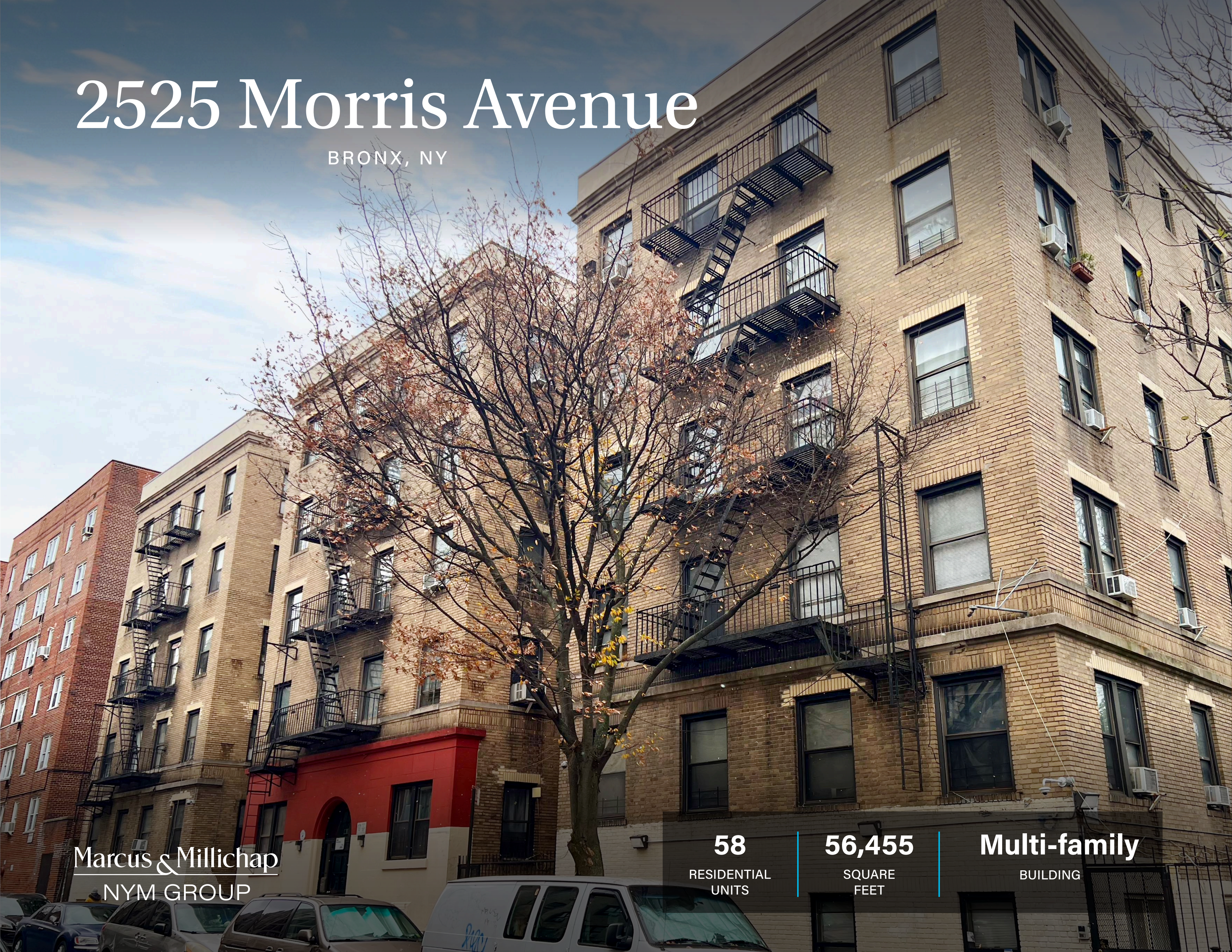
2525 Morris Avenue

BRONX, NY

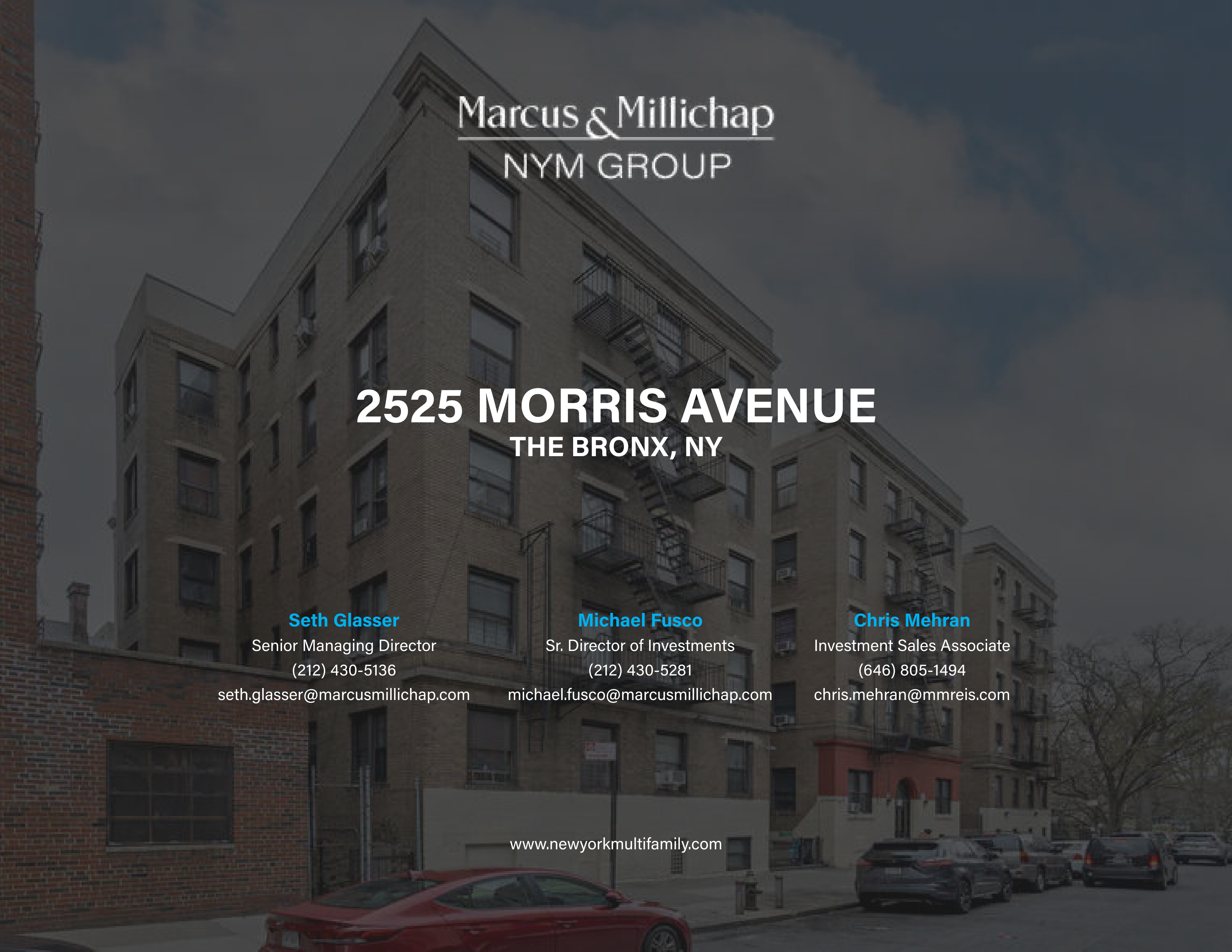


58 RESIDENTIAL UNITS

56,455 SQUARE FEET

Multi-family BUILDING

Marcus & Millichap
NYM GROUP



Marcus & Millichap

NYM GROUP

2525 MORRIS AVENUE

THE BRONX, NY

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INVESTMENT **HIGHLIGHTS**

THE OFFERING

The New York Multifamily Team at Marcus & Millichap is pleased to offer the following opportunity in Fordham. 2525 Morris Avenue is situated right off St. James Park on the corner of Morris Avenue and East 190th Street. The building spans 56,455 square feet and comprises 58 residential units. This corner walk-up building has been owned and operated by the same family for over 20 years and shall consist of 1 studio, 19 one-bedroom, 28 two-bedroom, 9 three-bedroom and one four-bedroom apartments. This offers investors a unique opportunity to acquire a legacy asset in a highly desirable submarket of North Bronx, with future rental upside from a $303,298 annual preferential rent delta between actual and DHCR-registered rents. 2525 Morris Avenue is conveniently located a few steps from St. James Park, Monroe University, and the Fordham B & D Trains.

