



# 1685 First Avenue

— YORKVILLE, MANHATTAN —

## OFFERING MEMORANDUM

**Marcus & Millichap**  
NYM GROUP

# 1685 First Avenue

— YORKVILLE, MANHATTAN —

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**Marcus & Millichap**  
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# 1685 First Avenue

— YORKVILLE, MANHATTAN —

is being offered at

**\$18,500,000**

## THE OFFERING

The New York Multifamily Team at Marcus & Millichap is pleased to exclusively offer for sale 1685 First Avenue, a mixed-use building located in Yorkville on the Upper East Side. Situated on the east side of First Avenue between East 87th and East 88th Streets, the property contains 27 residential units and 2 commercial units across approximately 16,889 square feet. The property sits on a 40.25' by 100' lot (Block 1550, Lot 25) and is built 40' by 84' feet. The zoning is R10, C1-5.

## THE OPPORTUNITY

- Opportunity:** 1685 First Avenue presents a rare opportunity to acquire 40' feet of avenue frontage in the Yorkville neighborhood of the Upper East Side. The six-story building consists of 27 residential units, of which only four are rent-stabilized. Additionally, the property offers low vacancy and strong in-place cash flow from both the residential and retail components.
- Condo-Level Finishes:** The building is constructed to a condominium standard, featuring stainless-steel appliances, marble countertops, and high-end materials throughout. Each residence offers a modern, boutique aesthetic that surpasses typical rental construction. These finishes attract high-quality tenants, support premium rents, and position the asset as a best-in-class offering within the free-market segment.
- Residential Upside:** 23 of the units in 1685 First Avenue are free market, and are all supporting strong in-place rents. The current average rent for one-bedroom units is \$3,269, while the two-bedroom's average \$4,041. Comparable units in the neighborhood are achieving rents of approximately \$3,750 and \$4,650, respectively, positioning the property for continued performance without the need for capital improvements.
- Strategic Location:** 1685 First Avenue is located in the Yorkville neighborhood of Manhattan's Upper East Side, a highly desirable residential corridor known for strong rental demand. The property is surrounded by neighborhood retail, dining, and essential services, and is a short walk to multiple transportation options, including the Q train at 86th Street and the 4, 5, and 6 trains at 86th Street and Lexington Avenue. Nearby amenities include Carl Schurz Park, Asphalt Green, Ruppert Park, and a variety of well-known local restaurants and shops along First and Second Avenues.

## LISTING METRICS

<b>27</b> TOTAL UNITS	<b>16,889</b> TOTAL SQUARE FEET	<b>11.3</b> GRM	 NEARBY TRANSPORTATION
<b>\$1,095</b> PRICE / SF	<b>\$279,630</b> PROJECTED TAXES	<b>6.0%</b> CAP RATE	

# FINANCIAL ANALYSIS

Marcus & Millichap  
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## FINANCIAL OVERVIEW

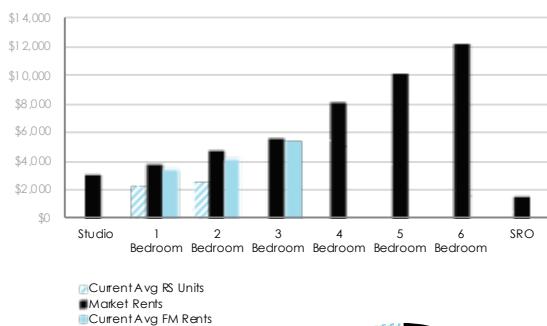
**\$18,500,000**

OFFERING PRICE

PRICE PER SQUARE FOOT	\$1,095
PRICE PER UNIT	\$637,931
TOTAL SQUARE FEET	16,889
TOTAL UNITS	29
CURRENT CAP RATE	6.0%
CURRENT GRM	11.3
PRO FORMA CAP RATE	6.6%
PRO FORMA GRM	10.5
PRO FORMA CASH ON CASH RETURN	5.67%

