

# **EXHIBIT 2**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
RC SOONER HOLDINGS, LLC, *et al.*, ) Case No. 10-10528 (BLS)  
)  
Debtors. ) (Jointly Administered)

**AFFIDAVIT OF AARON HARGROVE IN SUPPORT OF LIMITED  
OBJECTION OF FANNIE MAE TO DEBTORS' MOTION  
FOR ENTRY OF INTERIM AND FINAL ORDERS (A)  
AUTHORIZING DEBTORS' IN POSSESSION TO USE CASH  
COLLATERAL, (B) GRANTING REPLACEMENT LIENS TO  
FANNIE MAE, AND (C) GRANTING ADEQUATE  
PROTECTION AND IN SUPPORT OF MOTION OF FANNIE MAE FOR RELIEF  
FROM AUTOMATIC STAY PURSUANT TO 11 U.S.C. § 362(d) AND  
RULE 4001 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

STATE OF OKLAHOMA )  
)ss.  
COUNTY OF TULSA )

I Aaron Hargrove, after being first duly sworn, hereby deposes and states upon my personal knowledge, information, and belief as follows:

1. I am a licensed real estate broker in Oklahoma, as well as Arkansas and Kansas. I have held my real estate brokerage license in Oklahoma since 1994.
2. Beginning in 1992, I went to work for Capstone Management. In that capacity I worked as an apartment manager and a real estate broker, specializing in multifamily housing projects.
3. In 2000, I went to work for Commercial Realty Resources Company ("CRRC"). I worked exclusively as a real estate broker for CRRC specializing in multifamily housing properties. From 2007 to the present, I have worked with Hendricks & Partners. It is a company which leads the multifamily industry with the Nations largest private capital network of advisors

and systems. I manage the office of Hendricks & Partners in Tulsa, Oklahoma. This office oversees operations in Oklahoma, Arkansas and Kansas.

4. I specialize in marketing and selling of apartment complexes within Oklahoma and more particularly in the Tulsa, Oklahoma area. I am familiar at some level with most, if not all, of the large multifamily housing projects in Tulsa, Oklahoma. Since 2005 my office has sold approximately thirty-five (35) apartment complexes in the Tulsa, Oklahoma area. I am familiar with both the sales prices of apartment complexes in the Tulsa, Oklahoma area, as well as the normal operating expenses and revenue that can be generated from such apartment complexes.

5. Fannie Mae has requested that I prepare a Broker Opinion of Value Letter (“BOV”) for each of the following listed apartment complexes:

APARTMENT COMPLEX

- (a) Brixton Square Apartments, LLC  
4655 S. Darlington Ave.  
Tulsa, OK 74135
- (b) CC Apartments, LLC  
401 South Cedar Street  
Owasso, OK 74055
- (c) Fulton Plaza Apartments, LLC  
4646 S. Fulton Ave.  
Tulsa, OK 74135
- (d) Magnolia Manor Apartments, LLC  
4747 S. Darlington Ave.  
Tulsa, OK 74135
- (e) Pomeroy Park Apartments, LLC  
6805 S. Lewis Ave.  
Tulsa, OK 74136
- (f) Salida Apartments, LLC  
10149 E. 32<sup>nd</sup> Street  
Tulsa, OK 74146

(g) Savannah South Apartments, LLC  
4631 S. Braden Ave.  
Tulsa, OK 74135

(h) Southern Hills Villa Apartments, LLC  
6609 S. Lewis Ave.  
Tulsa, OK 74136

6. I am familiar with each of the apartment complexes listed above. Over the last several years, these apartment complexes have been sold and purchased on several occasions. There is generally a concern within the real estate industry in Tulsa with regard to the legitimacy of the sale transactions. This concern has arisen because of the number of sales transactions, the limited number of owners of the apartment complexes and the constantly escalating sale prices of these apartment complexes, which appear to be well beyond market value.

