



239  
Elizabeth Street

OFFERING MEMORANDUM

NOLITA, MANHATTAN

Marcus & Millichap  
NYM GROUP

# 239 Elizabeth Street

---

New York Multifamily Team:

**Joe Koicim**

Executive Managing Director  
(212) 430-5147  
jkoicim@mmreis.com

**Peter Dodge**

Senior Associate  
(212) 430-5231  
peter.dodge@mmreis.com

Marcus & Millichap  
NYM GROUP

260 Madison Avenue, 5th Floor | New York, New York 10016  
[www.newyorkmultifamily.com](http://www.newyorkmultifamily.com)

# 239 Elizabeth Street

OFFERING MEMORANDUM

NOLITA, MANHATTAN

is being offered at

## \$7,650,000

## THE OFFERING

The New York Multifamily team is pleased to offer the following opportunity located in the booming NoLIta neighborhood. 239 Elizabeth Street is located on the West side of Elizabeth Street between Prince & East Houston Streets. The property boasts a gross square footage of 7,670, is zoned C6-2 / R8, and is built 20 ft x 75 ft on a 20 ft x 90.25 ft lot (Block: 508; Lot: 42).

## THE OPPORTUNITY

- **Building Overview:** 239 Elizabeth Street is a meticulously maintained, mixed-use trophy asset spanning a total of 7,670 square feet. Falling into the highly desirable tax class 2B protected status, assessed values can increase by no more than 8% annually, and by no more than 30% over any given 5-year period. The asset comprises 11 residential units over ground floor retail, with a diverse mix of studio, one, and two-bedroom apartments. Additionally, two rent stabilized apartments will be delivered vacant upon sale, providing flexibility for future ownership to house friends & family members.
- **Finished Product Turnkey Asset:** 239 Elizabeth Street recently underwent significant, top to bottom renovation since acquisition. The free market residential units offer brand new high-end finishes that rival condominium-level quality. Features include hardwood flooring, custom kitchen cabinetry, stainless steel appliances, and modern bathroom fixtures. All free-market units have been updated with luxury-grade materials to appeal to discerning renters seeking premium living spaces in NoLIta. Asking a 6% CAP rate, any investor can capitalize on a strong existing stream of cash flow while capturing the increase in demand for both retail and residential in Manhattan's most premier submarket.
- **Unrivaled Location:** World renown as one of the best blocks in NoLIta, let alone New York City, 239 Elizabeth Street is nestled on the prime retail corridor between Prince & East Houston Streets where retail rents command over \$300/sf and residential rents continue to boom. Strategically & conveniently located steps from SoHo, Little Italy, the Elizabeth Street Garden, New York University, Washington Square Park, and internationally-acclaimed bars & restaurants, any purchaser or investor will benefit from this location for generations to come. Additionally, given its immediate and central proximity to incredible transportation, restaurants, and other amenities in the NoLIta neighborhood, high profile renters are eager to pay a premium for all this location has to offer.

## LISTING METRICS

<b>12</b> TOTAL UNITS	<b>7,670</b> TOTAL SQUARE FEET	<b>2B</b> PROTECTED TAX CLASS	<b>B D F M 6</b>
<b>6</b> STORIES	<b>\$82,592</b> PROJECTED TAXES	<b>6.0%</b> CAP RATE	NEARBY TRANSPORTATION

An aerial, high-angle photograph of New York City, showing the dense urban grid, the Hudson River, and the East River. The image is rendered in a dark, monochromatic style with a heavy black overlay, creating a dramatic and textured appearance. The text is overlaid on the left side of the image.

