

2315 N Jefferson St
Hobbs, NM 88240



Register for Additional Info: www.nmapartment.com/2315NJefferson

12 unit value add in NM's EnergyPlex Region

Units: 12

Size: 6,330 sf

Land: .45 acres

Price: \$840,000

GRM: 9.82

Cap Rate: 6.88%

Cash on Cash: 6.12%

IRR after Tax: 16.6%

The Offering

On behalf of the owners, NM Apartment Advisors is excited to bring this Hobbs 12 unit community to market. Located in the middle of Hobbs NM which is the epicenter of NM's energy plex, this property offers an amazing value add opportunity.

Hobbs as a community has made major investments in expanding their quality of living including the addition of the \$62 million, 160,000 square foot community center known as the CORE Center for Recreation excellence.

Did you know NM is #2 in the country for oil production? Or that this market (Hobbs) is severely underserved for new housing?

The property is an ideal candidate for renovation/rehabilitation financing from the Ventana Fund (see page 7 for potential loan terms).

Do not miss out on this amazing and rare opportunity to invest in one NM's fastest growing areas!



The Property

Address: 2315 N. Jefferson St

Number of units: 12

Year of construction: 1979

Bldg. Size: 6,330 sf +/-

Site Size: .45 acres

Avg. Unit Size: 528 sf

UPC#: 4003688001

Legal: Section 23, Township 18 S Range 38E, Tr Beg.89D55E 1142.5' & N0D01'W 109.8'S89D55'e, 177.5'S0D01'E 109.8', N89D55'W 177.5' to Beg.

Start Price: \$840,000

\$/ unit: \$70,000

\$/sf: \$132.70

	Actual/Est (2023)	Proforma (2024)
Avg. Rent:	\$594	\$767
GRM:	9.82	7.61
Cap Rate Before reserves:	6.88%	9.08%
Cap Rate After reserves:	6.56%	8.76%
Year 1 NOI:	\$55,072	\$73,068
Cash on Cash:	6.12%	14.95%
Before Tax IRR:	20.4%	
After Tax IRR:	16.6%	

Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:										2315 N. Jefferson St, Hobbs, NM														
Prepared by: Todd Clarke CCIM					6/17/2024					"As-Is"														
Unit/Rent Summary										E					C					A				
#	Type	Style	Approx Size	Actual Rent	Street Rate	Market Rent	Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total sf													
1	Unit1	2/1	528	\$ 750	\$ 750	\$ 800	\$ 1.42	\$ 750	\$ 750	\$ 800	528													
2	Unit 2	1/1	528	\$ 475	\$ 550	\$ 750	\$ 0.90	\$ 475	\$ 550	\$ 750	528													
3	Unit 3	1/1	528	\$ 550	\$ 550	\$ 750	\$ 1.04	\$ 550	\$ 550	\$ 750	528													
4	Unit 4	2/1	528	\$ 550	\$ 750	\$ 800	\$ 1.04	\$ 550	\$ 750	\$ 800	528													
5	Unit 5	1/1	528	\$ 750	\$ 675	\$ 750	\$ 1.42	\$ 750	\$ 675	\$ 750	528													
6	Unit 6	1/1	528	\$ 550	\$ 675	\$ 750	\$ 1.04	\$ 550	\$ 675	\$ 750	528													
7	Unit 7	1/1	528	\$ 550	\$ 675	\$ 750	\$ 1.04	\$ 550	\$ 675	\$ 750	528													
8	Unit 8	2/1	528	\$ 675	\$ 750	\$ 800	\$ 1.28	\$ 675	\$ 750	\$ 800	528													
9	Unit 9	1/1	528	\$ 475	\$ 675	\$ 750	\$ 0.90	\$ 475	\$ 675	\$ 750	528													
10	Unit 10	1/1	528	\$ 550	\$ 675	\$ 750	\$ 1.04	\$ 550	\$ 675	\$ 750	528													
11	Unit 11	1/1	528	\$ 500	\$ 675	\$ 750	\$ 0.95	\$ 500	\$ 675	\$ 750	528													
12	Unit 12	2/1	528	\$ 750	\$ 750	\$ 800	\$ 1.42	\$ 750	\$ 750	\$ 800	528													
12	total units / Avg. Unit Size=			528	\$ 594	\$ 679	\$ 767	\$ 7,125	\$ 8,150	\$ 9,200	6,330													
			Avg Actual Rent \$/sf=			\$ 1.13	\$ 1.29	\$ 1.45	\$ 85,500	\$ 97,800	\$ 110,400													
Benchmarks																								
Offering Price		\$840,000																						
\$ /unit		\$70,000																						
\$ /sf		\$132.70																						
GRM		9.82		7.61																				
CAP Before Reserves		6.88%		9.08%																				
CAP After Reserves		6.56%		8.76%																				
Cash on Cash		6.12%		14.95%																				
DCR=		1.30		1.74																				
Walk Score: 46, Bike Score: 41																								
Expenses (Annual)																								
Real Estate Taxes				\$3,004	\$250	4%	2023 Actual Amount				\$7,299				\$608	7%	61% Sales Price							
Personal Property Taxes							assessed at \$335,073										Potential Assessment \$512,400							
Property Insurance				\$4,500	\$375	5%	Estimated				\$4,635				\$386	4%	Potential 2024 = 2023 + 3%							
Property Management:																								
Off Site Management				\$6,900	\$575	8%	2023 Actual Amount				\$7,237				\$603	7%	Est. management fee 8%							
Payroll-Onsite Personnel																								
Expenses/Benefits																								
Taxes/Workman's Compensation																								
Repairs and Maintenance				\$5,877	\$490	7%	2023 Actual \$9,580.29				\$6,053				\$504	5%	Potential 2024 = 2023 + 3%							
Utilities:																								
Water/Sewer				\$3,453	\$288	4%	2023 Actual				\$3,556				\$296	3%	Potential 2024 = 2023 + 3%							
Advertising/Licenses/ Commissions				\$1,250	\$104	1%	2023 Actual				\$1,288				\$107	1%	Potential 2024 = 2023 + 3%							
Appliance Repair				\$294	\$24	0%	2023 Actual				\$303				\$25	0%	Potential 2024 = 2023 + 3%							
Rental Tax Authority				\$462	\$38	1%	2023 Actual				\$475				\$40	0%	Potential 2024 = 2023 + 3%							
Pest Control				\$42	\$4	0%	2023 Actual				\$43				\$4	0%	Potential 2024 = 2023 + 3%							
Unit Turnover																								
Landscaping				\$210	\$18	0%	2023 Actual				\$216				\$18	0%	Potential 2024 = 2023 + 3%							
Lock/Key Replacement				\$189	\$16	0%	2023 Actual				\$195				\$16	0%	Potential 2024 = 2023 + 3%							
Internet							repairs+unit turn+reserve=8to10%																	
Reserve for replacement				\$2,700	\$225	3%	new lender will require				\$2,700				\$225	2%	new lender will require							
Total Operating Expenses				\$28,880	\$2,407	34%					\$34,000				\$2,833	31%								
Net Operating Income				\$55,072	\$4,589						\$73,608				Potential Market less 5% vacancy + other income									
Less: Annual Debt Service				ADS \$42,216	Loan \$ 630,000	LTV 75%	Pmt \$3,518	Term 30	Interest Rate 5.35%	ADS \$42,216				Loan \$ 630,000	LTV 75%	Pmt \$3,518	Term 30	Interest 5.35%						
Cash Flow Before Taxes				\$12,856	Quote from Ventana Fund									\$31,392										

