

1307-09

Madison

Avenue

UPPER EAST SIDE | NEW YORK

CONFIDENTIAL OFFERING MEMORANDUM



LEE &
ASSOCIATES





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You have the obligation to keep this Offering Memorandum, and any various papers, documents, legal instruments, studies, leases, brochures, computer output, and other materials concerning the Property (all of the aforementioned information is collectively referred to as "Evaluation Material") confidential. Certain Evaluation Materials, including any leases, are described in summary form. The summaries do not purport to be complete nor accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents.

The information in this Offering Memorandum has been compiled from sources deemed to be reliable and does not purport to be all-inclusive or to contain all of the information which a prospective purchaser may desire. Neither L&A nor the Owner makes any representation or warranty whatsoever regarding the accuracy, veracity, or completeness of the information provided herein and each of Owner and L&A (and their agents, advisors and representatives) expressly disclaim any and all liability for representations or warranties, express or implied, contained in this Offering Memorandum or the Evaluation Material or for omissions therefrom.

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The Owner expressly reserves the right, at its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party, at any time, with or without written notice. The Owner and L&A reserve the right to negotiate with one or more prospective purchasers at any time. This Offering Memorandum is subject to errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by L&A. Only a fully executed real estate purchase and sale agreement, approved by the Owner, and executed and delivered to Owner and a prospective purchaser shall bind the Property. In no event shall a prospective purchaser have any claims against the Owner or L&A or any of their affiliates, officers, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

The terms and conditions set forth above apply to this Offering Memorandum in its entirety.

EXECUTIVE SUMMARY

THE OFFERING

Lee & Associates NYC is pleased to present exclusively for sale the mixed-use asset located at 1307-1309 Madison Avenue, New York, NY 10128 (the “Property”). Located in the Carnegie Hill section of the Upper East Side, the Property features 40 feet of frontage on Madison Avenue between East 92nd Street and East 93rd Street. Current configuration of the building includes one ground floor commercial space, two 2nd floor commercial spaces, 5 free-market units, and 1 rent-stabilized unit. The residential units consist of 4 studios and 2 three-bedroom duplexes with internal staircases. The property’s commercial leases are set to expire in 2025 and 2027 with an average remaining lease term of 2.3 years, allowing for flexibility and reconfiguration if the new owner would like to renovate and re-tenant the building. The Property has been well-maintained throughout its long-term ownership over the course of 43 years. 1307-1309 Madison Avenue currently presents stable cash flow with significant redevelopment potential through approximately 18,174 square feet of available air rights.