7. In preparing my BOVs' I visited each apartment complex and took pictures of the complexes from the outside. I was not given permission by the apartment complex owners to enter the apartments, nor was I provided with current rent rolls or other financial information. Based upon my viewing of the exterior of the apartments I determined that there is a substantial amount of deferred maintenance. Issues that need to be addressed include wood rot, painting, roofing and siding deficiencies, drainage problems, and except for Pomeroy Park Apartments, parking lot problems. I have estimated the amount of deferred maintenance needed to address exterior problems to be as follows:

APARTMENT COMPLEX	OBSERVATION COMMENTS
(a) Brixton Square Apartments, LLC 4655 S. Darlington Ave. Tulsa, OK 74135	\$1,000 per unit
(b) CC Apartments, LLC 401 South Cedar Street Owasso, OK 74055	\$2,000 per unit

- |     |   |                  |
|-----|---|------------------|
| (c) | Fulton Plaza Apartments, LLC<br>4646 S. Fulton Ave.<br>Tulsa, OK 74135        | \$1,000 per unit |
| (d) | Magnolia Manor Apartments, LLC<br>4747 S. Darlington Ave.<br>Tulsa, OK 74135  | \$1,100 per unit |
| (e) | Pomeroy Park Apartments, LLC<br>6805 S. Lewis Ave.<br>Tulsa, OK 74136         | \$1,200 per unit |
| (f) | Salida Apartments, LLC<br>10149 E. 32 <sup>nd</sup> Street<br>Tulsa, OK 74146 | \$2,250 per unit |
| (g) | Savannah South Apartments, LLC<br>4631 S. Braden Ave.<br>Tulsa, OK 74135      | \$1,500 per unit |
| (h) | Southern Hills Villa Apartments, LLC<br>6609 S. Lewis Ave.<br>Tulsa, OK 74136 | \$1,100 per unit |

8. In addition to viewing the apartment complexes, I accessed the database maintained at Hendricks & Partners for similar apartment complexes in the Tulsa area, and in particular within the immediate areas near the subject apartment complexes. In addition to comparable sale prices, the data base maintains detailed information regarding standard market rent for apartments within similar apartment complexes, as well as normal expenses associated with such similar apartment complexes.

9. Because I was not provided with current rent rolls, I assumed for purposes of preparing my BOVs' that the subject apartment complexes maintained a normal occupancy level in the Tulsa area of ninety-one percent (91%). However, it should be noted that based upon my viewing of the apartment complexes and my knowledge of these apartment complexes, I believe that the actual occupancy levels are substantially below the norm for the Tulsa community.

Nevertheless, for purposes of preparing the attached BOVs, I have assumed normal occupancy levels for these apartment complexes.

10. For each apartment complex, I have calculated the net rental income and the total expenses, based upon industry standard as reflected by information maintained within the Hendricks & Partner database. In order to arrive at an opinion of value as to each apartment complex I have applied a capitalization rate of 8.5%. I believe this to be reasonable and well accepted within the Tulsa, Oklahoma community, for apartments with little or no deferred maintenance and where the occupancy is maintained at or above 90%. Based upon the preceding assumptions, a BOV for each of the apartment complexes is attached hereto as Exhibit B-1 through B-8.


11. The BOVs' show estimated values for each apartment complex as follows:

APARTMENT COMPLEX	ESTIMATED PRICE
(a) Brixton Square Apartments, LLC 4655 S. Darlington Ave. Tulsa, OK 74135	\$1,976,421
(b) CC Apartments, LLC 401 South Cedar Street Owasso, OK 74055	\$1,013,493
(c) Fulton Plaza Apartments, LLC 4646 S. Fulton Ave. Tulsa, OK 74135	\$1,900,297
(d) Magnolia Manor Apartments, LLC 4747 S. Darlington Ave. Tulsa, OK 74135	\$2,611,916
(e) Pomeroy Park Apartments, LLC 6805 S. Lewis Ave. Tulsa, OK 74136	\$6,121,832

- |     |   |             |
|-----|---|-------------|
| (f) | Salida Apartments, LLC<br>10149 E. 32 <sup>nd</sup> Street<br>Tulsa, OK 74146 | \$3,249,168 |
| (g) | Savannah South Apartments, LLC<br>4631 S. Braden Ave.<br>Tulsa, OK 74135      | \$2,003,075 |
| (h) | Southern Hills Villa Apartments, LLC<br>6609 S. Lewis Ave.<br>Tulsa, OK 74136 | \$2,595,775 |

12. It is my opinion that the estimated prices set forth in the preceding paragraph are, in fact, higher than the actual fair market value of the listed apartment complexes. Because of substantial deferred maintenance, and the likelihood that these apartments have occupancy well below the Tulsa norm and collection issues associated with low occupancy levels, in all probability the present fair market value of the apartment complexes are significantly less than the prices set forth above.

