

# 598 East 183<sup>rd</sup> Street

THE BRONX, NEW YORK



OFFERING MEMORANDUM

Marcus & Millichap  
NYM GROUP

# 598 East 183<sup>rd</sup> Street

THE BRONX, NEW YORK

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# INVESTMENT HIGHLIGHTS



The New York Multifamily Team at Marcus & Millichap is pleased to offer the following opportunity in one of the most sought-after neighborhoods in the Bronx, Little Italy. 598 East 183rd Street is situated in prime Belmont, right off 182<sup>nd</sup> Street & Arthur Avenue and a short walk to Saint Barnabas Medical Center. The building spans 26,400 square feet and is composed of 30 units, 29 residential with 1 commercial store on the ground floor. This corner mixed-use walk-up building has been owned and operated by the same family for over 19 years and is composed of 1 studio, 5 one-bed, 11 two-bed & 12 three-bedroom apartments. This offers investors a unique opportunity to acquire a legacy asset in a highly desirable submarket of the Bronx that provides future rental upside through a \$22,398 annual preferential rent delta of actual vs DHCR legal registered rents. 598 East 183rd Street is conveniently located a few steps from prime Little Italy Retail Markets, St. Barnabas Hospital, and the Bronx Zoo.

## THE OPPORTUNITY

- The Building:** This 30-unit walk-up building is composed of one store and 29 residential units. It comprises one studio, five one-bedroom, 11 two-bedroom, and 12 three-bedroom apartments.
- The Metrics:** 8.7% Cap Rate | 4.8x GRM | \$107k Per Unit | \$121 Per Sqft
- Preferential Rent:** The building offers investors a steady annual cash flow of \$276,645 with \$22,398 in delta upside
- Prime Location:** 2239 Adams Place is conveniently located a few steps from prime Little Italy Retail Markets, St. Barnabas Hospital, and the Bronx Zoo

**Mixed-Used**

BUILDING

**8.7%**

CAP RATE

**56%**

EXPENSE RATIO

**26,400**

SQUARE FEET

# NEIGHBORHOOD OVERVIEW



## Belmont

Belmont, in the heart of the Bronx's "Little Italy," is a tightly knit, walkable neighborhood anchored by Arthur Avenue's famed delis, bakeries, and family-owned shops. Bordered by Bronx Park (and the Zoo) to the east and Fordham Road to the north, it combines cultural character with proximity to major green spaces and transit corridors. The presence of St. Barnabas Hospital—a primary teaching and acute-care institution—boosts local employment and healthcare demand. While the area retains a strong residential profile of low- and mid-rise apartment buildings and rowhouses, Belmont also benefits from the influence of the university (with Fordham nearby), a varied rental inventory, and steady foot traffic generated by its dining and retail offerings.

## Desirable Location

Belmont, often referred to as the Bronx's "Little Italy," is a vibrant and highly desirable neighborhood renowned for its cultural charm, walkable streets, and strong sense of community character. Anchored by Arthur Avenue, a regional destination for authentic dining, markets, and specialty shops, the area attracts steady foot traffic and tourism while serving as a hub for residents. Belmont also benefits from its proximity to major demand drivers, including St. Barnabas Hospital, Fordham University, the Bronx Zoo, and the New York Botanical Garden, supporting both employment and housing demand. With excellent transit access via the B/D subway lines and Fordham Metro-North station, as well as connectivity through Fordham Road's retail corridor, Belmont offers investors a stable residential market with consistent rental demand and long-term growth potential.

