OFFERING MEMORANDUM

1507-11 LOCUST STREET
PHILADELPHIA, PA 19102

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PRESENTED BY

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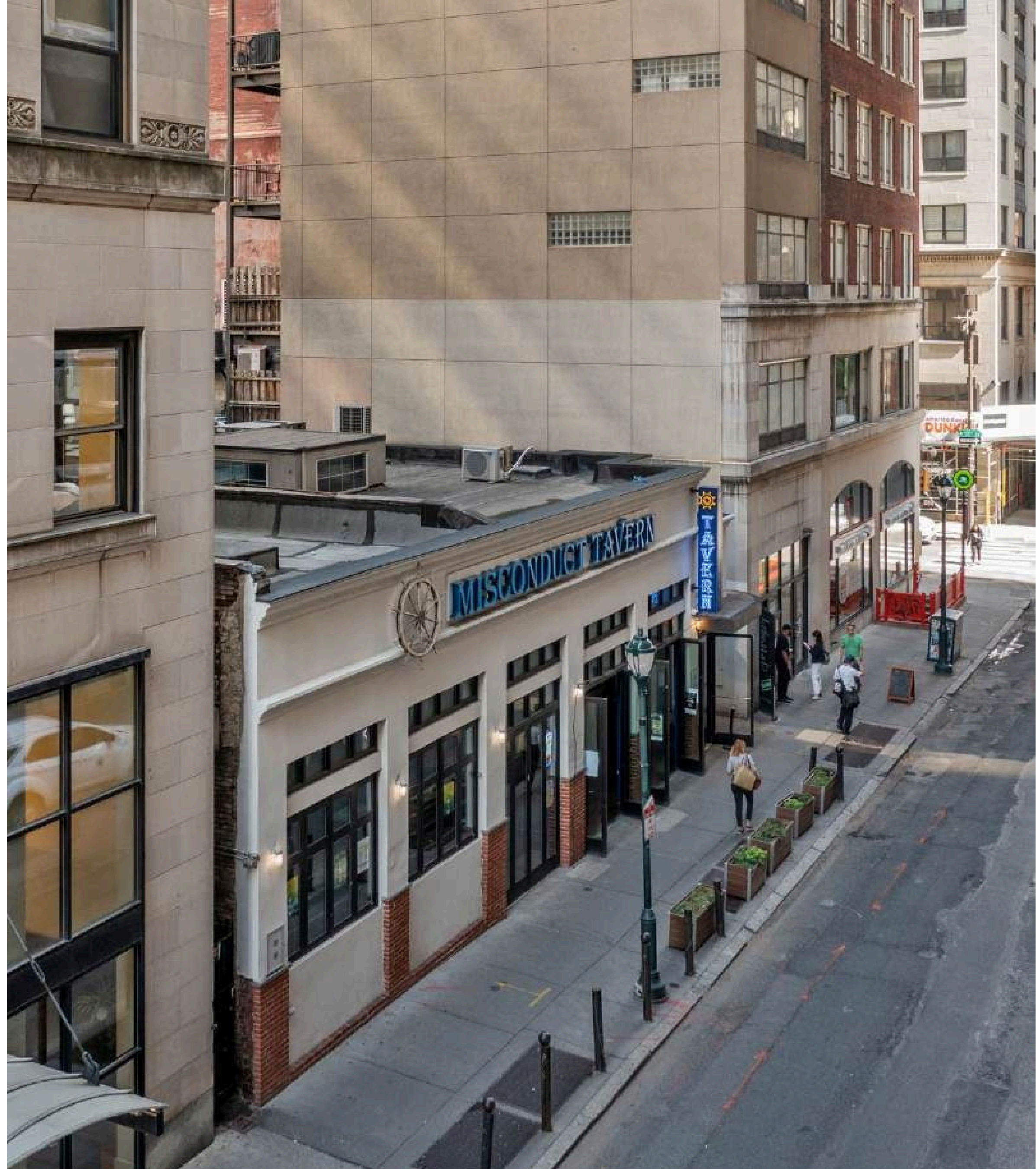
PROPERTY OVERVIEW



