\$ 48,900		
D.	Less: Loss to lease	\$ 1,200	2%	
E.	Total Income	\$ 47,700		
F.	Less: vacancy 5.0%	\$ 2,385	5%	Market avera
G.	Effective Rental Income	\$ 45,315		
H.	Plus: Other Income	\$ -		
I.	Gross Operating Income	\$ 45,315		

1,250

4,900

58,800

1,200

4,075

48,900

		EOY 2022			Based on:	Estimate/A	Actuals
	Expenses (Annual)		\$/unit	%			
20	Real Estate Taxes	\$3,072	\$1,024	7%	2023 Assess	sment	
21	Personal Property Taxes				assessed at	\$215,724	
22	Property Insurance	\$2,000	\$667	4%	Estimate		
23	Property Management:						
24	Off Site Management	\$4,888	\$1,629	11%	10% plus N	IMGRT	
25	Payroll-Onsite Personnel						
28	Repairs and Maintenance	\$2,300	\$767	5%	Estimate		
29	Utilities:						
	Water, Sewer, Refuse	\$1,620	\$540	4%	Estimate		
31	Gas						
32	Electric						
42	Pest Control	\$360	\$120	1%	Estimate		
45	Carpet Cleaning						
46	Internet				repairs+uni	it turn+rese	rve=8to10%
48	Reserve for replacement	\$675	\$225	1%	new lender	will require	
49	Total Operating Expenses	\$14,916	\$4,972	33%			
	Net Operating Income	\$30,399	\$10,133				
		ADS	Loan	LTV	Pmt	Term	Interest Rate
	Less: Annual Debt Service	\$30,433	\$ 434,572	75%	\$2,536	30	5.75%
	Cash Flow Before Taxes	-\$33					

1,150 \$

1,325 \$

1.28 \$

Proforma 2023			Based on:	Forthcon	ning yr.
	\$/unit	%	Income: Line	C - F + H	
\$5,035	\$1,678	9%	61% of Sales	Price	
\$2,060	\$687	4%	Potential 2023	3 = 2023 +	3%
\$6,026	\$2,009	10%	Est mgmt @	10% +NM	GRT
\$2,369	\$790	4%	Potential 2023	3 = 2023 +	3%
\$1,669	\$556	3%	Potential 2023	3 = 2023 +	3%
\$371	\$124	1%	Potential 2023	3 = 2023 +	3%

\$675	\$225		_new lender wi	ll require	
\$18,204	\$6,068	31%			
\$37,656	Potential Market le	ss 5%	vacancy + oth	er income	
ADS	Loan	LTV		Term	Interest
\$30,433	\$ 434,572	75%	\$2,536	30	5.75%
\$7,224					

