



247 Broome Street

OFFERING MEMORANDUM

Marcus & Millichap

NYM GROUP

247 Broome Street

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NYM GROUP

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247 Broome Street

is being offered at

\$7,650,000

THE OFFERING

Marcus & Millichap is pleased to exclusively offer 247 Broome Street, a 6-story, mixed-use rental building situated on the south side of Broome Street, between Orchard Street and Ludlow Street, in the heart of Manhattan's Lower East Side. The prewar property boasts approximately 8,704 square feet with 25' of frontage. The asset is built 25' X 76' and sits on a 25' x 87.5' lot (Block: 408; Lot: 13). The property is zoned C4-4A.

THE OPPORTUNITY

247 Broome Street Presents a Unique Investment Opportunity to Acquire a Meticulously-Maintained, Mixed-Use Property with Significant Free Market Upside Potential. Offered to the Market for Under \$1,000/Sf, the Asset Benefits From a Strong Existing Stream of Both Residential and Retail Income, and Features The Renown Wine Bar Retail Tenant, The Ten Bells. With All Free Market Units Fully Renovated With Condo Level Finish Quality, an Investor has the Ability to Capitalize on Immediate Free-Market Rental Upside Without Requirement For Further Capital Improvements.

Unit Mix

The Property Consists of 21 Total Units, Including 20 Residential Apartments and 1 Ground-Floor Retail Space. Of the Residential Units, 8 Are Free-Market Apartments, While 12 Remain Rent-Stabilized. The Residential Layout is Composed of 20 Two-Bedroom Apartments, Making it Highly Desirable to the Neighborhood's Targeted Shared Tenant Base. The Retail Component is Occupied by The Ten Bells Wine Bar, a Long-Established and Well-Known Neighborhood Staple.

Strong In-Place Retail with Immediate Free Market Rental Upside

The Property Benefits from Strong In-Place Retail Income With a Long-Term Tenant, The Ten Bells, Providing Stability to the Asset. The Ten Bells has Occupied the Space Since March of 2021 with a Lease Expiration of February, 2031. Additionally, The Retail Tenant has 3% Annual Increases, Pays for 100% of Their Own Water Consumption, and Is Responsible For 30% Of The Tax Increases Over The 2021/22 Base Year, Providing A Strong Hedge Against any Future Property Tax Increases. The Residential Component Presents Immediate Free-Market Rental Upside, as Current Market Conditions Support Higher Rents Without Requiring any Additional Renovations. With Condo-Level Finishes Already In Place, Future Rental Increases can be Achieved Naturally Through Lease Renewals, Positioning The Property as a High-Yielding Asset in One of the City's Most Desirable Rental Markets.

Immaculately Maintained with Condo-Level Finishes

Since Acquisition, Ownership has Undertaken Significant Capital Improvements to Modernize and Enhance 247 Broome Street. Major Renovations Include a New Roof with New Parapets, New Apartment Doors, Upgraded Plumbing and Gas Lines, a New Boiler, A Restored Façade, a Newly Poured Basement Concrete Slab, and a Full Hallway and Lobby Renovation. Additionally, 8 Apartments Have Been Fully Renovated With High-End Finishes, Including Stainless Steel Appliances, Marble Countertops, Strip-Wood Flooring, and Modern Fixtures. These Improvements Ensure Minimal Future Capital Expenditures, Allowing for Strong, Consistent Cash Flow.

Location & Transportation

Ideally Positioned in The Heart of The Lower East Side, 247 Broome Street is Surrounded by a Thriving Mix Of Restaurants, Nightlife, and Cultural Staples. The Neighborhood is Home to Renowned Dining Establishments Such as Katz's Delicatessen, Beauty & Essex, and Russ & Daughters, as well as Boutique Shopping and Entertainment Venues. The Property is within Walking Distance to Multiple Subway Lines, Including the F, M, J, And Z Trains, Offering Seamless Connectivity to The Rest of Manhattan. With its Blend of Historic Charm and Modern Vibrancy, The Lower East Side Continues to be One of New York City's Most Sought-After Residential Destinations, Ensuring Strong Long-Term Demand For Rental Properties.

