



COMMERCIAL REALTY RESOURCES COMPANY
MULTIFAMILY INVESTMENT SERVICES



Arkansas

Oklahoma

Kansas



Seminole, Oklahoma

Courtyard Apartments

2215 Highway 9 West

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Providing professional apartment brokerage and marketing services for over 25 years

1. Courtyard Property Highlights

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The information included herein is from reliable sources, but is not guaranteed and is offered subject to errors and omissions.



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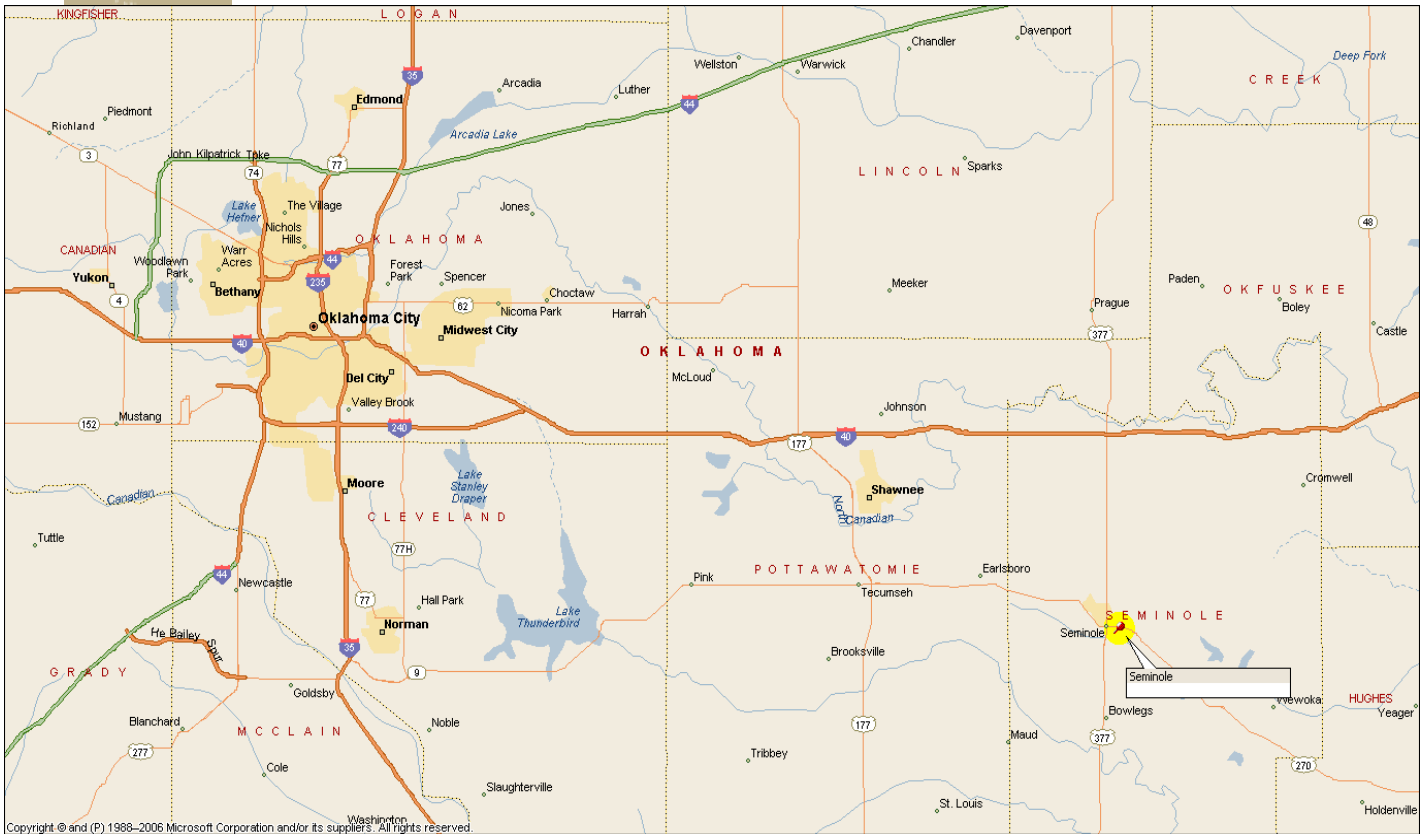