HIGHLY COVETED MADISON AVENUE FRONTAGE

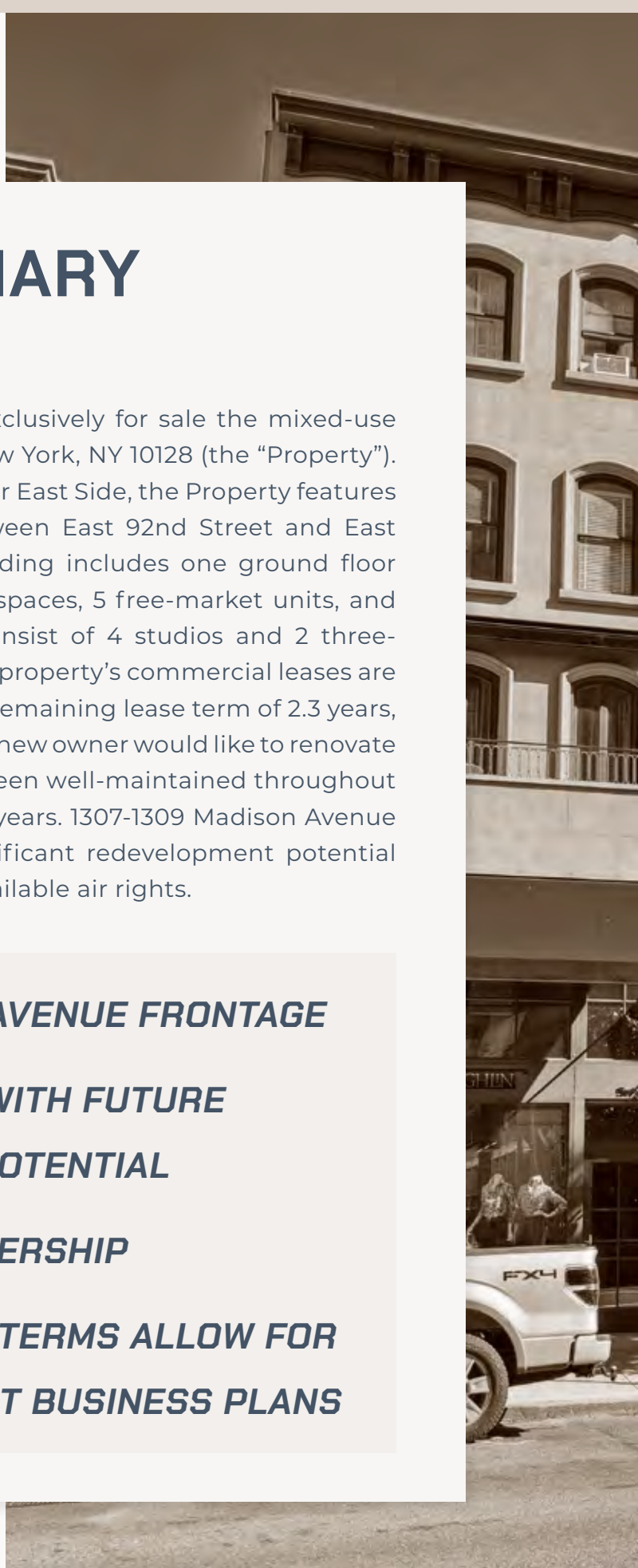
IN-PLACE CASHFLOW WITH FUTURE

REDEVELOPMENT POTENTIAL

LONG-TERM OWNERSHIP

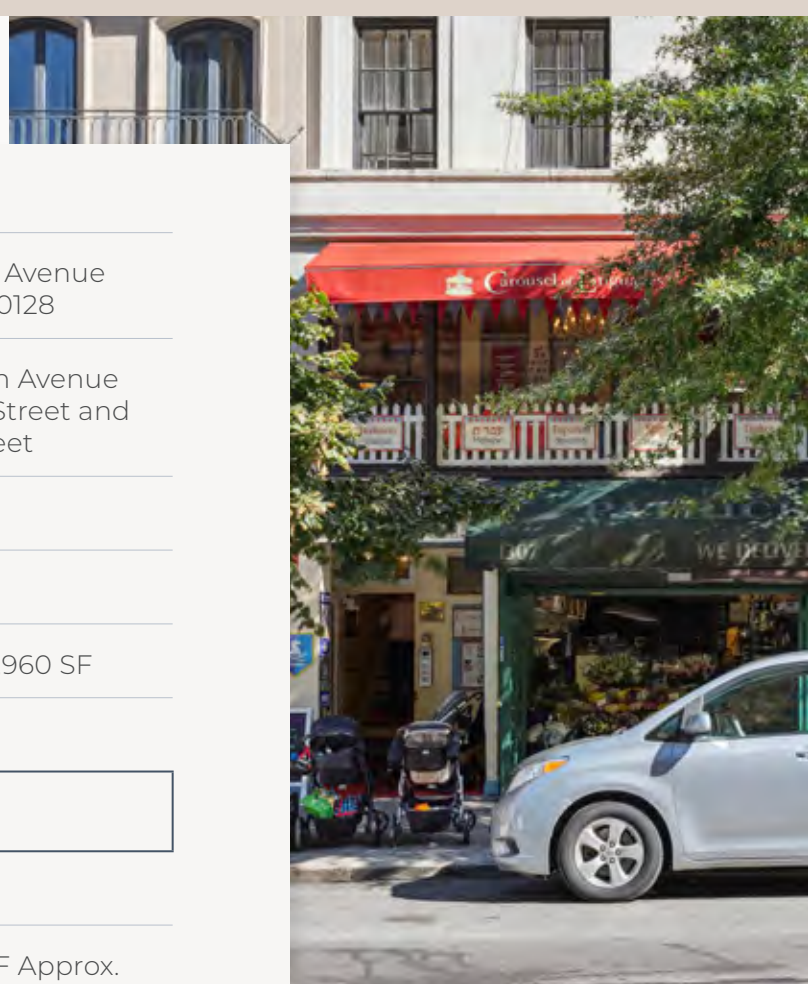
SHORTER REMAINING LEASE TERMS ALLOW FOR

VALUE-ADD OR DEVELOPMENT BUSINESS PLANS





1307-1309 Madison Avenue



| | |
|----------------|---|
| Address | 1307-1309 Madison Avenue New York, NY 10128 |
| Location | East side of Madison Avenue between East 92nd Street and East 93rd Street |
| Block | 1504 |
| Lot(s) | 53 |
| Lot Dimensions | 40.00' x 74.00' = 2,960 SF |

