

5501 5th Ave, Brooklyn, NY

SUNSET PARK CORNER MIXED
USE PROPERTY

OFFERING MEMORANDUM

5501 5th Ave
Brooklyn, NY 11220

Alex Adorno
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5501 5th Ave, Brooklyn, NY

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Exclusively Marketed By: The Verus Group



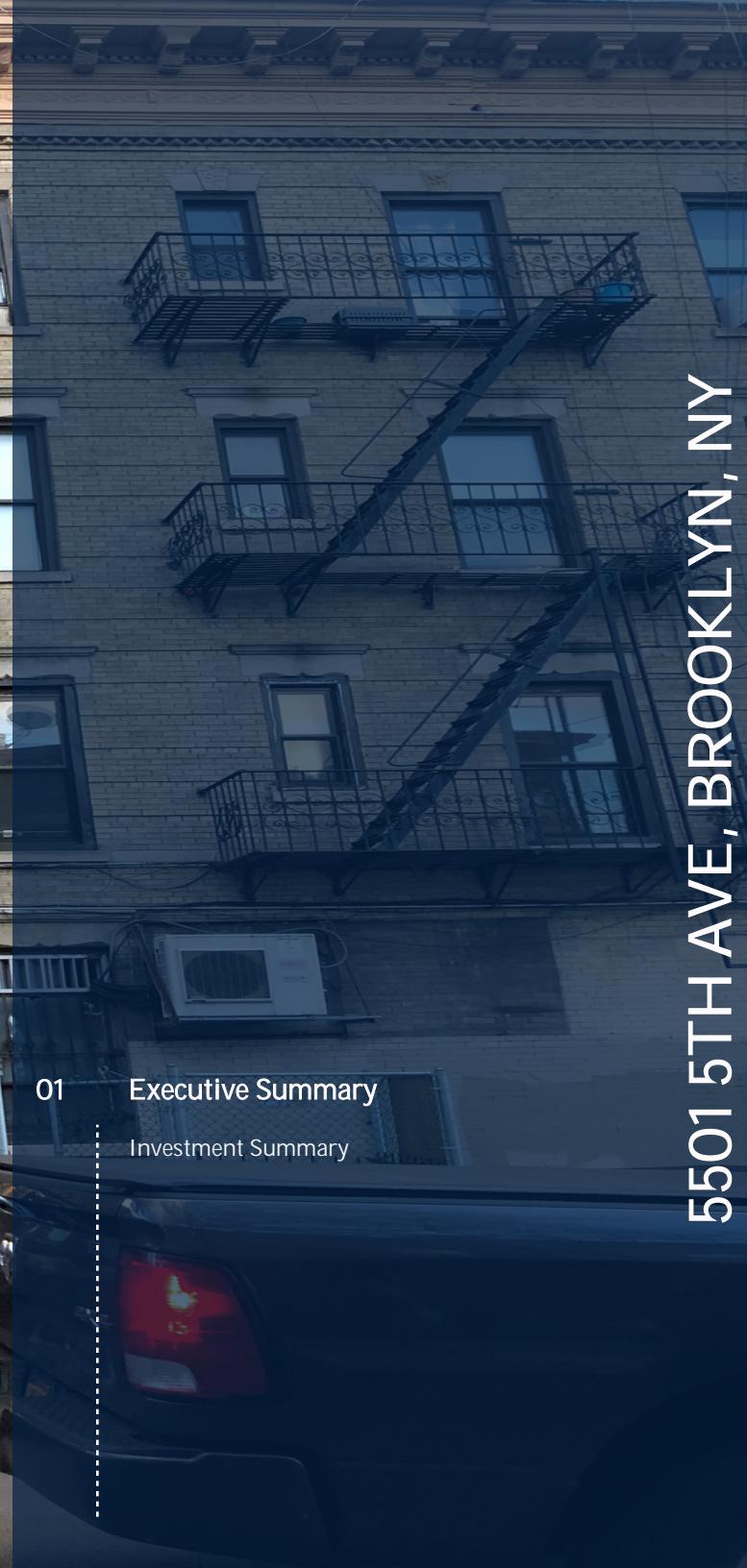
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01

Executive Summary

Investment Summary

OFFERING SUMMARY

ADDRESS	5501 5th Ave Brooklyn NY 11220
COUNTY	Kings
MARKET	Brooklyn
SUBMARKET	Sunset Park
BUILDING SF	6,453 SF
LAND ACRES	.038
LAND SF	1,644 SF
YEAR BUILT	1931
APN	832-8
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

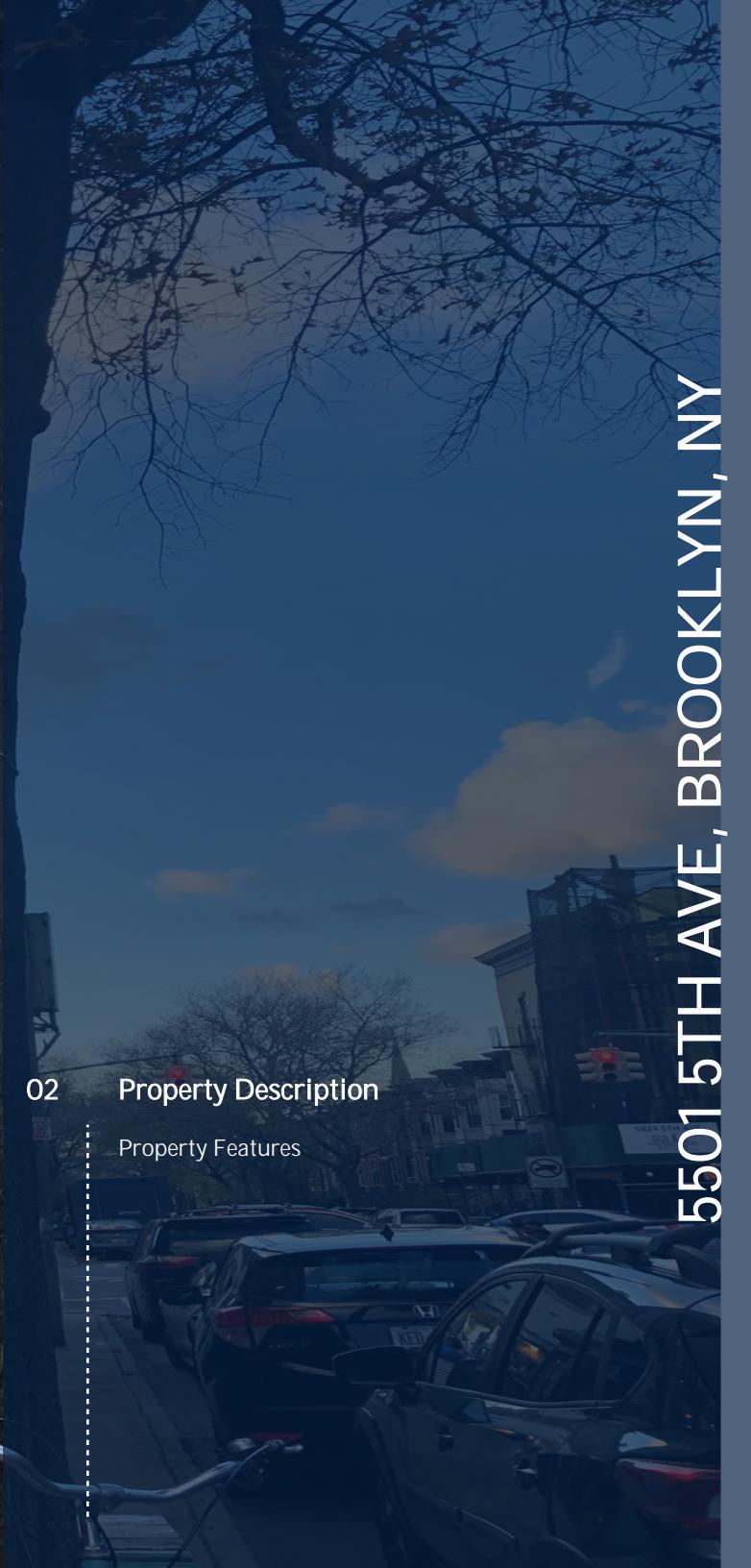
OFFERING PRICE	\$3,200,000
PRICE PSF	\$495.89
OCCUPANCY	95.00%
NOI (1st Year)	\$180,541
NOI (2nd Year)	\$192,335
CAP RATE (1ST YEAR)	5.64%
CAP RATE (2ND YEAR)	6.01%
CASH ON CASH (1ST YEAR)	3.11%
GRM (1ST YEAR)	12.11
GRM (2ND YEAR)	11.81