An aerial, high-angle photograph of New York City, showing the dense urban grid, the Hudson River, and the East River. The image is heavily darkened with a gradient, creating a moody, monochromatic aesthetic. The text is overlaid on the left side of the image.

FINANCIAL ANALYSIS

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FINANCIAL OVERVIEW

\$7,650,000

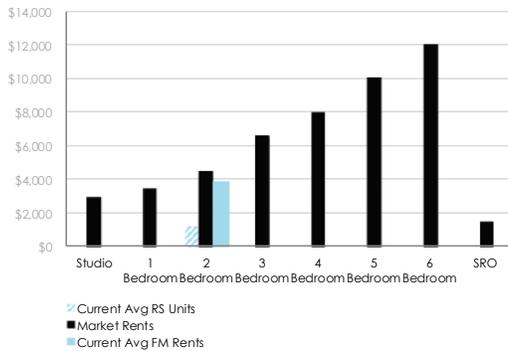
OFFERING PRICE

PRICE PER SQUARE FOOT	\$879
PRICE PER UNIT	\$364,286
TOTAL SQUARE FEET	8,704
TOTAL UNITS	21
CURRENT CAP RATE	6.3%
CURRENT GRM	9.5
PRO FORMA CAP RATE	7.1%
PRO FORMA GRM	8.6
PRO FORMA CASH ON CASH RETURN	6.81%

PROPOSED DEBT

Loan Amount	\$4,950,000
Interest Rate	6.00%
Amortization	30
Annual Debt Service	(\$359,612)
Debt Coverage Ratio	1.33
Net Cash Flow After Debt Service	\$183,863

UPSIDE ANALYSIS



INCOME

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$536,866	\$604,945
Gross Potential Commercial Rent	\$263,369	\$271,270
Other Income	\$7,998	\$8,238
Gross Income	\$808,233	\$884,453
Vacancy/Collection Loss	(\$24,247)	(\$26,534)
Effective Gross Income	\$783,986	\$857,919
Average Residential Rent/Month/Unit	\$2,237	\$2,521

EXPENSES

		CURRENT	PRO FORMA
Property Taxes	Tax Class: 2 Projected	\$162,900	\$167,787
Dual Fuel	Actual	\$19,534	\$20,120
Insurance	Actual	\$27,300	\$28,119
Water and Sewer	Actual	\$34,432	\$35,465
Repairs and Maintenance	Projected	\$15,750	\$16,223
Common Electric	Actual	\$6,100	\$6,283
Super Salary	Projected	\$10,500	\$10,815
Management Fee	Projected	\$23,520	\$24,225
General Administration	Projected	\$5,250	\$5,408
Total Expenses		\$305,286	\$314,444
Net Operating Income		\$478,701	\$543,475

SCHEDULE OF INCOME

UNIT BREAKDOWN	TOTAL	% OF TOTAL	RENT
Studio	0	0%	\$0
1 Bedroom	0	0%	\$0
2 Bedroom	20	100%	\$2,237
3 Bedroom	0	0%	\$0
4 Bedroom	0	0%	\$0
5 Bedroom	0	0%	\$0
6 Bedroom	0	0%	\$0

LISTING METRICS

21
TOTAL UNITS

8,704
TOTAL SQUARE FEET

9.5
GRM



\$879
PRICE / SF

\$162,900
PROJECTED TAXES

7.1%
PRO FORMA CAP RATE

NEARBY
TRANSPORTATION

RENT ROLL

247 Broome Street

COMMERCIAL RENT

UNIT	TENANT NAME	REIMBURSEMENTS	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA	\$/PSF
Store 1	The Ten Bells		3% Annual Increases; Pays 30% Tax Increases over the 2021/2022 Base Year; Occupies 600 SF of Additional Basement Space	Mar-21	1,800	Feb-31	\$21,947	\$22,606	\$151
MONTHLY COMMERCIAL REVENUE					1,800		\$21,947	\$22,606	

OTHER INCOME & REIMBURSEMENTS

SPACE	TENANT NAME	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA
Store 1	The Ten Bells	RET Reimbursement	Mar-21		Feb-31	\$50	\$51
Store 1	The Ten Bells	Water & Sewer Reimbursement	Mar-21		Feb-31	\$617	\$635
MONTHLY OTHER INCOME & REIMBURSEMENTS REVENUE						\$667	\$686

