

MANHATTAN 30 UNIT MIXED-USE BUILDING FOR SALE



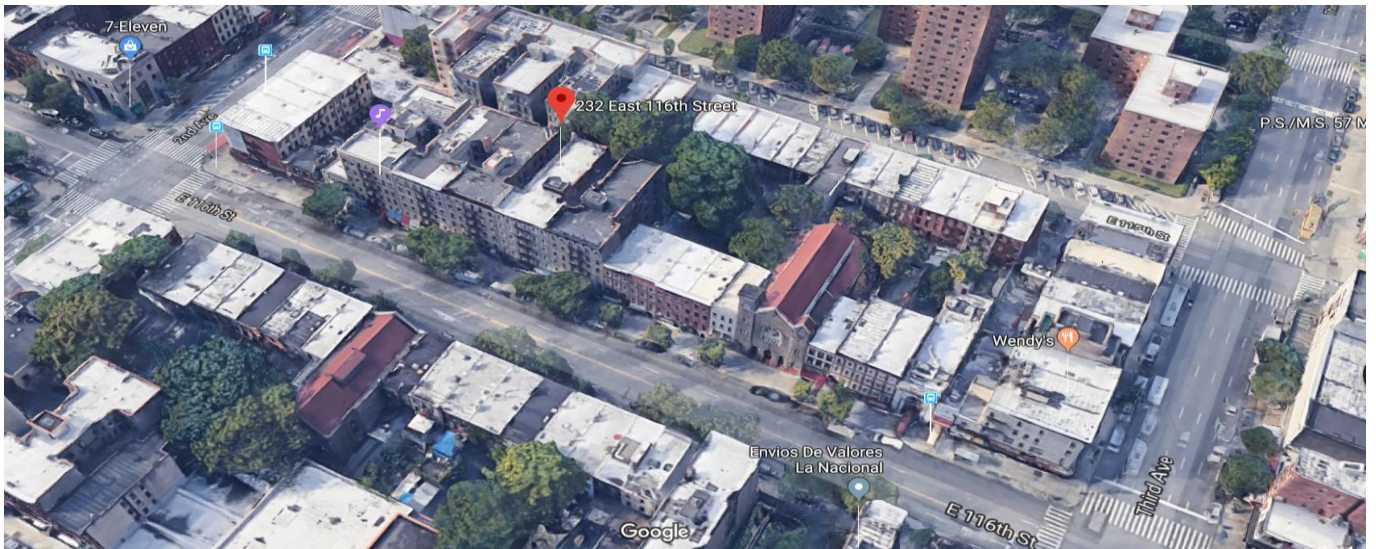
232 EAST 116Th STREET, NEW YORK, NY 10029

Asking Price \$ 6,500,000

The information contained in this Investment Offering Memorandum has been obtained through sources deemed reliable by The Van Keuren Group but cannot be guaranteed for its accuracy nor does it purport to be all-inclusive or to contain all of the information that prospective investors may need or desire. Nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Seller, The Van Keuren Group, and its employees, disclaim any responsibility for inaccuracies, and expect prospective purchasers to exercise independent due diligence in verifying all such information. Analysis and verification of the information contained in the Investment Offering Memorandum is solely the responsibility of the prospective purchaser. Further, the Investment Offering Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation of the Investment Offering Memorandum have remained the same. Seller and The Van Keuren Group, each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any entity at any time with or without notice. Seller shall have no legal commitment or obligations to any entity reviewing the Investment Offering Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, a written agreement for the purchase of the Property has been fully executed, delivered and approved by Seller.



Neighborhood Overview



East Harlem: East Harlem is the area of Manhattan running north of East 96th Street and East of Fifth Avenue. Though the area was originally settled in 1654 by Dutch Governor Peter Stuyvesant and was named “Nieuw Haarlem,” the name was changed to “Harlem” with the arrival of the English in 1664. The region’s flat land provided some of New York’s most illustrious early families with vast farms and estates. In the 1800s, East Harlem developed into an early railroad suburb that provided housing for working-class immigrants relocating from the overcrowded Lower East Side. The earliest waves of immigrants to occupy east Harlem were predominantly poor German and Irish families, followed by Italian and European Jewish families. In the mid-1900s, Puerto Ricans and African-Americans began settling there as other groups left. The community is often referred to as “Spanish Harlem” or “El Barrio.” In the 1960s, Harlem experienced a detrimental decline as middle-class families moved to safer parts of the city and the booming suburbs. Crime soared, buildings were abandoned, and the community experienced bleak times for several generations. In the 1990s, a new Harlem Renaissance began to emerge

While other parts of Manhattan like SoHo, TriBeCa, and the Lower East Side were quickly developing into some of the most highly desired and expensive places to live, developers began to realize Harlem’s potential as the next revitalized area of Manhattan. Enjoying an inventory of both large and architecturally distinct buildings, vast parcels of vacant land, and some of the most efficient transportation networks to Lower Manhattan and the outer boroughs, East Harlem possesses an urban infrastructure ripe for development. A combination of political, economic and social factors has contributed to East Harlem’s tremendous growth. First, the city government encouraged developers through multiple channels, including re-zoning proposals, innovative tax breaks, and incentives for developers to develop free market and low income housing. Economically, interest rates have remained low, providing both developers and residential buyers with cheap financing. Perhaps most importantly, crime diminished to a level that no longer dissuaded newcomers. These factors, coupled with the fact that one could purchase an East Harlem residence for half the price as of one below 96th Street, made the neighborhood a viable

About the Building

Located in the highly vibrant commercial corridors of East Harlem section of New York City, 232 East 116th Street is a six-story 16,287 square foot building. This walk-up building consists of 28 apartments and 2 retail stores.