FURTHER AFFIANT SAYETH NOT.

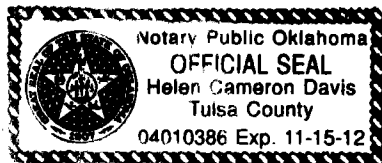
  
\_\_\_\_\_  
Aaron Hargrove

Subscribed and sworn to before me, the undersigned Notary Public, this 30<sup>th</sup> day of  
March, 2010.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

11-15-12  
Commission No. 04010386





**PRO FORMA INCOME & EXPENSES**

Brixton Square  
Tulsa, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
48	Studio	500	24,000	\$468	\$22,464	\$269,568	\$0.94
48	1 Bed / 1 Bath	620	29,760	\$559	\$26,832	\$321,984	\$0.90
<b>96</b>		<b>560</b>	<b>53,760</b>	<b>\$514</b>	<b>\$49,296</b>	<b>\$591,552</b>	<b>\$0.92</b>

		H&P Pro Forma
<b>Income</b>		
<b>Scheduled Market Rent</b>		\$591,552
Less: Vacancy	9.00%	(\$53,240)
<b>Net Rental Income</b>		<b>\$538,312</b>
Plus: Other Income		\$9,600
<b>Total Operating Income (EGI)</b>		<b>\$547,912</b>

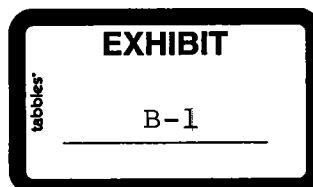
<b>Expenses</b>		Per Unit
Administrative		\$104
Advertising & Promotion		\$156
Payroll		\$781
Repairs & Maintenance		\$500
Management Fee	4.00%	\$228
Utilities		\$1,146
Contracted Services		\$125
RE Taxes	1.0124%	\$458
Insurance		\$208
Replacement Reserve		\$250
<b>Total Expenses</b>		<b>\$379,916</b>
		Per Unit: \$3,957
		Per SF: \$7.07

<b>Net Operating Income</b>	<b>\$167,996</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$1,976,421	\$20,588	\$36.76	8.50%

**Hendricks & Partners**

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**PRO FORMA INCOME & EXPENSES**

Cedar Crest  
Owasso, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
8	1 Bed / 1 Bath	700	5,600	\$400	\$3,200	\$38,400	\$0.57
16	1 Bed / 1 Bath	700	11,200	\$400	\$6,400	\$76,800	\$0.57
16	2 Bed / 1 Bath	800	12,800	\$575	\$9,200	\$110,400	\$0.72
8	2 Bed / 1 Bath	800	6,400	\$575	\$4,600	\$55,200	\$0.72
<b>48</b>		<b>750</b>	<b>36,000</b>	<b>\$488</b>	<b>\$23,400</b>	<b>\$280,800</b>	<b>\$0.65</b>

Income	H&P Pro Forma
<b>Scheduled Market Rent</b>	\$280,800
Less: Vacancy	9.00% (\$25,272)
<b>Net Rental Income</b>	<b>\$255,528</b>
Plus: Other Income	\$4,800
<b>Total Operating Income (EGI)</b>	<b>\$260,328</b>

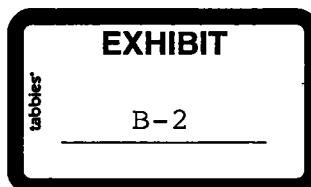
Expenses	Per Unit	
Administrative	\$208	\$10,000
Advertising & Promotion	\$313	\$15,000
Payroll	\$792	\$38,000
Repairs & Maintenance	\$500	\$24,000
Management Fee	4.00%	\$217
Utilities	\$625	\$30,000
Contracted Services	\$208	\$10,000
Real Estate Taxes	\$316	\$15,168
Insurance	\$200	\$9,600
Replacement Reserve	\$250	\$12,000
<b>Total Expenses</b>		<b>\$174,181</b>
	Per Unit:	\$3,629
	Per SF:	\$4.84