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PROPERTY OVERVIEW

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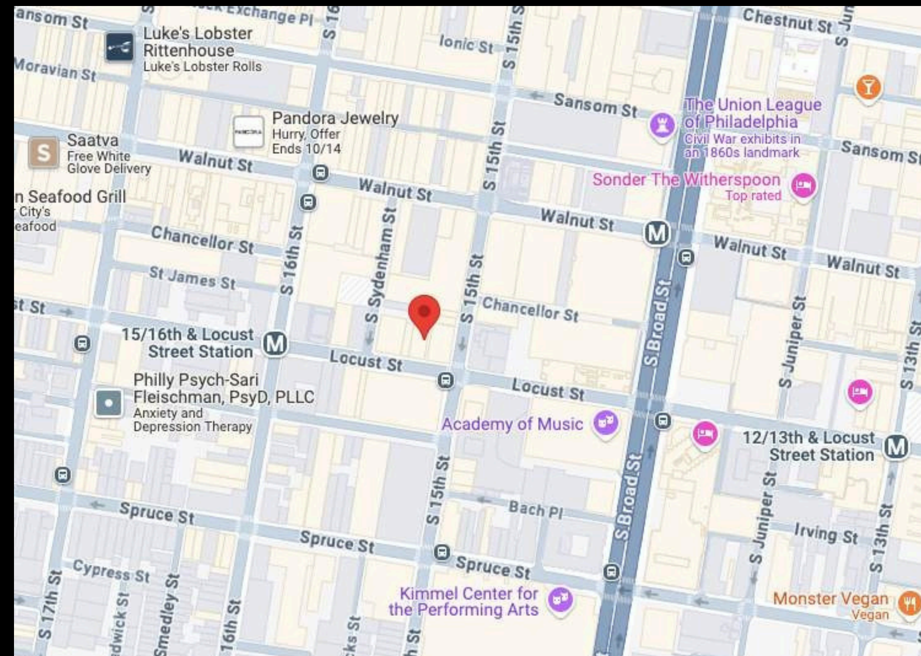


PROPERTY DESCRIPTION

On behalf of the ownership, Rarity Commercial is pleased to present an exclusive opportunity to acquire two premier bar and restaurant assets at 1507-11 Locust Street and 223 S. Sydenham Street consolidated into a single, contiguous lot in the heart of Rittenhouse Square.

Together, the properties comprise approximately 17,143 square feet of gross building area across three distinct structures and two separately configured venues, situated on a combined land area of 8,283 square feet. 1507-11 Locust Street is home to Misconduct Tavern, a one-story plus partially finished lower level bar and restaurant totaling 4,901 square feet of gross building area on a 3,271 square foot interior lot. 223 S. Sydenham Street houses The Vesper Lounge, a two-story plus fully finished lower level bar and restaurant totaling 12,242 square feet of gross building area on a 5,012 square foot interior lot.

The assemblage carries a CMX-5 zoning designation, Philadelphia's highest-density commercial classification, permitting high-density residential and commercial development by-right and providing a development optionality that is exceedingly rare in this submarket. The combined footprint presents a compelling value proposition for a range of investor profiles — from the passive investor seeking stabilized hospitality income in a market with virtually no vacancy, to the owner-operator looking to plant a flag at one of the most prominent corners in Center City, to the developer positioned to capitalize on the site's significant upside through redevelopment.
This is an exceptional opportunity to acquire a consolidated, income-producing asset with long-term optionality in one of Philadelphia's most irreplaceable locations.

