

2387 Morris Avenue

BRONX, NY



Marcus & Millichap
NYM GROUP

34
UNITS

35,429
SQUARE
FEET

Mixed-Use
BUILDING

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NYM GROUP

2387 MORRIS AVENUE
THE BRONX, NY

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INVESTMENT HIGHLIGHTS



2387 Morris Avenue

THE OFFERING

The New York Multifamily Team at Marcus & Millichap is pleased to offer the following opportunity in Fordham. 2387 Morris Avenue is situated right off West Fordham Road on the corner of Morris Avenue and 184th Street. The building spans 35,429 square feet and comprises 29 residential units and 5 stores. This corner walk-up building has been owned and operated by the same family for over 20 years and shall consist of 3 studio, 21 one-bedroom, 1 two-bedroom, and 4 three-bedroom apartments. In addition, the five commercial units make up 38% of the total gross income for the asset. This offers investors a unique opportunity to acquire a legacy asset in a highly desirable submarket of the North Bronx, with future rental upside from a \$190,132 annual preferential rent delta between actual and DHCR-registered rents. 2387 Morris Avenue is conveniently located a few steps from St. James Park, Monroe University, and the Fordham Road B & D Trains.

THE OPPORTUNITY

- **The Building:** This 34-unit walk-up building comprises 3 studio, 21 one-bedroom, 1 two-bedroom, 4 three-bedroom apartments, and 5 commercial stores
- **The Metrics:** 9.06% Cap Rate | 4.18x GRM | \$83,824 Per Unit | \$80 Per Sqft.
- **Additional Upside:** The building offers investors a steady annual rent from the commercial stores plus the upside of \$190,132 in preferential rents, which owners can capitalize upon vacancy.
- **Prime Location:** 2387 Morris Avenue is well located, close to St. James Park, Monroe University, and the Fordham Road B & D Trains.

Mixed-Used

BUILDING

60%

EXPENSE RATIO

9.1%

CAP RATE

35,429

SQUARE FEET

FINANCIAL OVERVIEW

OFFERING PRICE

\$2,850,000

\$/SF \$80

\$/UNIT \$83,824

TOTAL SF 35,429

TOTAL UNITS 34

CURRENT METRICS

CAP RATE 9.1%

GRM 4.2

PRO FORMA METRICS

CAP RATE 9.1%

GRM 4.1

CASH ON CASH 14.61%

PROPOSED DEBT

Debt Service (\$164,126)

Debt Coverage Ratio 1.57

Net Debt Cash Flow After Debt Service \$94,989

Loan Amount \$2,200,000

Interest Rate 6.25%

Amortization 30

INCOME

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$416,727	\$422,069
Gross Potential Commercial Rent	\$252,376	\$259,947
RET + Water Reimbursements	\$13,371	\$13,371
Gross Income	\$682,474	\$695,388
Vacancy/Collection Loss	(\$34,124)	(\$34,769)
Effective Gross Income	\$648,350	\$660,618
Average Residential Rent/Month/Unit	\$1,197	\$1,213

EXPENSES

Property Taxes	Actual	\$126,403	\$130,195
Fuel - Gas	Actual	\$67,048	\$69,059
Insurance	Actual	\$50,307	\$51,816
Water and Sewer	Actual	\$39,011	\$40,181
Repairs and Maintenance	Projected	\$34,000	\$35,020
Common Electric	Actual	\$6,713	\$6,914
Super Salary	Actual	\$25,759	\$26,532
Management Fee	Projected	\$32,418	\$33,031
General Administration	Projected	\$8,500	\$8,755
Total Expenses		\$390,158	\$401,504
Net Operating Income		\$258,192	\$259,115

