

# GENERAL BACKGROUND INFORMATION

*(As available on 9/22/09 - subject to change without notice)*

## Lake Villa

12002 Lake Avenue  
19 Unit Apartment Building  
Real Property Located in Lakewood, Ohio  
Cuyahoga County



Materials Presented by:

**Ag Real Estate Group, Inc.**

Eric M. Silver, President & Broker

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## REGISTRATION

### CREPD, LLC

Eric M. Silver is a Real Estate Broker licensed in the State of Ohio, doing business as Ag Real Estate Group, Inc. Eric Zimmerman is a Real Estate Agent for Ag Real Estate Group, Inc., licensed in the State of Ohio.

We welcome co-brokerage participation in support of our effort to market and sell this property. Upon completion and closing of a transaction with a buyer who has been duly registered by a Buyer's agent, Seller shall pay a co-brokerage fee equal to 3% of the purchase price (via escrow) to a buyer's broker. To be registered and recognized as a buyer's broker, you must complete this registration form and have received an executed copy in return prior to your client having contact with the Ag Real Estate Group, Inc. Brokers contacting the Ag Real Estate Group, Inc. after their client makes an initial contact directly to the Ag Real Estate Group, Inc. will not be recognized or compensated by the Seller. Registration will remain valid for a period of 150 days after the later date below, after which time the registration becomes null and void.

CIRCLE ONE CHOICE: *I am* / *am not* represented by a broker or agent.

\_\_\_\_\_  
Buyer (*print and sign*)      Phone #      Date

\_\_\_\_\_  
Buyer's Agent - Name and Phone #      Date

\_\_\_\_\_  
Ag Real Estate Group, Inc.      Date  
By: Eric M. Silver, President and Broker

# CONSUMER GUIDE TO AGENCY RELATIONSHIPS

*Ag Real Estate Group, Inc.*



We are pleased you have selected Ag Real Estate Group, Inc. to help you with your real estate needs. Whether you are selling, buying or leasing real estate, Ag Real Estate Group, Inc. can provide you with expertise and assistance. Because this may be the largest financial transaction you will enter into, it is important to understand the role of the agents and brokers with whom you are working. Below is some information that explains the various services that agents can offer and their options for working with you:

## **Representing the Sellers**

Most sellers of real estate choose to list their home for sale with a real estate brokerage. When they do so, they sign a listing agreement that authorizes the brokerage and the listing agent to represent their interests. As the seller's agent, the brokerage and listing agent must: follow the seller's lawful instructions, be loyal to the seller, promote the seller's best interests, disclose material facts to the seller, maintain confidential information, act with reasonable skill and care, and account for any money they handle in the transaction. In rare circumstances, a listing broker may offer "subagency" to other brokerages, which would also represent the seller's interests and owe the seller these same duties.

## **Representing Buyers**

When purchasing real estate, buyers usually choose to work with a real estate agent as well. Often the buyers want to be represented in the transaction. This is referred to as buyer's agency. A brokerage and agent that agree to represent a buyer's interest in a transaction must: follow the buyer's lawful instructions, be loyal to the buyer, promote the buyer's best interests, disclose material facts to the buyer, maintain confidential information, and account for any money they handle in the transaction.

## **Dual Agency**

Occasionally, the same agent and brokerage that represent the seller also represent the buyer. This is referred to as dual agency. When a brokerage and its agents become "dual agents," they must maintain a neutral position in the transaction. They may not advocate the position of one client over the best interests of the other client, or disclose any confidential information to the other party without written consent.

## **Representing Both the Buyer & Seller**

On occasion, the buyer and seller will each be represented by two different agents from the same brokerage. In this case, the agents may each represent the best interest of their respective clients. Or, depending on company policy, the agents may both act as dual agents and remain neutral in the transaction. When either of the above occurs, the brokerage will be considered a dual agent. As a dual agent, the brokerage and its managers will maintain a neutral position and cannot advocate for the position of one client over another. The brokerage will also protect the confidentiality of all parties.

For more information on agency law in Ohio, contact the Ohio Division of Real Estate & Professional Licensing at (614) 466-4100, or online at [www.com.ohio.gov/real](http://www.com.ohio.gov/real).

