

223East96

 NEW YORK
MULTIFAMILY
NICHE EXPERTISE

Marcus & Millichap



TABLE OF CONTENTS

EXECUTIVE SUMMARY

INVESTMENT SUMMARY

FINANCIAL SUMMARY

MARKET OVERVIEW

ADVISORY TEAM

Peter Von Der Ahe

260 Madison Avenue, 5th Floor, New York, NY
Tel: (212) 430-5114 - Fax: (646) 349-3308
pvonderahe@mmreis.com

Joe Koicim

260 Madison Avenue, 5th Floor, New York, NY 10016
Tel: (212) 430-5147 - Cell: (516) 425-2785
jkoicim@mmreis.com

Danny Handweiler

260 Madison Avenue, 5th Floor, New York, NY
Tel: (212) 430-5138 - Cell: (917) 242-2746
daniel.handweiler@mmreis.com

Jared Bernstein

260 Madison Ave, 5th Floor, New York
Tel: 646-805-1451 - Cell: (862) 207-9441
jared.bernstein@mmreis.com

Andrew Dansker, Financing Inquiries

260 Madison Avenue, 5th Floor, New York, NY
Tel: (212) 430-5168 - Fax: (212) 500-5110
adansker@marcusmillichap.com



223 East 96th Street

21,465* BUILDABLE SQUARE FEET

20 TOTAL UNITS

On the Upper East Side neighborhood of Manhattan

OFFERED AT **\$8,950,000**

*Please consult with your architect

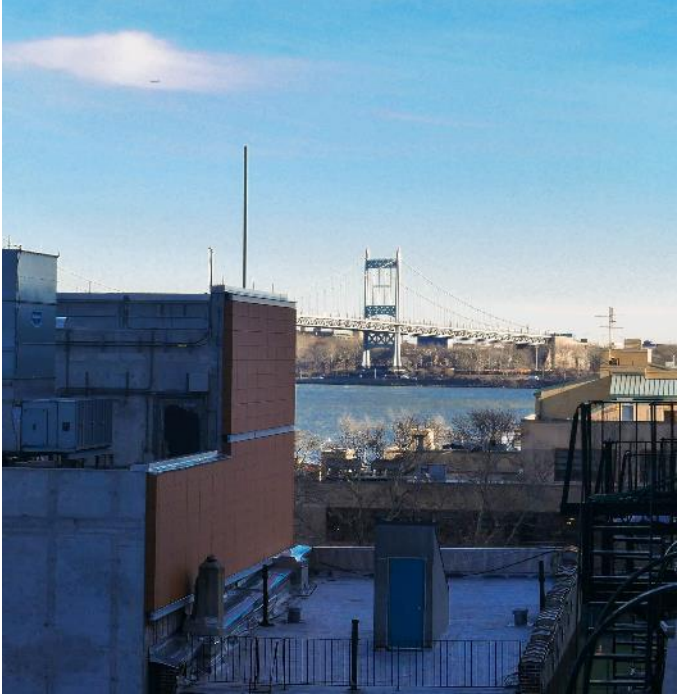


FINANCIAL HIGHLIGHTS

OFFERING PRICE

\$8,950,000

TOTAL BSF	21,465
TOTAL SF	10,455
TOTAL UNITS	20



A photograph of a multi-story red brick building with several fire escapes. The building has a ground floor with stone accents and arched windows. A large, leafless tree stands in front of the building. Three cars are parked on the street in front: a white SUV, a silver sedan, and a red sedan. The sky is clear and blue.

INVESTMENT SUMMARY



INVESTMENT DRIVERS

THE OFFERING

Marcus & Millichap is pleased to offer the following opportunity located on the border of the Upper East Side and booming East Harlem. 223 East 96th Street is located on the north side of 96th Street between Third and Second Avenue and contains a gross square footage of approximately 10,455 with a total buildable square footage of approximately 21,465*. The building is built 28' X 88' and situated on a 28' X 100' foot lot. The property is zoned R10A.

**Please consult with your architect.*

PROJECT FLEXIBILITY

In a climate where rent regulation laws are becoming stricter by the minute, 223 East 96th Street presents a rare opportunity to acquire a fully vacant, 20-unit multifamily asset with a variety of reposition scenarios.

For the developer, there is an ability to demolish the current structure and utilize the approximate 21,465 of total buildable square footage to construct a brand-new, multi-level mixed-use tower.

For the value-add investor, the 20 residential units can be gut-renovated and leased up as an opportunity to create a turn-key, stabilized cash-flowing asset with strong current yield and significant long-term appreciation potential. Or, a combination of the two allows an investor reduced exposure with the ability to have short-term cash flow to cover carrying costs while new development plans are approved.

STRATEGIC LOCATION

Located on the Upper East Side, one of Manhattan's most mature and distinguished residential markets, this asset is surrounded by world-class shopping, dining, and transportation. Just steps away from the site, residents have access to a brand new Whole Foods Market, Equinox Gym, 92nd Street YMCA, Asphalt Green and Central Park as well as some of Manhattan's best public and private schools. Additionally, 223 East 96th Street is sandwiched between the Lexington Avenue 6 train and the newly constructed Second Avenue Subway – both with stops on East 96th Street, providing easy access to all that New York City has to offer.



ASSET SUMMARY

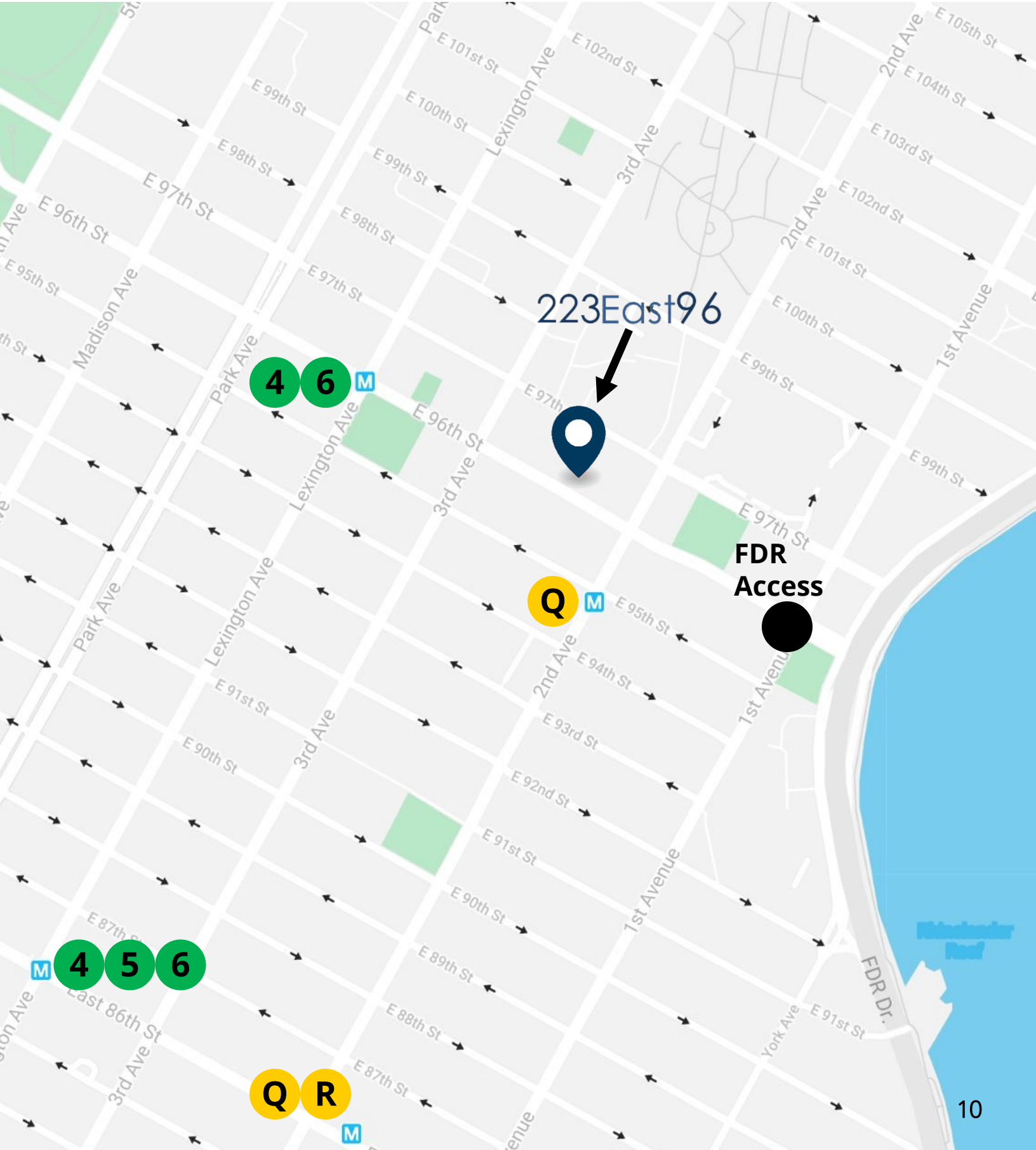
City:	New York
State:	NY
Block & Lot:	1646 / 15
Lot Dimensions:	27.83 ft X 100.92 ft
Lot SF:	2,700
Building Dimensions:	27 ft X 88 ft
Building SF (existing):	10,455
Zoning:	R10A
Max FAR:	10
Available Air Rights*:	11,010
Landmark District:	None
Historic District:	None
Annual Tax Bill:	\$48,491
Tax Class:	2