PROPOSED FINANCING

Permanent	Amortized
LOAN TYPE	
DOWN PAYMENT	\$1,216,000
LOAN AMOUNT	\$1,984,000
INTEREST RATE	6.00%
LOAN TERMS	5 Year Reset
ANNUAL DEBT SERVICE	\$142,734
LOAN TO VALUE	62%
AMORTIZATION PERIOD	30 Years

Notes 543210 prepay but allowed to prepay up 20% of balance in any year w/o prepay. 0% lender origination or commitment fee. We have excellent lending partners.

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2025 Population	166,118	774,072	1,969,623
2025 Median HH Income	\$67,308	\$84,482	\$86,717
2025 Average HH Income	\$96,813	\$132,686	\$137,576



02 Property Description

Property Features

GLOBAL

NUMBER OF UNITS	8
BUILDING SF	6,453
LAND SF	1,644
LAND ACRES	.038
# OF PARCELS	1
YEAR BUILT	1931
ZONING TYPE	C4-3A
LOCATION CLASS	Mixed Use
BUILDING CLASS	S9
TOPOGRAPHY	Level
NUMBER OF BUILDINGS	1
NUMBER OF STORIES	4
LOT DIMENSION	20.17 x 81.5
TRAFFIC COUNTS	High Volume
SIGNALIZED CORNER	Yes

MULTI-FAMILY VITALS

NUMBER OF PARKING SPACES	0
NUMBER OF UNITS	6
CURRENT OCCUPANCY	100.00%

COMMERCIAL VITALS

NUMBER OF UNITS	2
CURRENT RETAIL OCCUPANCY	61.00%
LEASE TYPE	Net & MG

CONSTRUCTION

FOUNDATION	Concrete
FRAMING	Wood
EXTERIOR	Brick
ROOF	Built

Our Rent Roll

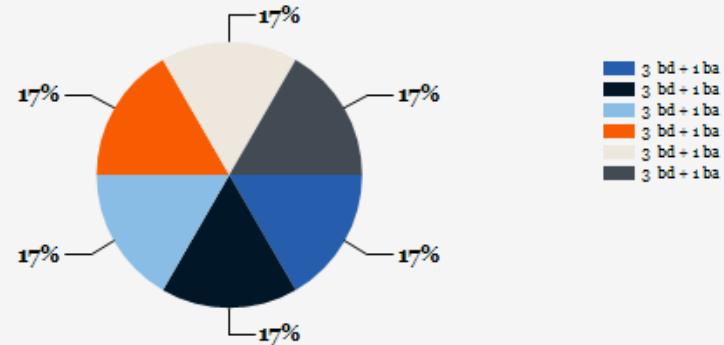
03

Rent Roll

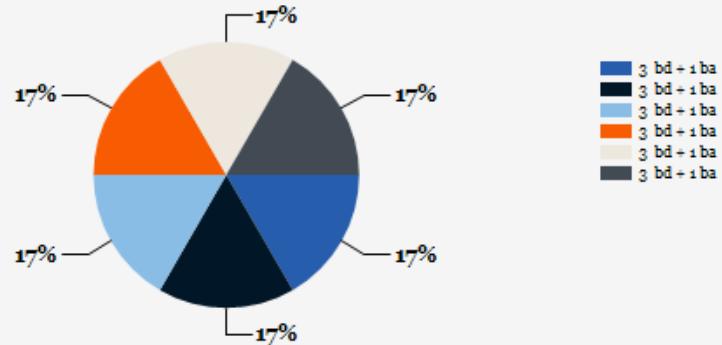
- Multi-Family Unit Mix
- Rent Roll
- Lease Expiration
- Tenant Profile

Unit Mix	# Units	Square Feet	Actual			Market		
			Current Rent	Rent PSF	Monthly Income	Market Rent	Market Rent PSF	Market Income
3 bd + 1 ba	1	800	\$2,219	\$2.77	\$2,219	\$3,200	\$4.00	\$3,200
3 bd + 1 ba	1	800	\$2,138	\$2.67	\$2,138	\$3,200	\$4.00	\$3,200
3 bd + 1 ba	1	800	\$1,812	\$2.27	\$1,812	\$3,200	\$4.00	\$3,200
3 bd + 1 ba	1	800	\$2,235	\$2.79	\$2,235	\$3,200	\$4.00	\$3,200
3 bd + 1 ba	1	800	\$1,728	\$2.16	\$1,728	\$3,200	\$4.00	\$3,200
3 bd + 1 ba	1	800	\$1,970	\$2.46	\$1,970	\$3,200	\$4.00	\$3,200
Totals/Averages	6	800	\$2,017	\$2.52	\$12,102	\$3,200	\$4.00	\$19,200

