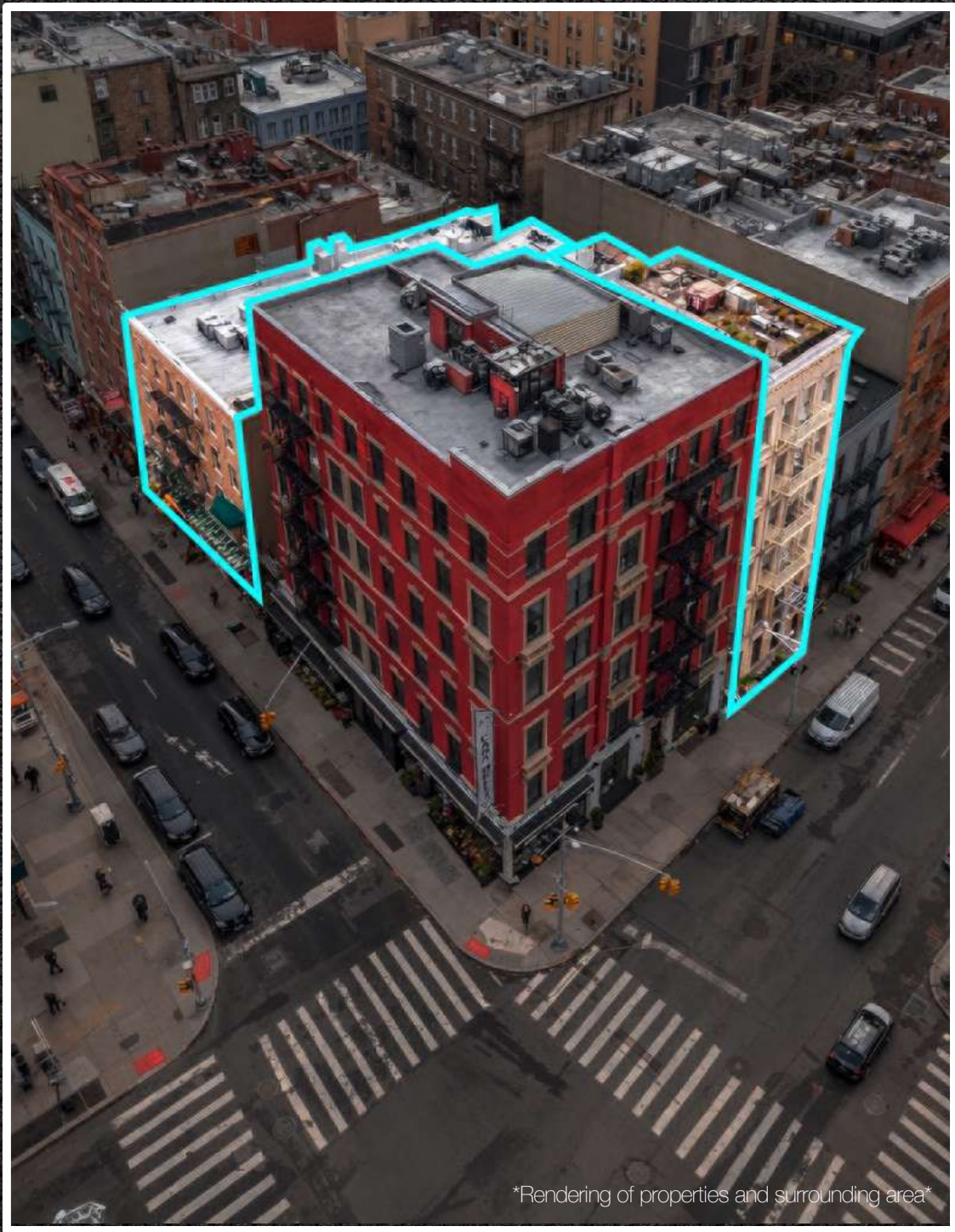


Marcus & Millichap
NYM GROUP

OFFERING MEMORANDUM



Marcus & Millichap
NYM GROUP



New York Multifamily Team:

Joe Koicim

Executive Managing Director
(212) 430-5147
jkoicim@mmreis.com

Peter Dodge

Senior Associate
(212) 430-5231
peter.dodge@mmreis.com

Paige DeMutis

Director of Transaction & Client Advisory
(646) 805-1476
paige.demutis@mmreis.com

Marcus & Millichap
NYM GROUP

260 Madison Avenue, 5th Floor | New York, New York 10016

www.newyorkmultifamily.com



OFFERING MEMORANDUM

IS BEING OFFERED AT
\$15,750,000

THE OFFERING

The New York Multifamily team is pleased to exclusively offer 123-125 Mulberry Street and 186 Hester Street, located in prime Little Italy/NoLita. These assets are located off the Northwest corner of Mulberry Street and Hester Street spanning a total of 15,109 square feet offering a combine 11 total units: 1 commercial and 10 Residential between both assets. These properties are zoned C6-2G, located in the Little Italy District. 123-125 Mulberry Street is Tax Class 2B Protected and 186 Hester Street is Tax Class 2A Protected. (Block: 206, Lot: 17 and 14).

THE OPPORTUNITY

- **Tax Class Protected 2A and 2B:** The properties benefit from the highly coveted Tax Class 2A and Tax Class 2B designation, providing exceptional tax stability. Under this classification, real estate taxes are capped at a maximum increase of 8% annually and no more than 30% over any five-year period, offering investors predictable expenses and long-term downside protection in a rising tax environment.
- **Core Plus:** 123-125 Mulberry Street and 186 Hester Street present a compelling Core-Plus investment opportunity, offering immediate in-place income with clear pathways to drive long-term value through strategic unit reconfiguration and operational optimization. A key driver of future value lies at 186 Hester Street, where the building’s larger unit layouts provide a unique opportunity to reposition select apartments into highly desirable two- and three-bedroom configurations. By optimizing existing floor plans and modernizing interiors over time, a new owner can meaningfully enhance rental income while maintaining occupancy stability.
- **Premier Retail Anchor – Il Cortile:** Combined and anchored by Il Cortile, a world-renowned Italian restaurant that has operated in Little Italy for decades, serving as the flagship retail tenant spanning from the neighboring building at 121 Mulberry Street through 186 Hester Street interior. Its longstanding presence and destination status generate consistent foot traffic from both locals and tourists, reinforcing the strength and visibility of the retail component. From an investment perspective, Il Cortile provides stable, legacy tenancy and positions the asset as a differentiated mixed-use investment, combining dependable retail income with strong residential fundamentals in one of Manhattan’s most established corridors.
- **Trophy Location:** World Renown as one of the best streets in Little Italy, 123-125 Mulberry Street and 186 Hester Street is perfectly positioned between the charm of SoHo, the energy on Chinatown and culture of NoLita. Situated just steps from Elizabeth Street Garden, The Old St. Patrick’s Cathedral, high profile retailers in SoHo, and world-famous Little Italy restaurants, any purchaser or investor will benefit from this location for generations to come. Given all these compelling factors, high profile residents, restaurants, including tenant Il Cortile, and retailers are eager to pay a premium for all this location has to offer.

LISTING METRICS

11 TOTAL UNITS	15,109 TOTAL SQUARE FEET
2A/2B TAX CLASS PROTECTED	\$92,921 PROJECTED TAXES



An aerial, high-angle photograph of New York City, showing the dense urban landscape, the Hudson River, and the East River. The image is in black and white, with a dark, moody atmosphere. The text is overlaid on the left side of the image.