**Please consult with your architect.*





TRANSPORTATION MAP



CONDO COMPARABLE ANALYSIS

223East96

ADDRESS	UNIT NUMBER	SALE DATE	SALE PRICE	UNIT SIZE	SQUARE FOOTAGE	\$/SF
1790 Third Avenue	505	10/9/2018	\$583,202	Studio	443	\$1,316
	1004	10/9/2018	\$899,898	1 Bedroom	598	\$1,505
	1103	8/24/2018	\$863,221	1 Bedroom	678	\$1,273
	904	8/23/2018	\$1,224,700	2 Bedroom	920	\$1,331
	1104	8/16/2018	\$807,217	1 Bedroom	598	\$1,350
	PH2	8/13/2018	\$1,530,175	2 Bedroom	1093	\$1,400
200 East 94th Street	501	11/16/2018	\$2,510,000	3 Bedroom	1560	\$1,609
	3009	8/23/2018	\$3,000,000	3 Bedroom	1576	\$1,904
	601	8/17/2018	\$1,675,000	2 Bedroom	1048	\$1,598
	901	8/14/2018	\$1,675,000	2 Bedroom	1000	\$1,675



1790 Third Avenue



200 East 94th Street

223East96

A photograph of a multi-story red brick building. A black metal fire escape is attached to the exterior, running vertically across several floors. The building has arched windows on the upper floors and a stone base. The text 'FINANCIAL SUMMARY' is overlaid in white on the right side of the image.

FINANCIAL SUMMARY

223

FINANCIAL SUMMARY

FINANCIAL OVERVIEW

223East96

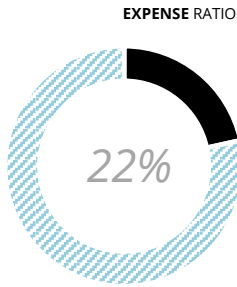
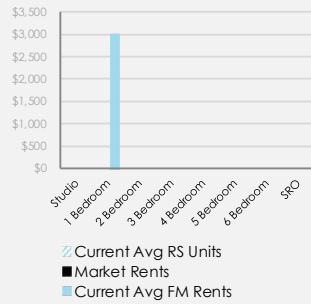
OFFERING PRICE
\$8,950,000

TOTAL SF 10,455
TOTAL UNITS 20

100% RATIO OF FAIR MARKET UNITS
7% PROPERTY TAXES RATIO
\$3,002 PRO FORMA AVERAGE MONTHLY RENT

PRO FORMA METRICS
CAP RATE 6.1%
GRM 12.4

UPSIDE ANALYSIS



PROPOSED DEBT

Debt Service	(\$368,349)
Debt Coverage Ratio	1.49
Net Debt Cash Flow After Debt Service	\$179,845
Loan Amount	\$6,000,000
Interest Rate	4.50%
Amortization	30

10,455
GROSS TOTAL SF



INCOME (Projected)	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$720,360	\$720,360
Gross Potential Commercial Rent	\$0	\$0
Gross Income	\$720,360	\$720,360
Vacancy/Collection Loss	(\$21,611)	(\$21,611)
Effective Gross Income	\$698,749	\$698,749
Average Residential Rent/Month/Unit	\$3,002	\$3,002

EXPENSES (Projected)

EXPENSES (Projected)	Tax Class: 2	CURRENT	PRO FORMA
Property Taxes		\$48,491	\$48,491
Fuel		\$23,000	\$23,000
Insurance		\$10,000	\$10,000
Water and Sewer		\$18,000	\$18,000
Repairs and Maintenance		\$15,000	\$15,000
Common Electric (PPSF)		\$2,614	\$2,614
Super Salary		\$5,500	\$5,500
Management Fee		\$27,950	\$27,950
Total Expenses		\$150,555	\$150,555
Net Operating Income		\$548,194	\$548,194

LEASE STATUS ANALYSIS

UNIT BREAKDOWN	% OF TOTAL	TOTAL	AVG. RENT
Total Units	--	20	\$3,002
Total RS Units	0%	0	\$0
Total RC Units	0%	0	\$0
Total FM Units	100%	20	\$3,002
Total Commercial	--	0	\$0

UNIT TYPE ANALYSIS

TYPE	% OF TOTAL	TOTAL	AVG. RENT
Studio	0%	0	\$0
1 Bedroom	100%	20	\$3,002
2 Bedroom	0%	0	\$0
3 Bedroom	0%	0	\$0
4 Bedroom	0%	0	\$0
5 Bedroom	0%	0	\$0
6 Bedroom	0%	0	\$0
SRO	0%	0	\$0

FINANCIAL SUMMARY

RENT ROLL

223East96

223 East 96th Street

RESIDENTIAL RENT

UNIT#	LEASE STATUS	NOTES	BEDROOMS	ROOMS	SF	PROJECTED RENT	\$/PSF
1	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
2	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,330	\$80
3	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
4	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
5	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
6	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
7	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
8	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
9	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
10	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
11	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
12	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
13	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
14	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
15	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
16	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
17	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
18	FM	Vacant - Convertible 2 Bedroom	1 Bedroom	3	500	\$3,300	\$79
19	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
20	FM	Vacant	1 Bedroom	3	460	\$2,700	\$70
MONTHLY RESIDENTIAL REVENUE (Projected)			20	60	9,600	\$60,030	

ANNUAL RESIDENTIAL REVENUE (Projected) \$720,360

TOTAL ANNUAL REVENUE

There are 20 total units.