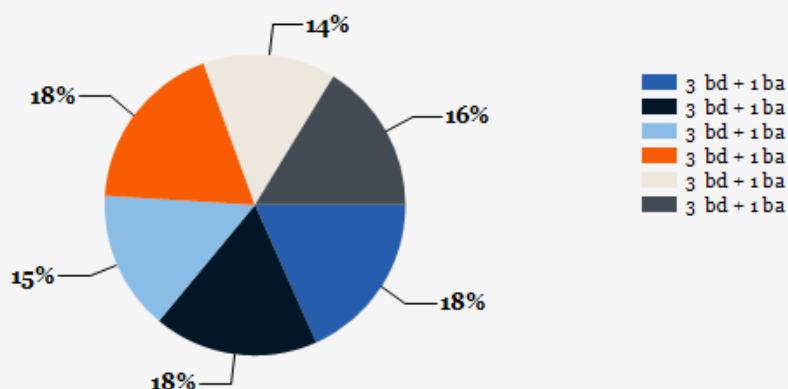
Unit Mix Summary



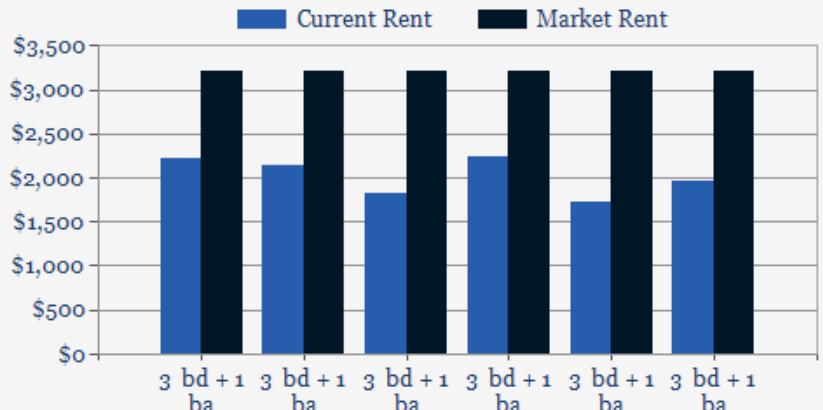
Unit Mix SF



Unit Mix Revenue



Actual vs. Market Revenue



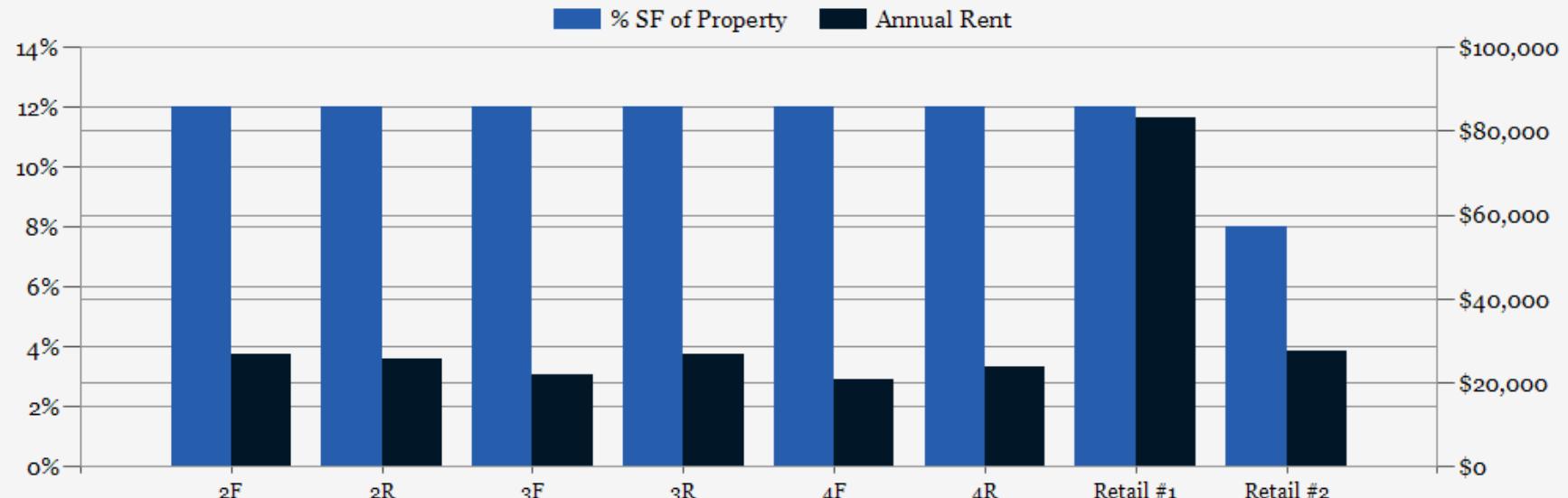
RESIDENTIAL

Unit	Unit Mix	Square Feet	Rent PSF	Current Rent	Move-in Date	Lease End	Notes
2F	3 bd + 1 ba	800	\$2.77	\$2,219.00	05/01/2021	03/31/2026	\$3,490.57 Legal Rent.
2R	3 bd + 1 ba	800	\$2.67	\$2,137.00	04/01/2021	03/31/2027	\$3,107.92 Legal Rent
3F	3 bd + 1 ba	800	\$2.27	\$1,812.00	09/01/2025	08/31/2026	\$1,812.33 Legal Rent.
3R	3 bd + 1 ba	800	\$2.79	\$2,235.00	09/01/2024	08/31/2025	\$2234.9Legal Rent
4F	3 bd + 1 ba	800	\$2.16	\$1,728.00	01/01/2025	12/31/2025	\$1728.11 Legal Rent
4R	3 bd + 1 ba	800	\$2.46	\$1,970.00	04/01/2022	03/31/2026	\$1970.32 Legal Rent
Totals / Averages		4,800	\$2.52	\$12,101.00			

