

Sunchase Apartments

Knoxville, Tennessee



520 Units

790 North Cedar Bluff Road
Knoxville, TN 37923

Presented by:

SOUTHERN MANAGEMENT & DEVELOPMENT, L.P.
925 South Federal Highway
Suite 425
Boca Raton, FL 33432
(561) 948-7110
(561) 948-7120 (fax)

Sunchase Apartments

Knoxville, Tennessee

EXECUTIVE SUMMARY

LOCATION: East side of North Cedar Bluff Road
One mile north of Interstate 40
Knoxville, Knox County, Tennessee 37923

OWNER: Sunchase Apartment LLC

UNIT BREAKDOWN:

Unit Type	No. of Units
1 BR / 1 Bath	408
2 BR / 2 Bath	112
Total	520

CURRENT OCCUPANCY: 92.9%

PROFORMA NOI: \$2,144,456.

ASKING PRICE: \$32,760,000.

PRICE / UNIT.: \$63,000. / Unit

NET RENTABLE AREA: 376,800 sq. ft.

YEAR BUILT: 1986

PARKING: 896 spaces (1.72 per unit)

ZONING: PR - Planned Residential

LOT SIZE: 34.30 acres

Sunchase Apartments

Knoxville, Tennessee

PROPERTY DESCRIPTION

Sunchase Apartments are located on 34.3 acres fronting approximately 1,750 feet along the east side of North Cedar Bluff Road with two entrances both featuring monument signage. The property is between Fox Lonas and Bob Gray Roads, 1 ¼ miles north of the I-40/75 and North Cedar Bluff Road Interchange. The property is close to major employment centers and prominent educational facilities. The Cedar Ridge Office Park, one mile to the south of the property, includes Bellsouth, Xerox and Medtronics. Other nearby developments include the 50-acre Tate's School of Discovery, Cedar Bluff Elementary and Intermediate Schools, Knoxville Christian Center and Knoxville Catholic High School.

There are 8 2/3 split and 19 two-story wood frame residential buildings with 520 rental units. The foundations are concrete slabs, and the roofs are pitched with wood truss framing, plywood decking and asphalt shingles. The apartments are generously-sized, ranging from 500 sq. ft to 1,000 sq. ft. The individual units feature central HVAC, electric appliances, and either a private patio or covered wood balcony. There is also an 8,000 sq. ft. clubhouse featuring an indoor swimming pool with raised Jacuzzi, fitness center and resident business center. Other amenities include an outdoor swimming pool, two tennis courts, basketball court, sand volleyball court, picnic area with grills and laundry facility. There are washer/dryer connections in 263 units.

Sunchase Apartments are located approximately 9.7 miles southwest of downtown Knoxville and the University of Tennessee. McGhee Tyson Airport is a 16-mile drive from the complex.



**Please return below confidentiality agreement if you want
to receive the complete Offering Memorandum.**

F A C S I M I L E

SUNCHASE APARTMENTS

**Confidentiality
Agreement**

To:	Richard Drennan Southern Management & Development, L.P.
Fax No.:	(561) 948-7120
From:	
Company:	

RE: *Sunchase Apartments located in Knoxville, Knox County, Tennessee (the "Property")*

Gentlemen:

In order to allow Receiving Party (referred to herein as "You") to evaluate a proposed transaction ("Transaction") with Southern Management and Development, L.P. ("Southern"), You have requested to be supplied with certain nonpublic information, in both written and oral form, concerning the business and assets of Southern, including without limitation, information concerning the Sunchase Apartments managed by Southern (referred to herein as the "Information"). As a condition to furnishing any part of the Information to You, You agree that your receipt of the Information shall be subject to the following terms and conditions.

