



COMMERCIAL REALTY RESOURCES COMPANY
MULTIFAMILY INVESTMENT SERVICES



Arkansas

Oklahoma

Kansas



Cypress Ridge Apartments

1209 W. Hefner Road
Oklahoma City, Oklahoma
256-Units

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**Rehab & Value-Add
Opportunity**



www.crcc.us

Providing professional apartment brokerage and marketing services for over 26 years

1. Property Highlights

- *Photographs*
- *Submarket Map*
- *Neighborhood Map*
- *Aerial Map*
- *Offering Description*
- *Property Highlights*
- *Unit Mix*

2. Purchase Price and Terms

- *Purchase Price and Terms*

3. Income/Expense Statement

- *Income & Expense Statement*

4. Rent & Sale Comparables

- *Sale Comparables*
- *Rent Comparables*

5. Oklahoma City Overview

- *Oklahoma City Overview*

6. Oklahoma Broker Relationship Act

- *Oklahoma Broker Relationship Act*

1



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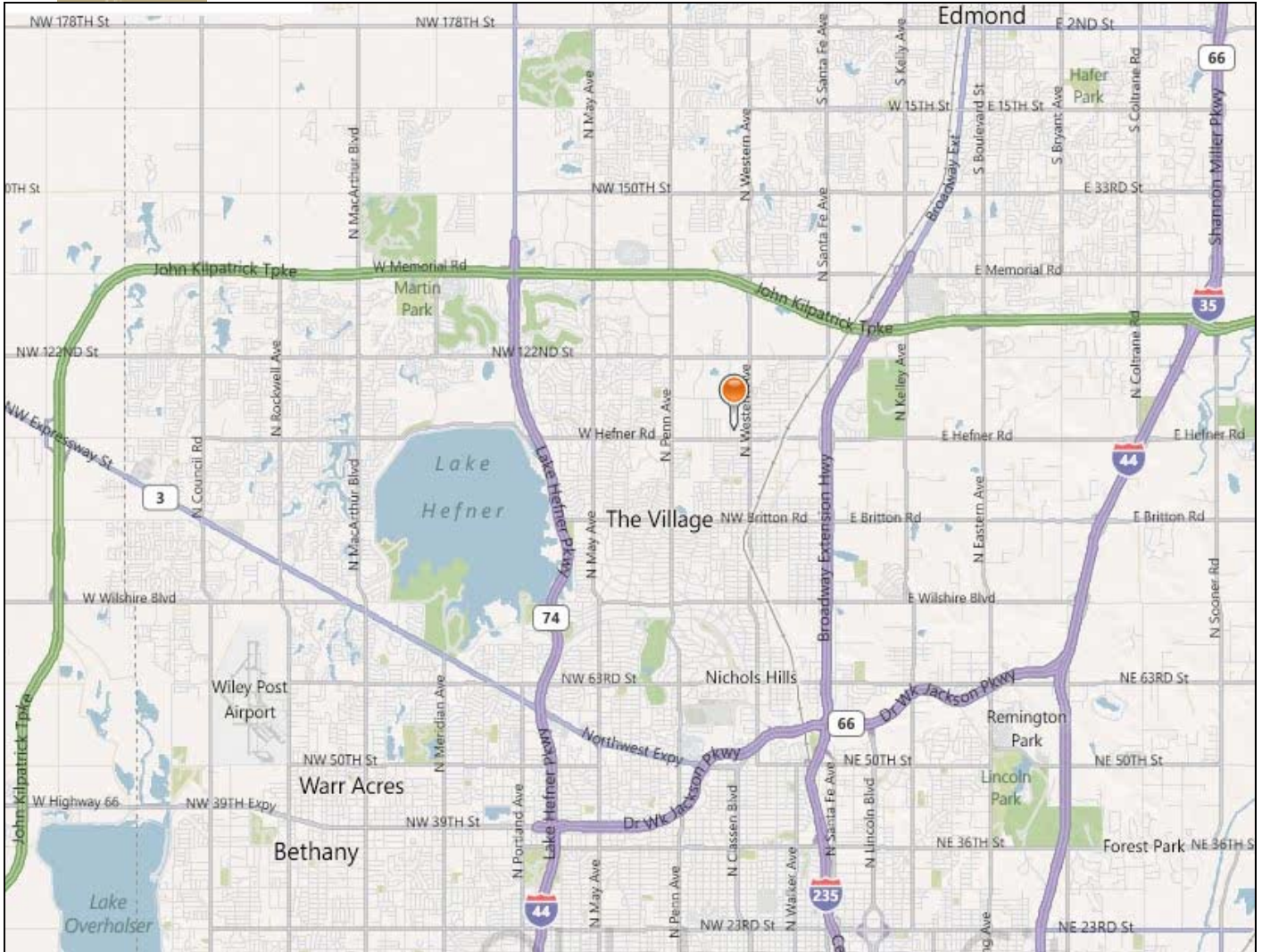