829

3,110 SF

3,107 Per Assessor

Internal Rate of Return

		Y	'ear				fo or or	alculated or 1st year f next wners, wnership	Sales Worksheet		
Cartesta Managa (19)	- D. D. S. S.		1	2	3	4	5	6 .	조성(경기원 - 1813) - 성당 및		
Total Potential Market Income	4.5% Increases		\$58,800	\$61,446	\$64,211	\$67,101	\$70,120		Calculation of Adjusted Basis		MORRE
	16.8%	7.	\$9,900	\$10,346	\$10,811	\$11,298	\$11,806	\$12,337	1 Basis at Acquisition		\$579,429
Total Potential Income (Max Rent	*		\$48,900	\$51,101	\$53,400	\$55,803	\$58,314		2 + Capital Additions		
Less: Loss to lease	2.5%	- 32	\$1,200	\$1,254	\$1,310	\$1,369	\$1,431		3 -Cost Recovery (Depreciation) Taken		\$82,877
Total Income			\$47,700	\$49,847	\$52,090	\$54,434	\$56,883		4 =Adjusted Basis at Sale		\$496,552
Less: vacancy	5.0%	_	\$2,385	\$2,492	\$2,604	\$2,722	\$2,844	\$2,972			
Effective Rental Income			\$45,315	\$47,354	\$49,485	\$51,712	\$54,039		Calculation of Capital Gain		
Plus: Other Income	2.0% Increases	1	\$0	\$0	\$0	\$0	\$0	50	Disposition CAP Rate	5.2%	
Gross Operating Income			\$45,315	\$47,354	\$49,485	\$51,712	\$54,039	556,471	5 Sale Price		\$762,474
									6 -Costs of Sale	8.0%	\$60,998
Total Operating Expenses	2.0% Increases		\$14,916	\$15,214	\$15,518	\$15,829	\$16,145	\$16,468	7 -Adjusted Basis at Sale	_	\$496,552
Net Operating Income			\$30,399	\$32,140	\$33,967	\$35,883	\$37,894	540,002	8 =Gain or (Loss)		\$204,925
			\$434,572						9 -Straight Line Cost Recovery (limited	to gain)	\$82,877
Mortgage Balance			\$428,981	\$423,061	\$416,791	\$410,151	\$403,118		=Capital Gain from Appreciation		\$122,047
ADS			\$30,433	\$30,433	\$30,433	\$30,433	\$30,433				
Principal Reduction			\$5,590	\$5,921	\$6,270	\$6,640	\$7,032		Calculation of Sales Proceeds after t	ax	
Mortgage interest		1	\$24,842	\$24,512	\$24,162	\$23,792	\$23,400		Sale Price		\$762,474
cost recovery (annual)	27.5 yrs @	80%	\$16,154	\$16,856	\$16,856	\$16,856	\$16,154 in	icludes mid mon	-Cost of Sale		\$60,998
Taxable Income		1	\$10,597	-\$9,228	-\$7,052	-\$4,765	-\$1,661		-Mortgage Balance(s)		\$403,118
Tax on income at ordinary income	rate of 2.	35%	\$0	\$0	\$0	\$0	\$0		=Sale Proceeds Before Tax		\$298,358
									-Tax: Straight Line Recapture at	25.0%	\$20,719
NOI			\$30,399	\$32,140	\$33,967	\$35,883	\$37,894		-Tax on Capital Gains at	20.0%	\$24,409
Annual Debt Service		7.5	\$30,433	\$30,433	\$30,433	\$30,433	\$30,433		=SALE PROCEEDS AFTER TAX	C :	\$253,229
Cash Flow Before Tax			-\$33	\$1,708	\$3,534	\$5,451	\$7,461				
Less Ordinary Income Tax			\$0	\$0	\$0	SO"	50				
Cash Flow After Tax			-\$33	\$1,708	\$3,534	\$5,451	\$7,461			IRR Before	tax =

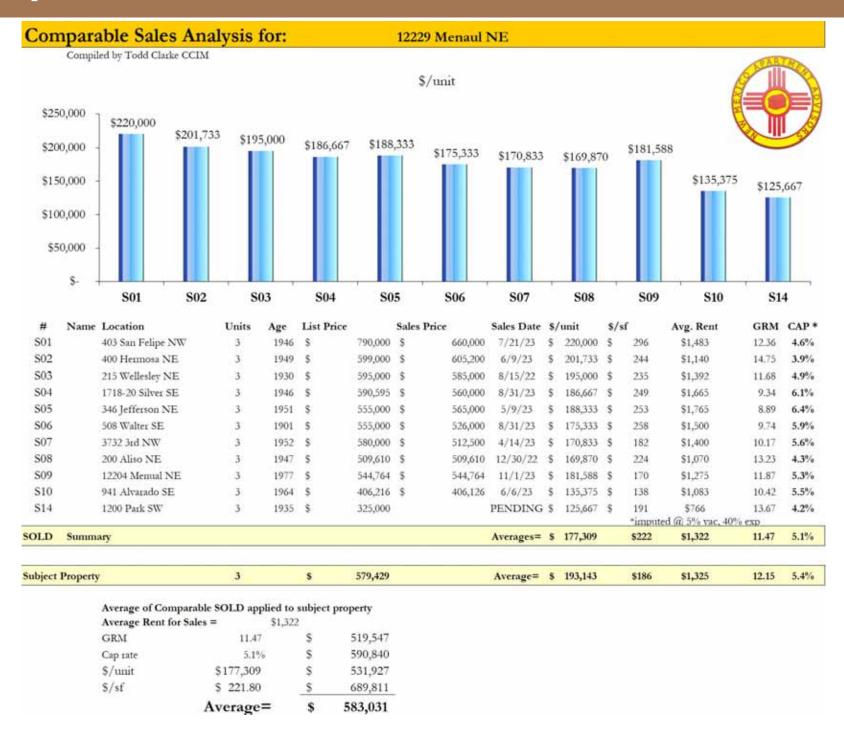
As a commercial real estate investor, the federal tax code gives you three advantages compared to other investments including:

- 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%

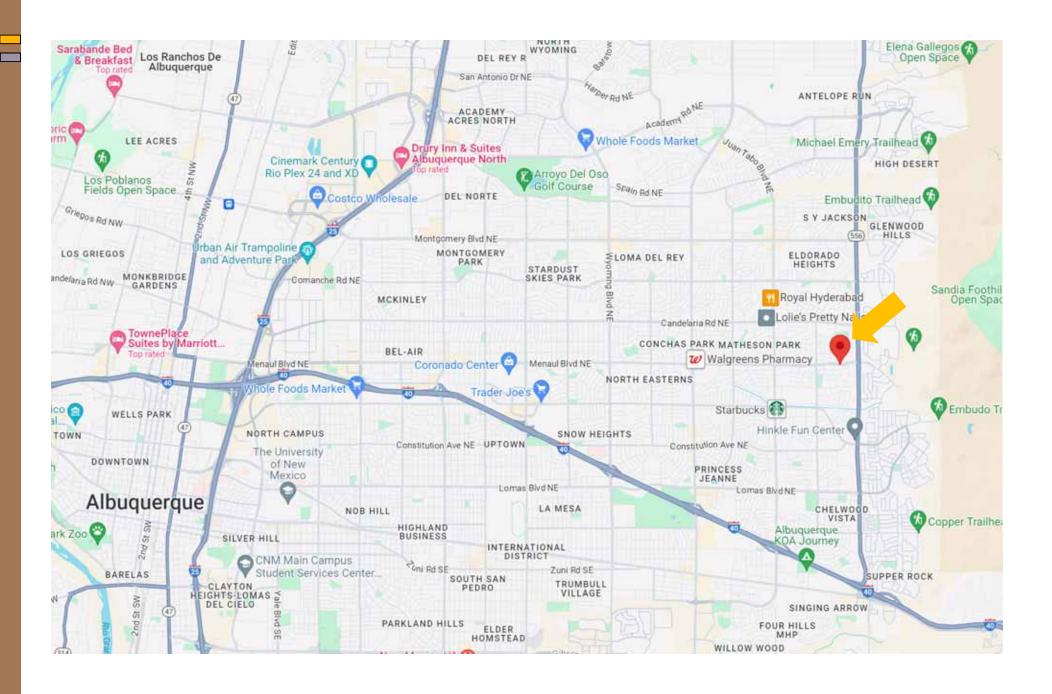
TKK D	tore	17.20	
n	\$		
0	\$	(144,857)	
1		-\$33	
2		\$1,708	
3		\$3,534	
4		\$5,451	
5		\$7,461 +	\$298,358

IRR A	fter to	x = x	13.2%
n	5		
0	5	(144,857)	
1		-\$33	
2		\$1,708	
3		\$3,534	
4		\$3,534	
5		\$5,451 +	\$253,229

