

125

**EAST 39TH
STREET**

New York, NY 10016

FOR SALE

**PRIME
RESTAURANT
BUILDING**

 CUSHMAN &
WAKEFIELD

ASKING PRICE FOR SALE: **\$8,500,000**

Cushman & Wakefield is exclusively retained to sell 125 East 39th Street, a mixed-use building located in the heart of Prime Murray Hill. The property boasts a fully functional multi-level restaurant space with a bar, lounge, and sit-down restaurant across the garden, basement, and second floors. Currently leased to Kawabun, a Michelin-starred restaurant that has gone dark, their rent is corporate-guaranteed through September 2027. For a new restaurant operator, the space could be vacated, making it an ideal turnkey opportunity for a restaurateur, owner-user or retailer seeking a prime location with move-in ready conditions.

Above the retail, six (6) well-maintained, free market apartments (100%), offer secure cash flow and substantial potential for rent growth. The building spans 7,760± SF above grade (plus a 1,840± SF usable cellar = 9,600± total SF) and presents a rare opportunity for both immediate cash flow from the residential units and future upside through the retail space and residential lease trade outs. The property also benefits from its Tax Class 2B designation, providing advantageous tax benefits for long-term investment. Additionally, with fewer than 10 units, the property may be exempt from 'Good Cause Eviction' laws, which can be beneficial for certain buyers.

Situated in a high-demand area, the property is surrounded by major office buildings, restaurants, and retail, ensuring high foot traffic for businesses. The spacious one-bedroom apartments provide an opportunity for live-invest, owner occupancy or increased rents as leases roll over. The location is also well-served by transportation, with easy access to Grand Central Terminal, Penn Station, and multiple subway lines **4 5 6** offering convenient travel for tenants and customers. Nearby landmarks like Bryant Park **B D F M** Times Square **1 2 3 N Q R W** and the New York Public Library further enhance the property's appeal.

125 East 39th Street represents a rare and exceptional opportunity for investors or owner-users seeking a mixed-use property with both immediate income and strong growth potential in one of New York City's most vibrant neighborhoods.

FINANCIAL SUMMARY	ACTUAL	PRO FORMA
Gross Annual Revenue:	\$631,741	\$661,741
Total Expenses:	\$245,423	\$245,423
Net Operating Income:	\$386,318	\$416,318



HIGHLIGHTS

-  **5-story, 7-unit Mixed-Use Building** spanning 7,760± SF
-  **Fully Functional Multi-Level Restaurant** available
-  **100% Free Market Apartments** with tremendous upside post-light renovation
-  **Significant Corporate Guaranteed Commercial Income** while you plan your restaurant or re-let.
-  **Tax Class 2B Protected** offering advantageous tax benefits
-  **High Foot Traffic Area** residential enclave surrounded by Midtown office buildings
-  **Excellent Transportation Access** close to Grand Central, Penn Station and multiple subway lines
-  **Premier Location** near major hospitals, the United Nations, and Midtown

PROPERTY INFORMATION

Address:	125 East 39th Street
Block & Lot:	895 / 18
Lot Dimensions:	20' x 98.75' Irregular
Lot SF:	1,975 SF (approx.)

BUILDING INFORMATION

Building Dimensions:	20' x 94', 94', 65', 65', 65' (Irregular)
Stories:	5
Above Grade Gross SF:	7,760 SF (approx.)
Below Grade Gross SF:	1,840 SF (approx.)
Total Gross SF:	9,600 SF (approx.)

ZONING INFORMATION

Zoning:	R10 (C1-9 Overlay)
FAR (As-of-Right):	10.00
Landmarked:	No
Air Rights:	Not Available

NYC FINANCIAL INFORMATION (25/26)

Total Assessment:	\$1,480,582
Annual Property Tax:	\$185,369
Tax Rate:	12.5200%
Tax Class:	2B

RETAIL REVENUE

Unit	Tenant	SF	Lease Exp.	Base Rent	Tax Contrib.	Total Annual Revenue	\$ / SF	Pro Forma Rent
LL	Kawabun	1,500	Sep-27					
Ground	Kawabun	1,500	Sep-27	\$30,912	\$17,197	\$388,141	\$129.38	\$388,141
Total:		3,000		\$30,912	\$17,197	\$388,141	\$129.38	\$388,141

(1) 7% annual increases, pays own utilities and 40% of taxes above the base year (2021-2022)

RESIDENTIAL REVENUE

Apt	Status	Layout	Lease Exp.	Base Monthly Rent	Pro Forma Rent
3F	FM	1BR/1BA	Jul-25	\$3,350	\$3,400
3R*	FM	1BR/1BA + terrace	Dec-25	\$3,550	\$4,000
4F	FM	1BR/1BA	Aug-25	\$3,250	\$3,800
4R	FM	1BR/1BA + terrace	Feb-25	\$3,250	\$4,000
5F	FM	1BR/1BA	Jun-25	\$3,500	\$3,800
5R	FM	1BR/1BA	Jan-26	\$3,400	\$3,800
Total:				\$20,300	\$22,800