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Oklahoma City, OK



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Submarket Map

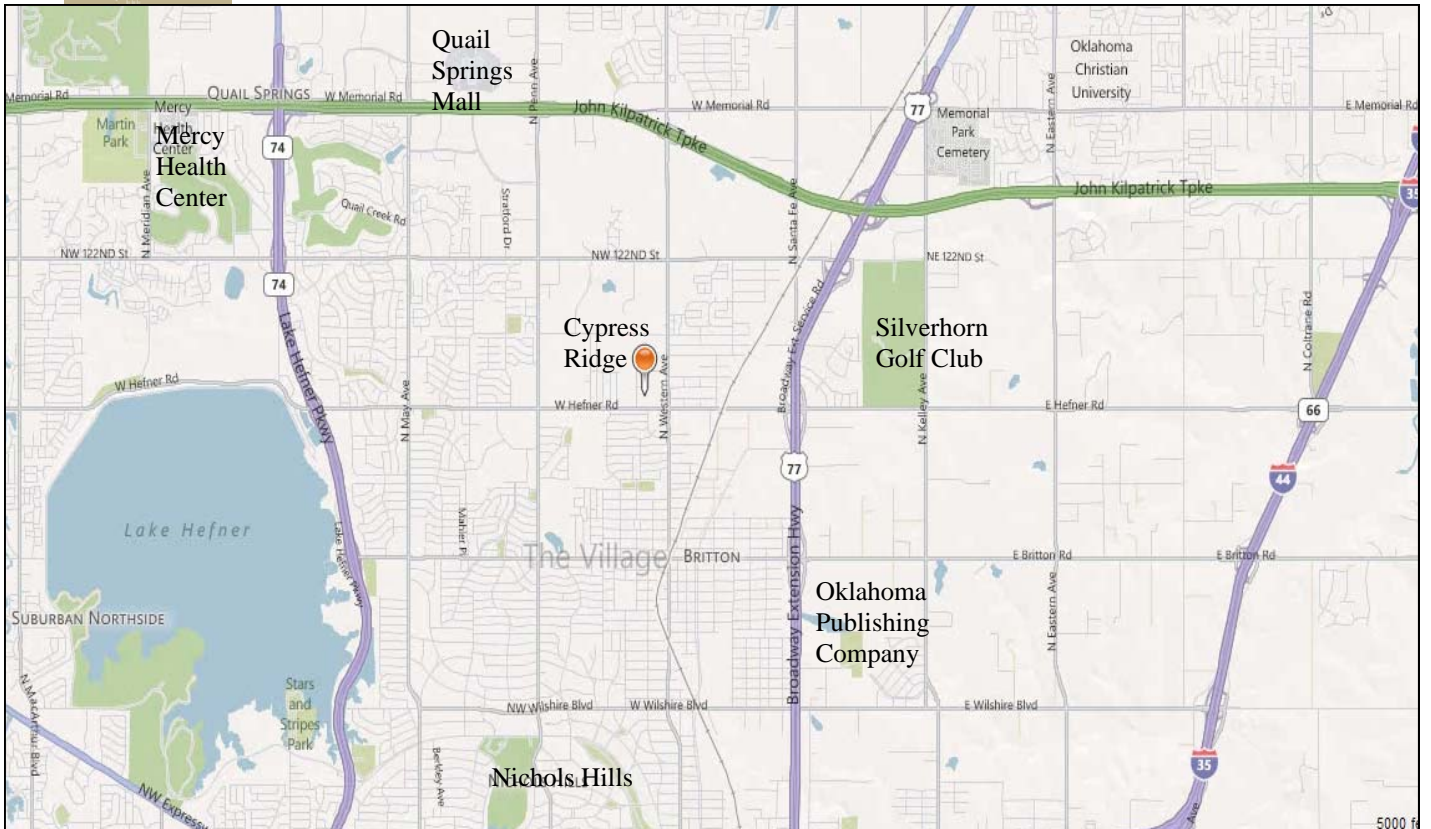


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Neighborhood Map



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Aerial Photo



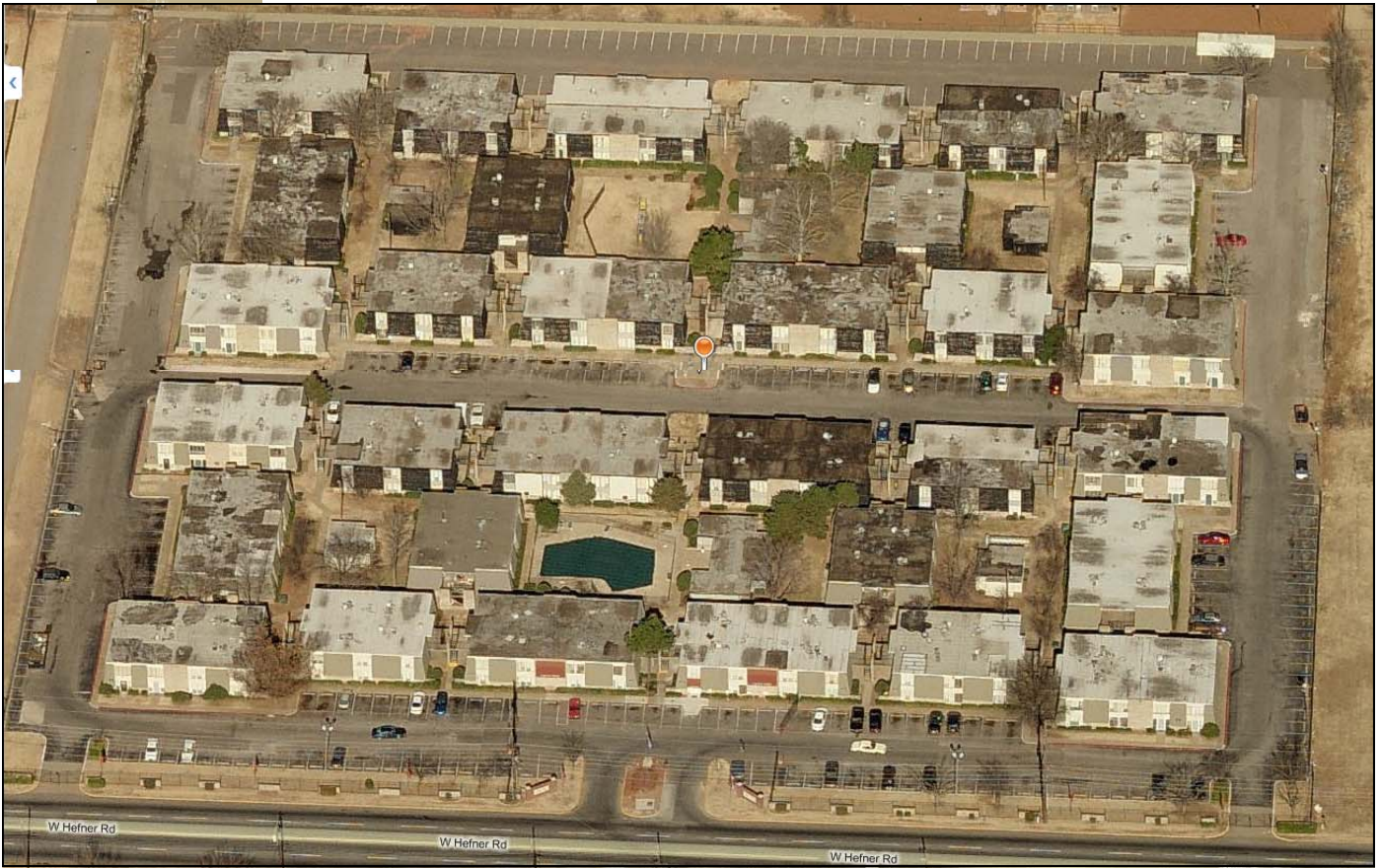
*See Sale Comp Section for the sale of Arbor Lake in
January 2008*

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Aerial Photo



Cypress Ridge
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Offering Description

Cypress Ridge contains 256-units and represents a great value-add opportunity because of its location in far northwest Oklahoma City near the Quail Springs Mall area. The property is a two-story garden style community located just north of the prestigious Nichols Hills Residential neighborhood, south of Quail Springs Mall and adjacent to a class "A" apartment community that was originally developed as condominiums. Cypress Ridge is also only minutes from Mercy Health Center and the Oklahoma Heart Hospital. There are numerous retail destinations and popular restaurants just north of the property along Memorial Road.

The location provides easy access to all parts of Oklahoma City via the Kilpatrick Turnpike and has easy access to Downtown and Brick-town to the south and Edmond to the north.

The property needs significant rehab. Most of the units will require partial to complete sheetrock, cabinets, appliances, fixtures and floor coverings. Although, the owner has installed complete new roofs to minimize further deterioration.



Offering Highlights:

- Priced at \$7,715 Per Units
- 256-units with significant Value-add potential
- **Great submarket near Quail Springs Mall and Mercy Health Center**
- The property has complete New Roofs
- Adjacent to a class "A" community that was originally developed as Condos
- Within Minutes of major retail destinations
- Oklahoma City is experiencing some of the highest profile developments in the country with the \$350 million Devon Tower and the \$50 million Outlet Shoppes at Oklahoma City at I-40 and Council Road. The Outlet Shoppes opened in August 2011 with 348,000 square foot of retail space and 1,000 new retail jobs.
- Oklahoma's personal income growth was the fourth highest among all states in the April-to-June 2011 period, according to the U.S. Bureau of Economic Analysis.

Cypress Ridge
1209 W. Hefner Road
Oklahoma City, OK



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Property Description:

Cypress Ridge represents a great value-add opportunity because of its location in far northwest Oklahoma City near the Quail Springs Mall area. The property is a two-story garden style community located just north of the prestigious Nichols Hills Residential neighborhood, south of Quail Springs Mall and adjacent to a class "A" apartment community that was originally developed as condominiums. Cypress Ridge is also only minutes from Mercy Health Center and the Oklahoma Heart Hospital. There are numerous retail destinations and popular restaurants just north of the property along Memorial Road.

Number of Units:

256-units

Number of Buildings:

32 two-story apartment buildings and 6 single-story structures for the laundry facilities, clubhouse, storage and maintenance.

Year Built:

1971 (*according to courthouse records*)

Apartment Features:

Most of the units will require rehab before they are rent ready. Typical apartments in this submarket have fully equipped kitchens, ceiling fans, walk-in closets and carpet/tile floor coverings.

