

515 West 170th Street

OFFERING MEMORANDUM



Marcus & Millichap
NYM GROUP

5.4x
GRM

30%
FREE
MARKET

\$111,429
PPU

Marcus & Millichap
NYM GROUP

515 WEST 170TH STREET NEW YORK, NY

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INVESTMENT HIGHLIGHTS



The Offering

Marcus & Millichap presents 515 West 170th Street, a well-maintained walk-up in Washington Heights with 35 apartments, including 12 one-bedroom, 18 two-bedroom, and 5 three-bedroom units. 10 of these units are deregulated, offering an average rent of \$1,733, with strong upside potential. The property spans 29,250 square feet and is ideally located near key amenities like New York-Presbyterian, Columbia University Medical Center, Audubon Playground, and the 168th Street A & C train. This building has been maintained by the same family for nearly 25 years, offering both immediate and long-term investment opportunities.

The Opportunity

- Free Market Component: 29% of apartments in this asset have been destabilized through IAI's providing investors with both immediate and long-term upside. The 10 free market units have an average monthly rent of \$1,733.
- The Metrics: 5.4x GRM | \$111,429 per Unit | \$133 per Square Foot
- Prime Location: 515 West 170th Street is conveniently located near New York-Presbyterian / Columbia University Medical Center, Audubon Playground, P.S. 513 Castle Bridge School, and the 168th Street A & C train.

\$1,600,000

EQUITY REQUIRED

7.6%

LISTING CAP RATE

\$133

LISTING \$/SF

8.7%

PRO FORMA RETURN

FINANCIAL OVERVIEW

| OFFERING PRICE | | INCOME | CURRENT | PRO FORMA | | |
|---------------------------------------|-------------|-------------------------------------|---------------------|------------------|------------------|------------------|
| \$3,900,000 | | Gross Potential Residential Rent | \$727,850 | \$747,181 | | |
| \$/SF | \$133 | Gross Potential Commercial Rent | \$0 | \$0 | | |
| \$/UNIT | \$111,429 | Other Income | \$0 | \$0 | | |
| TOTAL SF | 29,250 | Gross Income | \$727,850 | \$747,181 | | |
| TOTAL UNITS | 35 | Vacancy/Collection Loss | (\$36,393) | (\$37,359) | | |
| CURRENT METRICS | | Effective Gross Income | \$691,458 | \$709,822 | | |
| CAP RATE | 7.6% | Average Residential Rent/Month/Unit | \$1,733 | \$1,779 | | |
| GRM | 5.4 | | | | | |
| PRO FORMA METRICS | | EXPENSES | | | | |
| CAP RATE | 7.8% | Property Taxes | Tax Class: 2 | <i>Projected</i> | \$157,410 | \$162,132 |
| GRM | 5.2 | Fuel - Gas | | <i>Projected</i> | \$42,000 | \$43,260 |
| CASH ON CASH | 8.75% | Insurance | | <i>Projected</i> | \$49,000 | \$50,470 |
| | | Water and Sewer | | <i>Projected</i> | \$45,815 | \$47,189 |
| PROPOSED DEBT | | Repairs and Maintenance | | <i>Projected</i> | \$29,750 | \$30,643 |
| Debt Service | (\$163,532) | Common Electric | | <i>Projected</i> | \$7,313 | \$7,532 |
| Debt Coverage Ratio | 1.82 | Super Salary | | <i>Projected</i> | \$20,000 | \$20,600 |
| Net Debt Cash Flow After Debt Service | \$139,960 | Management Fee | | <i>Projected</i> | \$34,573 | \$35,491 |
| Loan Amount | \$2,300,000 | General Administration | | <i>Projected</i> | \$8,750 | \$9,013 |
| Interest Rate | 5.80% | Total Expenses | | | \$394,610 | \$406,330 |
| Amortization | 30 | Net Operating Income | | | \$296,847 | \$303,492 |

