



**BRIDGEWATER**  
REALTY ADVISORS

*Hope & Allen Street  
Redevelopment Opportunity*

**Offering Memorandum**

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Bridgewater Realty Advisors  
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**2000-2008 HOPE STREET  
2601-2635 ALLEN STREET  
NEW ORLEANS, LA, 70119**

28 unit Heavy Value Add Opportunity

# OFFERING

Introducing the Hope & Allen Redevelopment Opportunity in New Orleans, LA. The property contains (13) doubles each with a 1 bed/1 bath unit on each side. There are (2) SFR buildings on the ends, one of them being 3 bed/1 bath and one of them being 1 bed/1 bath.

Following renovation work, highest and best use calls for subsidized housing, which call for \$1,149/month for a one bedroom unit and \$1,750/month for a 3 bedroom unit for a potential gross annual rent of \$393,276.

After stabilizing the property, the new buyer will be able to refinance and potentially pull all their cash out while maintaining a cash-flowing asset. The new assessed value should be significantly higher than the total loan amount from the construction loan used to take down the property. Rough terms for construction loan is 15-20% down, 10.5-11.5% interest rate, 12-18 months interest only payments. Current long term financing terms are sitting around 7.5-8% interest rate, 10 yr fixed, 30 year AM.

Overall, 2000 Hope Street represents an extraordinary investment prospect. Reach out for more information.