Property Amenities:

Swimming Pool (*non-operational*)
Clubhouse and Laundry Facilities

Construction:

Style: Two-Story Garden Style

Exterior: Brick Veneer with wood trim and mansard siding

Roof: Flat Roofs (New in 2010)

Mechanical System:

Electrical Metering: Individually Metered

HVAC: Wired for Individual HVAC

Hot Water: Plumbing for Individual Hot Water Heaters

Water: Provided by Property

Current Occupancy:

10% or less

Real Estate Taxes:

R134424600

Assessed Value (2011): 106,499

Assessment Ratio: 11% of Market Value

Tax Rate: 114.33

Tax Amount: \$12,176

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Cypress Ridge
 1209 W. Hefner Road
 Oklahoma City, OK

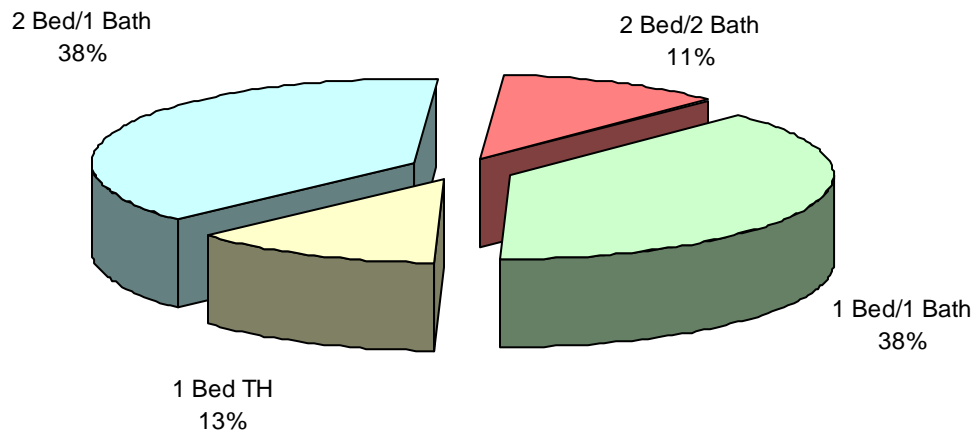


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UNIT MIX

No. Units	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Rent	Rent/Sq.Ft.	Gross/Mo.	Gross/Yr.
97	1 Bed / 1 Bth	667	64,699	425.00	0.64	41,225	494,700
32	1 Bed / 1.5 Bth TH	768	24,576	460.00	0.60	14,720	176,640
97	2 Bed / 1 Bth	912	88,464	485.00	0.53	47,045	564,540
29	2 Bed / 2 Bth	928	26,912	550.00	0.59	15,950	191,400
1	3 Bed / 2 Bth	1,200	1,200	700.00	0.58	700	8,400
256		804	205,851	467.34	0.58	119,640	1,435,680

DISTRIBUTION RATIO



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PURCHASE PRICE & TERMS

<u>Purchase Price:</u>	\$1,975,000
<u>Terms of Sale:</u>	Cash
<u>Price Per Apartment Unit:</u>	\$7,714.84
<u>Price Per Net Rentable Sq. Ft.</u>	\$9.59

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EXISTING FINANCING

<u>Original Amount/Date:</u>	NA
<u>Current Balance/Date:</u>	NA
<u>Interest Rate:</u>	NA
<u>Interest Only Period:</u>	NA
<u>Payment:</u>	NA
<u>Amortization:</u>	NA
<u>Maturity Date:</u>	NA
<u>Lender:</u>	NA

Annual Property Operating Data

Run Date:	27-Sep-11	Purchase Price	\$	1,975,000	\$	7,715	Cap Rate:	11.48%
Location:	Oklahoma City	Est. Renovation:	\$	3,200,000	\$	12,500	Cash-On-Cash:	11.48%
Project:	Cypress Ridge	Total Cost Plus Rehab:	\$	5,175,000	\$	20,215		
Number of Units:	256	Mortgage Balance:	\$	-			Applied Stabilized Cap Rate:	9.00%
Net Rentable S.F.	205,851	Equity Requirement:	\$	5,175,000	100%		Estimated Stabilized Value:	\$ 6,601,870

No. Units	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Rent	Rent/Sq.Ft.	Gross/Mo.	Gross/Yr.
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256		804	205,851	467.34	0.58	119,640	1,435,680

				Proforma	Per Unit
INCOME	Scheduled Rent	-	-	1,435,680	5,608
	Loss to Lease/Concessions 0%	-	-	-	-
	Gross Potential	-	-	1,435,680	5,608
	Vacancy & Collection Loss 8%	-	-	114,854	449
	Total Rental Income	-	-	1,320,826	5,159
	RUBS	-	-	-	-
	Other Income	-	-	44,800	175
	Total Revenue	-	-	1,365,626	5,334
EXPENSES	R E Taxes	-	-	12,176	48
	Insurance	-	-	64,000	250
	Management Fee 5%	-	-	68,281	267
	Utility Expenses	-	-	115,200	450
	Maintenance/Repairs	-	-	115,200	450
	Advertising	-	-	30,000	117
	Security	-	-	25,000	98
	Administration	-	-	15,000	59
	Landscaping	-	-	45,000	176
	Payroll / Taxes / Benefit	-	-	217,600	850
	Replacement Reserves	-	-	64,000	250
	Total Operating Expenses	-	-	771,457	3,014
					3.75
	Net Operating Income	-	-	594,168	2,321
	Debt Service	-	-	-	-
	Cash-Flow Before Taxes	-	-	594,168	2,321

Real Estate Tax Information:	2011	Assessed Value:	106,499	Rate/\$1000:	114.33	Value:	\$968,173
Account:	R134424600	Tax Amount:	\$12,176	Tax Dist:	0	Per Unit:	\$3,782

Cypress Ridge
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Oklahoma City, OK



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Sold Comparison

Property Address: 1301 W. Hefner Road, Oklahoma City

Size and Age: 152-units, Built in 1985

Price: \$6,375,000 **Price Per Unit:** \$41,940

Closing Date: 01/2008

Total Square Footage: 124,926

Note: The purchase price of Arbor Lake is based on 80% LTV of the \$5,100,000 loan amount that is recorded of public record. Arbor Lake is not a direct sale comparable for the subject property and is not included in the Summary data. The sale is shown because the property is adjacent to Cypress Ridge.



Property Address: 727 N. MacArthur, Oklahoma City

Size and Age: 240-units, Built in 1972

Price: \$637,800 **Price Per Unit:** \$2,657

Closing Date: 01/2011

Total Square Footage: 173,315 - *Vacant at time of sale. Buyer is doing a complete interior / exterior rehab.*



Property Address: 7920 NW 21st, Oklahoma City

Size and Age: 338-units, Built in 1975

Price: \$1,500,000 **Price Per Unit:** \$4,437

Closing Date: 04/2011

Total Square Footage: 280,898 - *Vacant at time of sale. Buyer is doing a complete interior / exterior rehab.*



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Oklahoma City, OK



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Sold Comparison

Property Address: 7525 Knight Lake Dr, Oklahoma City

Size and Age: 168-units, Built in 1972

Price: \$1,350,000 **Price Per Unit:** \$8,035

Closing Date: 06/2011

Total Square Footage: 161,972 - *65% occupancy at time of sale. Buyer is doing a complete interior / exterior rehab.*



Property Address: 5542 S. Walker, Oklahoma City

Size and Age: 128-units, Built in 1974

Price: \$1,500,000 **Price Per Unit:** \$11,718

Closing Date: 09/2010

Total Square Footage: 96,277 - *Mostly vacant at time of sale. Buyer is doing a complete interior / exterior rehab.*



Property Address: 3344 S. Bryant Ave, Del City

Size and Age: 200-units, Built in 1972

Price: \$2,750,000 **Price Per Unit:** \$13,750

Closing Date: 11/2010

Total Square Footage: 153,203 - *Mostly vacant at time of sale. Buyer is doing a complete interior / exterior rehab.*



Property Address: 3834 N. Oak Grove, Midwest City

Size and Age: 286-units, Built in 1972

Price: \$3,300,000 **Price Per Unit:** \$11,538

Closing Date: 12/2010

Total Square Footage: 252,680 - *40% occupied at time of sale. Buyer is doing a complete interior / exterior rehab.*