**PRO FORMA
\$720,360**

FINANCIAL SUMMARY

INCOME AND EXPENSE ANALYSIS

223East96

GROSS POTENTIAL INCOME (Projected)	ACTUAL		PRO FORMA			
	%EGI	\$/UNIT	%EGI	\$/UNIT		
Gross Potential Residential Rent	\$720,360	100%	\$36,018	\$720,360	100%	\$36,018
Gross Potential Commercial Rent	\$0	0%	\$0	\$0	0%	\$0
Gross Income	\$720,360		\$36,018	\$720,360		\$36,018
Vacancy/Collection Loss	(\$21,611)	3%	(\$1,081)	(\$21,611)	3%	(\$1,081)
Other Income	\$0		\$0	\$0		\$0
Effective Gross Income	\$698,749		\$34,937	\$698,749		\$34,937
Average Residential Rent/Month/Unit	\$3,002			\$3,002		

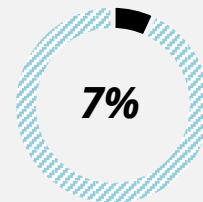
AVERAGE RENT
PER MONTH

\$3,002

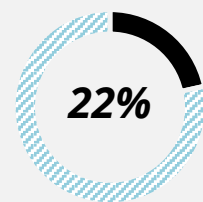
PERCENT
FAIR MARKET



TAXES AS
PERCENT OF EGI



EXPENSE RATIO



EXPENSES (Projected)

		%EGI	\$/UNIT		%EGI	\$/UNIT	
Property Taxes	Tax Class: 2	\$48,491	7%	\$2,425	\$48,491	7%	\$2,425
Fuel		\$23,000	3%	\$1,150	\$23,000	3%	\$1,150
Insurance		\$10,000	1%	\$500	\$10,000	1%	\$500
Water and Sewer		\$18,000	3%	\$900	\$18,000	3%	\$900
Repairs and Maintenance		\$15,000	2%	\$750	\$15,000	2%	\$750
Common Electric (PPSF)		\$2,614	0.4%	\$0.25	\$2,614	0.4%	\$0.25
Super Salary		\$5,500	1%	\$275	\$5,500	1%	\$275
Management Fee		\$27,950	4%	\$1,397	\$27,950	4%	\$1,397
Total Expenses		\$150,555	22%	\$7,528	\$150,555	22%	\$7,528
Net Operating Income		\$548,194			\$548,194		

LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$60,030	20	\$3,002
Total RS Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	100%	\$60,030	20	\$3,002
Total Commercial	--	\$0	0	\$0

RENTAL ANALYSIS BY UNIT TYPE

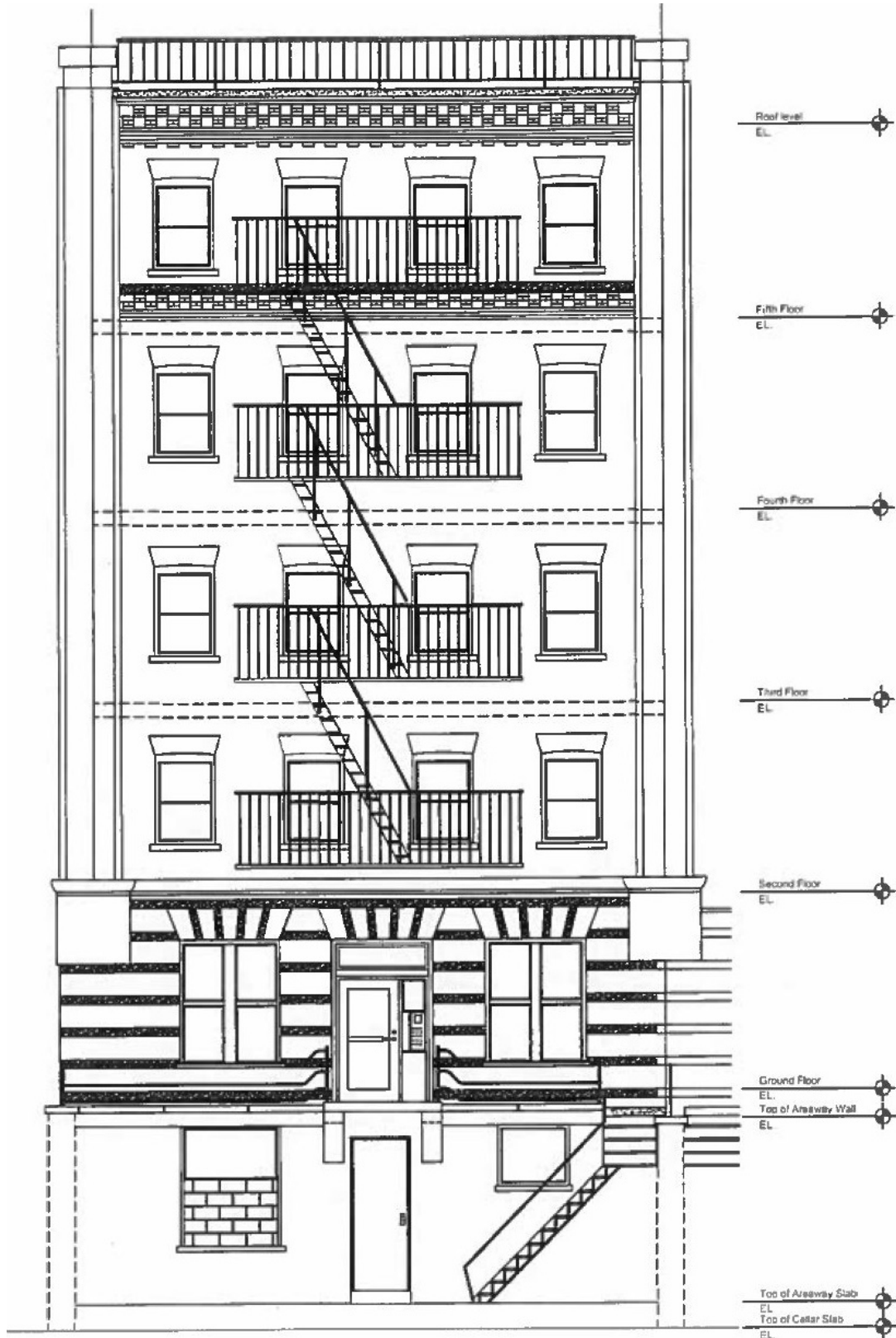
TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	0%	\$0	0	\$0
1 Bedroom	100%	\$60,030	20	\$3,002
2 Bedroom	0%	\$0	0	\$0
3 Bedroom	0%	\$0	0	\$0
4 Bedroom	0%	\$0	0	\$0
5 Bedroom	0%	\$0	0	\$0
6 Bedroom	0%	\$0	0	\$0
SRO	0%	\$0	0	\$0

