

MARK BULLER
Appraiser
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February 27, 2025

Mike Bach
Bach Property, LLC
711 Tchoupitoulas Street
Unit 401
New Orleans, LA 70130

**RE: Property Valuation
Renaissance Place Apartments
1870 Marshall Frank Drive
Ville Platte, LA 70586**

Dear Mike:

At your request I inspected the Renaissance Place Apartment Complex with an office address of 1870 Marshall Frank Drive, Ville Platte, LA. The purpose of my inspection was to put a reasonable market value on the entire complex which consists of twenty-five individual housing units situated on 8.01 acres of land. This report will be for valuation purposes only and would not be considered valid should any type of legal action or legal proceeds of any manner occur on this specific piece of property a more detailed report would need to be performed.

For purposes of this report fair market value shall be defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The subject property is specifically identified as 8.01 acres located in Section 51, T-4-S, R-2-E, Evangeline Parish, LA.

Much of the information that I obtained was from the property manager Mr. Greg Johnson. Since a complete detailed appraisal report was not requested, I am going to assume that the information I received from Mr. Johnson is accurate. I did not receive complete financial statements over the past 3 years; however, I did get a couple of months of financial statements, so I was able to come up with a reasonable income and expense on a monthly basis for all of these units. When the property was developed approximately 15 years ago the original developers put in roads, streetlights, and put in one large sewer system capable of handling all twenty-five houses. The water is from the city of Ville Platte and it is my understanding that the owners are in the process of upgrading the sewer system and according to Mr. Johnson the city is going to take over the streets, street lights, and sewer plant once the sewer system is updated. As of now, if the city does not take over the streets and utilities the owners are responsible for maintaining the streets, the streetlights, and the sewer system which is definitely an added expense over time. Currently the roads are in fine condition there's nothing wrong with them and there's nothing to believe that the roads would have to have a large expense in the near future, but eventually some maintenance would have to be done on the roads and the sewer system should be upgraded shortly so that would also probably not have any significant expenses in the near future once it's upgraded. As I stated earlier, the office is located at 1870 Marshall Frank Road and all of the houses consist of the following addresses which would total twenty-five individual houses consisting of 2-, 3- and 4-bedroom houses. The current addresses are 1840, 1844, 1850, 1860, 1830, 1820, 1821, 1831, 1841, 1849, 1855, 1861, 1871, 1891, 1900, 1910, 1914, 1920, 1930, 1940, 1901, 1911, 1921, 1931 and 1941 all are located on Marshall Frank Road.

The units are about 15 years old and are wood frame in construction with composition roofs. They are all on a concrete slab and each unit has its own central cooling and heating system. There is a concrete pad to park two cars in front of each unit. The exterior walls are all hardy board. On the exterior I did notice some deferred maintenance, some of the fascia and soffit needs to be painted. I did not notice anything rotten and some of the roofs have some missing shingles. The units I went in showed no signs of any of the roofs leaking and there's not large sections of shingles missing, it's just a few scattered shingles here and there on about 7 or 8 of the units that would need to be replaced and according to Mr. Johnson they are in the process of getting that done. Each unit also has a small front and rear porch that are around 30 to 40 square feet each. The interior of each unit has sheetrock walls and sheetrock ceilings. They have vinyl tile flooring in most of the living areas and some of the bedrooms have carpet and some of them have vinyl tile floors. I went in five units and all of them appeared to be in good condition on the inside and I did not see any large, deferred maintenance on the interior other than normal wear and tear.

The two-bedroom units have 984 square feet of heated and cooled area that consists of two bedrooms, two bathrooms, kitchen, den, and utility room. The front and rear porch are an additional 110 square feet combined. On the three-bedroom units the interior layout consists of three bedrooms, two baths, kitchen, den, and utility room. They are each 1,200 square feet of heated and cooled area with 132 square feet of front and rear porches. On the four bedroom units they are all built the same and consist of four bedrooms, two bathrooms, kitchen, den, and utility room. The units have a total of 1,746 square feet of heated and cooled area with attached front and rear porches of an additional 125 square feet. Each of the four-bedroom units are two-story with one bedroom and one bathroom downstairs and three bedrooms and one bathroom upstairs. The downstairs square footage is approximately 1,023 square feet and the upstairs is approximately 723 square feet. There is a total of six four-bedroom units, eight two-bedroom units, and eleven three-bedroom units.