### **Working With Ag Real Estate Group, Inc.**

Ag Real Estate Group, Inc. does represent both buyers and sellers. When Ag Real Estate Group, Inc. lists property for sale, all agents in the brokerage represent the seller. Likewise, when a buyer is represented by a Ag Real Estate Group, Inc. agent, all of the agents represent that buyer. Therefore, when a buyer represented by a Ag Real Estate Group, Inc. agent wishes to purchase property listed by our company, the agent(s) involved act as dual agents. This is true whether one agent is representing both parties or two separate agents are involved.

In the event that both the buyer and seller are represented by Ag Real Estate Group, Inc. agents, these agents and Ag Real Estate Group, Inc. will act as a dual agent but only if both parties agree. As a dual agent, they will treat both parties honestly, prepare and present offers at the direction of the parties, and help the parties fulfill the terms of any contract. They will not, however, disclose any confidential information that will place one party at an advantage over the other or advocate or negotiate to the detriment of either party.

If dual agency occurs, you will be asked to consent to that in writing. If you do not agree to your agent acting as a dual agent, you can seek representation from another brokerage.

As a buyer, you may also choose to represent yourself on properties Ag Real Estate Group, Inc. has listed. In that instance, Ag Real Estate Group, Inc. will represent the seller and you would represent your own best interests. Because the listing agent has a duty of full disclosure to the seller, you should not share any information with the listing agent that you would not want the seller to know.

### **Working With Other Brokerages**

Ag Real Estate Group, Inc. does offer representation to both buyers and sellers. When Ag Real Estate Group, Inc. lists property for sale, it also cooperates with, and offers compensation to, other brokerages that represent buyers. Ag Real Estate Group, Inc. does reserve the right, in some instances, to vary the compensation it offers to other brokerages. As a seller, you should understand that just because Ag Real Estate Group, Inc. shares a fee with a brokerage representing the buyer, it does not mean that you will be represented by that buyer's brokerage. Instead, that company will be looking out for the buyer and Ag Real Estate Group, Inc. will be representing your interests.

When acting as a buyer's agent, Ag Real Estate Group, Inc. also accepts compensation offered by the listing broker. If the property is not listed with any broker, or the listing broker does not offer compensation, we will attempt to negotiate for a seller-paid fee.

### **Fair Housing Statement**

It is illegal, pursuant to the Ohio Fair Housing Law, division (H) of Section 4112.02 of the Revised Code and the Federal Fair Housing Law, 42 U.S.C.A. 3601, to refuse to sell, transfer, assign, rent, lease, sublease or finance housing accommodations, refuse to negotiate for the sale or rental of housing accommodations, or otherwise deny or make unavailable housing accommodations because of race, color, religion, sex, familial status as defined in Section 4112.01 of the Revised Code, ancestry, military status as defined in that section, disability as defined in that section, or national origin or to so discriminate in advertising the sale or rental of housing, in the financing of housing, or in the provision of real estate brokerage services. It is also illegal, for profit, to induce or attempt to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons belonging to one of the protected classes. (Effective: 3/25/08)

We hope you find this information to be helpful to you as you begin your real estate transaction. When you are ready to enter into a transaction, you will be given an Agency Disclosure Statement that specifically identifies the role of the agents and brokerages. Please ask questions if there is anything you do not understand.

Because it is important that you have this information, Ohio law requires that we ask you to sign below to acknowledge receipt of this pamphlet. Your signature will not obligate you to work with our company if you do not choose to do so.

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

# GENERAL BACKGROUND INFORMATION

*(Included as of 9/22/2009)*

- Fact Sheet
- Rent Roll
- Offering Summary
- Unit Mix
- Proposed Financing
- Sample Income & Expense Statement
- Location Map
- Tax Map
- Aerial Photos
- Property Detail Report

This property is owned by, CREPD LLC, an entity created by the lender that accepted title to the property as part of the settlement of a lawsuit. Therefore the existing owner, manager, and broker do not have historical operating data to pass along to potential purchasers.

