



EVERYTHING WE TOUCH
TURNS TO SOLD!

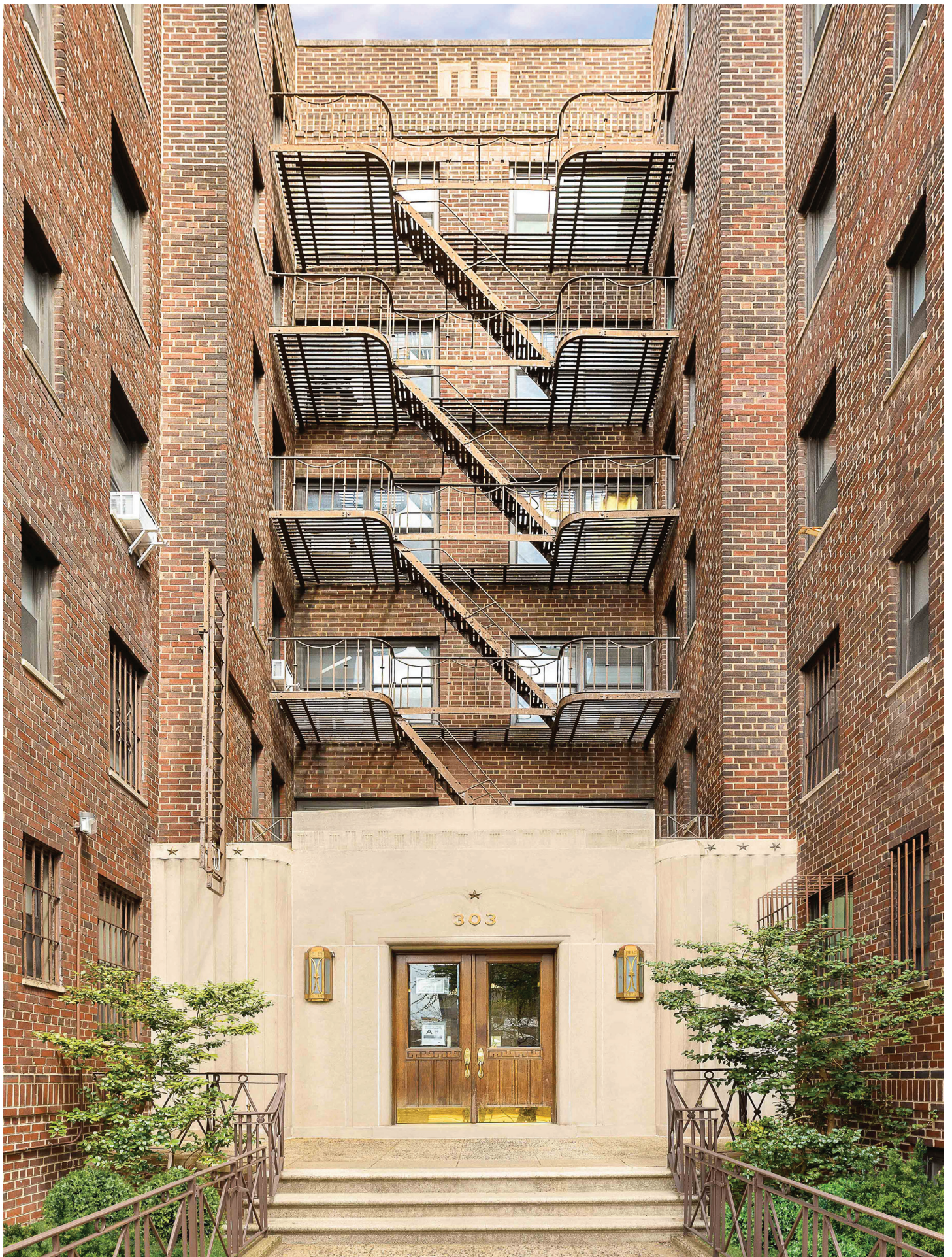
303 East 37th Street

OFFERING MEMORANDUM

Presented by Sydney Blumstein
of The Blumstein Team

corcoran





PROPERTY DETAILS

Sale Type: Reverse Merger Stock Sale

Block and Lot: 00943-0001

Co-op Number: 101190

Property Tax: \$873,762/year (TBC)