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Submarket Map

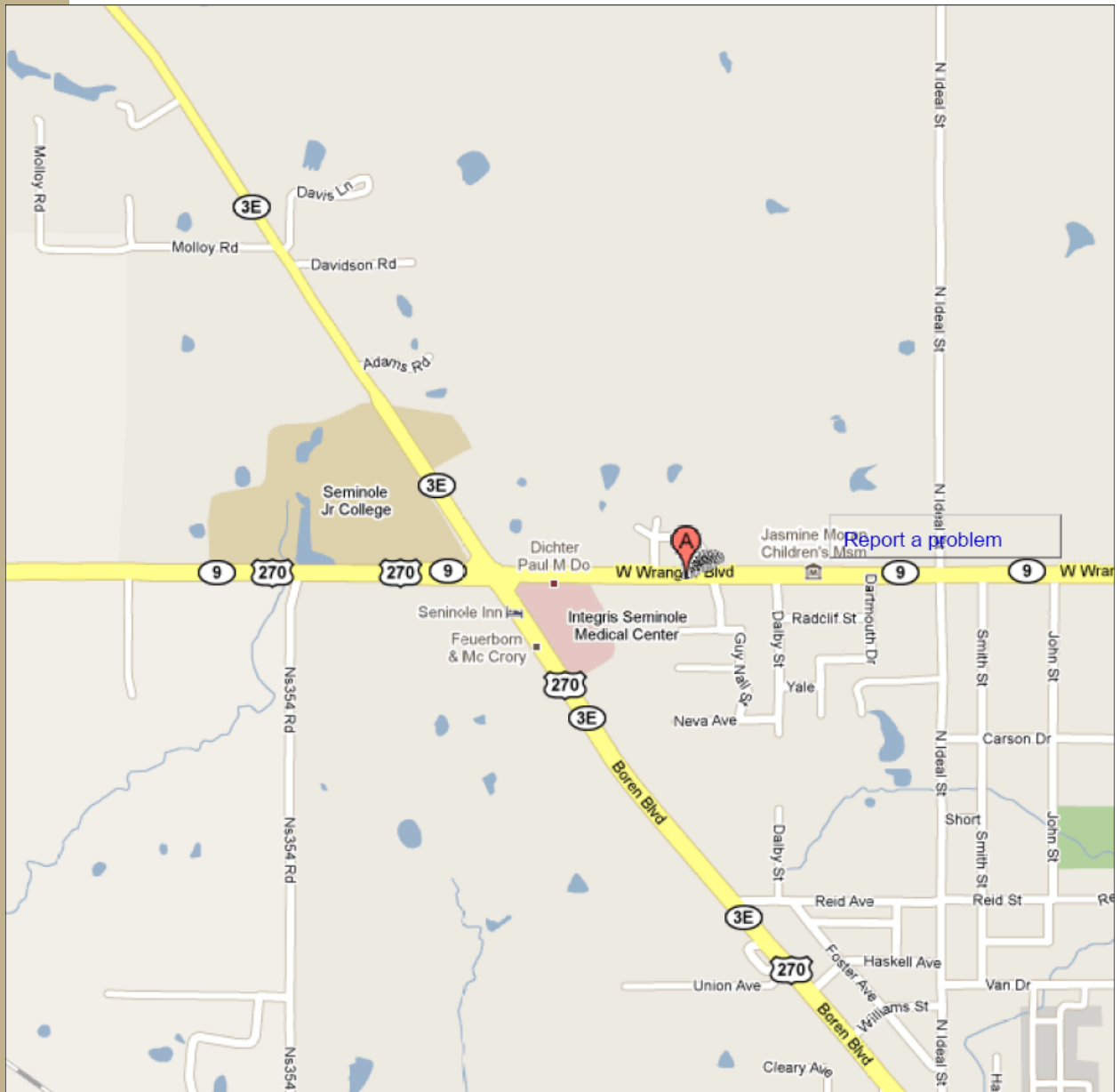


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Neighborhood Map



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Seminole State College

Seminole State College is maintained as a two-year public college authorized by the Oklahoma State Regents for Higher Education to offer courses, provide programs, and confer associate degrees. Seminole State has the primary responsibility of providing post-secondary educational programs to residents of Hughes, Lincoln, Okfuskee, Seminole, and Pottawatomie counties in east central Oklahoma.



The College exists to enhance the capabilities of individuals to achieve their goals for personal development by providing quality learning experiences and services that respond to diverse individual and community needs in a changing global society.

Seminole State College prepares students to continue their education beyond the two-year level, trains students for careers and other educational opportunities, and makes available resources and services designed to benefit students and the community at large.

- *Enrollment for Fall, 2009 reached an all-time high of 2,400 – up 20% over the previous year .*

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Submarket Employers



Seminole State Junior College
2701 Boren Boulevard
Seminole, OK
225 Employees



VF Jeanswear Wrangler
1400 West Wrangler Boulevard
Seminole, OK
300+ employees



Wal-mart
1500 East Wrangler Boulevard
Seminole, OK
300+ employees



Seminole Public Schools
617 Timmons Street
Seminole, OK
181 employees



Seminole Nation Development Authority
2115 West Wrangler Boulevard
Seminole, OK
118 employees