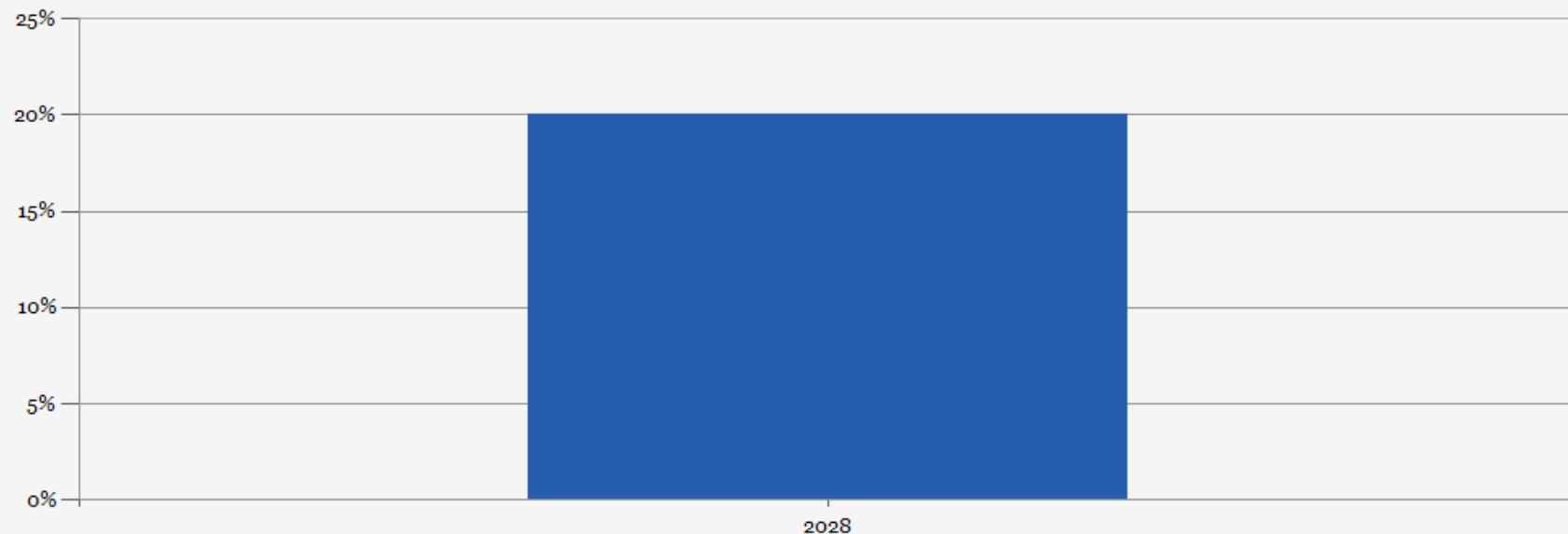
COMMERCIAL

Suite	Tenant Name	Lease Term			Rental Rates						Options/Notes	
		Square Feet	% of NRA	Lease Start	Lease End	Begin Date	Monthly	PSF	Annual	PSF	CAM Revenue (Annual)	
Retail #1	Delgado Travel	800	12.40%	02/01/15	02/28/28	CURRENT	\$6,942	\$8.68	\$83,304	\$104.13	Net	\$8,600 security deposit. Tenant Pays 25% of all taxes.
						03/01/2026	\$7,116	\$8.89	\$85,387	\$106.68		
						03/01/2027	\$7,293	\$9.12	\$87,521	\$109.44		
Retail #2	Julio Villar Polanco	500	7.75%	07/01/25	06/30/28	CURRENT	\$2,300	\$4.60	\$27,600	\$55.20	MG	\$4,600 Security Deposit. Tenant pays 15% of tax increases over 25/26 tax base year plus \$100/mo for water.
						07/01/2026	\$2,369	\$4.74	\$28,428	\$56.88		
						07/01/2027	\$2,440	\$4.88	\$29,280	\$58.56		
						OPTION(S)						
						07/01/2028	\$2,538	\$5.08	\$30,451	\$60.96		
						07/01/2029	\$2,639	\$5.28	\$31,669	\$63.36		
						07/01/2030	\$2,745	\$5.49	\$32,936	\$65.88		
Totals:		1,300					\$9,242		\$110,904			

Tenant SF Analysis



Commercial Lease Expiration Summary



Company

Trade Name

Delgado

Headquartered

Brooklyn NY

of Locations

1

Description

In place at this location for 10 years. Travel Agency and Various Professional Services.**Company**

Trade Name

Julio Villar Polanco

Headquartered

Brooklyn NY

of Locations

1

Description

Barber Shop



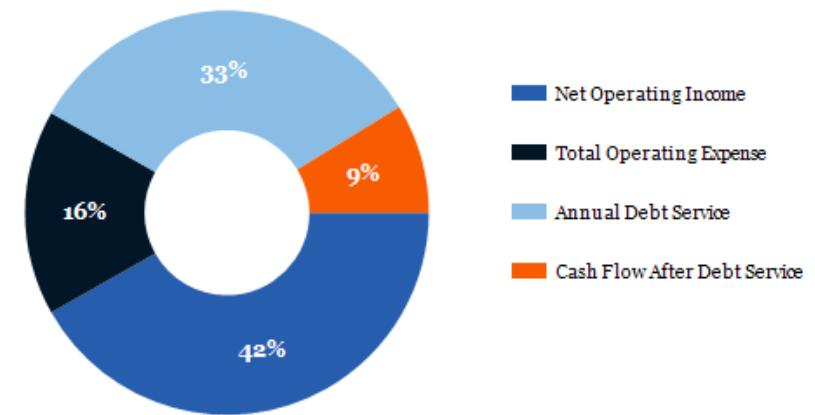
04 Financial Analysis

- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Vacant Space/Second Gen Leasing
- Cash Flow Analysis
- Financial Metrics
- Disposition Sensitivity Analysis

REVENUE ALLOCATION

1ST YEAR

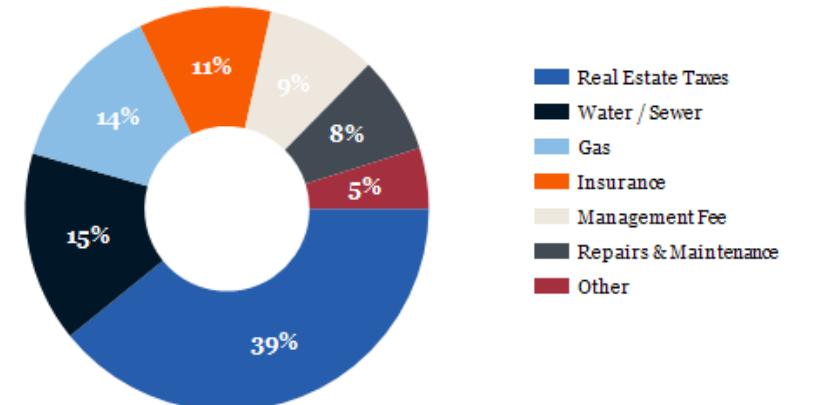
INCOME	1ST YEAR	2ND YEAR
Multi-Family Revenue	\$145,212	55.0%
Commercial Revenue	\$110,904	42.0%
Reimbursements	\$8,144	3.1%
Gross Potential Income	\$264,260	\$113,053
Vacancy & Collection Loss	-5.00%	-5.00%
Effective Gross Income	\$251,454	\$107,400
Less Expenses	\$70,913	28.20%
Net Operating Income	\$180,541	\$34,378
Annual Debt Service	\$142,734	
Cash flow	\$37,807	(\$108,355)
Debt Coverage Ratio	1.26	0.24