FINANCIAL ANALYSIS

Marcus & Millichap
NYM GROUP

NEWYORKMULTIFAMILY.COM

FINANCIAL OVERVIEW

\$15,750,000

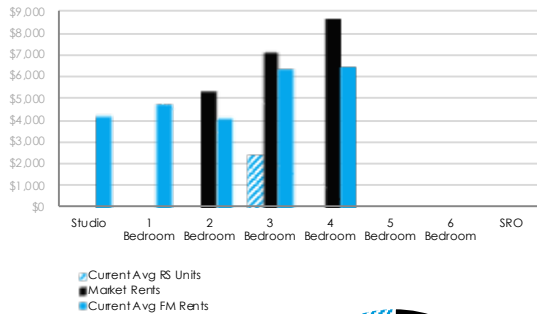
OFFERING PRICE

PRICE PER SQUARE FOOT	\$1,042
PRICE PER UNIT	\$1,431,818
TOTAL SQUARE FEET	15,109
TOTAL UNITS	11
CURRENT CAP RATE	5.3%
CURRENT GRM	15.3
PRO FORMA CAP RATE	6.5%
PRO FORMA GRM	12.6

PROPOSED DEBT

Loan Amount	\$9,250,000
Interest Rate	5.75%
Amortization	30
Annual Debt Service	(\$654,125)
Debt Coverage Ratio	1.27
Net Cash Flow After Debt Service	\$362,382

UPSIDE ANALYSIS



INCOME

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$590,890	\$808,237
Gross Potential Commercial Rent	\$423,935	\$423,935
Other Income	\$16,285	\$16,285
Gross Income	\$1,031,110	\$1,248,457
Vacancy/Collection Loss	(\$17,727)	(\$37,454)
Effective Gross Income	\$1,013,383	\$1,211,003
Average Residential Rent/Month/Unit	\$4,924	\$6,735

EXPENSES

	CURRENT	PRO FORMA
Property Taxes <i>Tax Class: 2B Actual</i>	\$92,921	\$100,355
Fuel - Gas <i>Projected</i>	\$0	\$0
Insurance <i>Actual</i>	\$14,600	\$15,038
Water and Sewer <i>Actual</i>	\$19,500	\$20,085
Repairs and Maintenance <i>Projected</i>	\$8,250	\$8,498
Common Electric <i>Projected</i>	\$3,777	\$3,891
Super Salary <i>Projected</i>	\$10,000	\$10,300
Management Fee <i>Projected</i>	\$30,401	\$36,330
Total Expenses	\$179,450	\$194,496
Net Operating Income	\$833,933	\$1,016,507

SCHEDULE OF INCOME

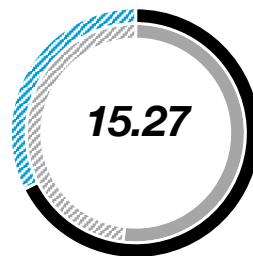
UNIT BREAKDOWN	TOTAL	% OF TOTAL	RENT
Studio	1	10%	\$4,100
1 Bedroom	3	30%	\$4,600
2 Bedroom	1	10%	\$4,000
3 Bedroom	4	40%	\$5,246
4 Bedroom	1	10%	\$6,356
5 Bedroom	0	0%	\$0
6 Bedroom	0	0%	\$0

15,109
SQUARE FEET

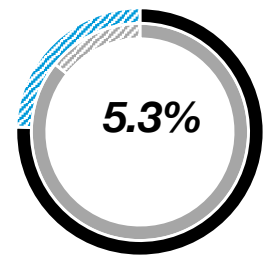


GROSS TOTAL SF

\$/SF



GRM



CAP RATE



This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Institutional Property Advisors, IPA, and Marcus & Millichap are service marks of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap All rights reserved.

