



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.
- Unrivaled 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

9 TOTAL UNITS	7,500 TOTAL SQUARE FEET	2B PROTECTED TAX CLASS	 6 NEARBY TRANSPORTATION
71% FREE MARKET	\$20,294 PROJECTED TAXES	5.8% CAP RATE	

FINANCIAL ANALYSIS

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FINANCIAL OVERVIEW

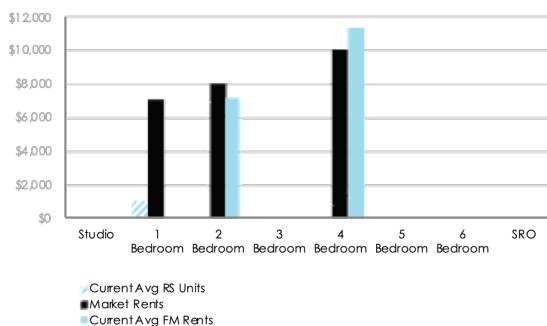
\$13,000,000

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**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

ANNUAL COMMERCIAL REVENUE

\$373,890

ACTUAL	PRO FORMA
\$872,880	\$910,054

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 & EXPENSE ANALYSIS

248 Elizabeth Street

GROSS POTENTIAL INCOME

		ACTUAL		PRO FORMA	
		%EGI	\$/UNIT	%EGI	\$/UNIT
Gross Potential Residential Rent		\$498,990	57%	\$524,947	58%
Gross Potential Commercial Rent		\$373,890	43%	\$385,107	42%
Other Income		\$445	0%	\$445	0%
Gross Income		\$873,326		\$910,499	
Vacancy/Collection Loss		(\$14,970)	3%	(\$15,748)	3%
Effective Gross Income		\$858,356		\$894,751	
Average Residential Rent/Month/Unit		\$5,940		\$6,249	

