

**Oak Cliff 4-Property Portfolio – 104 Units**  
**308 & 321 E 8<sup>th</sup> St., 409 E. 9<sup>th</sup> St., 336 Lancaster**  
**Dallas, Texas**



**\$3,616,000**

- Strong current and historical occupancy (92%).
- Stable Management that wishes to continue with property.
- Walking distance to local schools.
- Located in an area experiencing major revitalization across street from new construction.
- Area revitalization causing upward pressure on rent and occupancy for C-class product.

**CONTACT TODD FRANKS or SAM PETTIGREW OF THE CANTRELL COMPANY  
TO SCHEDULE A PROPERTY INSPECTION AT (214) 368-4567 EXT. 17 & 16  
RESPECTIVELY.**

**[tfranks@cantrellcompany.com](mailto:tfranks@cantrellcompany.com) or [spettigrew@cantrellcompany.com](mailto:spettigrew@cantrellcompany.com)**

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**REAL ESTATE INVESTMENT BROKERAGE**

**8144 Walnut Hill Lane, Suite 1440 • Dallas, Texas 75231 • (214) 368-4567 • (214) 368-2120 (Fax)**



### **Oak Cliff Portfolio in Dallas**

104 Units

308 & 321 E. 8th St., 409 E. 9th St., 336 Lancaster

Dallas, TX 75203

The Oak Cliff portfolio consists of four apartment communities located in the Oak Cliff area of Dallas. The properties (Huntington Terrace 26-units, La Jolla-34 units, Casa Bonita-20 units and El Ricardo 24-Units) are all within very close proximity of each other and operate as one asset. The subject properties were originally constructed between 1962 and 1963 and consist of 104 units with a total of 55,952 SF of rentable area on a slab foundation with brick veneer and pitched composition roofs. HVAC is provided via two pipe chiller systems and hot water is delivered via centralized boilers on all four properties. Amenities include covered parking (La Jolla), laundry facilities and proximity to Dallas' Central Business district as well as entertainment districts. The properties are well maintained which has resulted in long-term residents and consistently low vacancy.

Oak Cliff is a popular revitalization area which is receiving renewed interest because of its historic atmosphere, current redevelopment projects, as well as value. These projects include the addition of new schools, the estimated \$1.7 billion Trinity River Corridor Project, and a great deal of restaurant and retail development. Recent teardowns in Oak Cliff have resulted in upward pressure in rents & occupancy. According to MPF Yieldstar occupancy in the 3rd quarter of 2007 for Eff, one and two bedrooms averaged 97.8%, 93.1% and 93.9%, respectively while rents for Eff, one and two bedrooms averaged \$458, \$560 and \$654, respectively.

This portfolio is located within a few blocks of the popular Bishop Arts District and is less than 2 miles from Downtown Dallas. The location offers easy access to major thoroughfares and public transportation and is within close proximity to an elementary school and new middle school (likely contributing to the portfolios' family tenant base). Two of the properties are located on 8th Street, a main thoroughfare and according to management "feed" the other two properties with prospective tenants. Methodist Medical Center, one of Dallas' premier hospitals, is just a few blocks away providing a large employment base that boasts 515 beds with many doctor's offices on the premises. In recent years, approximately \$150 million in new facilities has transformed the Medical Center, creating a home for some of the most sophisticated health care available anywhere and making it the largest hospital in Texas with all private patient rooms.

This portfolio of properties offers an investor a great opportunity to step into stable income producing assets that have been well maintained by the current owner in a submarket that is poised for continued growth and appreciation. Future upside potential lies in the ability to break-up the assets, sell them individually or favorably leverage the portfolio and through increasing rents or implementation of a RUBB system.

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*The information contained herein was obtained from sources believed reliable; however, The Cantrell Company makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change or price or conditions prior to sale or lease or withdrawal without notice. As a prospective buyer, you should seek legal counsel for advice concerning the abstract covering the real estate or receive a policy of title insurance.*