**PROPOSED DEBT**

Loan Amount	\$12,500,000
Interest Rate	5.75%
Amortization	30
Annual Debt Service	(\$883,953)
Debt Coverage Ratio	1.26
Net Cash Flow After Debt Service	\$340,442

**UPSIDE ANALYSIS****16,889**

SQUARE FEET

**GROSS TOTAL SF****\$/SF****GRM****CAP RATE**

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**1685**  
First Avenue

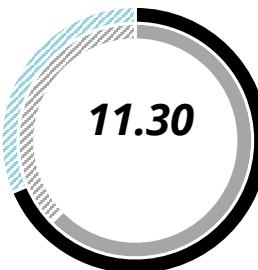
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	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$1,343,725	\$1,462,055
Gross Potential Commercial Rent	\$207,528	\$213,754
Other Income	\$85,920	\$87,090
Gross Income	\$1,637,173	\$1,762,899
Vacancy/Collection Loss	(\$49,115)	(\$52,887)
Effective Gross Income	\$1,588,058	\$1,710,012
<i>Average Residential Rent/Month/Unit</i>	\$4,147	\$4,513

	EXPENSES	
Property Taxes <i>Tax Class: . Projected</i>	\$279,630	\$284,299
Fuel - Gas <i>Actual</i>	\$36,000	\$37,080
Insurance <i>Actual</i>	\$36,600	\$37,698
Water and Sewer <i>Actual</i>	\$36,862	\$37,968
Repairs and Maintenance <i>Projected</i>	\$17,500	\$18,025
Electric <i>Actual</i>	\$4,000	\$4,120
Super Salary <i>Actual</i>	\$9,600	\$9,888
Management Fee <i>Projected</i>	\$47,642	\$49,071
General Administration <i>Projected</i>	\$7,250	\$7,468
Total Expenses	\$475,084	\$485,616
<b>Net Operating Income</b>	<b>\$1,112,974</b>	<b>\$1,224,395</b>

**SCHEDULE OF INCOME**

UNIT BREAKDOWN	TOTAL	% OF TOTAL	RENT
Studio	0	0%	\$0
1 Bedroom	7	26%	\$2,929
2 Bedroom	8	30%	\$3,626
3 Bedroom	12	44%	\$5,205
4 Bedroom	0	0%	\$0
5 Bedroom	0	0%	\$0
6 Bedroom	0	0%	\$0



## FINANCIAL ANALYSIS

## RENT ROLL

1685 First Avenue

## COMMERCIAL RENT

UNIT	TENANT NAME	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA	\$/PSF
Sebastian Cafe		Assumes 3% Annual Increases			May-34	\$7,030	\$7,241	
ConMigo		Assumes 3% Annual Increases			Mar-34	\$10,264	\$10,572	
<b>MONTHLY COMMERCIAL REVENUE</b>								<b>\$17,294</b>
<b>\$17,813</b>								

## OTHER INCOME &amp; REIMBURSEMENTS

SPACE	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA
Cell Tower	Antenna; Assumes 3% Annual Increases			Jan-27	\$3,250	\$3,348
Retail	Combined Water & Sewer Reimbursement				\$1,838	\$1,838
Retail	Combined RET Reimbursement				\$2,072	\$2,072
<b>MONTHLY OTHER INCOME &amp; REIMBURSEMENTS REVENUE</b>						<b>\$7,160</b>
						<b>\$7,258</b>

## RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA
1	FM		2 Bedroom	4		May-26	\$4,500	\$4,650
2	FM		2 Bedroom	4		Aug-26	\$3,750	\$4,650
3	FM		3 Bedroom	5		May-26	\$5,395	\$5,500
4A	RS		1 Bedroom	3		Sep-26	\$3,295	\$3,394
5A	RS		2 Bedroom	4		Jan-27	\$4,007	\$4,127
6	FM		3 Bedroom	5		May-26	\$5,295	\$5,500
7	FM		3 Bedroom	5		May-26	\$4,950	\$5,500
8	FM		3 Bedroom	5		Aug-26	\$5,375	\$5,500
9	FM		2 Bedroom	4		Jun-26	\$4,200	\$4,650
10	FM		1 Bedroom	3		May-26	\$3,325	\$3,750
11	FM		3 Bedroom	5		May-26	\$5,145	\$5,500
12	FM		3 Bedroom	5		May-26	\$5,145	\$5,500
12A	FM		3 Bedroom	5		Aug-26	\$5,195	\$5,500
14	FM		1 Bedroom	3		May-26	\$3,535	\$3,750
15	FM		1 Bedroom	3		Dec-26	\$2,895	\$3,750
16	RS		2 Bedroom	4		Sep-26	\$757	\$779
17	FM		3 Bedroom	5		Jun-26	\$5,295	\$5,500
18	RS		1 Bedroom	3		Sep-26	\$862	\$887
19	FM		2 Bedroom	4		May-26	\$4,075	\$4,650
20	FM		1 Bedroom	3		Jun-26	\$2,995	\$3,750
21	FM		3 Bedroom	5		Aug-26	\$5,195	\$5,500
22	FM		3 Bedroom	5		Aug-26	\$5,250	\$5,500
23	FM		3 Bedroom	5		Aug-26	\$5,195	\$5,500
24	FM		2 Bedroom	4		May-26	\$3,600	\$4,650
25	FM		1 Bedroom	3		Jul-26	\$3,595	\$3,750
26A	FM		3 Bedroom	5		Apr-26	\$5,030	\$5,500
27A	FM		2 Bedroom	4		Sep-26	\$4,122	\$4,650
<b>MONTHLY RESIDENTIAL REVENUE</b>							<b>\$111,977</b>	<b>\$121,838</b>

**ANNUAL RESIDENTIAL REVENUE** \$1,343,725 \$1,462,055**ANNUAL COMMERCIAL REVENUE** \$207,528 \$213,754**ANNUAL OTHER INCOME REVENUE** \$85,920 \$87,090**TOTAL ANNUAL REVENUE** **ACTUAL** \$1,637,173 **PRO FORMA** \$1,762,899**Notes**

There are 29 total units.

There are currently 0 vacant units in the building. The super lives off site.

## INCOME &amp; EXPENSE ANALYSIS

1685 First Avenue

## GROSS POTENTIAL INCOME

ACTUAL		PRO FORMA				
		%EGI	\$/UNIT	%EGI	\$/UNIT	
Gross Potential Residential Rent	\$1,343,725	82%	\$49,768	\$1,462,055	83%	\$54,150
Gross Potential Commercial Rent	\$207,528	13%	\$103,764	\$213,754	12%	\$106,877
Antenna/Water/RET Reimbursement	\$85,920	5%	\$3,182	\$87,090	5%	\$3,226
Gross Income	\$1,637,173		\$56,454	\$1,762,899		\$60,790
Vacancy/Collection Loss	(\$49,115)	3%	(\$1,694)	(\$52,887)	3%	(\$1,824)
Effective Gross Income	\$1,588,058		\$54,761	\$1,710,012		\$58,966
Average Residential Rent/Month/Unit	\$4,147			\$4,513		

## EXPENSES

Property Taxes	Tax Class: 2	Projected	\$279,630	18%	\$9,642		\$284,299	17%	\$9,803
Fuel - Gas		Actual	\$36,000	2%	\$1,241		\$37,080	2%	\$1,279
Insurance		Actual	\$36,600	2%	\$1,262		\$37,698	2%	\$1,300
Water and Sewer		Actual	\$36,862	2%	\$1,271		\$37,968	2%	\$1,309
Repairs and Maintenance		Projected	\$17,500	1%	\$603		\$18,025	1%	\$622
Electric		Actual	\$4,000	0.3%	\$0.24		\$4,120	0.2%	\$0.24
Super Salary		Actual	\$9,600	1%	\$331		\$9,888	1%	\$341
Management Fee		Projected	\$47,642	3%	\$1,643		\$49,071	3%	\$1,692
General Administration		Projected	\$7,250	0%	\$250		\$7,468	0%	\$258
Total Expenses			\$475,084	30%	\$16,382		\$485,616	28%	\$16,745
<b>Net Operating Income</b>			<b>\$1,112,974</b>				<b>\$1,224,395</b>		

## LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$129,271	29	\$4,458
Total RS Units	14%	\$8,920	4	\$2,230
Total RS - TE Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	79%	\$103,057	23	\$4,481
Total Commercial	7%	\$17,294	2	\$8,647

## RENTAL ANALYSIS BY UNIT TYPE

TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	0%	\$0	0	\$0
1 Bedroom	26%	\$20,502	7	\$2,929
2 Bedroom	30%	\$29,011	8	\$3,626
3 Bedroom	44%	\$62,465	12	\$5,205
4 Bedroom	0%	\$0	0	\$0
5 Bedroom	0%	\$0	0	\$0
6 Bedroom	0%	\$0	0	\$0
SRO	0%	\$0	0	\$0

## UPSIDE ANALYSIS



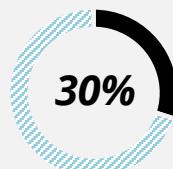
AVERAGE RENT

PER MONTH

\$4,147

PERCENT  
FAIR MARKETTAXES AS  
PERCENT OF EGI

EXPENSE RATIO



# PROPERTY DESCRIPTION

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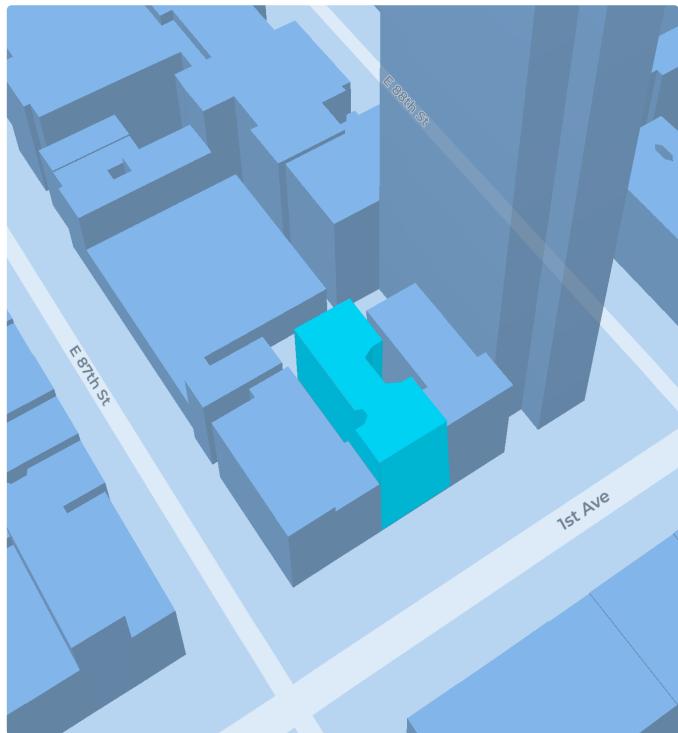
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## PROPERTY DESCRIPTION

# PROPERTY DESCRIPTION

### 1685 First Avenue

Neighborhood	Yorkville
Borough	Manhattan
Block & Lot	1550 / 25
Lot Dimensions	40.25' x 100'
Lot SF	4,025
Building Dimensions	40' x 84'
Approximate Building SF	16,889
Zoning	R10, C1-5
Max Far	10.00
Available Air Rights	None
Landmark District	None
Historic District	None
Annual Tax Bill	\$279,630
Tax Class	2



