

The Arabi Townhomes

1205 Mehle St, Arabi, LA, 70032

Offering Memorandum

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**1205 MEHLE STREET
ARABI, LA, 70032**

60-unit Apartment Community



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OFFERING

The Arabi Townhomes is a well-maintained 60-unit apartment community located at 1205 Mehle St in Arabi, LA. Offering 60 spacious two-bedroom, 1.5-bathroom units, this property is 91.7% occupied (55 of 60 units), providing a solid, stable income stream with immediate lease-up upside. With a cap rate of 8.78% on in-place rents (5% vacancy factor) and an impressive 11.37% on year 3 pro forma numbers, the Arabi Townhomes presents a strong investment opportunity.

Recent market rent comparables indicate that with minor cosmetic updates, the units can command \$1,100 per month, unlocking additional revenue potential. This property has been expertly managed and maintained, with a historically high occupancy rate, making it an excellent choice for investors seeking both reliable cash flow and value-add potential for even greater returns.

Arabi, LA, is a charming and rapidly developing community located just minutes from New Orleans, offering a unique blend of suburban tranquility and urban accessibility. With its proximity to major highways and the historic French Quarter, Arabi offers the perfect balance of suburban living with easy access to the bustling city, making it a highly desirable location for both tenants and investors alike.

SUMMARY

BUILDING PRICE: \$4,190,000

UNIT COUNT: 60

PRICE PER UNIT: \$69,833

GBA: 57,600 sf

PRICE PER SF: \$73/sf

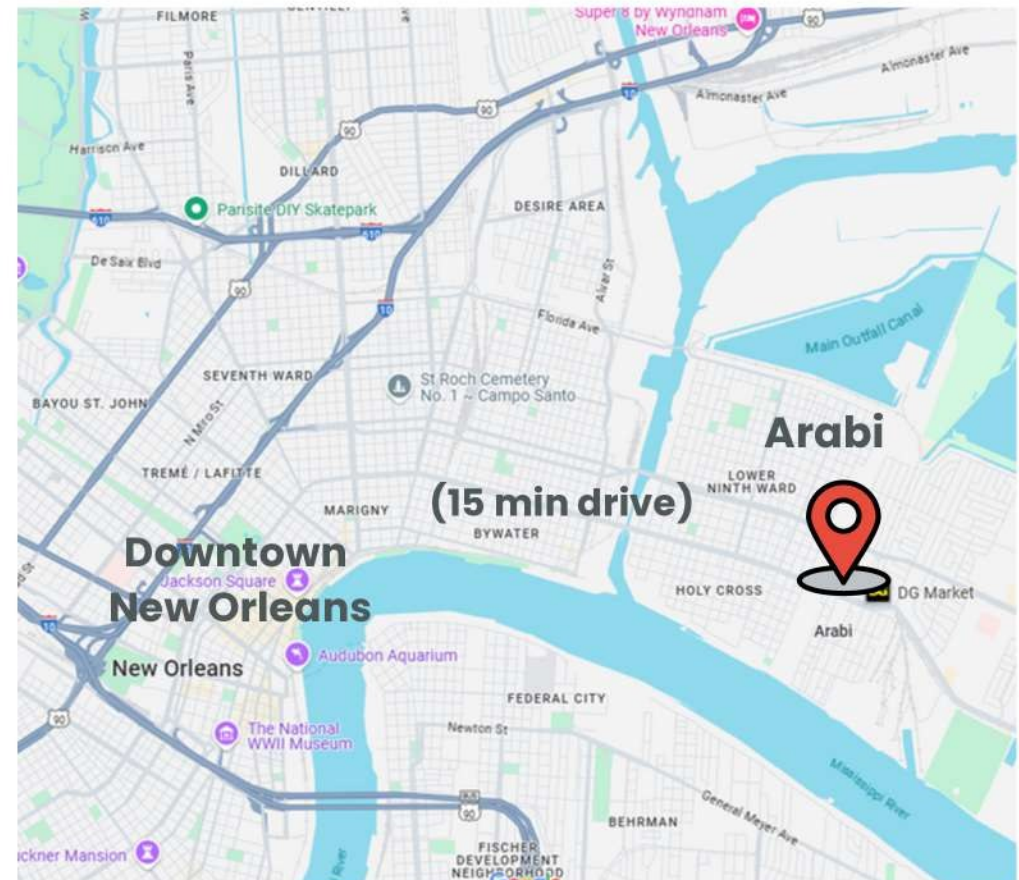
LOT SIZE: ~71,350 sf

IN PLACE CAP RATE: 8.78%

OCCUPANCY: 91.7%

PRO FORMA CAP RATE: 11.37%

FLOOD ZONE: X



AERIAL VIEW



FLOOD MAP

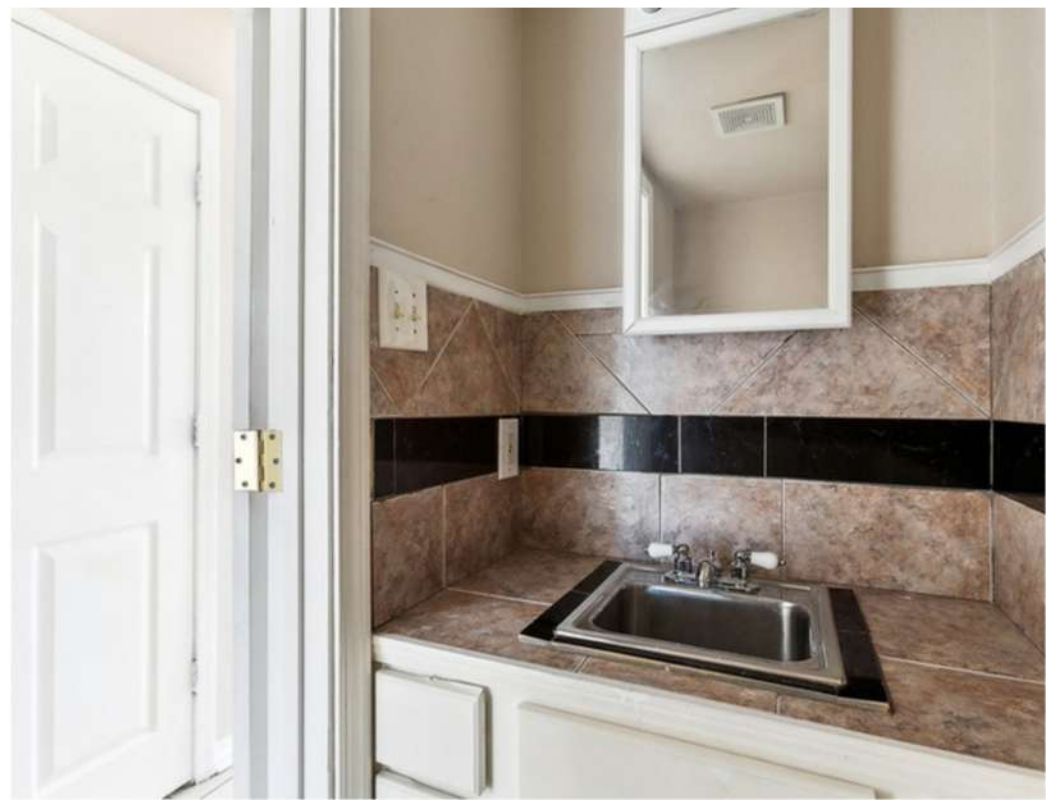












FINANCIAL OVERVIEW

1205 MEHLE ST, ARABI, LA, 70032

RENT ROLL // THE ARABI TOWNHOMES

Unit #	Type	Size (sf)	Current Rent	Market Rent
1205 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1205 B	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1205 C	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1205 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1205 E	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1204 E	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1204 C	2 Bedroom / 1.5 Bathroom	960	Vacant (\$650)	\$1,100
1204 B	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1204 A	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1207 A	2 Bedroom / 1.5 Bathroom	960	\$875	\$1,100
1207 B	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1207 C	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1207 D	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1207 E	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1206 E	2 Bedroom / 1.5 Bathroom	960	Vacant (\$700)	\$1,100