THE OPPORTUNITY

- **The Building:** This 58-unit walk-up building comprises 1 studio, 19 one-bedroom, 28 two-bedroom, 9 three-bedroom and one four-bedroom apartments.
- **The Metrics:** 8.2% Cap Rate | 4.4x GRM | $74,138 Per Unit | $76 Per Sqft.
- **Preferential Rent Upside:** The building offers investors a steady annual plus the upside of $303,298 in preferential rents, which owners can capitalize upon vacancy.
- **Rehabilitation Upside:** Five currently uninhabitable basement units are included in the CO. Renovating these legal apartments offers immediate upside potential for rental income.
- **Prime Location:** 2525 Morris Avenue is well located, close to St. James Park, Monroe University, and the Fordham B & D Trains.

56,455
SQUARE FEET

63%
EXPENSE RATIO

8.2%
CAP RATE

Multifamily
BUILDING

FINANCIAL **OVERVIEW**

OFFERING PRICE	
$4,300,000	
$/SF	$76
$/UNIT	$74,138
TOTAL SF	56,455
TOTAL UNITS	58
CURRENT METRICS	
CAP RATE	8.2%
GRM	4.4
PRO FORMA METRICS	
CAP RATE	8.2%
GRM	4.3
CASH ON CASH	10.76%

PROPOSED DEBT	
Debt Service	($232,477)
Debt Coverage Ratio	1.52
Net Debt Cash Flow After Debt Service	$118,306
Loan Amount	$3,200,000
Interest Rate	6.00%
Amortization	30

INCOME	CURRENT	PRO FORMA
Gross Potential Residential Rent	$986,235	$1,002,000
Gross Income	$986,235	$1,002,000
Vacancy/Collection Loss	($49,312)	($50,100)
Effective Gross Income	$936,924	$951,900
Average Residential Rent/Month/Unit	$1,417	$1,440

EXPENSES			
Property Taxes	Actual	$157,953	$162,692
Fuel - Gas	Actual	$91,318	$94,058
Insurance	Actual	$87,206	$89,822
Water and Sewer	Actual	$79,025	$81,396
Repairs and Maintenance	Projected	$58,000	$59,740
Common Electric	Actual	$10,691	$11,012
Super Salary	Actual	$38,707	$39,868
Management Fee	Projected	$46,846	$47,595
General Administration	Projected	$14,500	$14,935
Total Expenses		$584,246	$601,117
Net Operating Income		**$352,677**	**$350,783**