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Submarket Employers



Seminole Medical Center
2401 West Wrangler Boulevard
Seminole, OK
110 Employees



Coates Roofing
11991 Old State Highway 99
Seminole, OK
85 employees



City of Seminole
401 W. Main
Seminole, OK
77 employees



Enviro Systems Inc.
12037 N Highway 99
Seminole, OK
62 employees

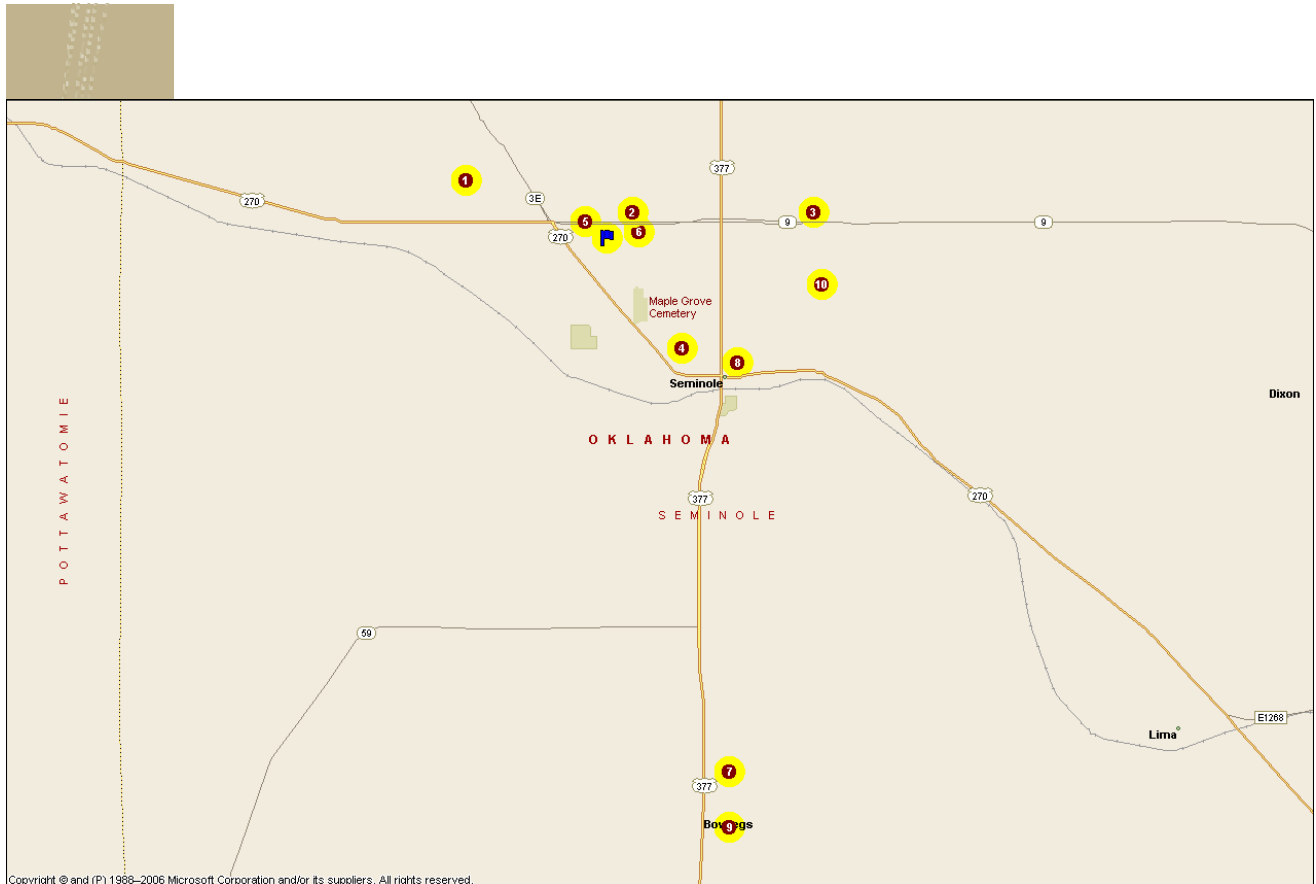


Saber Industries
1501 N. Harvey Road
Seminole, OK
60 employees

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- 1 Seminole State Junior College
- 2 VF Jeanswear Wrangler
- 3 Wal-mart
- 4 Seminole Public Schools
- 5 Seminole Nation Development Authority
- 6 Seminole Medical Center
- 7 Coates Roofing
- 8 City of Seminole
- 9 Enviro Systems Inc.
- 10 Saber Industries

Courtyard Apartments

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Seminole, OK



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Offering Description

Courtyard is an 85 unit apartment community conveniently located in Seminole, Oklahoma. The property is off of West Wrangler Boulevard, also known as Highway 9. This is the main arterial road running East and West through Seminole and provides convenient access to the nearby Seminole State College and local employers. There are over 500 employees within minutes of the property. Courtyard has an excellent location and the lack of competition provides a buyer a unique opportunity to enhance value through continued upgrades and management.

Seminole State College has been a major draw to this community since 1931. Enrollment for Fall, 2009 at the college reached an all-time high of 2,400 – up 20% over the previous year. The college remains a popular two-year program with a new Student Services Center, tennis courts and MIS center. The college also has well recognized tennis, basketball and baseball programs. Ryan Franklin, a former SSC Trojan now pitches for the Saint Louis Cardinals and pitched in the 2009 All-Star game.



Offering Highlights:

- *Complete New Roofs in 2010*
- *New Perimeter Fencing in 2010*
- *New Landings to Stairwells in 2010*
- Excellent Submarket supported by a university and local employers
- Minimal number of competitive properties
- No down units
- Property painted in 2008
- Within walking distance of Seminole State College and Seminole Medical Center

Courtyard Apartments

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Seminole, OK



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Property Description:

Courtyard is a two-story garden style apartment community.

Property Location:

Courtyard is located in northwest Seminole, just south of Highway 9 West. Major employers within minutes of the property include; Seminole State Junior College, VF Jeanswear Wrangler, Seminole Nation Development Authority and Seminole Medical Center.

Number of Units:

85-Units
3 additional units are being used for storage, leasing office and the maintenance shop.

Year Built:

1974

Apartment Features:

Apartments feature wall-to-wall carpeting and vinyl tile in the kitchen and baths. Walk-in closets, vertical and mini-blinds, ceiling fans, frost-free refrigerator/freezer, dishwasher, range/oven with vent-hood, and garbage disposal.

Property Amenities:

The property has a laundry facility and swimming pool.

Construction:

Style: Two-story Garden Style

Exterior: Wood frame with vinyl siding exterior.

Roof: Flat mansard roofs with vinyl siding.

Parking: The parking areas are asphalt with concrete curbs and walkways.

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Mechanical System:

Electrical Metering: Total electric and individually metered. Tenants pay electric.

HVAC: The studio units and small one bedroom units have wall unit HVAC. The remaining units have central heat and air.

Hot Water: Individual hot water heaters

Water: Provided by the property

Site/Land Area:

3.55 acres

Density:

24.78 units per acre

Current Occupancy:

See Rent Roll



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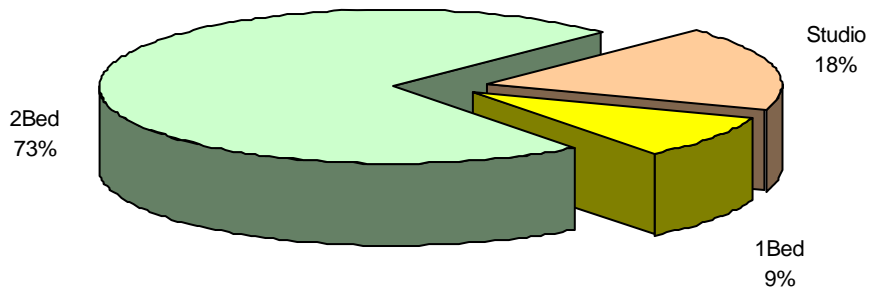
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UNIT SUMMARY

No. Units	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Market Rent	Rent/Sq.Ft.	Gross/Mo.	Gross/Yr.
8	Studio	351	2,808	322.50	0.92	2,580	30,960
7	1bed Studio	351	2,457	325.00	0.93	2,275	27,300
8	1bed/1bath	602	4,816	390.00	0.65	3,120	37,440
54	2bed/1bath	848	45,792	465.00	0.55	25,110	301,320
8	2bed/1bath	936	7,488	475.00	0.51	3,800	45,600
85		745	63,361	433.94	0.58	36,885	442,620

Square footage provided by County Records

DISTRIBUTION RATIO



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Purchase Price & Terms

<u>Purchase Price:</u>	\$1,550,000
<u>Terms of Sale:</u>	Buyer to obtain new financing.
<u>Price Per Apartment Unit:</u>	\$18,235
<u>Price Per Net Rentable Sq. Ft.</u>	\$24.46
<u>Cap Rate:</u>	8.81% on Actuals



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Operating Data Highlights

Income

- Income is based on 2011 actual and current rental rates being charged. We have also included a 3% Loss-to-Lease, 10% Vacancy and Concession Loss which creates the upside potential for the buyer.