BUILDING INFORMATION

| | |
|--------------------------|------------------------------|
| Stories | 5 Floors |
| Cross Square Footage | 11,426 SF Approx. |
| Year Building Built | 1910 |
| Building Classification | O2 |
| # of Units | 3 Commercial + 6 Residential |
| Zoning | R10, C1-5, MP |
| FAR (Residential) | 10.0 |
| Lot Size | 2,960.00 SF Approx. |
| Total Buildable SF | 29,600 SF Approx. |
| Minus Existing Structure | 11,426 SF Approx. |
| Available Air Rights | 18,174 SF Approx. |
| Assessment (24/25) | \$2,117,791 Tax Class 2B |
| Tax Rate | 12.502% |
| Taxes (24/25) | \$264,766 |



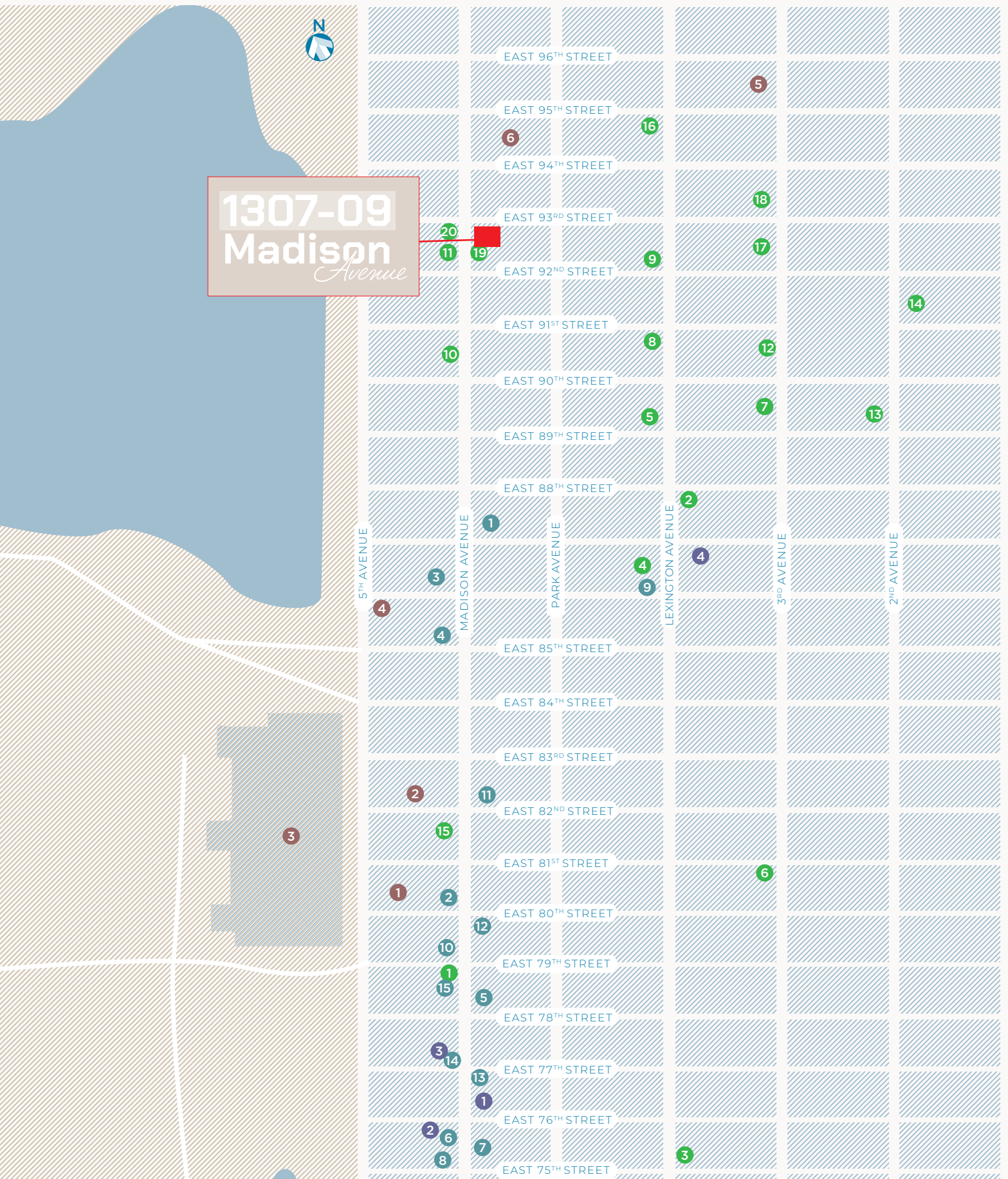


1307-1309 Madison Avenue





1307-1309 Madison Avenue



RESTAURANTS

- 1 SERAFINA PIZZA
- 2 LE PLAIN QUOTIDIEN
- 3 ORSAY
- 4 OLE & STEEN
- 5 PATISSERIE VANESSA
- 6 ANTONUCCI CAFE
- 7 NARUTO RAMEN
- 8 LA BOMBONIERA
- 9 SFOGLIA
- 10 GLACE NY
- 11 PASCALOU
- 12 KAIA WINE BAR
- 13 MAMMA MIA
- 14 THE MILTON
- 15 NECTAR
- 16 MATTO ESPRESSO
- 17 LA VITA
- 18 BARKING DOG
- 19 LA VITA
- 20 HIRAMASA

LIFESTYLE

- 1 AMERICAN IRISH HISTORICAL SOCIETY
- 2 TAMBARAN GALLERY
- 3 MOMA
- 4 NEUE GALERIA NY
- 5 PS 77
- 6 HUNTER COLLEGE CAMPUS

RETAIL

- 1 MORTON WILLIAMS
- 2 EVERYTHING BUT WATER
- 3 BROOKS BROTHERS
- 4 BUTTERFIELD MARKET
- 5 PRINCE & PRINCESS SHOP
- 6 MYKITA SHOP
- 7 CHRISTIAN LOUBOUTIN
- 8 CAROLINA HERRERA
- 9 BEST BUY
- 10 JCREW
- 11 MEPHISTO
- 12 BARBOUR
- 13 VERA WANG
- 14 ZADIG & VOLTAIRE
- 15 FIVESTORY

HOTELS

- 1 THE CARLYLE
- 2 THE SURREY