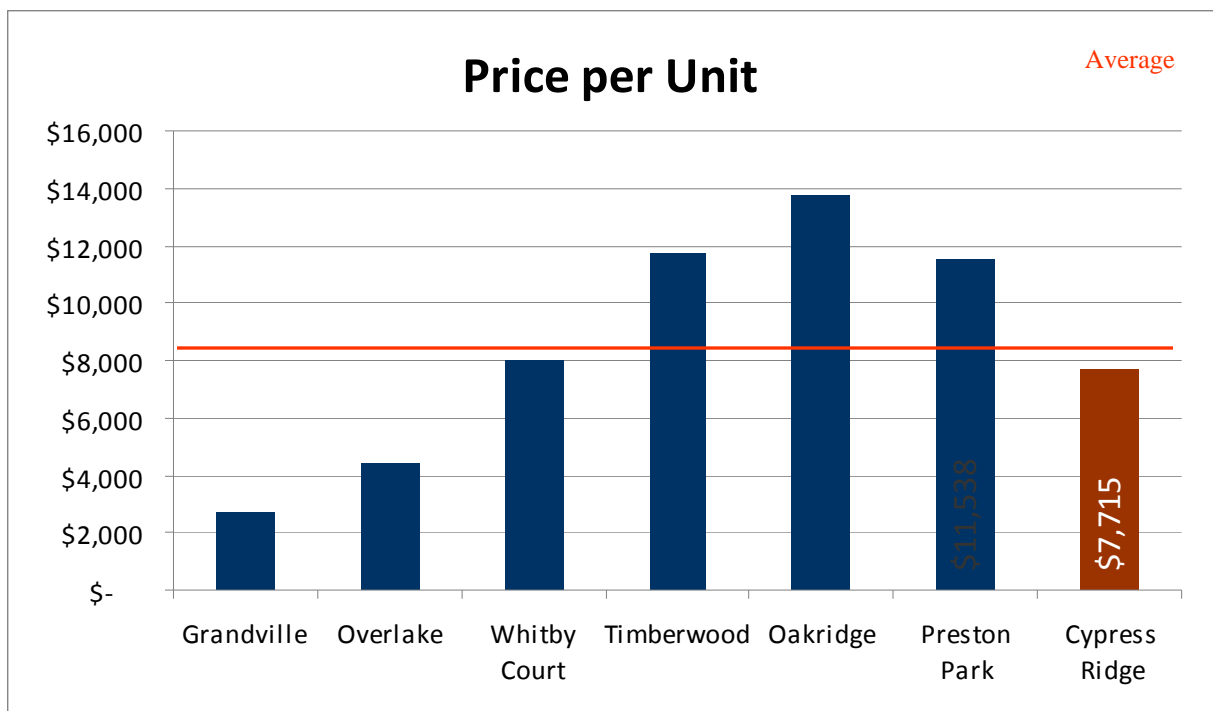
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Sold Comparison Summary

Property	Price/Unit	Overall Price	No. Unit	Year Built	Price Per Square Foot
Grandville	\$2,657	\$637,800	240	1972	\$3.68
Overlake	\$4,437	\$1,500,000	338	1975	\$5.34
Whitby Court	\$8,035	\$1,350,000	168	1972	\$8.33
Timberwood	\$11,718	\$1,500,000	128	1974	\$15.58
Oakridge	\$13,750	\$2,750,000	200	1972	\$17.95
Preston Park	\$11,538	\$3,300,000	286	1972	\$13.06
Average	\$8,116	\$11,037,800	1,360		\$9.87
Cypress Ridge	\$7,715	\$1,975,000	256	1971	\$9.59

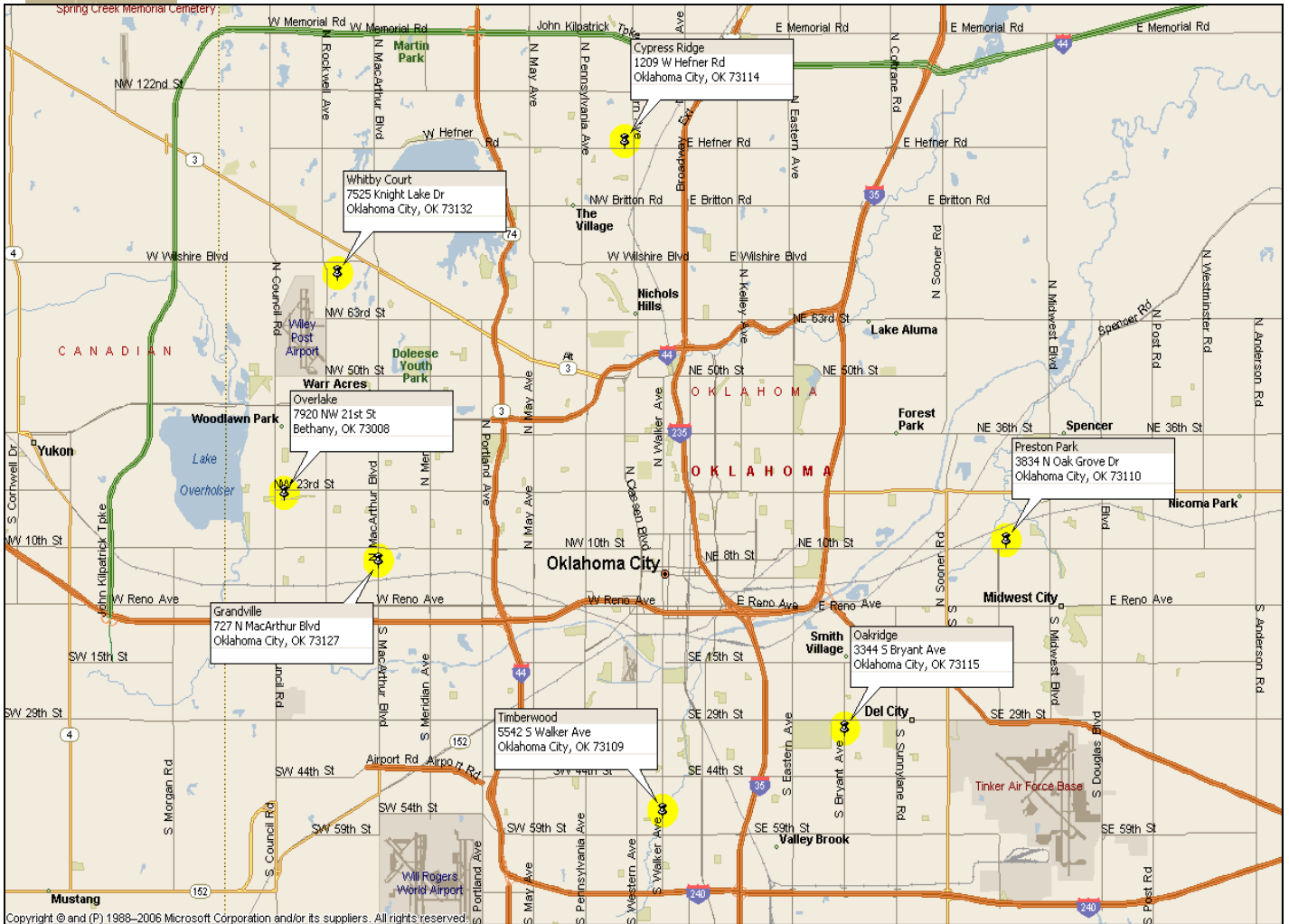


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Sold Comparison Map



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RENT COMPS

In order to estimate market rents for Cypress Ridge, 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 Cypress Ridge. Rental Rates are based on market rates excluding any concessions or specials.