DISTRIBUTION OF EXPENSES

1ST YEAR

EXPENSES	1ST YEAR	2ND YEAR
Real Estate Taxes	\$27,777	\$28,610
Insurance	\$7,500	\$7,725
Management Fee	\$6,286	\$6,634
Repairs & Maintenance	\$5,500	\$5,665
Water / Sewer	\$10,800	\$11,100
Gas	\$9,600	\$9,800
Professional	\$750	\$773
Supplies	\$500	\$515
Electric	\$1,700	\$1,700
Other Expenses	\$500	\$500
Total Operating Expense	\$70,913	\$73,022
Annual Debt Service	\$142,734	
Expense / SF	\$10.99	\$11.32
% of EGI	28.20%	27.52%



GLOBAL

Offering Price	\$3,200,000
Millage Rate (not a growth rate)	0.87000%
Exit Cap Rate	5.50%

INCOME - Growth Rates

Multi-Family Revenue	3.00%
Reimbursements	3.00%

EXPENSES - Growth Rates

Real Estate Taxes	3.00%
Insurance	3.00%
Repairs & Maintenance	3.00%
Water / Sewer	3.00%
Gas	3.00%
Professional	3.00%
Supplies	3.00%

PROPOSED FINANCING

Permanent

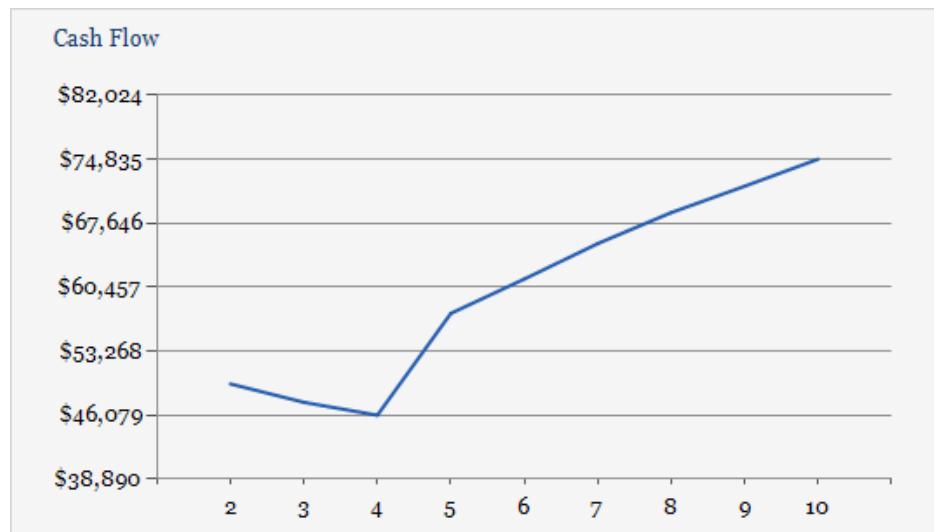
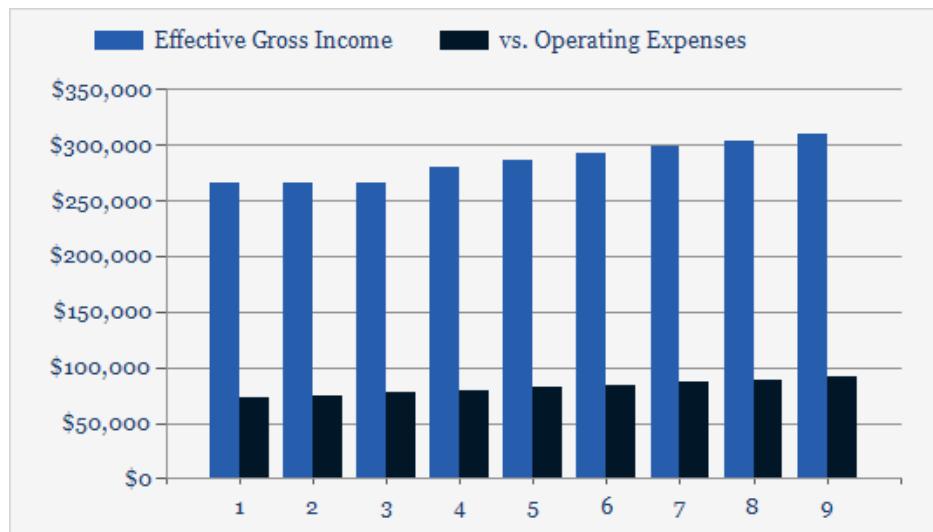
Loan Type	Amortized
Down Payment	\$1,216,000
Loan Amount	\$1,984,000
Interest Rate	6.00%
Loan Terms	5 Year Reset
Annual Debt Service	\$142,734
Loan to Value	62%
Amortization Period	30 Years

Notes 543210 prepay but allowed to prepay up 20% of balance in any year w/o prepay. 0% lender origination or commitment fee. We have excellent lending partners.

SECOND GENERATION LEASING

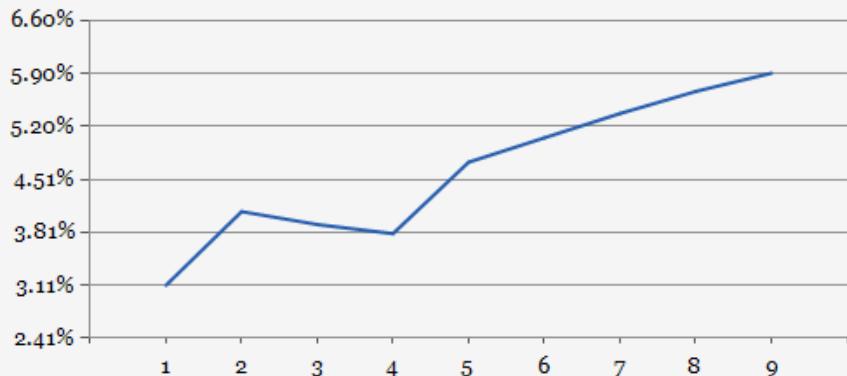
TENANT	SUITE	RSF	LEASE TERM YEARS	RENTAL RATE PSF/ANNUAL	RETENTION RATIO	ANNUAL INCREASES
Delgado Travel	Retail #1	800	5	\$104.13	75.00%	3.00%
Julio Villar Polanco	Retail #2	500	19	\$55.20	75.00%	4.00%