Property Tax Class: 2

Number of Units: 83

Number of Regulated Units: 3 (Rent Stabilized - TBC)

Certificate of Occupancy: Attached

Building Class: XD4 - Elevator Apartments Cooperatives Building

Building Dimensions: 111 ft x 129 ft

Buildings on Lot: 1

Stories: 6

Residential Square Footage (Existing): ~80,000

Maximum Usable Floor Area: ~162,000

Unused FAR: ~81,972

Residential FAR: 10

Commercial FAR: 2

Facility FAR: 10

FAR as Built: 4.94

Lot Square Footage: ~16,200

Lot Dimensions: ~124 x 137

Ground Elevation: 21 ft

Corner Lot: Northeast

Zoning Districts: C1-9, TA

Walk Score: 99/100 **

Transit Score: 100/100 **

Bike Score: 83/100

Average Residential Unit size: 964 square feet

FAR: The permitted zoning floor area is 162,000 square feet. Approximately 80,000 is currently utilized of which is about 85% (68,000 (+/-) residential space and 15% (12,000 square feet (+/-) for the common areas, lobby, hallways, storage, boiler, etc. Of course, during a non-binding due diligence period, your architect will undoubtedly prepare a detailed floor area survey.

BUILDING FEATURES

Year Built: 1941 (pre-war)

Architectural Details: sunken living rooms, Art Deco elements, larger layouts, original details

Heating: Building is oil heated, and units have radiators. Common area hallways have radiators.

Cooling: Air conditioning window units in individual apartments. No cooling mechanism in hallways or lobbies.

UNIT BREAKDOWN

- **Studios (27 units):** 500-600 sq. ft.
 - A line x 6
 - B line x 6
 - G line x 5
 - H line x 5
 - P line x 6
- **One Bedrooms (36 units):** 750-850 sq. ft.
 - C line x 6
 - D line x 6
 - F line x 6
 - L line x 6
 - M line x 6
 - N line x 6
- **Two Bedrooms One Bathroom (6 units):** 1,050-1,100 sq. ft.
 - K line x 6
- **Two Bedrooms Two Bathrooms (6 units):** 1,250 sq. ft.
 - E line x 6
- **Maisonette 3 Bedrooms 2 Bathrooms (1 unit):** No floorplan
- **Super's Apartment Two Bedroom One Bathroom (1 unit):** TBC size

*The room dimensions in the individual layouts we are providing are approximate.

**There are no 'I' or 'O' lines and nothing beyond the 'P' line.

***One of the units is a "Super's Apartment" which is 2 bedrooms and 1 bathroom.

Rent Regulated Units & Monthly Rent

1. 1M: \$550 (TBC)
2. 1N: \$850 (TBC)
3. 4E: \$1,850 (TBC)

Condition of Units

- 25% in A+ Condition
- 50% in good shape
- 25% need updates

2025 Estimated Expenses: TBC

Last two year's financials: TB Provided and included in this deck

Classic Prewar Charm Meets Untapped Potential in the Heart of Murray Hill

ASKING PRICE: \$82,500,000

PPSF (EXISTING): \$1,031/FT

PPSF (TOTAL): \$509/FT

Built in 1941, this impeccably maintained Art Deco cooperative seamlessly blends timeless architectural charm with modern convenience. The building's striking dual butterfly-wing tower design is anchored by an elegant Art Deco lobby, rich in original detailing that evokes a bygone era of craftsmanship and style.

Rising six stories, 303 East 37th Street offers an intimate, boutique feel with well-curated amenities including a central laundry room, video intercom system, bike room, dual private storage rooms, and a peaceful common courtyard. A dedicated live-in superintendent ensures exceptional maintenance and resident care.

South-facing residences enjoy open views over the Queens Midtown Tunnel entrance, while the neighboring Armenian Church and St. Vartan Park provide a rare two-block buffer of open sky, greenery, and natural light—enhancing both privacy and livability.