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA
2A	FM		2 Bedroom	4		May-26	\$3,045.00	\$4,500
2B	FM	Vacant - Asking \$3,800/mo	2 Bedroom	4			\$3,800.00	\$4,500
2C	RS		2 Bedroom	4		Jan-26	\$1,219.32	\$1,253
2D	FM		2 Bedroom	4		Jun-26	\$3,450.00	\$4,500
3A	RS		2 Bedroom	4		Oct-25	\$704.72	\$724
3B	FM		2 Bedroom	4		Jun-26	\$4,000.00	\$4,500
3C	RS	Scrie (\$134.12)	2 Bedroom	4		Oct-26	\$1,288.67	\$1,324
3D	RS	SCRIE (\$545.79)	2 Bedroom	4		Oct-26	\$1,467.26	\$1,508
4A	RS		2 Bedroom	4		Oct-25	\$1,639.04	\$1,684
4B	RS	SCRIE (\$345.42)	2 Bedroom	4		Jul-26	\$1,417.66	\$1,457
4C	RS		2 Bedroom	4		Oct-26	\$1,173.78	\$1,206
4D	FM	Vacant - Projected Asking \$4,000/mo	2 Bedroom	4			\$4,000.00	\$4,500
5A	FM	New Lease Signed	2 Bedroom	4			\$4,300.00	\$4,500
5B	RS	Vacant Legal Rent Provided	2 Bedroom	4			\$653.31	\$653
5C	RS		2 Bedroom	4		Apr-26	\$1,442.76	\$1,482
5D	FM		2 Bedroom	4		Jun-26	\$3,900.00	\$4,500
6A	FM		2 Bedroom	4		Aug-25	\$4,200.00	\$4,500
6B	RS	SCRIE (\$243.78)	2 Bedroom	4		Oct-25	\$1,209.63	\$1,243
6C	RS	SCRIE (\$265.80)	2 Bedroom	4		Sep-25	\$795.73	\$818
6D	RS		2 Bedroom	4		Oct-25	\$1,031.96	\$1,060
MONTHLY RESIDENTIAL REVENUE			40	80			\$44,739	\$50,412
ANNUAL RESIDENTIAL REVENUE							\$536,866	\$604,945
ANNUAL COMMERCIAL REVENUE							\$263,369	\$271,270
ANNUAL OTHER INCOME REVENUE							\$7,998	\$8,238

TOTAL ANNUAL REVENUE

ACTUAL	PRO FORMA
\$808,233	\$884,453

Notes

There are 21 total units.

There are currently 3 vacant units in the building. The super lives off site.

INCOME & EXPENSE ANALYSIS

247 Broome Street

GROSS POTENTIAL INCOME	ACTUAL			PRO FORMA		
		%EGI	\$/UNIT		%EGI	\$/UNIT
Gross Potential Residential Rent	\$536,866	66%	\$26,843	\$604,945	68%	\$30,247
Gross Potential Commercial Rent	\$263,369	33%	\$263,369	\$271,270	31%	\$271,270
Other Income <i>RET + Water Reimbursements</i>	\$7,998	1%	\$400	\$8,238	1%	\$412
Gross Income	\$808,233		\$38,487	\$884,453		\$42,117
Vacancy/Collection Loss	(\$24,247)	3%	(\$1,155)	(\$26,534)	3%	(\$1,264)
Effective Gross Income	\$783,986		\$37,333	\$857,919		\$40,853
Average Residential Rent/Month/Unit	\$2,237			\$2,521		

