



# 197 East 3rd St. New York, NY

## 5-STORY MIXED-USE APARTMENT BUILDING

Located in Manhattan's East Village Neighborhood

FOR SALE



### Property Features

Location	North side of East 3rd St between Avenues A & B				
Block / Lot	399 / 39				
Lot Dimensions	23' x 96.17'				
Lot SF	2,212				
Stories	5				
Building Dimensions	23' x 70' (All 5 Floors)				
Gross SF	8,050				
Commercial Units	1				
Residential Units	16				
Zoning	<b>R7A</b> (288 SF of lot coverage) and <b>R8B</b> (1,923 SF of lot coverage)				
District	<b>R7A</b>			<b>R8B</b>	
Use	<b>Residential</b>	<b>Commercial</b>	<b>Comm. Facility</b>	<b>Residential</b>	<b>Comm. Facility</b>
FAR	4.00	2.00	4.00	4.00	4.00
Lot Size	288	288	288	1,923	1,923
Total BSF	1,152	576	1,152	7,692	7,692
Buildable SF	<b>Residential</b>	<b>Commercial</b>	<b>Comm. Facility</b>		
Total Combined BSF	8,844	576	8,844		
Existing SF	8,050	8,050	8,050		
Available Air Rights	794	-7,474	794		
Assessment	\$982,650 (15/16)				
Unabated Taxes	\$121,205 (15/16)				
Abated Taxes	\$119,754 (15/16)				

\*All square footages are approximate

### Property Description

The subject property is a 5-story mixed-use building located on the north side of East 3rd Street between Avenues A & B featuring 16 residential apartments above and one commercial unit on the ground floor. The building currently benefits from a J-51 Tax Abatement, which expires in 2024/2025. As a result, all of the residential apartments are rent stabilized per the abatement. While rents for 6 apartments (1,2,3,4,12,14) are limited by rent stabilization, the remaining 7 occupied apartments (5,6,7,9,13,15,16) currently achieve rents that are closer to market, but are significantly lower than the maximum legal rent for these units. There are 3 vacant units. The 6 apartments are currently renting on average for \$42.39/NSF or less than \$1,250/month compared to

approximately \$59.45/NSF for the 7 units. Furthermore, 4 of the 6 units contain preferential rents which upon expiration would add almost \$15,000 in additional income with no additional renovation work. Of the 16 total residential apartments, 13 are occupied and 3 are vacant, while 13 are configured as studios and 3 as one-bedroom units. The ground-floor commercial unit is occupied by No Malice Palace, a very popular bar and night club with exclusive access to the rear yard whose lease expires in December 2019.

**Asking Price:**  
**\$7,500,000**

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## Financial Overview

Commercial Gross Income	\$ 123,864
Residential Gross Income	\$ 329,365
RE Tax Reimbursement	\$ 6,601
Water & Sewer Passthrough	\$ 9,273
<b>Total Gross Income</b>	<b>\$ 469,103</b>
Abated Real Estate Taxes (15/16)	\$ 119,754
Operating Expenses	\$ 76,951
<b>Total Expenses</b>	<b>\$ 196,705</b>

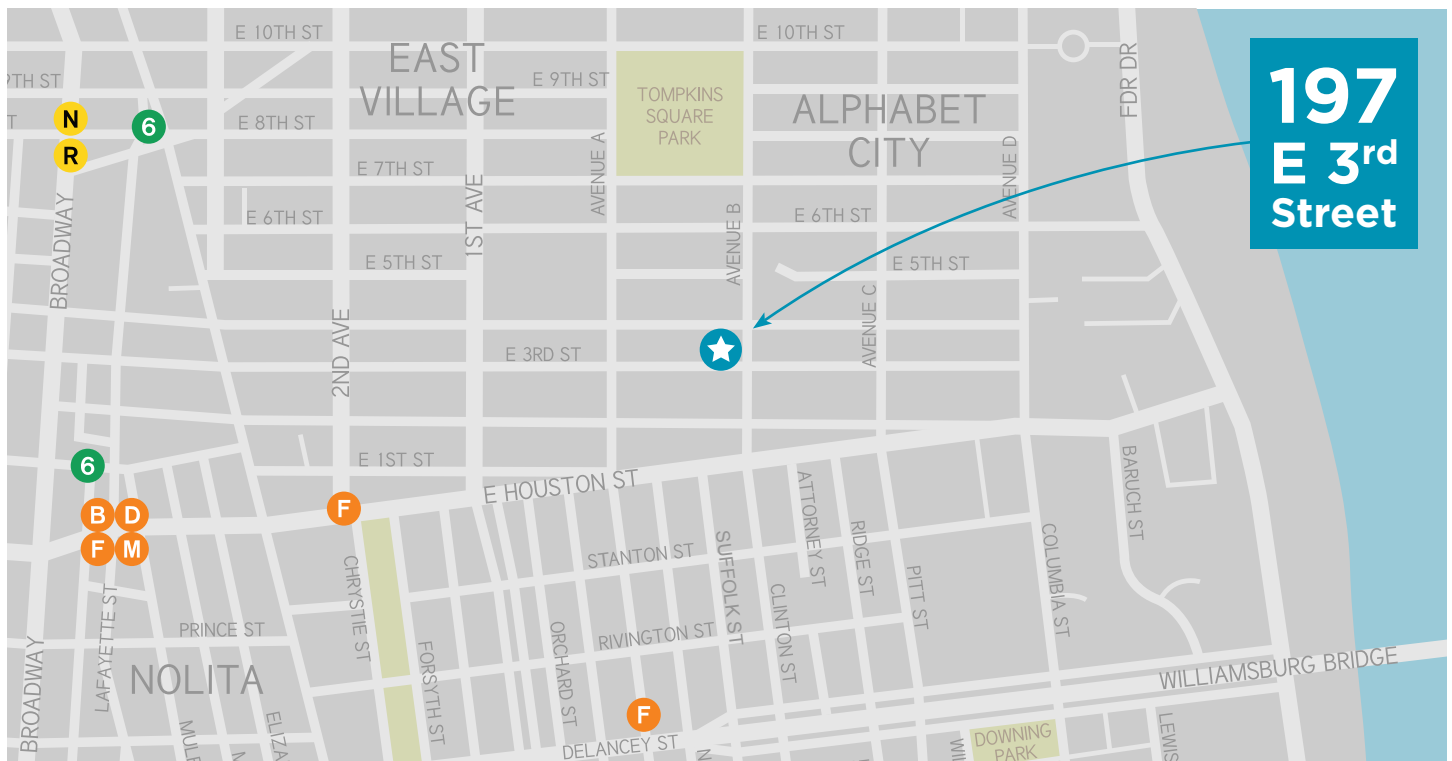
Total Gross Income	\$ 469,103
<b>Less Expenses</b>	<b>\$ 196,705</b>
<b>Net Operating Income</b>	<b>\$ 272,398</b>