Calendar Year	1st Year	2nd Year	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Revenue										
Multi-Family Revenue	\$145,212	\$149,568	\$154,055	\$158,677	\$163,437	\$168,341	\$173,391	\$178,592	\$183,950	\$189,469
Commercial Revenue	\$110,904	\$113,053	\$116,019	\$111,696	\$121,206	\$122,448	\$123,740	\$124,399	\$124,399	\$124,399
Reimbursements	\$8,144	\$8,388	\$8,640	\$8,899	\$9,166	\$9,441	\$9,724	\$10,016	\$10,317	\$10,626
Gross Potential Income	\$264,260	\$271,010	\$278,714	\$279,272	\$293,810	\$300,230	\$306,855	\$313,008	\$318,666	\$324,494
Vacancy & Collection Loss	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%
Effective Gross Income	\$251,454	\$265,357	\$265,211	\$265,754	\$279,577	\$285,690	\$291,999	\$297,858	\$303,248	\$308,800
Operating Expenses										
Real Estate Taxes	\$27,777	\$28,610	\$29,468	\$30,352	\$31,263	\$32,201	\$33,167	\$34,162	\$35,187	\$36,242
Insurance	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695	\$8,955	\$9,224	\$9,501	\$9,786
Management Fee	\$6,286	\$6,634	\$6,630	\$6,644	\$6,989	\$7,142	\$7,300	\$7,446	\$7,581	\$7,720
Repairs & Maintenance	\$5,500	\$5,665	\$5,835	\$6,010	\$6,190	\$6,376	\$6,567	\$6,764	\$6,967	\$7,176
Water / Sewer	\$10,800	\$11,100	\$11,433	\$11,776	\$12,129	\$12,493	\$12,868	\$13,254	\$13,652	\$14,061
Gas	\$9,600	\$9,800	\$10,094	\$10,397	\$10,709	\$11,030	\$11,361	\$11,702	\$12,053	\$12,414
Professional	\$750	\$773	\$796	\$820	\$845	\$870	\$896	\$923	\$951	\$979
Supplies	\$500	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652
Electric	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700
Other Expenses	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Total Operating Expense	\$70,913	\$73,022	\$74,944	\$76,941	\$79,329	\$81,586	\$83,911	\$86,290	\$88,724	\$91,231
Net Operating Income	\$180,541	\$192,335	\$190,267	\$188,813	\$200,248	\$204,104	\$208,087	\$211,568	\$214,524	\$217,569
Annual Debt Service	\$142,734	\$142,734	\$142,734	\$142,734	\$142,734	\$142,734	\$142,734	\$142,734	\$142,734	\$142,734
Cash Flow	\$37,807	\$49,601	\$47,533	\$46,079	\$57,514	\$61,370	\$65,353	\$68,834	\$71,790	\$74,835

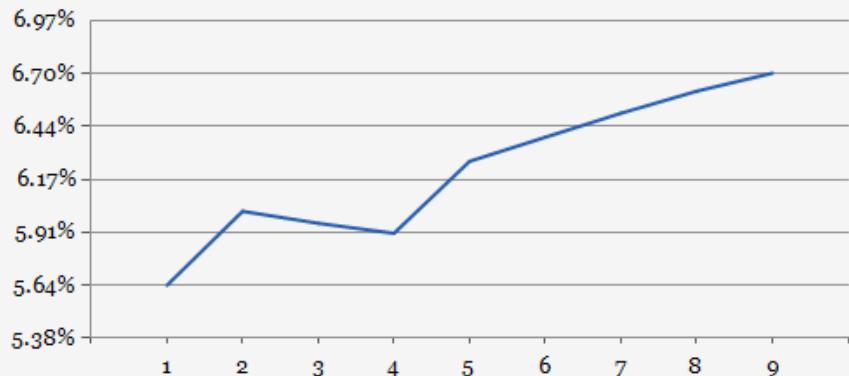


Calendar Year	1st Year	2nd Year	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash on Cash Return b/t	3.11%	4.08%	3.91%	3.79%	4.73%	5.05%	5.37%	5.66%	5.90%	6.15%
CAP Rate	5.64%	6.01%	5.95%	5.90%	6.26%	6.38%	6.50%	6.61%	6.70%	6.80%
Debt Coverage Ratio	1.26	1.35	1.33	1.32	1.40	1.43	1.46	1.48	1.50	1.52
Operating Expense Ratio	28.20%	27.51%	28.25%	28.95%	28.37%	28.55%	28.73%	28.97%	29.25%	29.54%
Gross Multiplier (GRM)	12.11	11.81	11.48	11.46	10.89	10.66	10.43	10.22	10.04	9.86
Loan to Value	61.98%	61.23%	60.47%	59.57%	58.68%	57.71%	56.64%	55.56%	54.39%	53.20%
Breakeven Ratio	80.85%	79.61%	78.10%	78.66%	75.58%	74.72%	73.86%	73.17%	72.63%	72.10%
Price / SF	\$495.89	\$495.89	\$495.89	\$495.89	\$495.89	\$495.89	\$495.89	\$495.89	\$495.89	\$495.89
Price / Unit	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Income / SF	\$38.96	\$41.12	\$41.09	\$41.18	\$43.32	\$44.27	\$45.25	\$46.15	\$46.99	\$47.85
Expense / SF	\$10.98	\$11.31	\$11.61	\$11.92	\$12.29	\$12.64	\$13.00	\$13.37	\$13.74	\$14.13