OFFERING SUMMARY

Asking price: $9,500,000.00

Lot Sqft: 8,283 SQFT

Zoning: CMX-5

2 Tenants: Misconduct Tavern & Vesper Nightclub

02

LOCATION
OVERVIEW

NEIGHBORHOOD OVERVIEW

Neighborhood Overview — Rittenhouse Square, Philadelphia, PA

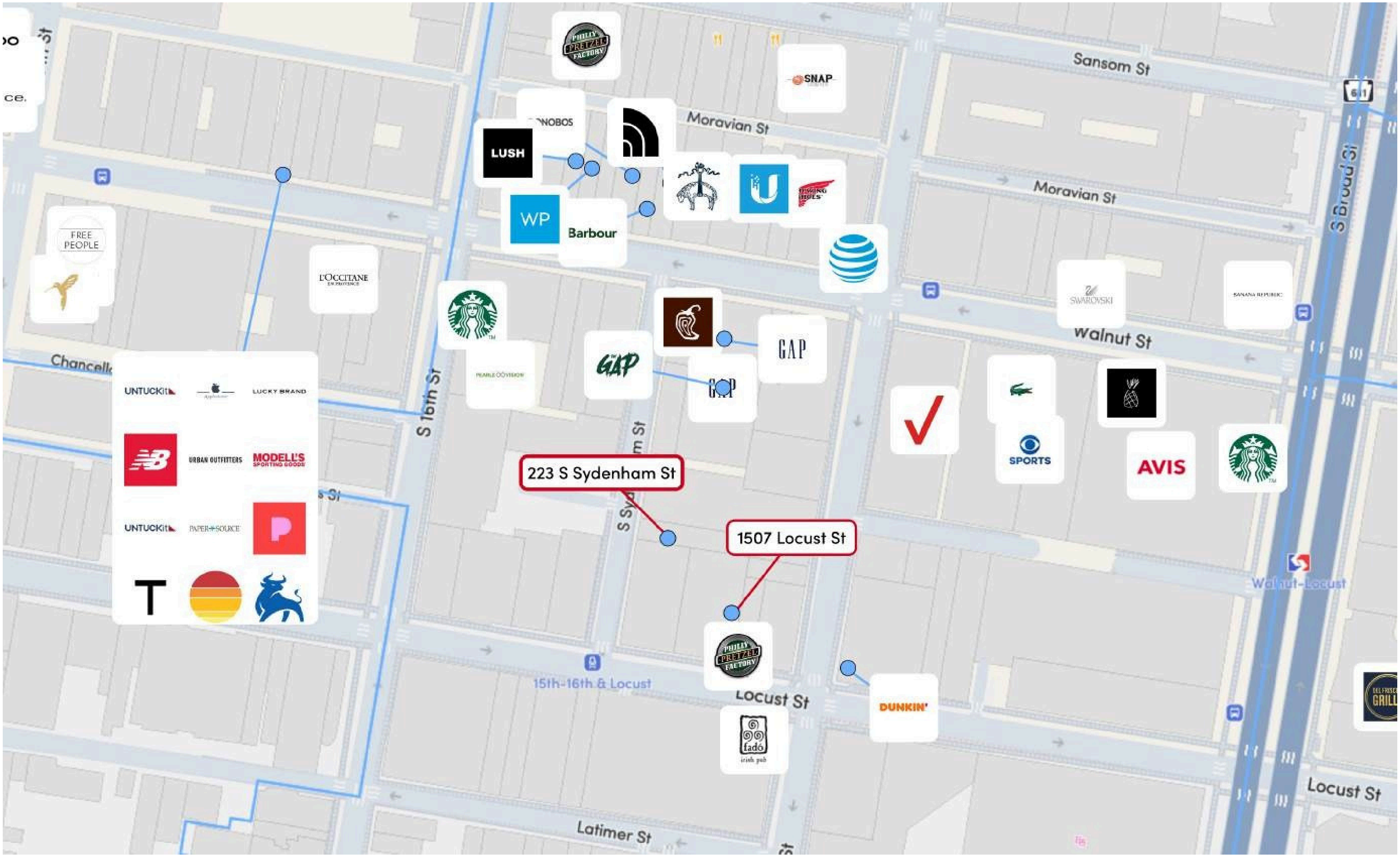
Both assets are located in Rittenhouse Square, Philadelphia's most prestigious Center City submarket and consistently ranked among the most walkable urban neighborhoods in the country. The area commands the city's highest rents and attracts a dense, high-income residential base drawn by the neighborhood's unmatched concentration of luxury retail, world-class dining, boutique fitness, galleries, and entertainment venues stretching along Rittenhouse Row.