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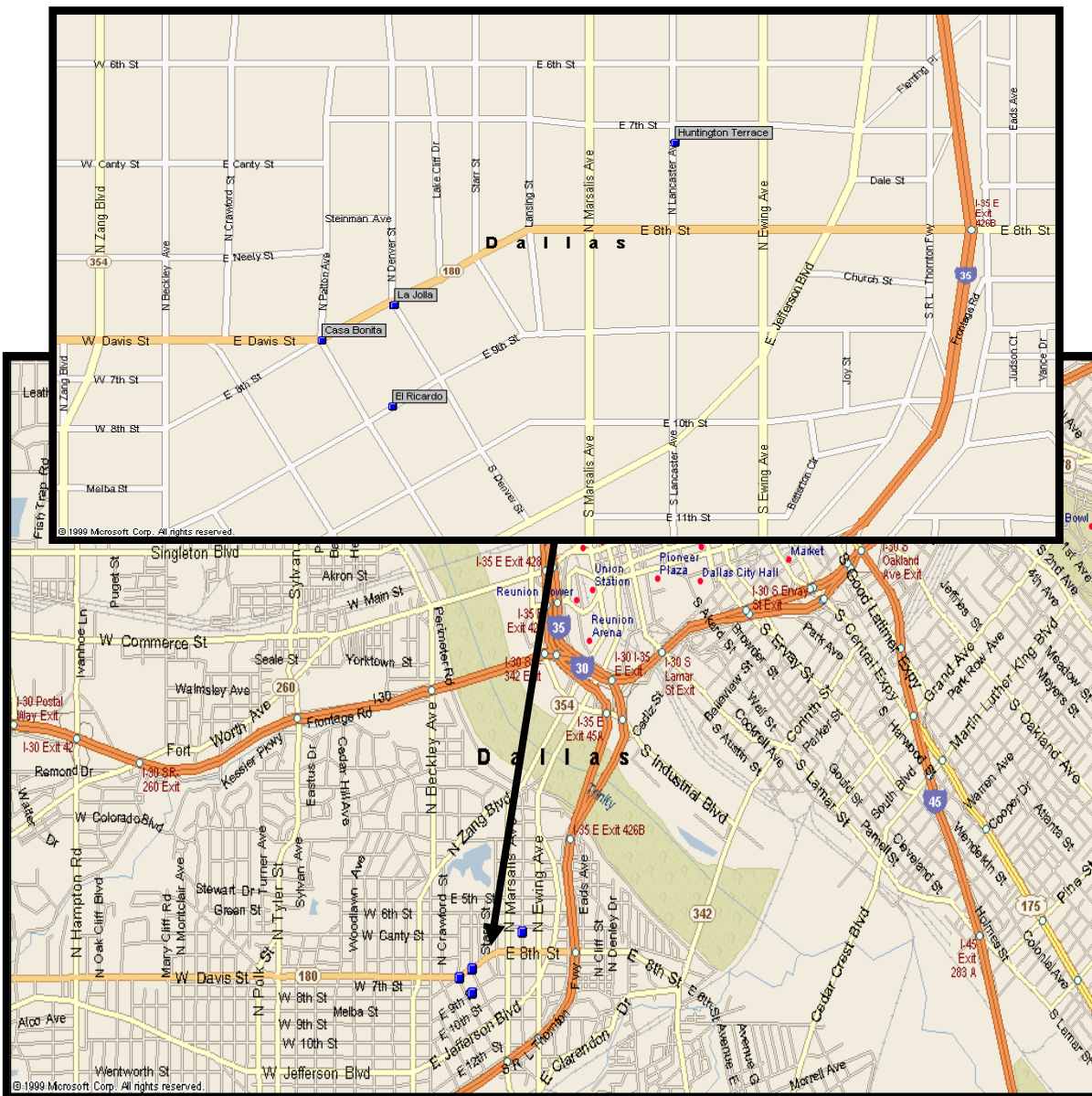
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**PORTFOLIO MAP**



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**AERIAL**



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**CASA BONITA**



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**HUNTINGTON TERRACE**



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**EL RICARDO**



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**LA JOLLA**



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<b>Price</b>	\$3,616,000	<b>Total Units</b>	104	<b>CAP (actual)</b>	8.6%
<b>Down Pymt.</b>	20% \$723,200	<b>Price/Unit</b>	\$34,769	<b>CAP (proforma)</b>	8.0%
<b>Proposed Financing</b>	\$2,892,800	<b>Total SF</b>	55,952	<b>GRM (actual)</b>	4.90
		<b>Price/SF</b>	\$64.63	<b>GRM (proforma)</b>	4.90

**Financing** Probable Financing Scenario: 80% LTV 6% rate 30 year amortization.

**Comments**

-----**Rent Schedule**-----

# of Units	Type	SF	Rent	Rent/SF	Total Rent	Comments
4	EFF	360	\$430	\$1.19	\$1,720	Rents appear to be in line with the market average as they are higher on a per SF basis but lower on a per unit basis.
23	1bed/1bath	391	\$545	\$1.39	\$12,535	
1	1bed/1bath	427	\$545	\$1.28	\$545	
14	1bed/1bath	450	\$560	\$1.24	\$7,840	
12	1bed/1bath	532	\$570	\$1.07	\$6,840	
24	1bed/1bath	575	\$570	\$.99	\$13,680	
8	2bed/2bath	650	\$670	\$1.03	\$5,360	
10	2bed/1bath	736	\$660	\$.90	\$6,600	
8	2bed/1bath	756	\$660	\$.87	\$5,280	
104	Total	55,952	\$60,400		\$60,400	
	Avg.	538	\$581	\$1.08		

Huntington Terrace	26-units
La Jolla	
Casa Bonita	
El Ricardo	

-----**Annualized Operating Data**-----

	<u>As Reported by Owner</u>			<u>Proforma</u>		
<b>Scheduled Rent</b>	\$724,800			\$724,800		
Other Income	13,663	\$11 /unit		13,663	\$11 /unit	
<b>Scheduled Gross</b>	<b>\$738,463</b>			<b>\$738,463</b>		
Vacancy	(62,190)	8.4%		(45,631)	6.2%	
Effective Gross	\$676,273			\$692,832		
<b>Expenses</b>		<u>\$/Unit</u>	<u>\$/SF</u>		<u>\$/Unit</u>	<u>\$/SF</u>
Utilities	\$155,652	\$1,497	\$2.78	\$155,652	\$1,497	\$2.78
Taxes	\$53,820	\$518	\$0.96	\$72,609	\$698	\$1.30
Insurance	\$24,128	\$232	\$0.43	\$24,128	\$232	\$0.43
Payroll	\$34,440	\$331	\$0.62	\$34,440	\$331	\$0.62
Management Fee (6%)	\$40,576	\$390	\$0.73	\$41,206	\$396	\$0.74
Repairs & Maintenance	\$50,547	\$486	\$0.90	\$50,547	\$486	\$0.90
Administrative/Advertising	\$4,714	\$45	\$0.08	\$4,714	\$45	\$0.08
Capital Reserves				\$20,800	\$200	\$0.37
<b>Total</b>	<b>\$363,877</b>	<b>\$3,499</b>	<b>\$6.50</b>	<b>\$404,096</b>	<b>\$3,886</b>	<b>\$6.85</b>
<b>Net Operating Income</b>	<b>312,396</b>	<b>8.6%</b>		<b>288,736</b>	<b>8.0%</b>	
Loan Payments	(208,126)			(208,126)		
<b>Cash Flow</b>	<b>104,270</b>	<b>14.4%</b>		<b>80,610</b>	<b>11.1%</b>	
Principal Reduction	35,524			35,524		
<b>Total Return</b>	<b>\$139,794</b>	<b>19.3%</b>		<b>\$116,134</b>	<b>16.1%</b>	

**Income** As Reported by Owner: Backed into vacancy by taking last three months of 2007 collections annualized. Proforma Reduced vacancy using the current rent roll annualized.