Situated just minutes from Grand Central Terminal, residents benefit from easy access to the S/4/5/6/7 trains, as well as the nearby East River Esplanade, offering scenic paths for biking, jogging, or relaxing waterfront walks. The building's walkability and connectivity are unparalleled.



Each of the 83 apartments is infused with distinctive prewar character, showcasing unique layouts, charming architectural details, and a warmth that's rarely replicated in modern construction.

But beyond its residential appeal lies an extraordinary development opportunity. With 80,000 square feet of existing space and an additional 80,000 square feet of buildable potential, 303 East 37th Street presents a rare chance to reimagine a historic property in a premier Midtown East location. Currently configured as 83 units—with only three rent-stabilized apartments—this cooperative is exploring the dissolution of its current structure and opening the door to a bold new vision.

Whether you're an investor, developer, or visionary buyer, this property is a canvas ready for transformation. With a fantastic location, a stunning architectural foundation, and endless potential, 303 East 37th Street is ready to be reimaged—and we're here to help bring that vision to life.

Financials & Transaction Structure

Reverse Merger Overview

The cooperative and their counsel have determined that the ideal purchasing scenario for 303 East 37th Street is a Reverse Merger, which is a transaction merging two corporations: the existing cooperative corporation and a new corporation created by the buyer.

1. The merger agreement would provide for the merger of the cooperative corporation with "New Corp" in exchange for a cash distribution to the shareholders of the cooperative corporation equal to the "Merger Price."
2. Upon reaching agreement upon the terms of a deal with a prospective buyer, the cooperative corporation would negotiate a Merger Agreement with the buyer.
3. Existing shareholders of the cooperative corporation have the right to receive cash ("the merger consideration") and their shares are cancelled.
4. The cooperative corporation is deemed to be the surviving corporation in the merger, but it is now owned 100% by buyer.

The transaction is treated like a stock sale for tax purposes.

Transaction Conditions & Approval Process

The transactions contemplated by the merger agreement would be conditioned upon the satisfaction of the following conditions:

- 1. Shareholder Vote:** Upon receipt of the requisite vote of the shareholders, cooperative corporation will amend Section 37 of all of the proprietary leases as provided above. The Board shall then vote to:
 - a. Authorize the termination of all proprietary leases, subject to the occurrence of the closing under the merger agreement (the "merger closing"). The affirmative vote of two-thirds of the then-board members is required.
 - b. Authorize the termination of all proprietary leases (subject to the occurrence of the merger closing). The vote of the holders of 75% of the issued and outstanding shares is required.
- 2. Execution of the Merger Agreement:** Within 30 days of the vote to cancel the proprietary leases, the Board shall hold a meeting of all shareholders to authorize the merger of cooperative corporation upon the terms set forth in the merger agreement, to be submitted to shareholders in advance (including an executive summary). The vote of two-thirds in number and two-thirds in interest of the shareholders is required.
- 3. Downpayment:** A portion of the merger price, in the range of 5 to 10% of the merger Price (TBD), will be paid as a downpayment upon the signing of the merger agreement.

Upon any termination of the merger agreement by reason of a default by the buyer, cooperative corporation shall retain the deposit as liquidated damages.

Financials & Transaction Structure, cont.

Shareholder Payouts at Closing

"Adjusted Merger Price" means the difference obtained by subtracting (I) Cooperative Corporation's Transaction Costs and the Reserve Amount from (II) the Merger Price.

"Applicable Percentage" means:

1. In respect of the Sponsor, an agreed-upon percentage which is less the percentage that would be obtained by dividing the Sponsor's shares by the total number of shares, to reflect the rent-stabilized occupancy of the Sponsor units).
2. In respect of the remainder of shareholders, the quotient obtained by dividing the number of shares held by such shareholder by the total number of shares issued by Cooperative Corporation (other than the Sponsor's shares).

Payment of Share Loans: There shall be paid from the Closing Escrow Account, prior to any distribution to a shareholder, the outstanding principal amount and accrued, unpaid interest payable in respect of any share loan which is the subject of a recognition agreement between the holder thereof and Cooperative Corporation (as set forth in a valid "payoff letter" obtained by the applicable shareholder).