223East96

ZONING ANALYSIS

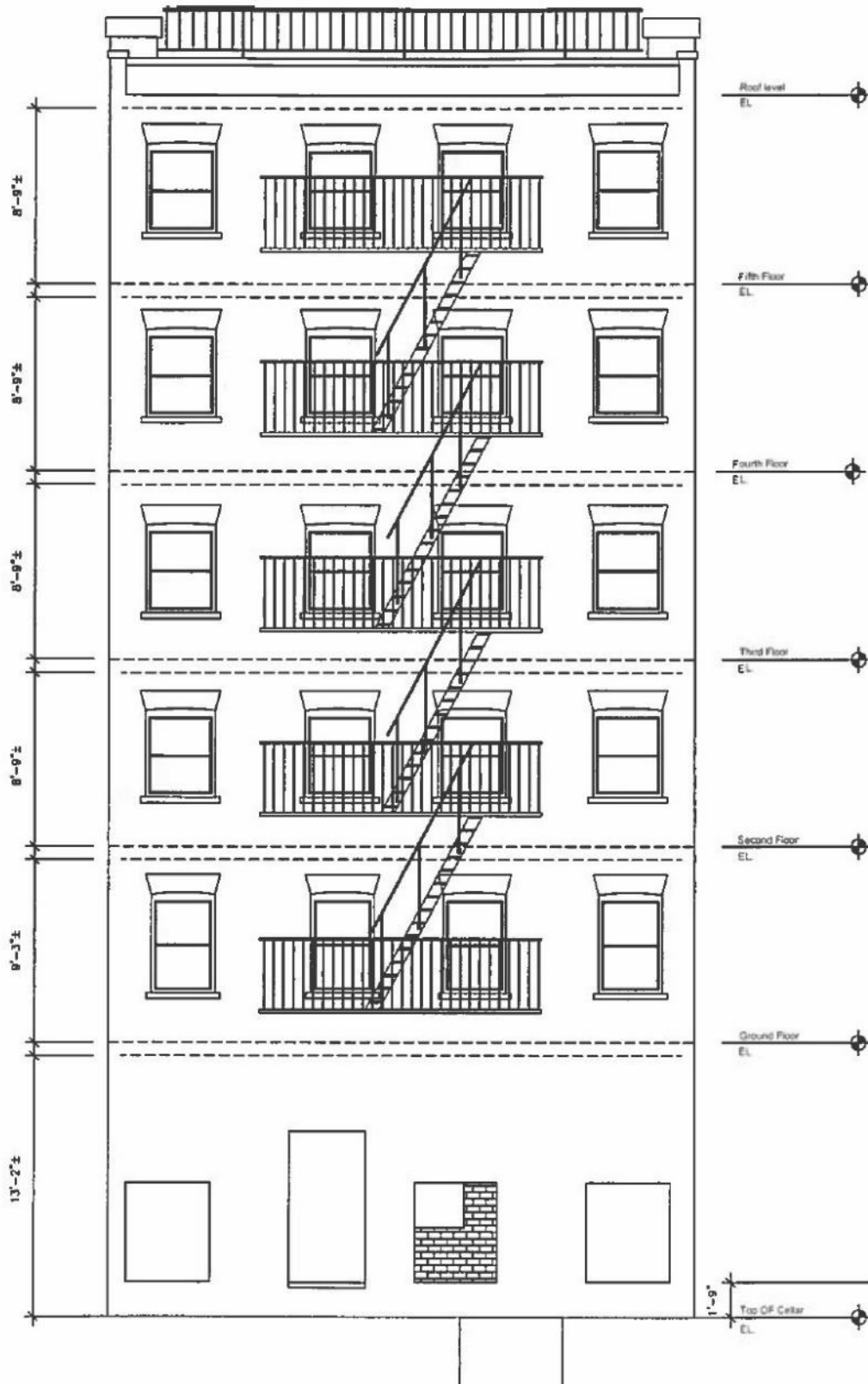
FRONT ELEVATION

223East96

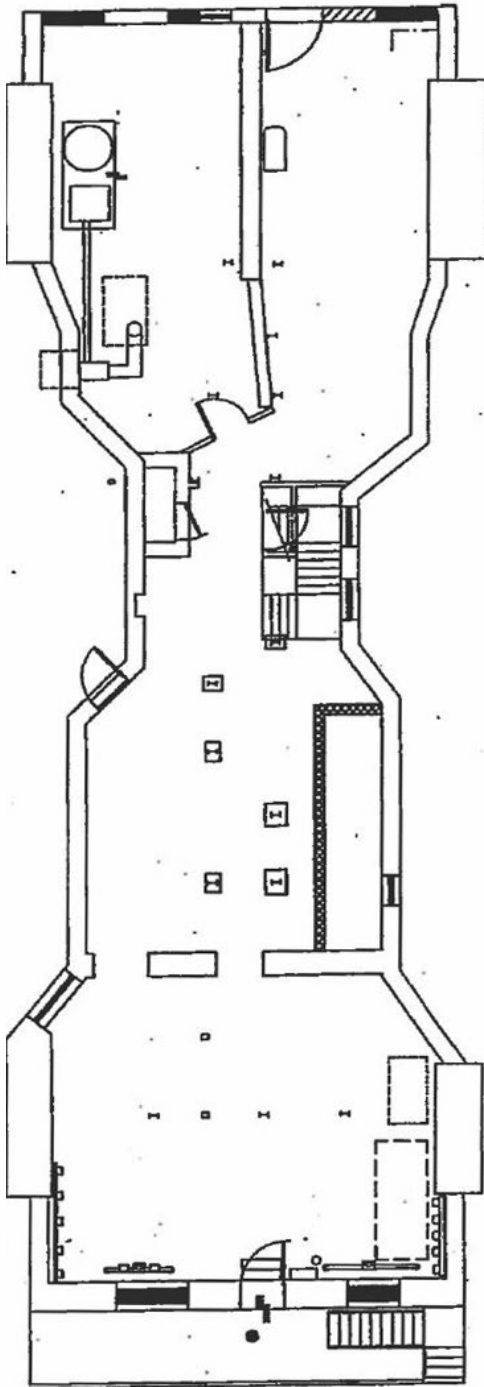


REAR ELEVATION

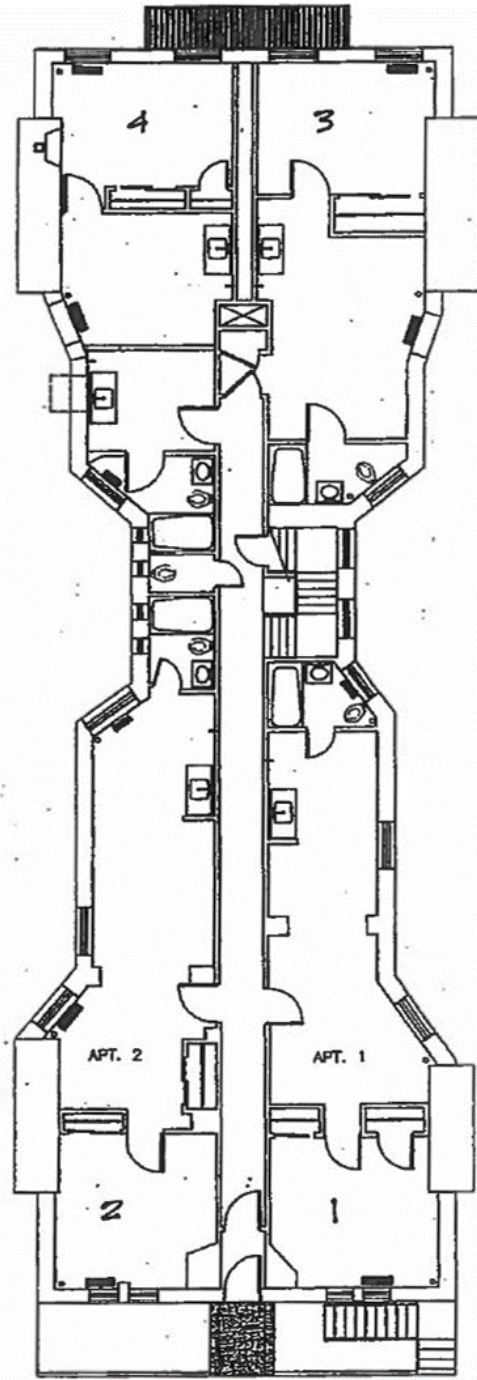
223East96



CELLAR FLOOR PLAN

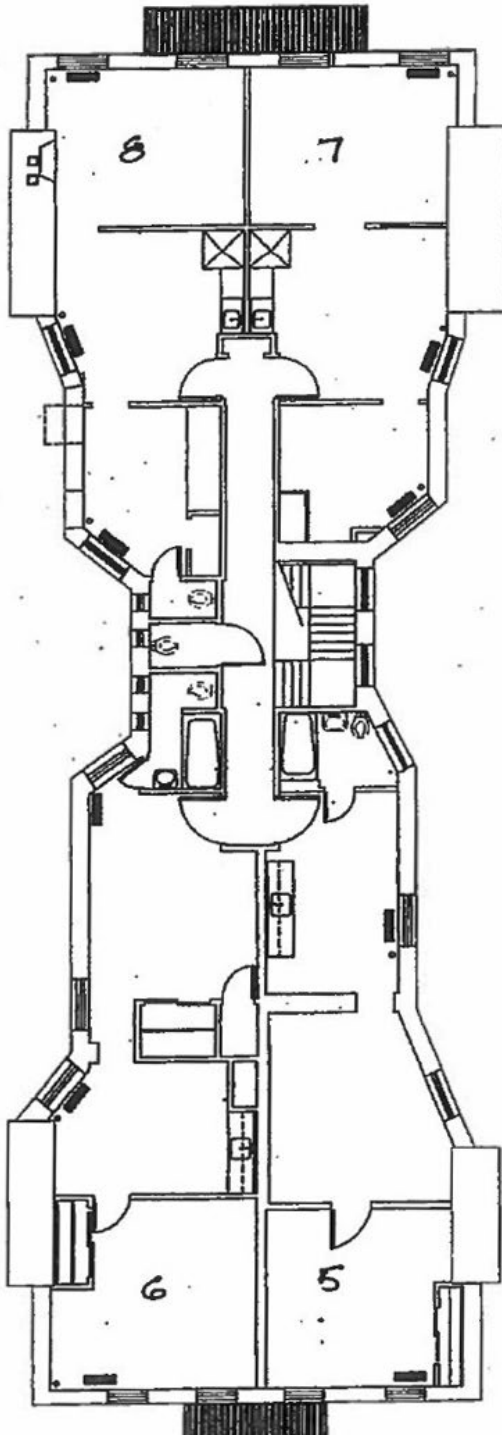


FIRST FLOOR

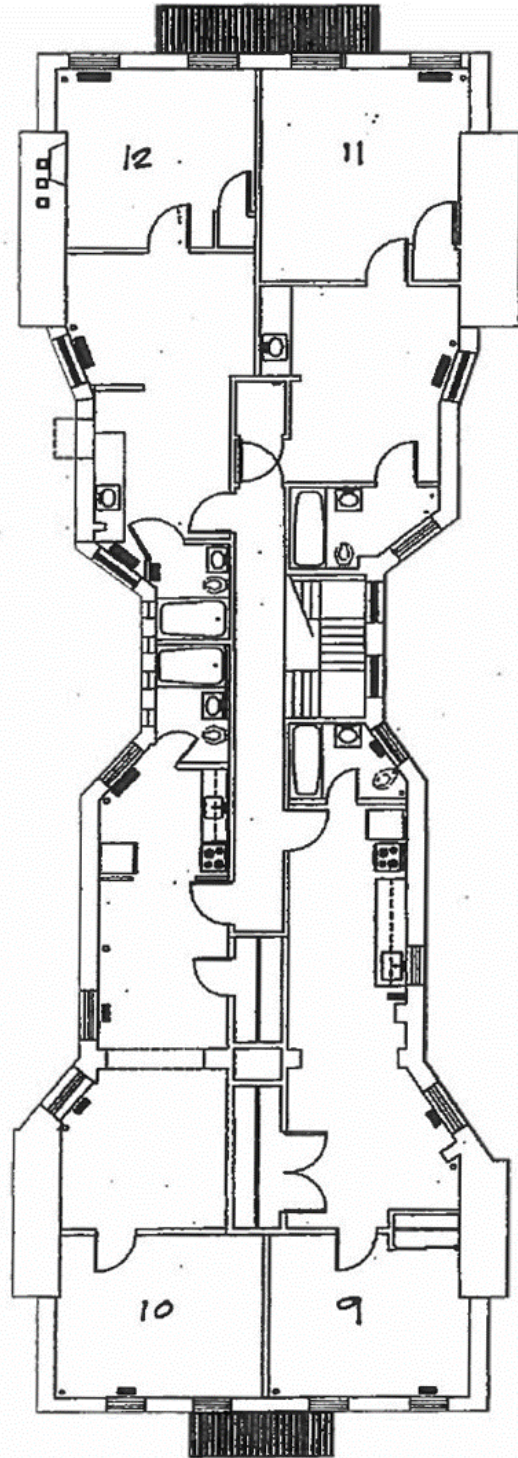


EAST 96TH STREET

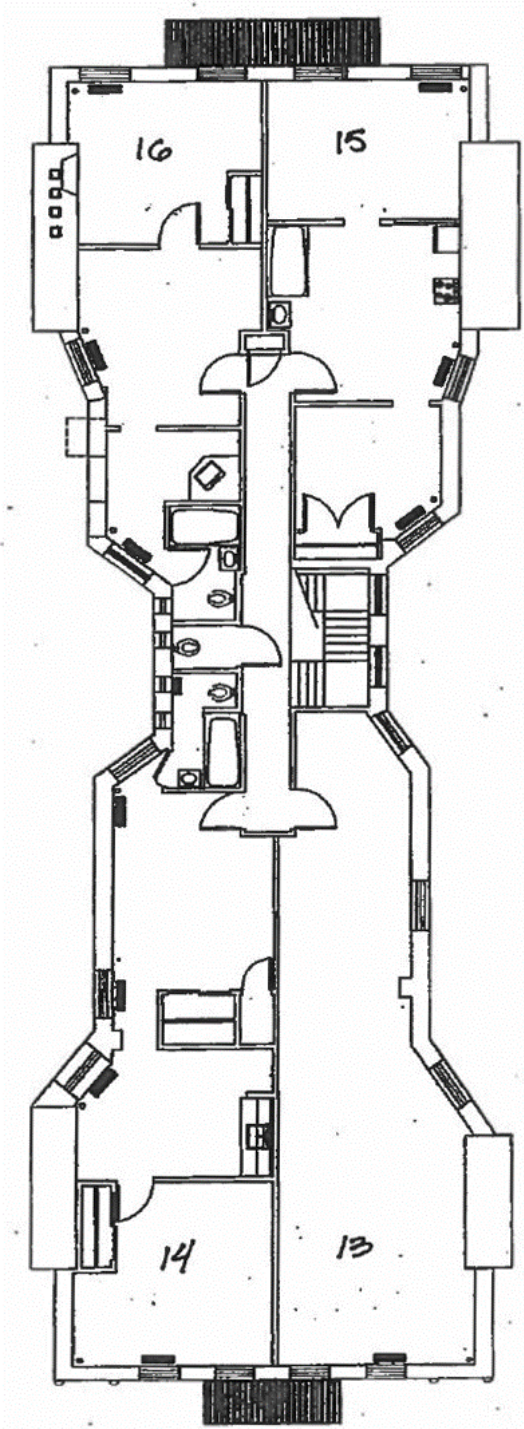
SECOND FLOOR



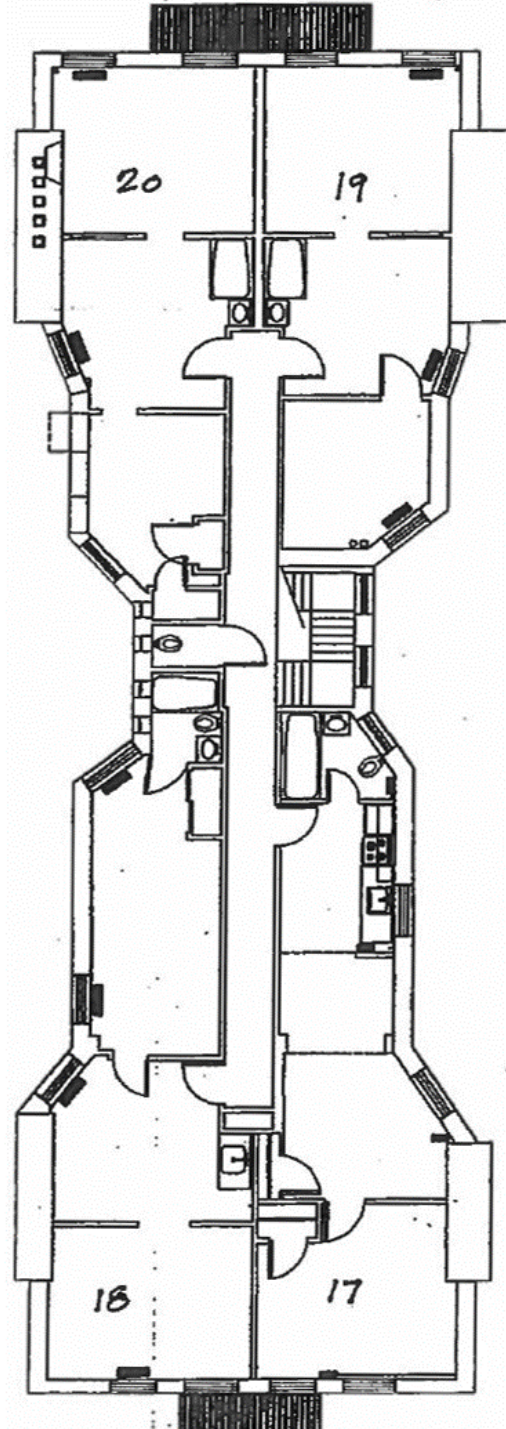
THIRD FLOOR



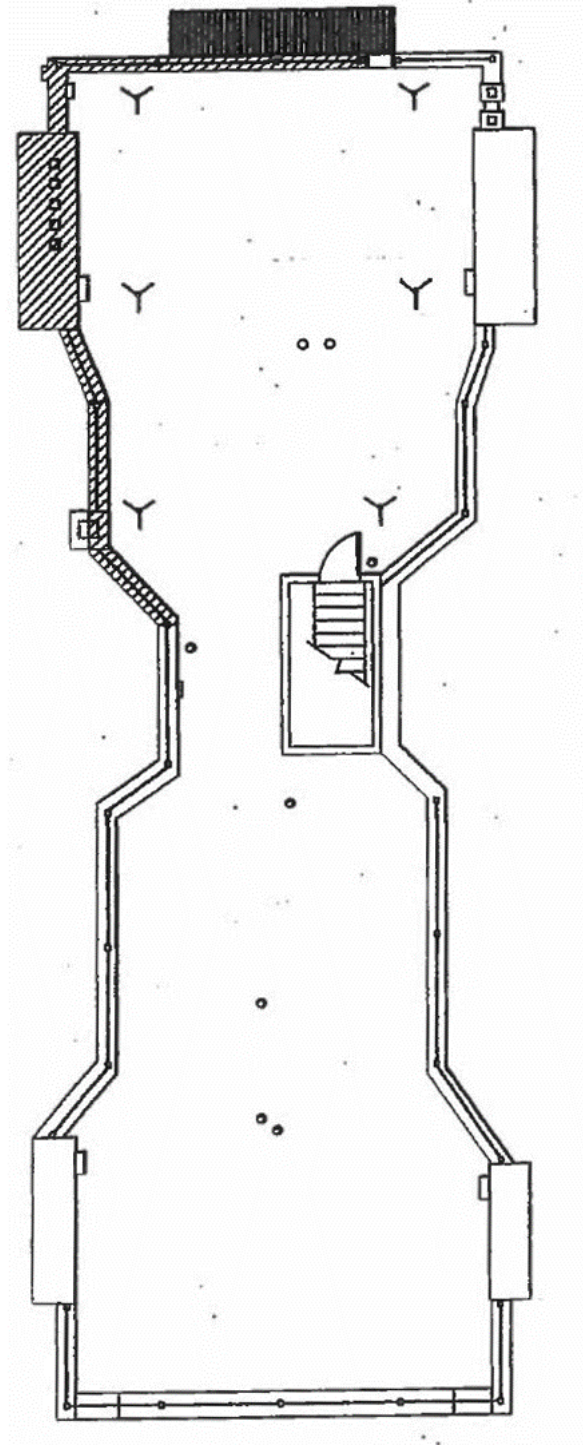
FOURTH FLOOR



FIFTH FLOOR



ROOF



ZONING ANALYSIS

223East96



223 EAST 96 STREET
Borough: MN Block: 1646 Lot: 15

Property Report
December 13, 2018



DISTRICTS		DEVELOPMENT RIGHTS	POTENTIAL ZFA	POTENTIAL FAR