Rental rates are as follows: two bedroom units rent for \$560.00 per month, three bedroom units rent for \$670.00 per month, and the four bedroom units rent for \$720.00 per month. There is currently 100% occupancy and according to Mr. Johnson they actually have a waiting list of people should someone want to leave. He says they can put someone in immediately, but at this time it is 100% occupied. The total income on an annual basis of the two bedrooms, assuming 100% occupancy is **\$53,760.00** per year, on the three bedrooms assuming 100% occupancy is **\$88,440.00** per year, and on the four bedrooms assuming 100% occupancy is **\$51,840.00** per year for a total annual gross income of **\$194,040.00**.

I was requested by you to value the complex all together so the development consists of 8.01 acres and then there's 25 houses and an office on that property and there's nothing that shows the individual lots, like this address has a lot that's say 75'X150' or whatever so it's all one so I'm going to value what I think would be a reasonable market value if you had to sell everything at one time, what someone would reasonably pay for all 25 units and the office situated on 8.01 acres of land. I will also consider that they have to maintain the roads and the sewer system because the city has not accepted it yet so I will take that into consideration which does bring an additional cost. I think if you were to take the houses and sell them individually and come out and get a surveyor and just survey out the houses and sell them you can get more money obviously selling them individually, but to sell 25 houses in Ville Platte, LA would probably take a considerable amount of time, somewhere probably I would say 3-5 years to sell 25 houses on an individual basis. Obviously selling them all together you would find an investor that would want to come in and just take over the whole complex and do it from an income standpoint.

There is nothing to compare this development to that has sold in Evangeline Parish, LA even in the past 5 years going back in time so I'm going to put what I think would be a reasonable value what someone would pay for each house on a square foot basis of heated and cooled area based on the income that it could produce. If the development were ever sold it would have to be sold based upon a reasonable payback of the property and based upon the expenses and income that it is generating probably a reasonable payback would be about 8 years based on gross income. As per our discussion I'm not going to go into great detail on the income approach to value, but that is an important part of this valuation process so I'm doing somewhat of an abbreviated income valuation based on what I was provided on income and expenses versus a reasonable payback. I also went through several comparable sales of several houses that have sold and got an average market value on a per square footage basis. I did discount that because I am valuing all twenty-five at one time so for someone to buy all twenty-five at one time it is going to have to be a more attractive offer than just valuing one house at a time. I'm also going to put a value on the office. The office consists of two offices, an entertainment area, a storage building, and two restrooms and is centrally heated and cooled. I am not so sure that if anybody that would buy the development would actually have a need for a building this size, it is 1,694 square feet with 488 square feet of porches. They may even convert it into a house which I think it could be because the plumbing is there and there is a small kitchen in the entertaining area that could be converted, but then it would be an expense so I'm going to put a lesser value on a square footage basis on this particular office.

Based upon all of the information discussed above, the fair market value of these properties is as follows:

Gross Income \$194,040.00/year X 8-year payback	\$1,552,320.00
2-Bedroom Units 984 sq. ft. @ \$50.00/sq. ft. = \$49,200.00 X 8	\$ 393,600.00
3-Bedroom Units 1,200 sq. ft. @ \$50.00/sq. ft. = \$60,000.00 X 11	\$ 660,000.00
4-Bedroom Units 1,746 sq. ft. @ \$50.00/sq. ft. = \$87,300.00 X 6	\$ 523,800.00
Office 1,694 sq. ft. @ \$40.00/sq. ft.	<u>\$ 67,670.00</u>
Total Market Value:	\$1,645,160.00

I am going to look at both values and I am coming up with a reasonable market value for the development at **\$1,500,000.00**.

If I can be of additional assistance, please contact me.

Sincerely,

Mark Buller
LA State Certified Appraiser #R472

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



SUBJECT PROPERTY



SIGNAGE

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



STREET



STREET

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



STREET



COMMUNITY CENTER

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



COMMUNITY CENTER INTERIOR



COMMUNITY CENTER KITCHEN

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



COMMUNITY CENTER RESTROOM



COMMUNITY CENTER RESTROOM

**RENAISSANCE PLACE
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VILLE PLATTE, LA 70586**



OFFICE



OFFICE

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



1860 MARSHALL FRANK DRIVE – TWO BEDROOM



1860 MARSHALL FRANK DRIVE – KITCHEN

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



1860 MARSHALL FRANK DRIVE – DINING



1860 MARSHALL FRANK DRIVE – BEDROOM

**RENAISSANCE PLACE
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1860 MARSHALL FRANK DRIVE – BEDROOM



1860 MARSHALL FRANK DRIVE – BATH

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1860 MARSHALL FRANK DRIVE - BATH

