

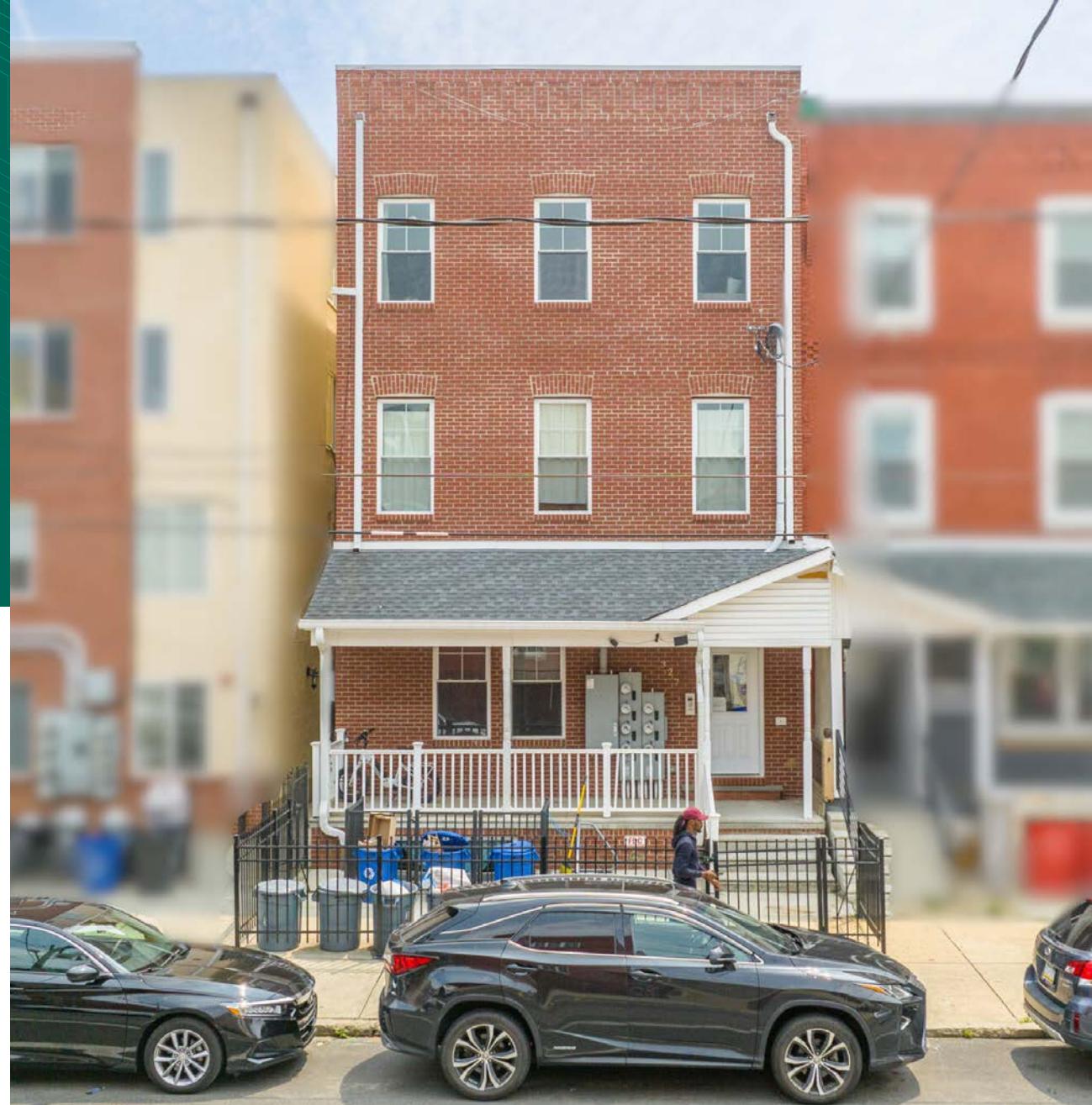
# 327

N 40TH STREET

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Philadelphia, PA 19104