Primary	R10A	Residential	21,465	7.64*
Residential equivalent		Commercial	-	-
Commercial overlay		Manufacturing	-	-
Special purpose				
		MAX ALLOWABLE	21,465	7.64*
LOT AREA	SQUARE FEET	BUILT AREA	EXISTING GFA	
NYC Dept. of Finance	2,809.00	Residential	10,455	
		Commercial	-	
		Other	-	
		TOTAL	10,455	

Note: Lot areas and floor areas are estimates subject to survey verification.

** Indicates overwritten value.*

ZONING ANALYSIS

223East96



223 EAST 96 STREET
Borough: MN Block: 1646 Lot: 15

Scenario Report
December 13, 2018

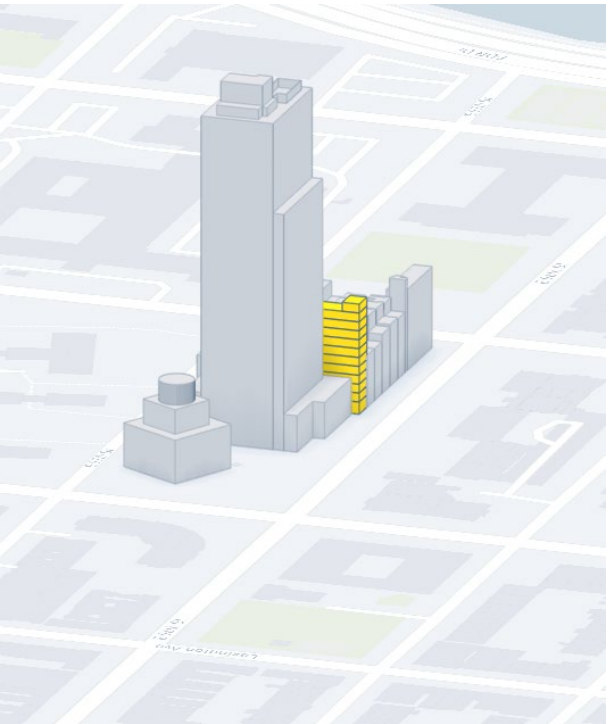
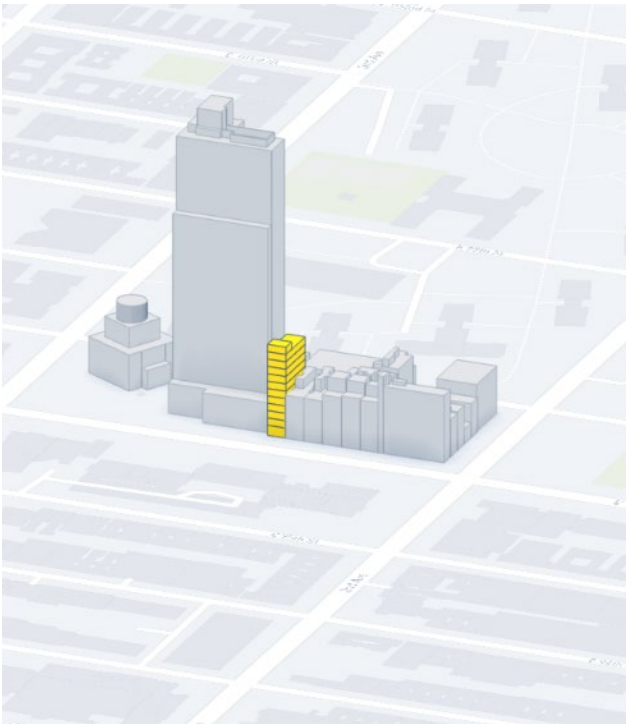
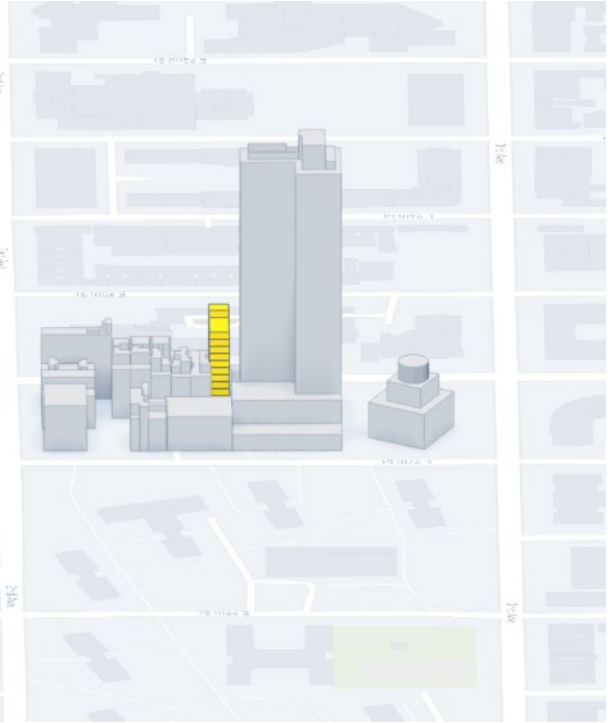
FLOOR	USE	FL TO FL (FT)	ELEVATION (FT)	GFA	ZFA	ZFA%	NFA	NFA%
roof			136.0					
12	Residential	11.0	125.0	1,049	1,011	96%	927	88%
11	Residential	11.0	114.0	1,856	1,888	96%	1,730	88%
10	Residential	11.0	103.0	1,856	1,888	96%	1,730	88%
9	Residential	11.0	92.0	1,856	1,888	96%	1,730	88%
8	Residential	11.0	81.0	1,856	1,888	96%	1,730	88%
7	Residential	11.0	70.0	1,856	1,888	96%	1,730	88%
6	Residential	11.0	59.0	1,856	1,888	96%	1,730	88%
5	Residential	11.0	48.0	1,856	1,888	96%	1,730	88%
4	Residential	11.0	37.0	1,856	1,888	96%	1,730	88%
3	Residential	11.0	26.0	1,856	1,888	96%	1,730	88%
2	Residential	11.0	15.0	1,856	1,888	96%	1,730	88%
1	Residential	15.0	0.0	1,856	1,569	80%	1,475	75%
				21,465 GFA	21,465 ZFA		19,705 NFA	

