

# 1821-1823

## SECOND AVENUE

NEW YORK, NY 10128



CUSHMAN &  
WAKEFIELD



1821-1823  
SECOND AVENUE  
NEW YORK, NY 10128

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# EXECUTIVE SUMMARY

## OVERVIEW

Cushman & Wakefield has been exclusively retained to arrange for the sale of 1821-1823 Second Avenue– a 50' wide five story mixed-use building located in the Upper East Side neighborhood of Manhattan.

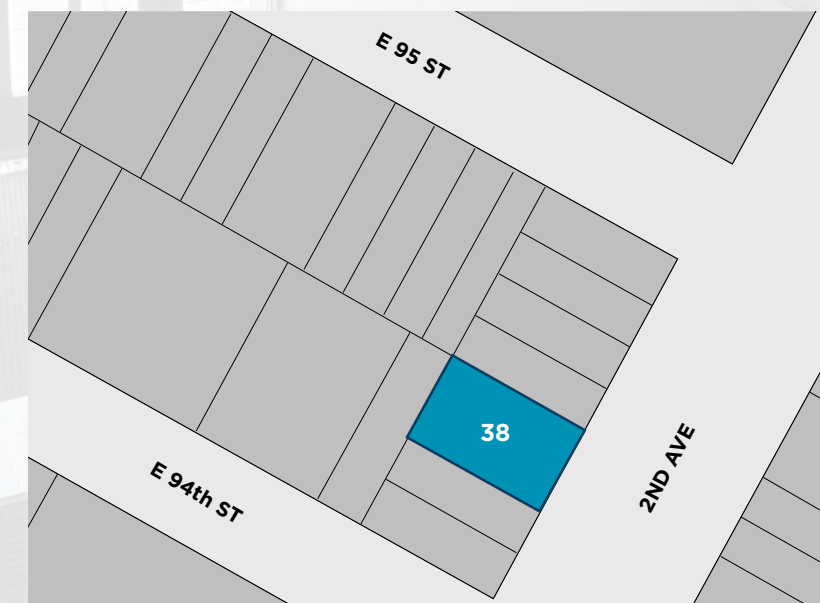
The subject property is located on the west side of Second Avenue between East 94th and 95th Streets. Spread across approximately 15,770 gross square feet above grade, the building is currently configured as ground floor retail and sixteen (16) residential units above. Of the sixteen (16) residential units, eight (8) are Free Market, seven (7) are Rent Stabilized and one (1) is Rent Controlled. The property sits on a 50' x 80' lot in a C2-8A zoning district, which equates to approximately 24,230 remaining development rights, as of right.

Family-owned for decades, this is the first time it is being offered to the market, and it is an excellent opportunity for a purchaser to acquire a mixed-use building, with upside, at an attractive basis in the coveted Upper East Side neighborhood. There is upside in the in-place market apartments that can be realized by implementing a capital program for the building as well as enhanced renovations in the units themselves as well as inserting a high value retail tenant.

1821-1823 Second Avenue is situated right across the street from the Second Avenue Q subway entrance at 93rd and 94th Street, and surrounded by plentiful restaurants, shops, schools, hospitals, museums, green spaces, and parks. It is also centrally located between the 4 , 5, and 6 lines on Lexington Avenue, crosstown buses and the FDR.



## TAX MAP







## EXCELLENT VALUE-ADD OPPORTUNITY

1821-1823 Second Avenue is comprised of 16 apartments, of which 8 are Free Market, 7 are Rent Stabilized, and 1 is Rent Controlled. The retail is also being delivered vacant. This provides a buyer with the chance to immediately improve common areas, add amenities and create high-end finishes in the market apartments to increase rents in the near-term as well as insert a high value retail tenant. There are also approximately 24,230 square feet of development rights remaining as of right.



## ONCE IN A GENERATION OFFERING

The property, with 50' of frontage, has not traded hands in decades. This is truly a once-in-a-generation acquisition opportunity for purchasers.







## OPTIMAL APARTMENT LAYOUT

The property is configured as railroad apartments over four floors in which a buyer can create spacious 2-bedroom units with bedrooms in the front and rear of the building in order to maximize rent. The layouts lend themselves nicely to a wide array of tenant profiles including young professionals rooming with friends or families.