(IRR) Internal Rate of Return

		Year	1	2	3	4	5	6	Calculated for 1st year of next owners, ownership
Total Potential Market Income	4.0% Increases		\$110,400	\$114,816	\$119,409	\$124,185	\$129,152	\$134,318	
2 Less: loss to market lease	11.4%		\$12,600	\$13,104	\$13,628	\$14,173	\$14,740	\$15,330	
3 Total Potential Income (Max Rent)			\$97,800	\$101,712	\$105,780	\$110,012	\$114,412	\$118,989	
4 Less: Loss to lease	12.6%		\$12,300	\$12,792	\$13,304	\$13,836	\$14,389	\$14,965	
5 Total Income			\$85,500	\$88,920	\$92,477	\$96,176	\$100,023	\$104,024	
6 Less: vacancy	5.0%		\$4,275	\$4,446	\$4,624	\$4,809	\$5,001	\$5,201	
7 Effective Rental Income			\$81,225	\$84,474	\$87,853	\$91,367	\$95,022	\$98,823	
8 Plus: Other Income	2.0% Increases		\$2,728	\$2,782	\$2,838	\$2,895	\$2,952	\$3,011	
9 Gross Operating Income			\$83,953	\$87,256	\$90,691	\$94,262	\$97,974	\$101,834	
Total Operating Expenses	2.0% Increases		\$28,880	\$29,458	\$30,047	\$30,648	\$31,261	\$31,886	
Net Operating Income			\$55,072	\$57,798	\$60,644	\$63,614	\$66,713	\$69,948	
Mortgage Balance			\$630,000						
ADS			\$621,277	\$612,076	\$602,370	\$592,132	\$581,333		
- Principal Reduction			\$42,216	\$42,216	\$42,216	\$42,216	\$42,216		
= Mortgage interest			\$8,723	\$9,201	\$9,706	\$10,238	\$10,799		
- cost recovery (annual)	27.5 yrs @	1.	\$33,493	\$33,015	\$32,510	\$31,978	\$31,417		
= Taxable Income		2.	\$23,419	\$24,436	\$24,436	\$24,436	\$23,419		
Tax on income at ordinary income rate of			\$-1,840	\$347	\$3,697	\$7,199	\$11,877		
NOI			\$0	\$122	\$1,294	\$2,520	\$4,157		
- Annual Debt Service			\$55,072	\$57,798	\$60,644	\$63,614	\$66,713		
= Cash Flow Before Tax			\$42,216	\$42,216	\$42,216	\$42,216	\$42,216		
- Less Ordinary Income Tax			\$12,856	\$15,582	\$18,428	\$21,398	\$24,497		
= Cash Flow After Tax			\$0	\$122	\$1,294	\$2,520	\$4,157		
			\$12,856	\$15,461	\$17,134	\$18,878	\$20,340		

Sales Worksheet

Calculation of Adjusted Basis

1 Basis at Acquisition	\$840,000
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$120,147
4 =Adjusted Basis at Sale	\$719,853

Calculation of Capital Gain

Disposition CAP Rate	6.6%
5 Sale Price	\$1,066,893
6 -Costs of Sale	\$85,351
7 -Adjusted Basis at Sale	\$719,853
8 =Gain or (Loss)	\$261,689
9 -Straight Line Cost Recovery (limited to gain)	\$120,147
# =Capital Gain from Appreciation	\$141,541

Calculation of Sales Proceeds after tax

# Sale Price	\$1,066,893
# -Cost of Sale	\$85,351
# -Mortgage Balance(s)	\$581,333
# =Sale Proceeds Before Tax	\$400,208
# -Tax: Straight Line Recapture at	25.0% \$30,037
# -Tax on Capital Gains at	20.0% \$28,308
# =SALE PROCEEDS AFTER TAX:	\$341,863

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

1. Deduct your annual mortgage interest before you calculate your taxable amount;
2. Deduct your cost recovery/depreciation before you calculate your taxable amount, in the future when you sell the property, you only pay back 25% of the benefit you received;
3. Your long term profit, or capital gain, is taxed at 20%

The combination of these benefits could help lower an investor's effective federal tax rate from 35% federal tax rate to only 19%.