EXPENSES

Property Taxes	<i>Tax Class: 2 Projected</i>	\$162,900	21%	\$7,757	\$167,787	20%	\$7,990	
Dual Fuel	<i>Actual</i>	\$19,534	2%	\$930	\$20,120	2%	\$958	
Insurance	<i>Actual</i>	\$27,300	3%	\$1,300	\$28,119	3%	\$1,339	
Water and Sewer	<i>Actual</i>	\$34,432	4%	\$1,640	\$35,465	4%	\$1,689	
Repairs and Maintenance	<i>Projected</i>	\$15,750	2%	\$750	\$16,223	2%	\$773	
Common Electric	<i>Actual</i>	\$6,100	0.8%	\$0.70	\$6,283	0.7%	\$0.72	
Super Salary	<i>Projected</i>	\$10,500	1%	\$500	\$10,815	1%	\$515	
Management Fee	<i>Projected</i>	\$23,520	3%	\$1,120	\$24,225	3%	\$1,154	
General Administration	<i>Projected</i>	\$5,250	1%	\$250	\$5,408	1%	\$258	
Total Expenses		\$305,286	39%	\$14,537	\$314,444	37%	\$14,974	
Net Operating Income		\$478,701			\$543,475			

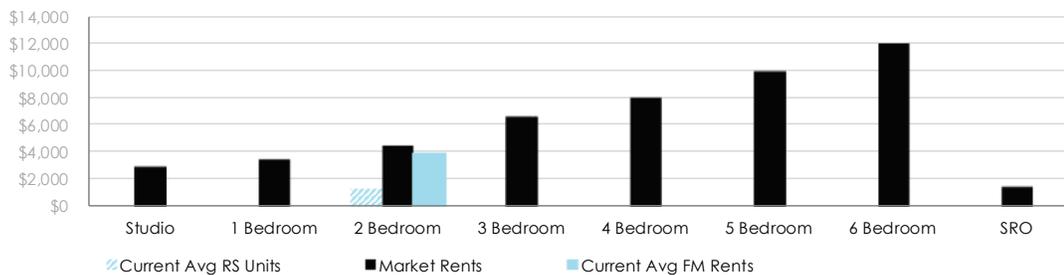
LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$66,686	21	\$3,176
Total RS Units	57%	\$14,044	12	\$1,170
Total RS - TE Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	38%	\$30,695	8	\$3,837
Total Commercial	5%	\$21,947	1	\$21,947

RENTAL ANALYSIS BY UNIT TYPE

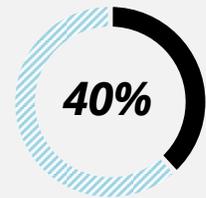
TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	0%	\$0	0	\$0
1 Bedroom	0%	\$0	0	\$0
2 Bedroom	100%	\$44,739	20	\$2,237
3 Bedroom	0%	\$0	0	\$0
4 Bedroom	0%	\$0	0	\$0
5 Bedroom	0%	\$0	0	\$0
6 Bedroom	0%	\$0	0	\$0
SRO	0%	\$0	0	\$0

UPSIDE ANALYSIS



AVERAGE RENT
PER MONTH
\$2,237

PERCENT
FAIR MARKET



TAXES AS
PERCENT OF EGI



EXPENSE RATIO



An aerial, high-angle photograph of New York City, showing the dense urban grid, Central Park, and the Hudson River. The image is in grayscale and has a dark, moody atmosphere. The text is overlaid on the left side of the image.