Expenses

- Expenses are calculated at 2,971 per unit per year.
- Real Estate taxes have been adjusted to the purchase price.

Mortgage and Debt Service

- Buyer to obtain new financing.

Annual Property Operating Data							
Run Date:	21-Nov-11	Purchase Price:	\$	1,550,000	Cap Rate:	8.81%	
Project:	Courtyard Apartments	Per Unit:	\$	18,235	Cash-On-Cash :	12.27%	
Location:	Seminole	Per Foot:	\$	24.46	GRM:	3.50	
Number of Units:	85	Mortgage Balance:	\$	1,162,500			
Net Rentable S.F.:	63,361	Equity Requirement:	\$	387,500	25%		
No. Units	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Market Rent	Rent/Sq.Ft.	Gross/Mo.	Gross/Yr.
8	Studio	351	2,808	322.50	0.92	2,580	30,960
7	1bed Studio	351	2,457	325.00	0.93	2,275	27,300
8	1bed/1bath	602	4,816	390.00	0.65	3,120	37,440
54	2bed/1bath	848	45,792	465.00	0.55	25,110	301,320
8	2bed/1bath	936	7,488	475.00	0.51	3,800	45,600
85		745	63,361	433.94	0.58	36,885	442,620
		2009	2010	2011 Jan-Oct Annualized	Proforma	Per Unit	
INCOME							
							-
	Gross Potential		446,420	442,620	442,620	5,207	
	Loss to Lease 3%		19,246	19,477	13,279	156	
	Vacancy 10%		-	45,331	44,262	521	
	Potential Rent		381,843	377,891	385,079	4,530	
	Concessions / Rent Loss		-	38,171	30,000	353	
	Total Revenue Income		329,377	343,672	346,100	355,079	4,177
	Utility Income		-	-	-	-	
	Other Income		19,870	22,286	35,213	34,000	400
	Total Revenue		349,247	365,958	381,313	389,079	4,577
EXPENSES							
	R E Taxes		4,963	2,672	3,197	17,000	200
	Insurance		11,749	16,514	9,808	12,140	143
	Management Fee 5%		15,000	15,000	15,000	19,454	229
	Utilities		43,379	54,772	58,986	55,000	647
	Maintenance / Repairs		36,290	46,840	46,669	43,000	506
	Outside Contracts / Turnover		15,612	7,557	9,963	7,700	91
	Advertising		2,228	4,840	3,703	4,200	49
	Professional Fees		4,864	-	-	-	-
	Pest Control		-	2,005	3,907	2,000	24
	Landscaping		-	7,860	8,671	8,000	94
	Payroll / Taxes / Benefit / Bonus		69,650	71,895	84,170	72,000	847
	Office		12,142	19,457	16,849	12,000	141
	New Pool Fence - Non Recurring		-	-	-	-	-
	Major Capital		-	-	-	-	-
	Total Operating Expenses		215,877	249,412	260,923	252,494	2,971
			2,540	2,934	3,070	2,971	3.99
	Net Operating Income		133,370	116,546	120,390	136,585	1,607
	Debt Service		-	-	-	89,029	1,047
	Cash-Flow Before Taxes		133,370	116,546	120,390	47,556	559
Proposed New Financing							
	Original Bal.					\$	1,162,500
	Current Bal					\$	1,162,500
	Maturity Date						5
	Amortization						25
	Interest Rate						5.90%
	Constant						7.658%
	Debt Service					\$	89,029
Real Estate Tax Information:		2009	Assessed Value:	0	Rate/\$1000:	0	Value: \$0
Account:			Tax Amount:	\$0	Tax Dist:	0	Per Unit: \$0

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Seminole, OK

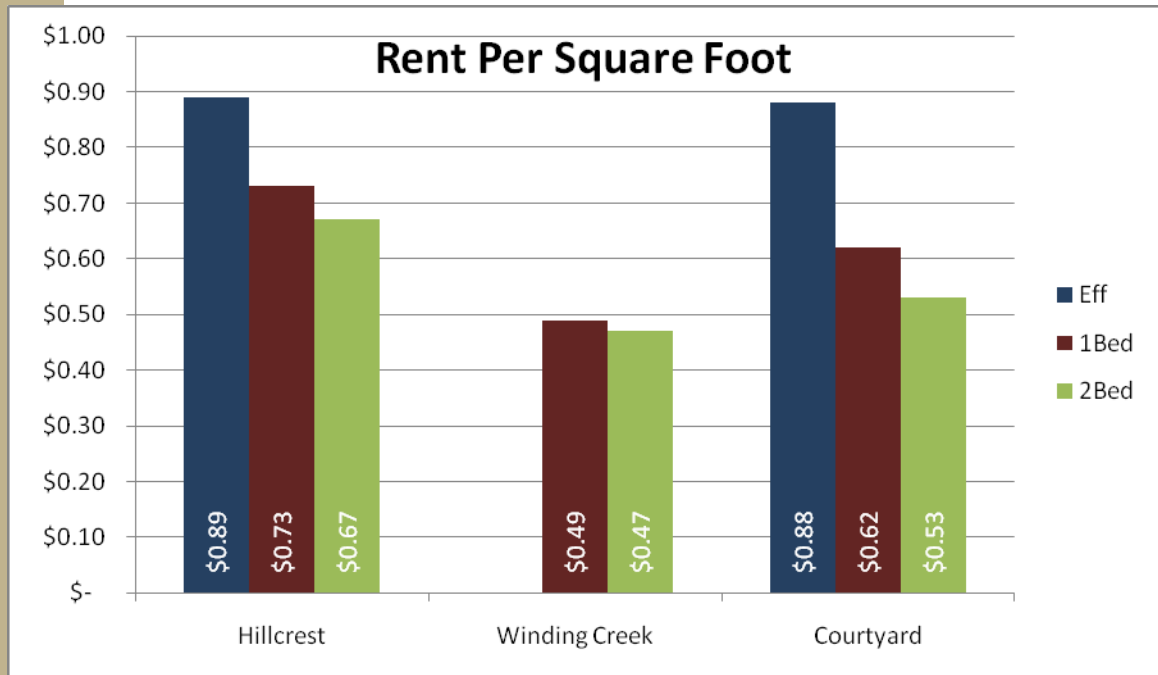


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RENT COMPS

In order to estimate market rents for Courtyard, three apartment communities were selected as most competitive. Each property has been chosen due to its similarity with regard to quality, location, age, or amenities. While each property may not be directly comparable in all aspects, collectively they represent the rental market for Courtyard.

