



1501 Unity Street

Philadelphia, PA

300,000 SF Infill Value-Add Industrial Building with
Neighboring Parcels

Confidential Offering
Memorandum

**AVISON
YOUNG**

03-12

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Executive Summary

1501 Unity Street is a 297,987 square foot industrial building located one mile from the North/South entrance to Interstate 95 (I-95) at Exit 26. The property is equipped with 14 drive-in doors and nine interior loading docks able to accommodate 53' trailers. Situated on 1.48 acres, the building is four stories with an accessible basement, with each floor measuring roughly 60,000 square feet, with 18' pillar spacing throughout. The property has seven heavy load elevators with current infrastructure providing up to 16 MW of electricity. Additionally, each floor has outside ventilation and a 100% dry fire suppression system, lowering operating expenses during the winter and making the building ideal for a climate controlled / refrigerated building conversion. The dry fire suppression system is newly updated with equipment replaced in the last two years.

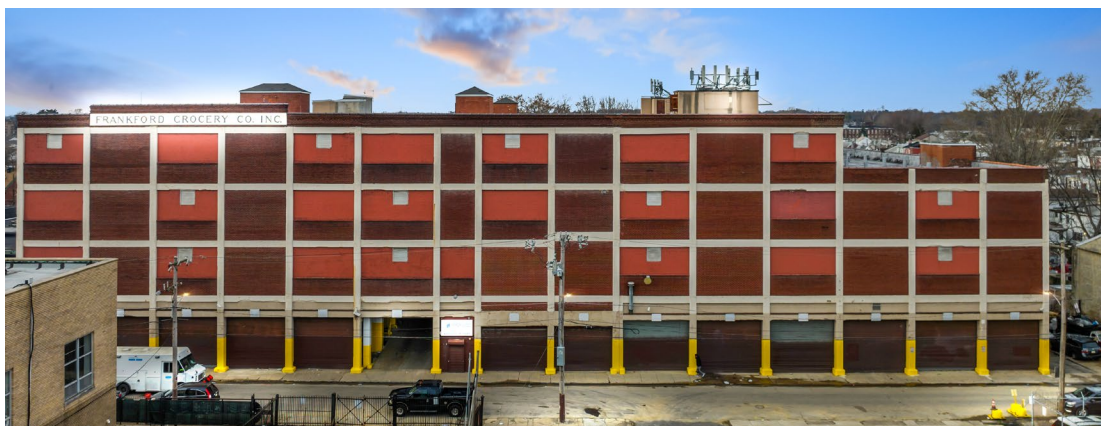
1501 Unity Street is currently owner/used as a distribution and storage warehouse for Shipmate, a 40-year-old, family run fulfillment company. The building has been continuously maintained and inspected annually, including inspections of all seven freight elevators. The property is for sale or lease as Shipmate plans to relocate their business. 1501 Unity Street is zoned I-2 Medium Industrial, which allows for a wide variety of uses such as manufacturing, distribution, research & development, wholesale, and storage. At an offering price of \$10,750,000, the industrial portion of the portfolio is priced at \$36 per square foot, allowing a range of strategic possibilities to realize a large-scale value proposition. The property could be used as-is as a warehouse and distribution facility, converted to a climate control/refrigerated building, or redeveloped into a self-storage facility or apartment building.

The main land parcel at 1501 Unity is roughly 1.48 acres, making up an entire city block. The property offering also includes multiple contiguous parcels across Griscom Street that allow for a full truck court, giving the turning radius needed for trucks to utilize the nine interior loading docks. Two of the three additional land parcels have retail structures fronting Frankford Avenue, with short term leases in-place generating \$6,150 per month. The additional parcels across Griscom Street are zoned CMX-2, allowing for business and services offices, retail (in-place), and surface parking. Parcel details below:

- 4410 Frankford Avenue - 22,860 sf parcel / 12,793 sf structure
- 4422 Frankford Avenue - 3,465 sf parcel / 1,759 sf structure
- 4429-33 Griscom Street - 4,065 sf land parcel

The additional CMX-2 zoned parcels are offered at a sale price of \$60 per square foot on the retail structure footprint, equating to roughly \$875,000. **The total sale price for the portfolio is \$11,625,000.**

The ownership group is also open to selling the current operating 3PL in the building, which not only provides instant revenue, but also has the infrastructure and software in-place for a sophisticated B2B operation. Confidential 3PL financial information is available by request.



Property Details

Industrial Property Details

Address	1501 Unity Street Philadelphia, PA 19124
Built	1910
Building SF	297,987
Ceiling Clear Height	13' - 16'
Pillar Spacing	18' throughout
Docks / Drive-Ins	Nine (9) Truck Bays 14 Drive-In Doors
Elevators	Seven (7) Heavy Load Elevators
Acres	1.48
Zoning	I2 - Medium Industrial District (allows for manufacturing, distribution, R&D, storage, wholesale)
Asking Rent	\$8.00/NNN