RENT ROLL

123-125 Mulberry Street & 186 Hester Street

COMMERCIAL RENT

UNIT	TENANT NAME	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA	\$/PSF
123-125 Mulberry Street & 186 Hester								
Restaurant	Il Cortile Ristorante Italiano		Oct-15	4,000	Dec-29	\$35,328	\$35,328	\$106
MONTHLY COMMERCIAL REVENUE						4,000	\$35,328	\$35,328

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA	\$/PSF
123-125 Mulberry Street									
1	FM	2 Bath, W/D	4 Bedroom	6	1,009	Dec-29	\$6,356	\$8,500	\$101
2	RS	Not Renovated, W/D	3 Bedroom	5	950	Apr-26	\$2,285	\$2,353	\$30
3	FM	W/D	3 Bedroom	5	1,058	Nov-26	\$4,500	\$7,250	\$82
4	FM	2 Bath, W/D	3 Bedroom	5	1,185	Jun-26	\$6,700	\$8,250	\$84
5	FM	2 Bath, W/D	3 Bedroom	5	1,225	Jul-26	\$7,500	\$8,250	\$81
6	FM	W/D	2 Bedroom	4	950	May-26	\$4,000	\$5,500	\$69
186 Hester Street									
1	FM	2 BDRM Conversion, W/D	Studio	2	763	Mar-26	\$4,100	\$4,750	\$75
2	FM	2 or 3 BDRM Conversion	1 Bedroom	3	1,200	Oct-26	\$5,350	\$7,500	\$75
3	FM	2 or 3 BDRM Conversion	1 Bedroom	3	1,155	Oct-25	\$4,700	\$7,500	\$78
4	FM	2 or 3 BDRM Conversion	1 Bedroom	3	1,211	Jan-27	\$3,750	\$7,500	\$74
MONTHLY RESIDENTIAL REVENUE			22	41	10,706		\$49,241	\$67,353	
ANNUAL RESIDENTIAL REVENUE							\$590,890	\$808,237	
ANNUAL COMMERCIAL REVENUE							\$423,935	\$423,935	
ANNUAL OTHER INCOME REVENUE							\$0	\$0	
TOTAL ANNUAL REVENUE							ACTUAL	PRO FORMA	
							\$1,014,825	\$1,232,172	

Notes

There are 11 total units.
 There are currently 0 vacant units in the building. The super lives off site.
 All units have individual HVAC Systems



INCOME & EXPENSE ANALYSIS

123-125 Mulberry Street & 186 Hester Street

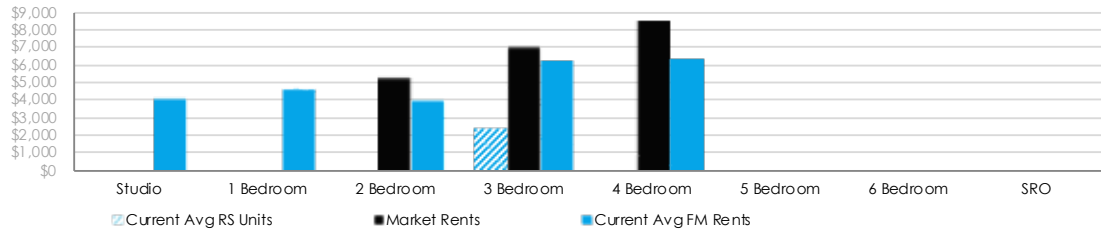
GROSS POTENTIAL INCOME	ACTUAL		PRO FORMA			
		%EGI	\$/UNIT		%EGI	\$/UNIT
Gross Potential Residential Rent	\$590,890	57%	\$59,089	\$808,237	65%	\$80,824
Gross Potential Commercial Rent	\$423,935	41%	\$423,935	\$423,935	34%	\$423,935
Other Income	\$16,285	2%	\$1,628	\$16,285	1%	\$1,628
Gross Income	\$1,031,110		\$93,737	\$1,248,457		\$113,496
Vacancy/Collection Loss	(\$17,727)	3%	(\$1,612)	(\$37,454)	3%	(\$3,405)
Effective Gross Income	\$1,013,383		\$92,126	\$1,211,003		\$110,091
Average Residential Rent/Month/Unit	\$4,924			\$6,735		

