CRRC

COMMERCIAL REALTY RESOURCES CO.
MULTIFAMILY INVESTMENT SERVICES

Arkansas Oklahoma Kansas

Country Club Villas Apartments

101 Partridge Drive
Pryor, Oklahoma 74361

68-Units

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- Built in 2002
- All 2 bedroom units in single-story buildings
- Full size Washer and Dryer in each unit
- Strong Occupancy History
- 8% Cap Rate on Actual
- Well Below Replacement Cost
- Located in a market with a shortage of rental housing
- One of Oklahoma's fastest growing areas
- Pryor, the County Seat of Mayes County and
- Home of Mid America Industrial Park

www.crrc.us

Providing professional apartment brokerage and marketing services for over 29 years

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Disclaimer

This package has been prepared to provide summary information to prospective buyers and to establish an initial and preliminary level of interest in the property described herein. It is not intended to present all material information regarding the subject property, and is not a substitute for a complete and thorough due diligence investigation. Commercial Realty Resources has not made any investigation of the actual property, the tenants, the operating history, financial reports, leases, square footage, age or any other aspect of the property, including but not limited to the actual number of appliances being conveyed or any potential environmental problems that may exist and makes no warranty or representation whatsoever concerning these issues.

The information contained in this package has been obtained from sources we believe to be reliable; however, Commercial Realty Resources and Seller have not conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Any proformas, projections, opinions, assumptions or estimates used are for example only and do not necessarily represent the current or future performance of the property.

Commercial Realty Resources and Seller recommend that prospective buyers conduct an in-depth investigation of the physical and financial aspects of the property to determine if the property meets their needs and expectations. We also recommend that prospective buyers consult with their tax, financial and legal advisors on any matter that may affect their decision to purchase the property and the subsequent consequences of ownership.

Commercial Realty Resources and Seller recommend that prospective buyers consult with qualified professionals regarding the presence of any molds, funguses, or other organisms that may adversely affect the property and the health of individuals.

The material contained in this document is not to be copied and/or used for any purpose or made available without the express written consent of Commercial Realty Resources.

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Submarket Map

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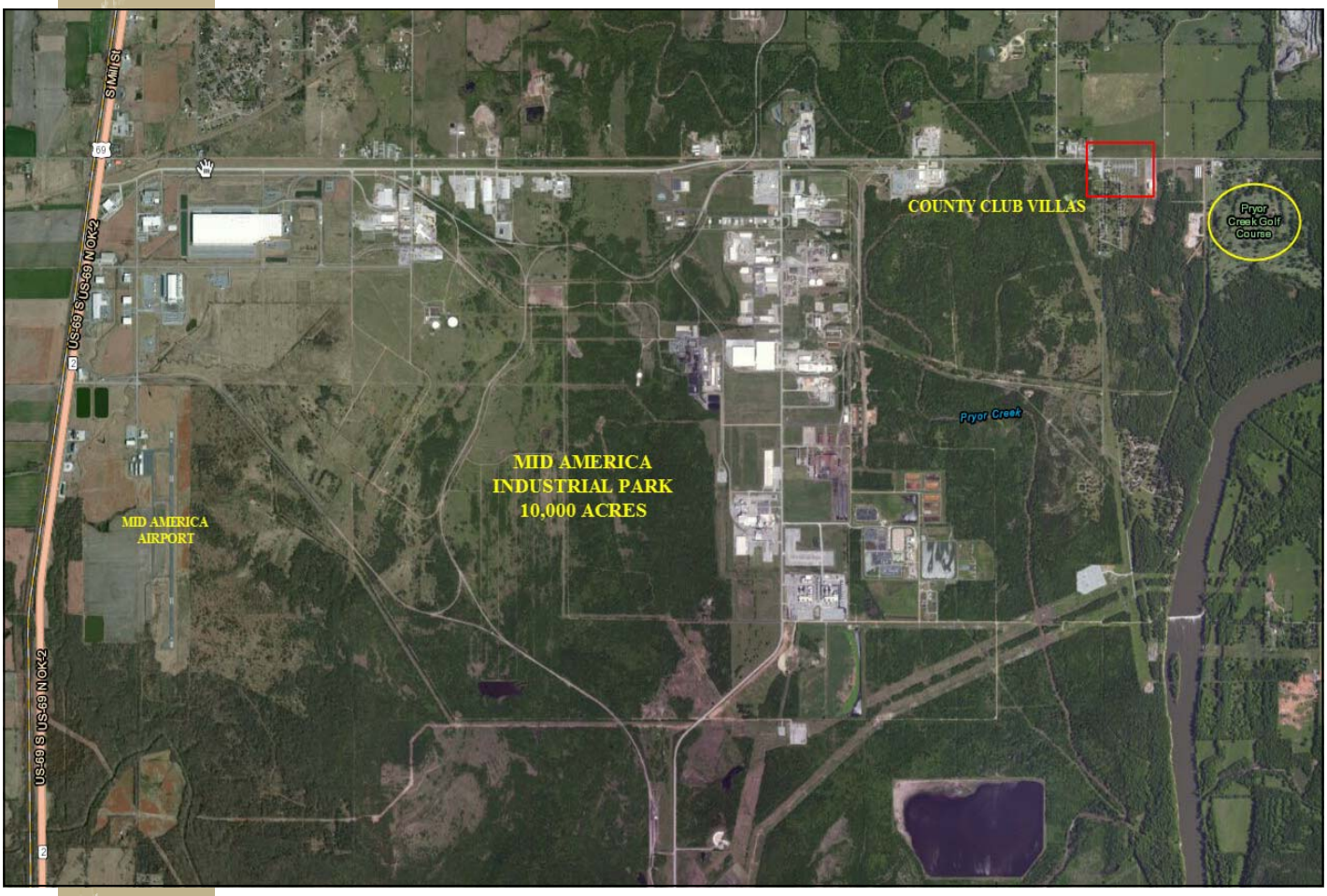
Neighborhood Map