1. Britton Crossing

413 W. Britton Road
Oklahoma City 73114



No.	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Avg Rent	Rent Sq.Ft.	Gross Mo.	Gross/Yr.
126	1 Bed / 1 Bath	677	85,302	\$525	\$0.78	\$66,150	\$793,800
126	2 Bed / 1 Bath	912	114,912	\$615	\$0.67	\$77,490	\$929,880
252		795	200,214	\$570	\$0.72	\$143,640	\$1,723,680

Post renovation rental rates that represent the high end of the market

2. Riverchase

11239 N. Pennsylvania
Oklahoma City 73120



No.	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Avg Rent	Rent Sq.Ft.	Gross Mo.	Gross/Yr.
90	1 Bed / 1 Bath	700	63,000	\$430	\$0.61	\$38,700	\$464,400
72	2 Bed / 1 Bath	900	64,800	\$480	\$0.53	\$34,560	\$414,720
75	2 Bed / 2 Bath	1,000	75,000	\$550	\$0.55	\$41,250	\$495,000
15	2 Bed / 2 Bath	1,000	15,000	\$580	\$0.58	\$8,700	\$104,400
252		864	217,800	\$489	\$0.57	\$123,210	\$1,478,520

3. North Village

10735 N. Western
Oklahoma City 73114



No.	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Avg Rent	Rent Sq.Ft.	Gross Mo.	Gross/Yr.
60	1 Bed / 1 Bath	740	44,400	\$425	\$0.57	\$25,500	\$306,000
120	2 Bed / 2 Bath	935	112,200	\$550	\$0.59	\$66,000	\$792,000
40	3 Bed / 2 Bath	1244	49,760	\$750	\$0.60	\$30,000	\$360,000
220		938	206,360	\$552	\$0.59	\$121,500	\$1,458,000

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4. Arbor Lake
 1301 W. Hefner Road
 Oklahoma City 73114



No.	#Bdrm/Bth	Sq.Ft.	Total Sq.Ft.	Avg Rent	Rent Sq.Ft.	Gross Mo.	Gross/Yr.
38	1 Bed / 1 Bath	686	26,068	\$565	\$0.82	\$21,470	\$257,640
49	1 Bed / 1 Bath	800	39,200	\$589	\$0.74	\$28,861	\$346,332
38	1 Bed / 1 Bath	900	34,200	\$629	\$0.70	\$23,902	\$286,824
27	2 Bed / 2 Bath	1,100	29,700	\$729	\$0.66	\$19,683	\$236,196
152		850	129,168	\$618	\$0.73	\$93,916	\$1,126,992

Note: Arbor Lake is not a direct rent comparable for the subject property and is not included in the Summary data. The rents are shown because the property is adjacent to Cypress Ridge.

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 1209 W. Hefner Road
 Oklahoma City, OK



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Rent and Square Footage Comparison

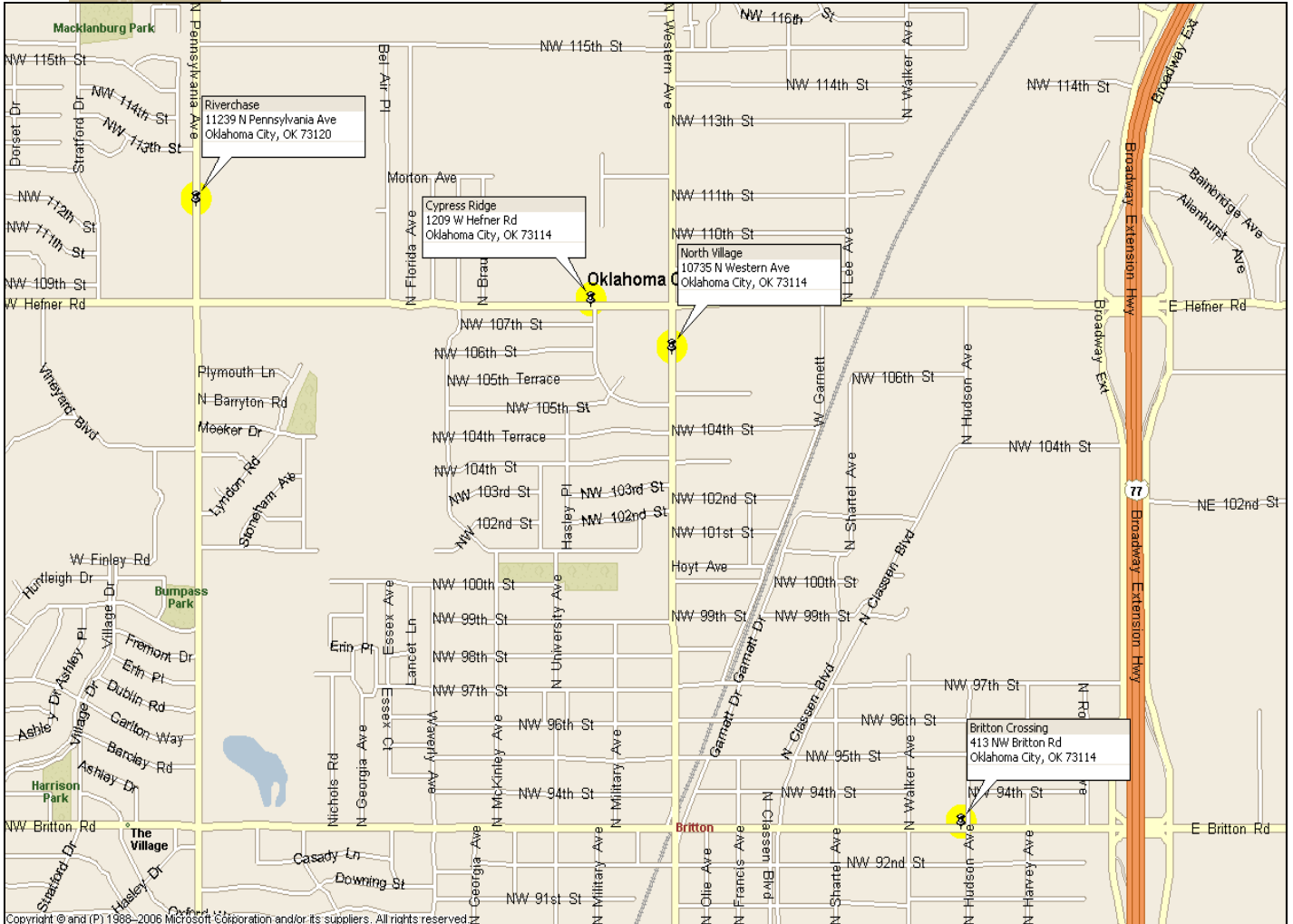
Property Name	Overall Effective Rent per Sq. Ft.	Market Rent (1B1B)	Market Rent (1B TH)	Market Rent (2B1B)	Market Rent (2B2B)	Square Footage (1B1B)	Square Footage (1B TH)	Square Footage (2B1B)	Square Footage (2B2B)
1 Britton Crossing	\$0.72	\$525	NA	\$615	NA	677	NA	912	NA
2 Riverchase	\$0.57	\$430	NA	\$480	\$555	700	NA	900	1000
3 North Village	\$0.59	\$425	NA	NA	\$550	740	NA	NA	935
Total/Average	\$0.62	\$472	NA	\$565	\$552	698	NA	908	963
Cypress Ridge	\$0.58	\$425	\$460	\$485	\$550	667	768	912	928
Arbor Lake	\$0.73	\$593	NA	NA	\$729	795	NA	NA	1100

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Rent Comp Map



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**GREATER
OKLAHOMA CITY
AT A GLANCE**



Oklahoma City:

The #1 most affordable city in America, and a Top 5 fastest-growing city. The lowest business costs among large metros in the country. A Top 10 job growth ranking. A Top 25 Best Performing City. A Top Ten Metro for Doing Business and one of the best places for young adults to thrive.

The list of reasons you should grow your business in Oklahoma City is growing - almost as quickly as the list of reasons why people love living here. In Greater Oklahoma City, we understand that partnership among business, government, EDOs and civic leaders is integral to our success. Our low costs, diverse economy and business-friendly environment have kept the economic doldrums at bay, and provided value, stability and profitability to our companies — and now we're poised to do even more. Let us introduce you to the thriving 10-county region that is Greater Oklahoma City: a city that has rediscovered its strengths - and redefined itself for the future.

Location.....	3
Transportation	3-5
Climate.....	5
Population	6
Housing	6
Economy.....	7-8
Education	8-9
Income	10
Labor Analysis	10
Incentives.....	11-13
Site Locations	14
Tax Rates	14
Utilities.....	15
Communications.....	15
Partnership Services...	15

INDEX

LOCATION

The Oklahoma City Metropolitan Statistical Area (MSA) includes seven counties: Oklahoma, Canadian, Cleveland, Grady, Lincoln, Logan, and McClain. It is the 31st largest city and 44th largest metropolitan area in the United States.