6-Unit Multi Family



CONFIDENTIAL OFFERING MEMORANDUM



# 327

N 40TH STREET

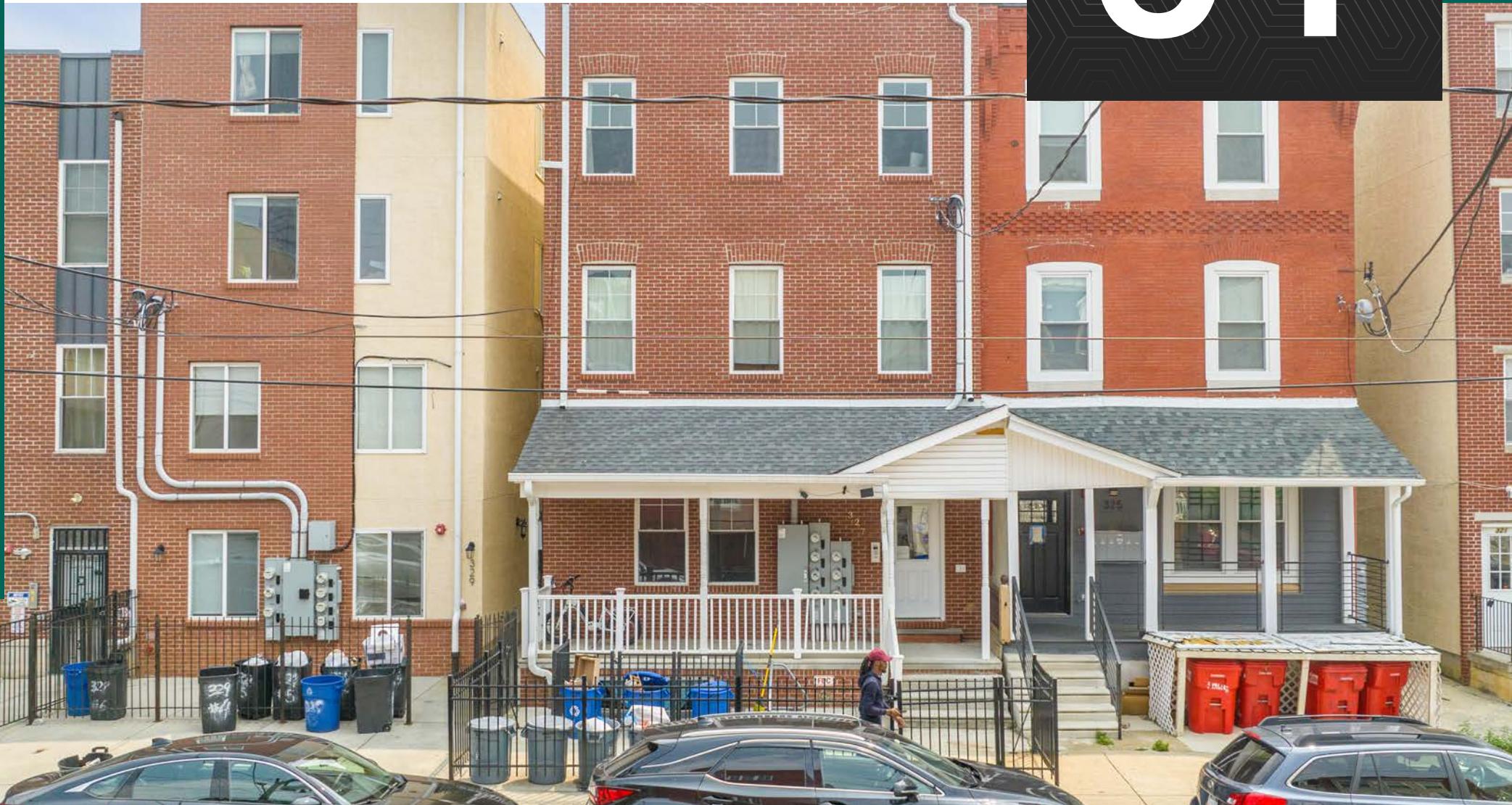