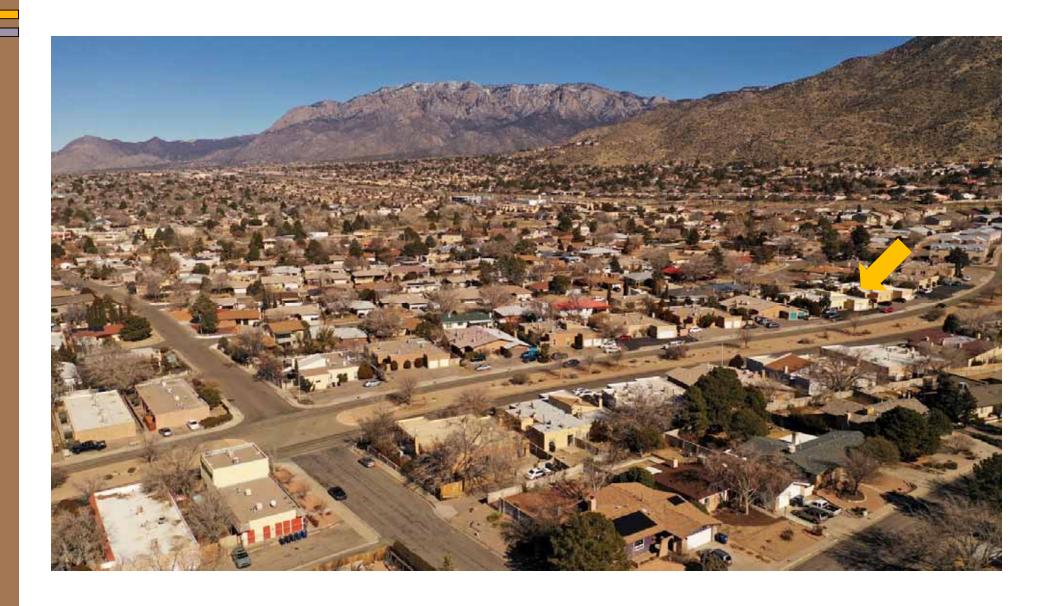
Comparable Sales



Property Info - Area Map



Property Aerial



7

Property Info - GIS

Platted Parcel Address: 12229 MENAUL BLVD NE Assessor Parcel Address: 12229 MENAUL BLVD NE Report Date: 11/30/2023 mmn.cabs.scv/gis

Bernalillo County Assessor Ownership Data

Visit the Berralitis County Assessor Office for more information

Owner Name: MELWANI ARJAN C & SHARMILA A TRUSTEES C EST LA VIE RYT

Owner Address: 11 LA AGUAPA SANDIA PARK NM 87047-9676

Uniform Property Code (UPC): 102205943630110604

Tax Year: 2023

Tax District: A1A

Legal Description: LT 18-A REPL OF LTS 15 THRU 25 BLX 7 BRENTWOOD HILLS SUBD

Property Class: R

Document Number: See Bernalillo County Assessor Record Search Portal

Acres: 0.1884

Albuquerque Planning and Zoning Data

Jurisdiction: ALBUQUERQUE

IDO Zone District R-T

IDO District Definition: Townhouse

Zone Atlas Page: 14-22

Land Use: 01 | Low-density Residential

Lot: 18A

Block: 7

Subdivision: BRENTWOOD HILLS

Bernalillo County Planning and Zoning

Neighborhood Associations

City Recognized Neighborhood Associations: N/A

Albuqueroue Office of Neighborhood Coordination

Services

Police Beat: 532

Area Command: FOOTHILLS

Residential Trash Pickup and Recycling: Monday

City Council Districts

City Council District II - Trudy E. Jones

Councilor Email Address: trudyjones@cabq.gov

Policy Analyst: Aziza Chavez

Policy Analyst Email Address: azizachavez@cabs.gov

Policy Analyst Phone Number: 505-768-3106

Other Legislative Districts

US Congressional District: 1 - Melanie Stansbury County Commission District: 5 - Eric C Olivas

NM House Of Representatives: 28 - Pamelya Herndon

NM Senate: 20 - Martin Hickey

APS School Service Areas

Elementary School: MATHESON PARK

Middle School: HOOVER

High School: ELDORADO

Albuquerque Public Schools

FEMA Flood Zone: X

FEMA Flood Map Service Center



Car-Dependent

Most errands require a car.