**Expense** As Reported by Owner Expenses taken from last 9 months of 2007 operating statements annualized. Proforma Increased Taxes to a valuation equal to 80% of the list price at the 2007 rate of 2.51%. Added \$200/ unit for capital reserves.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties expressed or implied, as to the accuracy. The prospective buyer must verify all the above information and bears all risks for any inaccuracies.



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<b>Year Built</b>	1962-63	<b>Gutters</b>	Yes
<b>Land Size</b>	2.27 acres	<b>Roof</b>	Pitched composition shingle
<b>Density</b>	45.81 units/acre	<b>Exterior</b>	Brick/veneer
<b>Zoning</b>	MF-2	<b>2 Story Buildings</b>	5
<b>Metering</b>	Master	<b>Other Buildings</b>	2
<b>HVAC</b>	Master	<b>Parking</b>	Asphalt (some covered parking at La Jolla)
<b>Water Heaters</b>	Gas boilers	<b>Tax Assessment</b>	2007 - \$2,144,220
<b>Water Meter</b>	Master	<b>Tax Rate Estimate</b>	2.51% of valuation
<b>Foundations</b>	Concrete slab	<b>Sprinkler System</b>	None
<b>Wiring</b>	Copper		
<b>Comments</b>	Huntington Terrace falls within the boundaries of the Oak Cliff Gateway Tax Increment Financing District and the others are on the doorstep. There have been numerous new developments in the past several years in the immediate area.		

**AMENITIES**

**Exterior**

Two properties on main thoroughfare  
Covered parking\*  
Laundry facility at each complex  
Little landscaping to maintain  
Next to Elementary & New Middle School

**Interior**

Frost free refrigerators  
Disposals  
Dining area  
Mini-blinds

\*In select buildings

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## LOCAL/NEWS City by City: Oak Cliff/South Dallas

### Locals aim for balance in Oak Cliff

They like TIF-fueled development but want to keep area's charm

12:00 AM CDT on Sunday, July 1, 2007

By **FRANK TREJO** / The Dallas Morning News  
[ftrejo@dallasnews.com](mailto:ftrejo@dallasnews.com)

Economic development is exploding from one end of north Oak Cliff to the other these days.

"To steal a phrase from a friend," said Bob Stimson, president of the Oak Cliff Chamber of Commerce, "Oak Cliff is on the verge of spontaneous economic combustion."

The Dallas City Council's recent approval of two new tax increment financing districts – one along Fort Worth Avenue and another primarily along West Davis Street – has only fueled that growth. Both new districts already have commitments for projects that would add hundreds of millions of dollars to the tax rolls with retail and upper-end housing units.

Residents generally favor the changes but want to ensure that the new developments don't alter the cozy character of their neighborhood.

One group of residents recently negotiated with developer Richard Seib to prevent an 11-story high-rise from being built on Fort Worth Avenue near Hampton. The building is still going up, but it will be three or four stories.

Donovan Westover, president of the Stevens Park Village Neighborhood Association, said he expects that more neighborhood and civic organizations will take active roles in making sure the flavor of Oak Cliff isn't lost.

"It's a special place, and we don't want to change that," Mr. Westover said.

Developers have discussed plans for a half-dozen projects that could add thousands of housing and retail units to the community over the next few years. Among the plans are the two "catalyst" projects that were crucial in gaining City Council approval of the new Oak Cliff TIF districts.

One is Mr. Seib's La Reunion Town Center, a mixed-use development that will be built on about 30 acres where the sprawling 1940s-era Colorado Place apartment complex now stands.

The other is a primarily residential project on West Davis Street, east of North Hampton. The project is being headed by Alan McDonald of INCAP Fund, whose CityHomes helped transform Oak Lawn and

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**CHERYL DIAZ  
MEYER/DMN**

The Chateau Crete apartment complex is one of several that developers plan to tear down, replacing the deteriorating buildings with new condos, townhomes and apartments.

Uptown. INCAP plans to eventually build 1,700 residential units by buying and replacing older, decaying apartment complexes.

Oak Cliff residents like the plans, in part because they would add residential density that probably would attract retailers. Still, they say they will keep a close eye on how the projects unfold.

"We know developers are taking a big chance ... and we want them to succeed," said Barbara Barbee, president of the Old Oak Cliff Conservation League. "But we all have to work together in all this."

Mr. Seib said he believes the solution to any issue is compromise. That's what happened after he met with community groups concerned about his initial plans for an 11-story building.

And Mr. McDonald said his company's decision to start buying deteriorating apartment complexes was the result of extensive discussions with residents about what they wanted.

"Knowing it's a very stable community with very engaged people, we didn't try to come up with a master plan," Mr. McDonald said. "We're going to each community and asking, 'What do you think? What would you like to see there?'"

Paul Maute, president of the Winnetka Heights Neighborhood Association, said he believes Mr. McDonald's vision is "right on the money."

"They've reached out to us even before going to the city, to gauge our support," Mr. Maute said.

However, some of the developers' plans would require zoning changes to allow the construction of townhomes and condominiums. But Mr. Maute said the idea of a zoning change concerns residents of Winnetka Heights, a designated historic district.

Instead of modifying existing structures, INCAP is considering building new residences, such as "a tall, three-story structure for which there is absolutely no precedent in the neighborhood," Mr. Maute said. "It's going to require a good deal of synthesis on his part."

Mr. Stimson, the Oak Cliff chamber president, lives a few blocks from the Kessler Woods development. He said it's normal to be anxious about change.

"Any time a developer with a vision wants to come in and do something different, they have to go through an education process with people," Mr. Stimson said. "There is a real strong emotional attachment. We live in Oak Cliff because we love it."

