



► 79 UNIT COMPLEX



OFFERING MEMORANDUM

PLAZA PARK APARTMENTS

6711-6817 TARA LANE . NEW ORLEANS . LA . 70127

PLAZA PARK APARTMENTS

6711-6817 TARA LANE
NEW ORLEANS, LA 70127

LISTING AGENTS

Troy Hagstette

D: 504.582.9251

C: 504.251.5719

troy@mceneryco.com

THE McENERY COMPANY

810 UNION STREET, 4TH FLOOR
NEW ORLEANS, LA 70112

504-274-2701 | MCENERYCO.COM



The information contained herein has been obtained from sources that we deem reliable. No representation or warranty is made as to the accuracy thereof, and it is submitted subject to errors, omissions, change of price, or other conditions, or withdrawal without notice. Licensed in Louisiana.

OFFERING SUMMARY



Address: 6711-6817 Tara Lane, New Orleans, LA 70127

List Price: \$3,750,000

of Units: Seventy-Nine (79) units

Total GBA: 76,600 SF (Estimate)

Total Site Size: 120,960 SF | 2.77 Acres (Per Assessor)

Avg. Unit Size: 969 SF

Rent Potential Breakdown:

One (1) Bedrooms - 22 Units | \$620/month

Two (2) Bedrooms - 20 Units | \$800/month

Three (3) Bedrooms - 37 Units | \$1,010/month

Gross Rent Potential - \$804,120/year (Pro Forma)

Property Overview: The McEnergy Company is pleased to present a rare opportunity to acquire this excellent apartment community. Significant existing cash flow in place with tremendous upside potential achieved through lease-up, managerial improvement and re-positioning of the unit mix. Located in the New Orleans East Sub-Market, the asset consists of Seventy-Nine (79) units currently in place. The campus consists of eight (8) individual buildings located on separate parcels of record. Current economic trends indicate an urgent and ongoing need for affordable housing units in this market. Market based pro formas are included herein; and additional information and financials available upon request.

PRO FORMA OPERATING STATEMENT



Potential Gross Income	\$ 804,120
Economic Occupancy Factor	92%
Effective Income	\$ 739,790

LINE ITEM	EXPENSE PER SF	ANNUAL EXPENSE
Property MGMT	\$ 1.57	\$122,400
Property Taxes	\$ 0.57	\$44,480
Property Insurance	\$ 0.82	\$64,260
General Repairs & Maintenance	\$ 0.83	\$64,843
Reserves Allowance	\$ 0.50	\$39,066
Landscaping	\$ 0.06	\$4,896
Common Area Utilities	\$ 0.63	\$48,960
Waste Removal	\$ 0.13	\$9,914
TOTAL EXPENSES	\$ 5.10	\$390,999

NOI \$ 348,791

FORECAST



PROPERTY TAX FORECAST:

TOTAL ASSESSED VALUE	\$ 36,640
PER SITE TAX	\$ 5,450
TOTAL TAX BILL	\$ 43,607
ORLEANS PARISH MILLAGE RATE (EAST BANK)	\$ 148.77

	VALUE	RATE	ASSESSED VALUE
LAND VALUE	\$ 45,400 (Current)	\$ 0.10	\$ 4,540
IMPROVEMENT VALUE	\$ 321,000	\$ 0.10	\$ 32,100

PRO FORMA



PERIOD	2	3	4	5	6	7	8
YEAR	1	2	3	4	5	6	7
POTENTIAL GROSS INCOME	\$804,120	\$820,202	\$836,606	\$853,338	\$870,405	\$887,813	\$905,569
OCCUPANCY LEVEL	92%	92%	92%	92%	92%	92%	92%
EFFECTIVE GROSS REVENUE	\$739,790	\$754,585	\$769,677	\$785,071	\$800,772	\$816,787	\$833,123
PROPERTY MGMT	\$122,400	\$124,848	\$127,345	\$129,892	\$132,490	\$135,139	\$137,841
PROPERTY TAXES	\$44,480	\$45,368	\$46,276	\$47,201	\$48,145	\$49,108	\$50,090
PROPERTY INSURANCE	\$64,260	\$65,545	\$66,856	\$68,193	\$69,557	\$70,948	\$72,367
GENERAL REPAIRS & MAINTENANCE	\$64,843	\$66,140	\$67,463	\$68,812	\$70,189	\$71,592	\$73,023
RESERVES ALLOWANCE	\$39,066	\$39,847	\$40,644	\$41,457	\$42,286	\$43,132	\$43,994
LANDSCAPING	\$4,896	\$4,994	\$5,094	\$5,196	\$5,300	\$5,406	\$5,514
COMMON AREA UTILITIES	\$48,960	\$49,939	\$50,938	\$51,957	\$52,996	\$54,056	\$55,137
WASTE REMOVAL	\$9,914	\$10,113	\$10,315	\$10,521	\$10,732	\$10,946	\$11,165
TOTAL OPERATING EXPENSES	\$398,819	\$406,796	\$414,932	\$423,230	\$431,695	\$440,329	\$449,135
TOTAL OPERATING EXPENSE RATIO	-53.20%	-53.20%	-53.20%	-53.20%	-53.20%	-53.20%	-53.20%
NET ANNUAL CASH FLOW	\$350,812	\$357,828	364,985	\$372,285	\$379,730	\$387,325	\$395,072