The 28 Apartments: All units are rent regulated. These studios, one, and two-bedroom apartments each feature hardwood flooring. The building is at 100% occupancy.

2 Store Fronts: 116th Street is one of the major commercial corridors in East Harlem. The 2,832 sq. ft -- combined commercial space -- is occupied by a Flower shop and a Video/Media store. The respective leases expire in 2020 and 2022 with no renewal option.

PRICE BREAKDOWN	
Asking Price	\$ 6,500,000
Cap Rate	4.2%
Price/SF	\$ 483.00
Price /BSF	\$ 399.00

Investment Overview

PROPERTY DATA			
Price	\$ 6,500,000	Tax Assessed Value (2019)	\$ 1,012,050
Property Address	232 East 116th	RE Tax (2019)	\$ 121,147
Year Built	1910	Zoning	R7D, C1-5, EHC
Current Use	Mixed-Use	Lot Size	39x100.92
Number of Units	(30); 28 Apt + 2 Com	Lot Area	3,936 SF
Number of Floors	6	Net Rentable SF	13,455 SF
Gross Building Area	16,287 SF	Parking	Street Parking
Exterior	Brick	Laundry	None
Air Conditioning	None	Flooring	Hardwood
Elevator	None		
Domestic Hot Water	Gas; paid by Landlord		
Heating	Gas radiator; paid by Landlord		
Fire Protection	Exterior fire escape & n Smoke Detectors		
Cooking	Electric		
Electric	Separate meters; paid directly by tenants		

Operating Statement

INCOME		%EGI	
Gross Residential Rent		89%	\$486,150.36
Gross Commercial Rent		14%	\$78,000.00
Gross Income			\$564,150.36
Vacancy @ 3%			(\$16,924.51)
Effective Gross Income			\$547,225.85
EXPENSES		%EGI	
Repairs & Maintenance	\$ 60,000	11%	
Real Estate Tax	\$ 121,147	22%	
Fuel (Gas)	\$ 25,000	5%	
Insurance	\$ 18,000	3%	
Water & Sewer	\$ 29,000	5%	
Electric	\$ 4,000	1%	
Management & Administration	\$ 15,000	3%	
Total Expenses	\$ 272,147	50%	\$272,147.00
Net Operating Income			\$275,078.85

TENANT PAYS	LANDLORD PAYS
Electric	Water & Sewer
	Common Electric
	Gas (Heat)

Rent Roll

UNIT	UNIT TYPE	MONTHLY RENT	ANNUAL RENT	LEASE EXPIRATION
1	STUDIO	\$961.39	\$11,536.68	9/20/2020
2	1 BED/1 BATH	\$1,518.75	\$18,225.00	8/31/2020
3	2 BED/1 BATH	\$1,289.03	\$15,468.36	6/30/2020
4	2 BED/1 BATH	\$1,750.00	\$21,000.00	6/30/2020
5	2 BED/1 BATH	\$1,148.16	\$13,777.92	9/14/2019
6	1 BED/1 BATH	\$1,475.31	\$17,703.72	2/14/2020
7	1 BED/1 BATH	\$1,537.50	\$18,450.00	5/31/2020
8	2 BED/1 BATH	\$1,670.63	\$20,047.56	1/19/2020
9	2 BED/1 BATH	\$1,768.91	\$21,226.92	9/30/2020
10	2 BED/1 BATH	\$1,254.56	\$15,054.72	9/30/2020
11	1 BED/1 BATH	\$1,464.45	\$17,573.40	9/14/2020
12	1 BED/1 BATH	\$1,447.96	\$17,375.52	4/14/2020
13	2 BED/1 BATH	\$1,605.55	\$19,266.60	11/30/2019
14	2 BED/1 BATH	\$1,550.00	\$18,600.00	Super
15	2 BED/1 BATH	\$1,207.66	\$14,491.92	1/31/2021
16	1 BED/1 BATH	\$1,558.00	\$18,696.00	5/31/2020
17	1 BED/1 BATH	\$1,600.00	\$19,200.00	7/31/2020
18	2 BED/1 BATH	\$1,585.00	\$19,020.00	9/30/2019
19	2 BED/1 BATH	\$1,600.00	\$19,200.00	12/15/2019
20	2 BED/1 BATH	\$1,140.44	\$13,685.28	5/31/2021

21	1 BED/1 BATH	\$1,575.00	\$18,900.00	5/9/2020
22	1 BED/1 BATH	\$1,428.00	\$17,136.00	8/31/2020
23	2 BED/1 BATH	\$1,253.33	\$15,039.96	2/28/2021
24	2 BED/1 BATH	\$1,229.33	\$14,751.96	5/14/2021
25	2 BED/1 BATH	\$1,718.70	\$20,624.40	11/14/2019
26	1 BED/1 BATH	\$1,304.76	\$15,657.12	6/30/2020
27	1 BED/1 BATH	\$1,438.76	\$17,265.12	8/14/2020
28	2 BED/1 BATH	\$1,431.35	\$17,176.20	11/30/2019
Flower	COMMERCIAL	\$3,950.00	\$47,400.00	2/28/2020
Video	COMMERCIAL	\$2,550.00	\$30,600.00	6/30/2020
	TOTAL	\$47,013.00	\$564,150.36	