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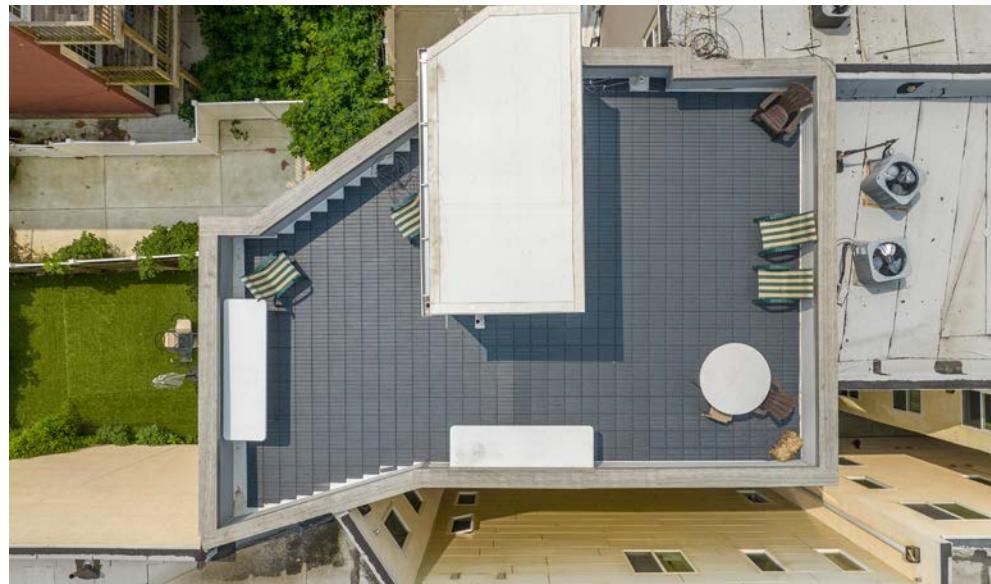
## EXECUTIVE SUMMARY