## TRANSPORTATION ACCESSIBILITY

1821-1823 Second Avenue is located right across the street from the 2nd Avenue  line entrance and surrounded by numerous transportation options including the  train at East 96th Street and Lexington Avenue and the  and  trains at 86th Street and Lexington Avenue. Additionally, the Crosstown M86 and M96 buses provide service through Central Park to the Upper West Side, and the property is located just a few blocks from the entrance to the FDR.



## EXCELLENT NEIGHBORHOOD FUNDAMENTALS

The Upper East Side is one of the most attractive and sought-after neighborhoods in all of New York and in the country. It benefits from several fundamentals that make it an excellent place to own real estate for the long term. Some of the best schools, hospitals, cultural institutions, restaurants, and retail shops call the Upper East Side home. Mt. Sinai and Lenox Hill Hospital, the iconic Central Park, the Metropolitan Museum of Art, the Guggenheim, and the Jewish Museum to name a few.





# PROPERTY INFORMATION



Subway Station **Q**



## PROPERTY INFORMATION

Address:	1821-1823 2nd Avenue, New York, NY 10128	
Block & Lot:	1540-24	
Lot Dimensions:	50' x 80'	Irregular
Lot SF:	4,000 SF (approx.)	

## BUILDING INFORMATION

Building Dimensions	50' x 62'	Irregular
Stories	5	
Total Gross SF	15,770 SF (approx.)	
Residential Units:	16	
Commercial Units:	1	
Total Units:	17	
Gross Residential SF:	12,616	SF (approx.)
Above Grade Commercial SF:	3,154	SF (approx.)

## ZONING INFORMATION

Zoning	C2-8A, TA	
FAR (As-of-Right)	10.00	*12.0 City of Yes UAP FAR
Total Buildable SF (As-of-Right)	40,000 SF (approx.)	
Less Existing Structure	15,770 SF (approx.)	
Available Air Rights (As-of-Right)	24,230 SF (approx.)	

## NYC FINANCIAL INFORMATION (25/26)

Total Assessment	\$1,358,180
Annual Property Tax	\$169,773
Tax Class	2
Tax Rate	12.500%

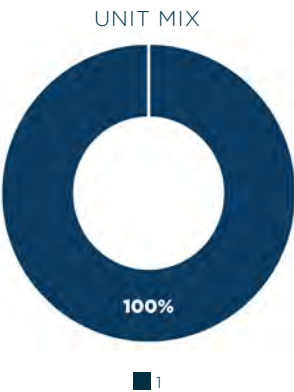
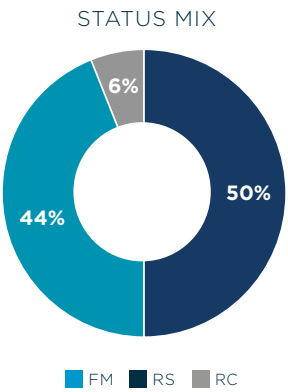


# ASSET OVERVIEW

## RESIDENTIAL REVENUE

UNIT	BEDS	BATHS	STATUS	EXP.	LEGAL RENT	MONTHLY RENT	PRO FORMA
1821 - 2N	1	1	RS	Feb-26	\$2,771	\$2,771	\$2,854
1821 - 2S	1	1	RS	Dec-26	\$901	\$901	\$928
1821 - 3N	1	1	FM	Aug-26		\$2,900	\$4,000
1821 - 3S	1	1	FM	Mar-26		\$2,550	\$4,000
1821 - 4N	1	1	FM	Nov-26		\$2,700	\$4,000
1821 - 4S	1	1	RC	-	\$188	\$188	\$188
1821 - 5N	1	1	RS	Jul-26	\$2,466	\$2,257	\$4,000
1821 - 5S	1	1	RS	Dec-27	\$907	\$610	\$628
1823 - 2N	1	1	FM	May-26		\$2,325	\$4,000
1823 - 2S	1	1	RS	Jan-27	\$2,950	\$2,278	\$2,346
1823 - 3N	1	1	FM	Jul-26		\$2,850	\$4,000
1823 - 3S	1	1	RS	Nov-27	\$764	\$764	\$787
1823 - 4N	1	1	RS	Jun-26	\$1,340	\$1,340	\$4,000
1823 - 4S	1	1	FM	Sep-26		\$2,950	\$4,000
1823 - 5N	1	1	FM	Aug-26		\$3,000	\$4,000
1823 - 5S	1	1	RS	Dec-26	\$821	\$821	\$846
Monthly Total	16	16			\$13,107	\$31,204	\$44,577
Annual Total					\$157,290	\$374,452	\$534,920
Average Rent per Unit:						\$1,950	\$2,786
Average Rent per Net SF:						\$35	\$50