- 3 THE MARK
- 4 VOCO THE FRANKLIN



SFOGLIA



PATISSERIE VANESSA



THE METROPOLITAN MUSEUM OF ART

REVENUE

| COMMERCIAL INCOME | | | | RENTS | | |
|-------------------------|----------------|-----------------|------------|-----------------|------------------|------------------|
| Tenant Name | Status | Size | Lease Exp. | Monthly Rent | Annual Rent | Rent/SF |
| Madison Produce Corp* | Occupied | 2,100 sf | 8/31/2027 | \$20,000 | \$240,000 | \$114/sf |
| Thinking Cup Inc. | Occupied | 400 sf | 3/31/2027 | \$2,000 | \$24,000 | \$60/sf |
| Carousel of Languages | Occupied | 900 sf | 12/31/2025 | \$12,458 | \$149,497 | \$166/sf |
| Total Commercial | 3 units | 3,400 sf | | \$34,458 | \$413,497 | \$113/sf* |

| RESIDENTIAL INCOME | | | RENTS | |
|--------------------------|----------------|------------|-----------------|------------------|
| Unit | Status | Lease Exp. | Monthly Rent | Annual Rent |
| 3A | Occupied - FM | 09/30/2025 | \$2,650 | \$31,800 |
| 3B | Occupied - FM | 12/31/2024 | \$2,000 | \$24,000 |
| 3C | Occupied - FM | 10/31/2025 | \$2,500 | \$30,000 |
| 3DC | Occupied - RS | 08/31/2025 | \$1,397 | \$16,760 |
| DUP7 | Occupied - FM | 10/31/2025 | \$6,800 | \$81,600 |
| DUP9 | Occupied - FM | 10/31/2025 | \$7,338 | \$88,056 |
| Total Residential | 6 units | | \$22,685 | \$272,216 |

| | | | | |
|--------------|--|--|-----------------|------------------|
| TOTAL | | | \$57,143 | \$685,713 |
|--------------|--|--|-----------------|------------------|