OKLAHOMA CITY AREA:
622.5 square miles - the third largest land area for a city in the nation.

OKLAHOMA CITY ELEVATION:
1,285 feet above sea level

Source: U.S. Census Bureau



TRANSPORTATION

Oklahoma City is as easy to reach as it is to navigate, with commute times averaging 20 minutes or less and minimal congestion. It's no wonder msn.com ranked it the sixth most drivable city in the United States.

MAJOR HIGHWAYS SERVING AREA:

Interstate 35.....	North and South	U.S. 62.....	East and Southeast
Interstate 40.....	East and West	U.S. 77 (Broadway Extension).....	North and South
Interstate 44.....	Northeast and Southwest	U.S. 270.....	Southeast and Northwest
Interstate 235.....	Connects I-35 & I-40 & U.S.77	U.S. 277.....	Southwest
Interstate 240.....	Interconnects I-40, I-44 & I-35		





HIGHWAYS

Located at the crossroads of I-35, I-40 and I-44, Oklahoma City has more than 2,400 miles of four-lane roads. And, the state of Oklahoma has more than 12,000 miles of state highways, excellent turnpikes, and an interstate system providing a vital link to all major U.S. markets. There are about 15,000 common and/or contract motor freight carriers operating in the state, providing fast and efficient truck transportation to all points on the continent.

AIR

Will Rogers World Airport sits on more than 8,000 acres of land and serves six airlines flying nonstop to 19 destinations in 17 cities. In addition, the airport serves a number of charter services. Will Rogers World Airport is one of the 10 largest airports in the country by land area, and the largest small hub airport in the nation. The airport operates three runways: two 9,800-ft parallel runways and one 7,800-ft crosswind runway and can accommodate any size aircraft. Currently, the facility is home to 67 companies, including the FAA Mike Monroney Aeronautical Center, The Federal Bureau of Prisons Transfer Center, Southwest Airlines Reservation Center and the Metro Tech Aviation Career Center. Learn more about Will Rogers World Airport at www.flyokc.com.

The City also operates Wiley Post Airport, a general aviation airport that boasts nearly 80,000 flight operations every year, as well as Clarence E. Page Airport, a grassroots general aviation airport south of Yukon, Oklahoma.

TRAIN

Amtrak service is provided via The Heartland Flyer, which makes daily runs to Fort Worth, Texas. The train departs from the historic Santa Fe Depot at the front door of Bricktown – Oklahoma City’s entertainment district. Two major lines provide most of the rail transportation in the Oklahoma City MSA: Union Pacific and BNSF Railway. These lines have more than 4,000 miles of track and connect Oklahoma communities with other U.S. cities, markets and ports.

NON-STOP SERVICE

Atlanta.....	Delta	Kansas City	Southwest
Baltimore.....	Southwest	Las Vegas	Southwest
Chicago O’Hare.....	American, United	Los Angeles	United
Dallas Love Field ...	Southwest	Memphis	Delta
Dallas/Ft. Worth.....	American	Minneapolis.....	Delta
Denver.....	Frontier, Southwest, United	New York/Newark..	Continental
Detroit	Delta	Phoenix.....	Southwest
Houston/Hobby	Southwest	Salt Lake City.....	Delta
Houston/Intercontinental	Continental	St. Louis	Southwest
		Washington D.C.	United

DISTANCE AND DELIVERY TIME FROM OKLAHOMA CITY TO MAJOR U.S. CITIES

Major Cities	Distance (Miles)		Delivery Time (days)	
	Highway	Rail	Motor Carrier	Rail
Atlanta	868	1,006	3	4
Chicago	896	846	3	3
Dallas	200	388	1	7-8 hours
Denver	630	792	3	2
Detroit	1,086	1,230	3	4
Houston	437	638	2	1.5
Kansas City	339	379	2	1
Los Angeles	1,367	1,489	3	6
Memphis	474	583	3	2
New Orleans	718	1,000	5	3
New York	1,548	1,592	5	7
St. Louis	462	539	2	1
Seattle	2,021	2,360	5	5

Same Day: Dallas, Houston, Chicago, Denver, Memphis
 Overnight: Los Angeles, New York, Atlanta, Detroit

CLIMATE

The average annual temperature is 60° F with an average rainfall of 33.36 inches and average snowfall of 9.7 inches per year. The average number of flying days is 350 per year - the same number of days you'll see the sun shining in Oklahoma City.

January.....37°	July.....82°
February.....42°	August.....81°
March.....51°	September.....73°
April.....60°	October.....62°
May.....68°	November.....49°
June.....77°	December.....40°

Source: Oklahoma Climatological Survey



Oklahoma City is the most populous city in the state of Oklahoma. From 2000 to 2010, Oklahoma City's population grew by more than 14.6%, and has experienced a 1.3% average annual growth rate. In 2010, the Oklahoma City MSA population was estimated to be 1,252,987, while Oklahoma City's population was 579,999.

POPULATION BY RACE AND ETHNIC GROUP

	% White		% Black		% Native American		% Asian		% Hispanic Origin*	
	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010
OKC MSA	75.7	73.7	10.6	10.7	4.2	3.8	2.5	3.1	6.7	10.3
Oklahoma City	68.4	62.7	15.4	15.1	3.5	3.5	3.5	4.0	10.1	17.2
Oklahoma County	70.4	64.6	15.0	15.4	3.4	3.5	2.8	3.0	8.7	15.1
Oklahoma	76.2	72.2	7.6	7.4	7.9	8.6	1.4	1.7	5.2	8.9

*Persons of Hispanic Origin may be of any race. SOURCE: 2010 Census

HOUSING: MOVING TO OKLAHOMA CITY

This vibrant, active city is even more liveable because of its affordability. Unlike many metropolitan areas today, you can afford to live comfortably in a quality home, while still enjoying the area's arts, entertainment and recreational opportunities. Explore the neighborhoods layered with personality, colorful art enclaves and plenty of clean, green spaces.

The ACCRA Cost of Living Index shows that Oklahoma City is 17.8 percent below the national average in terms of housing costs.

NEW HOME AVERAGE SALES PRICE

- \$250,492 for 2,400 sq. ft. new-build home

AVERAGE RENTAL RATE

- \$693 per month for 2-bed, 2-bath, 950 sq. ft., unfurnished apartment

Source: ACCRA Cost of Living Survey, 2010 Annual Data



MAJOR INDUSTRIES:

The economy of the Greater Oklahoma City region is diverse. While federal, state and local government are the largest employers, and the oil and natural gas sector generates the largest revenues, the area's major private sector economic contributors include:

- Aviation & Aerospace:** With the largest concentration of aviation and aerospace firms in the state, the Greater Oklahoma City region's 265 firms employ 38,000 workers - and growing. Nearly 65 percent of the workforce at Tinker Air Force Base - the largest single site employer in the state - consists of civilian contractors and service providers.
- Bioscience:** Oklahoma City's Bioscience presence is generating national and international attention. Companies within this industry are dedicated to providing Bioscience goods and services, as well as education and research testing.
- Energy:** Oklahoma City is the Energy capital of the state. Energy accounts for approximately 3% of metro employment but more than 7% of total compensation. The sector draws its strength from several Energy companies with headquarters in the city.
- Health Care:** As one of the nation's major centers of healthcare delivery, Oklahoma City employs more than 22,000 health care sector workers. The city's twenty general medical and surgical hospitals, four specialized hospitals and two federal medical installations combine to offer outstanding healthcare.
- Manufacturing:** This broad category includes metals and machinery; building materials; food products; and medical devices and equipment. With more than 35,000 employed, the manufacturing sector represents approximately seven percent of the Oklahoma City MSA's total nonagricultural labor force.
- Professional, Business & Financial Services:** Similar to the healthcare sector, the Oklahoma City region provides business and financial services to a market that extends beyond the state boundaries.
- Wholesale and Retail Trade:** High retail trade activities are a direct result of Oklahoma City's centralized location and accessibility. The unique nature of Oklahoma's urban structure, with only two major urban centers (Oklahoma City and Tulsa), positions Oklahoma City as a major retail center. Presently, there are 21 trade areas with 214 centers throughout the Oklahoma City MSA, with total taxable sales of \$12.7 billion annually.