Property Name	Year Built	NO. Of Units	Average Unit Size Efficiency	Average Unit Size One Bedroom	Average Unit Size Two Bedroom	Overall Effective Rent per Sq. Ft.	Market Rent (Eff)	Market Rent (1 Bed)	Market Rent (2 Bed)
1 Hillcrest	1972	80	362	513	657	\$0.64	\$325	\$375	\$440
2 Winding Creek (Tax Credit)	2004	60	-	657	830	\$0.48	-	\$325	\$395
		140	362	557	782	\$0.56	\$325	\$359	\$407
Courtyard	1974	85	351	602	859	\$0.56	\$310	\$375	\$453



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Hillcrest
80 Units
1972 Construction
1700 Grisso Drive



No.	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Avg Rent	Rent Sq.Ft.	Gross Mo.	Gross/Yr.
18	Efficiency	362	6,516	\$ 325	\$ 0.90	\$ 5,850	\$ 70,200
18	1 Bed/1 Bath	513	9,234	\$ 375	\$ 0.73	\$ 6,750	\$ 81,000
18	2 Bed/1 Bath	657	11,826	\$ 440	\$ 0.67	\$ 7,920	\$ 95,040
18	3 Bed/2 Bath	851	15,318	\$ 465	\$ 0.55	\$ 8,370	\$ 100,440
8	4 Bed/2 Bath	1,051	8,408	\$ 515	\$ 0.49	\$ 4,120	\$ 49,440
80		641	51,302	\$ 413	\$ 0.64	\$ 33,010	\$ 396,120



Winding Creek
60 Units
2004 Construction
701 N Harvey Road

Tax Credit

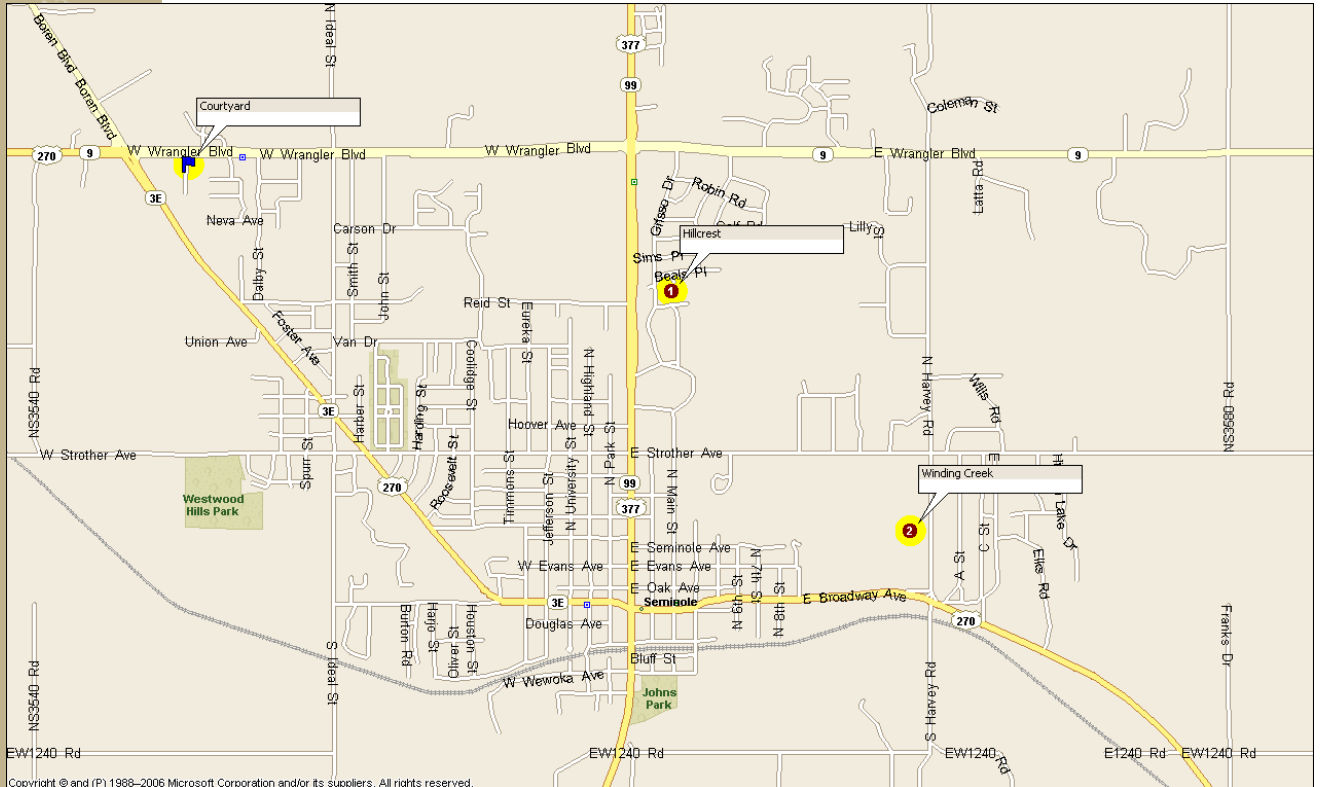
No.	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Avg Rent	Rent Sq.Ft.	Gross Mo.	Gross/Yr.
8	1 Bed/1 Bath	657	5,256	\$ 325	\$ 0.49	\$ 2,600	\$ 31,200
48	2 Bed/1 Bath	830	39,840	\$ 395	\$ 0.48	\$ 18,960	\$ 227,520
4	3 Bed/2 Bath	1,132	4,528	\$ 535	\$ 0.47	\$ 2,140	\$ 25,680
60		827	49,624	\$ 395	\$ 0.48	\$ 23,700	\$ 284,400