AVERAGE RENT
PER MONTH

\$5,940

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		

PERCENT
FAIR MARKET

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

TAXES AS
PERCENT OF EGI

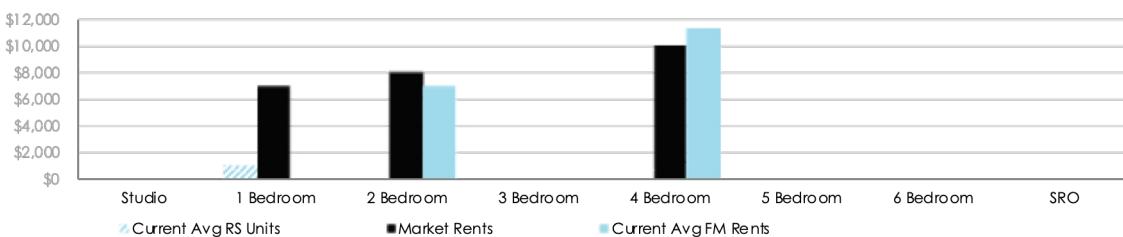
RENTAL ANALYSIS BY UNIT TYPE

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

EXPENSE RATIO



UPSIDE ANALYSIS



PROPERTY DESCRIPTION

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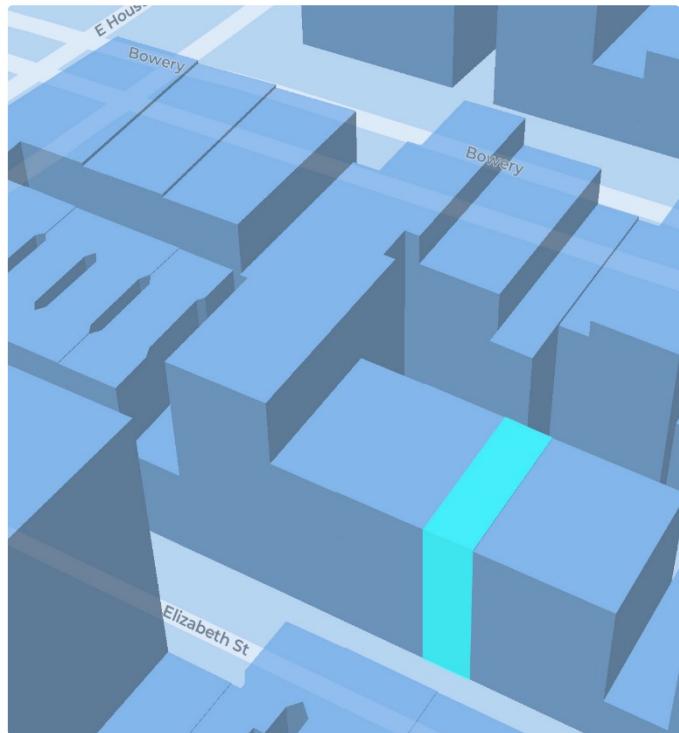
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PROPERTY DESCRIPTION

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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



248