Cost of Living Index

Oklahoma City	91.7
Atlanta	95.5
Boston	132.4
Chicago	116.8
Denver	103.1
Detroit	99.3
Manhattan	216.4
Memphis	88.2
Tuscon	96.4
Pittsburg	91.5
San Francisco	163.8
Seattle	121.2
Washington DC	139.9
Nation	100.0

SOURCE: ACCRA Cost of Living Index, 2010 Annual Data



LEADING EMPLOYERS:

The following table shows the major employers in the Oklahoma City metropolitan area.

COMPANY	PRODUCT/SERVICE	EMPLOYEES
State of Oklahoma	Government	42,000
Tinker Air Force Base	Military	28,000
OU - Norman Campus	Higher Education	11,650
FAA Mike Monroney Aeronautical Center	Aerospace	8,000
INTEGRIS Health*	Health Care	7,000
OU Health Sciences Center	Higher Education	4,200
Chesapeake Energy Corp*	Oil & Gas	4,000
OGE Energy Corp.*	Utility	3,450
Mercy Health Center*	Health Care	3,450
AT&T	Telecommunications	3,000
SSM Health Care of Oklahoma, Inc.*	Health Care	2,750
Devon Energy Corp*	Oil & Gas	2,600
OU Medical Center	Health Care	2,600
Hobby Lobby Stores Inc*	Wholesale & Retail	2,500
Dell	Sales & Business Service	1,700
Hertz Corporation	Rental Services	1,650
Farmers Insurance Group	Customer Service	1,600
UPS	Transportation	1,550
Cox Communications*	Telecommunications	1,400
Deaconess Hospital*	Health Care	1,300
Johnson Controls	Manufacturing	1,200
Midfirst Bank*	Finance	1,150
Rose State College	Higher Education	1,100
American Fidelity*	Finance/Insurance	1,000
University of Central Oklahoma	Higher Education	1,000

*Indicates headquarters in metro area; employee counts subject to change

EDUCATION

WORKING TOGETHER

Civic, business and education leaders developed a blueprint that has changed the area's largest school district, Oklahoma City Public Schools, forever. In 2001, Oklahoma City voters approved MAPS for Kids, a comprehensive education reform plan that raised \$700 million for Oklahoma City Public Schools and surrounding school districts.

In addition to building seven schools and renovating 65 others, the comprehensive plan calls for strategic academic reforms; improved student achievement; restored classroom discipline; and increased accountability with students, parents and the community.

This innovative vision for our school system was reaffirmed in October 2007, when voters overwhelmingly approved a \$248.3 million bond by 78 percent! This support helped to earn Oklahoma City a spot as one of the "100 Best Communities for Young People" by the America Promise Alliance in 2005, 2007 and again in 2008.



HIGHER EDUCATION

In the Greater Oklahoma City area, there are 18 public and private colleges and universities, including two comprehensive universities, Oklahoma State University and the University of Oklahoma. These institutions of higher learning provide thousands of undergraduate and graduate degree opportunities. Oklahoma also has a nationally acclaimed Career and Technology system, offering programs and services in 29 technology center districts operating on: 56 campuses, 398 comprehensive school districts, 25 skill centers and three juvenile facilities. Not only do these centers provide training to high school and post-secondary students, they also provide invaluable training services to a variety of businesses in a number of different skill areas.

AREA COLLEGES & UNIVERSITIES

Colleges		Fall 2010 Enrollment
University of Oklahoma	25,829	State, four-year
OU Health Sciences Center	3,854	State
OU College of Law	539	State
Oklahoma State University	23,178	State, four-year
OSU-Oklahoma City	7,647	Two-year
University of Central Oklahoma	17,101	State, four-year
Oklahoma City Community College	14,858	State, two-year
Rose State College	9,824	State, two-year
Oklahoma City University	3,770	Private, four-year
Langston University	2,864	State, four-year
Redlands Community College	2,482	State, two-year
University of Phoenix	2,400	Private, two/four-year
Oklahoma Christian University	2,213	Private, four-year
Southern Nazarene University	2,051	Private, four-year
Oklahoma Baptist University	1,777	Private, four-year
Mid-America Christian University	1,139	Private, four-year
University of Science and Arts of Oklahoma	1,063	State, four-year
St. Gregory's University	734	Private, four-year
Southwestern Christian University	470	Private, four-year
DeVry University	282	Private, four-year
Hillsdale Free Will Baptist College	218	Private, four-year
Total Enrollment		124,293

SOURCE: Comparative Headcount Enrollments, Oklahoma State Regents for Higher Education

EDUCATIONAL ATTAINMENT (POPULATION 25 YEARS AND OVER)

Less than High School Graduate	8.4%
High School/Technical School.....	28.3%
Some College.....	25.3%
College Graduate or Higher	27.2%

SOURCE: Census Bureau, 2009 American Community Survey

Oklahoma City's cost of living consistently ranks well below the national average — and well below cities such as Denver, Albuquerque, Kansas City and San Antonio. Oklahoma City also offers some of the most affordable housing, transportation, utilities, groceries and gas in the U.S., and residents still have more disposable income than in other cities. See the cost of living calculator in the “Moving to Oklahoma City” section of www.okcchamber.com.

INCOME	
Median Household Income	\$47,980
Under \$15,000	12.4%
\$15,000 - \$25,000	10.7%
\$25,000-\$50,000	10.7%
\$50,000-75,000	20.9%
\$75,000 - \$100,000	13.5%
\$100,000 - \$150,000	9.3%
More than \$150,000	4.1%

SOURCE: ESRI Business Analyst, 2010

LABOR ANALYSIS

UNEMPLOYMENT RATE

The unemployment rate for the Oklahoma City metropolitan area was 6.4% for 2010. Increases in the area's population and labor force have kept pace with economic growth, keeping the region's unemployment rate low in comparison to the nation.

TOTAL EMPLOYMENT BY INDUSTRY

Information	2.2%
Natural Resources and Mining	2.5%
Other	4.1%
Construction	4.6%
Manufacturing	5.4%
Financial Activities	5.9%
Lesiure and Hospitality	10.3%
Professional and Business Services	12.9%
Education and Health Services	14.0%
Trade, Transportation and Utilities	17.2%
Government	20.9%

SOURCE: 2011 Economic Forecast, Bureau of Labor Statistics, Quarterly Census of Employment & Wages

LABOR ANALYSIS 2010

Labor Force	573,100
Employed	536,700
Unemployed	36,400
Underemployed*	80,000
Unemployment Rate	6.4%

*Underemployed workers have training or education surpassing the needs of their current position.

SOURCE: U.S. Dept. of Labor, Bureau of Labor Statistics

AVERAGE ENTRY LEVEL WAGE SCALES OF SELECTED BENCHMARKS

Position	Hourly	Position	Hourly
Material handler	\$8.23	Computer Programmer	\$16.35
Forklift driver	\$9.86	Accountant	\$16.76
Customer service rep	\$10.00	Registered Nurse	\$20.79
Computer Support Specialist	\$11.26	Total, All occupations	\$8.66
Machinist	\$11.42		
Machine assembler	\$12.42		
Administrative Assistant	\$12.77		

SOURCE: Oklahoma Employment Security Commission,

OKLAHOMA QUALITY JOBS PROGRAM – 10 YEAR CASH INCENTIVE

Companies can directly receive up to 5% of total payroll in the form of quarterly cash payments for up to ten years. Companies qualify if they are central administrative offices, manufacturers, research and development agencies (including wind power manufacturers), distribution centers (with 40 percent out-of-state delivery) or certain service companies (with out-of-state sales exceeding 75 percent of total sales), and must achieve a payroll (within three years) of \$2.5 million or more.