IRR Before tax =	20.4%
n	\$
0	\$ (210,000)
1	\$12,856
2	\$15,582
3	\$18,428
4	\$21,398
5	\$24,497 + \$400,208

IRR After tax =	16.6%
n	\$
0	\$ (210,000)
1	\$12,856
2	\$15,461
3	\$17,134
4	\$17,134
5	\$18,878 + \$341,863

Investor's Effective Tax Rate = 19%

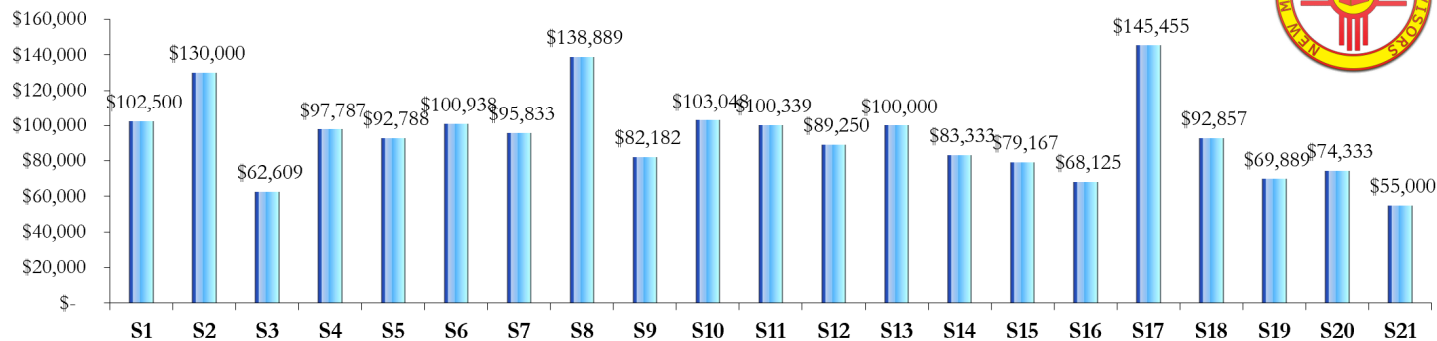
Comparable Sales

Comparable Sales Analysis for:

2315 N. Jefferson St, Hobbs, NM

Compiled by Todd Clarke CCIM

\$/unit



#	Name	Location	Units	Age	List Price	Sales Price	Sales Date	\$/unit	\$/sf	Avg. Rent	GRM	CAP *
S1		1410 Truman SE	8	1979	\$ 860,000	\$ 820,000	9/8/2022	\$ 102,500	\$ 131	\$794	10.76	5.7%
S2		3409 Tulane NE	10	1979	\$ 1,300,000	\$ 1,300,000	5/17/2023	\$ 130,000	\$ 170	\$949	11.42	5.3%
S3	Girard Commons	1409 Girard NE	23	1972	\$ 1,940,692	\$ 1,440,000	10/16/2023	\$ 62,609	\$ 202	\$515	10.13	5.8%
S4	Valencia Park	924 Valencia SE	20	2000	\$ 1,955,736	\$ 1,955,736	9/29/2023	\$ 97,787	\$ 111	\$825	9.88	4.8%
S5	Morris Manor	600 Morris NE	52	1982	\$ 4,988,057	\$ 4,825,000	12/20/2022	\$ 92,788	\$ 140	\$683	11.32	5.9%
S6	The Quads	501 14th SW	16	1951	\$ 1,615,000	\$ 1,615,000	8/22/2022	\$ 100,938	\$ 143	\$639	13.16	4.7%
S7		1404 Silver SW	12	1950	\$ 1,212,000	\$ 1,150,000	1/4/2024	\$ 95,833	\$ 137	\$763	10.47	6.0%
S8		354 Pueblo Solano NW	9	1966	\$ 1,250,000	\$ 1,250,000	3/17/2023	\$ 138,889	\$ 288	\$1,003	11.54	6.2%
S9		1440 Vassar NE	16	1972	\$ 1,314,914	\$ 1,314,914	10/16/2023	\$ 82,182	\$ 199	\$561	12.21	5.4%
S10		3410 Thaxton SE	21	1963	\$ 2,445,000	\$ 2,164,000	9/28/2023	\$ 103,048	\$ 101	\$913	9.41	6.9%
S11		512 Ash SE	8	1972	\$ 839,573	\$ 802,715	10/27/2023	\$ 100,339	\$ 229	\$730	11.45	5.4%
S12		517-21 Palomas SE	8	1963	\$ 725,000	\$ 714,000	8/18/2023	\$ 89,250	\$ 117	\$1,100	6.76	9.1%
S13		1010 Palomas SE	8		\$ 800,000	\$ 800,000	11/2/2023	\$ 100,000	\$ 111	\$800	10.42	5.9%
S14		1109 Arizona SE	12	1973	\$ 1,300,000	\$ 1,000,000	8/18/2023	\$ 83,333	\$ 106	\$885	7.85	7.9%
S15		5900 Marble NE	24	1968	\$ 1,360,000	\$ 1,900,000	9/19/2023	\$ 79,167	\$ 104	\$704	9.37	6.6%
S16		911-915 Alvarado SE	16	1975	Off market	\$ 1,090,000	8/2/2023	\$ 68,125	\$ 108	\$659	9.20	6.7%
S17	Kinney Flats	117 High & 121 High St	11	1901	\$ 1,766,000	\$ 1,600,000	3/27/2298	\$ 145,455	\$ 173	\$1,047	11.57	4.9%
S18		1340 San Mateo SE	7	1957	\$ 708,022	\$ 650,000	12/20/2022	\$ 92,857	\$ 122	\$829	9.33	6.6%
S19		302 Virginia NE	9	1955	\$ 629,900	\$ 629,000	7/20/2022	\$ 69,889	\$ 175	\$500	11.65	5.3%
S20		2129 Coal SW	9	1930	\$ 669,070	\$ 669,000	1/21/2022	\$ 74,333	\$ 130	\$689	8.99	6.9%
S21		4408 2nd NW	14	1965	\$ 725,000	\$ 770,000	8/1/2022	\$ 55,000	\$ 97	\$650	7.05	8.8%

Comps	Average				\$ 93,539	\$147	\$773	10.19	6.2%
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*imputed @ 5% vac, 35% exp

Subject Property	2315 N. Jefferson St, H	12	\$ 840,000		\$ 70,000	\$133	\$594	9.82	6.6%
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Average of Comparable SOLD applied to subject property

Average Rent for Sales = \$773

\$/unit \$ 93,539 \$ 1,122,470

\$/sf \$ 147.34 \$ 932,688

CAP (Actual) 6.2% \$ 883,901

GRM (Actual) 10.19 \$ 827,493

Average= \$ 941,638

Potential Lender - Ventana Fund



Ventana Fund is a NM headquartered, non-profit, CDFI and lender for multifamily product that supports affordable housing with renovations that include energy savings.