35,429

GROSS TOTAL SF

\$80

\$/SF

4.2

GRM

9.1%

CURRENT CAP RATE

RENT ROLL

COMMERCIAL RENT

UNIT	TENANT NAME	NOTES	LEASE START	EXPIRATION	ACTUAL	PRO FORMA
ST#1+BSE	MELISSA SURIEL & JOSE HENRIQUE	*Assumes 3% Annual Increase*		Feb-27	\$2,387	\$2,459
ST#2+BSE	RUBEN S, GARCIA REYNOSO	*Assumes 3% Annual Increase*		Jun-28	\$2,652	\$2,732
ST#3	ROSADO,GRICEIDA	*Assumes 3% Annual Increase*		Nov-28	\$3,605	\$3,713
ST#4	GONZALEZ, GRACIELA	*Assumes 3% Annual Increase*		Jan-27	\$2,533	\$2,609
#5-7	D & F MEAT MARKET CORP	*Assumes 3% Annual Increase*		Jan-31	\$9,854	\$10,149
MONTHLY COMMERCIAL REVENUE					\$21,031	\$21,662

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	EXPIRATION	ACTUAL	PRO FORMA	LEGAL
A1	RS	DRIE - Preferential Rent	1 Bedroom	3	Dec-25	\$1,190	\$1,190	\$1,502
A2	RS	Preferential Rent	3 Bedroom	5	Oct-27	\$1,727	\$1,727	\$2,685
A3	RS	Preferential Rent	1 Bedroom	3	Aug-27	\$1,303	\$1,303	\$1,843
A4	RS	Preferential Rent	1 Bedroom	3	Jul-26	\$1,052	\$1,081	\$1,288
A5	RS		1 Bedroom	3	Jun-27	\$986	\$986	\$986
A6	RS		1 Bedroom	3	Mar-26	\$1,284	\$1,319	\$1,284
A7	RS	Preferential Rent	1 Bedroom	3	Apr-26	\$1,236	\$1,270	\$2,008
B1	RS		1 Bedroom	3	Oct-25	\$904	\$904	\$904
B2	RS		3 Bedroom	5	Oct-25	\$1,676	\$1,676	\$1,676
B3	RS	Preferential Rent	1 Bedroom	3	May-27	\$1,027	\$1,027	\$1,359
B4	RS	Preferential Rent	1 Bedroom	3	Sep-26	\$1,360	\$1,397	\$2,992
B5	RS	Section 8	1 Bedroom	3	Jun-27	\$1,375	\$1,375	\$1,375
B6	RS	Preferential Rent	Studio	2	Feb-26	\$1,211	\$1,244	\$2,279
B7	RS	Preferential Rent	1 Bedroom	3	Mar-26	\$1,403	\$1,442	\$2,513
C1	RS		1 Bedroom	3	Apr-27	\$1,183	\$1,183	\$1,183
C2	RS		3 Bedroom	5	Oct-26	\$1,226	\$1,260	\$1,226
C3	RS	Preferential Rent	1 Bedroom	3	Feb-27	\$1,214	\$1,214	\$1,650
C4	RS	Preferential Rent	1 Bedroom	3	Feb-26	\$1,185	\$1,217	\$2,684
C5	RS	Section 8	1 Bedroom	3	Aug-26	\$1,310	\$1,346	\$1,310
C6	RS	Preferential Rent	Studio	2	Nov-25	\$1,184	\$1,184	\$3,079
C7	RS	Preferential Rent	1 Bedroom	3	Feb-26	\$1,083	\$1,113	\$2,156
D1	RS	Preferential Rent	1 Bedroom	3	Dec-25	\$1,161	\$1,161	\$2,624

RENT ROLL

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	EXPIRATION	ACTUAL	PRO FORMA	LEGAL
D2	RS		3 Bedroom	5	Dec-25	\$1,185	\$1,185	\$1,185
D3	RS	Preferential Rent	1 Bedroom	3	Dec-25	\$1,281	\$1,281	\$2,118
D4	RS	Preferential Rent	1 Bedroom	3	Jan-26	\$1,142	\$1,173	\$2,112
D5	RS	Preferential Rent	1 Bedroom	3	Dec-26	\$1,283	\$1,319	\$1,363
D6	RS	Preferential Rent	Studio	2	May-26	\$1,136	\$1,167	\$1,767
D7	RS	Section 8	1 Bedroom	3	Jun-26	\$1,421	\$1,460	\$1,421
1	RS	Super	2 Bedroom	3		\$0	\$0	\$0
MONTHLY RESIDENTIAL REVENUE			37	92		\$34,727	\$35,172	\$50,572
ANNUAL RESIDENTIAL REVENUE						\$416,727	\$422,069	\$606,858
ANNUAL COMMERCIAL REVENUE						\$252,376	\$259,947	
TOTAL ANNUAL REVENUE						ACTUAL	PRO FORMA	Pref Upside
						\$669,103	\$682,016	\$190,132

Notes

There are 34 total units.