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PROPERTY DESCRIPTION

PROPERTY PHOTOS - EXTERIORS



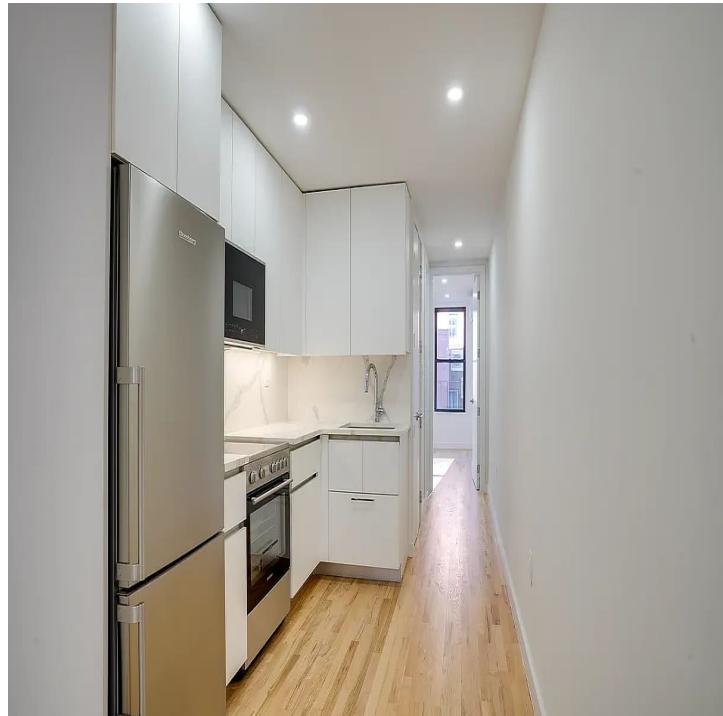
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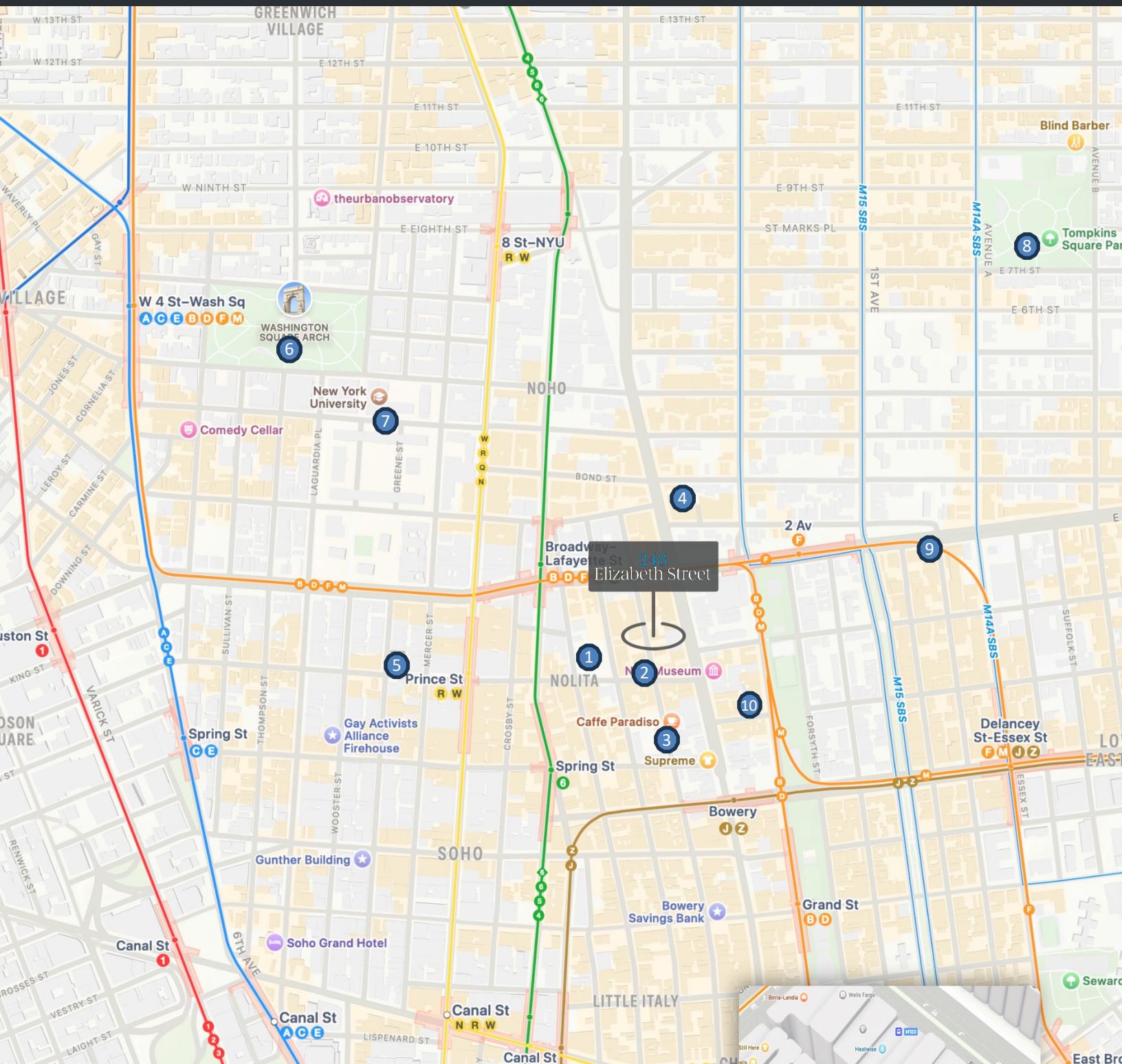
PROPERTY PHOTOS - INTERIORS



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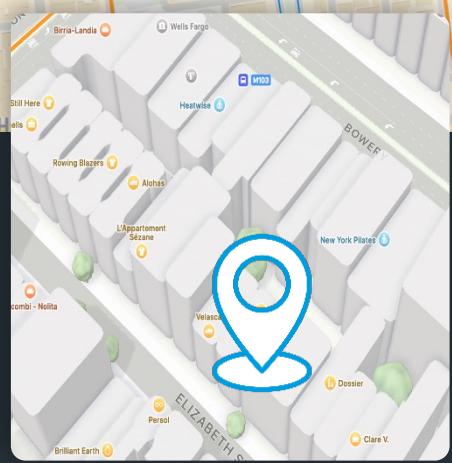
PROPERTY PHOTOS - INTERIORS





1. Basilica of St. Patrick's Old Cathedral
2. Prince St. Pizza
3. Elizabeth Street Garden
4. CBGB
5. Apple SoHo

6. Washington Square Park
7. NYU
8. Tompkins Square Park
9. Katz's Delicatessen
10. Freeman Alley



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