Properties that need extensive renovation / rehabilitation like this property are ideal for the Ventana Fund's Threshold product.

Application, term sheet and more can be found at

<http://www.ventanafund.org/loan-products/>

"We have worked with the Ventana Fund on several deals and have enjoyed working with them. They have allowed us to look at many deals in underserved areas of New Mexico, like Las Vegas or Moriarty, that we normally wouldn't have been able to. Places that need investment but that currently have holes in the capital market for financing." - **Sam Kunzman, Cory Sutphin, Edge Capital**

"I have worked with many lenders in the past and working with Ventana Fund is by far the easiest and least painful process I have encountered. Ventana Fund has extremely competitive rates and terms, and has been able to move more quickly than any other lender I have ever worked with. I would do all of my deals with Ventana Fund if I could." - **Joey Barr**

Term Sheet

Loan to Value:	Up to 80%
% of renovations funded in loan	Up to 80%
Interest rate range (depends on affordability, risk and % of renovations dedicated to en- ergy savings)	4.85% to 5.85%
Application Fee	\$2,500
Origination Fee	1% of loan value
Amortization:	30 years
Balloon	5 years

For More info Contact Loan Officer:

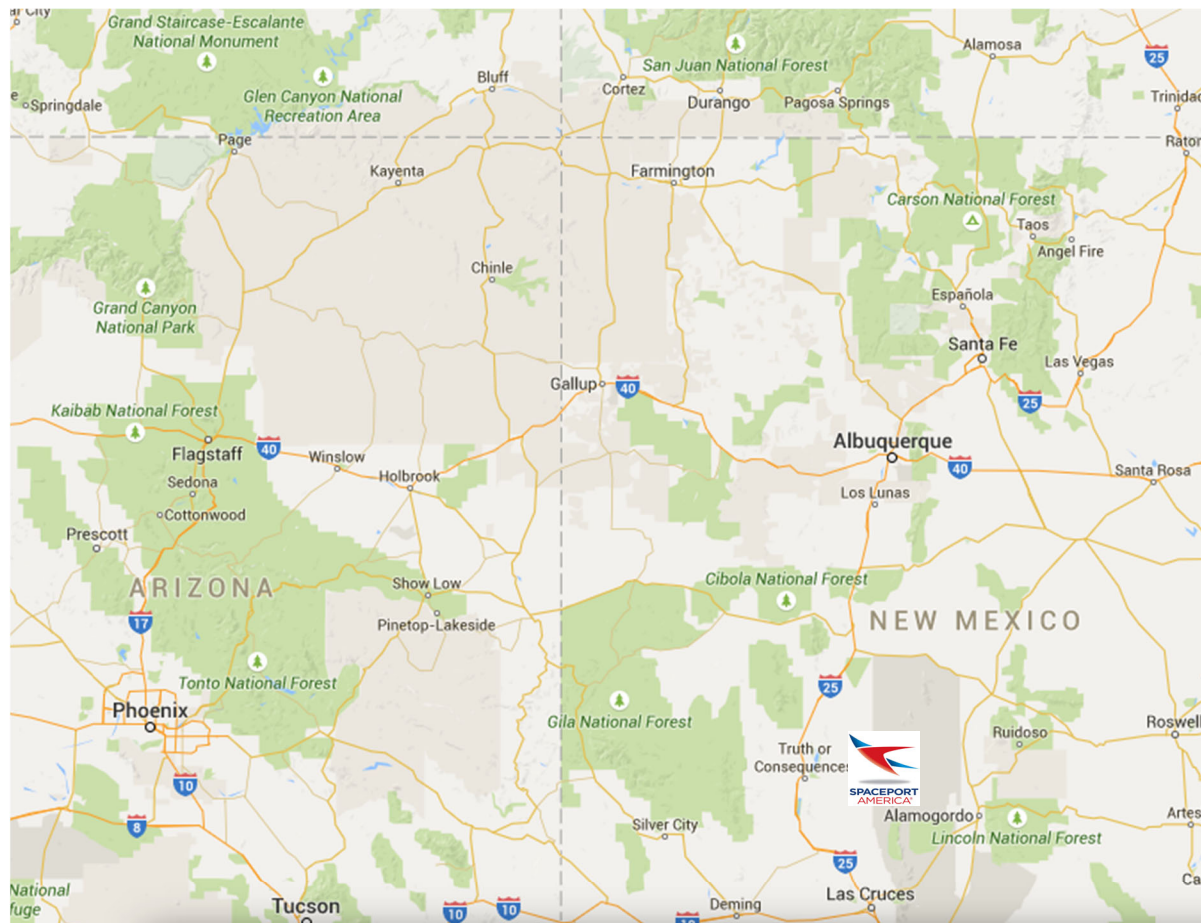
Bill Dolan

vwdolan@hotmail.com

(505) 270-5650

*Disclosure: Todd Clarke is a unpaid, volunteer board member of Ventana Fund

The Market—Southern NM



Distance from Hobbs to:

←	Carlsbad, NM	69 miles
←	Artesia, NM	77 miles
←	Midland/Odessa, TX	97 miles
←	Lubbock, TX	109 miles
←	Roswell, NM	116 miles
←	Amarillo, TX	220 miles
←	El Paso, TX	234 miles
←	Las Cruces, NM	287 miles
←	Santa Fe, NM	307 miles
←	Albuquerque	314 miles
←	Dallas, TX	396 miles
←	San Antonio, TX	412 miles

New Mexico passes North Dakota in oil production

Texas No. 1; rankings can affect investment in states

ASSOCIATED PRESS

North Dakota regulators say the state has officially lost its status as the nation's second-biggest oil producer to New Mexico. North Dakota produced just over 1 million barrels of oil per day in July, the most recent month for which data is available from the state Oil and Gas Division. The July production marks a 56,000-barrel-per-day or 5% drop from June, the Bismarck Tribune reported.

