

253
East 206th Street

BRONX, NY

100%
Free Market

2019
Construction & CO

Value Add
Rents ~30% Below Market

Seller Financing
5% Interest Rate
5-Year Term (2 Years Interest-Only)
No Prepayment Penalty

\$3,000,000 Asking Price
\$1,000,000 Equity Required
\$2,000,000 Seller Note



Marcus & Millichap
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253 EAST 206TH STREET
THE BRONX, NY

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INVESTMENT HIGHLIGHTS



Seller Financing

- **Rate:** 5.00%
- **Proceeds:** \$2,000,000 (\$1,000,000 Down Payment)
- **Term:** 5 years | 2 Years Interest Only
- **Amortization:** 30 Years
- **Prepayment Penalty:** None



Value-Add

Current rents are 30% below market, presenting an opportunity for significant upside through turnover or Section 8 / City Program Vouchers. The average rent is \$1,944 per apartment per month.



Prime Location

This building is just steps from Montefiore Hospital, Bronx Park, Fordham University, The New York Botanical Garden, and the Norwood Subway Station.



100% Free Market | 2019 Construction

253 East 206th Street is a 100% free market asset, built without any tax abatement. The building was issued its final [certificate of occupancy](#) in 2019.



The Building

This 10 unit walk-up is composed of 3 studios, 5 one-bedrooms, and 2 two-bedrooms. There are currently 2 vacant units.



Tax Class Protected

253 East 206th Street is a tax class 2B asset, with tax liability capped at 8% per year or 30% over 5 years.

FINANCIAL OVERVIEW

OFFERING PRICE

\$3,000,000

\$/SF	\$448
\$/UNIT	\$300,000
TOTAL SF	6,692
TOTAL UNITS	10

CURRENT METRICS

CAP RATE	4.6%
GRM	12.9

PRO FORMA METRICS

CAP RATE	6.7%
GRM	9.9
CASH ON CASH	11.36%

PROPOSED DEBT

Debt Service	(\$110,000)
Debt Coverage Ratio	1.25
Net Debt Cash Flow After Debt Service	\$90,867
Loan Amount	\$2,200,000
Interest Rate	5.00%
Amortization	30

INCOME

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$233,323	\$304,200
Gross Income	\$233,323	\$304,200
Vacancy/Collection Loss	(\$7,000)	(\$9,126)
Effective Gross Income	\$226,323	\$295,074
Average Residential Rent/Month/Unit	\$1,944	\$2,535

EXPENSES

Property Taxes	Actual	\$37,266	\$38,384
Insurance	Actual	\$5,514	\$5,679
Fuel, Electric & Water	Actual	\$16,859	\$17,365
Repairs and Maintenance	Projected	\$7,000	\$7,210
Super Salary	Projected	\$8,000	\$8,240
Management Fee	Projected	\$11,316	\$14,754
General Administration	Projected	\$2,500	\$2,575
Total Expenses		\$88,455	\$94,207
Net Operating Income		\$137,868	\$200,867

RENT ROLL

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	ACTUAL	PRO FORMA
1A	FM	Vacant - Projected	Studio	2	\$1,675	\$2,450
1B	FM		1 Bedroom	3	\$1,750	\$2,500
2A	FM		1 Bedroom	3	\$2,500	\$2,500
2B	FM		1 Bedroom	3	\$1,907	\$2,500
2C	FM		Studio	2	\$1,500	\$2,450
3A	FM	Vacant - Projected	1 Bedroom	3	\$1,600	\$2,500
3B	FM		1 Bedroom	3	\$1,851	\$2,500
3C	FM		Studio	2	\$2,450	\$2,450
4A	FM		2 Bedroom	4	\$2,061	\$2,750
4B	FM		2 Bedroom	4	\$2,150	\$2,750
MONTHLY RESIDENTIAL REVENUE			12	29	\$19,444	\$25,350
ANNUAL RESIDENTIAL REVENUE					\$233,323	\$304,200
TOTAL ANNUAL REVENUE					ACTUAL	PRO FORMA
					\$233,323	\$304,200

Notes:
There are 10 total units.
There are currently 2 vacant units in the building. The super lives off site.