Some Transit

A few nearby public transportation options.



Bikeable

Some bike infrastructure.



Interior Photos - Interior









Interior Photos - Interior









Interior Photos - Interior





The Market—Albuquerque, NM



Facebook

Data Center

amazon

Distribution center under construction announced 1,000 new jobs

A

Apple

NETFLIX

announced \$1 Billion of new programming

G Google

Albuquerque is home to

Three of the six F.A.A.N.G. tech companies:

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

#3rd place in United States for Film and TV

The city has made a major investment in its transportation corridor - along historic Route 66 the new A.R.T. or Albuquerque Rapid Transit has been installed - a \$130M investment and upgrade into this transit corridor. 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, New Mexico in the news

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— 0/2013

☑ 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

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



MILLIONAIRE HOUSEHOLDS: 40,450 TOTAL HOUSEHOLDS: 813,135 Concentration of Millionaires: 4.97%

RANK: 44 (+1 from last year)

MEDIAN INCOME FOR ALL HOUSEHOLDS:

\$47,169

MEDIAN HOME VALUE: \$174,700

New Mexico is a land of stark contrasts when it comes to its millionaire population. Los Alamos, New Mexico – best known for the world-famous Los Alamos National Laboratory – seems like an unlikely place to find a lot of millionaires. But at 13.2%, it has the second-highest concentration of millionaires per capita of any city in the U.S.

In addition to medicine, top-paying jobs are found in general internal medicine, engineering management and psychiatry.

Yet outside of Los Alamos, the state's concentration of millionaires puts it in the bottom 10 in the U.S. Fewer than 1 in 20 households claiming investable assets of \$1 million or more. The upside of having fewer millionaires is that it helps keep a lid on living costs, which are 8.9% below the U.S. average. For residents of all means, the Land of Enchantment is somewhat tax-friendly, though it's a mixed bag for retirees. Social Security benefits are subject to tax by the state, as are retirement account distributions and pension payouts.

Multifamily investment sales process / 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 16,280 units totaling \$739M. I also teach investment sales analysis for the CCIM institute (26 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

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.

II Airport

NM crew

35

199

350

22

5

275

130

0

30

200

134

150

33

35

120

51

428

20

400

35

170

18

26

140

110

100

85

3302

Source: New Mexico Film Office

LOS PADILLAS

Paul's Promise aka "Retribution"

Them Covenant (Episode 8)

The Harder They Fall

Roswell (Season 3)

Canyon del Muerto

Meaw Wolf Denver

The Commando

Cleaning Lady (Pilot)

Better Call Saul (Season 6)

When You Finish Saving the World

Dr. Death (Season 1)

Holiday in Santa Fe

Third Story Automotive

Land of Dreams (Part 2)