<b>Net Operating Income</b>	<b>\$86,147</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$1,013,493	\$21,114	\$28.15	8.50%

**Hendricks & Partners**

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**PRO FORMA INCOME & EXPENSES**

Fulton Plaza  
Tulsa, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
64	2 Bed / 1 Bath	800	658	\$568	\$36,352	\$436,224	\$0.71
<b>64</b>		<b>10</b>	<b>658</b>	<b>\$568</b>	<b>\$36,352</b>	<b>\$436,224</b>	<b>\$55.25</b>

	H&P Pro Forma
<b>Income</b>	
Scheduled Market Rent	\$436,224
Less: Vacancy	9.00% (\$39,260)
<b>Net Rental Income</b>	<b>\$396,964</b>
Plus: Other Income	\$6,400
<b>Total Operating Income (EGI)</b>	<b>\$403,364</b>

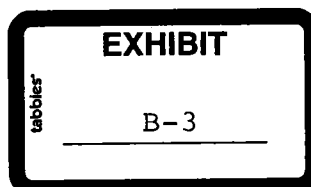
Expenses	Per Unit	
Administrative	\$78	\$5,000
Advertising & Promotion	\$156	\$10,000
Payroll	\$797	\$51,000
Repairs & Maintenance	\$500	\$32,000
Management Fee	4.00%	\$16,135
Utilities	\$1,070	\$68,480
Contracted Services	\$156	\$10,000
RE Taxes	\$316	\$20,224
Insurance	\$203	\$13,000
Replacement Reserve	\$250	\$16,000
<b>Total Expenses</b>		<b>\$241,839</b>
	Per Unit:	\$3,779
	Per SF:	\$367.54

<b>Net Operating Income</b>	<b>\$161,525</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$1,900,297	\$29,692	\$2,887.99	8.50%

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**PRO FORMA INCOME & EXPENSES**

Magnolia Manor  
Tulsa, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
5	Studio	406	2,030	\$400	\$2,000	\$24,000	\$0.99
1	Studio	416	416	\$395	\$395	\$4,740	\$0.95
28	1 Bed / 1 Bath	650	18,200	\$535	\$14,980	\$179,760	\$0.82
17	1 Bed / 1 Bath	785	13,345	\$549	\$9,333	\$111,996	\$0.70
15	1 Bed / 1 Bath	815	12,225	\$559	\$8,385	\$100,620	\$0.69
4	2 Bed / 1 Bath	885	3,540	\$550	\$2,200	\$26,400	\$0.62
9	2 Bed / 1 Bath	969	8,721	\$625	\$5,625	\$67,500	\$0.64
11	2 Bed / 1 Bath	1,003	11,033	\$650	\$7,150	\$85,800	\$0.65
<b>90</b>		<b>772</b>	<b>69,510</b>	<b>\$556</b>	<b>\$50,068</b>	<b>\$600,816</b>	<b>\$0.72</b>

	H&P Pro Forma
<b>Income</b>	
Scheduled Market Rent	\$600,816
Less: Vacancy	9.00% (\$54,073)
<b>Net Rental Income</b>	<b>\$546,743</b>
Plus: Other Income	\$9,000
<b>Total Operating Income (EGI)</b>	<b>\$555,743</b>

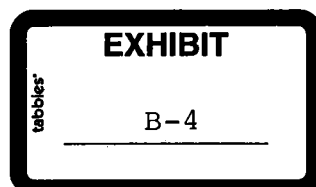
Expenses	Per Unit	
Administrative	\$111	\$10,000
Advertising & Promotion	\$167	\$15,000
Payroll	\$800	\$72,000
Repairs & Maintenance	\$500	\$45,000
Management Fee	4.00% \$247	\$22,230
Utilities	\$811	\$73,000
Contracted Services	\$133	\$12,000
RE Taxes	\$489	\$44,000
Insurance	\$200	\$18,000
Replacement Reserve	\$250	\$22,500
<b>Total Expenses</b>		<b>\$333,730</b>
	Per Unit:	\$3,708
	Per SF:	\$4.80

