



239  
Elizabeth Street

OFFERING MEMORANDUM

NOLITA, MANHATTAN

Marcus & Millichap  
NYM GROUP

# 239 Elizabeth Street

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# 239 Elizabeth Street

OFFERING MEMORANDUM

NOLITA, MANHATTAN

is being offered at

## \$7,000,000

## THE OFFERING

The New York Multifamily team is pleased to offer the following opportunity located in the booming NoLIta neighborhood. 239 Elizabeth Street is located on the West side of Elizabeth Street between Prince & East Houston Streets. The property boasts a gross square footage of 7,670, is zoned C6-2 / R8, and is built 20 ft x 75 ft on a 20 ft x 90.25 ft lot (Block: 508; Lot: 42).

## THE OPPORTUNITY

- **Building Overview:** 239 Elizabeth Street is a meticulously maintained, mixed-use trophy asset spanning a total of 7,670 square feet. Falling into the highly desirable tax class 2B protected status, assessed values can increase by no more than 8% annually, and by no more than 30% over any given 5-year period. The asset comprises 11 residential units over ground floor retail, with a diverse mix of studio, one, and two-bedroom apartments. Additionally, two rent stabilized apartments will be delivered vacant upon sale, providing flexibility for future ownership to house friends & family members.
- **Finished Product Turnkey Asset:** 239 Elizabeth Street recently underwent significant, top to bottom renovation since acquisition. The free market residential units offer brand new high-end finishes that rival condominium-level quality. Features include hardwood flooring, custom kitchen cabinetry, stainless steel appliances, and modern bathroom fixtures. All free-market units have been updated with luxury-grade materials to appeal to discerning renters seeking premium living spaces in NoLIta. Asking a 6.5% CAP rate, any investor can capitalize on a strong existing stream of cash flow while capturing the increase in demand for both retail and residential in Manhattan's most premier submarket.
- **Unrivaled Location:** World renown as one of the best blocks in NoLIta, let alone New York City, 239 Elizabeth Street is nestled on the prime retail corridor between Prince & East Houston Streets where retail rents command over \$300/sf and residential rents continue to boom. Strategically & conveniently located steps from SoHo, Little Italy, the Elizabeth Street Garden, New York University, Washington Square Park, and internationally-acclaimed bars & restaurants, any purchaser or investor will benefit from this location for generations to come. Additionally, given its immediate and central proximity to incredible transportation, restaurants, and other amenities in the NoLIta neighborhood, high profile renters are eager to pay a premium for all this location has to offer.

## LISTING METRICS

<b>12</b> TOTAL UNITS	<b>7,670</b> TOTAL SQUARE FEET	<b>2B</b> PROTECTED TAX CLASS	<b>B D F M 6</b>
<b>6</b> STORIES	<b>\$82,592</b> PROJECTED TAXES	<b>6.5%</b> CAP RATE	NEARBY TRANSPORTATION

An aerial, high-angle photograph of New York City, showing the dense urban grid, the Hudson River, and the East River. The image is rendered in a dark, monochromatic style with a heavy black overlay, creating a dramatic and textured appearance. The text is overlaid on the left side of the image.

# FINANCIAL ANALYSIS

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# FINANCIAL OVERVIEW

OFFERING PRICE

**\$7,000,000**

\$/SF	\$913
\$/UNIT	\$583,333
TOTAL SF	7,670
TOTAL UNITS	12

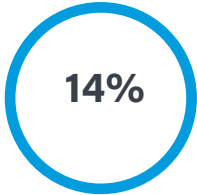
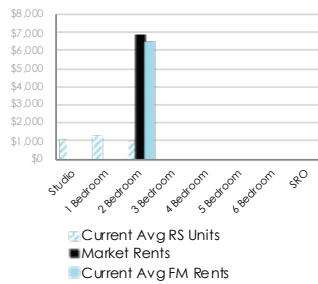
**CURRENT METRICS**

CAP RATE	6.5%
GRM	11.3

**PRO FORMA METRICS**

CAP RATE	7.0%
GRM	10.8

**UPSIDE ANALYSIS**



PROPERTY TAXES RATIO



EXPENSE RATIO

**PROPOSED DEBT**

Debt Service	(\$353,581)
Debt Coverage Ratio	1.30
Net Debt Cash Flow After Debt Service	\$133,194
Loan Amount	\$5,000,000
Interest Rate	5.75%
Amortization	30