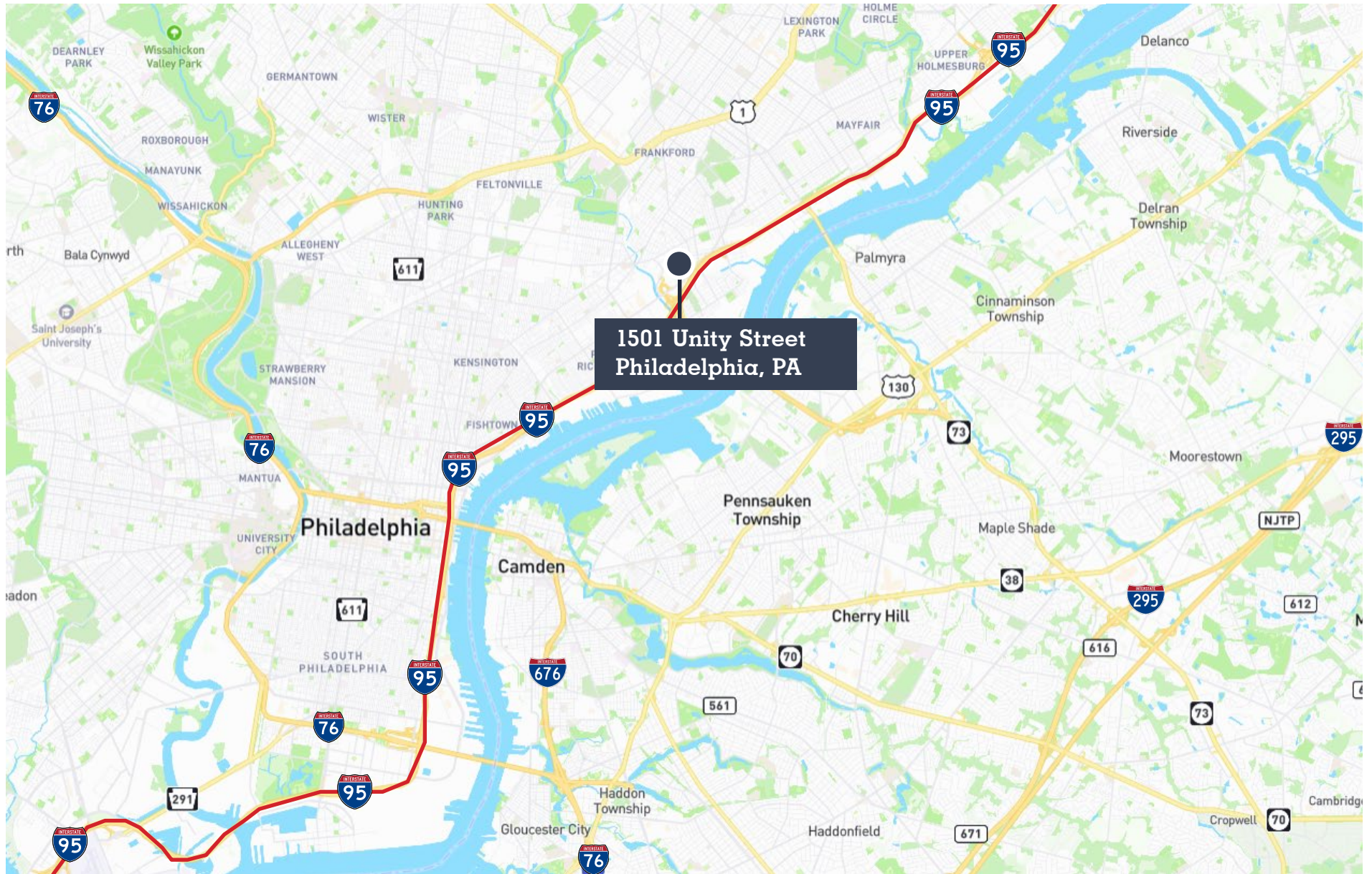
Retail Property Details

Address	4410-20 Frankford Ave 4422 Frankford Ave 4429-33 Griscom St Philadelphia, PA
Building SF	4410-20 Frankford Ave - 12,793 SF 4422 Frankford Ave - 1,759 SF
Total Retail Building SF	14,552
Lot Acreage	4410-20 Frankford Ave - 0.52 AC 4422 Frankford Ave - 0.08 AC 4429-33 Griscom St - 0.09 AC Total: 0.70 AC
Lot SF	4410-20 Frankford Ave - 22,860 SF 4422 Frankford Ave - 3,465 SF 4429-33 Griscom St - 4,065 SF Total: 30,390
Zoning	CMX-2 - Commercial Mixed-Use (allows for business and services office and surface parking)

Offering Price

Industrial Portion	\$10,750,000 (\$36 psf)
Retail/Land Portion	\$875,000 (\$60 psf)
Total Price	\$11,626,000 (\$37.20 psf)

Location Map



Property Aerial



Proximity Map



Investment Highlights

Philadelphia Industrial Low Cost Alternative

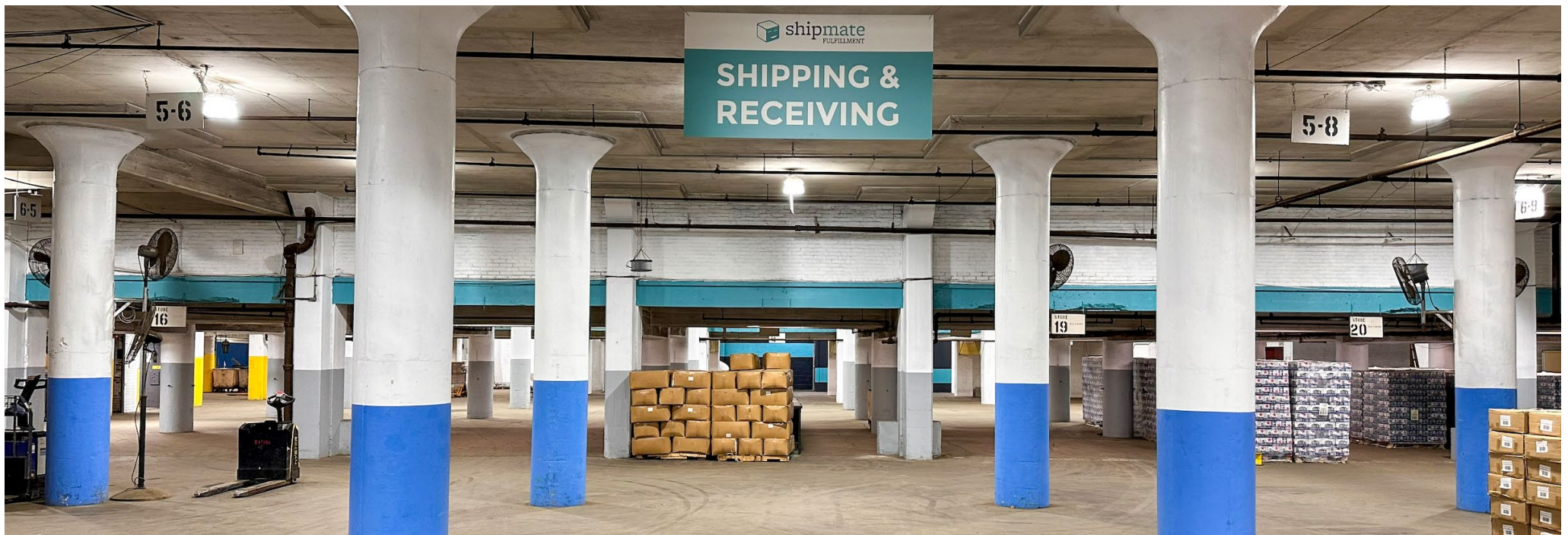
1501 Unity Street provides investors with a low cost alternative compared to similar industrial buildings within a mile radius of the property. On average, Class C industrial buildings sell for \$69 per square foot with an average rental rate of \$8.38/NNN per square foot. 1501 Unity provides a low cost alternative, being marketed at a sale price of \$36 per square foot, allowing investors to offer the property for lease at a lower rate than competing properties, solving for the same returns. With a scant 3.8% market vacancy, 1501 Unity Street will have high demand in a market with little available space.

Accessibility

1501 Unity Street is strategically located one mile from I-95 at the corner of Frankford Avenue, and one block from the L train, allowing easy access to Center City Philadelphia, South Jersey, New York City, Wilmington, and the surrounding areas. The convenient location allows for an efficient commute for employees and major distribution ability for warehousing and fulfillment companies. 1501 Unity Street is also equipped with off street parking off Griscom Street. A new owner can easily add more off street parking by converting the lower level of the building to a parking lot, with access off Penn Street.

