



Disposition Services—Campus Housing Case Study

Tau Kappa Epsilon Fraternity, Inc.

Challenge

The national headquarters of Tau Kappa Epsilon Fraternity, Inc. had the need to sell one of its fraternity houses located on Purdue University's campus at 300 Russell Street. The house was built to hold 85 residents, but after several years of low membership the chapter was suffering a cash deficit and decided to sell the well-located property. TKE was concerned that putting the house on the open market would cause negative speculation among alumni, active fraternity members and the general student population, and desired a low profile disposition due to the sentimental value of the property.

Solution

Tau Kappa Epsilon engaged Ross Reller and George Crawford of Meridian Real Estate (MRES) to procure the sale of the property. MRES investigated the property to determine the highest and best use of the building and the land. Due to the campus housing nature of the property and a lack of comparable sales data for fraternity houses, MRES developed a formula to value the house based on the national demand for campus housing by investors and values of multi-family properties located within close proximity to college universities. MRES then worked creatively on a nationwide scale to develop a confidential, select market of prospective buyers, ultimately identifying five interested parties. Additionally, MRES developed and implemented a team utilizing Meridian Project Management to coordinate moving students and their personal property. The interest MRES garnered for the property resulted in a sale price and return that exceeded TKE's initial expectations by 25%.



300 RUSSELL STREET