Texas continues to lead the nation in oil production. The Permian Basin spans parts of New Mexico and Texas, and it's arguably the biggest competition for North Dakota's



EDDIE MOORE/JOURNAL

A drilling rig installs a well south of Carlsbad in September 2019.

Bakken oil patch.

The southern oil-producing region is closer to major refineries and export terminals, and it attracts significant drilling and

investment within the oil and gas industry.

North Dakota ranked second, behind Texas, in oil production for nine years. It lost that status to New Mexico in July. The two states had been neck and neck for several months.

New Mexico had 82 rigs drilling Friday, compared with 27 operating in North Dakota.

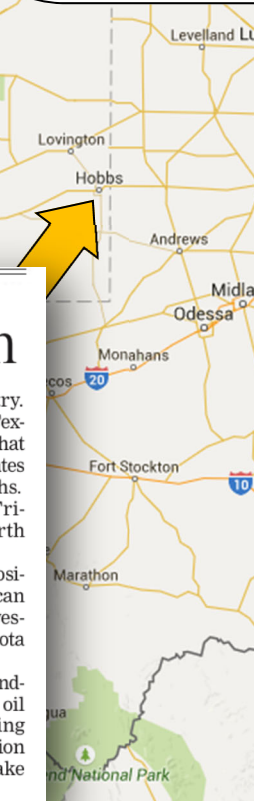
Aside from bragging rights, a state's position holds other implications. Rankings can affect an oil company's ability to find investors to fund a project in a state, North Dakota regulators have said.

North Dakota became the nation's second-biggest oil producer early in the Bakken oil boom as horizontal drilling and fracking technology sent the state's oil production skyrocketing. It surpassed Alaska to take second place in 2012.

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

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

New Mexico has an exceptional quality of living, as well as mile high Sandia mountains, and North America's largest cottonwood forest. It is known for its 300+ days of sunshine, skiing and golf in the same day, stunning sunsets, and abundance of outdoor activities.

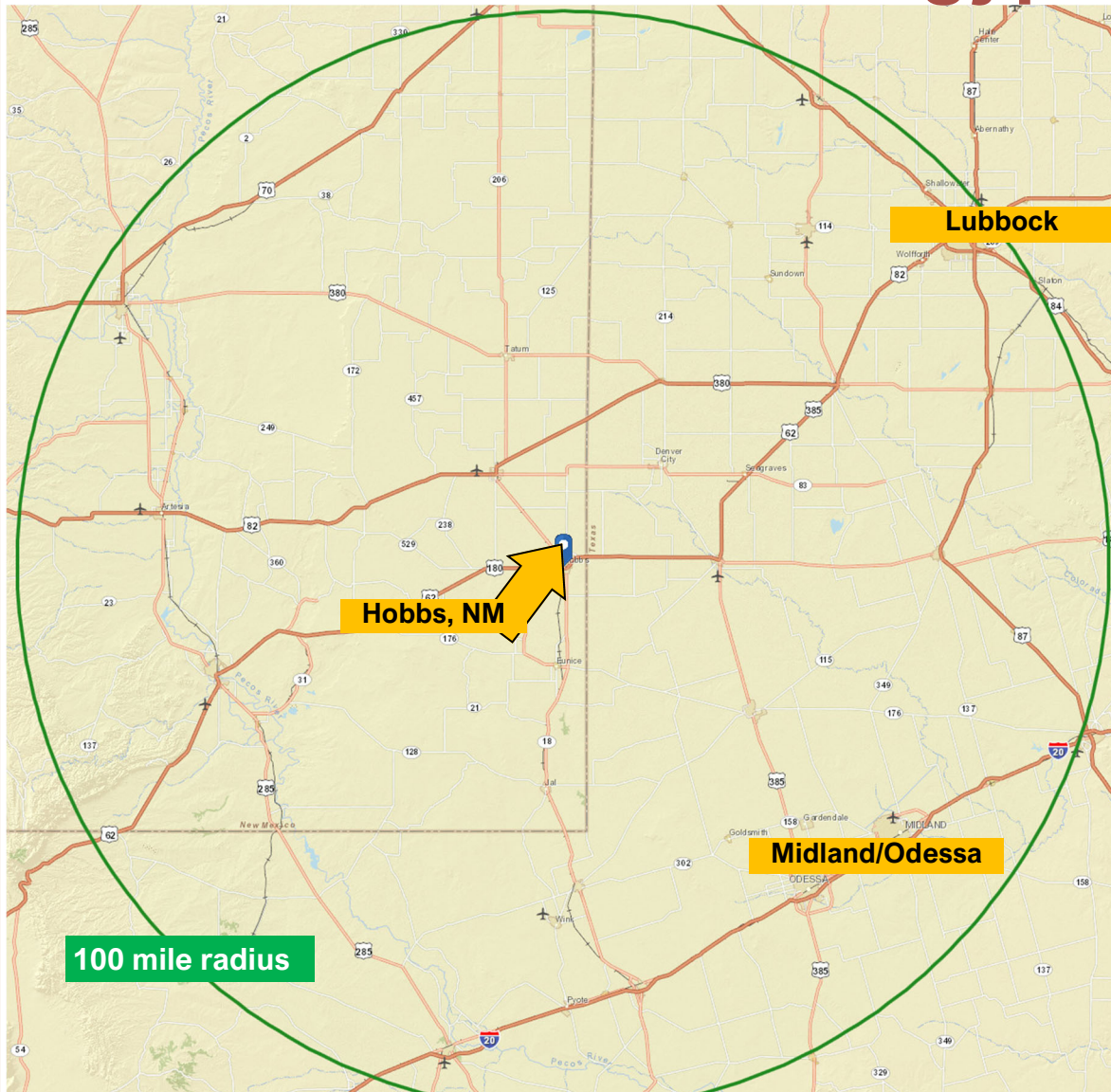


The Market—NM's Energyplex



The cities of Eunice, Hobbs, Jal, Lovington and Tatum have banded together to form the EnergyPlex—economic development focused on the abundant natural resources offered in Lea and adjoining Eddy counties.