# FINANCIAL OVERVIEW

| OFFERING PRICE                        |             | INCOME                              | CURRENT    | PRO FORMA  |
|---------------------------------------|-------------|-------------------------------------|------------|------------|
| <b>\$3,195,000</b>                    |             | Gross Potential Residential Rent    | \$583,570  | \$589,938  |
| \$/SF                                 | \$121       | Gross Potential Commercial Rent     | \$72,549   | \$74,725   |
| \$/UNIT                               | \$106,500   | Gross Income                        | \$660,053  | \$668,597  |
| TOTAL SF                              | 26,400      | Vacancy/Collection Loss             | (\$29,179) | (\$29,497) |
| TOTAL UNITS                           | 30          | Retail Reimbursements               | \$3,934    | \$3,934    |
| <b>CURRENT METRICS</b>                |             | Effective Gross Income              | \$630,874  | \$639,101  |
| CAP RATE                              | 8.7%        | Average Residential Rent/Month/Unit | \$1,677    | \$1,695    |
| GRM                                   | 4.8         |                                     |            |            |
| <b>PRO FORMA METRICS</b>              |             | <b>EXPENSES</b>                     |            |            |
| CAP RATE                              | 8.6%        | Property Taxes                      | Actual     | \$141,435  |
| GRM                                   | 4.8         | Fuel                                | Projected  | \$40,170   |
| CASH ON CASH                          | 10.96%      | Insurance                           | Projected  | \$49,440   |
| <b>PROPOSED DEBT</b>                  |             | Water and Sewer                     | Projected  | \$40,448   |
| Debt Service                          | (\$176,128) | Repairs and Maintenance             | Projected  | \$30,900   |
| Debt Coverage Ratio                   | 1.57        | Common Electric                     | Projected  | \$6,798    |
| Net Debt Cash Flow After Debt Service | \$98,116    | Super Salary                        | Projected  | \$15,450   |
| Loan Amount                           | \$2,300,000 | Management Fee                      | Projected  | \$32,490   |
| Interest Rate                         | 6.50%       | General Administration              | Projected  | \$7,725    |
| Amortization                          | 30          | <b>Total Expenses</b>               | \$354,229  | \$364,856  |
|                                       |             | <b>Net Operating Income</b>         | \$276,645  | \$274,245  |

**26,400**

Gross Square Footage

**\$121**

Price Per Square Foot

**8.7%**

Cap Rate

**30**

Units

**4.8**

GRM

# RENT ROLL

## COMMERCIAL RENT

| Space Use                         | Include In Expense/Unit (Y/N) | UNIT  | TENANT NAME | NOTES                       | LEASE START | EXPIRATION | ACTUAL         | PRO FORMA      |
|-----------------------------------|-------------------------------|-------|-------------|-----------------------------|-------------|------------|----------------|----------------|
| Retail/Office                     | Yes                           | STORE |             | *Assumes 3% Annual Increase | May-07      | Feb-23     | \$6,046        | \$6,227        |
| <b>MONTHLY COMMERCIAL REVENUE</b> |                               |       |             |                             |             |            | <b>\$6,046</b> | <b>\$6,227</b> |