County Club Villas Apartments
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Aerial Photo

County Club Villas Apartments
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Offering Description

Highlights:

- Built in 2002
- All 2 bedroom units in single-story buildings
- Full size Washer and Dryer in each unit
- Strong Occupancy History
- Well Below Replacement Cost
- Pryor is the County Seat of Mayes County
- Located in a market with a shortage of rental housing
- One of Oklahoma's fastest growing areas
- Pryor is home to one of the Nations largest industrial parks with more than 80 firms; including Google, Cherokee Nation Telecommunications, DuPont, GRDA, Interplastic Corp, Pryor Chemical, American Castings, along with two State College Campuses , OSU Institute of Technology, and the new RSU campus.
- 45 minutes from Tulsa.

Country Club Villas is a single story apartment community built in 2002. The buildings are constructed with brick veneer and vinyl siding, along with pitched roofs with composition shingles.

The property was built on 5.9 acres and has 17 buildings. The unit mix consists of 68 two bedroom units, all 862 square feet. Interiors include complete appliance packages including frost-free refrigerator, along with full size Washer and Dryer. The property is total electric with individual meters.

Country Club Villas is located just east of the Mid America Industrial Park in Pryor Oklahoma. The Mid America Industrial Park covers 10,000 acres and is one of the largest Industrial Parks in the nation, with over 3800 employees.

County Club Villas Apartments

101 Partridge Drive
Pryor, Oklahoma

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Property Description:

County Club Villas is a single story apartment community built in 2002. The property consists of 68 units on approximately 5.9 acres of land.

The unit mix consists of 68 two bedroom units all are 862 square feet.

The property is total electric with individual meters.

Number of Units: 68 Units

Number of Buildings: 17 single story buildings.

Year Built: 2002 *(according to courthouse records)*

Apartment Features: Unit interiors include, appliance packages including frost-free refrigerators, ceiling fans, and full size washer and dryer.

Construction:

Style: Garden style single story

Exterior: Brick Veneer with vinyl siding.

Roof: Pitched with composition shingle.