Lea county ranked as the fastest growing county in NM from 2010 to 2014 with a 8.1% growth, followed by Curry (Clovis), and Eddy County (Carlsbad) at 4.8%.



100 mile radius

Within 100 miles of Hobbs is:

859,752 people	with a median age of	30.9 years
442,523 employees		
309,858 households	with a median household income	\$65,274
39,444 businesses		

Hobbs Area major employers (Q2-2015)

Hobbs Municipal Schools	1193
Haliburton	608
City of Hobbs	431
Lea Regional Medical Center	423
Ferguson Construction	411
Nor-Lea hospital	394
NM Junior College	389
Walmart	368
Urenco	362
Lea County	302
GEO Group (Correctional Facility)	267
D & D Pipeline Construction	254
NovaMud	225
Zia Park Racetrack and Casino	216
McDonald's	215
Willibros	181
Baker Hugest	183
Lin-Mar	174
WCS	171

The Permian Basin is growing...

PERMANIA

3 things you should know about the activity in NM's Permian Basin

BY RON DAVIS
rdavis@bizjournals.com

One thing is clear: Permania is here to stay for the time being.

Permania is a common hashtag among energy watchers on social media and speaks to the uptick in oil production in and around the Permian Basin, which includes part of southeast New Mexico.

Albuquerque Business First hosted its Energy Outlook panel Nov. 8 as part of our Grow New Mexico Series. Panelists included Dan Eberhart, CEO, Canary LLC; Jay Jenkins, president and CEO, Carlsbad National Bank; Margaret Lewis Meister, shareholder, Modrall Sperling; and Steve Saucedo, director of workforce training, New Mexico Junior College.

Along with oil production, most of the discussion centered on money and workforce in southeast New Mexico.

Here are three takeaways from Thursday's lively discussion.

There is business to be had in the Permian outside the oil and gas industry

Southeast New Mexico near the Permian Basin is in need of additional services, particularly in housing and lodging, panelists said.

Leaders in the southeast part of the state have found the workforce to be transient as a result of the oil boom. Jenkins noted that there's been an apartment complex in the works for months in Carlsbad, but the appeal of high-paying wages in oil and gas has lured the construction workers away from the project, leaving the project a work in progress.

"The opportunities are endless, but you have got to piece together the workforce and the housing," Jenkins said.

"We're not creating more workers, we're creating a carousel of workers," Saucedo added.

Anyone doing business in the Permian should prepare for the demands and business cycles

Companies are investing billions to



RON DAVIS | ALBUQUERQUE BUSINESS FIRST

From left, Albuquerque Business First Editor-in-Chief Rachel Sams, Canary LLC CEO Dan Eberhart, Carlsbad National Bank President and CEO Jay Jenkins, Modrall Sperling Shareholder Margaret Lewis Meister and New Mexico Junior College Director of Workforce Training Steve Saucedo.

get a piece of the oil-ripe Permian Basin, but the panelists cautioned individuals who are looking to get rich there, citing the volatility of the industry.

"If you are smart about it on the front end, recognize you can make some money, and when it goes bust, you do something else," Saucedo said. "You potentially could do very well, but understanding when the pendulum swings, so does the workforce."

Eberhart said finding workers is a challenge despite offering wages of more than \$25 an hour. He said he's seen employees outspend their paychecks, and some are unpleasantly surprised by the demanding nature of the work.

So about that budget surplus ...

Governor-elect Michelle Lujan Grish-

am could walk into office with about a \$2 billion surplus, partly due to oil and gas industry growth.

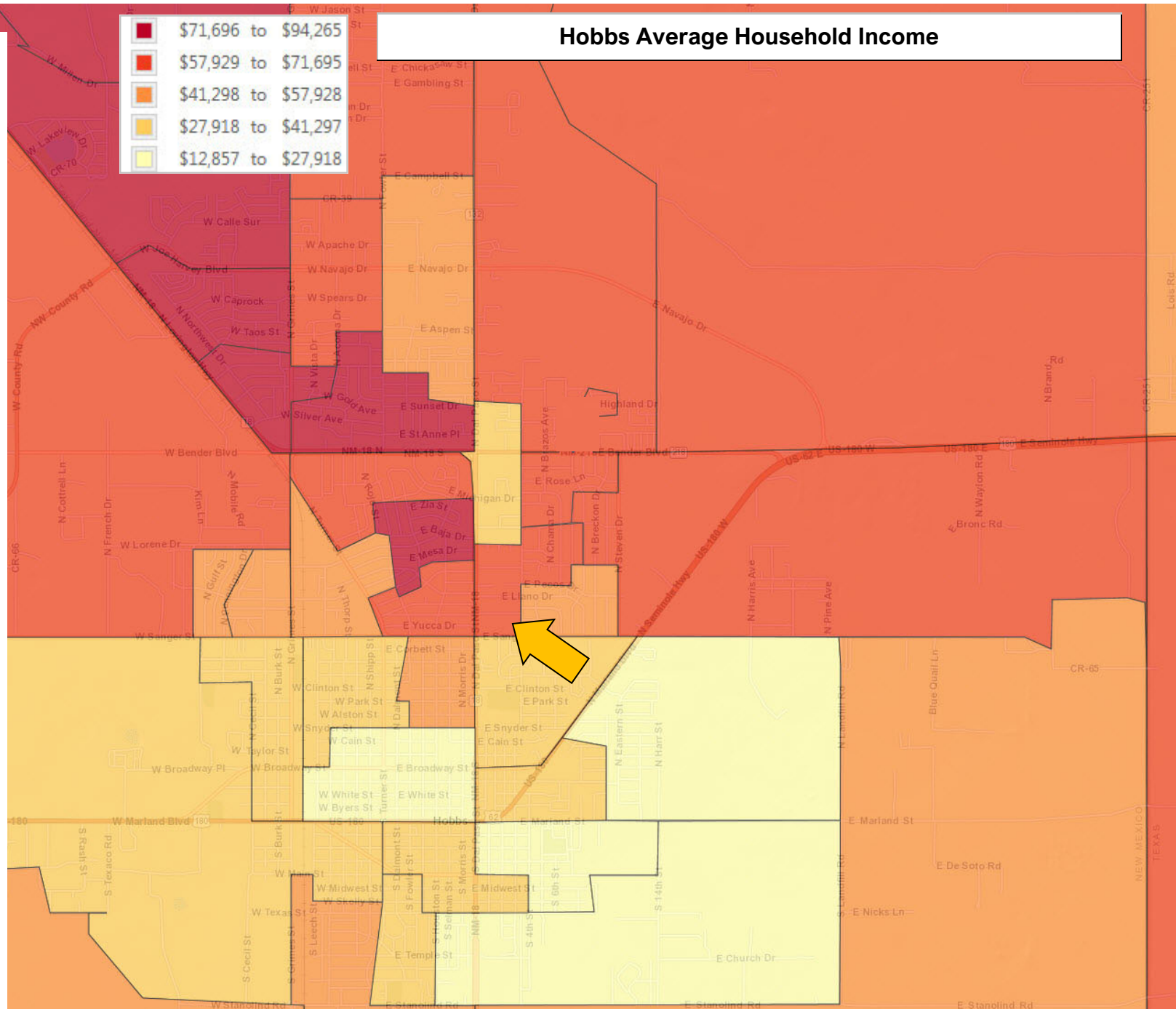
Panelists recommended investing in infrastructure in the Permian Basin, along with investing in education and diversifying the economy. Jenkins compared a possible reinvestment to giving that area an oil change to maintain its peak output.