## RESIDENTIAL RENT

| UNIT#                              | STATUS | NOTES              | BEDROOMS  | ROOMS      | EXPIRATION | ACTUAL           | PRO FORMA        | LEGAL              |
|------------------------------------|--------|--------------------|-----------|------------|------------|------------------|------------------|--------------------|
| B1                                 | RS     |                    | 3 Bedroom | 5          | Feb-26     | \$1,034          | \$1,062          | \$1,034            |
| 1                                  | RC     |                    | 1 Bedroom | 3          |            | \$456            | \$456            |                    |
| 2                                  | RS     |                    | 2 Bedroom | 4          | Nov-26     | \$1,795          | \$1,844          | \$1,795            |
| 3                                  | RS     |                    | 3 Bedroom | 5          | Dec-27     | \$1,569          | \$1,569          | \$1,502            |
| 4                                  | RS     | Preferential Rent  | 2 Bedroom | 4          | Dec-26     | \$1,658          | \$1,703          | \$1,838            |
| 5                                  | RS     |                    | 2 Bedroom | 4          | Jul-26     | \$1,714          | \$1,762          | \$1,661            |
| 6                                  | RS     |                    | 2 Bedroom | 4          | Jun-27     | \$1,384          | \$1,384          | \$1,384            |
| 7                                  | RS     | Preferential Rent  | 2 Bedroom | 4          | Jan-28     | \$2,027          | \$2,027          | \$2,308            |
| 8                                  | RS     | Preferential Rent  | Studio    | 2          | Nov-26     | \$2,369          | \$2,434          | \$2,932            |
| 9                                  | RS     | Preferential Rent  | 3 Bedroom | 5          | Mar-25     | \$2,439          | \$2,439          | \$2,909            |
| 10                                 | RS     |                    | 1 Bedroom | 3          | Jan-28     | \$1,157          | \$1,157          | \$1,073            |
| 11                                 | RS     | Vacant - Projected | 2 Bedroom | 4          |            | \$1,595          | \$1,595          | \$1,595            |
| 12                                 | RS     |                    | 3 Bedroom | 5          | Jul-26     | \$1,904          | \$1,956          | \$1,853            |
| 13                                 | RS     | Preferential Rent  | 3 Bedroom | 5          | Dec-27     | \$2,142          | \$2,142          | \$2,814            |
| 14                                 | RS     |                    | 3 Bedroom | 5          | Jun-26     | \$2,119          | \$2,178          | \$1,999            |
| 15                                 | RS     |                    | 3 Bedroom | 5          | Apr-26     | \$1,772          | \$1,821          | \$1,675            |
| 16                                 | RS     |                    | 1 Bedroom | 3          | Jun-27     | \$1,338          | \$1,338          | \$1,338            |
| 17                                 | RS     | Vacant - Projected | 2 Bedroom | 4          |            | \$2,111          | \$2,111          | \$2,111            |
| 18                                 | RS     | Preferential Rent  | 2 Bedroom | 4          | Feb-27     | \$1,642          | \$1,642          | \$1,735            |
| 19                                 | RS     | Preferential Rent  | 2 Bedroom | 4          | Dec-25     | \$1,719          | \$1,719          | \$1,779            |
| 20                                 | RS     |                    | 3 Bedroom | 5          | May-27     | \$1,852          | \$1,852          | \$1,852            |
| 21                                 | RS     |                    | 3 Bedroom | 5          | Feb-27     | \$1,894          | \$1,894          | \$1,894            |
| 22                                 | RS     |                    | 1 Bedroom | 3          | Dec-27     | \$1,264          | \$1,264          | \$1,209            |
| 23                                 | RS     | Preferential Rent  | 2 Bedroom | 4          | Jun-26     | \$1,896          | \$1,948          | \$2,215            |
| 24                                 | RS     | Preferential Rent  | 3 Bedroom | 5          | Aug-24     | \$998            | \$998            | \$998              |
| 25                                 | RS     | Preferential Rent  | 2 Bedroom | 4          | Oct-23     | \$1,620          | \$1,620          | \$1,834            |
| 26                                 | RS     |                    | 3 Bedroom | 5          | Nov-25     | \$2,126          | \$2,126          | \$2,126            |
| 27                                 | RS     |                    | 3 Bedroom | 5          | Aug-26     | \$2,110          | \$2,168          | \$2,110            |
| 28                                 | RS     |                    | 1 Bedroom | 3          | Mar-26     | \$926            | \$952            | \$926              |
| <b>MONTHLY RESIDENTIAL REVENUE</b> |        |                    | <b>61</b> | <b>121</b> |            | <b>\$48,631</b>  | <b>\$49,162</b>  | <b>\$50,497</b>    |
| <b>ANNUAL RESIDENTIAL REVENUE</b>  |        |                    |           |            |            | <b>\$583,570</b> | <b>\$589,938</b> | <b>\$605,969</b>   |
| <b>ANNUAL COMMERCIAL REVENUE</b>   |        |                    |           |            |            | <b>\$72,549</b>  | <b>\$74,725</b>  |                    |
| <b>TOTAL ANNUAL REVENUE</b>        |        |                    |           |            |            | <b>ACTUAL</b>    | <b>PRO FORMA</b> | <b>Pref Upside</b> |
|                                    |        |                    |           |            |            | <b>\$656,119</b> | <b>\$664,664</b> | <b>\$22,398</b>    |

## Notes

There is currently 2 vacant unit in the building. The super lives off-site.