Adjustment of Items of Income and Expense: The Merger Price shall be subject to adjustment for real estate taxes payable in respect of the Building. Cooperative Corporation shall further be entitled to a credit for the cost of any fuel oil stored on-site, based on a measurement of such fuel taken on or about the date of the Merger Closing and the actual cost of Cooperative Corporation therefor. Cooperative Corporation shall further cause all meters measuring the consumption of utilities (other than utilities for which individual shareholders are responsible) to be read on or about the date of the Merger Closing. Cooperative Corporation shall be responsible for all invoices rendered on the basis of such readings. Buyer shall be responsible for all subsequent readings.

Taxes & Fees

Cooperative Corporation shall pay, from amounts on deposit in the closing escrow account, New York State and City transfer taxes payable upon the consummation of the merger. The transfer tax rates are 2.625% (NYC) and .04% (NYS).

Cooperative Corporation shall also pay, from amounts on deposit in the closing escrow account, the commission payable to broker (as hereinafter defined).

Buyer shall pay any so-called "mansion tax" payable upon the consummation of the merger. (1%; however, it is likely the transaction is not subject to mansion tax, as it would be deemed a commercial transaction).

Each party shall be responsible for the fees of its attorneys, accountants, consultants and advisors paid or incurred in connection with the transactions contemplated by the merger agreement.

Closing & Escrow Process

At the merger closing, the parties shall appoint an agent (the "Shareholder Agent") to act as escrow agent in respect of the merger closing and make all payments and distributions contemplated by the merger agreement.

Shareholder Agent shall establish an escrow account (the "Closing Escrow Account") into which buyer shall deposit the merger price, plus transaction costs for which buyer is responsible

At the merger closing, each block of shares held by a shareholder shall cease to exist and be converted into, and become exchangeable for, the right to receive an amount of cash equal to the applicable percentage of the adjusted merger price.

Financials & Transaction Structure, cont.

Reserve Fund for Post-Closing Liabilities

At the merger closing, the parties shall establish a reserve for the payment of contingent liabilities of the Cooperative Corporation. This reserve will be funded from amounts on deposit in the closing escrow account (that is, it will be deducted from the merger price paid at closing to the shareholders).

It is anticipated that the reserve shall equal 2-3% of the merger price. Upon the expiration of an agreed-upon period (e.g., six months), any balance of the reserve would be distributed to the shareholders.

Lease-Back Option for Shareholders

At the merger closing, the Cooperative Corporation shall issue to each shareholder requesting the same a lease of his or her unit (an "Interim Lease"), for a term not to exceed the applicable term (as hereinafter defined). The base rent under each Interim Lease shall be as follows:

- \$2,500 per month (for studio apartments)
- \$3,000 (for one-bed apartments)
- \$3,800 (for two-bed, one-bath apartments)
- \$4,500 (for two-bed, two-bath apartments)

Lease-backs: "Applicable Term" means (i) the one-year period commencing on the date of the Merger Closing (if the premises are not subject to a sublease) and (ii) the term of any third party sublease contracted by such shareholder prior to the date of the Merger Agreement (not to exceed one year) (if the premises are subject to a sublease). A portion of the distribution that would otherwise be paid to the shareholder at the Merger Closing shall be held back to secure the obligation to vacate the premises at the expiration of the Applicable Term.

A Rare Clear Line of Sight

Positioned at the northeast corner of 37th Street and 2nd Avenue, 303 East 37th Street enjoys a lasting advantage: completely unobstructed southern views spanning two full blocks. With a protected southern exposure, the property's light, air, and visual appeal are secured for the long term, a rare offering in Manhattan.