## RESIDENTIAL BREAKDOWN



Unit Mix

STATUS	#	%	TOTAL REVENUE	\$ / SF	\$ / UNIT
1 BR	16	100%	\$374,452	\$35	\$1,950

Status Mix

STATUS	#	%	TOTAL REVENUE	\$ / SF	\$ / UNIT
FM	7	44%	\$231,300	\$49	\$2,754
RS	8	50%	\$140,896	\$26	\$1,468
RC	1	6%	\$2,256	\$3	\$188
Total	16	100%	\$374,452	\$35	\$1,950

## COMMERCIAL REVENUE

TENANT	SF	MONTHLY RENT	PRO FORMA
Vacant	3,154	\$30,000	\$30,000
Annual Total		\$360,000	\$360,000
Average Rent per SF (Above Grade):		\$114	\$114
Total Gross Monthly Revenue:		\$61,204	\$74,577
Total Gross Annual Revenue:		\$734,452	\$894,920

REVENUE & EXPENSES

RESIDENTIAL REVENUE	NSF	\$ / UNIT	\$ / SF	ANNUAL INCOME
Gross Annual Income	10,724	\$23,403	\$34.92	\$374,452
Less General Vacancy / Credit Loss (3.0%)		\$702	\$1.05	\$11,234
Effective Gross Annual Income		\$22,701	\$33.87	\$363,219

COMMERCIAL REVENUE	SF	\$ / UNIT	\$ / SF	ANNUAL INCOME
Gross Annual Income	3,154	\$360,000	\$114.14	\$360,000
Less General Vacancy / Credit Loss (5.0%)		\$18,000	\$5.71	\$18,000
Effective Gross Annual Income		\$342,000	\$108.43	\$342,000

TOTAL REVENUE	ANNUAL INCOME
Total Gross Annual Income	\$734,452
Less Total General Vacancy / Credit Loss	\$29,234
Effective Gross Annual Income	\$705,219

OPERATING EXPENSES

TYPE	PROJECTION	% OF EGI	\$ / UNIT	\$ / SF	PROJECTED
Property Taxes	Actual	24.1%	\$9,987	\$10.77	\$169,773
Water and Sewer	\$1,100/ Resi. Unit	2.5%	\$1,035	\$1.12	\$17,600
Insurance	\$1,200/ Resi. Unit	2.7%	\$1,129	\$1.22	\$19,200
Fuel	\$1.65/ GSF	3.7%	\$1,531	\$1.65	\$26,021
Electric (Common Areas)	\$0.25/ GSF	0.6%	\$232	\$0.25	\$3,943
Repairs & Maintenance	\$600/ Resi. Unit	1.4%	\$565	\$0.61	\$9,600
General & Administrative	\$250/ Resi. Unit	0.6%	\$235	\$0.25	\$4,000
Super / Payroll	\$750/ Month	1.3%	\$529	\$0.57	\$9,000
Management Fee	4.0% / EGI	4.0%	\$1,659	\$1.79	\$28,209
Total Expenses		40.7%	\$16,903	\$18.22	\$287,344

Net Operating Income	\$417,875
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PRO FORMA INCOME & EXPENSES

RESIDENTIAL REVENUE	NSF	\$ / UNIT	\$ / SF	ANNUAL INCOME
Gross Annual Income	10,724	\$33,432	\$49.88	\$534,920
Less General Vacancy / Credit Loss (3.0%)		\$1,003	\$1.50	\$16,048
Effective Gross Annual Income		\$32,430	\$48.39	\$518,872

COMMERCIAL REVENUE	SF	\$ / UNIT	\$ / SF	ANNUAL INCOME
Gross Annual Income	3,154	\$360,000	\$114.14	\$360,000
Less General Vacancy / Credit Loss (5.0%)		\$18,000	\$5.71	\$18,000
Effective Gross Annual Income		\$342,000	\$108.43	\$342,000