# FINANCIAL ANALYSIS

Marcus & Millichap  
NYM GROUP

---

[NEWYORKMULTIFAMILY.COM](http://NEWYORKMULTIFAMILY.COM)

# FINANCIAL OVERVIEW

OFFERING PRICE  
**\$7,650,000**

\$/SF	\$997
\$/UNIT	\$637,500
TOTAL SF	7,670
TOTAL UNITS	12



PROPERTY TAXES RATIO



EXPENSE RATIO

<b>CURRENT METRICS</b>	
CAP RATE	6.0%
GRM	12.4
<b>PRO FORMA METRICS</b>	
CAP RATE	6.3%
GRM	11.8

**UPSIDE ANALYSIS**



INCOME	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$387,120	\$413,520
Gross Potential Commercial Rent	\$222,912	\$229,599
Gross Income	\$615,719	\$648,806
Vacancy/Collection Loss	(\$7,742)	(\$8,270)
Commercial Tax Reimbursements	\$5,687	\$5,687
Effective Gross Income	\$607,977	\$640,536
<i>Average Residential Rent/Month/Unit</i>	\$2,933	\$3,133

**EXPENSES**

		CURRENT	PRO FORMA
Property Taxes	<i>Projected</i>	\$82,592	\$85,070
Fuel - Oil #2	<i>Projected</i>	\$15,000	\$15,450
Insurance	<i>Actual</i>	\$17,253	\$17,771
Water and Sewer	<i>Actual</i>	\$4,837	\$4,982
Repairs and Maintenance	<i>Actual</i>	\$6,401	\$6,593
Common Electric	<i>Projected</i>	\$1,918	\$1,975
Super Salary	<i>Actual</i>	\$5,922	\$6,100
Management Fee	<i>Projected</i>	\$18,239	\$18,786
<b>Total Expenses</b>		<b>\$152,162</b>	<b>\$156,727</b>
<b>Net Operating Income</b>		<b>\$455,815</b>	<b>\$483,809</b>

**LEASE STATUS ANALYSIS**

UNIT BREAKDOWN	% OF TOTAL	TOTAL	AVG. RENT
Total Units	--	12	\$4,236
Total RS Units	58%	7	\$994
Total RS - TE Units	0%	0	\$0
Total RC Units	0%	0	\$0
Total FM Units	33%	4	\$6,325
Total Commercial	8%	1	\$18,576

**UNIT TYPE ANALYSIS**

TYPE	% OF TOTAL	TOTAL	AVG. RENT
Studio	9%	1	\$964
1 Bedroom	27%	3	\$1,162
2 Bedroom	64%	7	\$3,973
3 Bedroom	0%	0	\$0
4 Bedroom	0%	0	\$0
5 Bedroom	0%	0	\$0
6 Bedroom	0%	0	\$0
SRO	0%	0	\$0

**PROPOSED DEBT**

Debt Service	(\$353,581)
Debt Coverage Ratio	1.29
Net Debt Cash Flow After Debt Service	\$130,228
Loan Amount	\$5,000,000
Interest Rate	5.75%
Amortization	30

**7,670**

GROSS TOTAL SQUARE FEET



\$/SF



GRM



CAP RATE

## RENT ROLL

## 239 Elizabeth Street

## COMMERCIAL RENT

UNIT	TENANT NAME	REIMBURSEMENTS	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA	S/PSF
ST	Leap Leasign Beta LLP	3% annual increases Pays 20% of RET increases over '22/23 base year. Pays for own utilities	Includes Bsmt Storage	Jul-22	650	Jul-27	\$18,576	\$19,133	\$353
<b>MONTHLY COMMERCIAL REVENUE</b>					<b>650</b>		<b>\$18,576</b>	<b>\$19,133</b>	

## RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA	LEGAL
G	RS		Studio	2		Apr-27	\$964	\$964	\$964
1	RS		1 Bedroom	3		Oct-27	\$1,015	\$1,015	\$1,015
2	FM	Private Outdoor Space	2 Bedroom	4		May-26	\$6,300	\$7,250	
3	RS		1 Bedroom	3		Dec-27	\$1,093	\$1,093	\$1,093
4	FM		2 Bedroom	4		Jul-26	\$6,150	\$6,750	
5	FM		2 Bedroom	4		Jul-26	\$6,600	\$6,750	
6	RS		2 Bedroom	4		May-27	\$874	\$874	\$874
7	RS	Vacant - Legal Rent Provided	1 Bedroom	3			\$1,378	\$1,378	\$1,378
8	RS		2 Bedroom	4		Mar-23	\$708	\$708	\$708
9	FM		2 Bedroom	4		Sep-26	\$6,250	\$6,750	
10	RS	Vacant - Legal Rent Provided	2 Bedroom	4			\$928	\$928	\$928
<b>MONTHLY RESIDENTIAL REVENUE</b>					<b>18</b>	<b>39</b>	<b>\$32,260</b>	<b>\$34,460</b>	<b>\$6,960</b>
<b>ANNUAL RESIDENTIAL REVENUE</b>							<b>\$387,120</b>	<b>\$413,520</b>	<b>\$83,520</b>
<b>ANNUAL COMMERCIAL REVENUE</b>							<b>\$222,912</b>	<b>\$229,599</b>	
<b>TOTAL ANNUAL REVENUE</b>							<b>ACTUAL</b>	<b>PRO FORMA</b>	
							<b>\$610,032</b>	<b>\$643,119</b>	

There are currently 2 vacant units in the building. The super lives off site.  
There are 12 total units.

# INCOME & EXPENSE ANALYSIS

## 239 Elizabeth Street

### GROSS POTENTIAL INCOME

	ACTUAL		PRO FORMA	
	%EGI	\$/UNIT	%EGI	\$/UNIT
Gross Potential Residential Rent	63%	\$35,193	64%	\$37,593
Gross Potential Commercial Rent	36%	\$222,912	35%	\$229,599
Commercial Tax Reimbursements	1%	\$517	1%	\$517
Gross Income		\$51,310		\$54,067
Vacancy/Collection Loss	2%	-\$645	2%	-\$689
Effective Gross Income		\$50,665		\$53,378
<i>Average Residential Rent/Month/Unit</i>		\$2,933		\$3,133

### EXPENSES

Property Taxes	Tax Class: 2B	Projected	\$82,592	14%	\$6,883	\$85,070	13%	\$7,089
Fuel - Oil #2		Projected	\$15,000	2%	\$1,250	\$15,450	2%	\$1,288
Insurance		Actual	\$17,253	3%	\$1,438	\$17,771	3%	\$1,481
Water and Sewer		Actual	\$4,837	1%	\$403	\$4,982	1%	\$415
Repairs and Maintenance		Actual	\$6,401	1%	\$533	\$6,593	1%	\$549
Common Electric		Projected	\$1,918	0.3%	\$0.25	\$1,975	0.3%	\$0.26
Super Salary		Projected	\$5,922	1%	\$494	\$6,100	1%	\$508
Management Fee		Projected	\$18,239	3%	\$1,520	\$18,786	3%	\$1,566
<b>Total Expenses</b>			<b>\$152,162</b>	<b>25%</b>	<b>\$12,680</b>	<b>\$156,727</b>	<b>24%</b>	<b>\$13,061</b>
<b>Net Operating Income</b>			<b>\$455,815</b>			<b>\$483,809</b>		

### LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$50,836	12	\$4,236
Total RS Units	58%	\$6,960	7	\$994
Total RS - TE Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	33%	\$25,300	4	\$6,325
Total Commercial	8%	\$18,576	1	\$18,576

### RENTAL ANALYSIS BY UNIT TYPE

TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	9%	\$964	1	\$964
1 Bedroom	27%	\$3,486	3	\$1,162
2 Bedroom	64%	\$27,810	7	\$3,973
3 Bedroom	0%	\$0	0	\$0
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

**\$2,933**

TAXES AS PERCENT OF EGI

**14%**

EXPENSE RATIO

**25%**

An aerial, high-angle photograph of New York City, showing the Hudson River on the left, Central Park in the center, and the dense urban grid of Manhattan on the right. The image is in grayscale and has a dark, moody atmosphere.