Mechanical System:

Electrical: Individual metering

HVAC: Individual units

Hot Water: Individual 40 gallon hot water tanks

Water: Provided by Property

Site/Land Area: 5.9346 acres *(according to courthouse records)*

Density: 11.5 units per acre

Current Occupancy: 98%

Real Estate Taxes:
0146000010C
Assessed Value (2014): 228,981
Tax Rate: 88.41 per 1,000 of Assessed Value
Assessment Ratio: 11% of Market Value
Taxes: $19,045

Recent Capital Improvements: New Roofs 2010.

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PURCHASE PRICE & TERMS

Purchase Price:	$3,836,000
Terms of Sale:	Cash Buyer to Obtain New Financing
Price Per Apartment Unit:	$56,412
Price Per Net Rentable Sq. Ft.	$65.44
Cap Rate: *(Based on Actual)*	8.00%

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Financial Analysis

Assumptions– We applied current market rents to calculate Gross Potential Rent of $570,384. This equates to an average monthly rate of $699. per unit and $.81 per square foot. We used a 5% vacancy rate and a 7.7% loss-to-lease along with expenses projected at $3,149 per unit per year. The stabilized Net Operating Income was determined to be $306,937, leaving the buyer upside potential to capture loss-to-lease on new leases and renewals.

Cap Rate- An 8.0 cap rate was applied to the stabilized NOI

Adjustments- Real Estate Taxes were adjusted to the higher assessed value.

Spreadsheet included on next page

Annual Property Operating Data

Run Date:	12-Aug-14	Price	$	3,836,000		Cap Rate on Proforma:	8.00%
Project:	**Country Club Villas**	Per Unit:	$	56,412		Cash-On-Cash on Proforma:	13.50%
Location:	101 Partridge Dr. Pryor	Per Foot:	$	65.44			
Number of Units:	68	Mortgage Balance:	$	3,068,800			
Net Rentable S.F.	58,616	Equity Requirement:	$	767,200	20%		

No. Units	Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Rent Roll	Rent/Sq.Ft.	Gross/Mo.	Gross/Yr.
68	2 Bed / 1 Bath	862	58,616	699.00	0.81	47,532	570,384
68		**862**	**58,616**	**699.00**	**0.81**	**47,532**	**570,384**

			2014 July Trailing 12	Annualized Jan thru July 2014	Proforma	Per Unit
INCOME						
	Market Rent				570,384	8,388
	Loss to Lease				44,000	647
	Gross Potential		508,297	511,932	526,384	7,741
	Vacancy and Other Loss	5.00%	21,519	12,917	26,319	387
	Total Rental Income		486,777	499,015	500,065	7,354
	RUBS				-	
	Other Income		28,438	20,585	21,000	309
	Total Revenue		**515,215**	**519,600**	**521,065**	**7,663**
EXPENSES						
	R E Taxes		19,320	19,045	37,000	544
	Insurance		22,663	22,880	23,800	350
	Water & Sewer		40,884	40,884	40,884	601
	Electricity		13,043	12,410	12,400	182
	Management Fee	4.00%			20,843	307
	Telephone		1,089	1,372	1,372	20
	Trash Removal		3,635	3,660	3,660	54
	Maintenance / Repairs		28,771	27,316	27,325	402
	Advertising		2,630	1,469	1,500	22
	Administration		4,443	3,644	3,645	54
	Payroll / Taxes / Benefit		42,559	39,749	39,749	585
	Professional Fees		4,930	1,944	1,950	29
			-	-	-	-
	Total Operating Expenses		**183,968**	**174,373**	**214,128**	
	Per Unit		2,705	2,564	3,149	
	Net Operating Income		**331,247**	**345,227**	**306,937**	
	Debt Service				203,352	
	Cash-Flow Before Taxes		331,247	345,227	103,585	

Proposed Financing		
Original Bal.	$	3,068,800
Current Bal.	$	3,068,800
Interest Only		
Maturity Date		10
Amortization		30
Interest Rate		5.25%
Debt Service	$	203,352

Real Estate Tax Information:		**Assessed Value:**	228,981	**Rate/$1000:**	88.41	**Value:**	$2,044,473
Account:	0146-00-001-00	**Tax Amount:**	$20,244	**Tax Dist:**	0	**Per Unit:**	$30,066

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Sold Comparison

Property Address: 1707 South Elliot Pryor, Ok

Size and Age: 156-units, Built in 2002

Price: $8,200,00 **Price Per Unit:** $52,564

Closing Date: 08 / 2014

Total Square Footage: 123,500

Pryor Creek

Note: Pryor Creek was lender owned prior to its recent sale and includes 24 unfinished units.