56,455 Gross Total SF

$76 $/SF

4.4 GRM

8.2% Cap Rate

RENT **ROLL**

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	EXPIRATION	ACTUAL	PRO FORMA	LEGAL
A1	RS	*Section 8*	1 Bedroom	3	Sep-27	$2,083	$2,100	$2,146
A2	RS		1 Bedroom	3	Nov-26	$1,136	$1,150	$1,230
A3	RS		3 Bedroom	5	Apr-26	$1,241	$1,300	$1,241
A4	RS		4 Bedroom	6	Mar-26	$1,739	$1,800	$1,739
A5	RS		1 Bedroom	3	Jul-26	$1,353	$1,400	$2,067
A6	RS		1 Bedroom	3	Jan-26	$1,151	$1,200	$1,600
A7	RS		1 Bedroom	3	Oct-27	$1,246	$1,250	$2,101
A8	RS		1 Bedroom	3	Oct-26	$1,034	$1,050	$1,367
A9	RS		2 Bedroom	4	Feb-26	$1,364	$1,400	$1,364
A10	RS	Section 8	2 Bedroom	4	Apr-26	$1,810	$1,850	$2,313
A11	RS		1 Bedroom	3	Jul-27	$1,253	$1,250	$1,253
B1	RS		3 Bedroom	5	Feb-27	$1,646	$1,650	$2,007
B2	RS		3 Bedroom	5	Jun-26	$1,642	$1,700	$1,951
B3	RS	Section 8	2 Bedroom	4	Apr-26	$1,848	$1,900	$1,848
B4	RS		1 Bedroom	3	Nov-27	$1,182	$1,200	$1,997
B5	RS		2 Bedroom	4	Dec-25	$1,507	$1,550	$2,685
B6	RS		2 Bedroom	4	Nov-25	$1,543	$1,600	$2,384
B7	RS		2 Bedroom	4	Mar-26	$1,742	$1,800	$1,779
B8	RS		2 Bedroom	4	Mar-27	$1,480	$1,500	$1,549
B9	RS		1 Bedroom	3	Dec-25	$1,330	$1,350	$1,943
B10	RS		1 Bedroom	3	Feb-26	$1,259	$1,300	$1,712
B11	RS		2 Bedroom	4	Mar-27	$1,426	$1,450	$1,426
C1	RS		3 Bedroom	5	Apr-27	$1,878	$1,900	$4,035
C2	RS	Section 8	3 Bedroom	5	Sep-27	$1,601	$1,600	$1,601
C3	RS		2 Bedroom	4	Dec-26	$1,429	$1,450	$1,909
C4	RS		1 Bedroom	3	Mar-26	$1,268	$1,300	$1,993
C5	RS		2 Bedroom	4	Aug-26	$1,573	$1,600	$2,146
C6	RS	Section 8	2 Bedroom	4	Dec-25	$1,843	$1,900	$2,450
C7	RS		2 Bedroom	4	Mar-26	$1,252	$1,300	$1,252
C8	RS	Section 8	2 Bedroom	4	Jul-27	$1,591	$1,600	$1,917
C9	RS		1 Bedroom	3	Dec-25	$1,132	$1,150	$3,114
C10	RS		1 Bedroom	3	Jan-26	$1,038	$1,050	$1,038

RENT **ROLL**

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	EXPIRATION	ACTUAL	PRO FORMA	LEGAL
C11	RS		2 Bedroom	4	Jan-27	$1,394	$1,400	$1,695
D1	RS		3 Bedroom	5	Apr-27	$1,435	$1,450	$1,435
D2	RS		3 Bedroom	5	Jun-26	$1,613	$1,650	$1,613
D3	RS		2 Bedroom	4	May-26	$1,320	$1,350	$1,708
D4	RS		1 Bedroom	3	Jan-26	$1,175	$1,200	$1,677
D5	RS		2 Bedroom	4	Oct-26	$1,446	$1,450	$1,661
D6	RS	Section 8	2 Bedroom	4	Feb-26	$1,623	$1,650	$1,623
D7	RS		2 Bedroom	4	Apr-26	$1,717	$1,750	$1,717
D8	RS		2 Bedroom	4	Dec-25	$1,424	$1,450	$3,074
D9	RS		1 Bedroom	3	Jan-25	$1,369	$1,350	$1,369
D10	RS		1 Bedroom	3	Sep-27	$1,251	$1,250	$1,332
D11	RS	Section 8	2 Bedroom	4	Nov-26	$1,454	$1,450	$1,475
E1	RS		3 Bedroom	5	Nov-25	$1,778	$1,850	$2,348
E2	RS		3 Bedroom	5	May-27	$1,470	$1,450	$1,470
E3	RS		2 Bedroom	4	Jul-27	$1,312	$1,300	$2,434
E4	RS		1 Bedroom	3	Mar-26	$1,227	$1,250	$2,885
E5	RS	Section 8	2 Bedroom	4	Apr-27	$1,675	$1,650	$1,675
E6	RS		2 Bedroom	4	Dec-26	$1,353	$1,350	$1,911
E7	RS		2 Bedroom	4	Mar-26	$1,184	$1,200	$1,184
E8	RS		2 Bedroom	4	Apr-27	$1,313	$1,300	$1,313
E9	RS		1 Bedroom	3	Mar-26	$1,103	$1,150	$1,905
E10	RS		1 Bedroom	3	Jan-27	$1,326	$1,350	$2,442
E11	RS		2 Bedroom	4	Oct-25	$1,465	$1,500	$2,287
P1	RS		2 Bedroom	4	Jan-25	$1,012	$1,000	$1,012
P2	RS		Studio	2	Mar-27	$896	$900	$1,810
P3	RS		2 Bedroom	4	Oct-26	$1,232	$1,250	$1,250
MONTHLY RESIDENTIAL REVENUE			105	222		**$82,186**	**$83,500**	**$107,461**
ANNUAL RESIDENTIAL REVENUE						**$986,235**	**$1,002,000**	**$1,289,533**
TOTAL ANNUAL REVENUE						**ACTUAL**	**PRO FORMA**	**Pref Upside**
						$986,235	**$1,002,000**	**$303,298**