**RENAISSANCE PLACE
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1861 MARSHALL FRANK DRIVE – THREE BEDROOM



1861 MARSHALL FRANK DRIVE - KITCHEN

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1861 MARSHALL FRANK DRIVE – DINING



1861 MARSHALL FRANK DRIVE – BEDROOM

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1861 MARSHALL FRANK DRIVE – BEDROOM



1861 MARSHALL FRANK DRIVE – BATH

**RENAISSANCE PLACE
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1861 MARSHALL FRANK DRIVE – PRIMARY BEDROOM



1861 MARSHALL FRANK DRIVE – PRIMARY BATH

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



STREET SCENE



1940 MARSHALL FRANK DRIVE – TWO BEDROOM

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



1821 MARSHALL FRANK DRIVE – FOUR BEDROOM



1821 MARSHALL FRANK DRIVE – KITCHEN

**RENAISSANCE PLACE
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1821 MARSHALL FRANK DRIVE – DINING

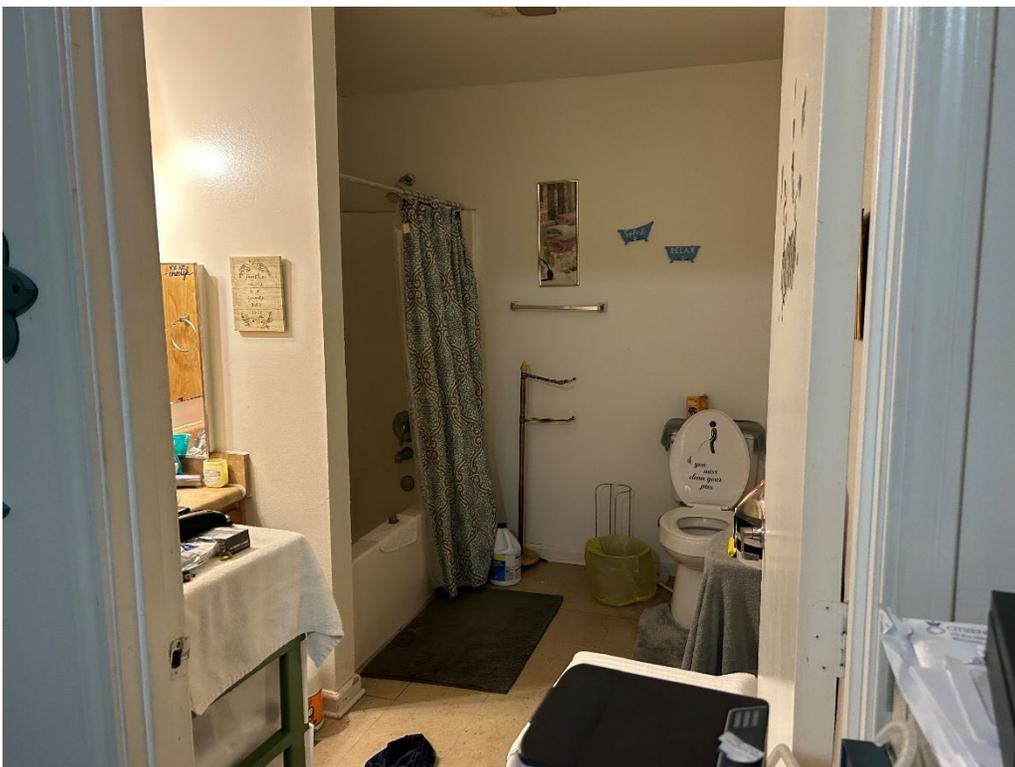


1821 MARSHALL FRANK DRIVE – LIVING ROOM

**RENAISSANCE PLACE
1870 MARSHALL FRANK DRIVE
VILLE PLATTE, LA 70586**



1821 MARSHALL FRANK DRIVE – PRIMARY BEDROOM



1821 MARSHALL FRANK DRIVE – PRIMARY BATH

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1821 MARSHALL FRANK DRIVE – BEDROOM



1821 MARSHALL FRANK DRIVE – BEDROOM

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1821 MARSHALL FRANK DRIVE – BEDROOM



1821 MARSHALL FRANK DRIVE - BATH

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APPRAISAL SERVICES FOR:

\$1,200.00

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ON:

**Property Valuation
Renaissance Place Apartments
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Dated: February 28, 2025

PAID 03/25/2025