Property Address: 3500 South N Street, Fort Smith, , AR

Size and Age: 148-units, Built in 1981

Price: $7,100,000 **Price Per Unit:** $47,973

Closing Date: 08 / 2014

Total Square Footage: 114,443

Oakwood Gardens

Property Address: 201 Southridge Road, Tahlequah, OK

Size and Age: 312-units, Built in 2001

Price: $16,800,000 **Price Per Unit:** $53,846

Closing Date: 08/ 2014

Total Square Footage: 271,760

Pines at Southridge

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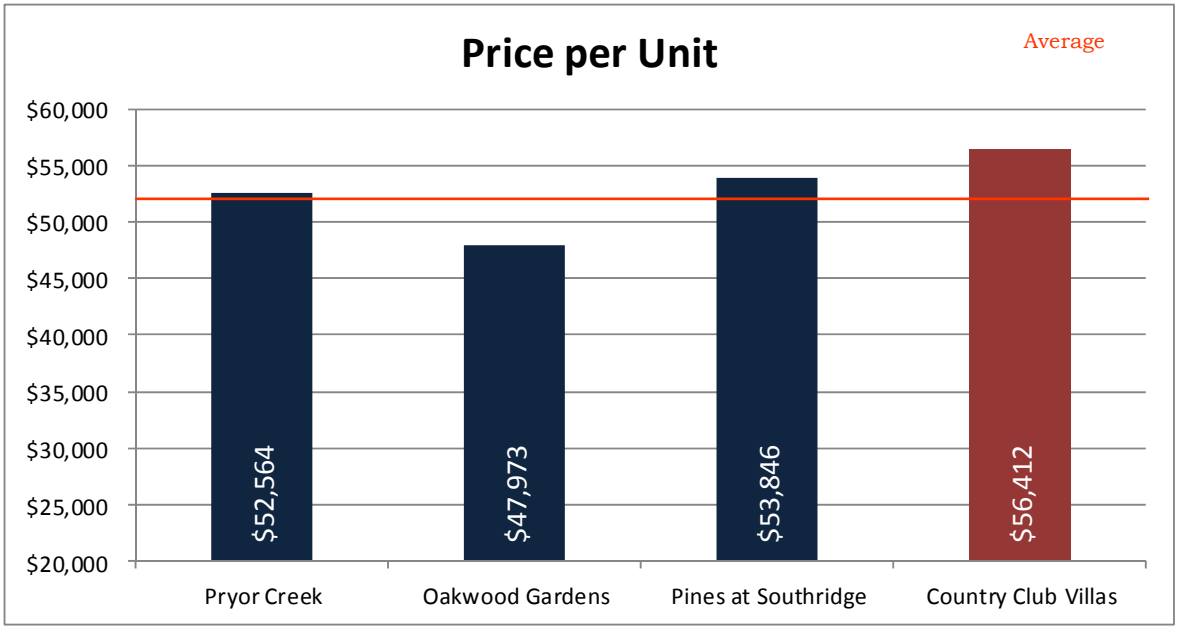
Sold Comparison Summary

Property	Price/Unit	Overall Price	No. Unit	Year Built
Pryor Creek	$52,564	$8,200,000	156	2002
Oakwood Gardens	$47,973	$7,100,000	148	1981
Pines at Southridge	$53,846	$16,800,000	312	2001
Total / Average	$52,110	$32,100,000	616	
Country Club Villas	$56,412	$3,836,000	68	2001



RENT COMPS

Country Club Villas is a class A property in the Pryor Oklahoma market. The city of Pryor has more demand for rental housing than it has available properties. Country Club Villas is one of only three apartment communities built since 2001. Chosen for this survey, Pryor Creek and Gardens at Pryor Creek are the other two properties built since 2001, the survey includes Prairie Village which is currently going through a remodel. Each property was chosen due to its similarity in regard to age and unit size. While each property may not be directly comparable in all aspects, collectively they represent the rental market for County Club Villas. All properties were 99% occupied with no current specials for this survey.

