

Up to 30 Condos Up At Auction

By [Mark Oswald](#) / Journal Staff Writer on Thu, Nov 17, 2011

A Santa Fe condominium in “an amenity-filled luxury development” for as low as \$65,000?

That’s part of the pitch for the latest condo auction to come to the City Different. This one will take place Dec. 11 for units at the same south Santa Fe development where the city’s first condo auction took place in 2008, The Alameda on Vegas Verdes Drive, south of Cerrillos Road near the Zafarano Road shopping area.

As many as 30 units will be on the auction block at the Santa Fe Community Convention Center. The auction company, Sheldon Good and Co. of New York, is guaranteeing that 10 units will be sold and says that more will be auctioned off if the seller — a private equity firm based in New York and Texas — feels the prices are going the right way.

Television and newspaper advertising for the auction promotes the \$65,000 minimum bid for some units. That applies to one-bedroom, one-bathroom units with 645 square feet. There are required minimum bids of up to \$115,000 for larger condos.

Mark Troen, Sheldon Good’s chief operating officer, said the minimum bids are real figures — there is no hidden “reserve” price above the minimums that must be reached before a unit can sell.

“What you see is truly what you get,” Troen said in a telephone interview.

As in many auctions, there is a “buyer’s premium” added to the price, in this case 6 percent — so a winning bid of \$100,000 would mean a \$106,000 total, plus the standard home sales fees, for the buyer.

“Our commitment is transparency, clarity and, frankly, we want to sell,” Troen said.

Instead of offering Alameda condos up for bid one at a time, the auction will use what Troen calls a “buyer’s choice” method.

A group of units — possibly as many as all 30 of the condos up for sale — will be “on the board” in front of the bidders for a single round of bidding.

The winning bidder then chooses the unit he or she wants. It could be a larger two-bedroom, two-bath unit — provided the minimum bid for a larger unit has been reached — or it could be a smaller condo.

“When they win the bid, they get the unit they want,” Troen said.

Then the group of units is re-auctioned, with that highest bidder choosing a unit, and so on.

All bidders will get a 10-minute seminar on how this works, he said.

“We’re creating a transparent process where the buyer is comfortable,” said Troen, who conducts real estate auctions around the country, including a shopping center sale in Salt Lake City on Wednesday.

Other details on the December auction:

◆ The Alameda development has monthly homeowners association fees starting at \$168 a month for the smallest units up to \$336 a month for the two-bedroom units. That covers building, grounds and pool maintenance, a fitness center, a conference room, hazard insurance, wi-fi in the clubhouse, a “reserve fund” and

a “professional management company.” Buyers have to get their own condo insurance.

◆ Bidders need to post certified checks to bid — from \$2,000 for the smallest unit up to \$5,000 for the biggest.

◆ There could be a reserve price set on units sold after the first 10, Troen said. That would be disclosed to bidders, he said.

Publicity for the sale says the minimum bids are about 60 percent off previous asking prices. For example, the smallest, 645 square-foot units with the \$65,000 bid minimum had a “previous list price” of \$165,000, and two-bed, two-bath, 1,171-square-foot condos with required minimum bids of \$105,000 were previously priced at \$265,000, the sale materials say.

Lower prices for Alameda units can be found online, however. One real estate website advertises 1,171-square-foot units in the Alameda development for \$193,000 and \$196,000. The same site offers three 874-square-foot units for \$120,000 to \$131,000.

The median price for condos or townhomes in the Santa Fe area was \$265,000 in the last quarter, according to the Santa Fe Association of Realtors.

The Alameda is not in Santa Fe’s fanciest or most rural neighborhood — it’s “on the up-and-coming southwest side,” the promotional materials note, and is convenient to the shopping centers centered on the congested Cerrillos/Airport road intersection. It’s also next to the Arroyo de los Chamisos hiking/biking trail. The mountains can be seen, but the development also has views in some directions to the rear walls of big stores near the condos, including the back side of the Sam’s Club store across the arroyo.



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Troen said about 100 of the development's 145 units have been sold. In 2008, shortly after the development was completed, about 25 units were snagged at the development's first auction, run by another auction company.

There will be pre-auction open houses on Saturdays and Sundays from 11 a.m. to 3 p.m. and Wednesdays through Fridays from 1 to 7 p.m. The Dec. 11 auction at the convention center starts at 11 a.m.

The auction website is www.SantaFeCondoAuction.com.