At the neighborhood's core sits the historic Rittenhouse Square park, one of five original public squares planned by city founder William Penn in the late 17th century. Redesigned in 1913 by French architect Paul Philippe Cret to evoke the grand garden squares of Paris, the park remains one of Philadelphia's most beloved gathering spaces, hosting a year-round farmers market, seasonal festivals, and an annual tree lighting that together generate sustained foot traffic for surrounding commercial tenants throughout all four seasons.

The submarket benefits from an exceptional institutional and cultural presence, with the Curtis Institute of Music, the Philadelphia Art Alliance, and the Rosenbach Museum & Library all within the immediate neighborhood, alongside a growing roster of medical, legal, and financial tenants occupying Class A office space throughout Center City.

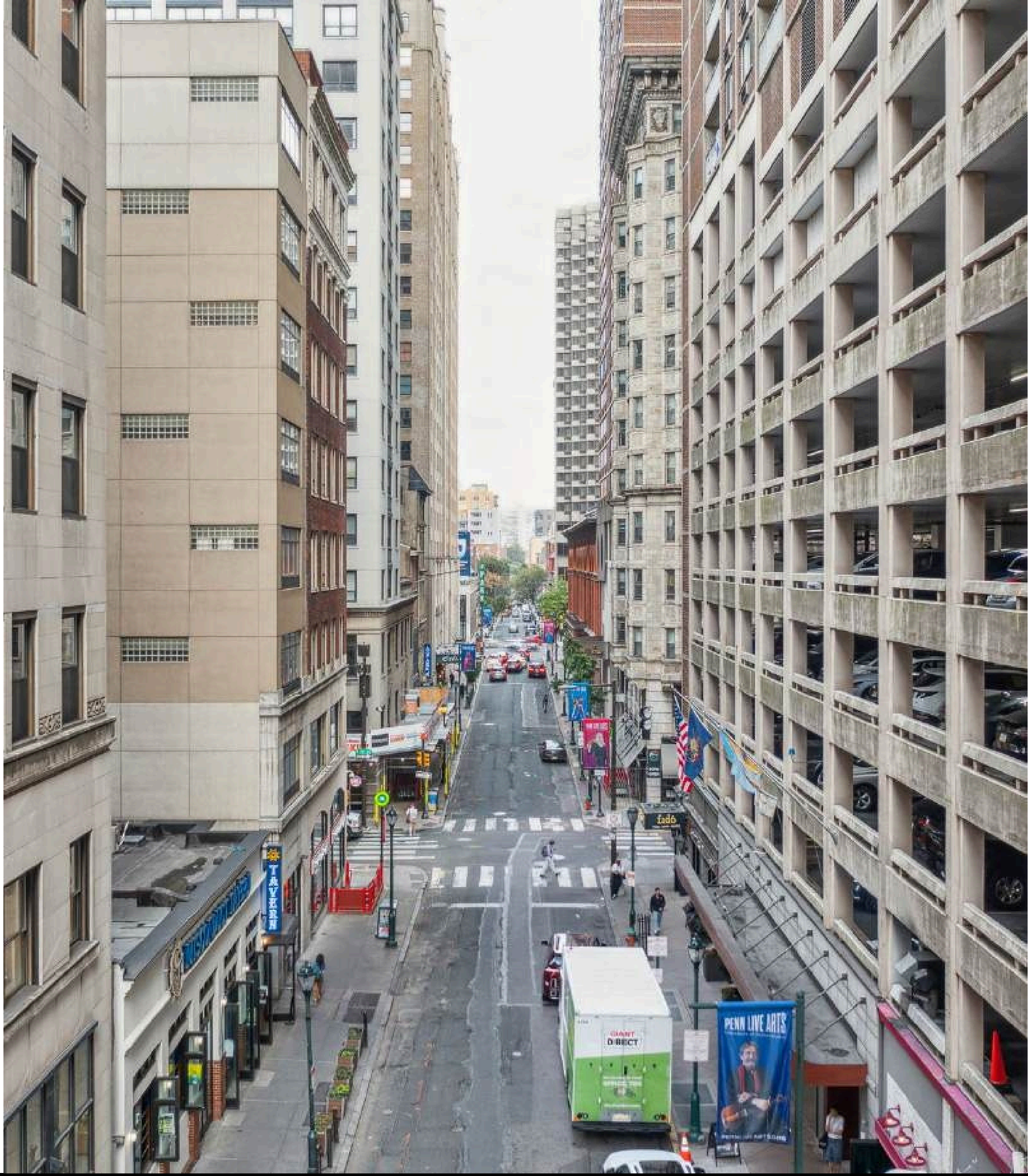
Transit connectivity is among the strongest in the region. The PATCO Speedline, connecting Center City Philadelphia to Southern New Jersey, maintains its western terminus at 16th and Locust Streets, two blocks from the park. The SEPTA Broad Street Line serves the Walnut-Locust station directly, while multiple surface bus routes run along Walnut Street and the surrounding corridor. 30th Street Amtrak Station is minutes away by transit, and Philadelphia International Airport is accessible within 25 minutes. Philadelphia City Hall is less than a 10-minute walk, placing both assets at the center of gravity for the entire metropolitan area.