Pryor Creek
1707 South Elliot
Pryor, OK 74361

Built:	2002
Units:	156
One Bed Rent:	$725 / $.98
Two Bed Rent:	$825 / $.82

Gardens at Pryor Creek
700 North Elliot
Pryor, OK 74361

Built:	2001
Units:	90
One Bed Rent:	$539 / $.82
Two Bed Rent:	$597/ $.72

Prairie Village
1220 S.E. 9th
Pryor, OK 74361

Built:	1975
Units:	100
One Bed Rent:	$600 / $.90
Two Bed Rent:	$650 / $.77

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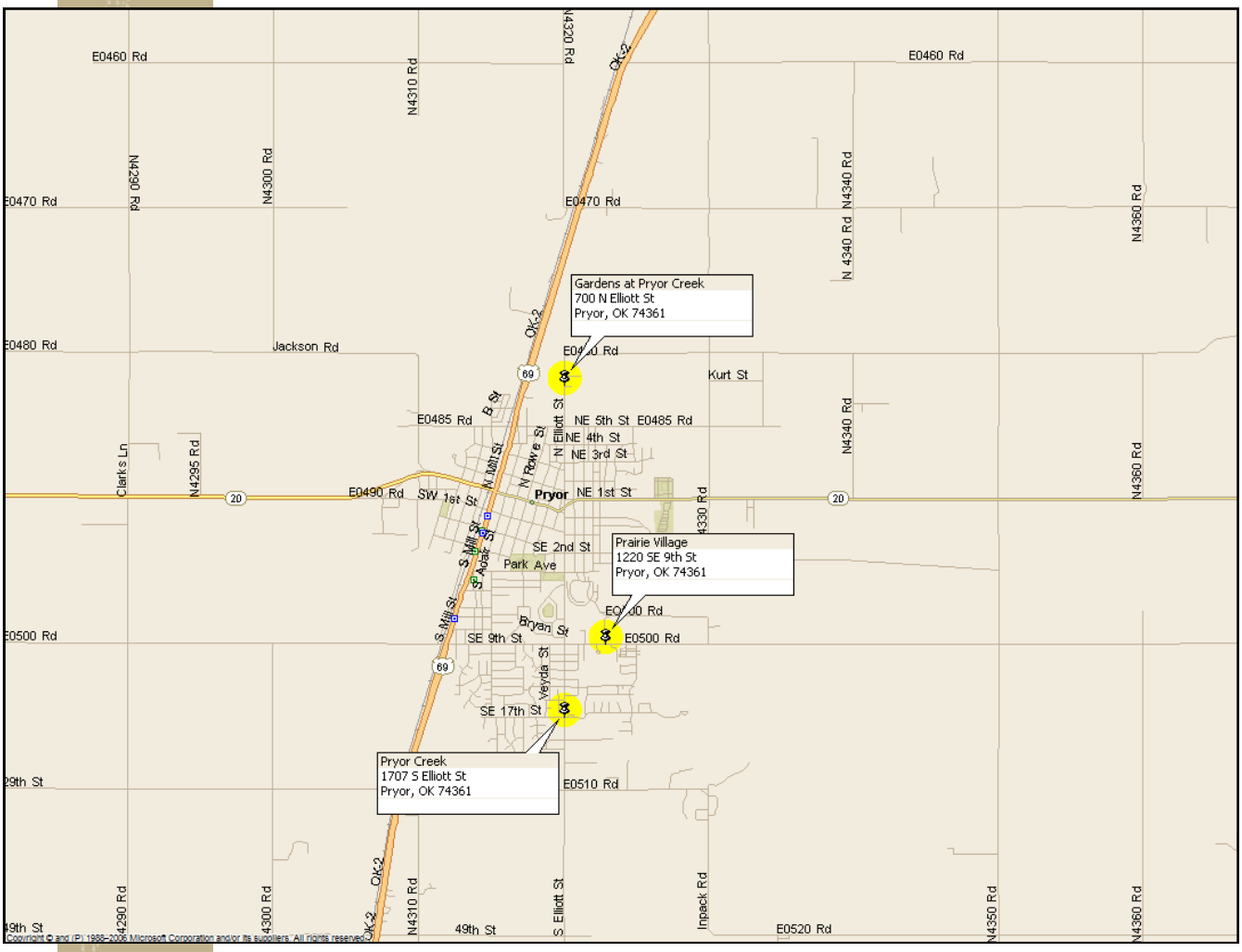
RENT COMP MAP