One successful developer in Oak Cliff is Matt Holley, who has built more than two dozen homes in Kessler Woods. His contemporary-style homes range from \$500,000 to \$2 million, and Mr. Holley is planning to soon add about 100 patio homes, townhomes and condos on 9.2 acres he acquired from INCAP.

"I think Oak Cliff has the opportunity to build on all its core strengths that are in this community," Mr. Holley said, adding that as an Oak Cliff resident, he is very sensitive to what happens in neighborhoods. "I would be an activist against any plans to take down homes."

The goal, he said, is to bring in housing and services that don't exist in the area and to keep what people like about Oak Cliff, such as its proximity to downtown Dallas, its wooded terrain and its well-

established neighborhoods.

"The two TIFs together will have an unbelievable impact on the community," Mr. Holley said. "They're getting a lot of things to happen quickly."

Scott Griggs, president of the Fort Worth Avenue Development Group, said he is enthusiastic about what the proposed projects could mean to the community.

"It's going to create a much better Oak Cliff, one that is much more stable and still retain much of the character," he said. "It's really about everyone who lives in the neighborhoods taking ownership of their neighborhoods."



## Dallas-Fort Worth apartment leasing, rents rise 2:11 PM CT

03:00 PM CST on Wednesday, January 2, 2008

By **STEVE BROWN** / The Dallas Morning News  
[stevebrown@dallasnews.com](mailto:stevebrown@dallasnews.com)

An unexpected boost in recent apartment leasing gave Dallas-Fort Worth landlords something to smile about entering the new year.

Rents also edged to a record high - another positive sign for the local rental market.

Thanks to a total of about 1,000 net leasing in the fourth quarter, 2007 ended up with an overall increase of 8,240 apartment rentals for the year. That's about 10 percent below leasing in 2006 but higher than had been anticipated, according to the latest report out Wednesday by apartment analyst M/PF YieldStar.

The fourth quarter is typically a slow leasing period, said M/PF vice president Gregg Willett. But not this year.

"Demand is proving solid, helped by still healthy growth in the local economy and the fact that lenders remain hesitant to approve mortgages for would-be first-time home buyers," Mr. Willett said.

Net rentals were strong enough to easily outpace the 7,155 new apartment units added to the market in Dallas-Fort Worth last year.

Indeed, because of the record apartment tear downs - 6,668 units - the apartment market size actually increased by less than 500 units.

"Such tiny growth in the apartment base has happened only once before over the course of the past three decades," Mr. Willett said.

The market was strong enough that developers were able to increase average rents by 4 percent in 2007. Rents were up in every area of the city.

"Recent increases pushed the average monthly rent for an apartment to \$741 as of December," he said.

No doubt that was because apartment vacancy levels have dwindled to less than 6 percent. At the end of September, overall occupancy in North Texas was 94.1 percent.

"Occupancy climbed 1.3 points during the past year, finishing at the highest year-end rate recorded since 2000," Mr. Willett said.

Looking ahead, a lot will depend on how the current housing market slump plays out.

"Lenders at some point are going to relax the temporarily too-stringent standards required for first-time home purchase," Mr. Willett said. "Loss of renters to home purchase, then, could come back into play as an influence on apartment market fundamentals in a big way."

That would be bad news for apartment developers, who had almost 14,000 additional units under construction in the Dallas-Fort Worth area at the start of 2008.

"That's the second biggest block of new product on the way anywhere in the country, only trailing the 15,123 apartments under construction in Houston," Mr. Willett. "By far the biggest chunk of ongoing building in North Texas is in the Dallas urban core, where construction of 3,142 apartments is occurring."

Unit #	Resident Name	Type	Sq. Ft.	Rent Due
101	Dominquez, Jovenal (Pays 1st)	2/1		625.00
102	Gonzales, Jose (Pays 13th)	1/1		560.00
103	Herrera, I	1/1		580.00
104	Dominquez, Jose	1/1		585.00
105	Jimenes, A (pays 25th)	2/1	736	625.00
106	Colegio, Berenice (Manager)	2/1	736	0.00
107	Hernandez, Felipe/Sanchez, R. (pays 1st & 15th)	1/1		560.00
108	Gonzales, Juan (Pays 9th) Renewed lease Sept. rent \$575	1/1		575.00
109	Rubio, Andres (Pays 10th & 25th) Renewed lease Oct. rent \$575)	1/1		575.00
110	Cruz, Erika (pays 1st & 15th)	1/1		560.00
111	Tovar, J	2/1	736	625.00
112	Prado, B (pays 10th & 25th)	2/1	736	625.00
114	Tovar, Corinna	1/1		560.00
115	Rangal, Rodrigo	1/1		575.00
116	Jimenes, R (pays 1st)	1/1		560.00
117	Marquez, Jesus (Pays 1st & 15th))	1/1		560.00
118	Gonzalez, Jose	1/1		560.00

201	Delgado,R/ Aquiana, J. (To TRANSFER from #214)	2/1	736	650.00
202	Angviana,J (Transfer from#201)	1/1		585.00
203	<b>Jimenez, Cynthia</b>	1/1		560.00
204	<b>Perez, B</b>	1/1		585.00
205	Jimenez, M (pays 20th)	2/1	736	625.00
206	Ramos,M (pays 1st e 15th)	2/1	736	645.00
207	<b>Basabalvo, Maria</b>	1/1		585.00
208	<b>Negríte, Maria</b>	1/1		560.00
209	Jimenez, Maria	1/1		560.00
210	Moreno, J (pays on the 3rd) Renewed lease Oct. rent \$575	1/1		575.00
211	Silvestre,C (Pays on the 3rd) or Angel	2/1	736	625.00
212	Angeles,F (pays 15th)	2/1	736	625.00
214	<b>Hernandez, R.</b>	1/1		580.00
215	<b>Diaz, A.</b>	1/1		580.00
216	Hernandez,S (1st e 15th)	1/1		560.00
217	<b>Flores, Laura</b>	1/1		560.00
218	Espinosa, Aurelio	1/1		560.00
101	Flores, Rocio (Pays 1st & 15th)	1/1	391	535.00
102	Rodriguez, J.	1/1	391	525.00
103	Perez, C. (Pays 1st & 15th)	1/1	391	526.00
104	<b>Diaz, Donna</b>	1/1	391	535.00
105	Olalde,E (Pays on the 25th)	1/1	391	525.00