LOCATION MAP



03

PROPERTY
PHOTOS

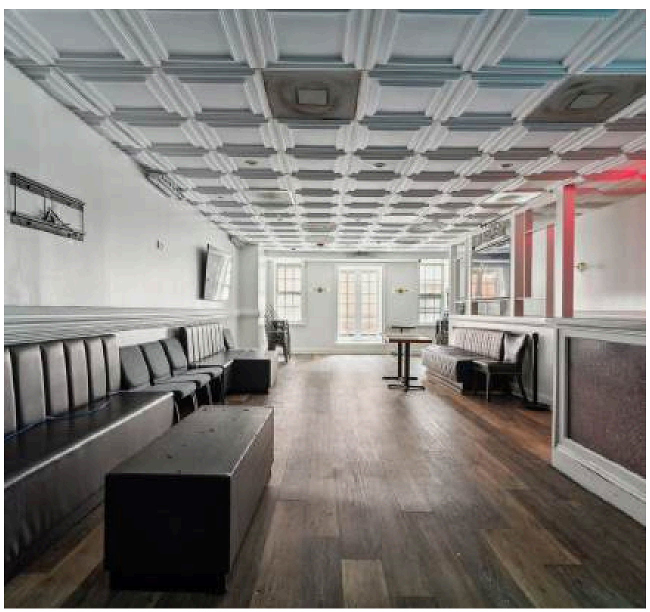


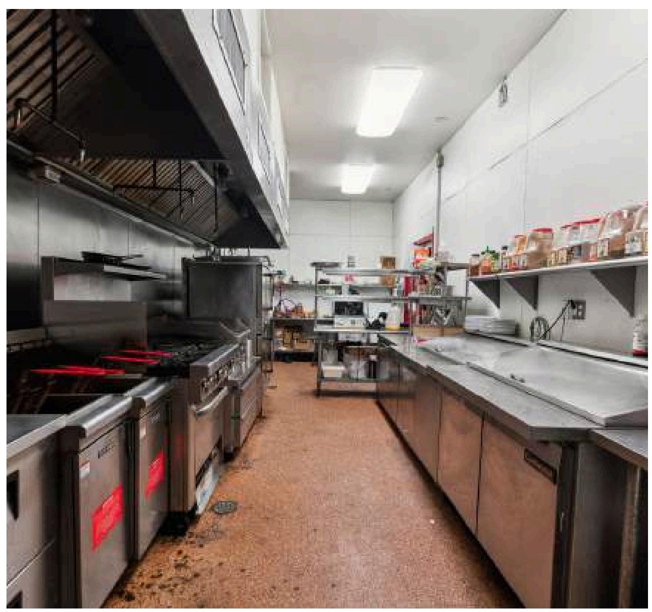
PROPERTY PHOTOS

1507-11 LOCUST STREET INTERIOR

PROPERTY PHOTOS

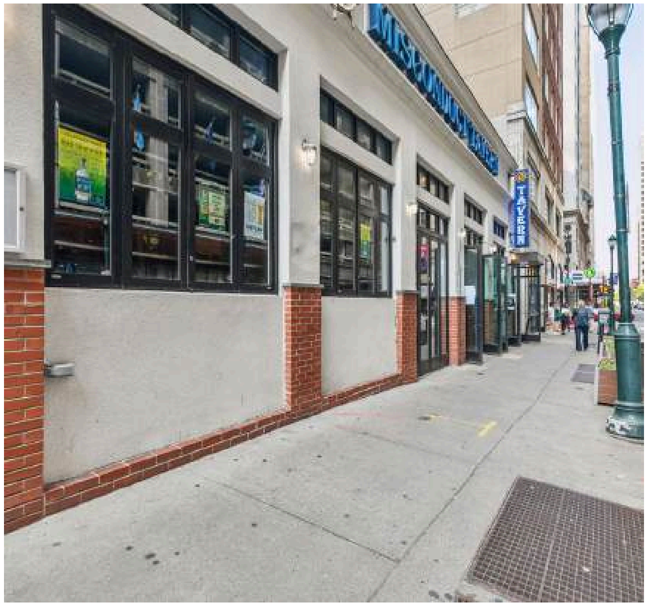
223 S SYDENHAM STREET INTERIOR





PROPERTY PHOTOS

EXTERIOR





04

FINANCIALS & ZONING

1507-11 LOCUST STREET
FINANCIALS/LEASES

TENANT	LEASE	TERM	RENT / MO	RENT / YR
Vesper Managed by Prestige	NNN	5 yr Owner-controlled	**$25,000**	**$300,000**
Misconduct	NNN	5 yr Owner-controlled	**$24,500**	**$294,000**
TOTAL IN-PLACE BASE RENT			**$49,500**	**$594,000**

NET OPERATING INCOME

$594,000

NNN, expenses pass through

CAP RATE

6.25%

In-place going-in yield

KEY MONEY (VESPER)

$5,000/mo

Temporary, excluded from value

NOTES

- Both leases are **NNN**, so tenants reimburse operating expenses. NOI is shown equal to base rent (no vacancy, management, or reserve deductions in this basic view).
- Vesper's **$5,000/mo key money** is an installment payoff of an upfront premium. It is temporary income and is not capitalized into the cap rate or value.
- Both leases are **5 year and owner-controlled**, so terms and structure are flexible.

1507-11 LOCUST STREET ZONING