## SUMMARY

**BUILDING PRICE:** \$1,475,000

**UNIT COUNT:** 28

**PRICE PER UNIT:** \$52,678

**GBA:** ~21,000 sf

**PRO FORMA CAP RATE:** 17.58%

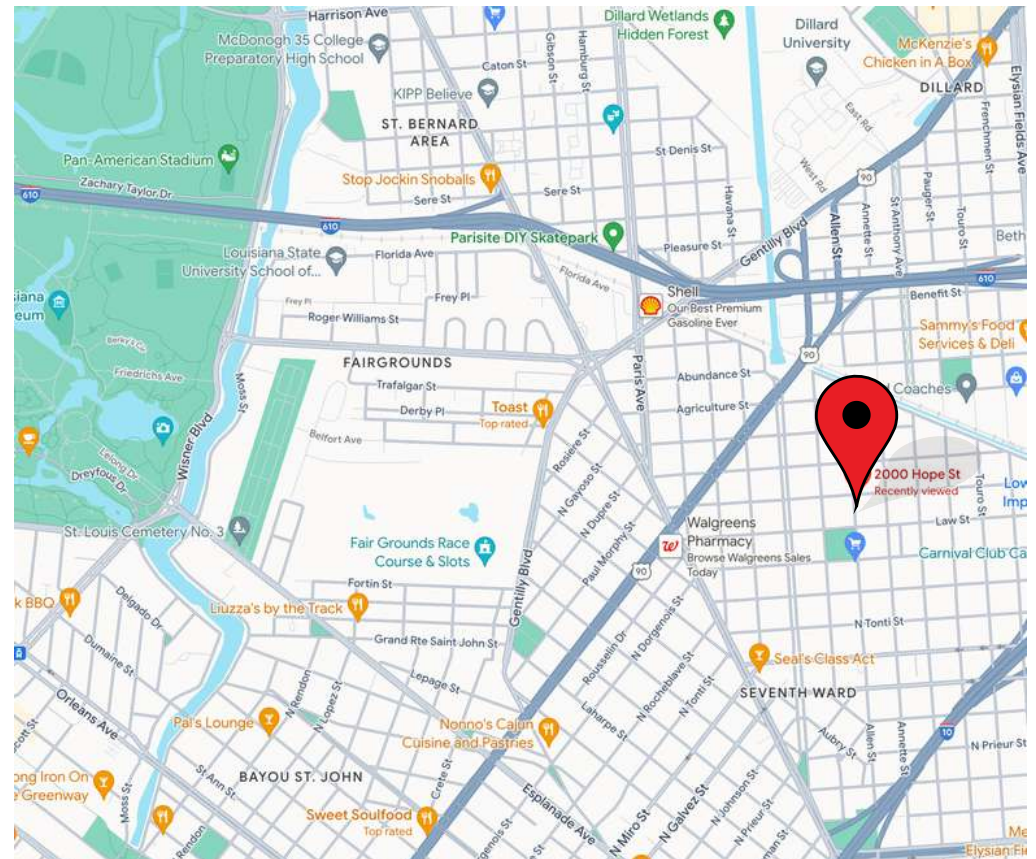
**LOT SIZE:** 34,445 SF

**PRICE PER SF:** \$70.24/sf

**FLOOD ZONE:** X

**EST. CASH OUT:** \$653,750

**ROI (sale):** 79%



# AERIAL



# 3D RENDERINGS



# 3D RENDERINGS











# FINANCIAL OVERVIEW

2000 HOPE STREET, NEW ORLEANS, LA, 70119

## RENT ROLL

Unit #	Type	Current	Max Subsidy Rent
2000	1 BD/1 BA	VACANT	\$1,149.00
2000 1/2	1 BD/1 BA	VACANT	\$1,149.00
2002	1 BD/1 BA	\$1,002.00	\$1,149.00
2004	1 BD/1 BA	VACANT	\$1,149.00
2006A	1 BD/1 BA	\$925.00	\$1,149.00
2006B	1 BD/1 BA	VACANT	\$1,149.00
2008A	1 BD/1 BA	VACANT	\$1,149.00
2008B	1 BD/1 BA	VACANT	\$1,149.00
2010	1 BD/1 BA	VACANT	\$1,149.00
2012	1 BD/1 BA	VACANT	\$1,149.00
2014	3 BD/1 BA	VACANT	\$1,750.00
2601	1 BD/1 BA	VACANT	\$1,149.00
2605	1 BD/1 BA	VACANT	\$1,149.00
2607	1 BD/1 BA	VACANT	\$1,149.00
2609	1 BD/1 BA	VACANT	\$1,149.00
2611	1 BD/1 BA	VACANT	\$1,149.00
2613	1 BD/1 BA	VACANT	\$1,149.00
2615	1 BD/1 BA	VACANT	\$1,149.00
2617	1 BD/1 BA	VACANT	\$1,149.00
2619	1 BD/1 BA	VACANT	\$1,149.00
2621	1 BD/1 BA	\$1,019.00	\$1,149.00
2623	1 BD/1 BA	VACANT	\$1,149.00
2625	1 BD/1 BA	VACANT	\$1,149.00
2627	1 BD/1 BA	VACANT	\$1,149.00
2629	1 BD/1 BA	VACANT	\$1,149.00
2631	1 BD/1 BA	\$400.00	\$1,149.00
2633	1 BD/1 BA	VACANT	\$1,149.00
2635	1 BD/1 BA	VACANT	\$1,149.00
	<b>PER MONTH</b>	<b>\$3,346.00</b>	<b>\$32,773.00</b>
	<b>PER YEAR</b>	<b>\$40,152.00</b>	<b>\$393,276.00</b>

## ACQUISITION

Expense Breakdown		
Expense	Annual	Per/sf
2023 Property Taxes	\$13,082	\$0.61
Forecasted Property Taxes	\$18,438	1.25% of Sale Price
Builders Risk Insurance	\$44,800	\$1600/unit
Flood Insurance	\$0	X Flood - Optional
Water	\$1,680	\$5/unit/mo
Electricity	\$13,440	\$40/unit/mo
Interest Payment	\$16,317	
<b>12 Month Holding Cost</b>	<b>\$94,674</b>	
<b>6 Month Holding Cost</b>	<b>\$47,337</b>	

\*estimated expenses based on market standards

Debt Service Coverage Ratio	
Purchase Price	\$1,475,000
Rehab Budget	\$750,000
<b>Total Cost</b>	<b>\$2,225,000</b>
Down Payment	\$445,000
Loan Amount	\$1,780,000
Monthly Payments	(\$16,316.67)
Annual Debt Service	(\$195,800.00)
Rate	11% Interest Only
Amortization	
LTV	80%

## REFINANCE/DISPOSITION

Expense Breakdown		
Expense	Annual	Per/sf
2023 Property Taxes	\$13,082	\$0.61
Forecasted Property Taxes	\$18,438	1.25% of Sale Price
Property Insurance	\$42,000	\$1500/unit
Flood Insurance	\$0	X Flood - Optional
Water	\$10,080	\$30/unit/mo
Repairs and Maintenance*	\$10,650	\$0.50
Property Management	\$29,889	8.00%
Reserves*	\$3,195	\$0.15
<b>TOTAL</b>	<b>\$114,251</b>	<b>\$5.36</b>
<b>Op Ex Ratio</b>	<b>31%</b>	
<b>Op Ex Per Unit</b>	<b>\$4,080</b>	