106	Sanchez, Hugo	1/1	391	525.00
107	Mendez, Elvis	1/1	391	535.00
108	Godoy, M	1/1	391	535.00
109	Hernandez, M. (Pays 1st & 15th)	1/1	391	535.00
110	Cerda, T	1/1	391	525.00
111	A., Adriana	1/1.5	427	560.00
112	Ranga, J ( Pays 25th)	1/1	391	525.00
201	Morales, G. (Pays 1st & 15th)	1/1	391	535.00
202	Morales, A (Renewed lease Sept. rent \$535)	1/1	391	535.00
203	Robledo, J.	1/1	391	535.00
204	Peralta, Ferin (Pays 1st & 15th)	1/1	391	535.00
205	Estrada, A. (Pays 1st & 15th)	1/1	391	535.00
206	Galvan, Roque	1/1	391	535.00
207	Delgado, Maria	1/1	391	535.00
208	Martinez, M	1/1	391	535.00
209	Aranda, Jeronimo	1/1	391	535.00
210	Roldedo, I (Renewed Lease Oct. rent \$535)	1/1	391	535.00
211	Paz, S.	1/1	391	525.00
212	Salazar, M.	1/1	391	535.00
101	Vasquez, A.	1/1	532	575.00
102	Gonzalez, D	1/1	532	575.00
103	Degoliado, F (Pays 12th & 27) Renewed lease for Oct. Rent \$580	1/1	532	580.00
104	Gutierrez, Alejo	1/1	532	560.00
105	Washington, C	1/1	532	560.00
106	Grande, M.	1/1	532	560.00
107	Herrera, Josie (Manager)	2/1	756	0.00

<b>108</b>	Salazar, F (Pays 11th)	<b>2/1</b>	<b>756</b>	625.00
<b>109</b>	Suares, J (Pays 1st & 15th)	<b>2/1</b>	<b>756</b>	625.00
<b>110</b>	Gonzalez, M (Pays 21st) RENEWED Lease ON 11/1/7	<b>2/1</b>	<b>756</b>	645.00
<b>201</b>	Vasquez, H	<b>1/1</b>	<b>532</b>	575.00
<b>202</b>	Martinez, A	<b>1/1</b>	<b>532</b>	575.00
<b>203</b>	Alvares, J	<b>1/1</b>	<b>532</b>	560.00
<b>204</b>	Torres, G (Renewed lease Oct. rent \$575)	<b>1/1</b>	<b>532</b>	575.00
<b>205</b>	Guerrero, F	<b>1/1</b>	<b>532</b>	575.00
<b>206</b>	Guitierrez, F (Renewed lease Sept. rent \$610)	<b>1/1</b>	<b>532</b>	610.00
<b>207</b>	Badillo, G (Pays 1st & 15th)	<b>2/1</b>	<b>756</b>	625.00
<b>208</b>	Ybarra, F (Pays 1st & 15th) Renewed lease Oct. rent \$645)	<b>2/1</b>	<b>756</b>	645.00
<b>209</b>	Vidana, A (Pays on the 27th)	<b>2/1</b>	<b>756</b>	625.00
<b>210</b>	Pacheco, R	<b>2/1</b>	<b>756</b>	645.00
<b>101</b>	Herrera, R.	<b>1/1</b>		560.00
<b>102</b>	Gonzalez, M.	<b>1/1</b>		580.00
<b>103</b>	Leon, V (Pays 1st & 15th) Renewed lease for Oct. rent \$665	<b>2/2</b>		665.00
<b>104</b>	Especulata, P.	<b>1/1</b>		585.00
<b>105</b>	Gomez, F	<b>1/1</b>		575.00
<b>106</b>	Ramos, Helena (Manager)	<b>2/2</b>		0.00
<b>107</b>	Rivera, J/ Sota	<b>EFF</b>		430.00
<b>108</b>	Mojica, J.	<b>EFF</b>		430.00

<b>109</b>	Para, E (Transferring from #108)	<b>1/1</b>		560.00
<b>110</b>	Crespin, E (Renewed lease Oct. rent \$665)	<b>2/1</b>		665.00
<b>111</b>	Hernandez, J (Pays 15th)	<b>1/1</b>		560.00
<b>112</b>	Palacios, Sandra	<b>1/1</b>		560.00
<b>113</b>	Villegas, A	<b>2/1</b>		665.00
<b>201</b>	Hernandez, E (Pays 1st & 15th)	<b>1/1</b>		560.00
<b>202</b>	Paxtor, A	<b>1/1</b>		575.00
<b>203</b>	Bautista, G (Pays 1st & 15th) Renewed lease Oct. rent \$665	<b>2/2</b>		665.00
<b>204</b>	Chave, M (Renewed lease Oct. rent \$575)	<b>1/1</b>		575.00
<b>205</b>	Perez, S./ Ramos, Ray	<b>1/1</b>		560.00
<b>206</b>	Canansa, G	<b>2/2</b>		645.00
<b>207</b>	Pantimon, Santiago (Transferring from #109)	<b>EFF</b>		430.00
<b>208</b>	Olivares, M	<b>EFF</b>		430.00
<b>209</b>	Tepox, J (Pays 25th) RENEWED Lease on 11/1 rent \$575????	<b>1/1</b>		575.00
<b>210</b>	Lemus, M (Pays 20th)	<b>2/1</b>		645.00
<b>211</b>	Wicker, Corey/Nichole	<b>1/1</b>		575.00
<b>212</b>	Vasquez, A	<b>1/1</b>		560.00
<b>213</b>	Gonzalez, J (Renewed lease Oct. rent \$665)	<b>2/1</b>		665.00