OKLAHOMA QUALITY JOBS – HIGH IMPACT PROGRAM

Lowers annualized payroll threshold to \$1 million for businesses that produce new direct jobs to the State that are equal to or greater than 1% of the total labor force of the county in which they locate. Payout is 2.5% of taxable wages for 6 years.

OKLAHOMA QUALITY JOBS – SMALL EMPLOYER PROGRAM

Allows qualifying small businesses (90 employees or less) to receive up to 5% cash-back incentive for up to 7 years to locate or expand in Oklahoma. Companies, other than R&D firms, locating in Oklahoma County must be in an Opportunity Zone to qualify for this program.

21ST CENTURY QUALITY JOBS INCENTIVE PROGRAM – 10 YEAR CASH INCENTIVE

Created to attract growth industries by rewarding businesses with a highly skilled workforce. Companies can receive up to 10% on new payroll for up to 10 years, or twice the net benefit of the Quality Jobs Program. The new jobs must pay an average wage of 300% of the county's average wage. This incentive targets knowledge-based service industries, such as professional, scientific and technical services, specialty hospitals, music, film, and performing arts. Out-of-state sales must be a minimum of 50%.

INVESTMENT/NEW JOBS TAX CREDITS

Provides growing manufacturers a significant tax credit based on either an investment in depreciable property OR on the addition of full-time equivalent employees engaged in manufacturing, processing, or aircraft maintenance. A five-year tax credit may be offered on the greater of 1% per year of investment in qualified property or a credit of \$500 per year per new job, doubled in an Enterprise Zone.

QUALITY JOBS & INVESTMENT TAX CREDIT

Prior to January of 2010, qualifying companies had to choose either the Quality Jobs Program OR the Investment/New Jobs Tax Credit benefits. As of January 1, 2010, companies have the option of receiving both of these incentives.



OKLAHOMA CITY STRATEGIC INVESTMENT PROGRAM (SIP)

The SIP is a deal-closing fund that provides companies with a one-time cash payment based on newly created jobs within Oklahoma City. Qualifying companies such as manufacturing firms, headquarters and shared service or customer care operations must hire a minimum of 50 full-time employees and produce an annual payroll of \$1.75 million. Firms must also meet or exceed specific average wage thresholds. The City's grant will be performance based, tied to the company's actual job creation and capital investment.

PrimeWIN PRIME CONTRACTOR INCENTIVE PROGRAM

The only incentive of its kind in the nation, PrimeWIN provides a cash benefit and a certified subcontractor base for federal prime contractors. A performance-based program that requires subcontracting with an Oklahoma workforce, the prime contractor need not be located in Oklahoma. Program provides a cash rebate of up to 2% of the Oklahoma workforce loaded labor cost.

FIVE-YEAR AD VALOREM TAX EXEMPTION

This exemption is for new, expanded or acquired manufacturing, research/development or specific computer/data processing service facilities. Real estate, machinery and equipment used directly in the manufacturing process are eligible. The exemption requires a minimum capital investment of \$250,000; \$250,000 in annual payroll in small counties and \$1 million payroll in large counties. If a \$7 million investment is made in new facilities for all facilities other than warehousing/storage and distribution; a net increase of 15 or more employees; and companies must offer a basic health benefits plan to full-time employees.



SALES TAX EXEMPTIONS FOR MANUFACTURERS

Machinery, equipment and tangible personal property used in design, development and manufacturing are exempt from sales tax. Inputs and consumables used in the manufacturing process are also exempt from sales tax. Oklahoma also provides for a sales tax exemption on the energy consumed in the manufacturing process.

CUSTOMIZED EMPLOYEE TRAINING

Consistently ranked as one of the top programs in the nation, Oklahoma's Training for Industry Program (TIP) provides customized training and resources to qualifying new and expanding Oklahoma companies at little or no cost to the company. Delivered through the state's Career Technology Centers, TIP ensures that companies have a productive workforce from the start.

OTHER ASSISTANCE PROGRAMS

Additional assistance programs include: Sales Tax exemptions, Foreign Trade Zones, Financing Programs, Export Assistance, Government Contracting Assistance, New Market Tax Credits, Former Indian Lands Tax Credit, Aerospace Industry Engineer Workforce Tax Credit, OK Community ED Pooled Financing for infrastructure-related construction, CDBG/EDIF, and Limited Industrial Road Assistance. Contact Chamber staff for more on any of these programs.

RECRUITMENT RESOURCES

To facilitate the recruitment process, the Oklahoma Employment Securities Commission (OESC) will pre-screen eligible applicants to meet the specifications outlined within job descriptions, test applicants for aptitudes in specific skills and provide any personnel functions necessary to ensure recruitment success.

For more information visit www.greateroklahomacity.com and click on "Expansion & Relocation" and then "Incentives."





Oklahoma City's construction climate, one of the most competitive in the United States, makes building a facility an affordable and viable option. Costs of commercial and industrial construction are significantly lower here than in most areas throughout the Southwest, including Dallas, Houston, Phoenix and Denver, according to the Means Square Foot Costs survey.

INDUSTRIAL SITES

The Greater Oklahoma City Chamber maintains a comprehensive online database, www.okcedis.com, of industrial buildings and sites for the Greater Oklahoma City region. Customized site or building searches, site and building tours or build-to-suit proposals are available.

Office Rental Rates

Class A Office Quote	\$18.02 - \$21.06
Class B Office Quote	\$10.82 - \$16.02
Class C Office Quote	\$11.57 - \$12.97
Central Business District Ave. Quote	\$15.20
Suburban Markets Ave. Quote	\$15.82

Industrial Rental Rates

Bulk Warehouse	\$3 - \$5
Flex Space	\$6 - \$10
Service Warehouse	\$2.25 - \$6

SOURCE: Oklahoma City Office Market Summary, Price Edwards & Company, 2010 Mid-Year

TAX RATES

Tax Rate FY 2008 - 09

Corporate Income Tax	6%
Sales Tax (State & Local)	8.375%
State Personal Income Tax	5.25%
Ad Valorem (Property Tax)	
Real Property	Less than 1% of assessed value
Personal (Machinery & Equipment)	1.5% of market value
Unemployment Compensation Tax - 1.8% on first \$13,200 of payroll and 0.2% to 5.8% after two years experience	

In 2009, the state's personal income tax was reduced to 5.25%. Oklahoma's strong economy means the state's taxation and regulatory policy are competitive.

UTILITIES

ENERGY COSTS

OG&E is a fully regulated utility. Edison Electric Institute reported in July 2010, an average of 1,000kW / 400,000kWh (monthly) / \$23,396 / \$0.0585 per kWh. Industrial rates are 21% below the national average. Visit www.oge.com.

ONG's tariffs range from small commercial / industrial using 1,000 Dth to facilities using in excess of 450,000 Dth per year. Rates are determined by factors such as annual revenue and capital investment expenses incurred. Visit www.oneok.com.

UTILITIES:

ENERGY

Electricity OGE Electric Services

Natural Gas Oklahoma Natural Gas Company

WATER - CITY OF OKLAHOMA CITY

Capacity 250,000,000 gpd

STORAGE CAPACITY

Plant..... 35,500,000 gpd

Distribution..... 20,350,000 gpd

WASTEWATER/SEWER - CITY OF OKLAHOMA CITY

Treatment Capacity..... 101,000,000 gpd

Present Load 70,000,000 gpd

COMMUNICATIONS

Telephone Service AT&T and Cox Communications
Long Distance Carriers.....22

GREATER OKLAHOMA CITY PARTNERSHIP SERVICES

- Professional site location assistance
- Professional business retention and expansion (BRE) services
- Professional bioscience, aerospace and entrepreneurial assistance
- Comprehensive research modeling
- Identification of available real estate
- Hosting of site tours
- Workforce analysis
- Assistance with permitting and numerous other processes
- Assistance with determining financial resources
- Work with state and local partners for incentives and training benefits
- Host / connect with key groups such as investors, developers and bankers
- Manage Strategic Investment Program (SIP) application process for Oklahoma City Economic Development Trust
- And more...

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.