INCOME AND EXPENSE ANALYSIS

GROSS POTENTIAL INCOME

	ACTUAL			PRO FORMA		
		%EGI	\$/UNIT		%EGI	\$/UNIT
Gross Potential Residential Rent	\$233,323	100%	\$23,332	\$304,200	100%	\$30,420
Gross Income	\$233,323		\$23,332	\$304,200		\$30,420
Vacancy/Collection Loss	(\$7,000)	3%	(\$700)	(\$9,126)	3%	(\$913)
Effective Gross Income	\$226,323		\$22,632	\$295,074		\$29,507
Average Residential Rent/Month	\$1,944			\$2,535		

EXPENSES

Property Taxes	Actual	\$37,266	16%	\$3,727	\$38,384	13%	\$3,838
Insurance	Actual	\$5,514	2%	\$551	\$5,679	2%	\$568
Fuel, Electric & Water	Actual	\$16,859	7%	\$1,686	\$17,365	6%	\$1,736
Repairs and Maintenance	Projected	\$7,000	3%	\$700	\$7,210	2%	\$721
Super Salary	Projected	\$8,000	4%	\$800	\$8,240	3%	\$824
Management Fee	Projected	\$11,316	5%	\$1,132	\$14,754	5%	\$1,475
General Administration	Projected	\$2,500	1%	\$250	\$2,575	1%	\$258
Total Expenses		\$88,455	39%	\$8,846	\$94,207	32%	\$9,421
Net Operating Income		\$137,868			\$200,867		

\$1,944

AVERAGE RENT
PER MONTH

100%

PERCENT FAIR MARKET

16%

TAXES AS PERCENT OF EGI

39%

EXPENSE RATIO

LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$19,444	10	\$1,944
Total FM Units	100%	\$19,444	10	\$1,944

RENTAL ANALYSIS BY UNIT ¹

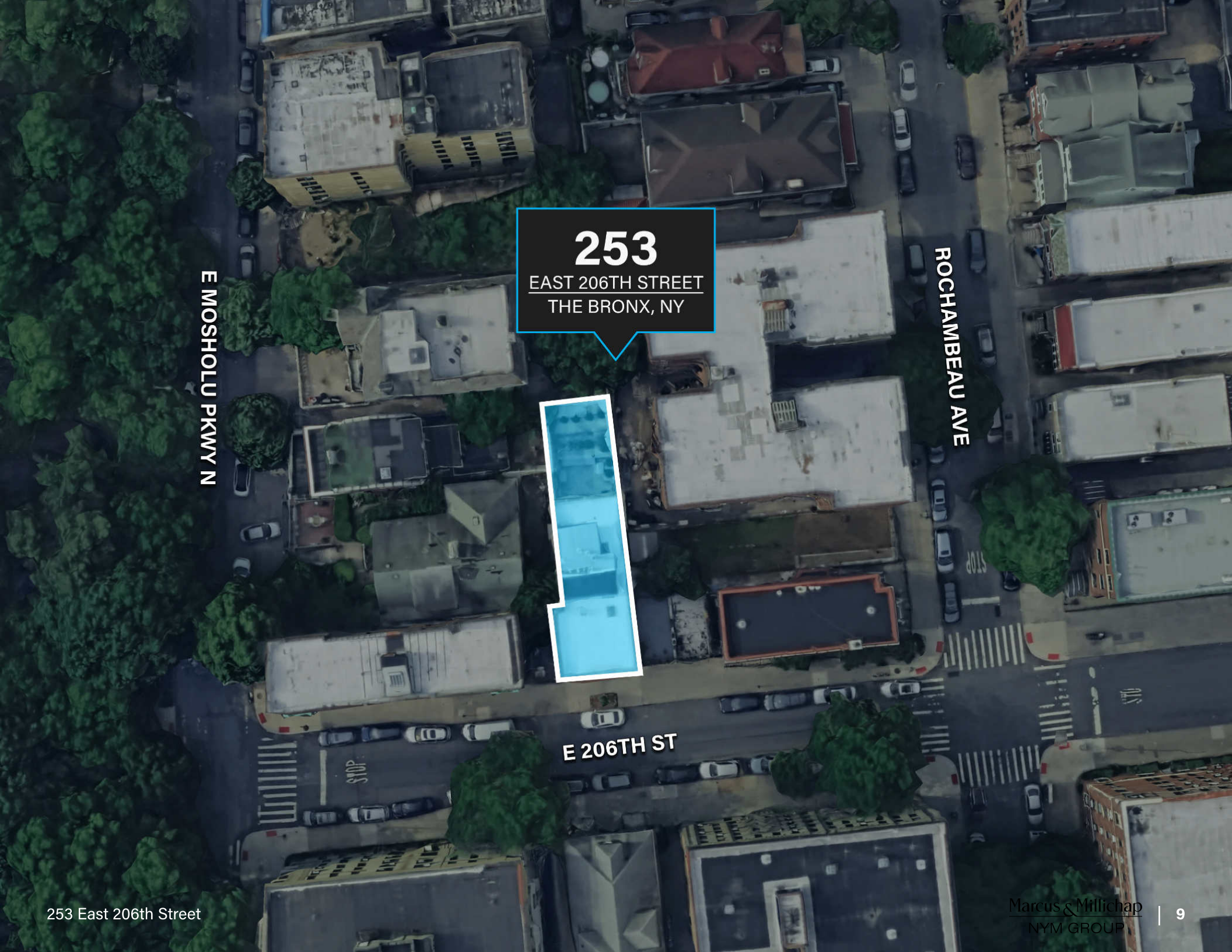
TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	30%	\$5,625	3	\$1,875
1 Bedroom	50%	\$9,608	5	\$1,922
2 Bedroom	20%	\$4,211	2	\$2,106