**INCOME**

	CURRENT	PRO FORMA
Gross Potential Residential Rent	\$389,520	\$415,067
Gross Potential Commercial Rent	\$222,912	\$229,599
Gross Income	\$618,119	\$650,353
Vacancy/Collection Loss	(\$7,790)	(\$8,301)
Commercial Tax Reimbursements	\$5,687	\$5,687
Effective Gross Income	\$610,329	\$642,052
Average Residential Rent/Month/Unit	\$2,951	\$3,144

**EXPENSES**

		CURRENT	PRO FORMA
Property Taxes	Projected	\$82,592	\$84,244
Fuel - Oil #2	Projected	\$15,000	\$15,300
Insurance	Actual	\$17,253	\$17,598
Water and Sewer	Actual	\$4,837	\$4,934
Repairs and Maintenance	Actual	\$6,401	\$6,529
Common Electric	Projected	\$1,918	\$1,956
Super Salary	Actual	\$5,922	\$6,040
Management Fee	Projected	\$18,310	\$18,676
Total Expenses		\$152,232	\$155,277
<b>Net Operating Income</b>		<b>\$458,096</b>	<b>\$486,775</b>

**LEASE STATUS ANALYSIS**

UNIT BREAKDOWN	% OF TOTAL	TOTAL	AVG. RENT
Total Units	--	12	\$4,253
Total RS Units	58%	7	\$994
Total RS - TE Units	0%	0	\$0
Total RC Units	0%	0	\$0
Total FM Units	33%	4	\$6,375
Total Commercial	8%	1	\$18,576

**UNIT TYPE ANALYSIS**

TYPE	% OF TOTAL	TOTAL	AVG. RENT
Studio	9%	1	\$964
1 Bedroom	27%	3	\$1,162
2 Bedroom	64%	7	\$4,001
3 Bedroom	0%	0	\$0
4 Bedroom	0%	0	\$0
5 Bedroom	0%	0	\$0
6 Bedroom	0%	0	\$0
S/O	0%	0	\$0

**7,670**

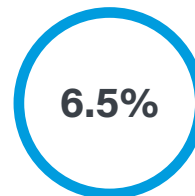
GROSS TOTAL SQUARE FEET



\$/SF



GRM



CAP RATE

# RENT ROLL

239 Elizabeth Street

COMMERCIAL RENT

UNIT	TENANT NAME	REIMBURSEMENTS	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA	\$/PSF
ST	Leap Leasign Beta LLP	3% annual increases Pays 20% of RET increases over '22/23 base year. Pays for own utilities	Includes Bsmt Storage	Jul-22	650	Jul-27	\$18,576	\$19,133	\$353
<b>MONTHLY COMMERCIAL REVENUE</b>					<b>650</b>		<b>\$18,576</b>	<b>\$19,133</b>	

RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA	LEGAL
G	RS		Studio	2		Apr-27	\$964	\$993	\$964
1	RS		1 Bedroom	3		Oct-27	\$1,015	\$1,015	\$1,015
2	FM	Private Outdoor Space	2 Bedroom	4		May-27	\$6,500	\$7,250	
3	RS		1 Bedroom	3		Dec-27	\$1,093	\$1,093	\$1,093
4	FM		2 Bedroom	4		Jul-26	\$6,150	\$6,800	
5	FM		2 Bedroom	4		Jul-26	\$6,600	\$6,800	
6	RS		2 Bedroom	4		May-27	\$874	\$874	\$874
7	RS	Vacant - Legal Rent Provided	1 Bedroom	3			\$1,378	\$1,378	\$1,378
8	RS		2 Bedroom	4		Mar-23	\$708	\$708	\$708
9	FM		2 Bedroom	4		Sep-26	\$6,250	\$6,750	
10	RS	Vacant - Legal Rent Provided	2 Bedroom	4			\$928	\$928	\$928
<b>MONTHLY RESIDENTIAL REVENUE</b>			<b>18</b>	<b>39</b>			<b>\$32,460</b>	<b>\$34,589</b>	<b>\$6,960</b>
<b>ANNUAL RESIDENTIAL REVENUE</b>							<b>\$389,520</b>	<b>\$415,067</b>	<b>\$83,520</b>
<b>ANNUAL COMMERCIAL REVENUE</b>							<b>\$222,912</b>	<b>\$229,599</b>	
<b>TOTAL ANNUAL REVENUE</b>							<b>ACTUAL</b>	<b>PRO FORMA</b>	
							<b>\$612,432</b>	<b>\$644,666</b>	

There are currently 2 vacant units in the building. The super lives off site.  
There are 12 total units.