There are currently 0 vacant units in the building. The super lives off site.

INCOME AND EXPENSE ANALYSIS

GROSS POTENTIAL INCOME

			ACTUAL		PRO FORMA	
		%EGI	\$/UNIT		%EGI	\$/UNIT
Gross Potential Residential Rent	\$416,727	61%	\$14,370	\$422,069	61%	\$14,554
Gross Potential Commercial Rent	\$252,376	37%	\$50,475	\$259,947	37%	\$51,989
RET+ Water Reimbursements	\$13,371	2%	\$461	\$13,371	2%	\$461
<i>Gross Income</i>	\$682,474		\$20,073	\$695,388		\$20,453
Vacancy/Collection Loss	(\$34,124)	5%	(\$1,004)	(\$34,769)	5%	(\$1,023)
Effective Gross Income	\$648,350		\$19,069	\$660,618		\$19,430
<i>Average Residential Rent/Month/Unit</i>	\$1,197			\$1,213		

\$1,197

AVERAGE RENT PER MONTH

0%

PERCENT FAIR MARKET

EXPENSES

Property Taxes	<i>Actual</i>	\$126,403	19%	\$3,718	\$130,195	20%	\$3,829
Fuel - Gas	<i>Actual</i>	\$67,048	10%	\$1,972	\$69,059	10%	\$2,031
Insurance	<i>Actual</i>	\$50,307	8%	\$1,480	\$51,816	8%	\$1,524
Water and Sewer	<i>Actual</i>	\$39,011	6%	\$1,147	\$40,181	6%	\$1,182
Repairs and Maintenance	<i>Projected</i>	\$34,000	5%	\$1,000	\$35,020	5%	\$1,030
Common Electric	<i>Actual</i>	\$6,713	1.0%	\$0.19	\$6,914	1.0%	\$0.20
Super Salary	<i>Actual</i>	\$25,759	4%	\$758	\$26,532	4%	\$780
Management Fee	<i>Projected</i>	\$32,418	5%	\$953	\$33,031	5%	\$971
General Administration	<i>Projected</i>	\$8,500	1%	\$250	\$8,755	1%	\$258
Total Expenses		\$390,158	60%	\$11,475	\$401,504	61%	\$11,809
Net Operating Income		\$258,192			\$259,115		

19%

TAXES AS PERCENT OF EGI

60%

EXPENSE RATIO

LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$55,759	34	\$1,640
Total RS Units	85%	\$34,727	29	\$1,197
Total Commercial	15%	\$21,031	5	\$4,206

RENTAL ANALYSIS BY UNIT TYPE

TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	10%	\$3,531	3	\$1,177
1 Bedroom	72%	\$25,382	21	\$1,209
2 Bedroom	3%	\$0	1	\$0
3 Bedroom	14%	\$5,814	4	\$1,453