29,250

GROSS TOTAL SF

\$133

\$/SF

5.4

GRM

7.6%

CAP RATE

RENT ROLL

RESIDENTIAL RENT

| UNIT# | STATUS | NOTES | BEDROOMS | ROOMS | SF | EXPIRATION | ACTUAL | PRO FORMA | LEGAL |
|-------|--------|--------------------|-----------|-------|----|------------|---------|-----------|---------|
| 2 | RS | Preferential Rent | 2 Bedroom | 4 | | May-26 | \$2,283 | \$2,346 | \$2,889 |
| 3 | RS | Section 8 | 2 Bedroom | 4 | | Jan-27 | \$1,490 | \$1,490 | \$1,490 |
| 4 | RS | | 2 Bedroom | 4 | | Dec-26 | \$1,516 | \$1,557 | \$1,516 |
| 5 | RS | | 1 Bedroom | 3 | | Jun-26 | \$1,809 | \$1,858 | \$1,809 |
| 6 | FM | | 2 Bedroom | 4 | | Aug-25 | \$2,400 | \$2,520 | \$2,400 |
| 21 | RS | Section 8 | 1 Bedroom | 3 | | Oct-25 | \$1,535 | \$1,535 | \$1,535 |
| 22 | RS | | 1 Bedroom | 3 | | Aug-26 | \$1,884 | \$1,936 | \$1,884 |
| 23 | FM | | 3 Bedroom | 5 | | Sep-25 | \$2,875 | \$3,019 | \$2,875 |
| 24 | RS | Section 8 | 2 Bedroom | 4 | | Nov-26 | \$1,465 | \$1,505 | \$1,465 |
| 25 | RS | Preferential Rent | 1 Bedroom | 3 | | Apr-19 | \$1,779 | \$1,779 | \$3,321 |
| 26 | RS | Section 8 | 2 Bedroom | 4 | | Dec-25 | \$1,067 | \$1,067 | \$1,067 |
| 31 | RS | Section 8 | 2 Bedroom | 4 | | Mar-26 | \$1,617 | \$1,661 | \$1,617 |
| 32 | FM | | 1 Bedroom | 3 | | May-26 | \$1,875 | \$1,969 | \$1,875 |
| 33 | RS | | 3 Bedroom | 5 | | Oct-25 | \$1,054 | \$1,054 | \$1,054 |
| 34 | RS | | 2 Bedroom | 4 | | Jun-26 | \$2,223 | \$2,284 | \$2,223 |
| 35 | RS | | 1 Bedroom | 3 | | Nov-25 | \$1,857 | \$1,857 | \$1,857 |
| 36 | RS | Section 8 | 2 Bedroom | 4 | | Oct-27 | \$1,634 | \$1,634 | \$1,634 |
| 41 | RS | Section 8 | 2 Bedroom | 4 | | Oct-25 | \$1,324 | \$1,324 | \$1,324 |
| 42 | FM | | 1 Bedroom | 3 | | May-26 | \$1,875 | \$1,969 | \$1,875 |
| 43 | RC | | 3 Bedroom | 5 | | Dec-19 | \$75 | \$75 | |
| 44 | FM | | 2 Bedroom | 4 | | Aug-26 | \$2,425 | \$2,546 | \$2,425 |
| 45 | FM | | 1 Bedroom | 3 | | Jul-26 | \$1,850 | \$1,943 | \$1,850 |
| 46 | FM | | 2 Bedroom | 4 | | Sep-25 | \$2,300 | \$2,415 | \$2,300 |
| 51 | FM | Vacant - Projected | 2 Bedroom | 4 | | | \$2,300 | \$2,300 | \$2,300 |
| 52 | RS | Preferential Rent | 1 Bedroom | 3 | | Aug-26 | \$1,889 | \$1,941 | \$2,964 |
| 53 | RS | | 3 Bedroom | 5 | | Dec-25 | \$1,007 | \$1,007 | \$1,007 |
| 54 | RS | Section 8 | 2 Bedroom | 4 | | Feb-26 | \$1,180 | \$1,212 | \$1,180 |
| 55 | FM | | 1 Bedroom | 3 | | Feb-26 | \$1,875 | \$1,969 | \$1,875 |
| 56 | RS | Section 8 | 2 Bedroom | 4 | | Feb-27 | \$1,894 | \$1,894 | \$1,894 |