# PROPERTY DESCRIPTION

Marcus & Millichap  
NYM GROUP

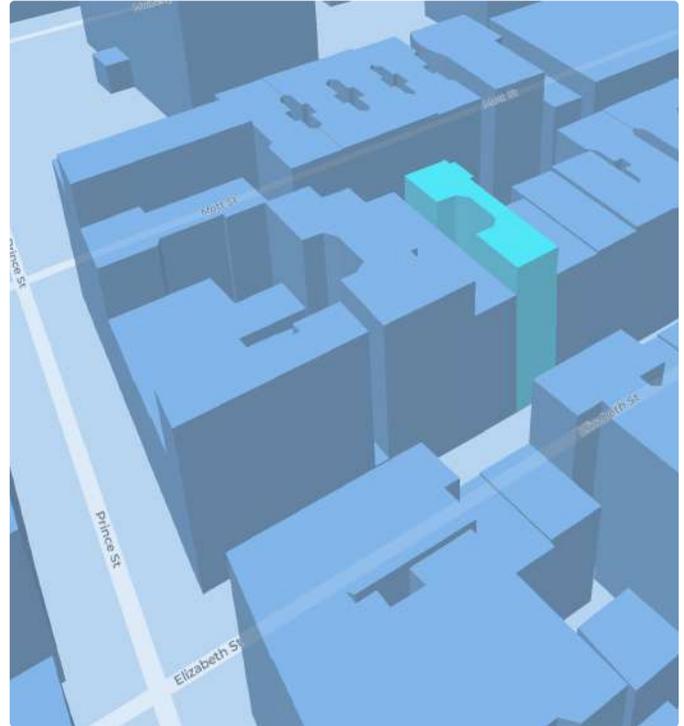
---

[NEWYORKMULTIFAMILY.COM](http://NEWYORKMULTIFAMILY.COM)

# PROPERTY DESCRIPTION

## 239 Elizabeth Street

Neighborhood	NoLita
Borough	Manhattan
Block & Lot	508 / 42
Lot Dimensions	20 ft x 90.25 ft
Lot SF	1,805
Building Dimensions	20 ft x 75 ft
Approximate Building SF	7,670
Zoning	C6-2 / R8
Max Far	6.02
Available Air Rights	3,195
Landmark District	None
Historic District	None
Annual Tax Bill	\$82,592
Tax Class	2B