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PRYOR AREA
CHAMBER OF COMMERCE
moving business forward

http://www.pryorchamber.com/visit
Click on the above Link to visit the Pryor Area Chamber of Commerce

http://www.maip.com/index.php
Click on the above Link to visit the Mid America Business Park

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OKLAHOMA REAL ESTATE COMMISSION

What You Need to Know About Broker Services

A real estate broker may work with one or both parties to a real estate transaction. *The Oklahoma Broker Relationships Law (Title 59, Oklahoma Statutes, §858-351 – 858-363) allows a real estate firm to provide brokerage services to both parties to the transaction. This could occur when a firm has contracted with a seller to sell their property and a prospective buyer contacts that same firm to see the property. If the prospective buyer wants to make an offer on the property, the firm must now provide a written notice to both the buyer and seller that the firm is now providing brokerage services to both parties to the transaction.*

Oklahoma real estate brokers have mandatory duties and responsibilities to all parties in a real estate transaction. *These duties and responsibilities shall be described and disclosed in writing prior to signing a contract to sell, purchase, lease, option or exchange real estate. These duties and responsibilities are to:*

- *Treat all parties with honesty and exercise reasonable skill and care.*
- *Receive all written offers and counteroffers, reduce offers or counteroffers to a written form upon request of any party to a transaction and present timely all written offers and counteroffers (unless specifically waived in writing by a party).*
- *Timely account for all money and property received by the broker.*
- *Disclose information pertaining to the property as required by the Residential Property Condition Disclosure Act.*
- *Comply with all requirements of The Oklahoma Real Estate License Code and all applicable statutes and rules.*
- *Keep confidential information received from a party or prospective party confidential unless written consent is granted by the party, the disclosure is required by law, or the information is public or becomes public as the results of actions from a source other than the broker. Confidential information includes:*
  - *That a party is willing to pay more or accept less than what is being offered*
  - *That a party or prospective party is willing to agree to financing terms different from those offered*
  - *The motivating factors of the party or prospective party purchasing, selling, leasing, optioning or exchanging the property*
  - *Any information specifically designated as confidential by the party unless such information is public.*

A broker has additional duties and responsibilities only to a party for whom the broker is providing brokerage services. *These duties and responsibilities shall also be described and disclosed in writing prior to signing a contract to sell, purchase, lease, option and exchange real estate. These duties are to:*

- *Inform the party in writing when an offers is made that the party will be expected to pay certain costs, brokerage services costs and approximate amount of the costs.*
- *Keep the party informed regarding the transaction.*

If a broker intends to provide fewer brokerage services than those required to complete a transaction, the broker shall provide written disclosure to the party for whom the broker is providing services. *The disclosure shall include a description of those steps in the transaction that the broker will not provide and state that the broker assisting the other party in the transaction is not required to provide assistance with these steps in any manner.*

Disclosure of these duties and responsibilities is required in writing. *The duties and responsibilities disclosed by the broker shall be confirmed in writing by each party in a separate provision, incorporated in or attached to the contract to purchase, option or exchange real estate.*

Services provided to a tenant do not automatically create a broker relationship. *When a broker provides brokerage services to a landlord under a property management agreement, the services provided to the tenant by the broker shall not be construed as creating a broker relationship between the broker and the tenant unless otherwise agreed to in writing; however, the broker owes to the tenant the duties of honesty and exercising reasonable skill and care.*

For more information, visit www.orec.ok.gov

This form was created by the Oklahoma Real Estate Contract Form Committee and approved by the Oklahoma Real Estate Commission.