EXPENSES								
Property Taxes	Tax Class: 2B	Actual	\$92,921	9%	\$8,447	\$100,355	8%	\$9,123
Fuel - Gas	*No Boiler	Projected	\$0	0%	\$0	\$0	0%	\$0
Insurance		Actual	\$14,600	1%	\$1,327	\$15,038	1%	\$1,367
Water and Sewer		Actual	\$19,500	2%	\$1,773	\$20,085	2%	\$1,826
Repairs and Maintenance		Projected	\$8,250	1%	\$750	\$8,498	1%	\$773
Common Electric		Projected	\$3,777	0.4%	\$0.25	\$3,891	0.3%	\$0.26
Super Salary		Projected	\$10,000	1%	\$909	\$10,300	1%	\$936
Management Fee		Projected	\$30,401	3%	\$2,764	\$36,330	3%	\$3,303
Total Expenses			\$179,450	18%	\$16,314	\$194,496	16%	\$17,681
Net Operating Income			\$833,933			\$1,016,507		

LEASE STATUS MIX					
UNIT BREAKDOWN		% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units		--	\$84,569	11	\$7,688
Total RS Units		9%	\$2,285	1	\$2,285
Total RS - TE Units		0%	\$0	0	\$0
Total RC Units		0%	\$0	0	\$0
Total FM Units		82%	\$46,956	9	\$5,217
Total Commercial		9%	\$35,328	1	\$35,328

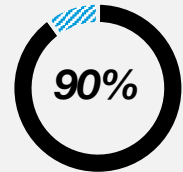
RENTAL ANALYSIS BY UNIT TYPE					
TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT	
Studio	10%	\$4,100	1	\$4,100	
1 Bedroom	30%	\$13,800	3	\$4,600	
2 Bedroom	10%	\$4,000	1	\$4,000	
3 Bedroom	40%	\$20,985	4	\$5,246	
4 Bedroom	10%	\$6,356	1	\$6,356	
5 Bedroom	0%	\$0	0	\$0	
6 Bedroom	0%	\$0	0	\$0	
SRO	0%	\$0	0	\$0	

UPSIDE ANALYSIS

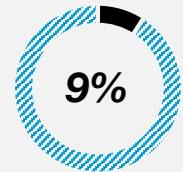


AVERAGE RENT PER MONTH
\$4,924

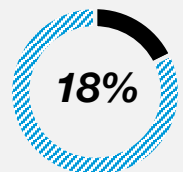
PERCENT FAIR MARKET



TAXES AS PERCENT OF EGI



EXPENSE RATIO



CERTIFICATE OF OCCUPANCY

33 Form 24 (Rev. 4/76)

THE CITY OF NEW YORK



DEPARTMENT OF BUILDINGS ACT# 1421/83

CERTIFICATE OF OCCUPANCY

BOROUGH MANHATTAN

DATE: OCT 27 1992 NO. 1000774

This certificate supersedes C.O. NO

ZONING DISTRICT C 6-2

THIS CERTIFIES that the ~~NEW~~ altered ~~EXISTING~~ building premises located at

L.I.

186 HESTER STREET A/K/A 123-125 MULBERRY

Block 206

Lot 14,17

CONFORMS SUBSTANTIALLY TO THE APPROVED PLANS AND SPECIFICATIONS AND TO THE REQUIREMENTS OF ALL APPLICABLE LAWS, RULES, AND REGULATIONS FOR THE USER AND OCCUPANCIES SPECIFIED HEREIN.