The sole purpose of The General Background Information included herein is to provide general and not specific information regarding the real property described. The owner and manager have operated the property since late May, 2009.

The information contained herein shall not constitute an offer to sell nor a request or solicitation of an offer to buy. No person or entity shall have any rights whatsoever to rely on this information or any other information received unless there is a mutually executed document specifically and intentionally creating such right of reliance.

The information included herein has been secured from sources that are usually reliable; however the accuracy of the information has not been verified by any of the following: The owner, manager, or broker and their agents, employees or consultants. All parties are encouraged and directed to initiate and complete (at their own expense) any and all due diligence studies that may be required in order to evaluate the quality, condition, suitability, and potential value of the property.

THE OWNER, BROKER, MANAGER (and any parties related in any way to them) MAKE NO WARRANTY (expressed or implied) WHATSOEVER REGARDING THE PROPERTY.

TOURS OR INSPECTIONS OF THE PROPERTY ARE BY PRIOR ARRANGEMENT WITH THE BROKER. NO PARTY HAS AUTHORIZATION TO ENTER UPON THE PROPERTY WITHOUT SPECIFIC WRITTEN PERMISSION OF THE BROKER.

# Fact Sheet

Lake Villa  
12002 Lake Avenue  
Lakewood, OH 44107

The Property

Property: Lake Villa  
Address: 12002 Lake Avenue, Lakewood, OH 44107  
Zoning: MH (Multi Family High Density)  
Lot Size: .20 acres  
Parcel Number: 312-10-024

Building

Number of Units: 19  
Number of Buildings: 1  
Number of Stories: 4  
Year Built: 1927  
Building Square Footage: 17,920 +/-  
Parking: Street Only

Construction

Exterior: Brick

Utilities

Water/Sewer: Owner Paid  
Electric: Tenant Paid (owner pays house electric)  
Gas: Owner Paid (tenant pays for cooking gas)

HVAC

Heat: Steam boiler  
Cooling: None

Amenities

On-site laundry

\*All information to be verified by potential purchaser.



# Rent Roll

As Of: 9/22/09

Lake Villa  
12002 Lake Avenue  
Lakewood, OH 44107  
Rent Roll as of: 9/22/09

Unit #	Rent	Lease Begin	Lease End
10	450.00	7/1/2009	6/30/2010
11	500.00	11/1/2006	10/31/2007
12	460.00	2/6/09	1/31/10
14	425.00	10/1/09	9/30/10
20	Vacant	n/a	n/a
21	450.00	6/1/07	n/a
22	450.00	4/20/09	4/31/10
23	Vacant	n/a	n/a
24	Vacant	n/a	n/a
30	Vacant	n/a	n/a
31	500.00	2/1/09	2/28/10
32	Vacant	n/a	n/a
33	465.00	12/29/08	12/31/09
34	475.00	12/30/08	12/31/09
40	Vacant	n/a	n/a
41	502.50	1/1/07	12/31/07
42	Vacant	n/a	n/a
43	475.00	3/11/09	3/31/10
44	475.00	2/1/09	2/28/10

\*Lease information has not been verified.

New Owner has been provided limited lease documentation.

Information above is based on limited available information and is subject to errors, omissions, inaccuracies and modification.

# Offering Summary

Lake Villa  
12002 Lake Avenue  
Lakewood, OH 44107

#### Summary

Price	\$399,000
Down Payment	\$119,700
Price Per Unit	\$21,000
Price Per Gross Building SF	\$22.27
Number Of Units	19
Building Square Footage	17,920
Number of Stories	4
Lot Size	.20 acres
Year Built	1927

#### Proposed New Financing

Loan Amount	\$279,300
Loan Type	Proposed New
Interest Rate	6.50%
Amoritization	30 Years
Term	5 Years
Loan To Value	70%

#### Potential Operating Data - Year 1

Gross Potential Rent	\$111,900
Net Effective Rent	\$108,657
Expenses	\$65,717
Net Operating Income	\$42,940
Annual Debt Service	\$21,184
Cash Flow	\$21,756

\*For illustration purposes only. Potential purchaser to verify independently.