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Rent Comp Map



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- 1 Hillcrest
- 2 Winding Creek

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Sold Comparison

Property Address: 404 S. 2nd Street, Yukon, OK

Size and Age: 40-units, Built in 1974

Price: \$1,140,000 **Price Per Unit:** \$28,500

Closing Date: January, 2010

Total Square Footage: 25,997



Property Address: 921 NE 12th Street, Moore, OK

Size and Age: 85-units, Built in 1974

Price: \$2,640,000 **Price Per Unit:** \$31,058

Closing Date: August, 2009

Total Square Footage: 69,620



Property Address: 1415 George Avenue, Norman, OK

Size and Age: 56-units, Built in 1970

Price: \$1,700,000 **Price Per Unit:** \$30,357

Closing Date: June, 2009

Total Square Footage: 36,220



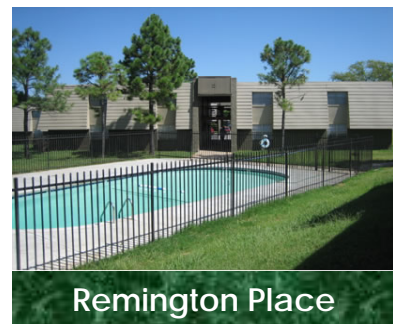
Property Address: 1801 E Remington Street, Shawnee, OK

Size and Age: 104-units, Built in 1970

Price: \$2,215,000 **Price Per Unit:** \$21,298

Closing Date: September, 2008

Total Square Footage: 91,189



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Sold Comparison

Property Address: 1115 Biloxi Drive, Norman, OK

Size and Age: 118-units, Built in 1972

Price: \$2,900,000 **Price Per Unit:** \$24,576

Closing Date: July, 2008

Total Square Footage: 79,480



Live Oak

Property Address: 124 NE 23rd Street, Moore, OK

Size and Age: 44-units, Built in 1965

Price: \$1,060,148 **Price Per Unit:** \$24,094

Closing Date: April, 2008

Total Square Footage: 41,202



Northmoore

The above comps were selected because of their similarities in quality and construction and are all located in submarket locations.

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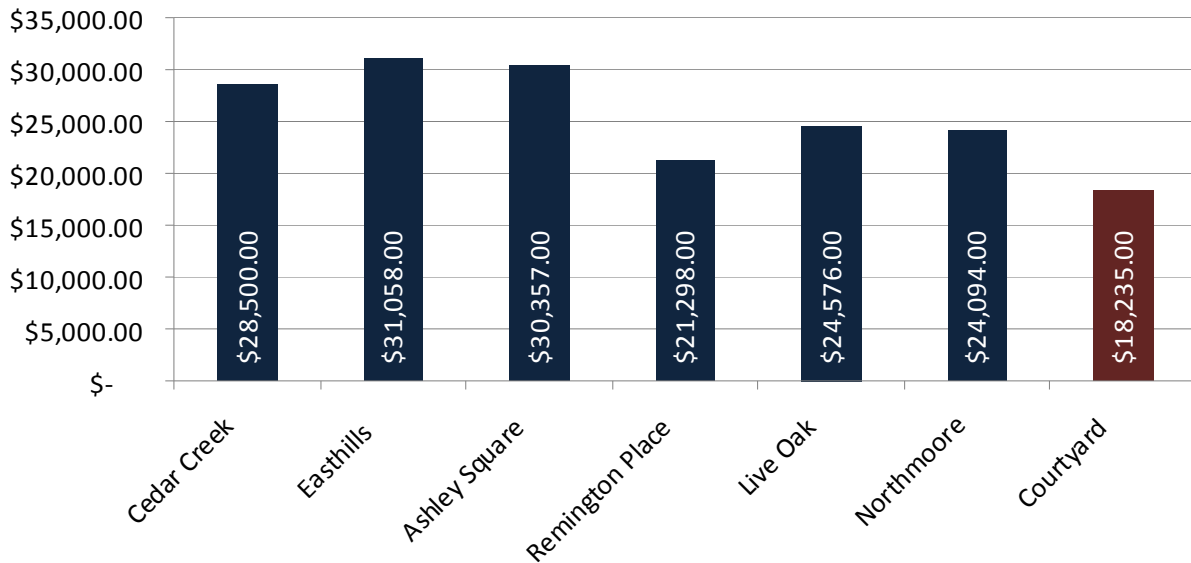


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Sale Comp Summary

Property	Price/Unit	Overall Price	No. Unit	Year Built	Price Per Square Foot
Cedar Creek	\$28,500	\$1,140,000	40	1974	\$43.85
Easthills	\$31,058	\$2,640,000	85	1974	\$37.92
Ashley Square	\$30,357	\$1,700,000	56	1970	\$46.94
Remington Place	\$21,298	\$2,215,000	104	1970	\$24.29
Live Oak	\$24,576	\$2,900,000	118	1972	\$36.49
Northmoore	\$24,094	\$1,060,148	44	1965	\$25.73
Average	\$26,074	\$11,655,148	447		\$33.91
Courtyard	\$18,235	\$1,550,000	85	1974	\$24.46