"Hopefully the huge swing in state revenues from the Permian Basin and the severance taxes are obvious to the folks who just got elected and they understand that is the golden goose for us now," Lewis Meister said.

Energy Outlook was sponsored by Public Service Co. of New Mexico, Jaynes Corp. and New Mexico Gas Co.

Area Demographics/Employment

The 2315 N. Jefferson is within a few minutes drive time of a majority of the city including access to some 1,886 businesses, 21,885 employees, people whose average household income is \$82,980.



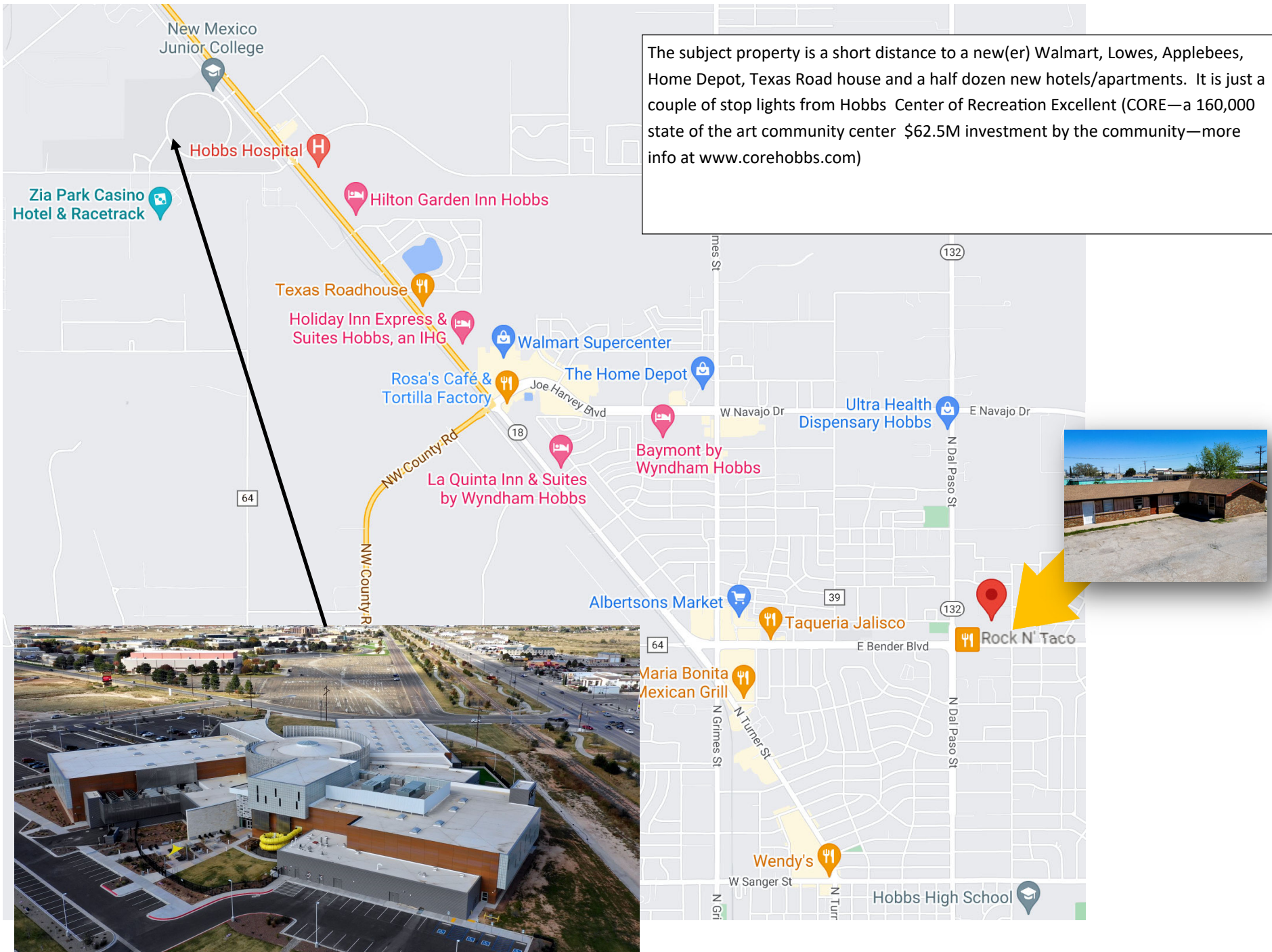
Retail opportunities in Hobbs, NM



The subject property is located in the heart of Hobbs and within a 10 minute drive of most anything a resident might need in the city.

