



250  
AVESTAN

248  
Elizabeth Street

OFFERING MEMORANDUM

NOLITA, MANHATTAN

Marcus & Millichap  
NYM GROUP



# 248 Elizabeth Street

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# 248 Elizabeth Street

OFFERING MEMORANDUM      NOLITA, MANHATTAN

is being offered at

## \$13,000,000

### THE OFFERING

The New York Multifamily team is pleased to offer the following opportunity located in the booming NoLIta neighborhood. 248 Elizabeth Street is located on the East side of Elizabeth Street between Prince & East Houston Streets. The property boasts a gross square footage of 7,500, is zoned C6-2 / R8, and is built 24 ft x 59 ft on a 24.25 ft x 81.67 ft lot (Block: 507; Lot: 12)

### THE OPPORTUNITY

- **Building Overview:** 248 Elizabeth Street is a meticulously maintained, mixed-use trophy asset spanning a total of 7,500 square feet. Falling into the highly-desirable tax class 2B protected status, taxes can increase by no more than 8% annually, and by no more than 30% over any given 5-year period. The asset comprises 7 residential units, with a diverse mix of one, two, and four-bedroom apartments, and two ground floor retail spaces. 71% of the units are free market, providing strong future income potential. Additionally, the majority of the free-market units fall above the luxury threshold for Good Cause Eviction, providing any investor with the ability to dictate rents and capitalize on the rental growth in the booming NoLIta submarket.
- **Finished Product Turnkey Asset with Retail Upside.** 248 Elizabeth Street recently underwent significant, top to bottom renovation since acquisition. The 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. Additionally, both retail spaces are currently rented below market. Similar spaces on the block consistently command over \$300/sf, providing considerable upside while capitalizing on a strong existing stream of cash flow.
- **Unrivalled Location:** World renown as one of the best blocks in NoLIta, let alone New York City, 248 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>9</b> TOTAL UNITS	<b>7,500</b> TOTAL SQUARE FEET	<b>2B</b> PROTECTED TAX CLASS	<b>B D F M 6</b> NEARBY TRANSPORTATION
<b>71%</b> FREE MARKET	<b>\$20,294</b> PROJECTED TAXES	<b>5.8%</b> CAP RATE	



An aerial, high-angle photograph of New York City, showing the Hudson River, the dense urban landscape of Manhattan, and Central Park. The image is in grayscale and has a dark, moody tone.

# FINANCIAL ANALYSIS

Marcus & Millichap  
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## FINANCIAL OVERVIEW

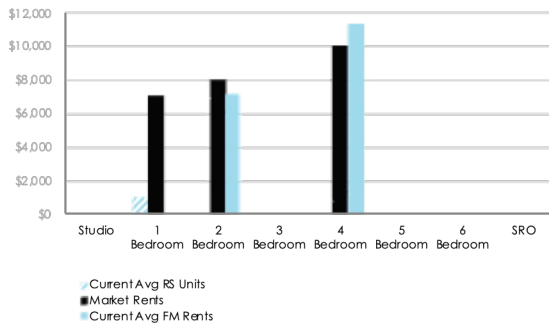
**\$13,000,000**

OFFERING PRICE

PRICE PER SQUARE FOOT	\$1,733
PRICE PER UNIT	\$1,444,444
TOTAL SQUARE FEET	7,500
TOTAL UNITS	9
CURRENT CAP RATE	5.8%
CURRENT GRM	14.9
PRO FORMA CAP RATE	6.1%
PRO FORMA GRM	14.3

**PROPOSED DEBT**

Loan Amount	\$8,250,000
Interest Rate	5.75%
Amortization	25
Annual Debt Service	(\$630,120)
Debt Coverage Ratio	1.20
Net Cash Flow After Debt Service	\$159,159

**UPSIDE ANALYSIS****INCOME**

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$498,990	\$524,947
Gross Potential Commercial Rent	\$373,890	\$385,107
Gross Income	\$873,326	\$910,499
Vacancy/Collection Loss	(\$14,970)	(\$15,748)
Other Income	\$445	\$445
Effective Gross Income	\$858,356	\$894,751
Average Residential Rent/Month/Unit	\$5,940	\$6,249

**EXPENSES**

		CURRENT	PRO FORMA
Property Taxes	Actual	\$20,294	\$20,903
Fuel (Tenants pay for heat)	Actual	\$6,738	\$6,940
Insurance	Actual	\$12,000	\$12,360
Water and Sewer	Actual	\$8,561	\$8,818
Repairs and Maintenance	Projected	\$8,500	\$8,755
Common Electric	Actual	\$3,056	\$3,148
Super Salary	Actual	\$15,000	\$15,450
Management Fee	Actual	\$25,751	\$26,523
General Administration	Projected	\$2,500	\$2,575
Total Expenses		\$102,400	\$105,472
<b>Net Operating Income</b>		<b>\$755,956</b>	<b>\$789,279</b>