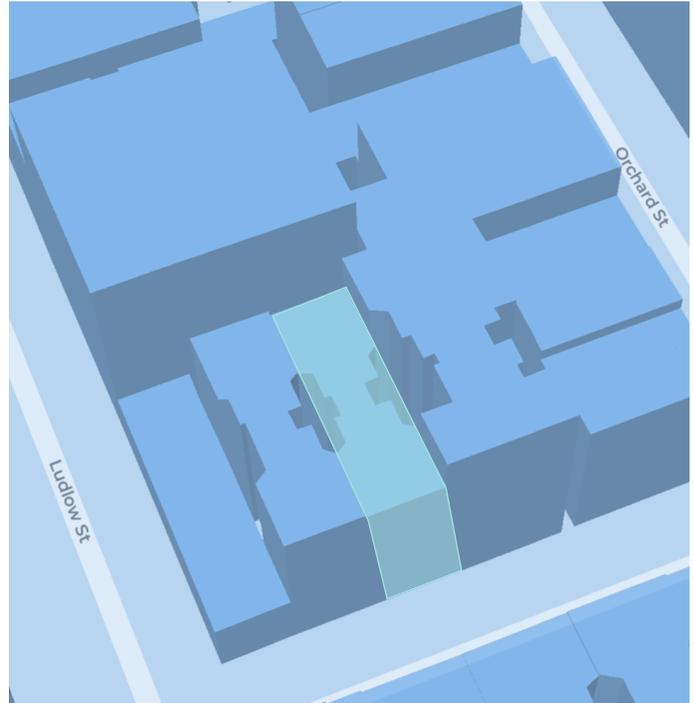
PROPERTY DESCRIPTION

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PROPERTY DESCRIPTION

247 Broome Street	
Neighborhood	Lower East Side
Borough	Manhattan
Block & Lot	408 / 13
Lot Dimensions	25' X 87.5'
Lot SF	2,187
Building Dimensions	25' X 76'
Approximate Building SF	8,695
Zoning	C4-4A
Max Far	4.00
Available Air Rights	53
Landmark District	None
Historic District	None
Annual Tax Bill	\$162,900
Tax Class	2