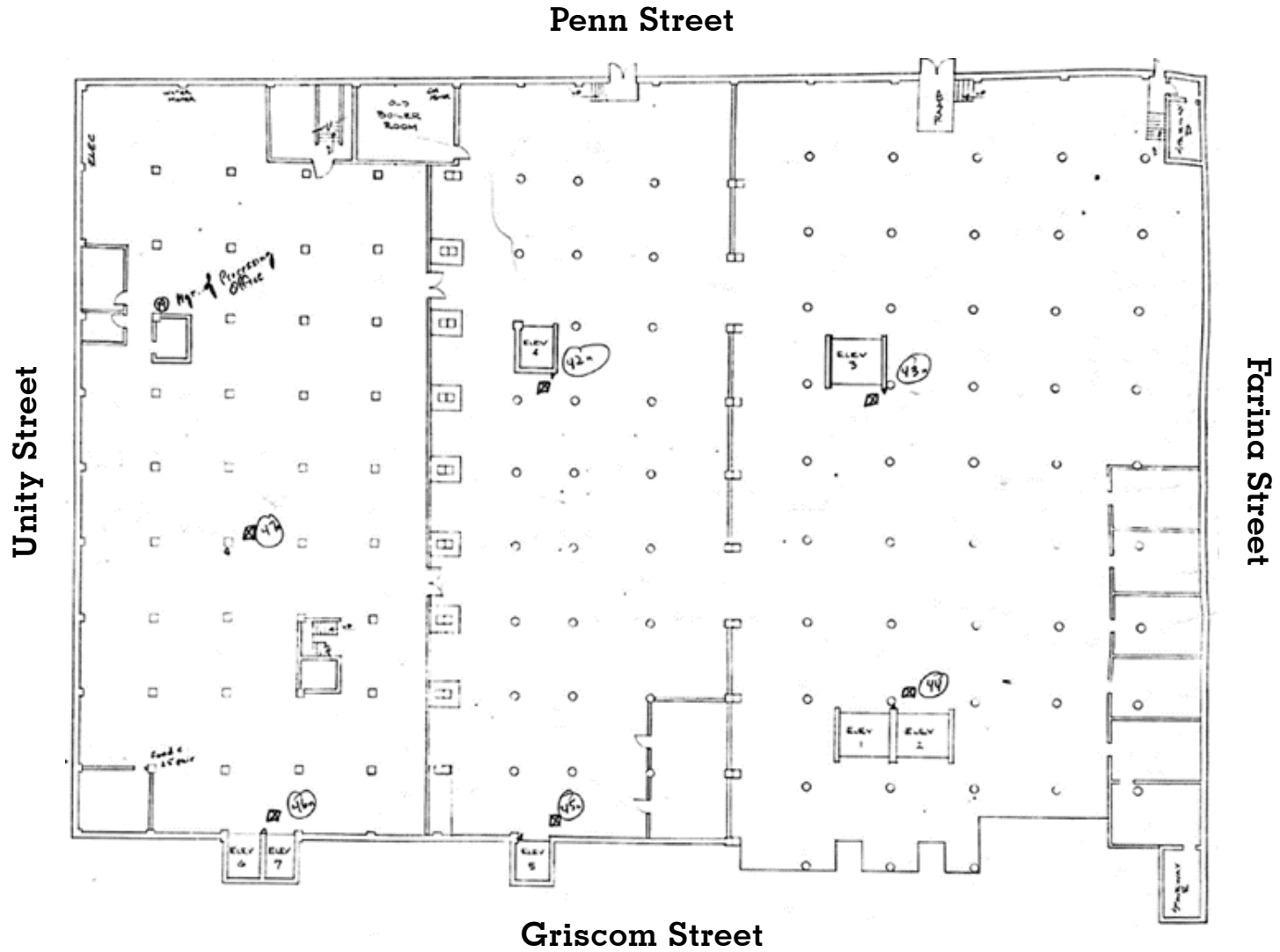
Discount to Replacement Cost

Avision Young's project management team is currently developing 1.8 million sf of industrial space across four sites in Greater Philadelphia. The average costs are \$100 - \$120 per square foot for vertical construction and \$170 psf all-inclusive of soft costs, furnishing, and land costs. At a sale price of \$36 psf, 1501 Unity Street is being sold at 21% of replacement cost. The property also provides additional amenities not included in the comparable developments, including built out office space used by Shipmate management and a large baling machine for recycling distribution materials such as cardboard and plastic.