Note: Lot areas and floor areas are estimates subject to survey verification.

** Indicates overwritten value.*

ZONING ANALYSIS

223East96



223East96



MARKET OVERVIEW



MANHATTAN

The island of Manhattan is one of New York City's five boroughs, approximately 13 miles long and two miles wide. Solid bedrock provides a firm foundation for the high-rise buildings that dominate the skyline.

Manhattan's deep-water port and proximity to the nation's interior bolster its position as a global economic powerhouse. Manhattan also contains Central Park, which encompasses 843 acres in the center of the island and is considered one of the nation's premier public spaces.

BOROUGH

Manhattan is home to over 1.6 million residents who are part of a much larger population system. The New York City metropolitan area is the largest in the United States, with more than 19 million inhabitants in three states. New York City consists of five boroughs with about 8.4 million people.

Manhattan is well placed, situated 100 miles from Philadelphia, 210 miles from Boston, 230 miles from Washington, D.C., and 790 miles from Chicago.

INFRASTRUCTURE

New York City has an extensive mass-transportation network. Subway and bus systems serve virtually every area in the five boroughs. There are 468 stations in the New York City Transit subway system, including 147 stations in Manhattan. Grand Central Station and Penn Station, both in Midtown Manhattan, provide rail service to the suburbs and long-distance connections, while three international airports offer flights to most global destinations.

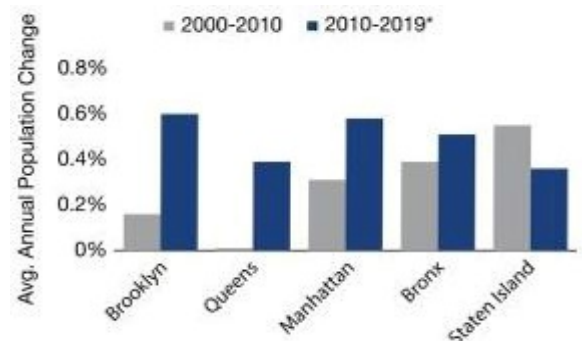
The island of Manhattan is linked to the other boroughs and New Jersey by 11 bridges and four tunnels for vehicular traffic, with numerous additional tunnels for subway and rail lines. Highways along the borough's eastern and western edges connect to freeways throughout the five boroughs.

New York Harbor contains docks for freight and passenger ships and provides ferry service to New Jersey and around the city.

MARKET HIGHLIGHTS

- Large population:**
 New York City is the United States' largest city, with upwards of 8 million residents.
- Top address for corporate headquarters:**
 40+ Fortune 500 companies call New York City home.
- High barriers to development:**
 few parcels of developable land + high costs = *limits to new construction.*

GROWTH PATTERNS





MANHATTAN

ECONOMY

New York City is home to around 40 Fortune 500 companies, more than any other MSA in the country, and most are located in Manhattan. The city serves as the epicenter for a wide variety of industries, making the performance of its local economy integral to the nation. The Port of New York is also a vital component of New York's centrality to American and regional trade.

As one of the leading financial centers in the world, New York City boasts many international banks and financial firms maintaining offices in the city.

Wall Street is a major driver of the local economy, as a significant number of people are employed directly in the securities industry. The city is also a hub for the media, communications and publishing industries. The major television networks have substantial operations in Manhattan, while hundreds of newspapers, magazines and several music recording companies are headquartered in the city. In addition, New York City is the advertising capital of the United States and has a growing presence in the Internet/new media field. The entertainment and tourism industries are crucial to the Manhattan economy, with numerous theaters and attractions drawing billions of dollars each year.

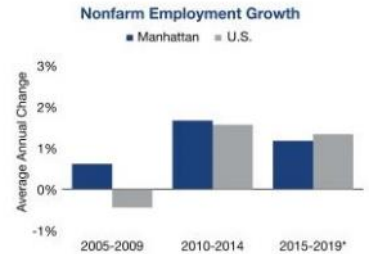
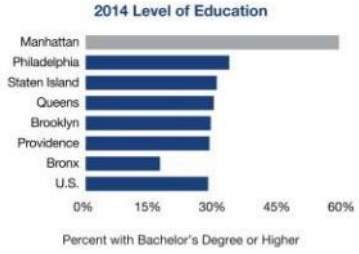
Manhattan is also an important location for many retailers, both national and local. Retail sales in the borough typically grew faster than the U.S. rate over the past decade.

LABOR

Job growth in Manhattan slowed over the past five years as the economic downturn weighed on the local manufacturing, information, trade, transportation and utilities, and financial activities sectors.

Professional and business services is the largest employment sector, accounting for over 470,000 positions, or 20 percent of the labor force. The government sector follows closely, with 19 percent of jobs in Manhattan. These sectors will post average annual gains of 2.3 percent and 1.2 percent, respectively, over the next five years.

The leisure and hospitality and education and health services sectors will record the largest growth through 2015, increasing at average annual rates of 3.1 percent and 2.9 percent, respectively. An annual gain of 2.9 percent is also expected in the other services sector.



* Forecast Sources: Marcus & Millichap Research Services, BLS, Moody's Analytics

CONFIDENTIAL

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. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2016 Marcus & Millichap



MANHATTAN

EMPLOYERS

Over half of Manhattan’s labor market is involved in financial activities and the services sectors. This is due to New York City being the headquarters of some of the largest U.S.-based consulting businesses, accounting offices, insurance companies and legal firms, as well as the United Nations. In addition, Manhattan is the financial center of the country and home to the New York Stock Exchange, being one of the only two Alpha++ cities in the world, sharing the title with London. Many of the world's top securities firms and banks are located here. Major employers in the finance industry based in Manhattan include Goldman Sachs, JPMorgan Chase and Morgan Stanley Smith Barney.

Media conglomerate Time Warner is the largest company in the information sector, employing thousands of people in Manhattan from its headquarters at the Time Warner Center in Midtown. Other large media employers in the borough are Viacom and Verizon. The education and health services sector accounts for 13 percent of jobs in Manhattan. Large employers include New York University, Columbia University, New York-Presbyterian Healthcare, Mount Sinai Hospital and Continuum Health Partners Inc.