STREET S/S 50'-1" WEST OF MULBERRY STREET

PERMISSIBLE USE AND OCCUPANCY

STORY	LIVE LOAD LBS PER SQ FT	MAXIMUM NO OF PERSONS PERMITTED	ZONING DWELLING OR ROOMING UNITS	BUILDING CODE HABITABLE ROOMS	ZONING USE GROUP	BUILDING CODE OCCUPANCY GROUP	DESCRIPTION OF USE
186 HESTER STREET							
CELLAR	O.G.	5	0				STORAGE, PREP. KITCHEN ACCESS TO EATING & DRINKING PLACE, BOILER ROOM
BASEMENT							TOILETS, STORAGE, FIRE PASSAGE TO HESTER STREET
1ST FLOOR	50,100	136			6		EATING & DRINKING PL.
2ND FLOOR	40		1	2	2		1 APARTMENT
3RD-5TH FLOORS	40ea.		1ea.	2ea.	2		1 APARTMENT ON EACH FLOOR
123-125 MULBERRY STREET							
CELLAR	O.G.						BOILER ROOM, STORAGE WALKIN REFRIGERATOR
1ST FLOOR	100	106			6		EATING & DRINKING PL.
2ND-4TH FLOORS	40ea.		2ea.		2		2 APARTMENTS ON EACH FLOOR
			OLD CODE				

OPEN SPACE USES

(SPECIFY - PARKING SPACES, LOADING BERTHS, OTHER USES, NONE)

M.G.

NO CHANGES OF USE OR OCCUPANCY SHALL BE MADE UNLESS
A NEW AMENDED CERTIFICATE OF OCCUPANCY IS OBTAINED

THIS CERTIFICATE OF OCCUPANCY IS ISSUED SUBJECT TO FURTHER LIMITATIONS, CONDITIONS AND
SPECIFICATIONS NOTED ON THE REVERSE SIDE

[Signature]
BOROUGH SUPERINTENDENT

[Signature]
COMMISSIONER

ORIGINAL OFFICE COPY - DEPARTMENT OF BUILDINGS COPY

*Both buildings have the same Certificate of Occupancy



An aerial, high-angle photograph of a city, likely New York City, showing a dense grid of buildings and a large river winding through the center. The image is in black and white with a dark, moody tone. The text is overlaid on the left side of the image.

PROPERTY DESCRIPTION

Marcus & Millichap
NYM GROUP

NEWYORKMULTIFAMILY.COM

PROPERTY DESCRIPTION

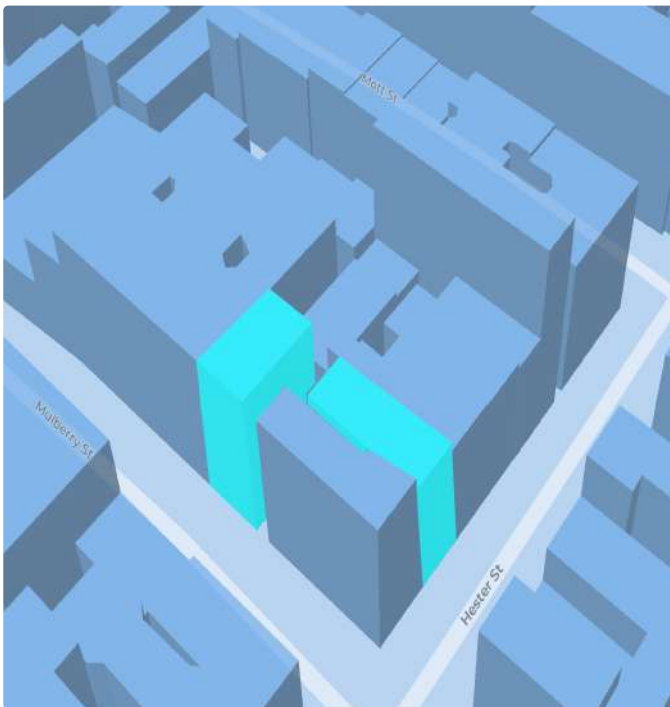
123-125 Mulberry Street

Neighborhood	Little Italy
Borough	Manhattan
Block & Lot	206 / 17
Lot Dimensions	42.75' x 50.5'
Lot SF	2,150
Building Dimensions	43' x 41'
Approximate Building SF	7,434
Zoning	C6-2G
Max Far	5.1
Available Air Rights	3,526
Landmark District	None
Historic District	Little Italy District
Annual Tax Bill	\$52,334
Tax Class	2B