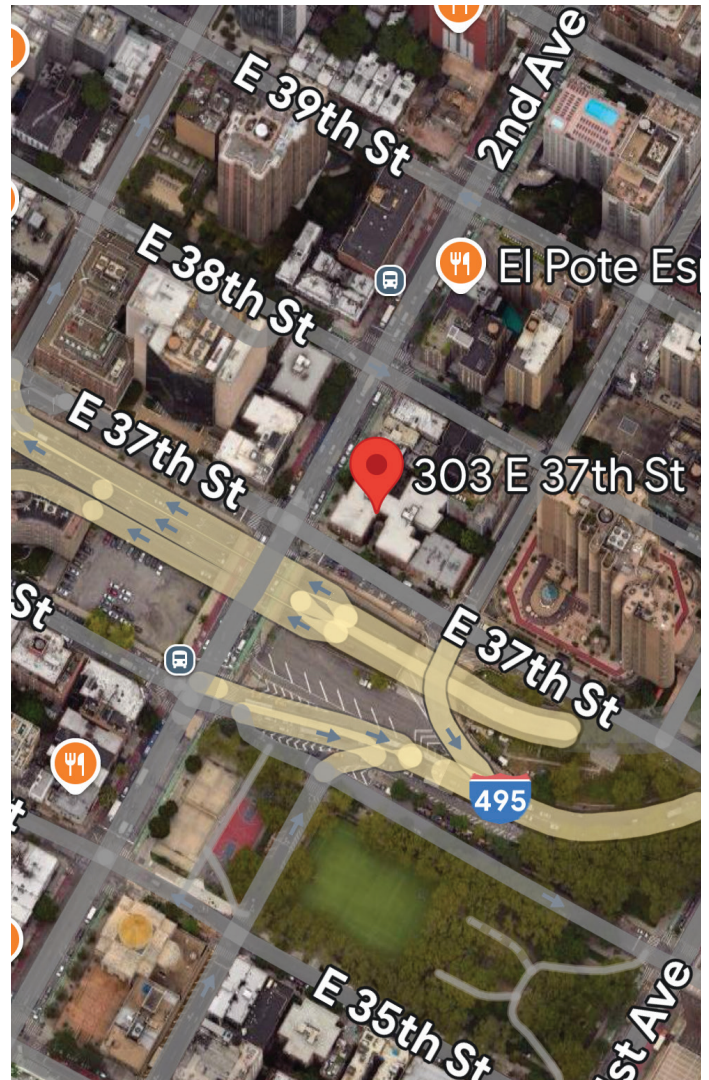
From its vantage point:

- Sweeping views of the East River
- Doublewide span of 2nd Avenue directly to the west
- Abundant natural light

ABOUT MURRAY HILL

Murray Hill is a neighborhood that effortlessly blends residential charm with urban convenience. Located just east of Midtown Manhattan, it offers a quieter, more relaxed atmosphere while remaining deeply connected to the city's commercial core. Once home to the 18th-century Inlclenburg estate of merchant Robert Murray, the area has since evolved into a vibrant mix of historic character and modern appeal.

Grand Italianate rowhouses line the streets of the Murray Hill Historic District, while sleek high-rises near the East River offer dramatic skyline and waterfront views. With its proximity to Grand Central, the East River Esplanade, and a flourishing dining and lifestyle scene, Murray Hill continues to attract residents and tenants seeking both prestige and livability.





The Blumstein Team

UNMATCHED CREDIBILITY & TRUST



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2024 PLATINUM COUNCIL



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Our Advantage

EXCLUSIVE NETWORK

At the heart of our approach is an exclusive network of over 30,000 high-caliber contacts including investors, developers, REITs, and industry leaders, that we leverage to generate unparalleled exposure for your property. This carefully cultivated list ensures that your property is introduced to the right decision-makers, expediting the process and maximizing its market potential. With our network, we not only showcase the unique value of this property but also connect it with a highly engaged audience ready to act.

PROACTIVE PROBLEM SOLVING

We provide answers to questions many don't even know need to be asked. By anticipating and preventing issues before they arise, we leverage our expertise, ideas, and resources to successfully navigate all aspects of the deal.

HIGH-END, FULL-SERVICE

Personalized services tailored to our client's needs and preferences, discreet handling of all transactions, expert negotiation on offer price and every aspect of the deal, as well as ongoing after-sale support.

DEDICATED TEAMWORK

We're a full-time, dedicated team working in your best interest. Our team includes agents who have traveled the world, grown up in a family of real estate professionals, native New Yorkers, neighborhood experts, marketing specialists, all working for the buyer's benefit. We work and show 25 hours a day, 8 days a week and never miss an inquiry.

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