1206 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1204 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1206 B	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1206 A	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1209 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1209 B	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1209 C	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1209 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1209 E	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1212 E	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1212 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1212 C	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1212 B	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1212 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1213 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1213 B	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100

Unit #	Type	Size (sf)	Current Rent	Market Rent
1213 C	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1213 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1213 E	2 Bedroom / 1.5 Bathroom	960	Vacant (\$900)	\$1,100
1216 E	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1216 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1216 C	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1216 B	2 Bedroom / 1.5 Bathroom	960	Vacant (\$900)	\$1,100
1216 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1215 A	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1215 B	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1215 C	2 Bedroom / 1.5 Bathroom	960	\$850	\$1,100
1215 D	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1215 E	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1220 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1220 B	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1220 C	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1220 D	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1220 E	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1225 A	2 Bedroom / 1.5 Bathroom	960	\$700	\$1,100
1225 B	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1225 C	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1225 D	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1225 E	2 Bedroom / 1.5 Bathroom	960	\$1,000	\$1,100
1224 E	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1224 D	2 Bedroom / 1.5 Bathroom	960	Vacant (\$850)	\$1,100
1224 C	2 Bedroom / 1.5 Bathroom	960	\$800	\$1,100
1224 B	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1224 A	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
1206 C	2 Bedroom / 1.5 Bathroom	960	\$900	\$1,100
PER MONTH		57600	\$54,525	\$66,000
PER YEAR			\$654,300	\$792,000

Vacant units (5): 1204 C, 1206 E, 1213 E, 1216 B, 1224 D. Current occupancy 91.7% (55 of 60 units).

Totals reflect gross potential rent at 100% occupancy, with vacant units shown at their last lease rate. A 5% vacancy factor is applied in the operating statement.