Cash on Cash



Cap Rate



Operating Expense Ratio



Breakeven Ratio

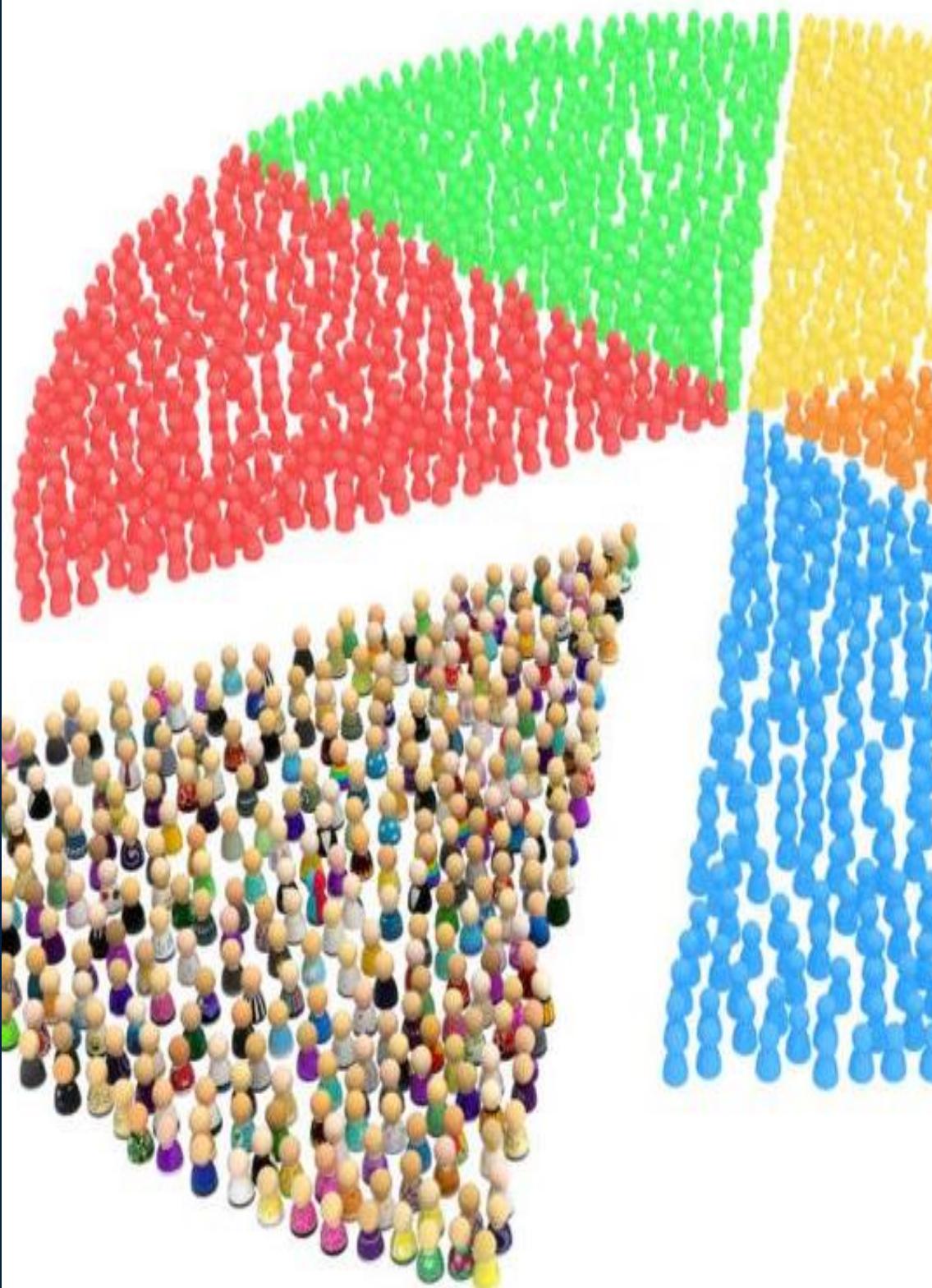


5 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	LEVERED IRR
4.50%	\$4,449,955	\$556,244	\$690	\$2,581,046	19.16%
4.75%	\$4,215,747	\$526,968	\$653	\$2,346,837	17.07%
5.00%	\$4,004,959	\$500,620	\$621	\$2,136,050	15.05%
5.25%	\$3,814,247	\$476,781	\$591	\$1,945,338	13.09%
5.50%	\$3,640,872	\$455,109	\$564	\$1,771,963	11.18%
5.75%	\$3,482,573	\$435,322	\$540	\$1,613,664	9.30%
6.00%	\$3,337,466	\$417,183	\$517	\$1,468,557	7.46%
6.25%	\$3,203,967	\$400,496	\$497	\$1,335,058	5.64%
6.50%	\$3,080,738	\$385,092	\$477	\$1,211,829	3.84%

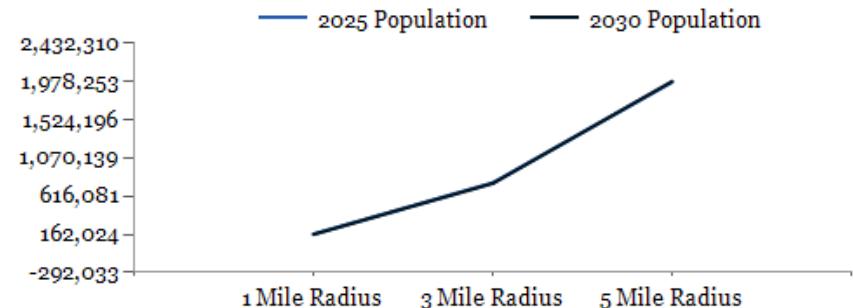
10 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	LEVERED IRR
4.50%	\$4,834,866	\$604,358	\$749	\$3,074,371	12.82%
4.75%	\$4,580,399	\$572,550	\$710	\$2,819,905	11.99%
5.00%	\$4,351,379	\$543,922	\$674	\$2,590,885	11.19%
5.25%	\$4,144,171	\$518,021	\$642	\$2,383,676	10.42%
5.50%	\$3,955,799	\$494,475	\$613	\$2,195,305	9.66%
5.75%	\$3,783,808	\$472,976	\$586	\$2,023,313	8.93%
6.00%	\$3,626,149	\$453,269	\$562	\$1,865,655	8.21%
6.25%	\$3,481,103	\$435,138	\$539	\$1,720,609	7.51%
6.50%	\$3,347,215	\$418,402	\$519	\$1,586,720	6.82%

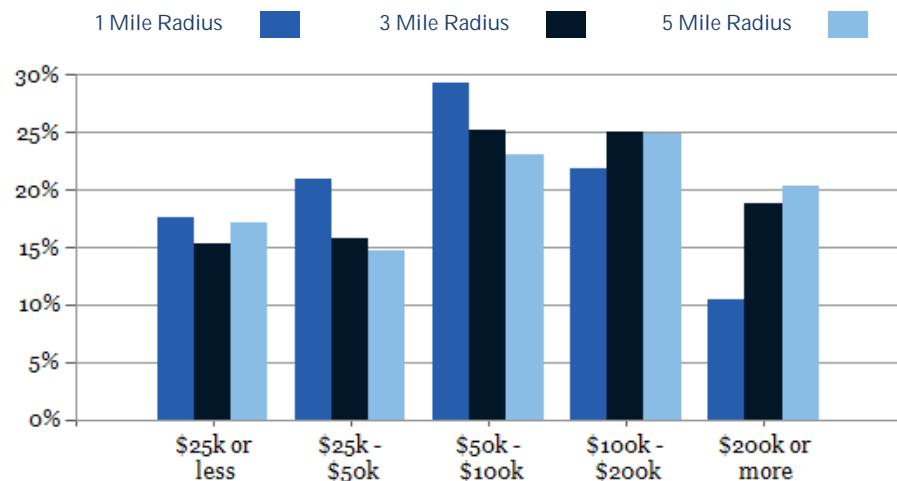


POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	150,607	722,342	1,790,671
2010 Population	159,918	740,253	1,822,417
2025 Population	166,118	774,072	1,969,623
2030 Population	162,024	767,408	1,978,253
2025 African American	3,637	52,982	417,756
2025 American Indian	2,992	8,188	14,237
2025 Asian	70,742	202,030	371,785
2025 Hispanic	52,940	148,772	305,781
2025 Other Race	35,864	95,150	177,904
2025 White	40,197	356,012	824,447
2025 Multiracial	12,629	59,427	162,677
2025-2030: Population: Growth Rate	-2.50%	-0.85%	0.45%