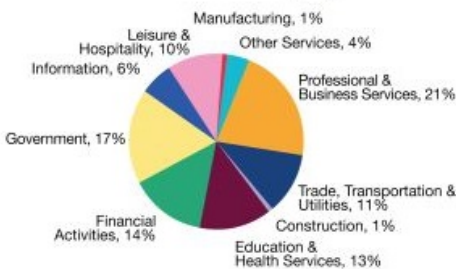
DEMOGRAPHICS

New York City is the largest city in the United States, with over 8 million residents. An estimated 19 million people live within the tristate metro area. Among the five boroughs, Manhattan is third largest behind Brooklyn and Queens, with a population of over 1.6 million. Manhattan grew 0.7 percent annually during the past decade, a rate expected to continue through 2015.

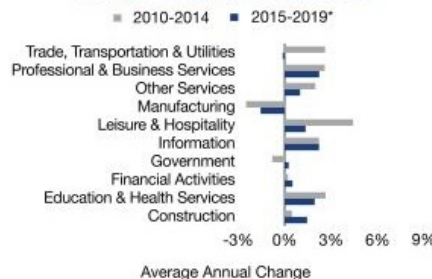
The share of Manhattan residents with a Bachelor’s degree is more than 34 percent, far above the national average of almost 28 percent. Additionally, more than 14 percent of the borough residents over age 25 have a graduate degree, compared to just over 10 percent nationally. There are significant and noteworthy differences between Manhattan’s demographic profile and the profile of the nation.

In particular, residents under age 20 make up only 20 percent of Manhattan's population, compared to 27 percent at the U.S. level. Additionally, residents ages 25 to 44 comprise 37 percent of the local population, up from 27 percent nationally, as this vital job market attracts many in their prime working years.

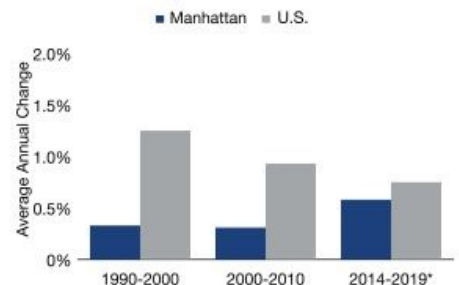
Share of 2014 Total Employment



Change in Employment by Sector



Population Growth





MANHATTAN

Although Manhattan’s median household income stands at a healthy \$68,100 annually, the borough also has one of the highest housing costs in the country, with the median home price resting at nearly \$1.2 million.

QUALITY OF LIFE

Manhattan offers a quality of life unique even within the nation’s largest cities. Although housing costs are among the most expensive in the country, the borough provides a variety of cultural, entertainment and employment opportunities. The area is one of the few places in the United States where a person can live without a car and rely completely upon mass transit. You can get anywhere easily by taking the subway, buses or taxicabs, and rail terminals and airports make long-distance travel accessible. A variety of entertainment options are available to Manhattanites, including Broadway shows, first-run films and famous nightlife venues.

There are two MLB teams, two NFL teams, two NHL teams and two NBA teams within the metro area. New York City has an extensive public park system, the jewel of which is Central Park in Manhattan offering natural areas, lawns, playing fields, running trails, biking paths, boating facilities and a zoo.

Manhattan also boasts world class art museums including the Metropolitan Museum of Art, the Guggenheim and the Museum of Modern Art. The city’s international flavor is always on display in the island’s many restaurants, featuring recipes from around the world.

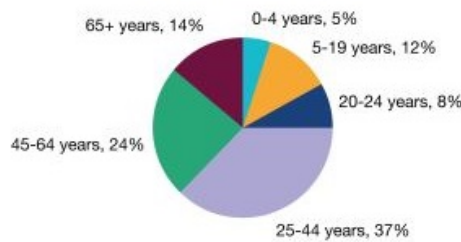
New York’s island of Manhattan continues to rise in culture, quality of life, and wealth. As a global gateway city, New York will continue to deliver promising opportunities and investment potential.

2014 Median Home Price Comparison



* Forecast
Sources: Marcus & Millichap Research Services, Experian, National Association of Realtors®, Moody's Analytics

2014 Population by Age



Median Household Income



CONFIDENTIAL

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. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services, Inc. © 2016 Marcus & Millichap



2ND AVENUE SUBWAY

OVERVIEW

The Second Avenue Subway (officially the IND Second Avenue Line; abbreviated to SAS) is a New York City Subway line that runs under Second Avenue on the East Side of Manhattan. The first phase of this new line opened on January 1, 2017, serving a projected 200,000 daily riders at three new stations between 96th Street and the 63rd Street Lines before connecting to the BMT Broadway Line and the rest of the subway system. The full Second Avenue Line, if and when funded, is planned to be built in three additional phases, allowing new portions to open before the entire line is completed between 125th Street and Hanover Square. The proposed full line would be 8.5 miles (13.7 km) long with 16 stations and a projected daily ridership of 560,000, costing more than \$17 billion.

HISTORY

The line was originally proposed in 1919 as part of a massive expansion of what would become the Independent Subway System (IND). Work on the line never commenced, as the Great Depression crushed the economy. This left the Lexington Avenue Subway as the only rapid transit line on much of Manhattan's east side; it is by far the busiest subway line in the United States, with an estimated 1.3 million daily riders as of 2015.

Construction on the Second Avenue Line started in 1972 as part of the earlier Program for Action, but was halted in 1975 because of the city's fiscal crisis, with only a few short segments of tunnels having been completed.

Work on the line restarted in 2007 following the development of a financially secure construction plan. The Metropolitan Transportation Authority (MTA) awarded a tunneling contract for the first phase of the project to the consortium of Schiavone/Shea/Skanska (S3) on March 20, 2007. This followed preliminary engineering and a final tunnel design completed by a joint venture between AECOM and Arup. Parsons Brinckerhoff served as the Construction Manager of the project. A full funding grant agreement with the Federal Transit Administration for the first phase of the project was received in November 2007. A ceremonial ground-breaking for the Second Avenue Subway was held on April 12, 2007. The first phase of the line, consisting of three newly-built stations and two miles (3.2 km) of tunnel, cost \$4.45 billion. A 1.5-mile (2.4 km), \$6 billion second phase is in planning and is expected to open by 2027–2029.

Phase 1 is served by the Q train, which runs at all times. The N provides limited rush hour service on Phase 1. A second phase is planned to extend the line from 96th Street to 125th Street, and both the Q and limited N service will be extended to 125th Street when Phase 2 is built. A new T train will serve the entire line from 125th to Houston Streets at all times once Phase 3 is completed. The T will be extended to Hanover Square upon Phase 4's completion. The T will be colored turquoise since it will use the Second Avenue Line through Midtown Manhattan.



White banner with illegible text hanging from the left side of the building.

223East96

ADVISORY TEAM

Peter Von Der Ahe

260 Madison Avenue, 5th Floor, New York, NY
Tel: (212) 430-5114 - Fax: (646) 349-3308
pvonderahe@mmreis.com

Joe Koicim

260 Madison Avenue, 5th Floor, New York, NY 10016
Tel: (212) 430-5147 - Fax: (212) 500-7565
jkoicim@mmreis.com

Danny Handweiler

260 Madison Avenue, 5th Floor, New York, NY
Tel: (212) 430-5138 - Fax: (212) 500-7565
daniel.handweiler@mmreis.com

Jared Bernstein

260 Madison Ave, 5th Floor, New York
Tel: 646-805-1451 - Fax: (212) 430-5110
jared.bernstein@mmreis.com

Andrew Dansker, Financing Inquiries

260 Madison Avenue, 5th Floor, New York, NY
Tel: (212) 430-5168 - Fax: (212) 500-5110
adansker@marcusmillichap.com