57,736.00



REAL ESTATE INVESTMENT BROKERAGE

# RENT SURVEY SUMMARY

## KAM Portfolio

***Statistics***

**Total Surveyed Units** 775  
**Total Surveyed Properties** 6  
**Average Property Size** 129  
**Average Unit Size** 798  
**Percent Occupied** 93%  
**Average Rent/Unit** \$688  
**Average \$/SF** \$0.86

**Criteria:** Zip Codes: 75208, 75211, 75203  
 YOC: 1900-1975

Properties In Survey	# of Units	Avg. Size	Year Built	Ave. Rate	Avg. \$/SF	Occ. Rate
Park Creek Manor	317	797	67/05	\$673	\$0.84	90.00%
Oakwood	102	829	1968	\$797	\$0.96	97.00%
Mill Run	112	824	68/90	\$708	\$0.86	89.00%
French Colony	94	738	1968	\$630	\$0.85	94.00%
Crosswinds	48	725	64/04	\$625	\$0.86	100.00%
Casa De Loma	102	831	1967	\$686	\$0.83	95.00%
* KAM Portfolio	104	538		\$581	\$1.08	

**\* Denotes subject property**

*Information obtained from sources deemed reliable, but is not guaranteed.*

# AREA PROPERTY RENTALS

## KAM Portfolio

<b>Total Surveyed Efficiency</b>								
<b>Surveyed Properties</b>					<b>Subject Properties</b>			
<b># of Floor Plans</b>	<b># of Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>	<b># Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>
0					4	360	\$430	\$1.19

<b>Total Surveyed 1 Bedroom</b>								
<b>Surveyed Properties</b>					<b>Subject Properties</b>			
<b># of Floor Plans</b>	<b># of Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>	<b># Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>
10	197	641	\$622	\$0.97	74	485	\$560	\$1.15

<b>Total Surveyed 2 Bedroom</b>								
<b>Surveyed Properties</b>					<b>Subject Properties</b>			
<b># of Floor Plans</b>	<b># of Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>	<b># Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>
12	492	820	\$697	\$0.85	26	716	\$663	\$0.93

<b>Total Surveyed 3 Bedroom</b>								
<b>Surveyed Properties</b>					<b>Subject Properties</b>			
<b># of Floor Plans</b>	<b># of Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>	<b># Units</b>	<b>Average Square Foot</b>	<b>Average Rent</b>	<b>Average \$/SF</b>
5	86	1,032	\$787	\$0.76				

*Information obtained from sources deemed reliable, but is not guaranteed.*

# AREA PROPERTY RENTALS

## KAM Portfolio

### Efficiency Comparables

Square Footage Range 300-399

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
*KAM Portfolio				4	Efficiency	360	\$430	\$0	\$1.19	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				4		360	\$430	\$0	\$1.19				

Subject's Percentage of Mix in this square footage range is 4%

Total Surveyed Efficiency								
Surveyed Properties					Subject Properties			
# of Floor Plans	# of Units	Average Square Feet	Average Rent	Average \$/SF	# Units	Average Square Feet	Average Rent	Average \$/SF
0					4	360	\$430	\$1.19

\* Denotes subject property

Information obtained from sources deemed reliable, but is not guaranteed.

# AREA PROPERTY RENTALS

## KAM Portfolio

### 1 Bedroom Comparables

**Square Footage Range** 300-399

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
* KAM Portfolio				23	1/1	391	\$545	\$0	\$1.39	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				23		391	\$545	\$0	\$1.39				

Subject's Percentage of Mix in this square footage range is 22%

**Square Footage Range** 400-499

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
* KAM Portfolio				14	1/1	450	\$560	\$0	\$1.24	<input type="checkbox"/>	<input type="checkbox"/>		
* KAM Portfolio				1	1/1	427	\$545	\$0	\$1.28	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				15		448	\$559	\$0	\$1.25				

Subject's Percentage of Mix in this square footage range is 14%

**Square Footage Range** 500-599

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
* KAM Portfolio				24	1/1	575	\$570	\$0	\$0.99	<input type="checkbox"/>	<input type="checkbox"/>		
Casa De Loma	1967	95%	All Bills Paid	26	1/1	572	\$580	\$100	\$1.01	<input type="checkbox"/>	<input type="checkbox"/>		
French Colony	1968	94%	All Bills Paid	12	1/1	540	\$550	\$150	\$1.02	<input type="checkbox"/>	<input type="checkbox"/>		
Park Creek Mano	67/05	90%	All Bills Paid	13	1/1	552	\$575	\$150	\$1.04	<input type="checkbox"/>	<input type="checkbox"/>		
* KAM Portfolio				12	1/1	532	\$570	\$0	\$1.07	<input type="checkbox"/>	<input type="checkbox"/>		
Mill Run	68/90	89%	All Bills Paid	12	1/1	570	\$640	\$150	\$1.12	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				99		561	\$579	\$82	\$1.03				

Subject's Percentage of Mix in this square footage range is 35%

**Square Footage Range** 600-699

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
French Colony	1968	94%	All Bills Paid	30	1/1	615	\$575	\$150	\$0.93	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	12	1/1	640	\$715	\$150	\$1.12	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	12	1/1	635	\$715	\$150	\$1.13	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				54		625	\$637	\$150	\$1.02				

\* Denotes subject property

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# AREA PROPERTY RENTALS

## KAM Portfolio

Square Footage Range 700-799

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
Crosswinds	64/04	100%	All Bills Paid	36	1/1	700	\$600	\$250	\$0.86	<input type="checkbox"/>	<input type="checkbox"/>		
Mill Run	68/90	89%	All Bills Paid	24	1/1	720	\$640	\$150	\$0.89	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	20	1/1	730	\$715	\$150	\$0.98	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				80		714	\$641	\$195	\$0.90				