The Neighborhood

The subject property is a short distance to a new(er) Walmart, Lowes, Applebees, Home Depot, Texas Roadhouse and a half dozen new hotels/apartments. It is just a couple of stop lights from Hobbs Center of Recreation Excellent (CORE—a 160,000 state of the art community center \$62.5M investment by the community—more info at www.corehobbs.com)



Assessor's Information

Owner # 3688 District 161
JEFFERSON HOBBS MF LLC

14605 VIVA DRIVE

CORONA CA 92880

Estimated Tax Estimated Year used
\$3094.29 2023

Central Full Value	0	Full Value	335073
Land Full Value	31827	Taxable Value	111691
Improvements Full value	303246	Exempt Value	0
Personal Property Full Value	0	Net Value	111691
Manufactured Home Full Value	0		
Livestock Full Value	0		

Basement Sq. Ft. 0 First Floor Sq. Ft. 2370 Second Floor Sq. Ft. 0 Year built 1979
Basement Sq. Ft. 0 First Floor Sq. Ft. 1980 Second Floor Sq. Ft. 0 Year built 1979
Basement Sq. Ft. 0 First Floor Sq. Ft. 1980 Second Floor Sq. Ft. 0 Year built 1979

170 Residential Land	.45	0.00	31827
260 Residential Improvements	0.00	111402	
260 Residential Improvements	0.00	95922	
260 Residential Improvements	0.00	95922	



Car-Dependent

Most errands require a car.



Somewhat Bikeable

Minimal bike infrastructure.



Photographs Interior



Aerial photographs



Aerial photographs



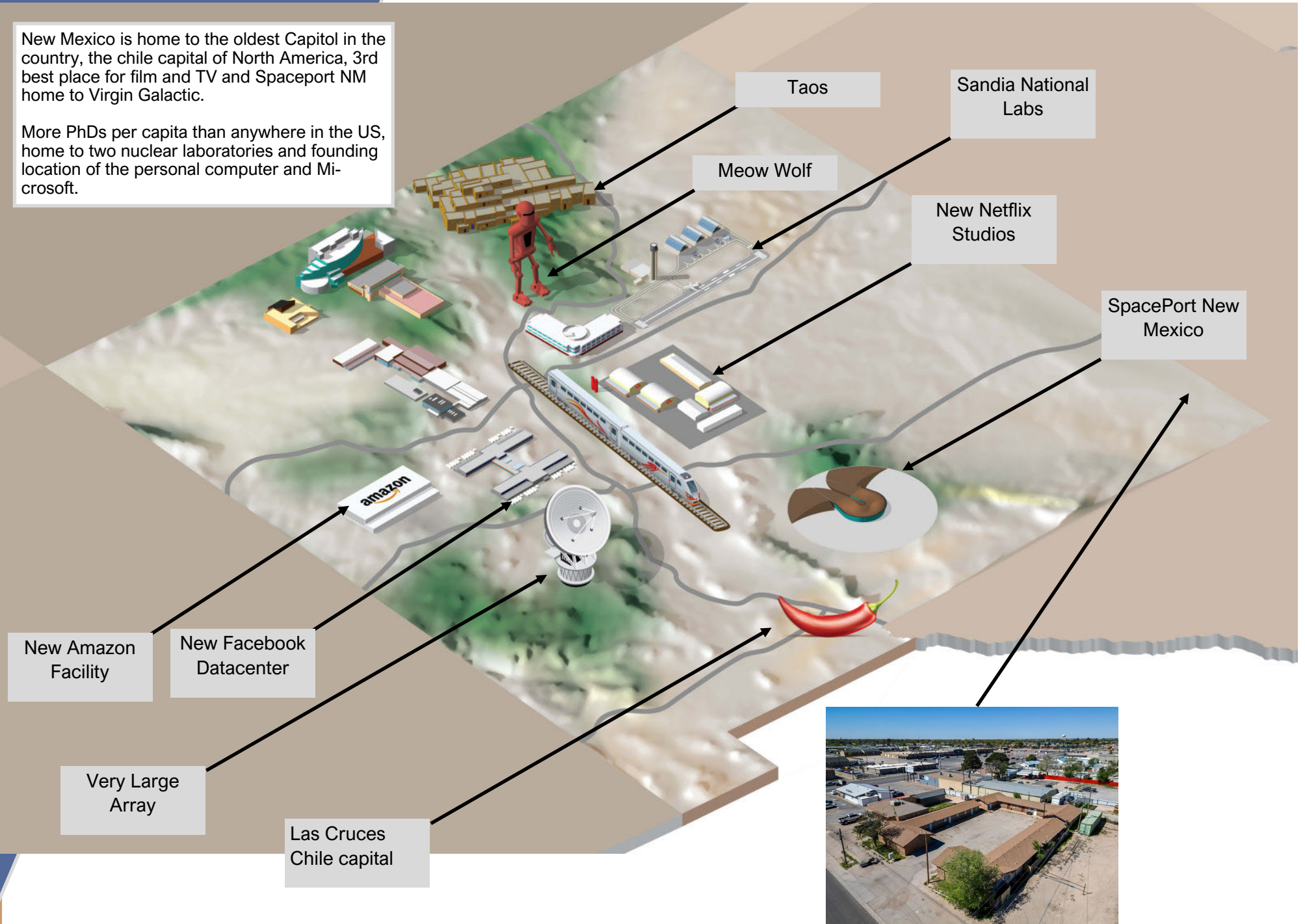
Exterior Photographs



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.



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 33 years. In that time, I have listed/sold over 15,160 units totaling \$548M. 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**

Cautions

Please do not disturb the residents or walk on site.

Seller suggests interested investors make offers subject to inspection.

Register for confidential documents at:

www.nmapartment.com/2315NJefferson



Marketing Advisors

In the event of a multiple offer situation, this property will be run using the Bid process - additional info on this 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 thirty-five 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 & Qualifying Broker

NM Apartment Advisors Inc.

NMREC License #13711

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