RENT ROLL

RESIDENTIAL RENT

| UNIT# | STATUS | NOTES | BEDROOMS | ROOMS | SF | EXPIRATION | ACTUAL | PRO FORMA | LEGAL |
|------------------------------------|--------|-----------|-----------|------------|----|------------|------------------|------------------|------------------|
| 61 | RS | | 2 Bedroom | 4 | | May-26 | \$2,151 | \$2,210 | \$2,151 |
| 62 | RS | | 1 Bedroom | 3 | | Sep-26 | \$1,963 | \$2,017 | \$1,963 |
| 63 | RS | | 3 Bedroom | 5 | | Jun-26 | \$967 | \$993 | \$967 |
| 64 | RS | Section 8 | 2 Bedroom | 4 | | Nov-26 | \$1,134 | \$1,165 | \$1,134 |
| 65 | RS | | 1 Bedroom | 3 | | Sep-25 | \$1,485 | \$1,485 | \$1,485 |
| 66 | FM | | 2 Bedroom | 4 | | Jun-25 | \$2,600 | \$2,730 | \$2,600 |
| MONTHLY RESIDENTIAL REVENUE | | | 61 | 133 | | | \$60,654 | \$62,265 | \$63,803 |
| ANNUAL RESIDENTIAL REVENUE | | | | | | | \$727,850 | \$747,181 | \$765,632 |
| TOTAL ANNUAL REVENUE | | | | | | | ACTUAL | PRO FORMA | |
| | | | | | | | \$727,850 | \$747,181 | |

Notes

There are 35 total units.

There is currently 1 vacant unit 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 | \$727,850 | 100% | \$20,796 | \$747,181 | 100% | \$21,348 |
| Gross Potential Commercial Rent | \$0 | 0% | \$0 | \$0 | 0% | \$0 |
| <i>Other Income</i> | \$0 | 0% | \$0 | \$0 | 0% | \$0 |
| Gross Income | \$727,850 | | \$20,796 | \$747,181 | | \$21,348 |
| <i>Vacancy/Collection Loss</i> | (\$36,393) | 5% | (\$1,040) | (\$37,359) | 5% | (\$1,067) |
| Effective Gross Income | \$691,458 | | \$19,756 | \$709,822 | | \$20,281 |
| Average Residential Rent/Month/Unit | \$1,733 | | | \$1,779 | | |

\$1,733

AVERAGE RENT PER MONTH

29%

PERCENT FAIR MARKET

EXPENSES

| | | | | | | | | | |
|-----------------------------|--------------|-----------|------------------|------|----------|--|------------------|------|----------|
| Property Taxes | Tax Class: 2 | Projected | \$157,410 | 23% | \$4,497 | | \$162,132 | 23% | \$4,632 |
| Fuel - Gas | | Projected | \$42,000 | 6% | \$1,200 | | \$43,260 | 6% | \$1,236 |
| Insurance | | Projected | \$49,000 | 7% | \$1,400 | | \$50,470 | 7% | \$1,442 |
| Water and Sewer | | Projected | \$45,815 | 7% | \$1,309 | | \$47,189 | 7% | \$1,348 |
| Repairs and Maintenance | | Projected | \$29,750 | 4% | \$850 | | \$30,643 | 4% | \$876 |
| Common Electric | | Projected | \$7,313 | 1.1% | \$0.25 | | \$7,532 | 1.1% | \$0.26 |
| Super Salary | | Projected | \$20,000 | 3% | \$571 | | \$20,600 | 3% | \$589 |
| Management Fee | | Projected | \$34,573 | 5% | \$988 | | \$35,491 | 5% | \$1,014 |
| General Administration | | Projected | \$8,750 | 1% | \$250 | | \$9,013 | 1% | \$258 |
| Total Expenses | | | \$394,610 | 57% | \$11,275 | | \$406,330 | 57% | \$11,609 |
| Net Operating Income | | | \$296,847 | | | | \$303,492 | | |