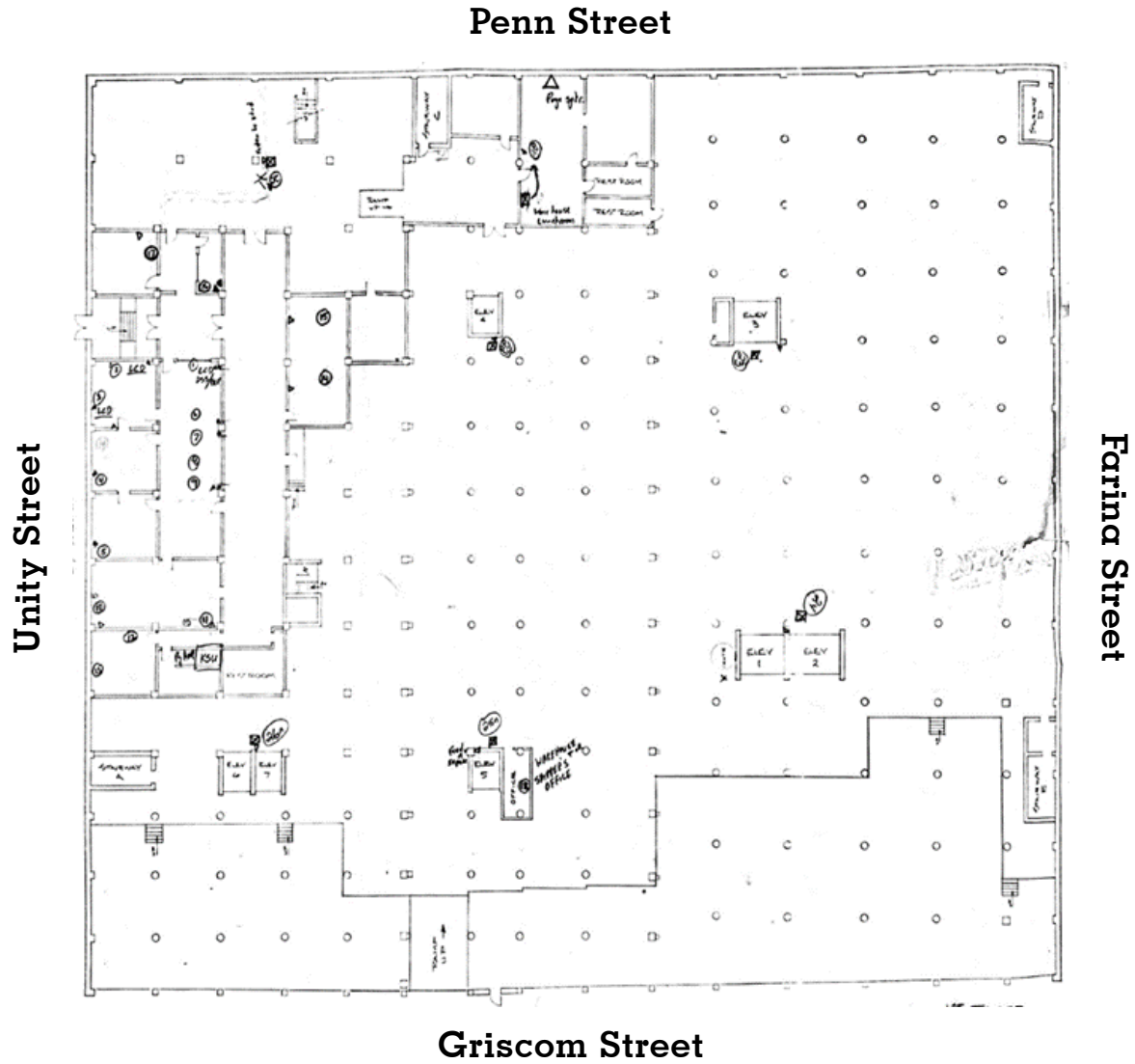
Floor Plan

Basement



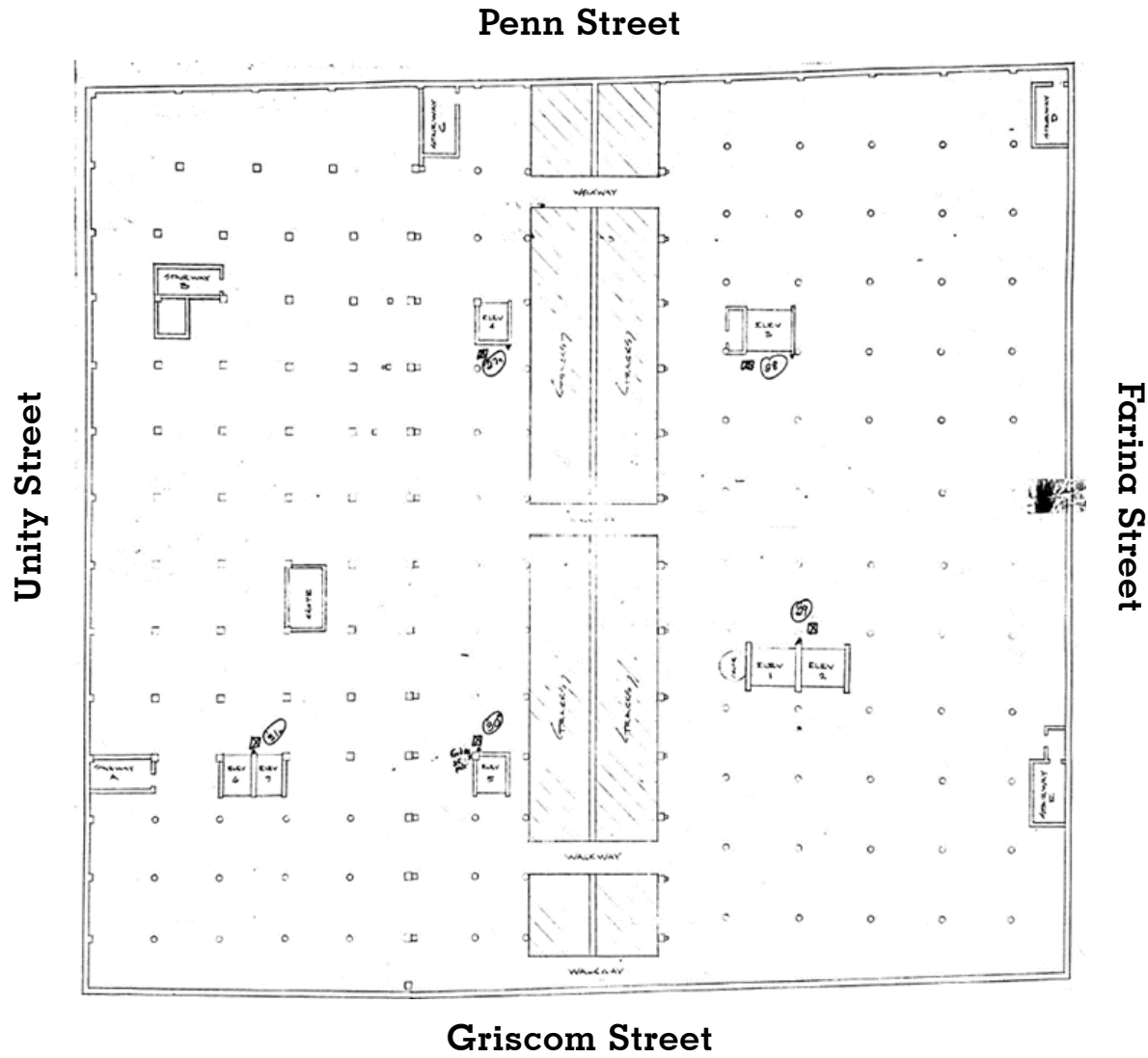
Floor Plan

First Floor



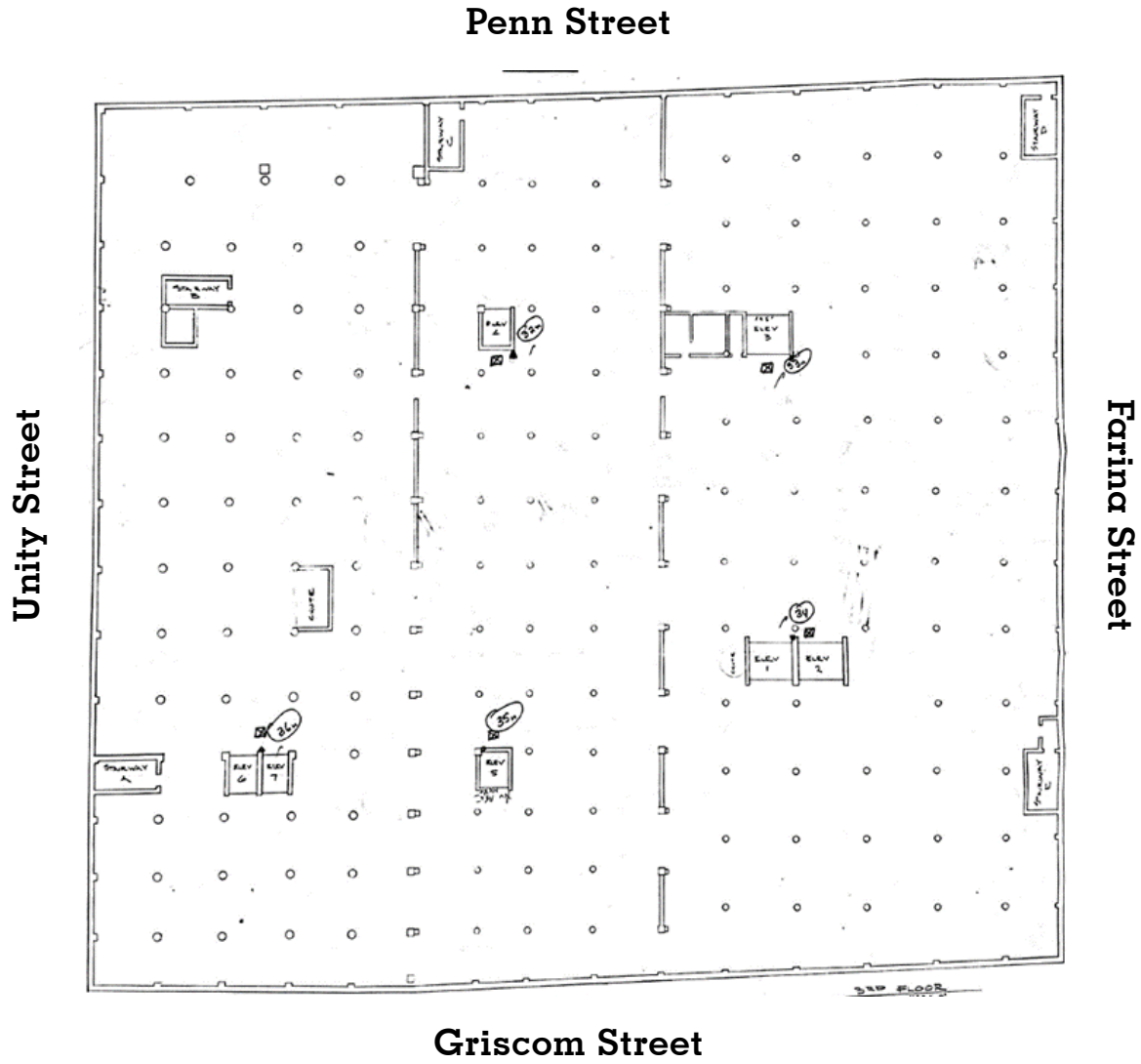
Floor Plan

Second Floor



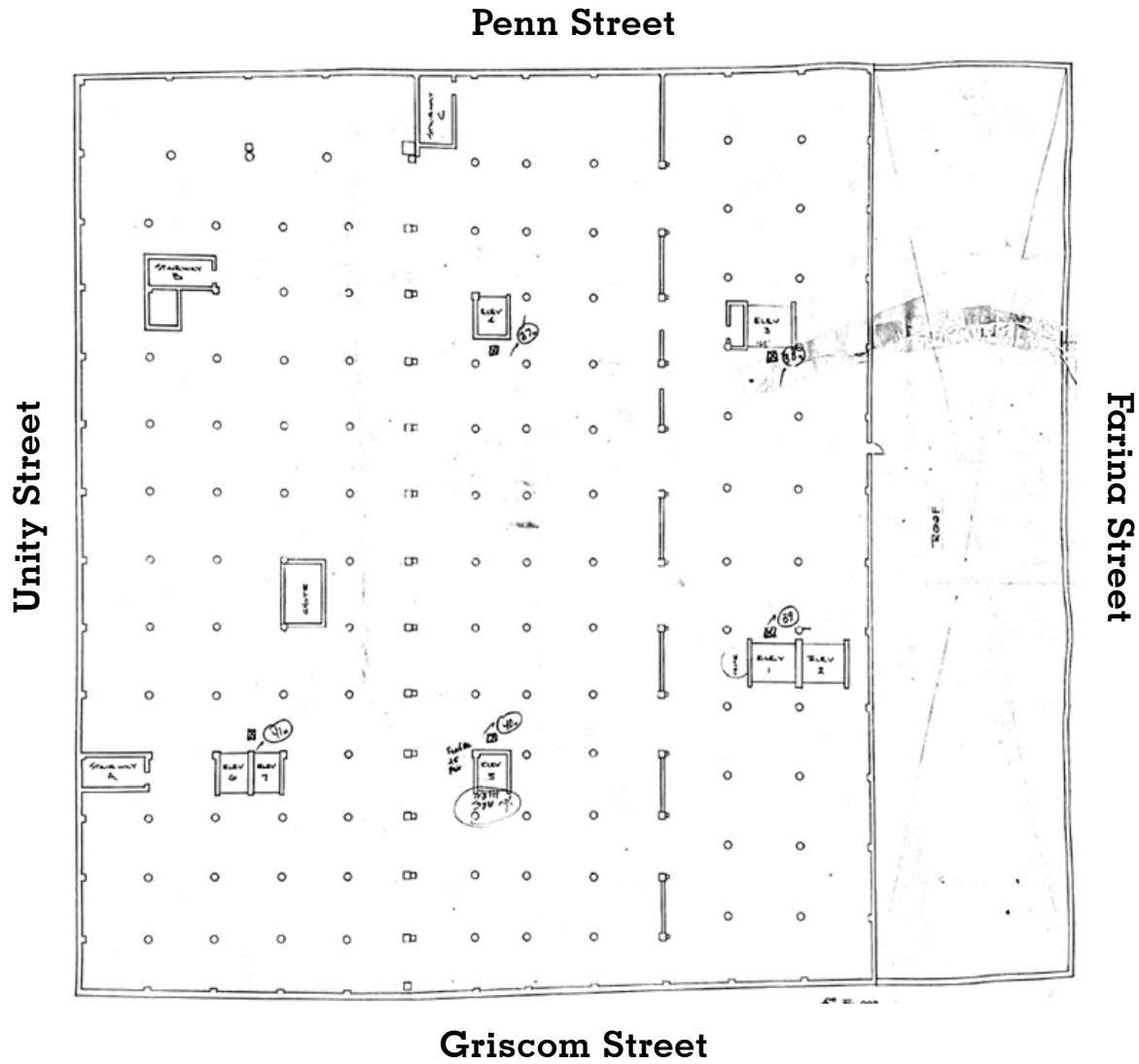
Floor Plan

Third Floor



Floor Plan

Fourth Floor



Zoning Information

1501 Unity Street is zoned I-2 Industrial District, while 4429-33 Griscom Street, 4422 Frankford Avenue, 4410-20 Frankford Avenue are zoned CMX-2 Commercial Mixed-Use. Permitted uses and dimensional standards are shown below:

I-2 Zoning Information

I-2 Industrial		
I-2 - Permitted Uses		I-2 - Special Use Permit Required
Residential Caretaker Quarters	Commercial Vehicle Sales and Rentals	Detention and Correctional Facility
Passive Recreation	Personal Vehicle Repair and Maintenance	Re-Entry Facility
Safety Services	Personal Vehicle Sales and Rentals	Adult-Oriented Merchandise
Transit Station	Vehicle Fueling Station	Drug Paraphernalia Sales
Basic Utilities and Services	Vehicle Paint Finishing Shop	Gun Shop
Major Utilities and Services	Equipment and Materials Storage Yards and Buildings	Adult-Oriented Services
Wireless Service Facility	Moving and Storage Facilities	Animal Boarding and other Services
Business and Professional Office	Warehouse	Personal Credit Establishment
Group Medical Practitioner	Wholesale Sales and Distribution	Junk and Salvage Yards/Buildings
Government Office	Distributor of Malt or Brewed Beverages	
Building Supplies and Equipment	Artist Studio and Artisan Industrial	
Animal Services	Limited Industrial	
Commercial Building Services	General Industrial	
Commercial Building Support	Medical Marijuana Growing/Processing Facility	
Financial Services	R&D	
Maintenance & Repair of Consumer Goods	Trucking and Transportation Terminals	
Marina	Community Garden	
Parking, Non-Accessory	Market or Community-Supported Farm	
Radio, Television, and Recording	Animal Husbandry	
Commercial Vehicle Repair and Maintenance	Horticulture Nurseries and Greenhouses	



Zoning Information

I-2 Zoning Information Continued

INTENT:

Low-impact uses including light industrial, fabrication, offices, and research and development

I-1



INTENT:

Light/moderate impact industrial uses including manufacturing, processing, and distribution

I-2



INTENT:

Intensive, high-impact uses, including extractive industries and petroleum processing and storage

I-3



INTENT:

Marine-related industrial uses such as docks, wharves, piers, and transit sheds

I-P



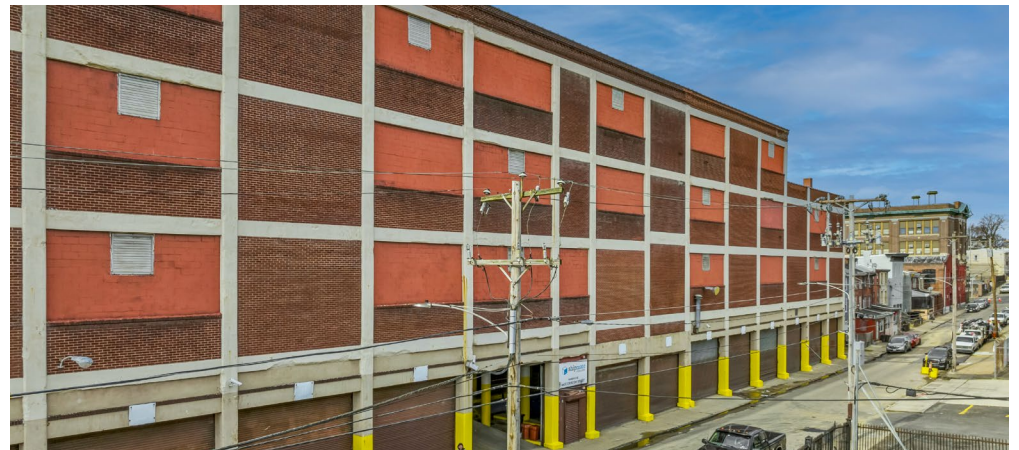
Table 14-701-4: Dimensional Standards for Industrial Districts

Max. Occupied Area	100%	100%	100%	100%
Min. Front Yard Depth	0 ft. [3]	0 ft. [3]	0 ft. [3]	0 ft. [3]
Min. Side Yard Width	8 ft. if used [3]	6 ft. if used [3]	If used: Buildings ≤ 4 stories = 6 ft.; Others = 8 ft. [3]	0 ft. [3]
Min. Rear Yard Depth	8 ft. if used [3]	8 ft. if used [3]	8 ft. if used [3]	0 ft. [3]
Max. Height	60 ft. if abutting a Residential or SP-PO district; otherwise no limit	60 ft. if abutting a Residential or SP-PO district; otherwise no limit	60 ft. if abutting a Residential or SP-PO district; otherwise no limit	60 ft. if abutting a Residential or SP-PO district; otherwise no limit
Max. Floor Area Ratio	500%	500%	500%	N/A

Zoning Information

CMX-2 Zoning Information

CMX2 - Commercial Mixed-Use		
CMX-2 - Permitted Uses		CMX-2 - Special Use Permit Required
Single-Family Household	Consumer Goods Retail	Personal Care Home
Two-Family Household	Medical Marijuana Dispensary	Active Recreation
Multi-Family Household	Food Beverage and Groceries Retail	Transit Station
Passive Recreation	Pets and Pet Supplies	Utilities and Basic Services
Adult Care	Sundries, Pharmaceuticals, and Convenience Sales	Freestanding Wireless Tower
Family Child Care	Wearing Apparel and Accessories	Group Medical Practitioner
Group Child Care	Business Support	Animal Services
Child Care Center	Prepared Food Eating Establishment	Assembly & Entertainment
Community Center	Sit-Down Restaurant	Nightclubs and Private Clubs
Educational Facilities	Financial Services	Take-out Restaurant
Fraternal Organization	Funeral and Mortuary Services	Surface Parking
Hospital	Maintenance & Repair of Consumer Goods	Structured Parking
Libraries and Cultural Exhibits	Personal Services	Body Art Services
Religious Assembly	Radio, Television, Recording Services	
Safety Services	Catering Services	
Building or Tower-Mounted Cell Antenna	Vehicle Equipment and Supplies Sales and Rentals	
Business and Professional Office	Art Studio and Artisan Industrial	
Sole Medical Practitioner	R&D	
Government Office	Community Garden	
Building Supplies and Equipment Office	Market or Community-Supported Farm	