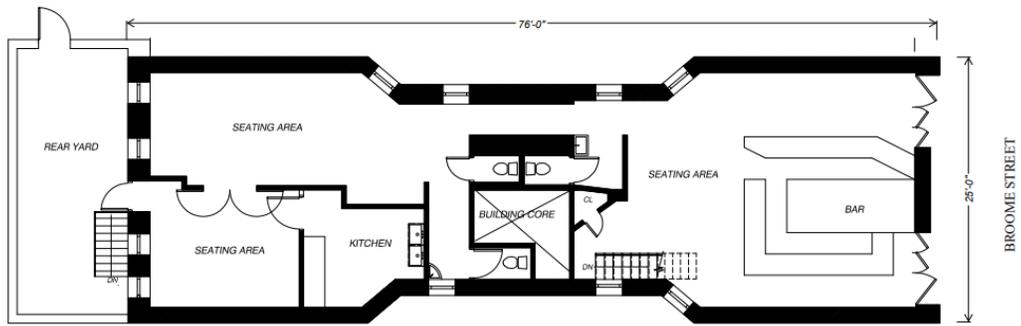
TAX MAP



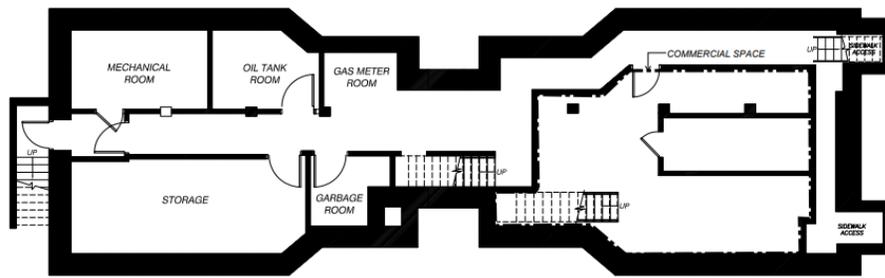
PROPERTY PHOTOS – EXTERIORS



RETAIL FLOOR PLANS



GROUND FLOOR COMMERCIAL
1,900 SF

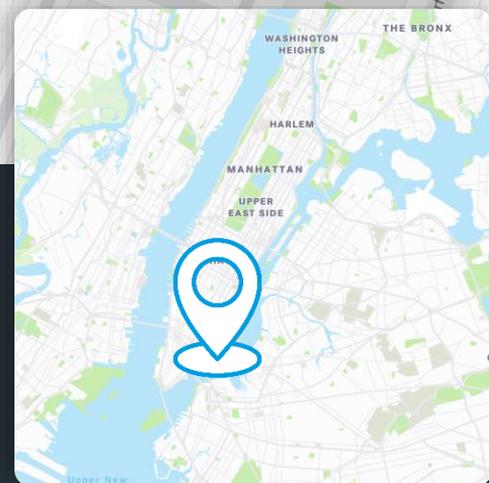
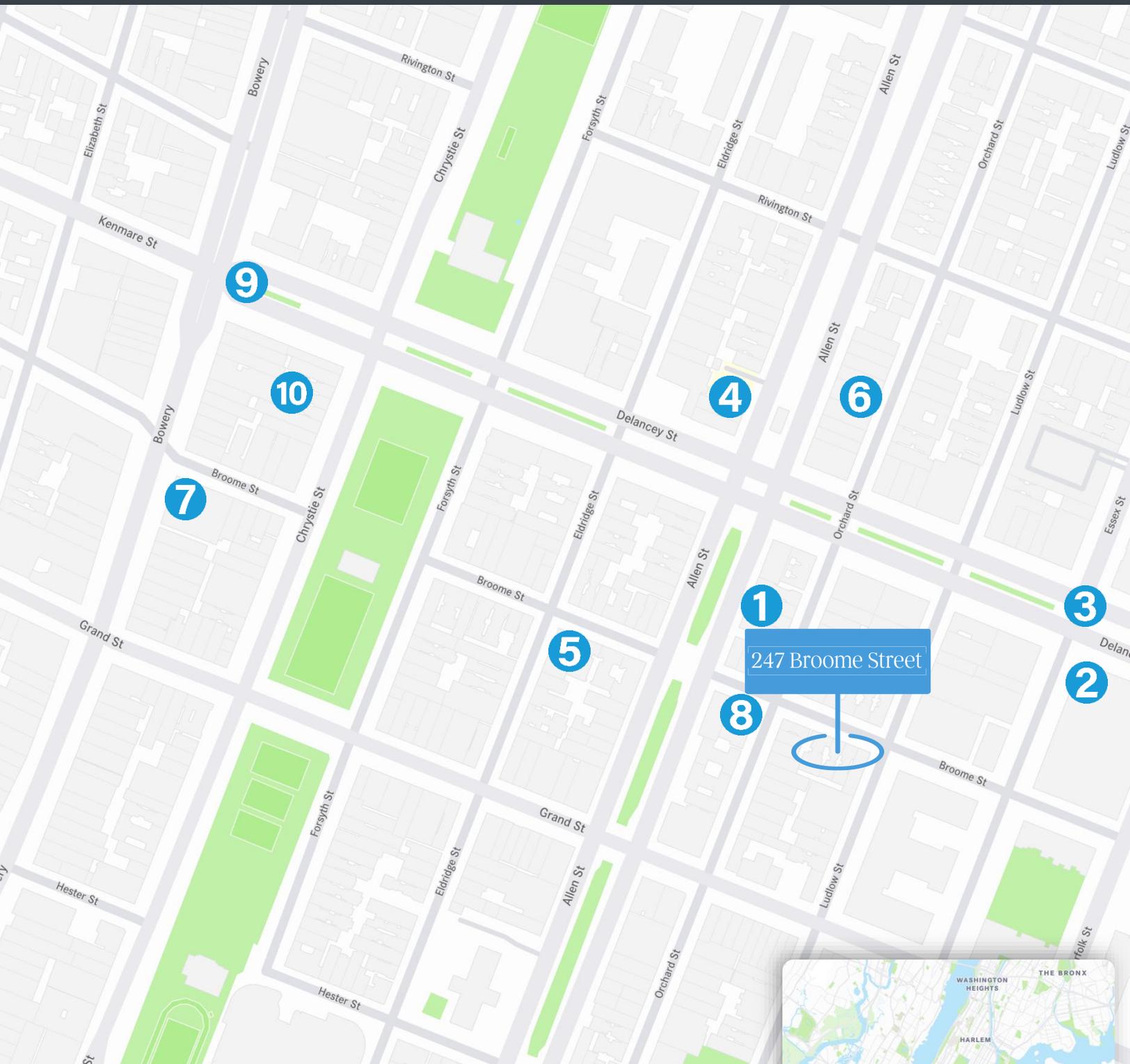


CELLAR COMMERCIAL
420 SF



247 BROOME STREET
6 STORIES = 11,400 SF + 1900 SF CELLAR

R.A. COHEN



- 1. *Attaboy*
- 2. *Essex Market*
- 3. *Delancey Essex Street Subway Station*
- 4. *Double Chicken Please*
- 5. *Vanessa's Dumpling House*

- 6. *Russ & Daughter Cafe*
- 7. *Moxy NYC Lower East Side*
- 8. *Dudley's*
- 9. *Bowery Street Station*
- 10. *Potluck Club*

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