186 Hester Street

Neighborhood	Little Italy
Borough	Manhattan
Block & Lot	206 / 14
Lot Dimensions	25' x 50.5'
Lot SF	2,500
Building Dimensions	25' x 53'
Approximate Building SF	7,675
Zoning	C6-2G
Max Far	5.1
Available Air Rights	5,075
Landmark District	None
Historic District	Little Italy District
Annual Tax Bill	\$40,587
Tax Class	2A

TAX MAP



PROPERTY PHOTOS – EXTERIORS



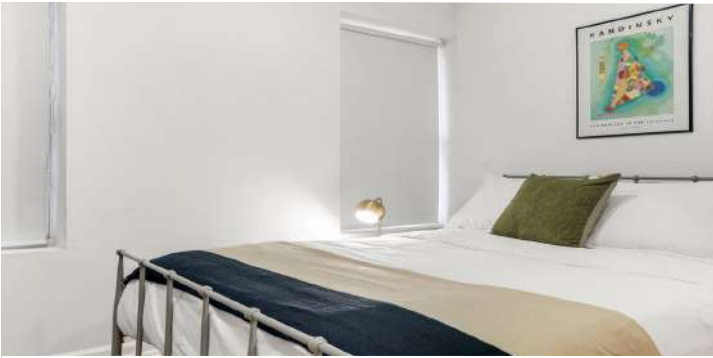
PROPERTY PHOTOS – EXTERIORS



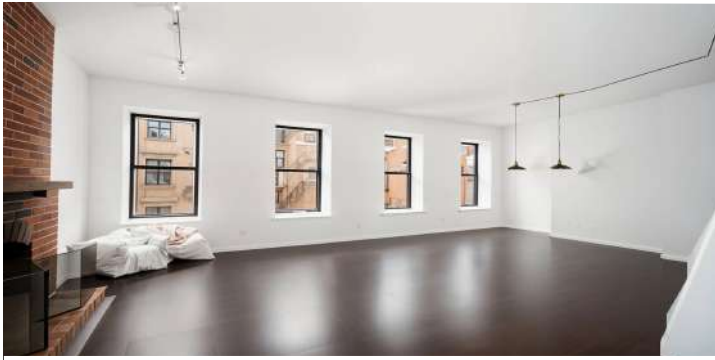
PROPERTY PHOTOS – NEIGHBORHOOD



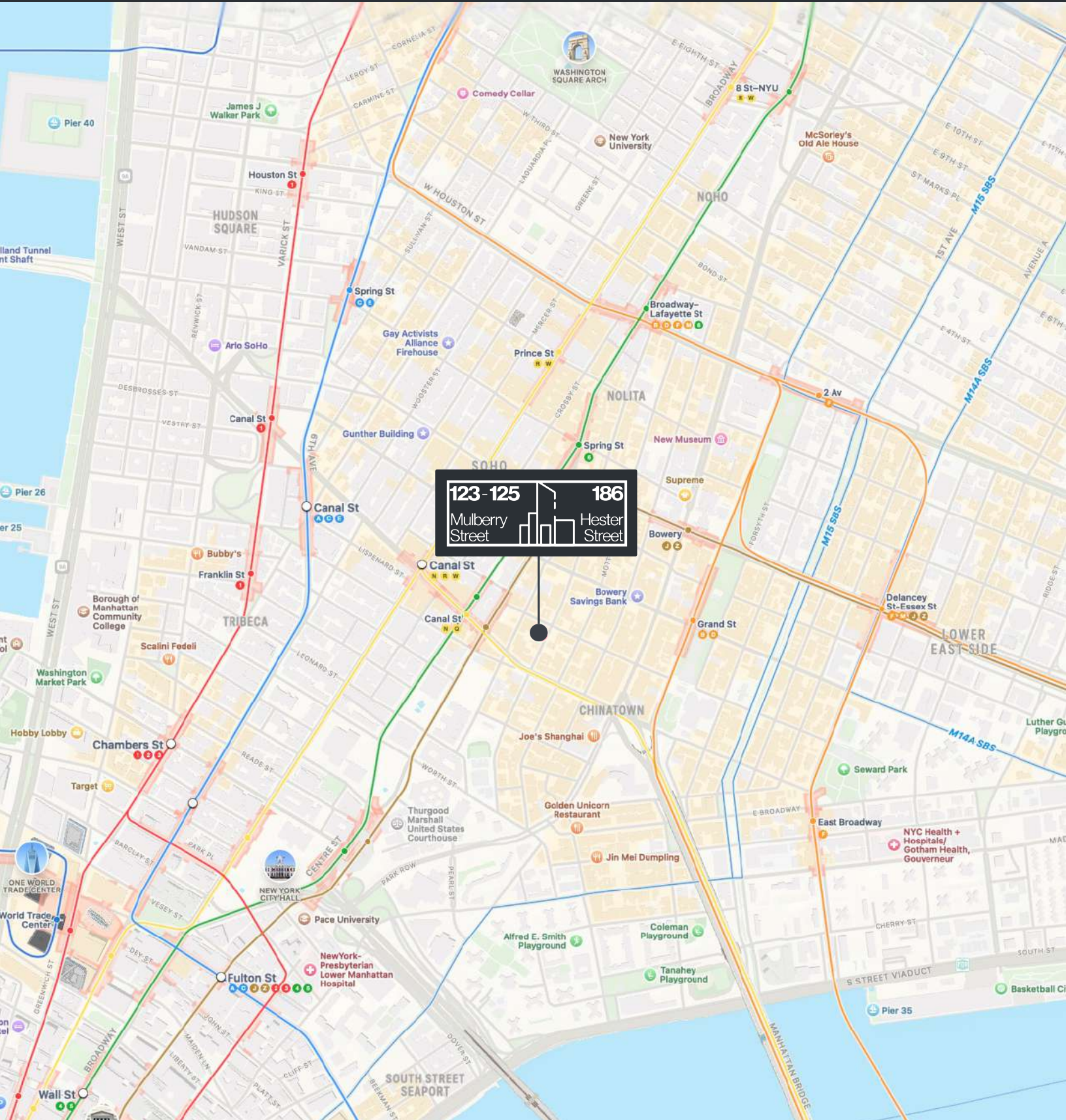
PROPERTY PHOTOS – MULBERRY STREET INTERIORS



PROPERTY PHOTOS – HESTER STREET INTERIORS



MAP



123-125 186
Mulberry Street Hester Street

NON-ENDORSEMENT AND DISCLAIMER NOTICE

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved.

THIS IS A BROKER PRICE OPINION OR COMPARATIVE MARKET ANALYSIS OF VALUE AND SHOULD NOT BE CONSIDERED AN APPRAISAL. This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

NEW YORK FAIR HOUSING NOTICE

https://www.dos.ny.gov/licensing/docs/FairHousingNotice_new.pdf

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.

PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Broker of Record

John Horowitz
(212) 430-5260
Lic #10311204479
Activity ID:



New York Multifamily Team:

Joe Koicim

Executive Managing Director
(212) 430-5147
jkoicim@mmreis.com

Peter Dodge

Senior Associate
(212) 430-5231
peter.dodge@mmreis.com

Paige DeMutis

Director of Transaction & Client Advisory
(646) 805-1476
paige.demutis@mmreis.com

Marcus & Millichap
NYM GROUP

260 Madison Avenue, 5th Floor | New York, New York 10016

www.newyorkmultifamily.com