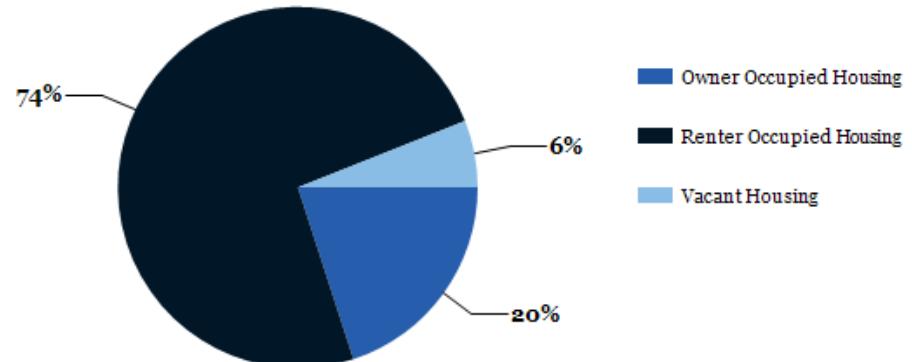
2025 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	5,274	25,337	82,701
\$15,000-\$24,999	3,703	16,334	44,765
\$25,000-\$34,999	4,433	17,947	44,593
\$35,000-\$49,999	6,278	24,797	65,665
\$50,000-\$74,999	8,279	37,976	94,898
\$75,000-\$99,999	6,705	30,504	77,456
\$100,000-\$149,999	7,425	41,369	112,926
\$150,000-\$199,999	3,747	26,515	73,155
\$200,000 or greater	5,307	50,952	151,251
Median HH Income	\$67,308	\$84,482	\$86,717
Average HH Income	\$96,813	\$132,686	\$137,576



2025 Household Income



2025 Own vs. Rent - 1 Mile Radius

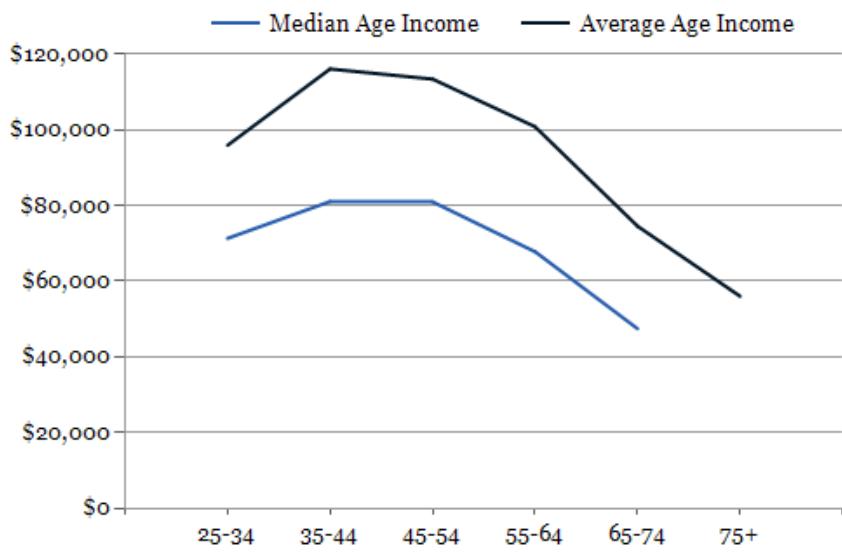
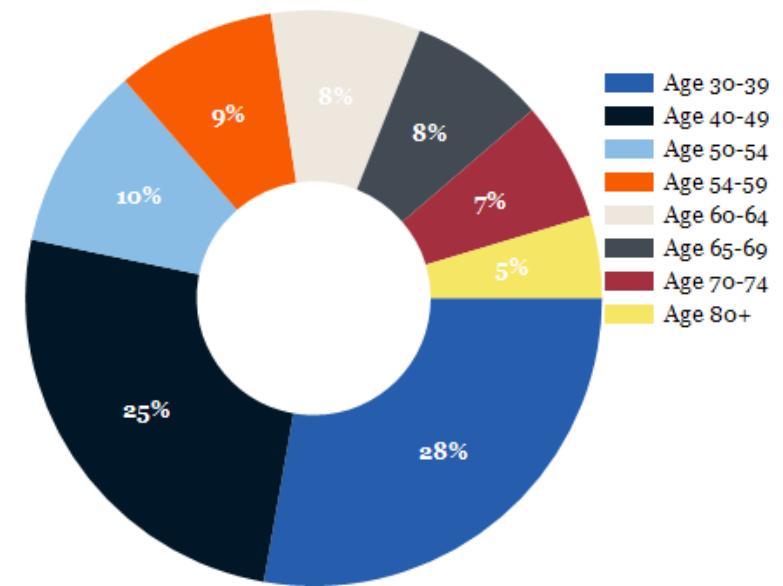


Source: esri

2025 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2025 Population Age 30-34	12,809	60,146	173,835
2025 Population Age 35-39	13,242	60,522	159,885
2025 Population Age 40-44	12,819	56,878	141,603
2025 Population Age 45-49	11,084	50,072	121,242
2025 Population Age 50-54	9,716	45,517	112,071
2025 Population Age 55-59	8,428	39,284	101,957
2025 Population Age 60-64	7,875	37,654	100,297
2025 Population Age 65-69	7,188	34,593	93,074
2025 Population Age 70-74	6,271	30,429	80,815
2025 Population Age 75-79	4,343	22,435	60,638
2025 Population Age 80-84	2,156	12,411	35,599
2025 Population Age 85+	2,277	12,868	35,489
2025 Population Age 18+	125,078	588,889	1,552,311
2025 Median Age	36	36	37
2030 Median Age	37	37	38

2025 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$71,305	\$87,887	\$99,463
Average Household Income 25-34	\$95,900	\$129,607	\$147,328
Median Household Income 35-44	\$81,048	\$108,475	\$114,648
Average Household Income 35-44	\$116,081	\$159,198	\$169,548
Median Household Income 45-54	\$80,968	\$110,123	\$113,646
Average Household Income 45-54	\$113,412	\$163,480	\$168,195
Median Household Income 55-64	\$67,785	\$91,324	\$90,015
Average Household Income 55-64	\$100,835	\$142,016	\$140,406
Median Household Income 65-74	\$47,435	\$58,412	\$56,142
Average Household Income 65-74	\$74,537	\$101,203	\$99,827
Average Household Income 75+	\$56,018	\$77,952	\$73,735

Population By Age



5501 5th Ave, Brooklyn, NY

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