# INCOME & EXPENSE ANALYSIS

## 239 Elizabeth Street

### GROSS POTENTIAL INCOME

	ACTUAL			PRO FORMA		
		%EGI	\$/UNIT		%EGI	\$/UNIT
Gross Potential Residential Rent	\$389,520	63%	\$35,411	\$415,067	64%	\$37,733
Gross Potential Commercial Rent	\$222,912	36%	\$222,912	\$229,599	35%	\$229,599
Commercial Tax Reimbursements	\$5,687	1%	\$517	\$5,687	1%	\$517
Gross Income	\$618,119		\$51,510	\$650,353		\$54,196
Vacancy/Collection Loss	(\$7,790)	2%	-\$649	(\$8,301)	2%	-\$692
Effective Gross Income	\$610,329		\$50,861	\$642,052		\$53,504
Average Residential Rent/Month/Unit	\$2,951			\$3,144		

### EXPENSES

Property Taxes	Tax Class: 2B	Projected	\$82,592	14%	\$6,883	\$84,244	13%	\$7,020
Fuel - Oil #2		Projected	\$15,000	2%	\$1,250	\$15,300	2%	\$1,275
Insurance		Actual	\$17,253	3%	\$1,438	\$17,598	3%	\$1,467
Water and Sewer		Actual	\$4,837	1%	\$403	\$4,934	1%	\$411
Repairs and Maintenance		Actual	\$6,401	1%	\$533	\$6,529	1%	\$544
Common Electric		Projected	\$1,918	0.3%	\$0.25	\$1,956	0.3%	\$0.26
Super Salary		Actual	\$5,922	1%	\$494	\$6,040	1%	\$503
Management Fee		Projected	\$18,310	3%	\$1,526	\$18,676	3%	\$1,556
Total Expenses			\$152,232	25%	\$12,686	\$155,277	24%	\$12,940
<b>Net Operating Income</b>			<b>\$458,096</b>			<b>\$486,775</b>		

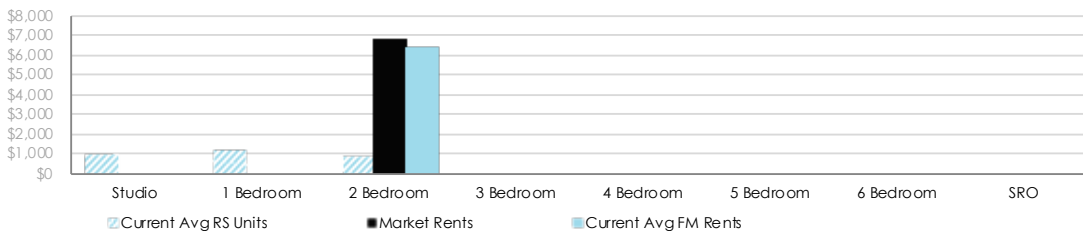
### LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	-	\$51,036	12	\$4,253
Total RS Units	58%	\$6,960	7	\$994
Total RS - TE Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	33%	\$25,500	4	\$6,375
Total Commercial	8%	\$18,576	1	\$18,576

### RENTAL ANALYSIS BY UNIT TYPE

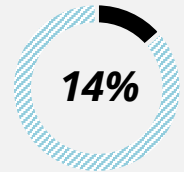
TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	9%	\$964	1	\$964
1 Bedroom	27%	\$3,486	3	\$1,162
2 Bedroom	64%	\$28,010	7	\$4,001
3 Bedroom	0%	\$0	0	\$0
4 Bedroom	0%	\$0	0	\$0
5 Bedroom	0%	\$0	0	\$0
6 Bedroom	0%	\$0	0	\$0
SRO	0%	\$0	0	\$0

### UPSIDE ANALYSIS

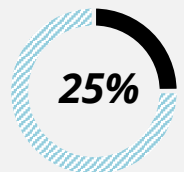


AVERAGE RENT  
PER MONTH  
**\$2,951**

TAXES AS  
PERCENT OF EGI



EXPENSE RATIO



An aerial, high-angle photograph of New York City, showing the dense urban grid, Central Park, and the Hudson River. The image is in grayscale and has a dark, moody atmosphere.

# PROPERTY DESCRIPTION

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# PROPERTY PHOTOS – EXTERIORS



# PROPERTY PHOTOS – NEIGHBORHOOD



**PROPERTY PHOTOS – INTERIORS**



# PROPERTY PHOTOS - INTERIORS





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### **Broker of Record**

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Activity ID:

# 239 Elizabeth Street

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