BY RIGHT / NO VARIANCE REQUIRED

17	85–100	±96,000
STORIES	RESIDENTIAL UNITS	GROSS SF · 1200% FAR

The site's **CMX-5** zoning permits a **high-rise multifamily tower by right.** Residential use is allowed throughout the building with **no cap on the number of units**, ground-floor commercial is permitted, and **no off-street parking is required.**

DEVELOPMENT SCENARIOS

	SCENARIO A **By-Right / Base FAR**	SCENARIO B **With Mixed-Income Bonus**
Building Height	17 stories	24 stories up to 260 ft, the maximum permitted
Residential Units	85 to 100	up to ±140
Gross Floor Area	±96,000 SF	±129,500 SF
Floor Area Ratio	1200% base, by right	1600% plus 400% mixed-income bonus
Approvals	None. Conforming by right.	10% affordable units on-site, or payment-in-lieu to the City.

ZONING AT A GLANCE

PARKING REQUIRED	PERMITTED USE	LOT COVERAGE	LOADING
0 spaces No off-street parking required for multifamily in CMX-5 (Bill 250524, June 2025).	Multifamily By right throughout, no unit cap. Ground-floor commercial permitted.	100% Full-lot footprint permitted. Holds the block corner at Sydenham.	None at base Below the 100,000 SF trigger. Bicycle parking, 1 per 3 units.

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