## Tax Map



\*Retail tenant pays 20% of tax increases over base tax year 2010 (\$86,750) and 50% of water bill.

## Location Map



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Revenue						
UNIT	SIZE	SF	STATUS	LEASE EXP.	MONTHLY RENT	RENT / SF
Comm.	Store	1,198.5	RS	12/31/19	\$10,322.00	\$103.35
1	Studio	363.8	RS	09/30/16	\$1,566.93	\$51.69
2	Studio	385.5	RS	10/31/17	\$1,467.61	\$45.68
3	Studio	410.7	RS	01/31/17	\$1,214.84	\$35.50
4	Studio	300.0	RS	08/31/17	\$2,008.01	\$80.32
5	1 Bedroom	363.8	RS	04/30/16	\$1,850.00	\$61.02
6	Studio	385.5	RS	02/28/17	\$1,900.00	\$59.14
7	Studio	410.7	RS	12/31/16	\$1,860.00	\$54.35
8	1 Bedroom	313.0	RS	-	\$2,600.00	\$99.68
9	Studio	363.8	RS	08/31/16	\$1,900.00	\$62.67
10	Studio	385.5	RS	-	\$2,200.00	\$68.48
11	Studio (2.5 Rooms)	410.7	RS	-	\$2,300.00	\$67.20
12	Studio	313.0	RS	05/31/17	\$400.03	\$15.34
13	1 Bedroom	363.8	RS	08/31/16	\$1,900.00	\$62.67
14	Studio	385.5	RS	12/31/17	\$829.68	\$25.83
15	Studio	410.7	RS	03/31/16	\$1,750.00	\$51.13
16	Studio	313.0	RS	01/31/17	\$1,700.00	\$65.18
Commercial Gross Annual Income		1,199			\$123,864	\$103.35
Residential Gross Annual Income		5,879			\$329,365	\$56.02
Projected Gross Annual Income		7,078			\$453,229	\$64.04

- (1) The building currently benefits from a J-51 Tax Abatement, which expires in 2024/2025. As a result, all of the residential apartments are rent stabilized per the abatement. While rents for 6 apartments (1,2,3,4,12,14) are limited by rent stabilization, the remaining 7 occupied apartments (5,6,7,9,13,15,16) currently achieve rents that are closer to market, but are significantly lower than the maximum legal rent for these units.
- (2) Rents for units 8, 10 & 11 are projected as they are vacant.

Expenses			
	METRIC	ANNUAL	\$ / GSF
Abated Real Estate Taxes (15/16)	Based On Actual	\$119,754	\$14.88
Water & Sewer	Based On Actual	\$18,545	\$2.30
Insurance	Based On Actual	\$12,334	\$1.53
Heat	Based On Actual	\$22,779	\$2.83
Electric (Common Areas)	Based On Actual	\$896	\$0.11
Repairs & Maintenance	\$550/Unit	\$8,800	\$1.09
Management	3%/EGI	\$13,597	\$1.69
Total Expenses		\$196,705	\$24.44

Net Operating Income	
Projected Gross Annual Income	\$453,229
RE Tax Reimbursement	\$6,601
Water & Sewer Passthrough	\$9,273
Less Expenses	\$196,705
Net Operating Income	\$272,398

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