Notes

There are 58 total units.

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

INCOME & EXPENSE **ANALYSIS**

GROSS POTENTIAL INCOME		ACTUAL	%EGI	$/UNIT	PRO FORMA	%EGI	$/UNIT
Gross Potential Residential Rent		$986,235	*100%*	$17,004	$1,002,000	*100%*	$17,276
Gross Potential Commercial Rent		$0	*0%*	$0	$0	*0%*	$0
			0%	$0	$0	0%	$0
Gross Income		$986,235		$17,004	$1,002,000		$17,276
Vacancy/Collection Loss		($49,312)	*5%*	($850)	($50,100)	*5%*	($864)
Effective Gross Income		$936,924		$16,154	$951,900		$16,412
Average Residential Rent/Month/Unit		*$1,417*			*$1,440*		
EXPENSES							
Property Taxes	*Actual*	$157,953	*17%*	$2,723	$162,692	*17%*	$2,805
Fuel - Gas	*Actual*	$91,318	*10%*	$1,574	$94,058	*10%*	$1,622
Insurance	*Actual*	$87,206	*9%*	$1,504	$89,822	*9%*	$1,549
Water and Sewer	*Actual*	$79,025	*8%*	$1,363	$81,396	*9%*	$1,403
Repairs and Maintenance	*Projected*	$58,000	*6%*	$1,000	$59,740	*6%*	$1,030
Common Electric	*Actual*	$10,691	*1.1%*	*$0.19*	$11,012	*1.2%*	*$0.20*
Super Salary	*Actual*	$38,707	*4%*	$667	$39,868	*4%*	$687
Management Fee	*Projected*	$46,846	*5%*	$808	$47,595	*5%*	$821
General Administration	*Projected*	$14,500	*2%*	$250	$14,935	*2%*	$258
Total Expenses		$584,246	*62%*	$10,073	$601,117	*63%*	$10,364
Net Operating Income		**$352,677**			**$350,783**		