# 01



Trophy Commercial Real Estate is pleased to present 327 N 40th Street, a fully stabilized six-unit multifamily property located in the heart of West Powelton Village, adjacent to University City, Philadelphia. Constructed in 2018, the building features large, high-yielding units with premium finishes, private outdoor spaces, and in-unit laundry. The unit mix includes a majority of larger-than-average four-bedroom units, along with two- and three-bedroom units.

Positioned just blocks from UPenn, Drexel University, Penn Presbyterian Medical Center, and the Market-Frankford Line, 327 N 40th offers an investor secure long-term returns in one of the city's strongest rental corridors. The property is currently fully leased and generates \$14,746/month in gross income. Offered at a 7.74% cap rate, the building has over 3 years on the remaining tax abatement and \$238/SF, this is a rare opportunity to acquire a stabilized, income-generating property in a premier university-adjacent submarket.



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## PROPERTY OVERVIEW

# 02



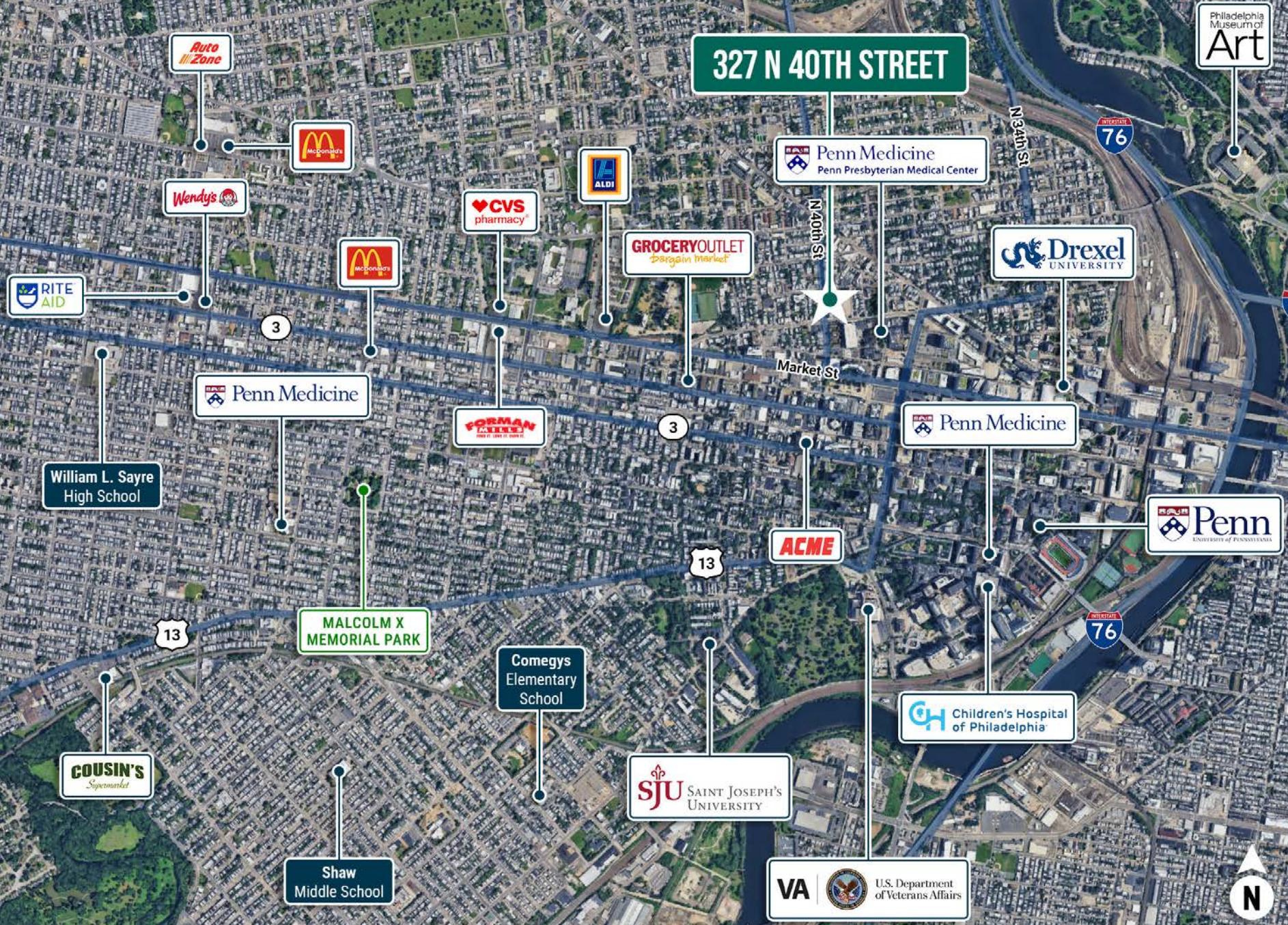
## PROPERTY OVERVIEW

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<b>Address</b>	327 N 40th Street, Philadelphia, PA 19104
<b>Neighborhood</b>	West Powelton / University City
<b>Year Built</b>	2018
<b>Property Type</b>	Multifamily
<b>Zoning</b>	RM1
<b>Number of Units</b>	6
<b>Stories</b>	3
<b>Building SF</b>	7,770 SF
<b>Lot Size</b>	0.08 Acres
<b>Price</b>	\$1,795,000
<b>Price per Unit</b>	\$299,167
<b>Price per SF</b>	\$249.31
<b>Cap Rate</b>	8.03%
<b>Tax Abatement</b>	Until end of 2028
<b>In-Place Income</b>	\$14,835/month