Total Surveyed 1 Bedroom									
Surveyed Properties					Subject Properties				
# of Floor Plans	# of Units	Average Square Feet	Average Rent	Average \$/SF	# Units	Average Square Feet	Average Rent	Average \$/SF	
10	197	641	\$622	\$0.97	74	485	\$560	\$1.15	

\* Denotes subject property

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# AREA PROPERTY RENTALS

## KAM Portfolio

### 2 Bedroom Comparables

#### Square Footage Range

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
* KAM Portfolio					2/2			\$0		<input type="checkbox"/>	<input type="checkbox"/>		

**Totals/Average**

#### Square Footage Range 600-699

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
* KAM Portfolio				8	2/2	650	\$670	\$0	\$1.03	<input type="checkbox"/>	<input type="checkbox"/>		

**Totals/Average**

8 650 \$670 \$0 \$1.03  
Subject's Percentage of Mix in this square footage range is 8%

#### Square Footage Range 700-799

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
Park Creek Mano	67/05	90%	All Bills Paid	35	2/1.5	795	\$670	\$250	\$0.84	<input type="checkbox"/>	<input type="checkbox"/>		
Park Creek Mano	67/05	90%	All Bills Paid	32	2/1.5	762	\$650	\$250	\$0.85	<input type="checkbox"/>	<input type="checkbox"/>		
Park Creek Mano	67/05	90%	All Bills Paid	195	2/1	780	\$670	\$250	\$0.86	<input type="checkbox"/>	<input type="checkbox"/>		
* KAM Portfolio				8	2/1	756	\$660	\$0	\$0.87	<input type="checkbox"/>	<input type="checkbox"/>		
* KAM Portfolio				10	2/1	736	\$660	\$0	\$0.90	<input type="checkbox"/>	<input type="checkbox"/>		

**Totals/Average**

280 778 \$667 \$234 \$0.86  
Subject's Percentage of Mix in this square footage range is 17%

#### Square Footage Range 800-899

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carpport	Garage	W/D-Conn	W/D-Incl
French Colony	1968	94%	All Bills Paid	52	2/1	855	\$680	\$200	\$0.80	<input type="checkbox"/>	<input type="checkbox"/>		
Casa De Loma	1967	95%	All Bills Paid	44	2/1	832	\$680	\$100	\$0.82	<input type="checkbox"/>	<input type="checkbox"/>		
Crosswinds	64/04	100%	All Bills Paid	12	2/1	800	\$700	\$250	\$0.88	<input type="checkbox"/>	<input type="checkbox"/>		
Mill Run	68/90	89%	All Bills Paid	32	2/1.5	810	\$740	\$200	\$0.91	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	8	2/2	890	\$835	\$200	\$0.94	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	18	2/1	808	\$815	\$200	\$1.01	<input type="checkbox"/>	<input type="checkbox"/>		

**Totals/Average**

166 833 \$715 \$177 \$0.86

\* Denotes subject property

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# AREA PROPERTY RENTALS

## KAM Portfolio

Square Footage Range 900-999

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
Mill Run	68/90	89%	All Bills Paid	44	2/1.5	960	\$740	\$200	\$0.77	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	8	2/2	955	\$835	\$200	\$0.87	<input type="checkbox"/>	<input type="checkbox"/>		
Oakwood	1968	97%	All Bills Paid	12	2/2	915	\$835	\$200	\$0.91	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				64		951	\$770	\$200	\$0.81				

Total Surveyed 2 Bedroom									
Surveyed Properties					Subject Properties				
# of Floor Plans	# of Units	Average Square Feet	Average Rent	Average \$/SF	# Units	Average Square Feet	Average Rent	Average \$/SF	
12	492	820	\$697	\$0.85	26	716	\$663	\$0.93	

\* Denotes subject property

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# AREA PROPERTY RENTALS

## KAM Portfolio

### 3 Bedroom Comparables

**Square Footage Range**    900-999

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
Park Creek Mano	67/05	90%	All Bills Paid	20	3/1.5	918	\$720	\$350	\$0.78	<input type="checkbox"/>	<input type="checkbox"/>		
Park Creek Mano	67/05	90%	All Bills Paid	12	3/1	923	\$750	\$350	\$0.81	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				32		920	\$731	\$350	\$0.79				

**Square Footage Range**    1000-1099

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
Casa De Loma	1967	95%	All Bills Paid	32	3/1.5	1,040	\$780	\$100	\$0.75	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				32		1,040	\$780	\$100	\$0.75				

**Square Footage Range**    1100-1199

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
Park Creek Mano	67/05	90%	All Bills Paid	10	3/2	1,160	\$760	\$350	\$0.66	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				10		1,160	\$760	\$350	\$0.66				

**Square Footage Range**    1200-1299

Property Information				Comparable Information						Amenities			
Name	YOC	Occupancy %	Electric	# Units	Unit Type	Square Feet	Rent	Deposit	\$/SF	Carport	Garage	W/D-Conn	W/D-Incl
Oakwood	1968	97%	All Bills Paid	12	3/2	1,200	\$980	\$250	\$0.82	<input type="checkbox"/>	<input type="checkbox"/>		
<b>Totals/Average</b>				12		1,200	\$980	\$250	\$0.82				

<b>Total Surveyed 3 Bedroom</b>									
<b>Surveyed Properties</b>					<b>Subject Properties</b>				
# of Floor Plans	# of Units	Average Square Feet	Average Rent	Average \$/SF	# Units	Average Square Feet	Average Rent	Average \$/SF	
5	86	1,032	\$787	\$0.76					