$1,417
AVERAGE RENT PER MONTH

0%
PERCENT FAIR MARKET

17%
TAXES AS PERCENT OF EGI

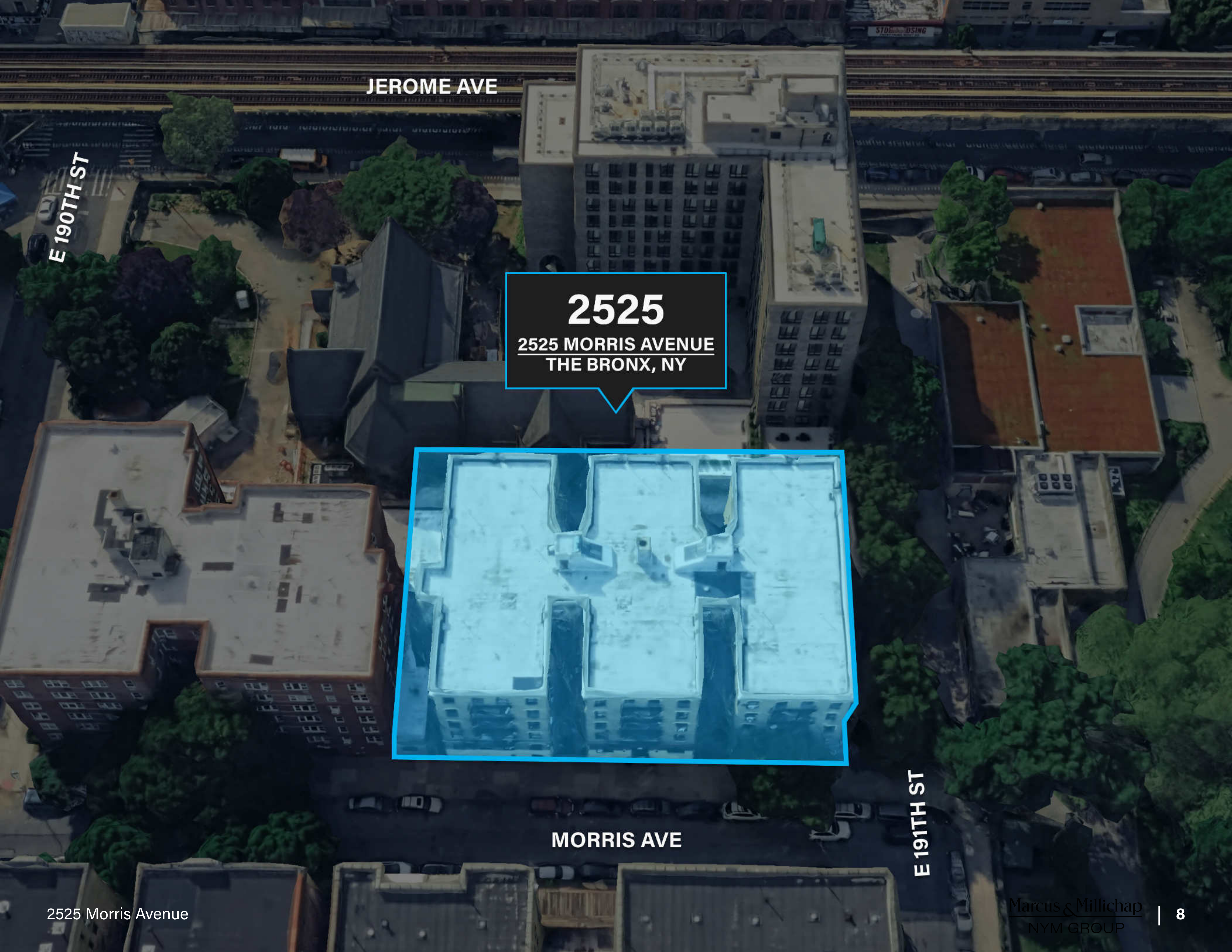
63%
EXPENSE RATIO

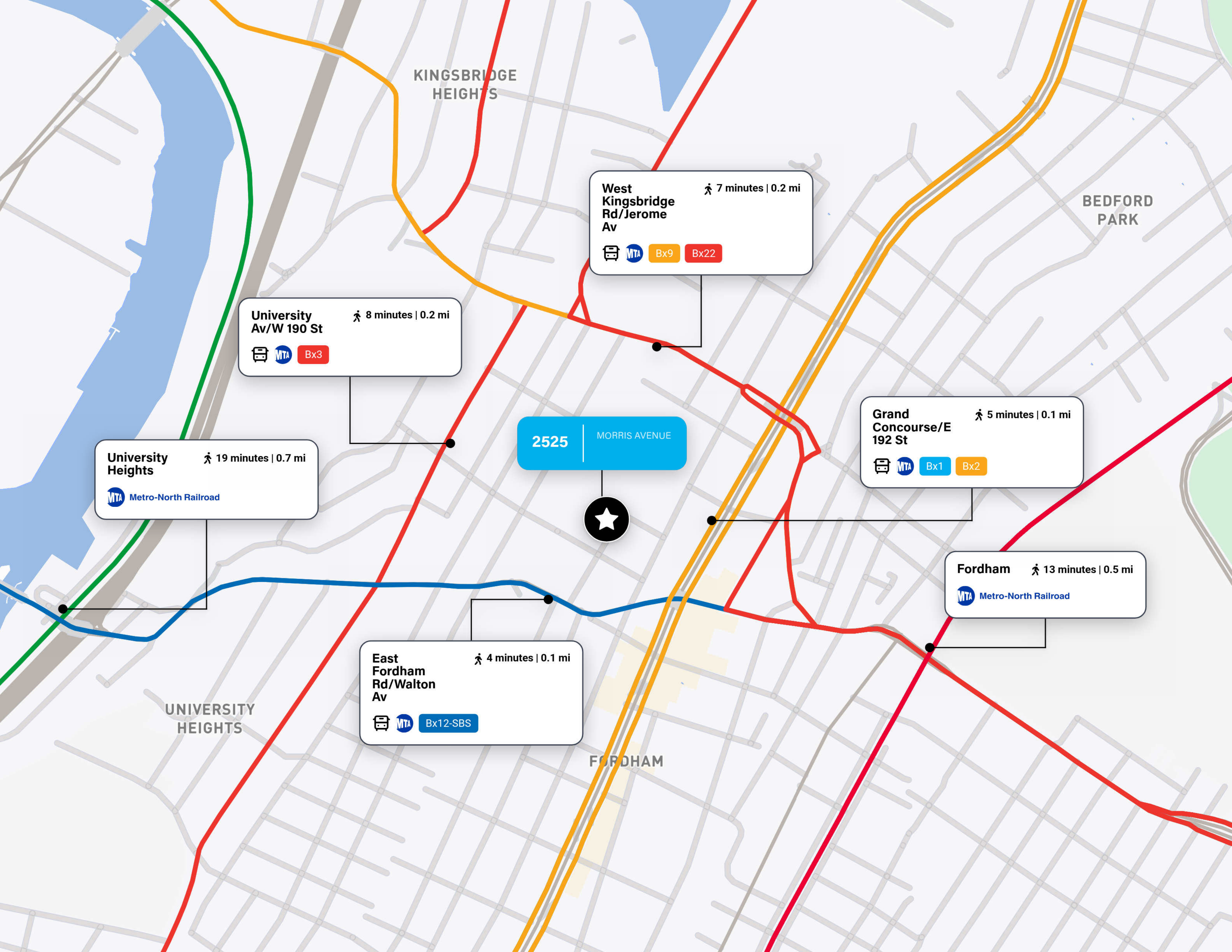
RENTAL ANALYSIS BY UNIT TYPE

TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	2%	$896	1	$896
1 Bedroom	33%	$23,918	19	$1,259
2 Bedroom	48%	$41,330	28	$1,476
3 Bedroom	16%	$14,304	9	$1,589
4 Bedroom	2%	$1,739	1	$1,739

LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	$82,186	58	$1,417
Total RS Units	100%	$82,186	58	$1,417


JEROME AVE
E 190TH ST
2525
2525 MORRIS AVENUE
THE BRONX, NY
MORRIS AVE
E 191TH ST



KINGSBRIDGE HEIGHTS
BEDFORD PARK
UNIVERSITY HEIGHTS
FORDHAM
West Kingsbridge Rd/Jerome Av
7 minutes | 0.2 mi
MTA
Bx9
Bx22
University Av/W 190 St
8 minutes | 0.2 mi
MTA
Bx3
2525
MORRIS AVENUE
Grand Concourse/E 192 St
5 minutes | 0.1 mi
MTA
Bx1
Bx2
University Heights
19 minutes | 0.7 mi
MTA
Metro-North Railroad
Fordham
13 minutes | 0.5 mi
MTA
Metro-North Railroad
East Fordham Rd/Walton Av
4 minutes | 0.1 mi
MTA
Bx12-SBS

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