*Tenant benefits from reduced rent from contractual rent dating back to 2020

*Scheduled rent is \$57,143 for current year

EXPENSE & INVESTMENT VALUE

REVENUE

| | |
|--------------------------------------|-------------------------|
| Commercial Income | \$413,497 |
| Residential Income | \$272,216 |
| Reimbursement Income | \$86,858 |
| <i>Effective Gross Income</i> | <i>\$772,571</i> |

PROJECTED EXPENSES

| | | |
|-------------------------|------------|------------------|
| Real Estate Taxes | \$264,766 | |
| Insurance | \$25,709 | |
| Water/Sewer | \$22,852 | |
| Heat | \$10,855 | |
| Electric | \$3,999 | |
| Repairs and Maintenance | \$30,000 | |
| Management | \$30,903 | |
| Total Expenses | 50% | \$389,083 |

Net Operating Income **\$383,488**

LEASE ABSTRACT

| MADISON PRODUCE CORP. LEASE ABSTRACT | |
|--------------------------------------|--|
| Tenant | Long Island Vision Management |
| Lease Commencement | 4/1/94 |
| Latest Extension Date | 3/30/17 |
| Lease Expiration | 8/31/27 |
| Options | None |
| Annual Increases | 3% |
| Tax Base Year | 7/1/2017 - 6/30/2018 |
| Proportionate Share | 75% |
| Repairs | Tenant responsible for all non-structural repairs |
| Real Estate Taxes | Tenant responsible over 2017/2018 base year |
| Utilities | Water: Individually metered, Electric: tenant responsible, |

RENT SCHEDULE

| Date Range | Annual Rent | Monthly Rent |
|----------------------|-------------|--------------|
| 9/1/2017 - 8/31/2018 | \$495,000 | \$41,250 |
| 9/1/2018 - 8/31/2019 | \$509,850 | \$42,488 |
| 9/1/2019 - 8/31/2020 | \$525,146 | \$43,762 |
| 9/1/2020 - 8/31/2021 | \$540,900 | \$45,075 |
| 9/1/2021 - 8/31/2022 | \$557,127 | \$46,427 |
| 9/1/2022 - 8/31/2023 | \$573,841 | \$47,820 |
| 9/1/2023 - 8/31/2024 | \$591,056 | \$49,255 |
| 9/1/2024 - 8/31/2025 | \$608,788 | \$50,732 |
| 9/1/2025 - 8/31/2026 | \$627,051 | \$52,254 |
| 9/1/2026 - 8/31/2027 | \$645,863 | \$53,822 |

LEASE ABSTRACT

CAROUSEL OF LANGUAGES LLC LEASE ABSTRACT

| | |
|---------------------|--|
| Tenant | Carousel of Languages |
| Lease Commencement | 8/5/13 |
| Lease Expiration | 12/31/25 |
| Options | None |
| Annual Increases | 3% |
| Tax Base Year | 7/1/2013 - 6/30/2014 |
| Proportionate Share | 14% |
| Repairs | Tenant responsible for all non-structural repairs |
| Real Estate Taxes | Tenant responsible over 2013/2014 base year for proportionate share of increases |
| Utilities | Water: N/A, Electric: tenant responsible, Gas: tenant responsible |

RENT SCHEDULE

| Date Range | Annual Rent | Monthly Rent |
|-----------------------|-------------|--------------|
| 8/5/2013 - 6/30/2014 | \$108,000 | \$9,000.00 |
| 7/1/2014 - 6/30/2015 | \$111,240 | \$9,270.00 |
| 7/1/2015 - 6/30/2016 | \$114,577 | \$9,548.08 |
| 7/1/2016 - 6/30/2017 | \$118,557 | \$9,879.75 |
| 7/1/2017 - 6/30/2018 | \$121,555 | \$10,129.58 |
| 7/1/2018 - 6/30/2019 | \$125,202 | \$10,433.50 |
| 7/1/2019 - 6/30/2020 | \$128,958 | \$10,746.50 |
| 7/1/2020 - 6/30/2021 | \$132,826 | \$11,068.83 |
| 7/1/2021 - 6/30/2022 | \$136,811 | \$11,400.92 |
| 7/1/2022 - 6/30/2023 | \$140,916 | \$11,743.00 |
| 7/1/2023 - 6/30/2024 | \$145,143 | \$12,095.25 |
| 7/1/2024 - 12/31/2025 | \$149,497 | \$12,458.08 |