<b>Net Operating Income</b>	<b>\$222,013</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$2,611,916	\$29,021	\$37.58	8.50%

**Hendricks & Partners**

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**PRO FORMA INCOME & EXPENSES**

**Pomeroy Park  
Tulsa, OK**

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
56	1 Bed / 1 Bath	650	36,400	\$520	\$29,120	\$349,440	\$0.80
57	1 Bed / 1 Bath	780	44,460	\$547	\$31,179	\$374,148	\$0.70
16	2 Bed / 1 Bath	950	15,200	\$534	\$8,544	\$102,528	\$0.56
61	2 Bed / 1.5 Bath	1,150	70,150	\$685	\$41,785	\$501,420	\$0.60
35	2 Bed / 2 Bath	1,250	43,750	\$717	\$25,095	\$301,140	\$0.57
5	3 Bed / 2 Bath	1,350	6,750	\$775	\$3,875	\$46,500	\$0.57
<b>230</b>		<b>942</b>	<b>216,710</b>	<b>\$607</b>	<b>\$139,598</b>	<b>\$1,675,176</b>	<b>\$0.64</b>

	H&P Pro Forma
<b>Income</b>	
Scheduled Market Rent	\$1,675,176
Less: Vacancy	9.00% (\$150,766)
<b>Net Rental Income</b>	<b>\$1,524,410</b>
Plus: Other Income	\$23,000
<b>Total Operating Income (EGI)</b>	<b>\$1,547,410</b>

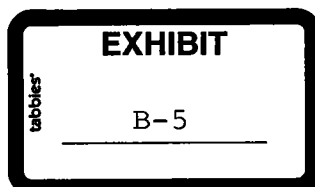
Expenses	Per Unit	
Administrative	\$19	\$4,298
Advertising & Promotion	\$65	\$15,000
Payroll	\$870	\$200,000
Repairs & Maintenance	\$470	\$108,002
Management Fee	4.00%	\$61,896
Utilities	\$1,571	\$361,379
Contracted Services	\$217	\$50,000
RE Taxes	\$461	\$106,000
Insurance	\$274	\$62,979
Replacement Reserve	\$250	\$57,500
<b>Total Expenses</b>		<b>\$1,027,054</b>
	Per Unit:	\$4.465
	Per SF:	\$4.74

<b>Net Operating Income</b>	<b>\$520,356</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$6,121,832	\$26,617	\$28.25	8.50%

**Hendricks & Partners**

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**PRO FORMA INCOME & EXPENSES**

Salida Creek  
Tulsa, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
44	2 Bed / 1.5 Bath	980	43,120	\$525	\$23,100	\$277,200	\$0.54
48	2 Bed / 1.5 Bath-TH	1,000	48,000	\$500	\$24,000	\$288,000	\$0.50
20	3 Bed / 1.5 Bath-TH	1,140	22,800	\$659	\$13,180	\$158,160	\$0.58
<b>112</b>		<b>1,017</b>	<b>113,920</b>	<b>\$538</b>	<b>\$60,280</b>	<b>\$723,360</b>	<b>\$0.53</b>

Income		H&P Pro Forma
Scheduled Market Rent		\$723,360
Less: Vacancy	9.00%	(\$65,102)
<b>Net Rental Income</b>		<b>\$658,258</b>
Plus: Other Income		\$11,200
<b>Total Operating Income (EGI)</b>		<b>\$669,458</b>

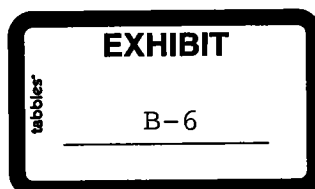
Expenses	Per Unit	
Administrative	\$89	\$10,000
Advertising & Promotion	\$134	\$15,000
Payroll	\$804	\$90,000
Repairs & Maintenance	\$500	\$56,000
Management Fee	4.00%	\$239
Utilities	\$714	\$80,000
Contracted Services	\$134	\$15,000
RE Taxes	\$446	\$50,000
Insurance	\$201	\$22,500
Replacement Reserve	\$250	\$28,000
<b>Total Expenses</b>		<b>\$393,278</b>
	Per Unit:	\$3,511
	Per SF:	\$3.45