Captive

Peace River

Cry Macho

Intrusion

Slayers

Cop Shop

Twalette

Outer Range

Monogamy

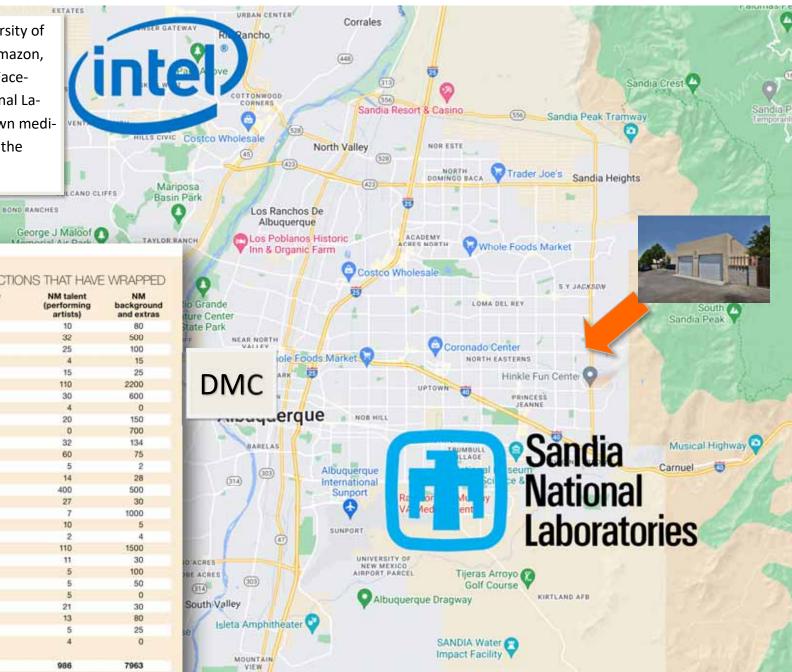
Surrounded

The Ray

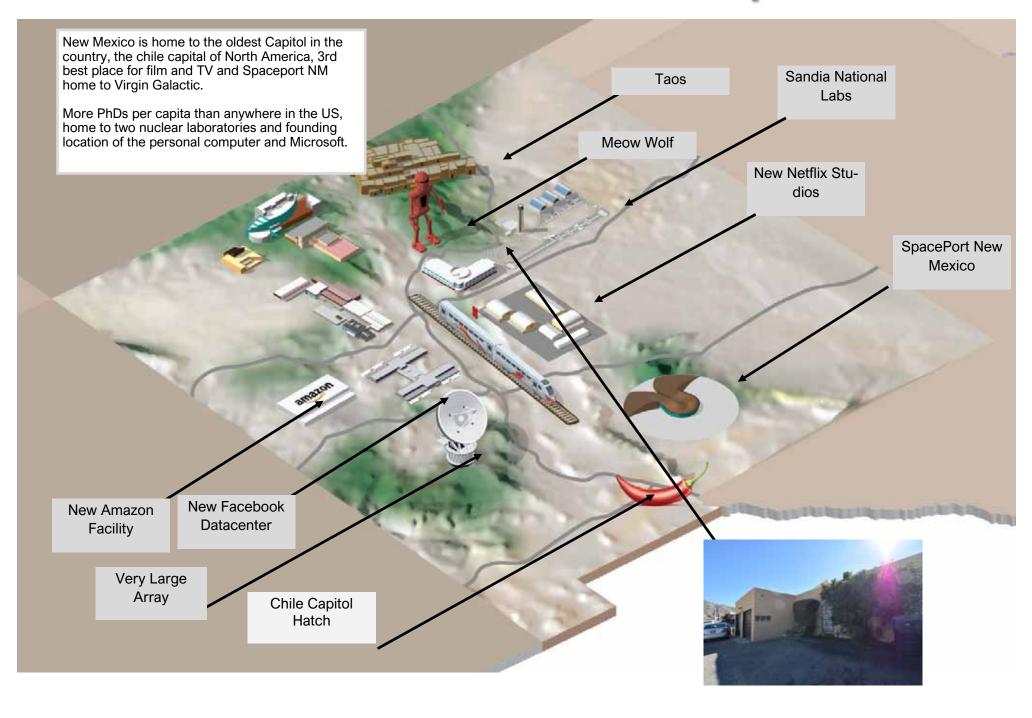
Lullaby

Total

The Wrong Guy



New Mexico is on the international map



Further Information

Do not walk property, or disturb residents.

To register for additional information go to:

www.nmapartment.com/menaul12229

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

The owner and property are represented by Todd Clarke CCIM of NM Apartment Advisors who has over 34 years of experience. If there is any information you need on the market, submarket, or the property, please do not hesitate to ask.



Todd Clarke mm

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