Price Per Unit

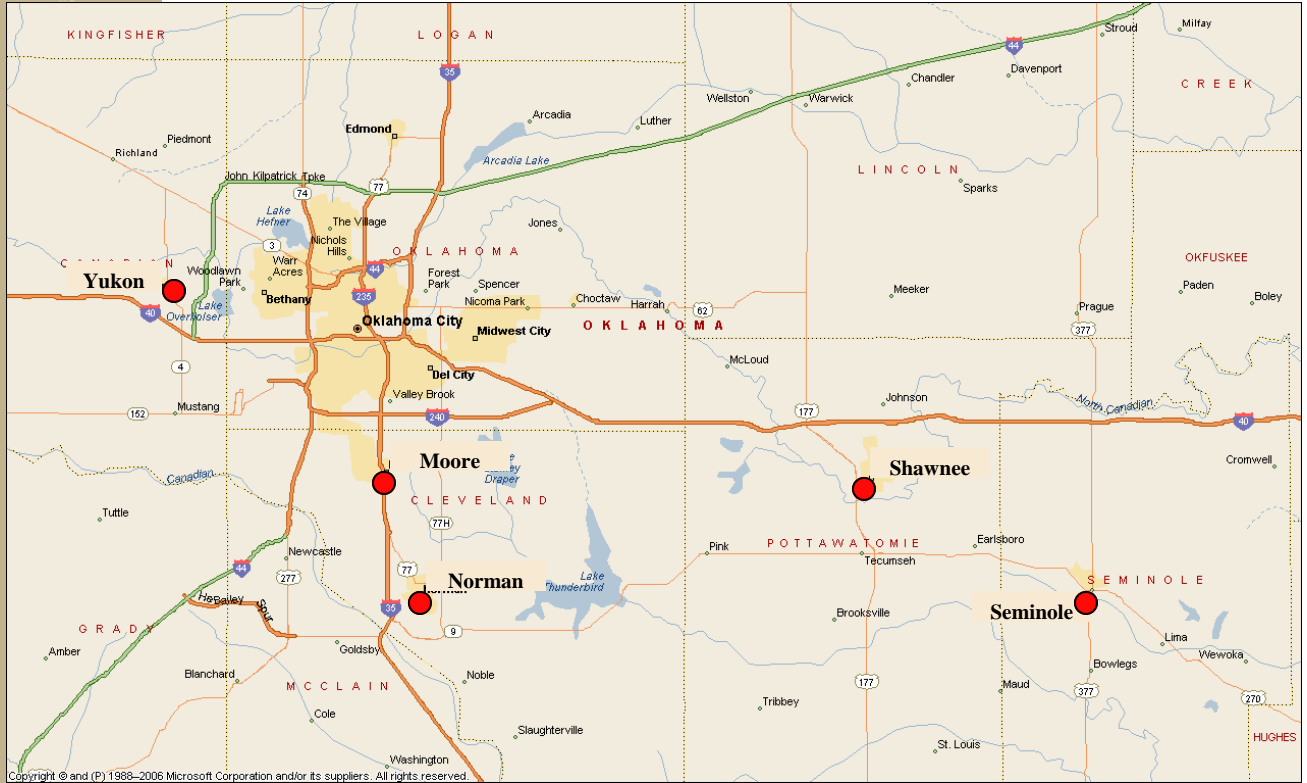


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Sale Comp Map



- 1 Cedar Creek– Yukon
- 2 Easthills– Moore
- 3 Ashley Square– Norman
- 4 Remington Place– Shawnee
- 5 Live Oak– Norman
- 6 Northmoore– Moore

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[Seminole Chamber of Commerce](#)

Click here to view

Oklahoma Broker Relationships Act
Title 59
Oklahoma Statutes Sections 858-351--858-363
Effective November 1, 2000

PREFACE

This pamphlet has been compiled and published for the benefit of real estate licensees and members of the general public. It is intended as a general guide and is not for the purpose of answering specific legal questions. Questions of interpretation should be referred to an attorney. If a question arises as to whether or not a licensee has failed to comply with this act, please contact the Oklahoma Real Estate Commission at (405) 521-3387.

First Printing
June 2000

858-351. Definitions. Unless the context clearly indicates otherwise, as used in Section 858-351 through 858-363 of this act:

1. "Broker" means a real estate broker as defined in Section 858-102 of Title 59 of the Oklahoma Statutes, and means, further, except where the context refers only to a real estate broker, an associated broker associate, sales associate, or provisional sales associate authorized by a real estate broker to provide brokerage services;
2. "Party" means a person who is a seller, buyer, landlord, or tenant or a person who is involved in an option or exchange;
3. "Single-party broker" means a broker who has entered into a written brokerage agreement with a party in a transaction to provide services for the benefit of that party;
4. "Transaction" means those real estate activities enumerated in Section 858-102 of Title 59 of the Oklahoma Statutes which are performed by a broker; and
5. "Transaction broker," means a broker who provides services by assisting a party in a transaction without being an advocate for the benefit of that party.

858-352. Written brokerage agreement. A broker may enter into a written brokerage agreement to provide services as either a single-party broker or a transaction broker. If a broker does not enter into a written brokerage agreement with a party, the broker shall perform services only as a transaction broker.

858-353. Transaction broker--Duties and responsibilities. A transaction broker shall have the following duties and responsibilities:

1. To perform the terms of the written brokerage agreement, if applicable;
2. To treat all parties with honesty;
3. To comply with all requirements of the Oklahoma Real Estate License Code and all applicable statutes and rules; and
4. To exercise reasonable skill and care including:
 - a. timely presentation of all written offers and counteroffers,
 - b. keeping the party for whom the transaction broker is providing services fully informed regarding the transaction,
 - c. timely accounting for all money and property received by the broker,
 - d. keeping confidential information received from a party confidential as required by 858-357 of this act, and
 - e. disclosing information pertaining to the property as required by the Residential Property Condition Disclosure Act.

858-354. Single-party broker--Duties and responsibilities.

- A. A broker shall enter into a written brokerage agreement prior to providing services as a single-party broker.
- B. The single-party broker shall have the following duties and responsibilities:
 1. To perform the terms of the brokerage agreement;
 2. To treat all parties with honesty;
 3. To comply with all requirements of the Oklahoma Real Estate License Code and all applicable statutes and rules; and
 4. To exercise reasonable skill and care including:
 - a. timely presentation of all written offers and counteroffers,
 - b. keeping the party for whom the single-party broker is performing services fully informed regarding the transaction,
 - c. timely accounting for all money and property received by the broker,
 - d. keeping confidential information received from a party confidential as required by 858-357 of this act,
 - e. performing all brokerage activities for the benefit of the party for whom the single-party broker is performing services unless prohibited by law,
 - f. disclosing information pertaining to the property as required by the Residential Property Condition Disclosure Act, and
 - g. obeying the specific directions of the party for whom the single-party broker is performing services that are not contrary to applicable statutes and rules or contrary to the terms of a contract between the parties to the transaction.
- C. In the event a broker who is a single-party broker for a buyer or a tenant receives a fee or compensation based on a selling price or lease cost, such receipt does not constitute a breach of duty or obligation to the buyer or tenant if fully disclosed to the buyer or tenant in the written brokerage agreement.