2397 Morris Avenue

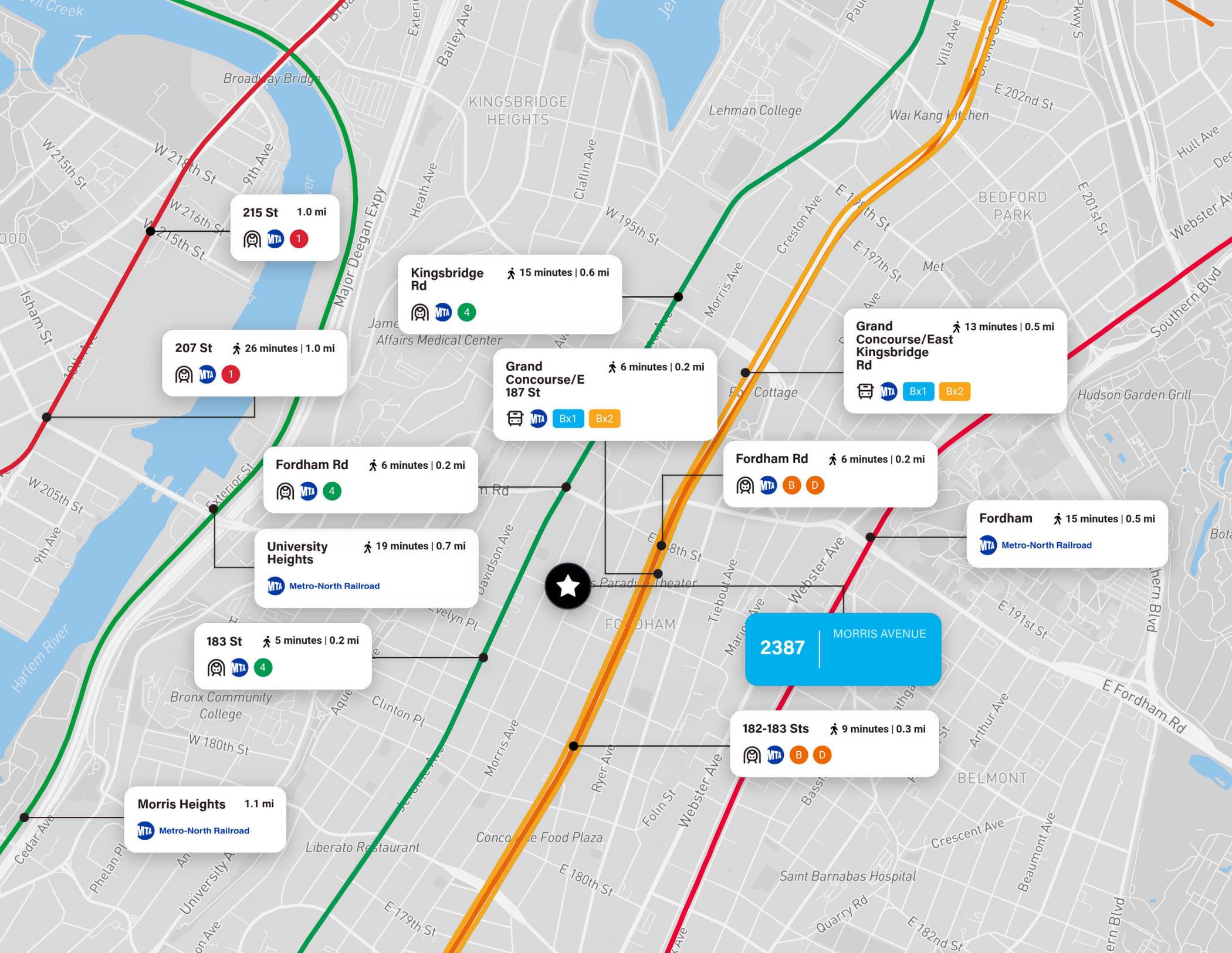
2387

MORRIS AVENUE
THE BRONX, NY



MORRIS AVE

E 184TH ST



Morris Heights 1.1 mi
MTA Metro-North Railroad

183 St 5 minutes | 0.2 mi
MTA 4

University Heights 19 minutes | 0.7 mi
MTA Metro-North Railroad

Fordham Rd 6 minutes | 0.2 mi
MTA 4

Grand Concourse/E 187 St 6 minutes | 0.2 mi
MTA Bx1 Bx2

Kingsbridge Rd 15 minutes | 0.6 mi
MTA 4

207 St 26 minutes | 1.0 mi
MTA 1

215 St 1.0 mi
MTA 1

Fordham Rd 6 minutes | 0.2 mi
MTA B D

Fordham 15 minutes | 0.5 mi
MTA Metro-North Railroad

Grand Concourse/East Kingsbridge Rd 13 minutes | 0.5 mi
MTA Bx1 Bx2

2387 MORRIS AVENUE

182-183 Sts 9 minutes | 0.3 mi
MTA B D

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