There are 30 total units.

# INCOME AND EXPENSE ANALYSIS

## GROSS POTENTIAL INCOME

|                                     |      | ACTUAL     |
|-------------------------------------|------|------------|
|                                     | %EGI | \$/UNIT    |
| Gross Potential Residential Rent    | 88%  | \$20,123   |
| Gross Potential Commercial Rent     | 11%  | \$72,549   |
| Retail Reimbursements               | 1%   | \$136      |
| Gross Income                        |      | \$660,053  |
| Vacancy/Collection Loss             | 5%   | (\$29,179) |
| Effective Gross Income              |      | \$630,874  |
| Average Residential Rent/Month/Unit |      | \$1,677    |

## EXPENSES

| Property Taxes Tax Class: 2 | Actual    | \$137,315        | 22%  | \$4,577  |
|-----------------------------|-----------|------------------|------|----------|
| Fuel                        | Projected | \$39,000         | 6%   | \$1,300  |
| Insurance                   | Projected | \$48,000         | 8%   | \$1,600  |
| Water and Sewer             | Projected | \$39,270         | 6%   | \$1,309  |
| Repairs and Maintenance     | Projected | \$30,000         | 5%   | \$1,000  |
| Common Electric             | Projected | \$6,600          | 1.0% | \$0.25   |
| Super Salary                | Projected | \$15,000         | 2%   | \$500    |
| Management Fee              | Projected | \$31,544         | 5%   | \$1,051  |
| General Administration      | Projected | \$7,500          | 1%   | \$250    |
| Total Expenses              |           | \$354,229        | 56%  | \$11,808 |
| <b>Net Operating Income</b> |           | <b>\$276,645</b> |      |          |

## PRO FORMA

|                                     | PRO FORMA |            |
|-------------------------------------|-----------|------------|
|                                     | %EGI      | \$/UNIT    |
| Gross Income                        | 88%       | \$20,343   |
| Water and Sewer                     | 11%       | \$74,725   |
| Repairs and Maintenance             | 1%        | \$136      |
| Common Electric                     |           | \$668,597  |
| Super Salary                        | 5%        | \$22,287   |
| Management Fee                      |           | (\$29,497) |
| General Administration              |           | -\$983     |
| Average Residential Rent/Month/Unit |           | \$639,101  |
|                                     |           | \$21,303   |
|                                     |           | \$1,695    |