OPERATING STATEMENT // THE ARABI TOWNHOMES

INCOME	CURRENT		PRO-FORMA		NOTES	PER UNIT	PER SF
Potential Gross Rent	\$654,300		\$792,000			\$10,905	\$11.36
Physical Vacancy	\$32,715	5.00%	\$63,360	8.00%	[1]	\$0.57	\$0.57
Effective Rental Income	\$621,585		\$728,640			\$10,360	\$10.79
Effective Gross Income	\$621,585		\$728,640			\$10,360	\$10.79

EXPENSES	CURRENT		PRO-FORMA		NOTES	PER UNIT	PER SF
Real Estates Taxes	\$28,763		\$46,900		[2]	\$479	\$0.50
Property Insurance	\$90,000		\$90,000		[3]	\$1,500	\$1.56
Flood Insurance	\$8,858		\$9,000			\$148	\$0.15
Utilities - Water & Sewer	\$24,850		\$25,500			\$425	\$0.44
Repairs & Maintenance	\$57,092		\$59,947		[4]	\$952	\$0.99
Management	\$35,294		\$45,000			\$588	\$0.61
Reserves	\$8,640		\$9,000			\$144	\$0.15
Total Expenses	\$253,497		\$285,347			\$4,236	\$4.40
Expenses as % of EGI	41%		39%				
Net Operating Income	\$368,088		\$443,293			\$6,124	\$6.39

Operating Statement Notes:

[1] Market vacancy is 5.0% in Yr 1; Year 2 vacancy increase to 8.0% due to rent increases; stabilize back to 5.0% in Yr 3

[2] Taxes reassessed after sale

[3] New insurance policy estimated to be \$90,000/yr or \$1,500 per unit

[4] Flood insurance and \$89,743 of cap ex was deducted from the maintenance line item in the PnL to derive operating maintenance figure

5-YEAR PRO FORMA MODEL // THE ARABI TOWNHOMES

OPERATING DATA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Gross Potential Rent	\$654,300.00	\$792,000.00	\$807,840.00	\$823,996.80	\$840,476.74
Less Vacancy/Collection Loss	-\$32,715.00	-\$63,360.00	-\$40,392.00	-\$41,199.84	-\$42,023.84
Effective Gross Income	\$621,585.00	\$728,640.00	\$767,448.00	\$782,796.96	\$798,452.90
EXPENSES					
Real Estates Taxes	\$28,763.25	\$46,900.00	\$47,838.00	\$48,794.76	\$49,770.66
Property Insurance	\$90,000.00	\$90,000.00	\$91,800.00	\$93,636.00	\$95,508.72
Flood Insurance	\$8,858.00	\$9,000.00	\$9,180.00	\$9,363.60	\$9,550.87
Utilities - Water & Sewer	\$24,850.00	\$25,500.00	\$26,010.00	\$26,530.20	\$27,060.80
Repairs & Maintenance	\$57,091.99	\$59,946.59	\$61,145.52	\$62,368.43	\$63,615.80
Management	\$35,294.00	\$45,000.00	\$45,900.00	\$46,818.00	\$47,754.36
Reserves	\$8,640.00	\$9,000.00	\$9,180.00	\$9,363.60	\$9,550.87
Total Expenses	\$253,497.24	\$285,346.59	\$291,053.52	\$296,874.59	\$302,812.08
Net Operating Income	\$368,087.76	\$443,293.41	\$476,394.48	\$485,922.37	\$495,640.82
DEBT SERVICE					
Principal & Interest Payments	\$211,017.80	\$211,017.80	\$211,017.80	\$211,017.80	\$211,017.80
Net Cash Flow After DS	\$157,069.96	\$232,275.61	\$265,376.68	\$274,904.57	\$284,623.02
Debt Coverage Ratio	1.74	2.10	2.26	2.30	2.35
Cash on Cash Return	12.50%	18.48%	21.11%	21.87%	22.64%
Monthly Cash Flow	\$13,089.16	\$19,356.30	\$22,114.72	\$22,908.71	\$23,718.59

CASH FLOW ANALYSIS // THE ARABI TOWNHOMES

In-Place

Purchase Price	\$4,190,000
Down Payment	\$1,257,000
Loan Amount	\$2,933,000
Monthly Payments	(\$17,585)
Annual Debt Service	(\$211,018)
NOI	\$368,088
Income After ADS	\$157,070
DSCR	1.74
Cash on Cash Return	12.50%
Monthly Cash Flow	\$13,089

Financing Terms

Rate (%)	6.0
Amortization	30
LTV	70%

Pro Forma (Yr 3)

Purchase Price	\$4,190,000
Down Payment	\$1,257,000
Loan Amount	\$2,933,000
Monthly Payments	(\$17,585)
Annual Debt Service	(\$211,018)
NOI	\$476,394
Income After ADS	\$265,377
DSCR	2.26
Cash on Cash Return	21.11%
Monthly Cash Flow	\$22,115

Financing Terms (Agency Debt):

Rate (%)	6.0
Amortization	30
LTV	70%



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CONTACT DETAILS

For bookings and viewings

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