**SCHEDULE OF INCOME**

UNIT BREAKDOWN	TOTAL	% OF TOTAL	RENT
Studio	0	0%	\$0
1 Bedroom	2	29%	\$966
2 Bedroom	4	57%	\$7,099
3 Bedroom	0	0%	\$0
4 Bedroom	1	14%	\$11,255
5 Bedroom	0	0%	\$0
6 Bedroom	0	0%	\$0

**7,500**GROSS TOTAL  
SQUARE FEET**\$1,733**

\$/SF

**14.89**

GRM

**5.8%**

CAP RATE



FINANCIAL ANALYSIS

# RENT ROLL

248 Elizabeth Street

COMMERCIAL RENT

UNIT	TENANT NAME	NOTES	LEASE START	~SF~	EXPIRATION	ACTUAL	PRO FORMA	MARKET RENT	\$/PSF
Comm 1	Deciem USA LLC	Pays 10% of RET Increase over 24/25 Base Year - 5-Yr Renewal Option at Negotiated FMV	May-24	700	May-29	\$14,678	\$15,118	\$17,500	\$259
Comm 2	Status Anxiety LLC	Pays 10% of RET Increase over 23/24 Base Year - 1-Yr Renewal + 5-Yr Option (95% FMV)	Jul-24	700	Jul-27	\$16,480	\$16,974	\$17,500	\$291
MONTHLY COMMERCIAL REVENUE				1,400		\$31,158	\$32,092	\$35,000	

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA
1	RS		1 Bedroom	3		Apr-27	\$1,118	\$1,118
2	FM		2 Bedroom	4		Jun-26	\$6,900	\$7,500
3*	FM	Duplex Unit Combo - 2 Bath - RS Unit Combo	4 Bedroom	6		Nov-26	\$11,255	\$11,593
4	FM		2 Bedroom	4		Jul-26	\$7,400	\$7,696
6	FM		2 Bedroom	4		Jun-26	\$6,895	\$7,500
7	RS		1 Bedroom	3		Jun-26	\$814	\$839
8	FM		2 Bedroom	4		Jul-26	\$7,200	\$7,500
MONTHLY RESIDENTIAL REVENUE			14	28			\$41,583	\$43,746
ANNUAL RESIDENTIAL REVENUE							\$498,990	\$524,947
ANNUAL COMMERCIAL REVENUE							\$373,890	\$385,107

TOTAL ANNUAL REVENUE

There are currently 0 vacant units in the building. The super lives off site.  
There are 9 total units.

Notes
* Apartment is a Duplex Rent Stabilized Unit Combination



## INCOME &amp; EXPENSE ANALYSIS

## 248 Elizabeth Street

## GROSS POTENTIAL INCOME

GROSS POTENTIAL INCOME				ACTUAL	PRO FORMA		
		%EGI	\$/UNIT			%EGI	\$/UNIT
Gross Potential Residential Rent	\$498,990	57%	\$71,284		\$524,947	58%	\$74,992
Gross Potential Commercial Rent	\$373,890	43%	\$186,945		\$385,107	42%	\$192,553
Other Income	\$445	0%	\$64		\$445	0%	\$64
Gross Income	\$873,326		\$97,036		\$910,499		\$101,167
Vacancy/Collection Loss	(\$14,970)	3%	-\$1,663		(\$15,748)	3%	-\$1,750
Effective Gross Income	\$858,356		\$95,373		\$894,751		\$99,417
Average Residential Rent/Month/Unit	\$5,940				\$6,249		

## EXPENSES

Property Taxes	Tax Class: 2B	Actual	\$20,294	2%	\$2,255	\$20,903	2%	\$2,323
Fuel (Tenants pay for heat)		Actual	\$6,738	1%	\$749	\$6,940	1%	\$771
Insurance		Actual	\$12,000	1%	\$1,333	\$12,360	1%	\$1,373
Water and Sewer		Actual	\$8,561	1%	\$951	\$8,818	1%	\$980
Repairs and Maintenance		Projected	\$8,500	1%	\$944	\$8,755	1%	\$973
Common Electric		Actual	\$3,056	0.4%	\$0.41	\$3,148	0.4%	\$0.42
Super Salary		Actual	\$15,000	2%	\$1,667	\$15,450	2%	\$1,717
Management Fee		Actual	\$25,751	3%	\$2,861	\$26,523	3%	\$2,947
General Administration		Projected	\$2,500	0%	\$278	\$2,575	0%	\$286
Total Expenses			\$102,400	12%	\$11,378	\$105,472	12%	\$11,719
Net Operating Income			\$755,956			\$789,279		

