

253
East 206th Street

BRONX, NY

100%
Free Market

2019
Construction & CO

Value Add
Rents ~30% Below Market

4/10 Apartments
Delivered Vacant

Marcus & Millichap
NYM GROUP



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253 EAST 206TH STREET
THE BRONX, NY

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INVESTMENT HIGHLIGHTS



100% Free Market | 2019 Construction

253 East 206th Street is a 100% free market asset, built without any tax abatement. The building was issued its final [certificate of occupancy](#) in 2019.



Value-Add

Current rents are 30% below market, presenting an opportunity for significant upside through turnover or Section 8 / City Program Vouchers. The average rent is \$1,944 per apartment per month.



The Building

This 10 unit walk-up is composed of 3 studios, 5 one-bedrooms, and 2 two-bedrooms. There are currently 2 vacant units.



Prime Location

This building is just steps from Montefiore Hospital, Bronx Park, Fordham University, The New York Botanical Garden, and the Norwood Subway Station.



Tax Class Protected

253 East 206th Street is a tax class 2B asset, with tax liability capped at 8% per year or 30% over 5 years.

FINANCIAL OVERVIEW

OFFERING PRICE

\$2,600,000

\$/SF	\$389
\$/UNIT	\$260,000
TOTAL SF	6,692
TOTAL UNITS	10

CURRENT METRICS

CAP RATE	5.3%
GRM	11.1

PRO FORMA METRICS

CAP RATE	8.6%
GRM	7.9
CASH ON CASH	17.07%

PROPOSED DEBT

Debt Service	(\$120,000)
Debt Coverage Ratio	1.15
Net Debt Cash Flow After Debt Service	\$102,430
Loan Amount	\$2,000,000
Interest Rate	6.00%
Amortization	30

INCOME

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$233,323	\$327,600
Gross Income	\$233,323	\$327,600
Vacancy/Collection Loss	(\$7,000)	(\$9,828)
Effective Gross Income	\$226,323	\$317,772
Average Residential Rent/Month/Unit	\$1,944	\$2,730

EXPENSES

Property Taxes	Actual	\$37,084	\$38,384
Insurance	Actual	\$5,514	\$5,679
Fuel, Electric & Water	Actual	\$16,859	\$17,365
Repairs and Maintenance	Projected	\$7,000	\$7,210
Super Salary	Projected	\$8,000	\$8,240
Management Fee	Projected	\$11,316	\$15,889
General Administration	Projected	\$2,500	\$2,575
Total Expenses		\$88,273	\$95,342
Net Operating Income		\$138,050	\$222,430

RENT ROLL

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	ACTUAL	PRO FORMA
1A	FM		Studio	2	\$1,675	\$2,600
1B	FM	Vacant - Projected	1 Bedroom	3	\$2,700	\$2,700
2A	FM	Vacant - Projected	1 Bedroom	3	\$2,700	\$2,700
2B	FM		1 Bedroom	3	\$1,907	\$2,700
2C	FM		Studio	2	\$1,550	\$2,600
3A	FM		1 Bedroom	3	\$1,600	\$2,700
3B	FM		1 Bedroom	3	\$1,851	\$2,700
3C	FM	Vacant - Projected	Studio	2	\$2,600	\$2,600
4A	FM	Vacant - Projected	2 Bedroom	4	\$3,000	\$3,000
4B	FM		2 Bedroom	4	\$2,150	\$3,000
MONTHLY RESIDENTIAL REVENUE			12	29	\$21,733	\$27,300
ANNUAL RESIDENTIAL REVENUE					\$260,790	\$327,600
TOTAL ANNUAL REVENUE					ACTUAL	PRO FORMA
					\$260,790	\$327,600

Notes:

There are 10 total units.

There are currently 4 vacant units in the building. The super lives off site.

INCOME AND EXPENSE ANALYSIS

GROSS POTENTIAL INCOME		ACTUAL		PRO FORMA			
		%EGI	\$/UNIT	%EGI	\$/UNIT		
Gross Potential Residential Rent	\$233,323	100%	\$23,332	\$327,600	100%	\$32,760	
Gross Income	\$233,323		\$23,332	\$327,600		\$32,760	
Vacancy/Collection Loss	(\$7,000)	3%	(\$700)	(\$9,828)	3%	(\$983)	
Effective Gross Income	\$226,323		\$22,632	\$317,772		\$31,777	
Average Residential Rent/Month/Unit	\$1,944			\$2,730			
EXPENSES							
Property Taxes	<i>Actual</i>	\$37,084	16%	\$3,708	\$38,384	12%	\$3,838
Insurance	<i>Actual</i>	\$5,514	2%	\$551	\$5,679	2%	\$568
Fuel, Electric & Water	<i>Actual</i>	\$16,859	7%	\$1,686	\$17,365	5%	\$1,736
Repairs and Maintenance	<i>Projected</i>	\$7,000	3%	\$700	\$7,210	2%	\$721
Super Salary	<i>Projected</i>	\$8,000	4%	\$800	\$8,240	3%	\$824
Management Fee	<i>Projected</i>	\$11,316	5%	\$1,132	\$15,889	5%	\$1,589
General Administration	<i>Projected</i>	\$2,500	1%	\$250	\$2,575	1%	\$258
Total Expenses		\$88,273	39%	\$8,827	\$95,342	30%	\$9,534
Net Operating Income		\$138,050			\$222,430		

