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CONFIDENTIAL OFFERING MEMORANDUM



43 & 45 Palisade Avenue, Yonkers, New York

LIST PRICE
\$3,290,000

COMBINED NOI
\$218,108

CAP RATE
6.63%

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EXECUTIVE SUMMARY

We are pleased to present the exclusive offering of 43 & 45 Palisade Avenue, a two-parcel multifamily investment opportunity located in Yonkers, New York. Together, these contiguous properties comprise a combined site of approximately 0.33 acres and offer a compelling blend of in-place income, value-add upside, and strategic positioning within one of the New York metropolitan area's most dynamic suburban markets.

Offered together at a list price of \$3,290,000, the portfolio generates a combined Net Operating Income of \$218,108, representing a going-in capitalization rate of approximately 6.63%. This offering is ideally suited for a savvy investor seeking stable cash flow with long-term appreciation potential in a supply-constrained, transit-accessible submarket.

Investment Highlights

Highlight	Detail
Offering Price	\$3,290,000
Combined NOI	\$218,108
Blended Cap Rate	6.63%
Total Site Area	0.33 Acres (Combined)
Location	Yonkers, NY — Westchester County
Asset Type	Multifamily / Mixed-Use Portfolio
Number of Parcels	Two (2) Contiguous Properties
Tenancy	Residential & Commercial



PROPERTY DETAILS

43 Palisade Avenue — Financial Summary 2025

Item	Amount
Gross Scheduled Income	\$71,352
Operating Expenses	\$17,144
Net Operating Income (NOI)	\$54,408

45 Palisade Avenue — Financial Summary 2025

Item	Amount
Gross Scheduled Income	\$208,320
Operating Expenses	\$44,600
Net Operating Income (NOI)	\$163,720

Combined Portfolio Summary

Metric	43 Palisade	45 Palisade	Combined Total
Gross Income	\$71,352	\$208,320	\$279,672
Operating Expenses	\$17,144	\$44,600	\$61,744
NOI	\$54,408	\$163,720	\$218,108
Expense Ratio	24.0%	21.4%	22.1%
List Price Allocation	~\$820,000	~\$2,470,000	\$3,290,000
Cap Rate (Individual)	6.63%	6.63%	6.63%

MARKET OVERVIEW

Yonkers, New York

Yonkers is Westchester County's largest city and the fourth-largest in New York State, with a population of approximately 211,000 residents. Situated directly north of the Bronx and New York City, Yonkers has emerged as one of the region's premier suburban investment markets, attracting both residents and businesses priced out of the five boroughs.

The city benefits from an exceptional transit infrastructure, including Metro-North Railroad service on the Hudson Line with a sub-30-minute commute to Grand Central Terminal, as well as extensive MTA bus service and direct access to the New York State Thruway (I-87), the Saw Mill River Parkway, and Route 9. This connectivity makes Yonkers a highly desirable residential destination for New York City professionals seeking more space at lower cost.

Westchester County Multifamily Fundamentals

The Westchester County multifamily market has demonstrated consistent rent growth and low vacancy rates driven by chronic undersupply and sustained demand from the NYC employment base. Regulatory constraints on new development — including lengthy entitlement processes and limited available land — continue to provide strong protection for existing income-producing properties.

Yonkers specifically has experienced a renaissance driven by significant public and private investment along its waterfront and downtown core. The Yonkers Downtown Waterfront Development, proximity to Hudson River access, and ongoing infrastructure improvements have accelerated its transformation into a genuine live-work-play destination, supporting continued rent appreciation and strong occupancy.

Palisade Avenue Submarket

Palisade Avenue is a well-established corridor in Yonkers, serving as a primary artery connecting residential neighborhoods with commercial amenities and transit access. The immediate vicinity features a mix of multifamily residential, neighborhood retail, and community services, with strong walkability scores and convenient access to schools, parks, and everyday conveniences. Properties along this corridor benefit from stable demand driven by long-term tenant relationships and proximity to employment centers.



INVESTMENT RATIONALE

1. Attractive In-Place Returns

The portfolio delivers a blended going-in capitalization rate of 6.63% on the asking price of \$3,290,000, well above the average cap rate for comparable multifamily assets in Westchester County. This immediate yield provides investors with meaningful day-one cash flow while preserving significant room for further income growth.

2. Low Expense Ratio / Operational Efficiency

With a combined expense ratio of approximately 22.1% of gross income, both properties operate with a lean cost structure. 43 Palisade carries expenses of \$17,144 against \$71,352 in gross income (24.0%), while 45 Palisade runs expenses of \$44,600 against \$208,320 in gross income (21.4%). These metrics indicate well-maintained assets with limited deferred capital needs and experienced, cost-conscious management.

3. Scale & Consolidation Opportunity

The combined site of 0.33 acres represents a rare opportunity to acquire two contiguous parcels in a single transaction. This assemblage provides operational synergies, simplified management oversight, and potential for future development or redevelopment as market conditions warrant. Acquiring both properties under a single ownership structure reduces per-unit administrative costs and streamlines property management.