LEASE ABSTRACT

| THINKING CUP INC. LEASE ABSTRACT | |
|----------------------------------|--|
| Tenant | Thinking Cup Inc. |
| Lease Commencement | 4/1/16 |
| Lease Extension Date | 4/1/24 |
| Lease Expiration | 3/31/27 |
| Options | None |
| Tax Base Year | 7/1/2024 - 6/30/2025 |
| Proportionate Share | 10% |
| Repairs | Tenant responsible for all non-structural repairs |
| Real Estate Taxes | Tenant responsible over 2013/2014 base year for proportionate share of increases |
| Utilities | Water: N/A, Electric: tenant responsible, Gas: tenant responsible |

RENT SCHEDULE

| Date Range | Annual Rent | Monthly Rent |
|----------------------|-------------|--------------|
| 4/1/2024 - 3/31/2025 | \$24,000 | \$2,000.00 |
| 4/1/2025 - 3/31/2026 | \$25,200 | \$2,100.00 |
| 4/1/2026 - 3/31/2027 | \$26,400 | \$2,200.00 |



LIVING ROOM FURNITURE 1309

Louis Stemmer's
UPHOLSTERER & DECORATOR

DRAPERIES SLIP COVERS

MARTHA
HAIRDRESSER

THE GREAT ATLANTIC & PACIFIC TEA CO.

S.F. White 5-10 & 25 STORE

1214
Leon Hemister
TRENCH COAT MAKER & DYER

KAZAKI DRINKS

27 27 27
BAKON 10 18

1504 - 54 M

CERTIFICATE OF OCCUPANCY

Form H 200 (200) - 11

DEPARTMENT OF HOUSING AND BUILDINGS

BOROUGH OF MANHATTAN, CITY OF NEW YORK

No. 1307-1309

Date **September 6, 1945**

CERTIFICATE OF OCCUPANCY

(Standard form adopted by the Board of Standards and Appeals and issued pursuant to Section 601 of the New York Charter, and Sections C26-1810 to C26-1870 inclusive Administrative Code 2.1.3.1. to 2.1.3.7. Building Code.)

This certificate supersedes C. O. No.

To the owner or owners of the building or premises:

THIS CERTIFIES that the ~~prop.~~ ~~altered~~ ~~existing~~ building ~~located~~ located at
1307-1309 Madison Avenue

Block **1504** Lot **53, 54**

40 ft. front, conforms substantially to the approved plans and specifications, and to the requirements of the building code and all other laws and ordinances, and of the rules and regulations of the Board of Standards and Appeals, applicable to a building of its class and kind at the time the permit was issued; and

CERTIFIES FURTHER that, any provisions of Section 601 of the New York Charter have been complied with as certified by a report of the Fire Commissioner to the Borough Superintendent.

~~N.Y.C.~~ ~~Per~~ ~~Alt.~~ ~~No.~~ **1133-1942**

Construction classification—**Nonfireproof.**

Occupancy classification—**Converted Class A**, Height **5** stories, **52** feet
Height **52** feet.

Date of completion—**August 25, 1945**. Located in **Retail** Use District.

B Area 14. Height Zone at time of issuance of permit **666-45; 637-45;**

This certificate is issued subject to the limitations hereinafter specified and to the following resolutions of the Board of Standards and Appeals: (Calendar numbers to be inserted here)

PERMISSIBLE USE AND OCCUPANCY

| STORY | LIVE LOADS Lbs. per Sq. Ft. | PERSONS ACCOMMODATED | | | USE |
|-----------|--------------------------------|----------------------|--------|-------|---|
| | | MALE | FEMALE | TOTAL | |
| Cellar | On ground | | | | Storage |
| 1st story | 75 | | | 15 | Stores. |
| 2d story | 75 & 40 | | | 15 | Stores and offices. |
| 3d story | 40 | | | | Four (4) Furnished rooms. |
| 4th story | 40 | | | | Two (2) One-half apartments. |
| 5th story | 40 | | | | Two (2) One-half apartments. |
| | | | | | Sprinkler, Fire Department approval, August 17, 1945. |



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