RENT COMPS SUMMARY

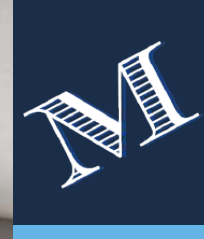


	Address	Distance	Rent	Size	\$/ft²	Beds	Baths	Bldg Type	Last Seen
1 Bedroom									
A	6881 Parc Brittany Blvd, New Orleans, LA 70126	0.94mi	\$685	617 ft²	\$1.11/ft²	1 bed	1.0ba	Apartment	Apr 2022
B	6881 Parc Brittany Blvd, New Orleans, LA 70126	0.94mi	\$679	816 ft²	\$0.83/ft²	1 bed	1.0ba	Apartment	Feb 2022
C	7851 Read Blvd, New Orleans, LA 70127	1.44mi	\$695	680 ft²	\$1.02/ft²	1 bed	1.0ba	Apartment	Jul 2021
D	7019 Crowder Blvd, New Orleans, LA 70127	0.66mi	\$720	590 ft²	\$1.22/ft²	1 bed	1.0ba	Apartment	Jul 2021
E	7003 Lawrence Rd, New Orleans, LA 70126	0.96mi	\$709	1,125 ft²	\$0.63/ft²	1 bed	1.0ba	Apartment	Jun 2021
2 Bedroom									
F	8520 Chef Menteur Hwy, New Orleans, LA 70127	1.25mi	\$895	850 ft²	\$1.05/ft²	2 bed	1.0ba	Apartment	Apr 2022
G	7820 Means Ave, New Orleans, LA 70127	1.42mi	\$900	900 ft²	\$1.00/ft²	2 bed	2.0ba	House	Apr 2022
H	7741 Means Ave, New Orleans, LA 70127	1.41mi	\$900	1,300 ft²	\$0.69/ft²	2 bed	1.5ba	Duplex	Mar 2022
I	7163 Bunker Hill Rd, New Orleans, LA 70127	0.68mi	\$875	1,200 ft²	\$0.73/ft²	2 bed	1.0ba	Duplex	Sep 2021
J	6835 Mayo Blvd, New Orleans, LA 70126	1.25mi	\$895	840 ft²	\$1.07/ft²	2 bed	1.0ba	Apartment	Apr 2021
3 Bedroom									
K	8802 Gervais St, New Orleans, LA 70127	1.16mi	\$1,150	2,220 ft²	\$0.52/ft²	3 bed	2.0ba	House	Mar 2022
L	6847 Mayo Blvd, New Orleans, LA 70126	1.25mi	\$1,200	1,200 ft²	\$1.00/ft²	3 bed	2.0ba	Apartment	Feb 2022
M	5552 Read Blvd, New Orleans, LA 70127	0.73mi	\$1,250	1,356 ft²	\$0.92/ft²	3 bed	1.0ba	House	Jan 2022
N	10151 Curran Rd, New Orleans, LA 70127	1.46mi	\$1,200	1,000 ft²	\$1.20/ft²	3 bed	1.0ba	House	Dec 2021
O	8542 Dinkins St, New Orleans, LA 70127	1.24mi	\$1,200	1,116 ft²	\$1.08/ft²	3 bed	2.0ba	Apartment	Apr 2021



PROPERTY PHOTOS





POINTS OF INTEREST





PLAZA PARK APARTMENTS

6711-6817 TARA LANE . NEW ORLEANS . LA . 70127

EXCLUSIVELY LISTED BY

Troy Hagstette

D: 504.582.9251

C: 504.251.5719

troy@mceneryco.com



DISCLOSURE AND CONSENT TO DUAL AGENT DESIGNATED AGENCY



This document serves three purposes:

- It discloses that a real estate licensee may potentially act as a disclosed dual agent who represents more than one party to the transaction.
- It explains the concept of disclosed dual agency.
- It seeks your consent to allow the real estate agent to act as a disclosed dual agent.

A LICENSEE MAY LEGALLY ACT AS A DUAL AGENT ONLY WITH YOUR CONSENT. BY CHOOSING TO SIGN THIS DOCUMENT, YOUR CONSENT TO DUAL AGENCY REPRESENTATION IS PRESUMED. BEFORE SIGNING THIS DOCUMENT, PLEASE READ THE FOLLOWING:

The undersigned designated agent(s) _____
(Insert name(s) of licensee(s) undertaking dual representation)
and any subsequent designated agent(s) may undertake a dual representation represent both the buyer (or lessee) and the seller (or lessor) for the sale or lease of property described as _____
(List address of property, if known)

The undersigned buyer (or lessee) and seller (or lessor) acknowledge that they were informed of the possibility of this type of representation. The licensee(s) will undertake this representation only with the written consent of ALL clients in the transaction.