4. Value-Add & Rent Growth Upside

Market rents in the Yonkers submarket have grown steadily, and strategic unit improvements — including kitchen and bathroom upgrades — have demonstrated the ability to command meaningful rental premiums over current in-place rents. As leases roll over, a new owner has the opportunity to systematically upgrade units and push rents toward market, materially increasing NOI and driving appreciation.

5. Supply-Constrained, High-Barrier Market

Yonkers and Westchester County broadly represent one of the most supply-constrained rental markets in the nation. Stringent zoning regulations, limited available land, community opposition to new density, and high construction costs create substantial barriers to new competing supply. Existing income-producing properties benefit directly from these dynamics through sustained occupancy and above-inflation rent growth.



6. NYC Proximity & Transit Access

The properties benefit from immediate access to Metro-North commuter rail and major highway infrastructure, enabling residents to access Midtown Manhattan in under 30 minutes. As return-to-office trends continue and remote-work flexibility persists, Yonkers remains one of the few submarkets where renters can access top-tier employment centers while enjoying suburban quality of life at a meaningful cost discount to New York City neighborhoods.

FINANCIAL ANALYSIS

Income & Expense Detail

	43 Palisade Ave	45 Palisade Ave	Portfolio Total
INCOME			
Gross Scheduled Rent	\$71,352	\$208,320	\$279,672
Vacancy & Credit Loss (Est.)	(\$2,141)	(\$6,250)	(\$8,391)
Effective Gross Income	\$69,211	\$202,070	\$271,281
EXPENSES			
Total Operating Expenses	\$17,144	\$44,600	\$61,744
NET OPERATING INCOME	\$54,408*	\$163,720	\$218,108

* NOI for 43 Palisade reflects gross income less expenses as provided (\$71,352 - \$17,144 = \$54,408)

Valuation Metrics

Metric	Value
List Price	\$3,290,000
Combined NOI	\$218,108
Going-In Cap Rate	6.63%
Price Per Dollar of NOI (GRM Equiv.)	15.1x
Combined Gross Income	\$279,672
Gross Income Multiplier (GIM)	11.8x

ZONING & LAND USE

Zoning Designation

Detail	Information
Zoning District	D-MX — Downtown Mixed-Use District
Municipality	City of Yonkers, New York
County	Westchester County
Block / Lot (43 Palisade)	Block 2027 — Confirm with City Records
Block / Lot (45 Palisade)	Block 2027 — Confirm with City Records
Combined Site Area	0.33 Acres (±14,375 SF)
Street Designation	Key Street — Palisade Ave (Main St to Elm St)
Governing Code	Yonkers Zoning Ordinance Chapter 43, Article XVIII

D-MX District Overview

Both 43 and 45 Palisade Avenue are located within the D-MX Downtown Mixed-Use District, Yonkers' most permissive and highest-density zoning classification. The D-MX district is designed to accommodate a high concentration of commercial, residential, and institutional development within the downtown core, reflecting the City's long-term vision for a vibrant, walkable urban center.

Palisade Avenue between Getty Square/Main Street and Elm Street — the precise block on which these properties are situated — is designated a 'Key Street' under the D-MX District. Key Streets are designated to preserve and enhance a pedestrian-oriented commercial environment and to promote economic development through active uses such as retail, restaurant, service, and entertainment uses at the ground floor.

Permitted Principal Uses (D-MX)

The D-MX district is among the broadest use designations in the Yonkers Zoning Ordinance, permitting a wide range of residential and commercial uses, including:

Use Category	Status in D-MX
Multifamily Residential (Apartments)	Permitted
Mixed-Use Residential / Commercial	Permitted
Retail / Service Commercial	Permitted (Required on Ground Floor — Key Streets)
Restaurants & Food Service	Permitted
Office	Permitted
Hotel / Hospitality	Permitted
Institutional / Community Facility	Permitted with Supplemental Standards
Place of Worship	Not Permitted (per §43-220 Table 43-6)
Heavy Industrial / Manufacturing	Not Permitted

Dimensional Standards (D-MX District)

Bulk and setback regulations for the D-MX District are governed by Table 43-8 of the Yonkers Zoning Ordinance (Dimensional Standards for D-MX and D-IRT Districts). Key dimensional parameters generally applicable to D-MX properties include:

Dimensional Standard	D-MX Requirement
Minimum Lot Area	No minimum (downtown infill context)
Maximum Building Height	Per Height District Map (Map B) — varies by location
Front Yard Setback	Build-to-line (zero setback encouraged on Key Streets)
Ground Floor Use (Key Streets)	Active commercial use required
Parking	Per Table 43-10 (Downtown Parking & Loading Ratios)
Green Building Standards	Required for new construction and major alterations



Illustrative Financing Assumptions

The following illustrative debt scenario is provided for reference only and does not constitute a financing commitment or guarantee.

Assumption	Value
Purchase Price	\$3,290,000
Loan-to-Value (LTV)	70%
Loan Amount	\$2,303,000
Equity (30%)	\$987,000
Illustrative Rate (30-yr amort.)	6.75%
Annual Debt Service (Est.)	\$~179,500
Cash-on-Cash Return (Est.)	~3.9%

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