1. You recognize and acknowledge the competitive value and confidential nature of the Information and the damage that could result to Southern if any part of the Information were used improperly or disclosed to any third party.
2. You and your affiliates, directors, officers, employees, agents and representatives (herein collectively referred to as your "Representatives") shall refrain from using the Information except for the purpose of evaluating the transaction referred to in the first sentence of this agreement. You shall maintain all the Information secret and confidential and shall not disclose it to any third party, except as otherwise provided herein without the prior written consent of Southern, unless in the opinion of your counsel disclosure is required to comply with any law, order, decree or governmental or regulatory request and You have provided Southern with prompt prior notice so that Southern may seek a protective order or other appropriate relief. If, after prompt prior notice to Southern, in the absence of a protective order, You are nonetheless required to disclose the Information, You may disclose such information without liability hereunder. You and your Representatives shall have no obligation hereunder with respect to any Information to the extent it (i) has been made public other than by acts by You or your Representatives in violation of this Agreement (ii) becomes available to You from a source other than Southern or any of its advisors, provided that You have no reason to believe that source is bound by a confidentiality agreement with Southern or is otherwise prohibited from transmitting the Information to You by contractual, legal or fiduciary obligation, (iii) was in your possession prior to delivery of the Information or (iv) was independently developed by You without violating any of your obligations hereunder.

3. The Information shall be revealed only to such of your Representatives who, in your judgment, need to know such Information for purposes of evaluating the transaction, provided such Representatives agree to keep the Information confidential and to be bound by this agreement to the same extent as if they were parties hereto. You will be fully responsible for the conduct of your affiliates, directors, officers and employees in that regard, other than with respect to any non-affiliated Representative who shall have entered into its own confidentially agreement with Southern.

4. In addition, without the prior written consent of Southern, You and your Representatives will not, except as provided in paragraph 2 and subject to the notice provisions thereof, disclose to any person either (i) the fact that discussions or negotiations are taking place concerning a possible transaction, or (ii) any of the terms, conditions or other facts with respect to any such possible transaction, including the status thereof.

5. In the event that negotiations between You and Southern are terminated, all Information shall be returned promptly to Southern or destroyed and not retained by You or your Representatives in any form or for any reason and all copies, summaries and notes of the contents or parts thereof shall be destroyed.

6. You acknowledge and agree that, other than as may be subsequently agreed to in writing by You (i) Southern and its directors, partners, officers, employees, stockholders and agents (collectively, the "Southern Parties"), make no representation or warranty of any nature with respect to any portion of the Information, (ii) no such representation shall be implied, and (iii) none of the Southern Parties shall be liable for any loss or damage arising out of any action by You or your Representatives based in whole or in part on your review of the Information.

7. You agree that money damages would not be a sufficient remedy for any breach of the Agreement by You or your Representatives and that, in addition to all other remedies which may be available, Southern, or the other Southern Parties as appropriate, shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach.

8. No failure or delay on the part of Southern or any of the other Southern Parties in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

9. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to its conflict of laws principles or rules, and shall terminate two years from the date hereof, except as to any provision hereof which by its terms continues for a longer period.

10. This Agreement may be signed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

11. This Agreement supersedes all prior confidentiality agreements between us. It may not be modified, except by an instrument in writing signed by the parties hereto.

12. You are advised that Southern Management & Development, L.P. is acting on behalf of Sunchase Apartments LLC as Exclusive Agent in connection with the sale of the Property. No commission will be paid by Southern or Sunchase Apartments LLC to you or anyone representing you. Please acknowledge your agreement to the foregoing by countersigning this letter in the place provided below and returning one copy of the undersigned.

13. This letter is not and shall not be construed as an offer, acceptance of an offer, or a contract for the purchase and sale of the Property, or any portion thereof. Sunchase Apartments LLC expressly reserves the right at its discretion to reject any or all proposals or expressions of interest in the Property and to terminate discussions with any party at any time with or without notice.

Southern Management and Development, L.P.
By: SSL GP Corp., general partner

By: _____

**ACKNOWLEDGED AND AGREED TO AS
OF THE DATE FIRST ABOVE WRITTEN:**

Receiving Party

Company: _____
Street: _____
City, State, Zip: _____
Phone No.: _____
Fax No.: _____
E-mail: _____
Principal: _____
Title: _____
Signature: _____
Date: _____
Witnesses: _____ _____
By: _____
By: _____

Broker (if applicable)

Company: _____
Street: _____
City, State, Zip: _____
Phone No.: _____
Fax No.: _____
E-mail: _____
Principal: _____
Title: _____
Signature: _____
Date: _____
Witnesses: _____ _____
By: _____
By: _____