\*estimated expenses based on market standards

Income Approach	
Potential Gross Income	\$393,276
Vacancy @ 5%	(\$19,664)
Effective Gross Income	\$373,612
Operating Expenses	\$114,251
Net Operating Income	\$259,361
Stabilized Cap Rate	8.00%
Valuation	\$3,242,009
<b>ROUNDED</b>	<b>\$3,245,000</b>
<b>GRM</b>	<b>99</b>

Debt Service Coverage Ratio	
<b>Refinance/Reversion Price</b>	<b>\$3,245,000</b>
Equity (25%)	\$811,250
Loan Amount	\$2,433,750
Monthly Payments	(\$17,017.13)
Annual Debt Service	(\$204,205.60)
NOI	\$259,360.72
DSCR	1.27
<b>Cash on Cash Return</b>	<b>6.80%</b>
Monthly Cash Flow	\$4,596.26
<b>Internal Rate of Return</b>	<b>12.93%</b>
Rate	7.5
Amortization	30
LTV	75%

Estimated Cash Out Refinance	
Original Loan Balance	\$1,780,000
New Loan Amount	\$2,433,750
<b>Cash Out Of Deal</b>	<b>\$653,750</b>

Estimated Reversion Sale Proceeds	
Total Project Costs	\$2,319,674
Reversion Sale Amount	\$3,245,000
Commissions (4%)	\$129,800
<b>Sale Proceeds</b>	<b>\$795,526</b>
<b>Return On Original Investment</b>	<b>79%</b>

## 5-YEAR CASH FLOW MODEL

OPERATING DATA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Gross Potential Rent	\$393,276.00	\$401,141.52	\$409,164.35	\$417,347.64	\$425,694.59
Less Vacancy/Collection Loss	-\$19,663.80	-\$20,057.08	-\$20,458.22	-\$20,867.38	-\$21,284.73
<b>Effective Gross Income</b>	<b>\$373,612.20</b>	<b>\$381,084.44</b>	<b>\$388,706.13</b>	<b>\$396,480.26</b>	<b>\$404,409.86</b>
EXPENSES					
Forecasted Property Taxes	\$18,437.50	\$18,806.25	\$19,182.38	\$19,566.02	\$19,957.34
Property Insurance	\$42,000.00	\$42,840.00	\$43,696.80	\$44,570.74	\$45,462.15
Flood Insurance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Water	\$10,080.00	\$10,281.60	\$10,487.23	\$10,696.98	\$10,910.92
Repairs and Maintenance*	\$10,650.00	\$10,863.00	\$11,080.26	\$11,301.87	\$11,527.90
Property Management	\$29,888.98	\$30,486.76	\$31,096.49	\$31,718.42	\$32,352.79
Reserves*	\$3,195.00	\$3,258.90	\$3,324.08	\$3,390.56	\$3,458.37
<b>Total Expenses</b>	<b>\$114,251.48</b>	<b>\$116,536.51</b>	<b>\$118,867.24</b>	<b>\$121,244.58</b>	<b>\$123,669.47</b>
<b>Net Operating Income</b>	<b>\$259,360.72</b>	<b>\$264,547.94</b>	<b>\$269,838.90</b>	<b>\$275,235.68</b>	<b>\$280,740.39</b>
DEBT SERVICE					
Interest Payments	\$204,205.60	\$204,205.60	\$204,205.60	\$204,205.60	\$204,205.60
Net Cash Flow After DS	\$55,155.13	\$60,342.34	\$65,633.30	\$71,030.08	\$76,534.79
Debt Coverage Ratio	1.27	1.30	1.32	1.35	1.37
<b>Cash on Cash Return</b>	<b>6.80%</b>	<b>7.44%</b>	<b>8.09%</b>	<b>8.76%</b>	<b>9.43%</b>
<b>Monthly Cash Flow</b>	<b>\$4,596.26</b>	<b>\$5,028.53</b>	<b>\$5,469.44</b>	<b>\$5,919.17</b>	<b>\$6,377.90</b>

# CONTACT DETAILS

## For bookings and viewings

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