*possible to create a 2nd bedroom

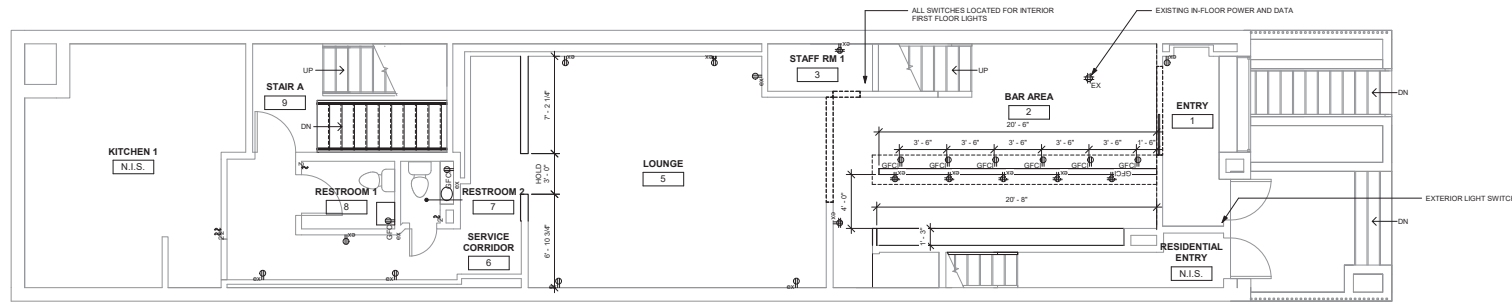
Total Gross Annual Revenue:	\$631,741	\$661,741
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EXPENSES

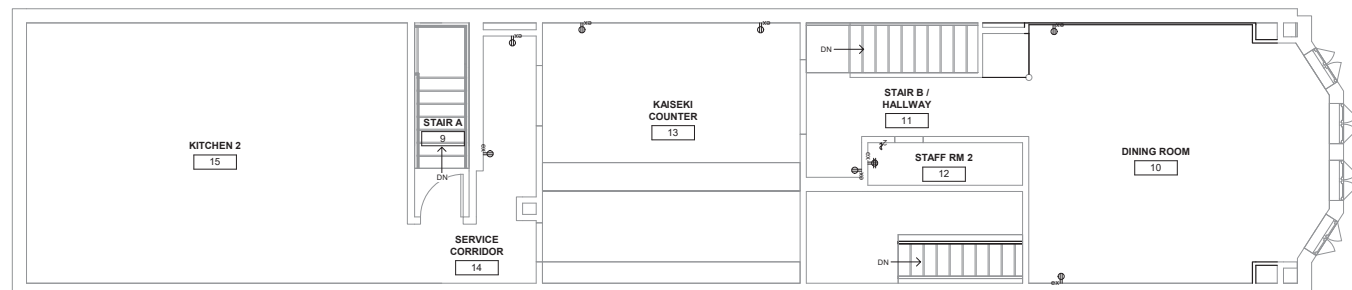
Type	Projection	% of EGI	\$ / SF	Actual	Pro Forma
Property Taxes	Actual 25/26	28.70%	\$23.89	\$185,369	\$185,369
Water and Sewer	\$1.00/ GSF	1.20%	\$1.00	\$7,760	\$7,760
Insurance	\$1.00/ GSF	1.49%	\$1.24	\$9,600	\$9,600
Fuel	\$1.00/ GSF	1.20%	\$1.00	\$7,760	\$7,760
Electric (Common Areas)	\$0.25/ GSF	0.30%	\$0.25	\$1,940	\$1,940
Repairs	\$0.75/ GSF	0.90%	\$0.75	\$5,820	\$5,820
Cleaning & Exterminator	\$350/ Month	0.65%	\$0.54	\$4,200	\$4,200
Super Salary	\$300/ Month	0.56%	\$0.46	\$3,600	\$3,600
Management Fee	3.0% / EGI	3.00%	\$2.50	\$19,374	\$19,374
Total Expenses		38.00%	\$31.63	\$245,423	\$245,423

Net Operating Income	\$386,318	\$416,318
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FIRST FLOOR



SECOND FLOOR





Public transportation is just a short walk away from the **6** train at **33rd Street and Grand Central Terminal** which services the **4 5 6 7** and **S** Trains and **MTA Metro-North Railroad** providing access to Long Island and Connecticut. Nearby residents can walk to the **B D F M 7** at **Sixth Avenue-Herald Square** for access to the west side.





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EAST 39TH STREET

New York, NY 10016

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