858-355. Alternative relationships entered into where broker assists one or both parties--Written disclosure--Written consent--Contents of brokerage agreement--Withdrawal by broker--Referral fees--Cooperation with other brokers.

- A. When assisting one party to a transaction, a broker shall enter into one of the following relationships:
 1. As a transaction broker without a written brokerage agreement;
 2. As a transaction broker through a written brokerage agreement; or
 3. As a single-party broker through a written brokerage agreement.
- B. When assisting both parties to a transaction, a broker may enter into the following relationships:
 1. As a transaction broker for both parties;
 2. As a single-party broker for one party and as a transaction broker for the other party. In this event, a broker shall disclose in writing to the party for whom the broker is providing services as a transaction broker, the difference between a transaction broker and a single-party broker, and that the broker is a single-party broker for the other party and performs services for the benefit of the other party in the transaction; or
 3. As a transaction broker where the broker has previously entered into a written brokerage agreement to provide services as a single-party broker for both parties. In this event, the broker shall obtain the written consent of each party before the broker begins to perform services as a transaction broker. The written consent may be included in the written brokerage agreement or in a separate document and shall contain the following information:
 - a. a description of the transaction or type of transactions that might occur in which the single-party broker seeks to obtain consent to become a transaction broker,
 - b. a statement that in such transactions the single-party broker would perform services for more than one party whose interest could be different or even adverse and that such transactions require the broker to seek the consent of each party to such transactions to permit a change in the brokerage relationship,
 - c. a statement that by giving consent in such transactions:
 - 1) the party will allow the broker to change the broker's relationship from performing services as a single-party broker to performing

- services as a transaction broker,
- 2) the broker will no longer provide services for the benefit of the party, but may only assist in such transactions,
- 3) the broker will not be obligated to obey the specific directions of the party but will assist all parties to such transactions,
- 4) the party will not be vicariously liable for the acts of the broker and associated associates, and
- 5) the broker's obligation to keep confidential information received from the party confidential is not affected,

- d. a statement that the party is not required to consent to the change in the brokerage relationships in such transactions and may seek independent advice,
- e. a statement that the consent of the party to change the brokerage relationship in such transactions has been given voluntarily and that the written consent has been read and understood by the party, and
- f. a statement that the party authorizes the broker to change the brokerage relationship in such transactions and to assist all parties to such transaction as a transaction broker.

- C. 1. If neither party gives consent as described in paragraph 3 of subsection B of this section, the broker shall withdraw from providing services to all but one party to a transaction. If the broker refers the party for whom the broker is no longer providing services to another broker, the broker shall not receive a fee for referring the party unless written disclosure is made to all parties.
- 2. If only one party gives consent as described in paragraph 3 of subsection B of this section, the broker may act as a transaction broker for the consenting party and continue to act as a single-party broker for the nonconsenting party. In this event, the broker shall disclose in writing to the consenting party that the broker remains a single-party broker for the nonconsenting party and performs services for the benefit of the nonconsenting party.
- D. A broker may cooperate with other brokers in a transaction. Under Sections 858-351 through 858-363 of this act, a broker shall not be an agent, subagent, or dual agent and an offer of subagency shall not be made to other brokers.

858-356. Disclosures--Confirmation in writing.

- A. Prior to the signing by a party of a contract to purchase, lease, option or exchange real estate, a broker who is performing services as a transaction broker without a written brokerage agreement shall describe and disclose in writing the broker's role to the party.
- B. Prior to entering into a written brokerage agreement as either a transaction broker or single-party broker, the broker shall describe and disclose in writing the broker's relationship to the party.
- C. A transaction broker shall disclose to the party for whom the transaction broker is providing services that the party is not vicariously liable for the acts or omissions of the transaction broker.
- D. A single-party broker shall disclose to the party for whom the single-party broker is providing services that the party may be vicariously liable for the acts or omissions of a single-party broker.
- E. The disclosure required by this section and the consent required by Section 858-355 of this act must be confirmed by each party in writing in a separate provision, incorporated in or attached to the contract to purchase, lease, option, or exchange real estate. In those cases where a broker is involved in a transaction but does not prepare the contract to purchase, lease, option, or exchange real estate, compliance with the disclosure requirements must be documented by the broker.

858-357. Confidential information. The following information shall be considered confidential and shall not be disclosed by a broker without the consent of the party disclosing the information unless consent to disclosure is granted by the party disclosing the information, the disclosure is required by law, or the information is made public or becomes public as the result of actions from a source other than the broker:

- 1. That a party is willing to pay more or accept less than what is being offered;
- 2. That a party is willing to agree to financing terms that are different from those offered; and
- 3. The motivating factors of the party purchasing, selling, leasing, optioning, or exchanging the property.

858-358. Duties of broker following termination, expiration, or completion of performance. Except as may be provided in a written brokerage agreement between the broker and a party to a transaction, the broker owes no further duties or responsibilities to the party after termination, expiration, or completion of performance of the transaction, except:

- 1. To account for all monies and property relating to the transaction; and
- 2. To keep confidential all confidential information received by the broker during the broker's relationship with a party.

858-359. Payment to broker not determinative of relationship. The payment or promise of payment or compensation by a party to a broker does not determine what relationship, if any, has been established between the broker and a party to a transaction.

858-360. Abrogation of common law principles of agency—Remedies cumulative. The duties and responsibilities of a broker specified in Sections 858-351 through 858-363 of this act shall replace and abrogate the fiduciary or other duties of a broker to a party based on common law principles of agency. The remedies at law and equity supplement the provisions of Sections 858-351 through 858-363 of this act.

858-361. Use of Word "agent" in trade name. A real estate broker is permitted under the provisions of Sections 858-351 through 858-363 of this act to use the word "agent" in a trade name.

858-362. Vicarious liability for acts or omissions of real estate licensee. A party to a real estate transaction shall not be vicariously liable for the acts or omissions of a real estate licensee who is providing services as a transaction broker under Section 858-351 through 858-363 of this act.

858-363. Associates of real estate broker—Authority. Each broker associate, sales associate, and provisional sales associate shall be associated with a real estate broker. A real estate broker may authorize associates to enter into written agreements to provide brokerage services in the name of the real estate broker.