**\$1,677**

AVERAGE RENT PER MONTH

**22%**

TAXES AS PERCENT OF EGI

**56%**

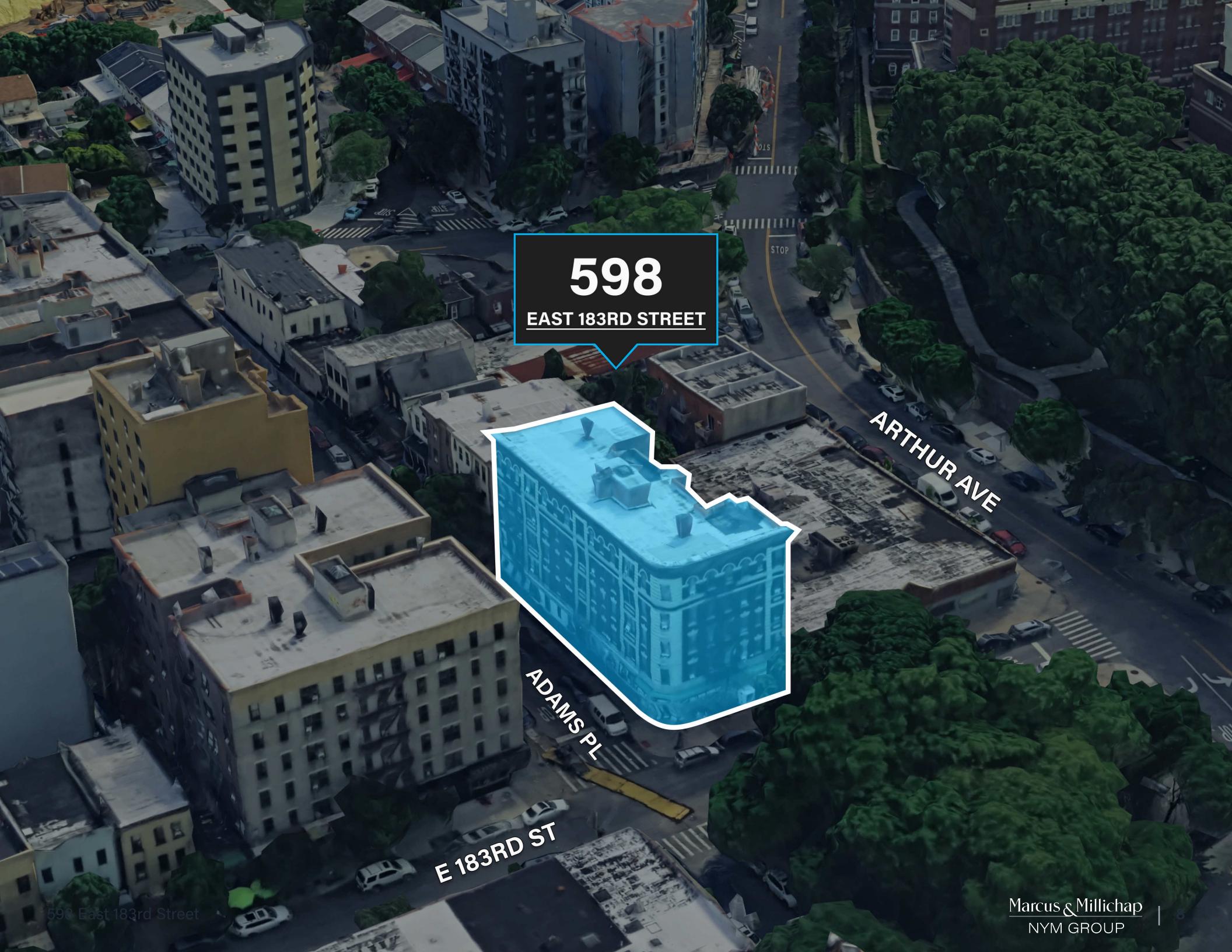
EXPENSE RATIO

## RENTAL ANALYSIS BY UNIT TYPE

| TYPE      | % OF TOTAL | RENT     | TOTAL | AVG. RENT |
|-----------|------------|----------|-------|-----------|
| Studio    | 3%         | \$2,369  | 1     | \$2,369   |
| 1 Bedroom | 17%        | \$5,141  | 5     | \$1,028   |
| 2 Bedroom | 38%        | \$19,161 | 11    | \$1,742   |
| 3 Bedroom | 41%        | \$21,960 | 12    | \$1,830   |