Any agreement between the clients as to a final contract price and other terms is a result of negotiations between the clients acting in their own best interests and on their own behalf. The undersigned buyer (or lessee) and seller (or lessor) acknowledge that the licensee(s) has explained the implications of dual representation, including the risks involved. The undersigned buyer (or lessee) and seller (or lessor) acknowledge that they have been advised to seek independent advice from their advisors or attorneys before signing any documents in this transaction.

WHAT A LICENSEE CAN DO FOR CLIENTS WHEN ACTING AS A DUAL AGENT

- Treat all clients honestly.
- Provide information about the property to the buyer (or lessee).
- Disclose all latent material defects in the property that are known to the licensee(s).
- Disclose financial qualifications of the buyer (or lessee) to the seller (or lessor).
- Explain real estate terms.
- Help the buyer (or lessee) to arrange for property inspections.
- Explain closing costs and procedures.
- Help the buyer compare financing alternatives.
- Provide information about comparable properties that have sold so that both clients may make educated decisions on what price to accept or offer.

WHAT A LICENSEE CANNOT DISCLOSE TO CLIENTS WHEN ACTING AS A DUAL AGENT

- Confidential information that the licensee may know about the clients, without that client's permission.
- The price the seller (or lessor) will take other than the listing price without permission of the seller (or lessor).
- The price the buyer (or lessee) is willing to pay without permission of the buyer (or lessee).

You are not required to sign this document unless you want to allow the licensee(s) to proceed as a dual agent(s), representing BOTH the buyer (or lessee) and the seller (or lessor) in this transaction. If you do not want the licensee(s) to proceed as a dual agent(s) and do not want to sign this document, please inform the licensee(s).

By signing below, you acknowledge that you have read and understand this form and voluntarily consent to the licensee(s) acting as a dual agent(s), representing BOTH the buyer (or lessee) and the seller (or lessor) should that become necessary.

_____ Buyer or Lessee	_____ Seller or Lessor
_____ Date	_____ Date
_____ Buyer or Lessee	_____ Seller or Lessor
_____ Date	_____ Date
_____ Licensee	_____ Licensee
_____ Date	_____ Date

Customer Information Form

What Customers Need to Know When Working With Real Estate Brokers or Licensees

This document describes the various types of agency relationships that can exist in real estate transactions.

AGENCY means a relationship in which a real estate broker or licensee represents a client by the client's consent, whether expressed or implied, in an immovable property transaction. An agency relationship is formed when a real estate licensee works for you in your best interest and represents you. Agency relationships can be formed with buyers/sellers and lessors/lessees.

DESIGNATED AGENCY means the agency relationship that shall be presumed to exist when a licensee engaged in any real estate transaction, except as otherwise provided in LA R.S. 9:3891, is working with a client, unless there is a written agreement providing for a different relationship.

- The law presumes that the real estate licensee you work with is your designated agent, unless you have a written agreement otherwise.
- No other licensees in the office work for you, unless disclosed and approved by you.
- You should confine your discussions of buying/selling to your designated agent or agents only.

DUAL AGENCY means an agency relationship in which a licensee is working with both buyer and seller or both landlord and tenant in the same transaction. Such a relationship shall not constitute dual agency if the licensee is the seller of property that he/she owns or if the property is owned by a real estate business of which the licensee is the sole proprietor and agent. A dual agency relationship shall not be construed to exist in a circumstance in which the licensee is working with both landlord and tenant as to a lease that does not exceed a term of three years and the licensee is the landlord. Dual agency is allowed only when informed consent is presumed to have been given by any client who signed the dual agency disclosure form prescribed by the Louisiana Real Estate Commission. Specific duties owed to both buyer/seller and lessor/lessee are:

- To treat all clients honestly.
- To provide factual information about the property.
- To disclose all latent material defects in the property that are known to them.
- To help the buyer compare financing options.
- To provide information about comparable properties that have sold, so that both clients may make educated buying/selling decisions.
- To disclose financial qualifications to the buyer/lessee to the seller/lessor.
- To explain real estate terms.
- To help buyers/lessees arrange for property inspections
- To explain closing costs and procedures.

CONFIDENTIAL INFORMATION means information obtained by a licensee from a client during the term of a brokerage agreement that was made confidential by the written request or written instruction of the client or is information the disclosure of which could materially harm the position of the client, unless at any time any of the following occur:

- The client permits the disclosure by word or conduct.
- The disclosure is required by law or would reveal serious defect.
- The information became public from a source other than the licensee.

By signing below you acknowledge that you have read and understand this form and that you are authorized to sign this form in the capacity in which you have signed.

Buyer/Lessee:	Seller/Lessor:
_____	_____
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____
Licensee: _____	Licensee: _____
Date: _____	Date: _____