\$1,944

AVERAGE RENT
PER MONTH

100%

PERCENT FAIR MARKET

16%

TAXES AS PERCENT OF EGI

39%

EXPENSE RATIO

LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$21,733	10	\$2,173
Total FM Units	100%	\$21,733	10	\$2,173

RENTAL ANALYSIS BY UNIT TYPE

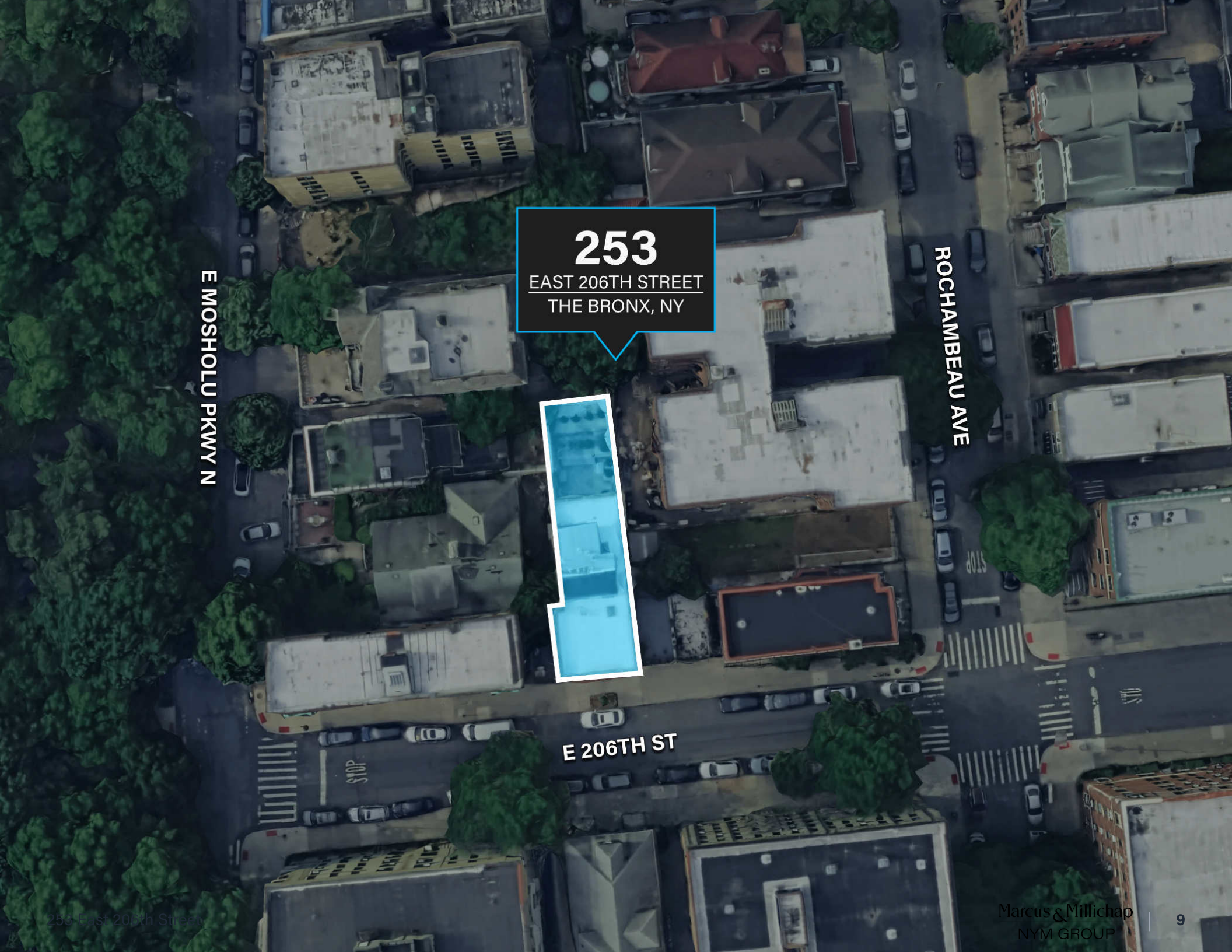
TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	30%	\$5,825	3	\$1,942
1 Bedroom	50%	\$10,758	5	\$2,152
2 Bedroom	20%	\$5,150	2	\$2,575





253 East 206th Street





253
EAST 206TH STREET
THE BRONX, NY




E MOSHOLU PKWY N




ROCHAMBEAU AVE

E 206TH ST




Mosholu Pkwy 11 minutes | 0.4 mi






**Bedford Park Blvd-
Lehman College** 18 minutes | 0.5 mi

**Norwood-
205 St** 3 minutes | 0.1 mi

Bedford Park Blvd 13 minutes | 0.3 mi

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