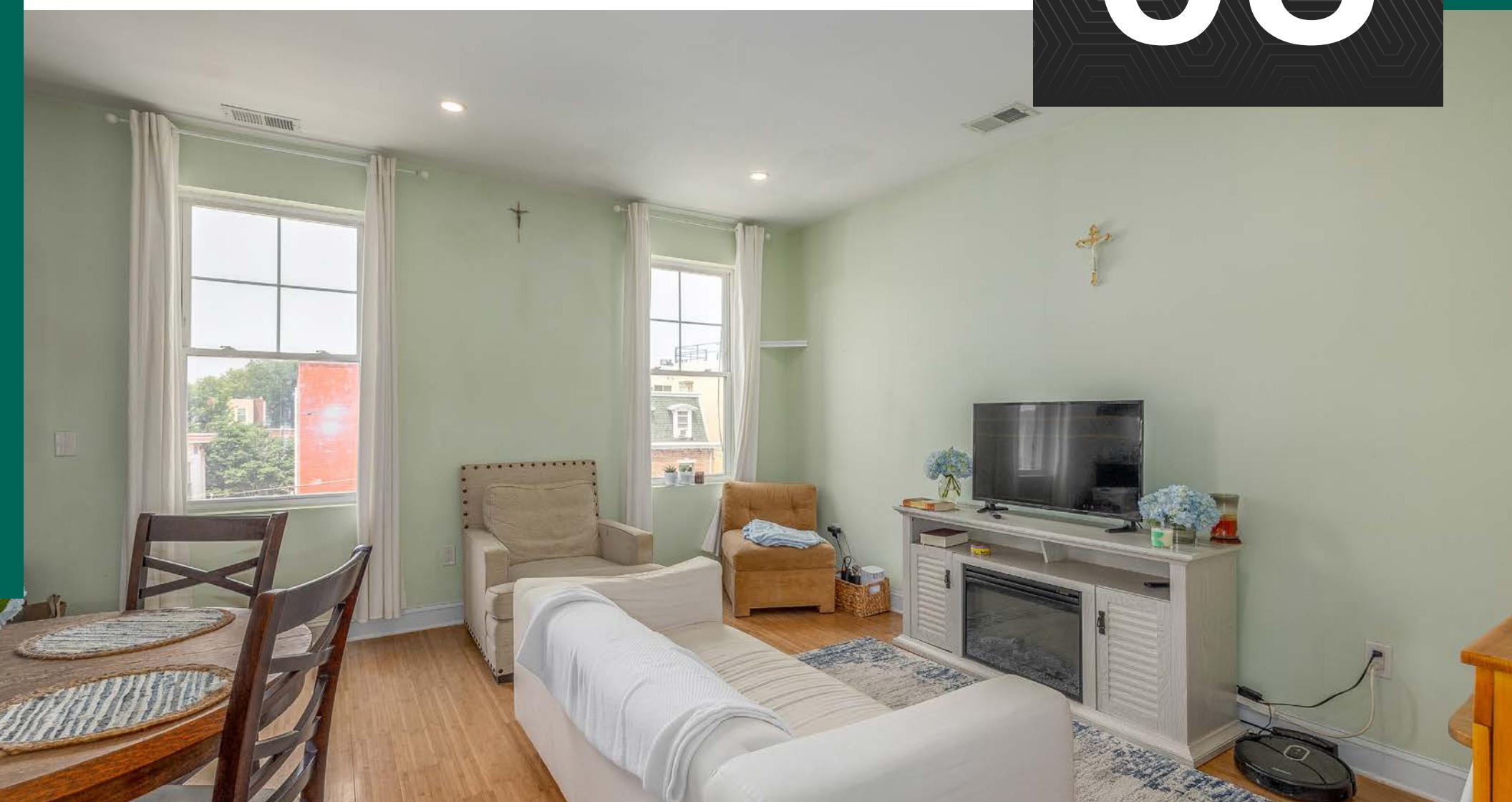
# 327 N 40TH STREET



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## LOCATION OVERVIEW

# 03



West Powelton is a residential neighborhood nestled in University City, home to University of Pennsylvania and the Drexel University. The area benefits from high student demand, major medical anchors, and extensive public transit access.

327 N 40th Street is just a short walk to the Market-Frankford Line and Lancaster Avenue retail. The neighborhood is experiencing strong institutional and private development, reinforcing its long-term rental strength.





## FULLY STABILIZED, HIGH-YIELD ASSET

Six fully leased units generating \$14,835/month or \$176,952/year in potential rent.



## PREMIUM FINISHES + OUTDOOR AMENITIES

Includes private roof deck, backyard, large living spaces, modern kitchens, and in-unit laundry.



## DESIRABLE UNIT MIX

Diverse layouts, including 2BD, 3BD, and 4BD units, tailored to the student and roommate market.



## MODERN CONSTRUCTION (2018)

Turnkey asset with updated systems, reducing future CapEx exposure.



## PRIME UNIVERSITY CITY LOCATION

Steps from UPenn, Drexel, Penn Medicine, and major SEPTA transit.



## STRONG FINANCIALS

Offered at a 8.03% cap rate and \$249.31/SF with efficient expense structure.



## CAPITAL IMPROVEMENT

Brand new TPO roof with a 25-year warranty.