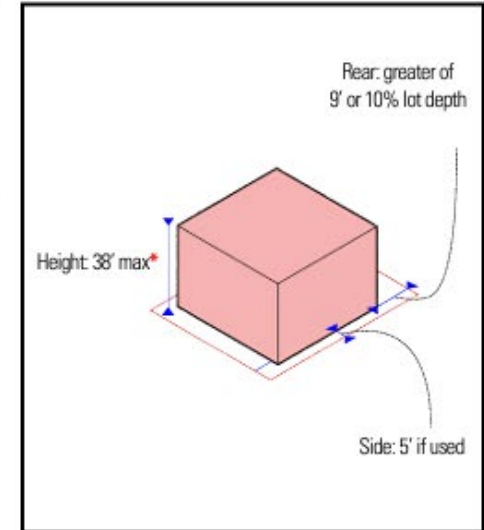
Zoning Information

CMX-2 Zoning Information

Table 14-701-3: Dimensional Standards for Commercial Districts



Max. Occupied Area	Lot: Intermediate 75%; Corner 80%
Min. Front Yard Depth	N/A
Min. Side Yard Width	5 ft. if used
Min. Rear Yard Depth	The greater of 9 ft. or 10% of lot depth
Max. Height	38 ft.*
Min. Cornice Height	N/A



* Zoning Bonus Summary		CMX-2	
		Additional Height	Housing Unit Bonus
Mixed Income Housing (\$14-702(7))	Moderate Income	7 ft.	25% increase in units permitted
	Low Income	7 ft.	50% increase in units permitted
Green Roof (\$14-702(16))		n/a	25% increase in units permitted

For bonus restrictions in select geographic areas, see [page 49](#).

Dwelling Unit Density by Lot Size

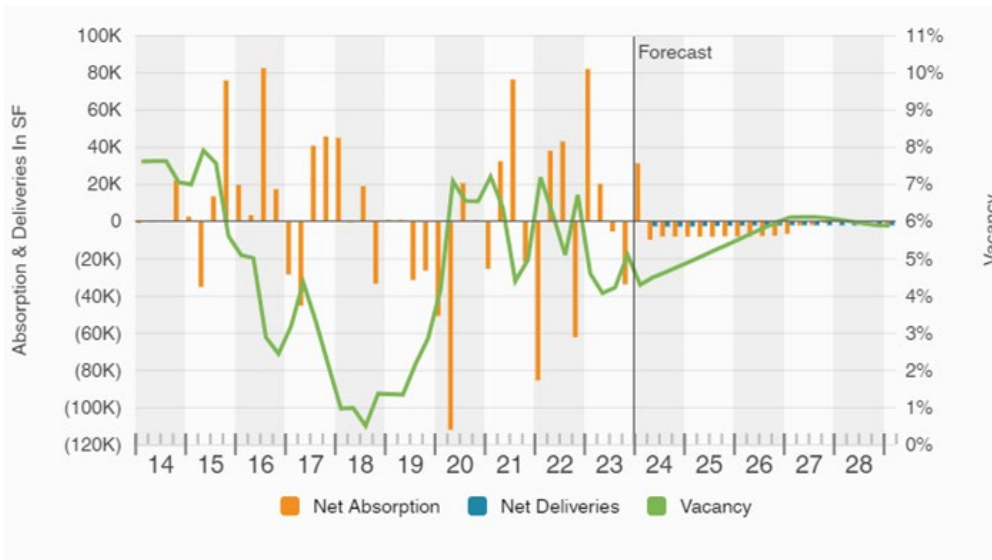
Council District	CMX-2		
	< 1,440 sq. ft.	1,440 to 1,919 sq. ft.	> 1,919 sq. ft.
1	480 sq. ft. per unit		
2	480 sq. ft. per unit		
3	480 sq. ft. per unit		
4	2 units	3 units	480 sq. ft. per unit
5	2 units	3 units	480 sq. ft. per unit
6	2 units	3 units	480 sq. ft. per unit
7	480 sq. ft. per unit		
8	2 units	3 units	480 sq. ft. per unit
9	2 units	3 units	480 sq. ft. per unit
10	2 units	3 units	480 sq. ft. per unit

Market Analysis

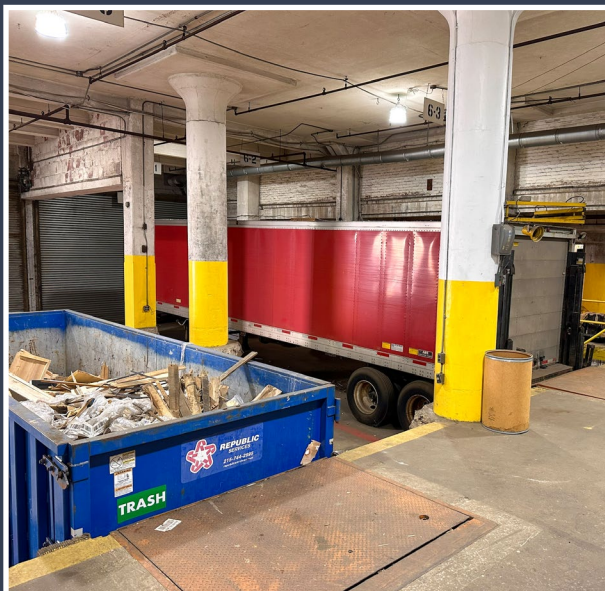
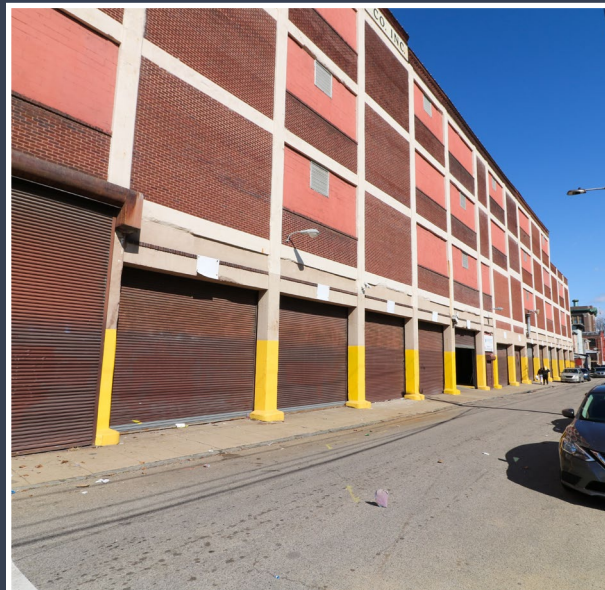
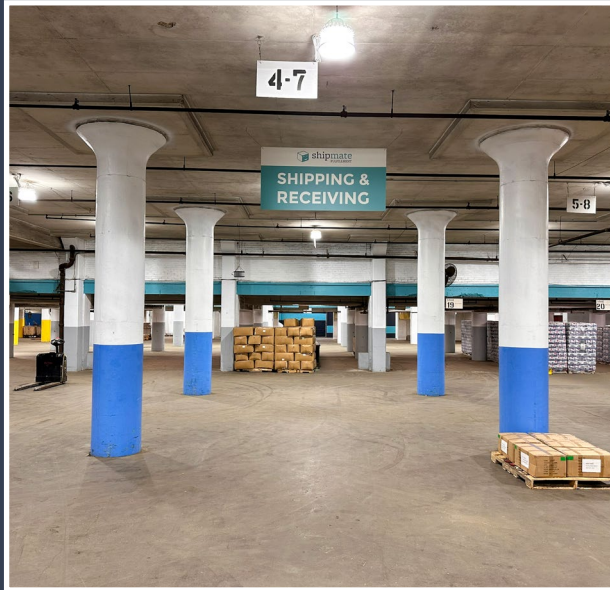
The Philadelphia County industrial market has experienced increasing rental rates and decreasing vacancy rates over the past decade. More specifically within a mile radius of 1501 Unity Street, industrial rental rates have increased 34.7% to \$8.38/NNN, while vacancy rates have decreased from 7.2% to 3.8% over the past three years.