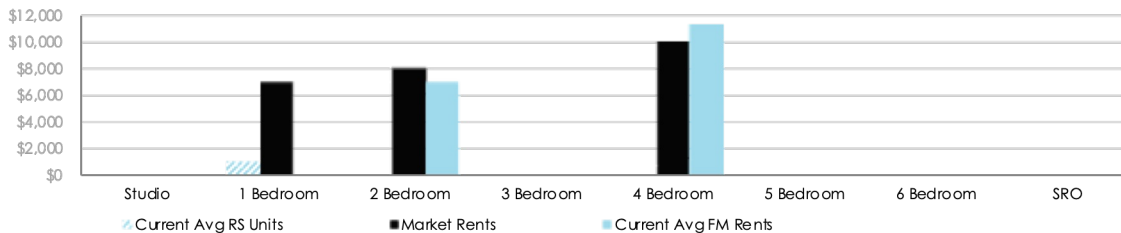
## LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$72,740	9	\$8,082
Total RS Units	22%	\$1,933	2	\$966
Total RS - TE Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	56%	\$39,650	5	\$7,930
Total Commercial	22%	\$31,158	2	\$15,579

## RENTAL ANALYSIS BY UNIT TYPE

TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	0%	\$0	0	\$0
1 Bedroom	29%	\$1,933	2	\$966
2 Bedroom	57%	\$28,395	4	\$7,099
3 Bedroom	0%	\$0	0	\$0
4 Bedroom	14%	\$11,255	1	\$11,255
5 Bedroom	0%	\$0	0	\$0
6 Bedroom	0%	\$0	0	\$0
SRO	0%	\$0	0	\$0

## UPSIDE ANALYSIS

AVERAGE RENT  
PER MONTH

\$5,940

PERCENT  
FAIR MARKET

71%

TAXES AS  
PERCENT OF EGI

2%

EXPENSE RATIO

12%



An aerial, high-angle photograph of New York City, showing the Hudson River, Central Park, and the dense urban landscape of Manhattan. The image is in black and white with a dark, moody tone.

# PROPERTY DESCRIPTION

Marcus & Millichap  
NYM GROUP

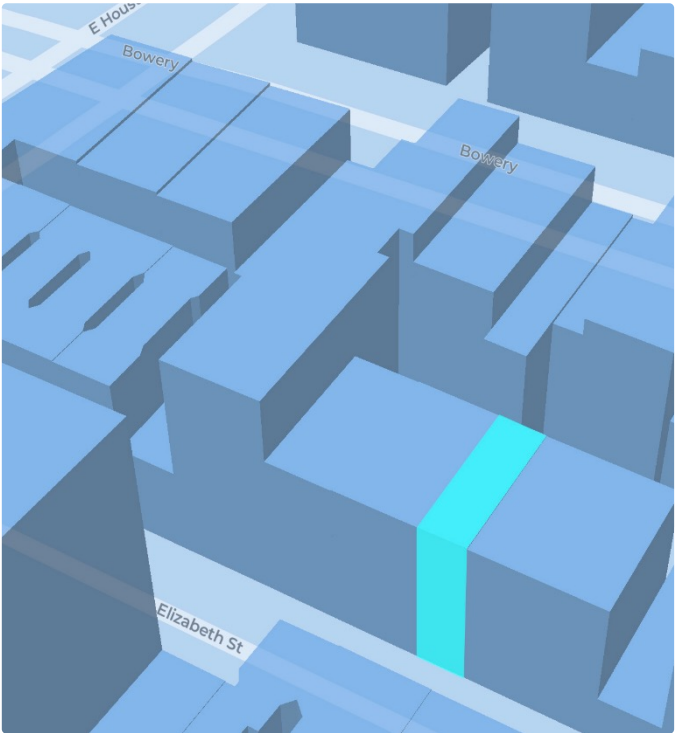
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PROPERTY DESCRIPTION

PROPERTY DESCRIPTION

248 Elizabeth Street	
Neighborhood	NoLita
Borough	Manhattan
Block & Lot	507 / 12
Lot Dimensions	24.25 ft x 81.67 ft
Lot SF	1,980
Building Dimensions	24 ft x 59 ft
Approximate Building SF	7,500
Zoning	C6-2 / R8
Max Far	6.02
Available Air Rights	4,455
Landmark District	None
Historic District	None
Annual Tax Bill	\$20,294
Tax Class	2B