PROPERTY PHOTOS

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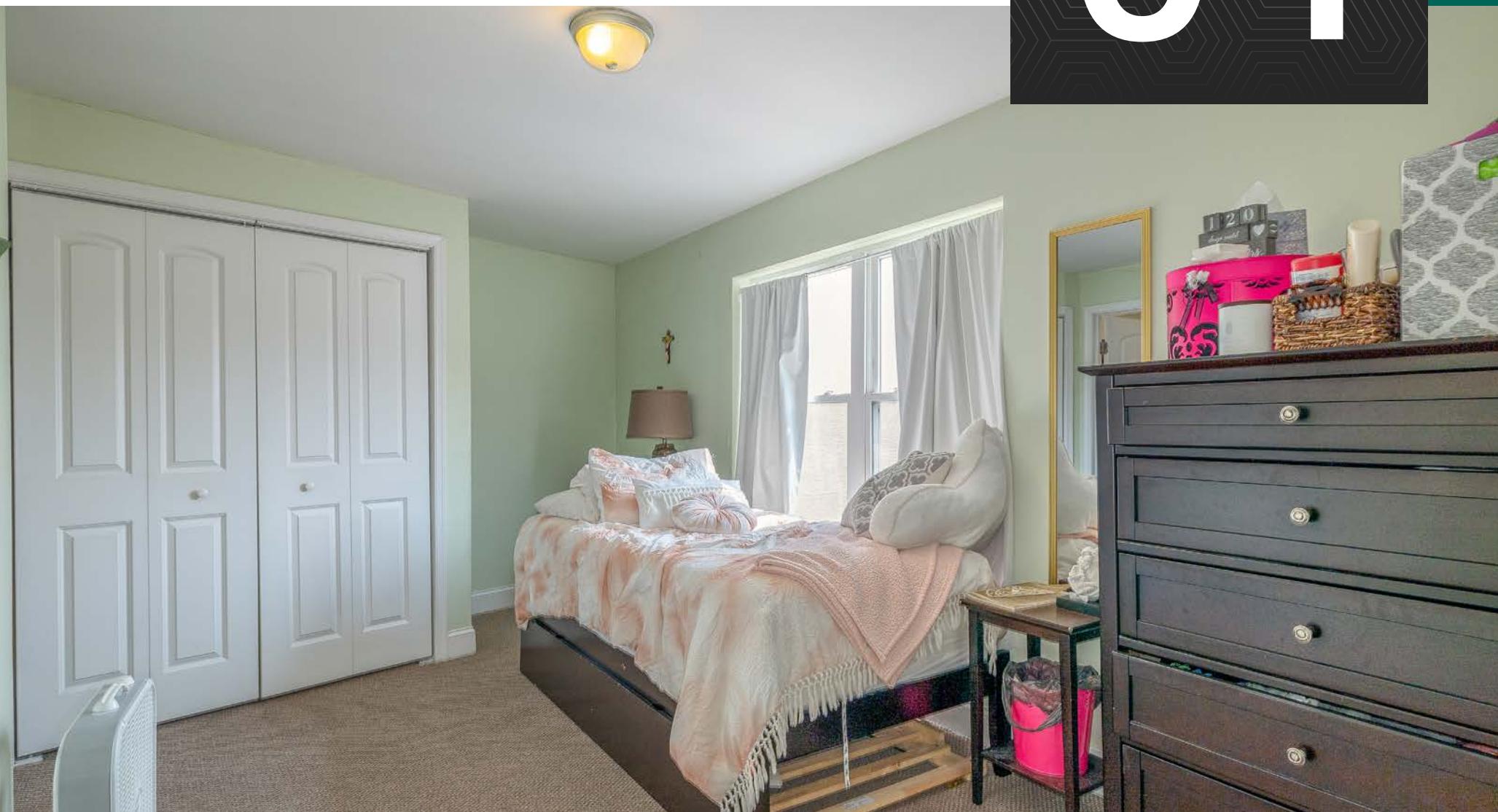




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## FINANCIAL ANALYSIS

# 04



Unit Type	Unit Size (SF)	Monthly Rent (\$)	Rent/SF (\$)
4BD / 3.5BA	1,350 SF	\$2,920	\$2.16
4BD / 3BA	1,250 SF	\$2,755	\$2.20
3BD / 2.5BA w/ Backyard	1,200 SF	\$2,410	\$2.01
2BD / 1BA	850 SF	\$1,585	\$1.86
4BD / 3BA w/ Private Roof Deck	1,350 SF	\$2,990	\$2.21
3BD / 2BA	1,200 SF	\$2,175	\$1.81
<b>Total / Avg</b>	<b>7200 SF</b>	<b>\$14,835</b>	<b>\$2.06</b>

METRIC	YEAR 1 INCOME
Gross Scheduled Rent	\$186,921
Vacancy (5%)	\$9,346
Other Income	\$3,500
Effective Gross Income	\$181,075

## OPERATING STATEMENT

Real Estate Taxes	\$2,358
Insurance	\$5,180
Water/Sewer	\$3,415
Electric	\$500
Trash	\$500
Repairs/Maintenance	\$4,000
Management (5%)	\$8,631
Payroll/Admin	\$2,700
<b>Total Expenses</b>	<b>\$28,549</b>
<b>Net Operating Income</b>	<b>\$144,070</b>
Cap Rate	8.03%