<b>Net Operating Income</b>	<b>\$276,179</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$3,249,168	\$29,010	\$28.52	8.50%

**Hendricks & Partners**

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**PRO FORMA INCOME & EXPENSES**

Savannah South  
Tulsa, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
24	1 Bed / 1 Bath	825	19,800	\$600	\$14,400	\$172,800	\$0.73
37	1 Bed / 1 Bath	950	35,150	\$575	\$21,275	\$255,300	\$0.61
8	2 Bed / 1 Bath	1,100	8,800	\$750	\$6,000	\$72,000	\$0.68
<b>69</b>		<b>924</b>	<b>63,750</b>	<b>\$604</b>	<b>\$41,675</b>	<b>\$500,100</b>	<b>\$0.65</b>

Income	H&P Pro Forma
Scheduled Market Rent	\$500,100
Less: Vacancy	9.00% (\$45,009)
<b>Net Rental Income</b>	<b>\$455,091</b>
Plus: Other Income	\$6,900
<b>Total Operating Income (EGI)</b>	<b>\$461,991</b>

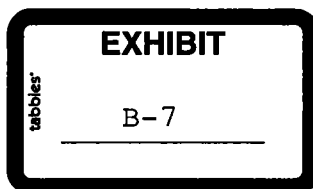
Expenses	Per Unit	
Administrative	\$145	\$10,000
Advertising & Promotion	\$217	\$15,000
Payroll	\$797	\$55,000
Repairs & Maintenance	\$507	\$35,000
Management Fee	4.00% \$268	\$18,480
Utilities	\$1,159	\$80,000
Contracted Services	\$174	\$12,000
RE Taxes	\$507	\$35,000
Insurance	\$203	\$14,000
Replacement Reserve	\$250	\$17,250
<b>Total Expenses</b>		<b>\$291,730</b>
	Per Unit:	\$4,228
	Per SF:	\$4.58

<b>Net Operating Income</b>	<b>\$170,261</b>
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Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$2,003,075	\$29,030	\$31.42	8.50%

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**PRO FORMA INCOME & EXPENSES**

Southern Hills Villa  
Tulsa, OK

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
86	1 Bed / 1 Bath	625	53,750	\$536	\$46,096	\$553,152	\$0.86
18	2 Bed / 1 Bath	863	15,534	\$647	\$11,646	\$139,752	\$0.75
1	2 Bed / 2 Bath	1,250	1,250	\$825	\$825	\$9,900	\$0.66
2	3 Bed / 2 Bath	1,000	2,000	\$825	\$1,650	\$19,800	\$0.83
<b>107</b>		<b>678</b>	<b>72,534</b>	<b>\$563</b>	<b>\$60,217</b>	<b>\$722,604</b>	<b>\$0.83</b>

		H&P Pro Forma
<b>Income</b>		
Scheduled Market Rent		\$722,604
Less: Vacancy	9.00%	(\$65,034)
<b>Net Rental Income</b>		<b>\$657,570</b>
Plus: Other Income		\$10,700
<b>Total Operating Income (EGI)</b>		<b>\$668,270</b>
<b>Expenses</b>	<b>Per Unit</b>	
Administrative	\$93	\$10,000
Advertising & Promotion	\$140	\$15,000
Payroll	\$804	\$86,000
Repairs & Maintenance	\$505	\$54,000
Management Fee	4.00%	\$26,731
Utilities	\$1,427	\$152,648
Contracted Services	\$140	\$15,000
RE Taxes	\$374	\$40,000
Insurance	\$201	\$21,500
Replacement Reserve	\$250	\$26,750
<b>Total Expenses</b>		<b>\$447,629</b>
	Per Unit:	\$4,183
	Per SF:	\$6.17
<b>Net Operating Income</b>		<b>\$220,641</b>

Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate
Current Value	\$2,595,775	\$24,260	\$35.79	8.50%

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