

Introduction

The Subject of this appraisal is a large, multitenant office property in Roswell, New Mexico. The property has a physical address of 400 - 404 W. Second Street. This is the non-signalized intersection of W. Second Street and Kentucky Avenue, a well-located site central to the city of Roswell. The real estate is comprised of an 8,368 SF office building with three leasable areas situated over a 32,000 SF commercial lot. The entire property is leased by Century 21 Home Services. The real estate office occupies 5,484 SF of the building while the other two units are currently vacant.

The Subject site is rectangular in shape with 160' of frontage along W. Second Street and a depth of 200' along N. Kentucky Avenue. An alley forms the west boundary of the site providing additional ingress and egress. The land is level, at street grade and entirely usable. Lots 1 – 3, the northerly portion of the land, are zoned as C-4 Westside Business District. This is a broad commercial classification that allows for a variety of development. The south lot, Lot 4 and currently only a graveled parking area, is zoned for R-3 Residential use. This is a residential district that allows other non-residential uses that are compatible with the surrounding area.

The entire property is leased by Century 21 Home Services, a real estate office. Century 21 occupies the bulk of the building and the two adjoining leasable spaces are currently vacant. The real estate office is on two levels totaling 5,484 SF. The main level is divided into two lobby and reception areas, 12 private offices, a large conference room, break area, three restrooms, a sunroom, and several closets. The upper level has an alcove at the top of the stairs, two offices and a restroom. There are multiple access points into the office from W. Second Street, Kentucky Avenue, and from the Subject's parking lot to the south side of the building. The main level has been renovated and is in good condition. The entire building has had a new roof and exterior stucco.

At 402 W. Second Street is an adjoining vacant space that is divided into two large open rooms, a large conference room, two offices, and one restroom. There is public access from W. Second Street and from the Subject parking lot through a courtyard. This space has a leasable area of 1,604 SF. The interior of this space has not been recently remodeled or upgraded. Some repairs are needed for occupancy.

The third suite is an end suite that abuts the paved alley. The address is 404 W. Second Street. It was most recently a used book store, but is currently vacant. It has four rooms plus a restroom, totaling 1,280 SF. Primary access is from W. Second Street, with secondary private entrance from the alley. This space is in average condition, but has a dated interior and is the lowest quality of the units in the building.

To the back of the building are paved and graveled parking lots that are accessed via Kentucky Avenue. Between the parking lot and building is a landscaped courtyard with decorative planters, a gazebo and shade trees. Covered entries exist at all access points. Off the courtyard is a small basement containing 667 SF (not included in gross building area) that is used for a mechanical room.

As a whole, the property is well-maintained. The space occupied by Century 21 has been renovated and is in above average condition. The two vacant leasable spaces have lesser quality interior finishes and are in average condition. Items of deferred maintenance noted in unit 402 W. Second Street are unfinished