## TAX MAP



# PROPERTY PHOTOS – EXTERIORS



# PROPERTY PHOTOS – NEIGHBORHOOD

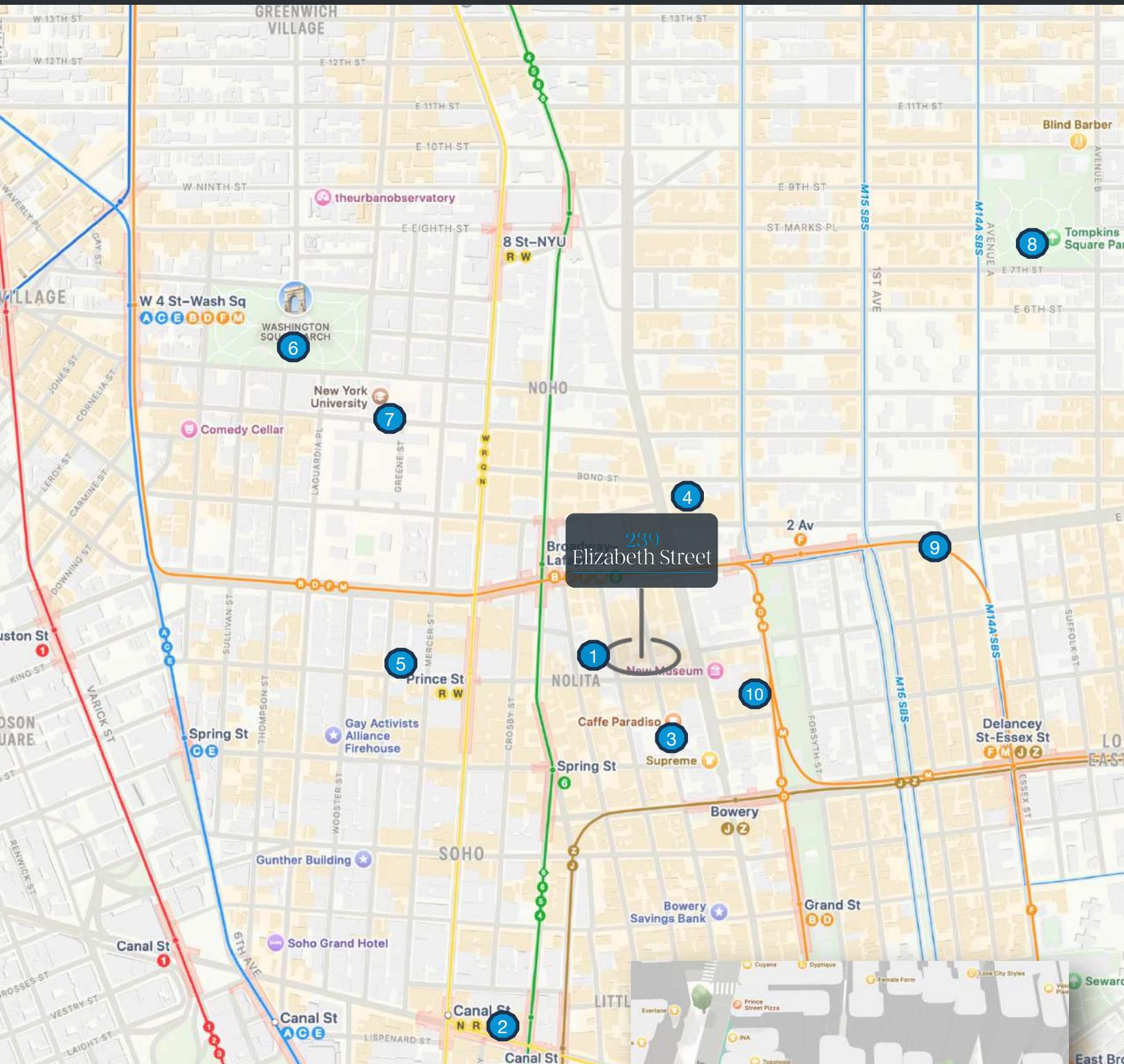


# PROPERTY PHOTOS – INTERIORS



# PROPERTY PHOTOS - INTERIORS





- |  |                           |
|--|---------------------------|
| 1. Basilica of St. Patrick's Old Cathedral | 6. Washington Square Park |
| 2. Chinatown Street Market                 | 7. NYU                    |
| 3. Elizabeth Street Garden                 | 8. Tompkins Square Park   |
| 4. CBGB                                    | 9. Katz's Delicatessen    |
| 5. Apple SoHo                              | 10. Freeman Alley         |



## **NON-ENDORSEMENT AND DISCLAIMER NOTICE**

### **CONFIDENTIALITY AND DISCLAIMER**

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved.

**THIS IS A BROKER PRICE OPINION OR COMPARATIVE MARKET ANALYSIS OF VALUE AND SHOULD NOT BE CONSIDERED AN APPRAISAL.** This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved.

### **SPECIAL COVID-19 NOTICE**

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

### **NON-ENDORSEMENT NOTICE**

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

### **NEW YORK FAIR HOUSING NOTICE**

[https://www.dos.ny.gov/licensing/docs/FairHousingNotice\\_new.pdf](https://www.dos.ny.gov/licensing/docs/FairHousingNotice_new.pdf)

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.

PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

### **Broker of Record**

John Horowitz  
(212) 430-5260  
Lic #10311204479  
Activity ID:

# 239 Elizabeth Street

---

New York Multifamily Team:

**Joe Koicim**

Executive Managing Director  
(212) 430-5147  
jkoicim@mmreis.com

**Peter Dodge**

Senior Associate  
(212) 430-5231  
peter.dodge@mmreis.com

Marcus & Millichap  
NYM GROUP

260 Madison Avenue, 5th Floor | New York, New York 10016  
[www.newyorkmultifamily.com](http://www.newyorkmultifamily.com)