23%

TAXES AS PERCENT OF EGI

57%

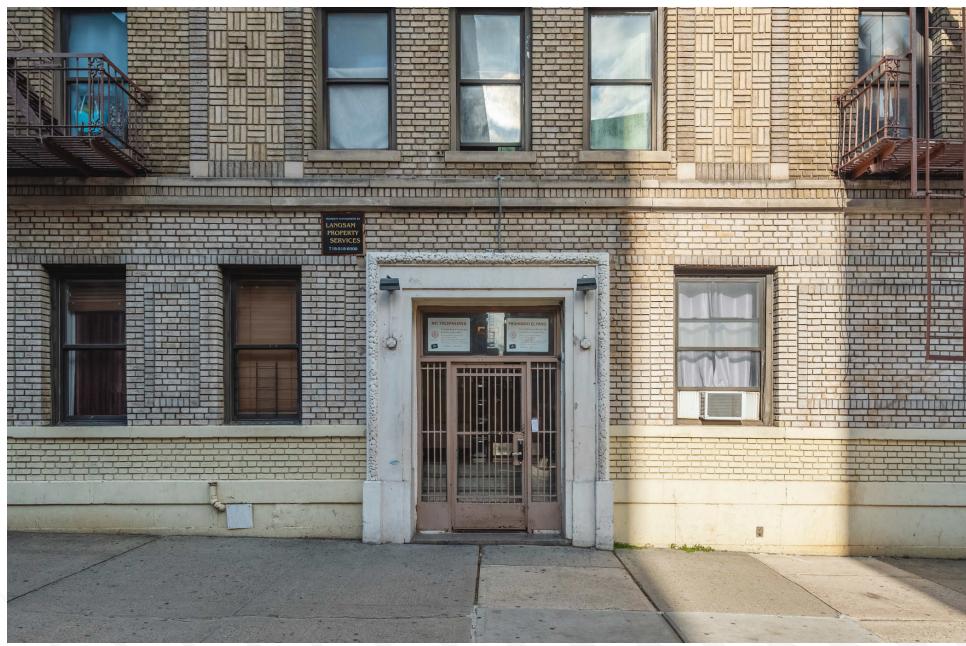
EXPENSE RATIO

LEASE STATUS MIX

| UNIT BREAKDOWN | % OF TOTAL | RENT | TOTAL | AVG. RENT |
|----------------|------------|----------|-------|-----------|
| Total Units | -- | \$60,654 | 35 | \$1,733 |
| Total RS Units | 69% | \$38,204 | 24 | \$1,592 |
| Total RC Units | 3% | \$75 | 1 | \$75 |
| Total FM Units | 29% | \$22,375 | 10 | \$2,238 |

RENTAL ANALYSIS BY UNIT TYPE

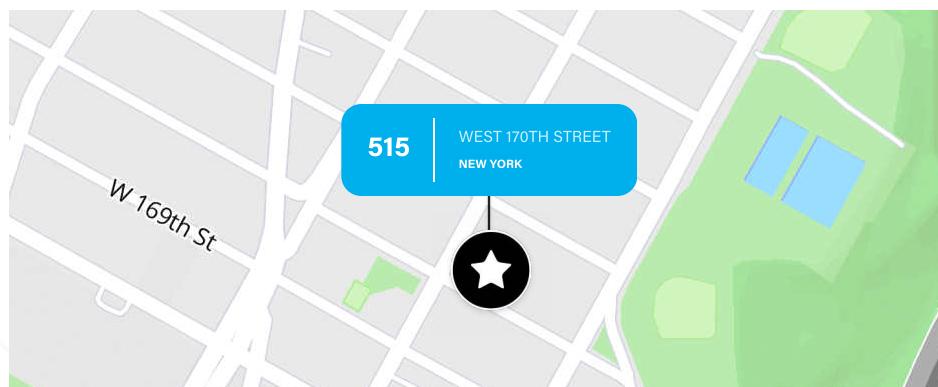
| TYPE | % OF TOTAL | RENT | TOTAL | AVG. RENT |
|-----------|------------|----------|-------|-----------|
| 1 Bedroom | 34% | \$21,675 | 12 | \$1,806 |
| 2 Bedroom | 51% | \$33,001 | 18 | \$1,833 |
| 3 Bedroom | 14% | \$5,978 | 5 | \$1,196 |





PROPERTY DESCRIPTION

| Subject Property Name | 123 Street Name |
|-------------------------|--------------------|
| Address | 123 Street Name |
| Neighborhood | Washington Heights |
| Borough | Manhattan |
| Block & Lot | 2127 / 58 |
| Lot Dimensions | 65' x 100' |
| Lot SF | 6,500 |
| Building Dimensions | 65' x 86' |
| Approximate Building SF | 29,520 |
| Zoning | R7-2 |
| Max FAR | 3.44 |
| Available Air Rights | [Blank] |
| Landmark District | None |
| Historic District | None |
| Annual Tax Bill | \$157,410 |
| Tax Class | 2 |