TOTAL REVENUE	ANNUAL INCOME
Total Gross Annual Income	\$894,920
Less Total General Vacancy / Credit Loss	\$34,048
Effective Gross Annual Income	\$860,872

OPERATING EXPENSES

TYPE	PROJECTION	% OF EGI	\$ / UNIT	\$ / SF	PROJECTED
Property Taxes	Actual	19.7%	\$9,987	\$10.77	\$169,773
Water and Sewer	\$1,100/ Resi. Unit	2.0%	\$1,035	\$1.12	\$17,600
Insurance	\$1,200/ Resi. Unit	2.2%	\$1,129	\$1.22	\$19,200
Fuel	\$1.65/ GSF	3.0%	\$1,531	\$1.65	\$26,021
Electric (Common Areas)	\$0.25/ GSF	0.5%	\$232	\$0.25	\$3,943
Repairs & Maintenance	\$600/ Resi. Unit	1.1%	\$565	\$0.61	\$9,600
General & Administrative	\$250/ Resi. Unit	0.5%	\$235	\$0.25	\$4,000
Super / Payroll	\$750/ Month	1.0%	\$529	\$0.57	\$9,000
Management Fee	4.0% / EGI	4.0%	\$2,026	\$2.18	\$34,435
Total Expenses		34.1%	\$17,269	\$18.62	\$293,570

Net Operating Income	\$567,302
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# UPPER EAST SIDE NEIGHBORHOOD



## NEIGHBORHOOD CHARACTER

The Upper East Side is the most established and prestigious residential neighborhood in New York City. With Central Park and the Museum Mile defining its western border, the neighborhood is famous for its classic architecture, world-class boutiques and restaurants, and a deep-rooted commitment to culture. When this sophistication is overlaid with an infrastructure of convenient transportation, plentiful retail options, and vibrant nightlife, it is easy to understand why the Upper East Side holds such a cachet for so many.

The Upper East Side has long been the established home of wealthy New York families, as well as for empty nesters who wish to enjoy the convenience and sophistication of fine city living. These elements of the neighborhood continue to dominate the prewar buildings along Park Avenue and Fifth Avenue, but the overall makeup of the neighborhood changes gradually as one travels east.

Lexington Avenue, Third Avenue, Second Avenue, First Avenue, and York Avenue are predominantly lined with post-war residential towers, with mid-rise elevator and walk-up apartment buildings on the side streets. This part of the neighborhood appeals greatly to young professionals who work in Midtown and Downtown and prefer the Upper East Side for the convenience, the nightlife, and the prestige associated with an Upper East Side address.







### EMPLOYMENT

Residents of the Upper East Side benefit from a quick and easy commute to the most important central business district in the United States. J.P. Morgan Chase, Bank of America, PricewaterhouseCoopers, and KPMG are some of the world’s most influential names in business and are just a handful of the major employers located nearby. In addition to these companies, 48-50 East End Avenue Street is just a short subway ride from the Chrysler Building, the Graybar Building, the Empire State Building, the MetLife Building, and 101 Park Avenue – some of the city’s largest office buildings containing countless businesses and employment opportunities.



### THE ARTS

The unparalleled cultural amenities of the Upper East Side are an important draw as well. The western border of the Upper East Side is Fifth Avenue, which runs along the eastern border of Central Park. This stretch of Fifth Avenue is known as “museum mile” due to the high concentration of nearby museums. The most famous of these is the spectacular Metropolitan Museum of Art, located within the boundaries of Central Park between 80th and 84th Street. As the largest art museum in the Western Hemisphere, the Met houses exhibit of art contains artifacts from countless cultures throughout history.

For those who prefer the art of the 20th Century, the Guggenheim Museum is located between 89th and 90th Streets. Known for its spectacular visiting exhibitions in painting, sculpture, and design, as well as its impressive permanent collections of modern painting, the Guggenheim not only presents its visitors with some of the world’s greatest art, but is a supreme work of art itself.

Two blocks north of the Guggenheim, the Cooper-Hewitt Museum presents the Smithsonian Institute’s rich collection of works of design. The museum is inside a restored mansion built for Andrew Carnegie in 1901. Other nearby cultural attractions include the Whitney Museum of American Art, the Jewish Museum, the Asia Society, and the American Irish Historical Society.