### TAX MAP



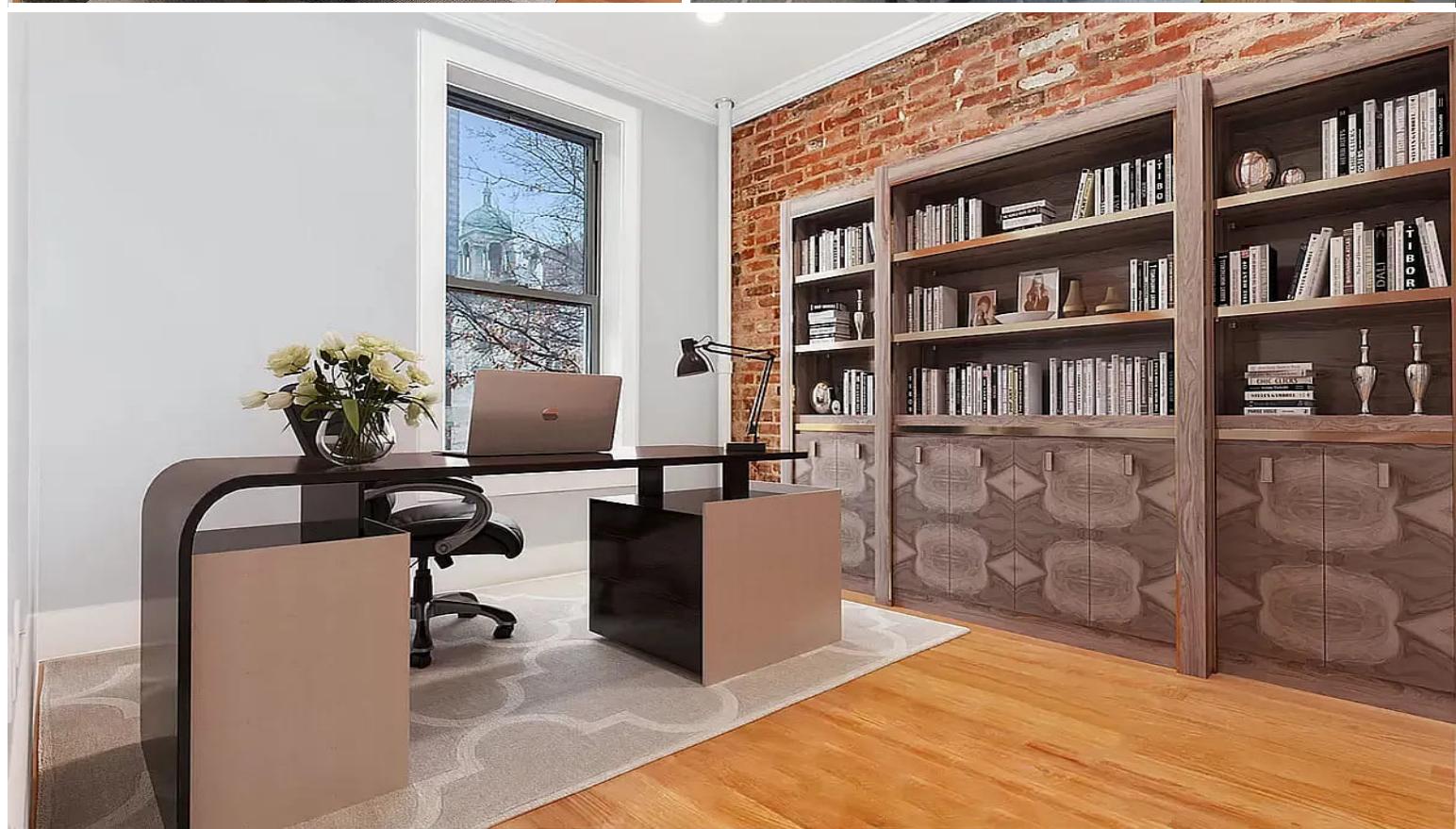
PROPERTY DESCRIPTION

# PROPERTY PHOTOS - EXTERIORS



PROPERTY DESCRIPTION

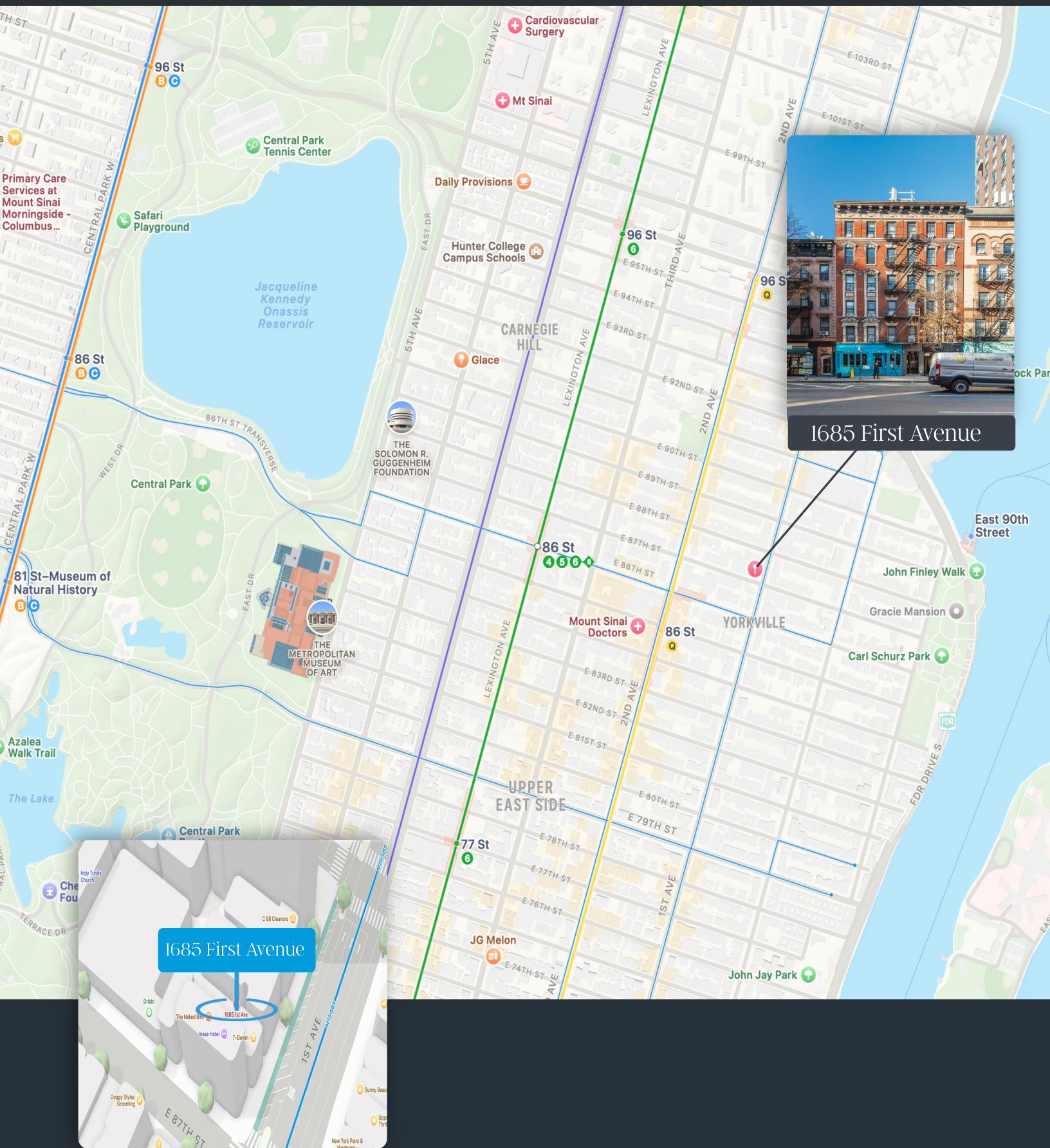
# PROPERTY PHOTOS - INTERIORS



## PROPERTY DESCRIPTION

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Activity ID:

# 1685 First Avenue

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