**\* Denotes subject property**

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## PROPERTY AMENITIES

### KAM Portfolio

PROPERTY NAME	YOC	PARKING				BUILDING AMENITIES			UNIT AMENITIES				
		Car Port	Attached Garage	Detached Garage	Paid Parking	Pool	Fitness	Ltd Access	Ice Maker	Microwave	Ceiling Fans	Extra Storage	Fireplace
Casa De Loma	1967	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All		Some		
Crosswinds	64/04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			All		
French Colony	1968	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			All		
* KAM Portfolio		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Mill Run	68/90	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>					
Oakwood	1968	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All		All		
Park Creek Manor	67/05	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			All		

\* Denotes subject property

*Information obtained from sources deemed reliable, but is not guaranteed.*

**ADDENDUM FOR SELLER'S DISCLOSURE OF INFORMATION ON  
LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS**

CONCERNING THE PROPERTY AT \_\_\_\_\_  
(Street Address and City)

**A. LEAD WARNING STATEMENT:** Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based hazards is recommended prior to purchase.

**B. SELLER'S DISCLOSURE:**

1. PRESENCE OF LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS (check one box only):

(a) Known lead-based paint and/or lead-based paint hazards are present in the Property (explain):  
\_\_\_\_\_

(b) Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the Property.

2. RECORDS AND REPORTS AVAILABLE TO SELLER (check one box only):

(a) Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the Property (list documents):  
\_\_\_\_\_

(b) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Property.

**C. BUYER'S RIGHTS (check one box only):**

1. Buyer waives the opportunity to conduct a risk assessment or inspection of the Property for the presence of lead-based paint or lead-based paint hazards.

2. Within ten days after the effective date of this contract, Buyer may have the Property inspected for the presence of lead-based paint and/or lead-based paint hazards. If lead-based paint or lead-based paint hazards are present, Buyer may terminate this contract by giving Seller written notice within 14 days after the effective date of this contract.

**D. BUYERS ACKNOWLEDGMENT (check applicable boxes):**

1. Buyer has received copies of all information listed above.

2. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.

**E. BROKER'S ACKNOWLEDGMENT:** Brokers have informed Seller of Seller's obligations under 42 U.S.C. 4852d to: (a) provide Buyer with the federally approved pamphlet on lead poisoning prevention; (b) complete this addendum; (c) disclose any known lead-based paint and/or lead-based paint hazards in the Property, (d) deliver all records and reports to Buyer pertaining to lead-based paint and/or lead-based paint hazards in the Property, (e) provide Buyer a period of up to 10 days to have the Property inspected-, (f) retain a completed copy of this addendum for at least 3 years following the sale. Brokers are aware of their responsibility to ensure compliance.

**F. CERTIFICATION OF ACCURACY:** The following persons have reviewed the information above and certify, to their knowledge, that the information they have provided is true and accurate.

\_\_\_\_\_  
Seller Date

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Seller Date

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Listing Broker Date

\_\_\_\_\_  
Other Broker Date



**Americans with Disabilities Act,  
Hazardous Materials and Tax Disclosure**

The Americans With Disabilities Act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. The real estate brokers in this transaction are not qualified to advise you as to what, if any, changes may be required now, or in the future. Owners should consult the attorneys and qualified design professionals of their choice for information regarding these matters. Real estate brokers cannot determine which attorneys or design professionals have the appropriate expertise in this area.

Various construction materials may contain items that have been or may in the future be determined to be hazardous (toxic) or undesirable and may need to be specifically treated/handled or removed. For example, some transformers and other electrical components contain PCB's, and asbestos has been used in components such as fire-proofing, heating and cooling systems, air duct insulation, spray-on and tile acoustical materials, linoleum, floor tiles, roofing, dry wall and plaster. Due to prior or current uses of the Property or in the area, the Property may have hazardous or undesirable metals (including lead-based paint), minerals, chemicals, hydrocarbons, or biological or radioactive items (including electric and magnetic fields) in soils, water, building components, above or below ground containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. Real estate agents have no expertise in the detection or correction of hazardous or undesirable items. Expert inspections are necessary. Current or future laws may require clean up by past, present and/or future owners and/or operators. It is the responsibility of the Seller and Buyer to retain qualified experts to detect and correct such matters and to consult with legal counsel of their choice to determine what provisions, if any, they may wish to include in transactions documents regarding the Property.

Sale, lease and other transactions can have local, state and federal tax consequences for the seller and/or buyer. In the event of a sale, Internal Revenue Code Section 1445 requires that all buyers of an interest in any real property located in the United States must withhold and pay over to the Internal Revenue Service (IRS) an amount equal to ten percent (10%) of the gross sales price within ten (10) days of the date of the sale unless the buyer can adequately establish that the seller was not a foreigner, generally by having the seller sign a Non-Foreign Seller Certificate. Note that depending upon the structure of the transactions, the tax withholding liability could exceed the net cash proceeds to be paid to the seller at closing. Consult your tax and legal advisor. Real estate brokers are not qualified to give legal or tax advice or to determine whether any other person is properly qualified to provide legal or tax advice.

**SELLER**

**BUYER**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



REAL ESTATE INVESTMENT BROKERAGE

**Approved by the Texas Real Estate Commission for Voluntary Use**

*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

**Information About Brokerage Services**

**B**efore working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner’s agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer’s agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

**IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner’s agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner’s agent anything the buyer would not want the owner to know because an owner’s agent must disclose to the owner any material information known to the agent.

**IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer’s agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer’s agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer’s agent anything the owner would not want the buyer to know because a buyer’s agent must disclose to the buyer any material information known to the agent.

**IF THE BROKER ACTS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the

transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker’s obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- 1) shall treat all parties honestly;
- 2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- 3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- 4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties’ consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

**If you choose to have a broker represent you,**

you should enter into a written agreement with the broker that clearly establishes the broker’s obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee’s records.

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salesmen are licensed and regulated by the Texas Real Estate Commission (TREC). If you have any questions or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.