515 West 170th Street

TAX MAP

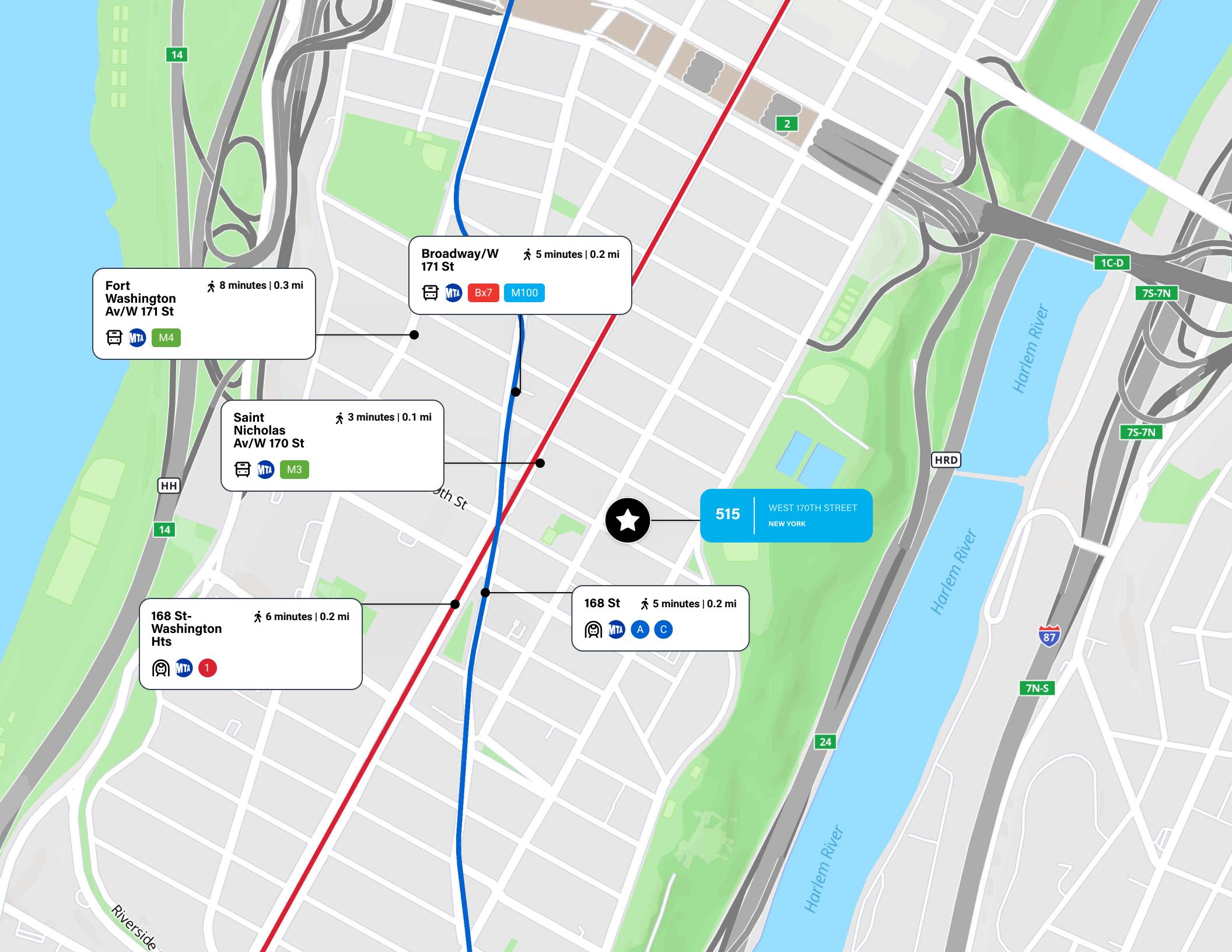




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NEW YORK, NY

AUDUBON AVE

W 170TH ST



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