Key Market Indicators	Q1 2023	Q1 2024	Q1 2025 (forecast)
Supply (sf)			
Supply	3,859,535	3,859,535	3,847,969
New Deliveries	0	0	(11,566)
Demand			
Vacancy	4.60%	3.80%	4.90%
Net Absorption	(67,373)	123,279	(45,784)
Pricing			
Market Rent % Change	12.6%	6.5%	3.3%
Industrial Market Rent	\$7.87	\$8.38	\$8.66

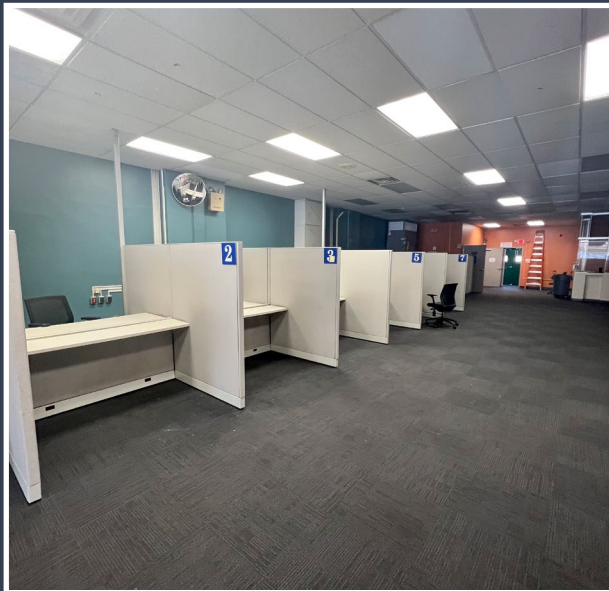
**One-mile radius, Existing, Industrial, 10,000+ sf, Class C*



Property Photos



Property Photos



Lease Comparables

The following lease comparables are for industrial properties in similar locations with similar characteristics to 1501 Unity Street. The rental rates range from \$7.32/NNN to \$11.94/NNN per square foot.

Industrial



	3111 W Allegheny Ave Philadelphia, PA	3111 W Allegheny Ave Philadelphia, PA	1300 Adams Ave Philadelphia, PA	1300 Adams Ave Philadelphia, PA
Start Date	Jul-23	May-23	Mar-23	Feb-23
Total RSF	19,692	14,526	7,500	2,200
Year Built	1932	1932	1930	1930
Rental Rate	\$11.94	\$9.50	\$7.32	\$7.36
Reimb. Structure	NNN	NNN	NNN	NNN
Term	7 Years	5 Years	5 Years	2 Years
Notes	\$22 psf TI Allowance 5 Months of Free Rent	Four Freight Elevators 13' Ceiling Clear Heights	Separate Single Story Industrial Building	Second Floor Space in Four Story Industrial Building

Sale Comparables

Below are three sale comparables with a price per square foot range of \$32.46 to \$35.00. They represent a mix of industrial sales with similar characteristics to the property and can be used as a benchmark for the disposition of 1501 Unity Street.

Industrial



	2200 N 8th Street Philadelphia, PA	2214 W Ontario Street Philadelphia, PA	5200 Unruh Avenue Philadelphia, PA
Seller	Jodan Real Estate LLC	Eric Wharton	Shivify LLC
Buyer	Andre Herszaft	Nathaniel Arnson	Inland Private Capital Corporation
Sale Date	Aug-23	Dec-22	Dec-22
Sale Price	\$4,750,000	\$1,750,000	\$5,095,000
Square Footage	146,778	50,000	150,000
Price PSF	\$32.36	\$35.00	\$33.97
Year Built	1960	1915	1950
Occupancy	45%	0%	15%
Notes	Investment Sale 22' Clear Heights	Owner/User Sale Three Story Industrial 14' Clear Heights	Investment Sale Five Story Industrial 16' Clear Heights Self-Storage Redevelopment

Sale Comparables

Retail

	Retail Comps			Land Comp
				
	4213-4221 Frankford Ave Philadelphia, PA	4328 Frankford Avenue Philadelphia, PA	4802 Frankford Avenue Philadelphia, PA	4080 Frankford Avenue Philadelphia, PA
Seller	Kushnir Vladimir	Erod Estate LLC	Thai Group LLC	Pyramid Investment Group
Buyer	4213 Frankford Avenue LLC	1314 Estate LLC	MSK Family LLC	Pride Capital Group
Sale Date	Sep-22	Oct-22	Apr-23	May-22
Sale Price	\$700,000	\$250,000	\$165,000	\$1,100,000
Square Footage	11,287	2,703	3,414	1.83 Acres
Price PSF/AC	\$62.02	\$92.49	\$48.33	\$601,092.90
Year Built	1935	1920	1935	-
Occupancy	100%	100%	100%	0%
Notes	0.04 AC Lot	0.03 AC Lot	0.04 AC Lot	Vacant Industrial Building Included in Sale

Offering Price and Procedure

1501 Unity Street, 4429-33 Griscom Street, 4422 Frankford Avenue and 4410-20 Frankford Avenue are **offered for sale as a portfolio for \$11,625,000** to qualified real estate entities. Interested investors should address all communications, inquiries, and requests for information to Avison Young.

All inspections of the properties must be arranged through Avison Young with appropriate notice. Investors intending to purchase the property should put their proposed terms in Letter of Intent form and deliver to Avison Young by email. The seller will evaluate all offers based on factors such as economics, timing, terms, and the bidder's track record in closing similar transactions.

Neither Seller, nor Avison Young, nor any of their respective employees, agents, or principals, has made any representation or warranties, expressed, or implied as to the accuracy or completeness of this offering memorandum.

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