## PRICING SUMMARY

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<b>Asking Price</b>	\$1,795,000
<b>Units</b>	6
<b>Bedrooms</b>	20
<b>SF</b>	7,770
<b>Price/Unit</b>	\$299,167
<b>Price/Bedroom</b>	\$92,500
<b>Price/SF</b>	\$249.31
<b>Cap Rate (Current)</b>	8.03%



## OPERATING STATEMENT

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INCOME	CURRENT	YEAR 1	PER UNIT	PER SF
Gross Potential Rent	178,020	186,921	31,154	25.96
Loss / Gain to Lease	0	0.0%	0	0.00
Gross Scheduled Rent	178,020	186,921	31,154	25.96
Physical Vacancy	(8,901)	5.0%	(9,346)	5.0%
<b>Total Vacancy</b>	<b>(\$8,901)</b>	<b>5.0%</b>	<b>(\$9,346)</b>	<b>5.0%</b>
Effective Rental Income	169,114	177,575	29,596	24.66
Other Income				
All Other Income	3,500	3,500	583	0.49
<b>Total Other Income</b>	<b>\$3,500</b>	<b>\$3,500</b>	<b>\$583</b>	<b>\$0.49</b>
<b>Effective Gross Income</b>	<b>\$172,619</b>	<b>\$181,075</b>	<b>\$30,179</b>	<b>\$25.15</b>

EXPENSES	CURRENT	YEAR 1	PER UNIT	PER SF
Real Estate Taxes	2,358	2,358	393	0.33
Insurance	5,180	5,180	863	0.72
Utilities - Electric	500	500	83	0.07
Utilities - Water & Sewer	3,415	3,415	569	0.47
Trash Removal	500	500	83	0.07
Repairs & Maintenance	4,000	4,000	667	0.56
Payroll	2,700	2,700	450	0.38
Alarm Monitoring/Inspection	887	887	148	0.12
General & Administrative	378	378	63	0.05
Management Fee	8,631	5.0%	9,000	5.0%
<b>Total Expenses</b>	<b>\$28,539</b>	<b>\$28,972</b>	<b>\$4,820</b>	<b>\$4.02</b>
<b>Expenses as % of EGI</b>	<b>16.5%</b>	<b>16.0%</b>		
<b>Net Operating Income</b>	<b>\$144,070</b>	<b>\$152,103</b>	<b>\$25,351</b>	<b>\$21.13</b>

## PRICING DETAILS

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SUMMARY				
Price	\$1,795,000			
Down Payment	\$538,500	30%		
Number of Units	6			
Price Per Unit	\$299,167			
Price Per SqFt	\$249.31			
Rentable SqFt	7,200			
Lot Size	0.08 Acres			
Approx. Year Built	2018			
RETURNS				
CAP Rate	CURRENT	YEAR 1		
GRM	8.03%	8.47%		
Cash-on-Cash	10.08	9.60		
Debt Coverage Ratio	8.13%	9.62%		
	1.44	1.52		
FINANCING				
1ST LOAN				
Loan Amount	\$1,256,500			
Loan Type	New			
Interest Rate	7.00%			
Amortization	30 Years			
Year Due	2030			
# OF UNITS	UNIT TYPE	SQFT/UNIT	SCHEDULED RENTS	MARKET RENTS
6	Apartment	1,200	\$2,532	\$2,532

## OPERATING DATA

INCOME	CURRENT	YEAR 1
Gross Scheduled Rent	\$178,020	\$186,921
Less: Vacancy/Deductions	5.0%	\$8,901
Total Effective Rental Income		\$169,119
Other Income		\$3,500
Effective Gross Income		\$172,619
Less: Expenses	16.5%	\$28,549
<b>Net Operating Income</b>	<b>\$144,070</b>	<b>\$152,103</b>
Cash Flow		\$144,070
Debt Service		\$100,314
Net Cash Flow After Debt Service	8.13%	\$43,756
Principal Reduction		\$12,764
<b>Total Return</b>	<b>10.50%</b>	<b>\$56,519</b>
		<b>12.16%</b>
		<b>\$65,475</b>

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# 327

N 40TH STREET

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