# Unit Mix

Lake Villa  
12002 Lake Avenue  
Lakewood, OH 44107

Unit Type - 1 Bedroom

No. of Units	Bdr.	Ba.	SF.
16	1	1	TBD

Unit Type - 2 Bedroom

No. of Units	Bdr.	Ba.	SF.
3	2	1	TBD

# Proposed Financing

Lake Villa  
12002 Lake Avenue  
Lakewood, OH 44107

**Proposed New Financing**

Loan Amount	\$279,300
Loan Type	Proposed New
Interest Rate	6.5
Amoritization	30 Years
Term	5 Years
Loan To Value	70%



# Sample Income & Expense Statement

Lake Villa  
12002 Lake Avenue  
Lakewood, OH 44107

**Sample Income & Expense Statement**

Income	Monthly	Annual
Gross Potential Rent Income	\$9,325	\$111,900 <sup>1</sup>
Less Vacancy (5%)	-\$466	-\$5,595
Misc. Other Income	\$196	\$2,352
Net Effective Gross Income	\$9,055	\$108,657

Expenses	Monthly	Annual
Advertising	\$100	\$1,200 <sup>3</sup>
Insurance	\$373	\$4,480 <sup>2</sup>
Real Estate Taxes	\$1,531	\$18,368 <sup>4</sup>
Electric	\$103	\$1,236 <sup>3</sup>
Water & Sewer	\$950	\$11,400 <sup>3</sup>
Gas	\$1,425	\$17,100 <sup>3</sup>
Trash Removal	\$100	\$1,200 <sup>3</sup>
Management @ 5%	\$453	\$5,433
Maintenance & Repairs	\$317	\$3,800 <sup>3</sup>
Unit Make Ready Work	\$125	\$1,500 <sup>5</sup>
Total Expenses	\$5,476	\$65,717

Net Operating Income (before debt service)	\$3,578	\$42,940
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1 - Rents based on estimated average of \$475/month for 1-bed; \$575/month for 2-bed

2 - Historical figures not available; based on estimate of \$.25/sf

3 - Historical operating expenses not available, based on Broker assumptions

4 - Based on 2007 tax bills per Auditor's website

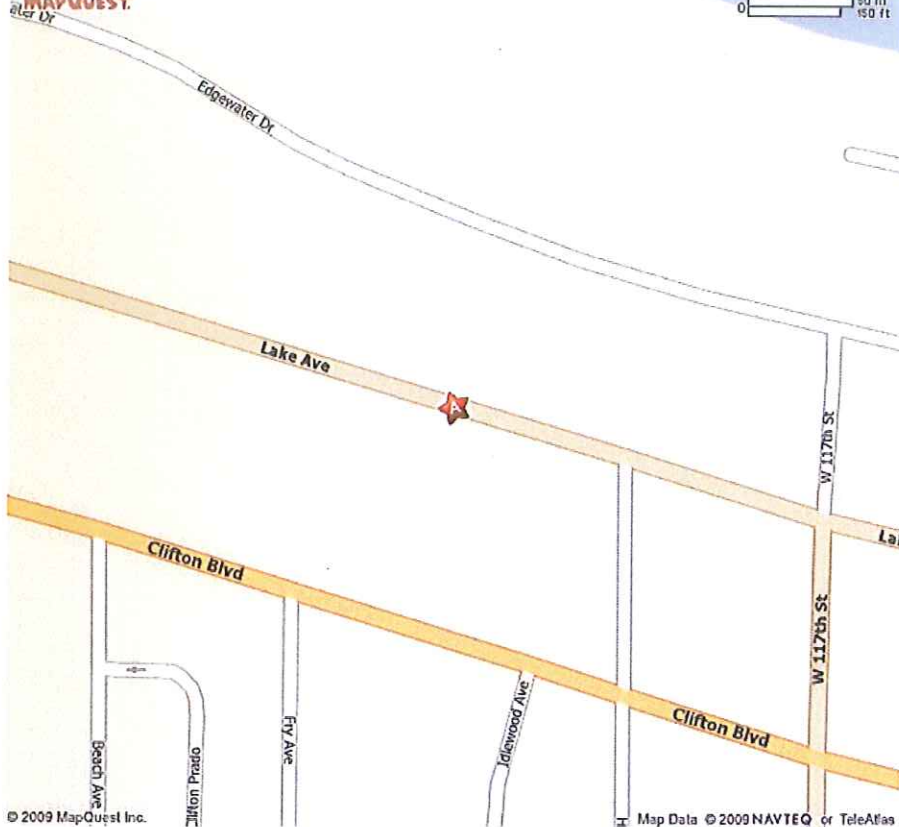
5 - Historical make ready expenses not available, Broker estimate of \$500 per unit @ 3 units per year