TAX MAP





## PROPERTY PHOTOS – EXTERIORS





PROPERTY DESCRIPTION

**PROPERTY PHOTOS – INTERIORS**

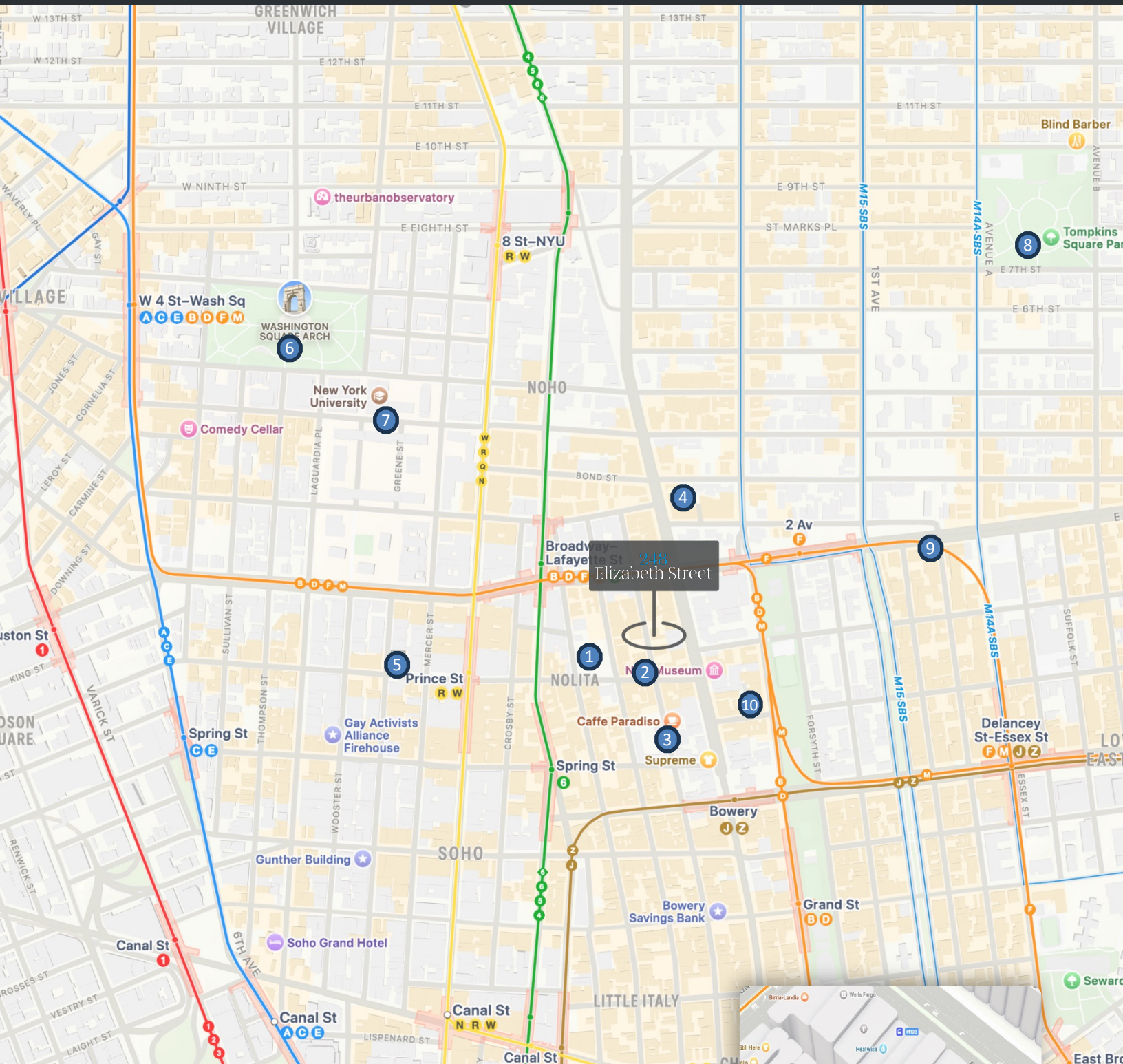


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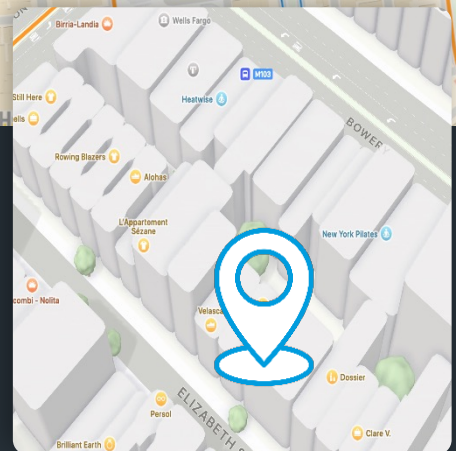
**PROPERTY PHOTOS – INTERIORS**







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



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Activity ID:



# 248 Elizabeth Street

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