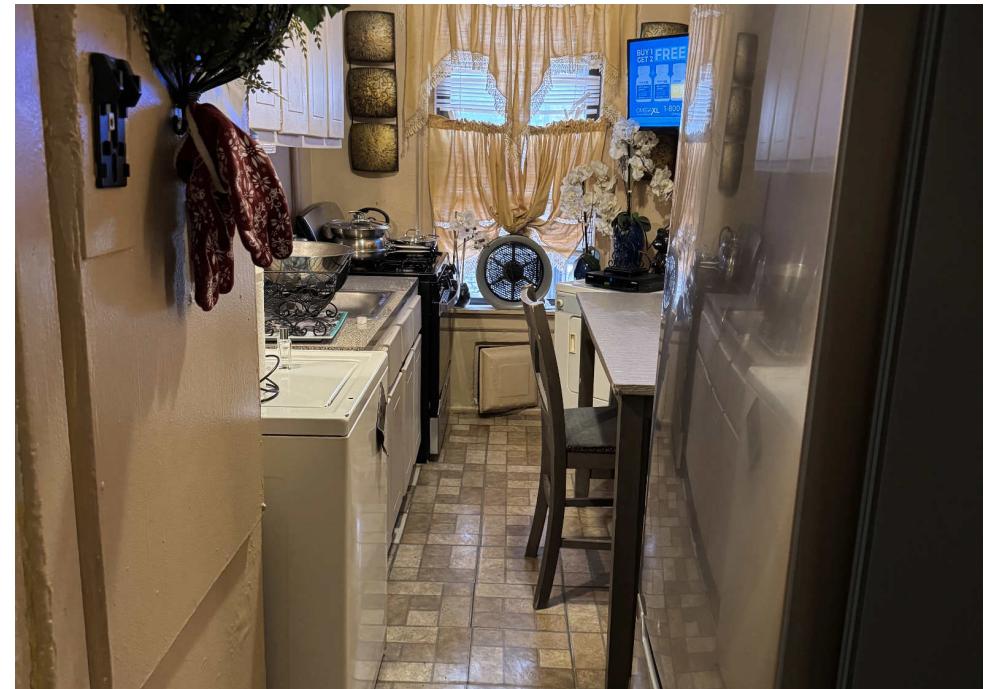
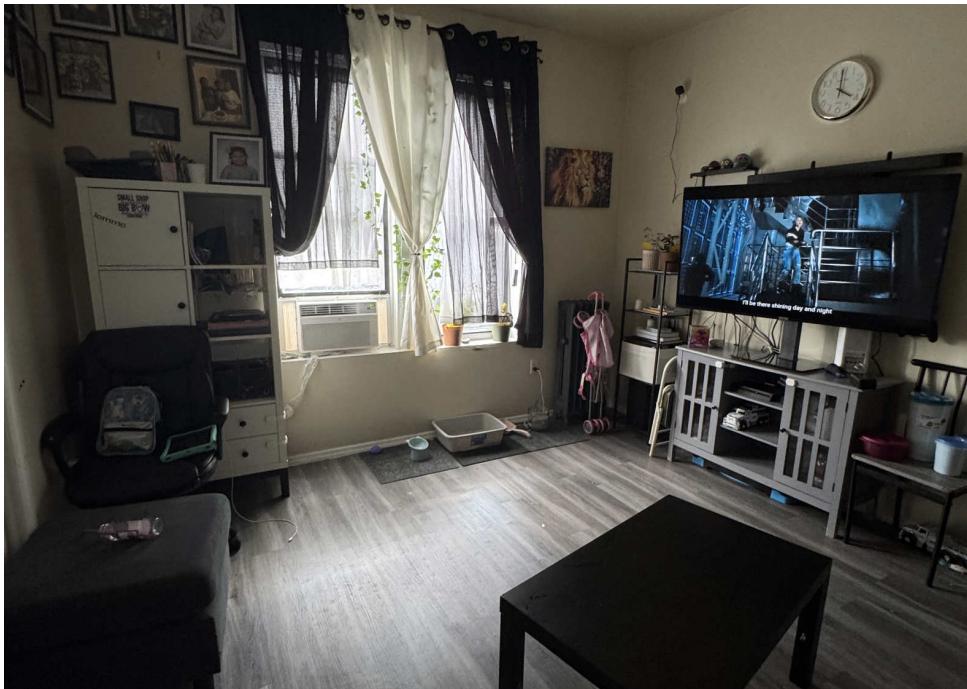
## LEASE STATUS MIX

| UNIT BREAKDOWN   | % OF TOTAL | RENT     | TOTAL | AVG. RENT |
|------------------|------------|----------|-------|-----------|
| Total Units      | --         | \$54,677 | 30    | \$1,823   |
| Total RS Units   | 93%        | \$48,175 | 28    | \$1,721   |
| Total RC Units   | 3%         | \$456    | 1     | \$456     |
| Total Commercial | 3%         | \$6,046  | 1     | \$6,046   |



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EAST 183RD STREET







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