\*All information to be verified by prospective purchaser. May be subject to additional expenses not listed

# Location Map

MAPQUEST.

0 50 m  
150 ft

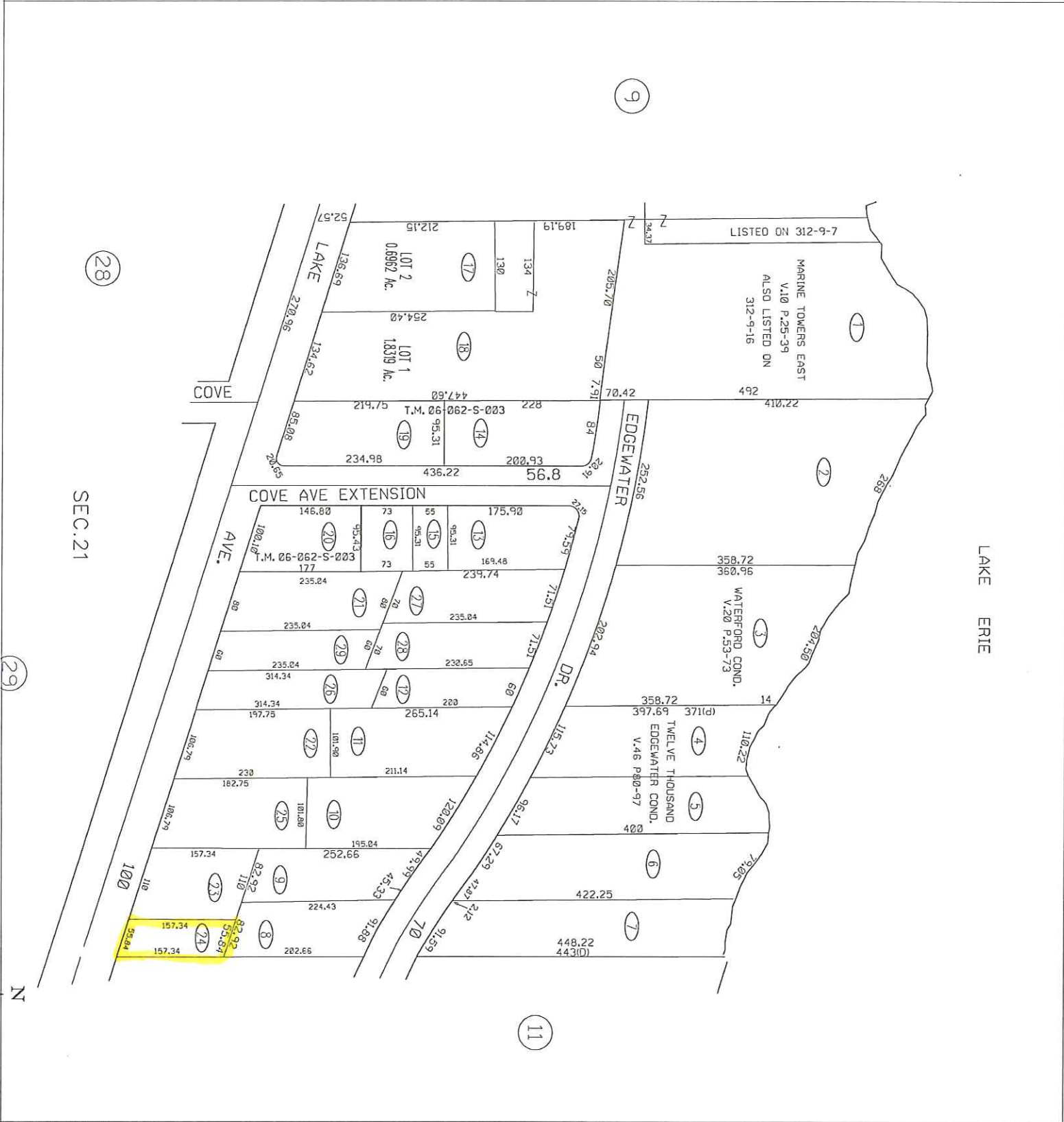


MAPQUEST.