### RECREATION

One of the great pleasures of living on the Upper East Side is easy access to Central Park and the esplanade along the East River. Central Park spans Fifth Avenue to Central Park West and is 51 blocks long, offering many types of recreational and leisure activities. In addition to Central Park’s host of recreational activities, Charles Schurz Park can be enjoyed by the Upper East Side Residents as well. Charles Schurz Park, official home of the mayor of New York City at Gracie Mansion, ties in to the East River Esplanade, which can be accessed at East 71st Street, East 78th Street, East 96th Street, and East 110th Street as well. The esplanade is an ideal setting for a serious workout, or for those who simply crave the breezy openness of a walk along the river. As an aside, residents can also catch a ferry to Yankee Stadium from a slip adjacent to Charles Schurz Park. The Vanderbilt and 92nd Street YMCAs are popular facilities utilized by many area residents. These divisions of the YMCA are institutions keeping many residents and families involved in neighborhood activities including athletic events, summer camps, classes for the youth, community board meetings, and seminars on a wide variety of topics.







## CENTRAL PARK

Arguably one of the most famous parks in the world, Central Park is a manmade wonder. Not only is it the first public park built in America, but it is also one of the most frequently visited, with over 25 million guests per year. Set in the middle of bustling Manhattan, its grounds serve as a haven, not only for athletes, daydreamers, musicians, and strollers, but also for teems of migratory birds each year. One can spend an entire peaceful day roaming its grounds, gazing upon nearly 50 fountains, monuments, and sculptures or admiring its 36 bridges and arches.

## CARL SCHURZ PARK

This picturesque park, partially hidden along the East River, is one of the city's best-concealed secrets. A stroll along the promenade provides beautiful views of the river, the Roosevelt Island Lighthouse, the Triborough Bridge, Randall's and Wards Islands, and, of course, Gracie Mansion, the 18th century mansion that serves as the Mayor's official residence.

Carl Schurz Park is one of the city's most dog-friendly--two dog runs offer plenty of space for pups to run around and mingle, while the promenade offers a lovely place to stroll, with or without a furry companion. A playground at the end of the park holds fun for kids of all ages.

The park's plentiful green space is a lovely place for reading, picnicking, people-watching, and, when the weather gets nice, sunbathing. With all this, Carl Schurz is certainly a great escape from the bustling city.

## MT. SINAI HOSPITAL

**1 EAST 98TH STREET**

Founded in 1852, The Mount Sinai Hospital is one of the nation's largest and most respected hospitals, acclaimed internationally for excellence in clinical care. In the 2015-16 "Best Hospitals" issue of U.S. News & World Report, the institution was ranked in nine specialties nationally, and the pediatric center, The Kravis Children's Hospital, was listed among the magazine's list of the country's best children's hospitals in seven out of 10 specialties.

## JEWISH MUSEUM

**1109 FIFTH AVENUE**

The Jewish Museum is an art museum and repository of cultural artifacts, housed at 1109 Fifth Avenue, in the former Felix M. Warburg House. The first Jewish museum in the United States, as well as the oldest existing Jewish museum in the world, it contains the largest collection of art and Jewish culture excluding Israeli museums with more than 30,000 objects.

## COOPER HEWITT MUSEUM

**2 EAST 91ST STREET**

Cooper Hewitt is a design museum that is one of nineteen museums that fall under the wing of the Smithsonian Institution and is one of three Smithsonian facilities located in New York City. It is the only museum in the United States devoted to historical and contemporary design. Its collections and exhibitions explore approximately 240 years of design aesthetic and creativity.

## GUGGENHEIM

**1071 FIFTH AVENUE**

The Guggenheim is the permanent home of a continuously expanding collection of Impressionist, Post-Impressionist, early Modern and contemporary art and features special exhibitions throughout the year. The museum was established by the Solomon R. Guggenheim Foundation in 1939. It is visited by nearly 1.2 million people per year.

## METROPOLITAN MUSEUM

The Metropolitan Museum of Art presents over 5,000 years of art from around the world for everyone to experience and enjoy. The Museum lives in two iconic sites in New York City—The Met Fifth Avenue and The Met Cloisters. Millions of people also take part in The Met experience online. Since its founding in 1870, The Met has always aspired to be more than a treasury of rare and beautiful objects. Every day, art comes alive in the Museum's galleries and through its exhibitions and events, revealing new ideas and unexpected connections across time and across cultures.





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