253 East 206th Street





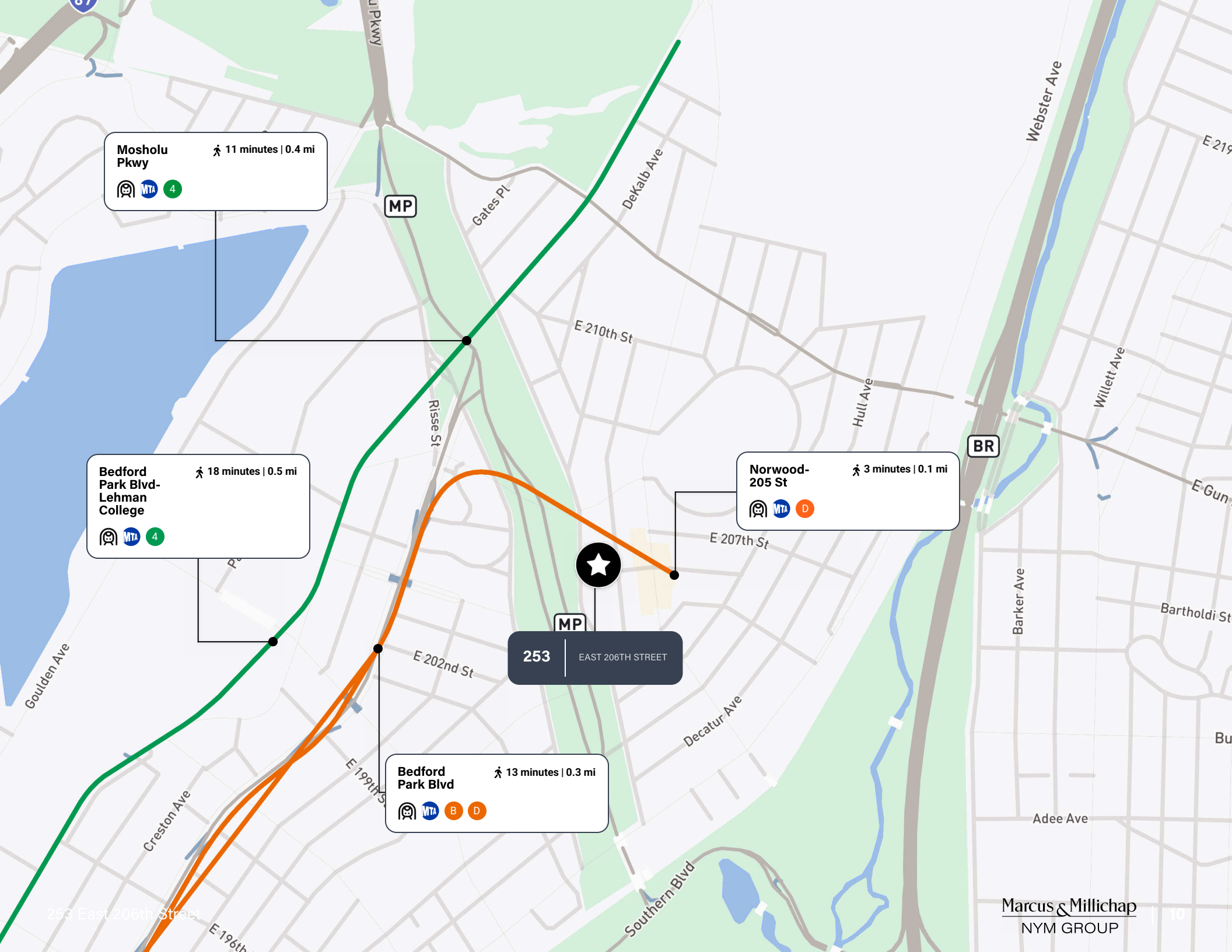
253

**EAST 206TH STREET
THE BRONX, NY**

E MOSHOLU PKWY N

ROCHAMBEAU AVE

E 206TH ST



Mosholu Pkwy 11 minutes | 0.4 mi
MTA 4

Bedford Park Blvd-Lehman College 18 minutes | 0.5 mi
MTA 4

Norwood-205 St 3 minutes | 0.1 mi
MTA D

Bedford Park Blvd 13 minutes | 0.3 mi
MTA B D

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