0 1600 m  
4800 ft



# Tax Map



REVISED:

# Aerial Photos







# Property Detail Report

**Property Details Report**  
**12002 Lake Ave Lakewood, OH 44107-1885**  
**Lakewood - Cuyahoga County**

**Owner Info:**

Owner Name:	Firstmerit Bk Na	Annual Tax:	\$18,368
Tax Billing Address:	111 Cascade Plaza Cas-61	County Use Code:	Apt 7-19 Un Walk-Up
Tax Billing City & State:	Akron OH	State Use:	Apt 7-19 Un Walk-Up
Tax Billing Zip:	44308	Universal Land Use:	Apartment
Recording Date:	10/30/1998		

**Location Info:**

School District:	Lakewood City	Flood Zone Panel:	3901120001B
Subdivision:	Rockport Sec 21	Panel Date:	02/01/1978
Census Tract:	1606.01	Flood Zone Code:	C

**Tax Info:**

Tax ID:	312-10-024	Total Assessment:	\$188,900
Tax Year:	2007	% Improv:	85%
Annual Tax:	\$18,368	Tax Area:	130
Assessment Year:	2007	Tax Appraisal Area:	130
Land Assessment:	\$28,280	Legal Description:	21 Ep 679.39ft E Of El Cove
Improved Assessment:	\$160,620	Lot Number:	21

**Characteristics:**

Lot Frontage:	55.8	Sewer:	Public Service
Lot Acres:	.2017	Roof Type:	Flat
Basement Type:	Partial	Roof Material:	Composition Shingle
Basement Sq Feet:	1370	Roof Shape:	Flat
Building Sq Ft:	16,616	Exterior:	Brick
Total Adj Bldg Area:	16616	Floor Cover:	Wood
Stories:	4	Foundation:	Concrete Block
Condition:	Average	Year Built:	1927
Total Units:	19	Topography:	Flat/Level
Heat Type:	Hot Water Steam	# of Buildings:	1
Water:	Public		

**Last Market Sale:**

Recording Date:	10/30/1998	Owner Name:	Firstmerit Bk Na
Settle Date:	10/30/1998	Seller:	Chisling Herbert R
Sale Price:	\$475,000	Price Per Sq Ft:	\$28.59
Deed Type:	Grant Deed		

**Sales History:**

Recording Date:	04/16/2009	06/01/2004	12/19/2002	10/30/1998
Sale Price:	\$380,000			\$475,000
Nominal:		Y	Y	
Buyer Name:	Firstmerit Bk Na	Lake Villa Real Estate Llc	12002 Lake Avenue Llc	Donegan Shawn C & Dawn E
Seller Name:	Sheriff Of Cuyahoga County	12002 Lake Avenue Llc	Donegan Shawn C & Dawn E	Chisling Herbert R
Document No:	4160398	6011405	12190858	
Document Type:	Sheriff's Deed	Quit Claim Deed	Warranty Deed	Grant Deed

**Mortgage History:**

Mortgage Date:	06/01/2004	12/19/2002	10/30/1998
Mortgage Amt:	\$749,550	\$560,000	\$380,000
Mortgage Lender:	Firstmerit Bk Na	Charter One Bk	Charter One Bk
Mortgage Type:	Conventional	Conventional	Conventional

**Features:**

Bldg Desc	
Description:	Bldg Size:
Apt-Bsmt-Utl	1370
Apartments	4154
Apartments	4154
Apartments	8308

Courtesy of Eric Zimmerman  
NEOHREX

The data within this report is compiled by First American CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.