

73-87 4TH AVENUE, NEWARK

18 APARTMENTS | NEW CONSTRUCTION | 28 MIN TO NYC

OFFERING MEMORANDUM



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OFFICES THROUGHOUT THE U.S. AND CANADA
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Marcus & Millichap
OZTURK GATTO GROUP

73-87 4TH AVENUE

NEWARK, NEW JERSEY

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An aerial photograph of a city, likely New York City, with a dense residential area in the foreground and a skyline with skyscrapers in the distance. The image is overlaid with a semi-transparent blue filter. The text is centered in the upper half of the image.

SPECIAL COVID-19 NOTICE

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MARKET COMPS

Marcus & Millichap
OZTURK GATTO GROUP

6.00%

CURRENT CAP RATE

8.14%

CASH-ON-CASH

18

NUMBER OF APARTMENTS

20

PARKING SPACES

30 YEAR RENT CONTROL ABATEMENT

Marcus & Millichap
OZTURK GATTO GROUP

An aerial photograph of a city skyline, likely New York City, with a semi-transparent grid overlay. The image is dark blue and serves as the background for the text.

73-87 4TH AVENUE

EXECUTIVE SUMMARY

SECTION

01

Marcus & Millichap
OZTURK GATTO GROUP

\$5,450,000

OFFERING PRICE

6.00%

CURRENT CAP RATE

\$326,719

NET OPERATING INCOME

8.14%

CASH-ON-CASH

13.88%

CASH-ON-CASH WITH IO

* Interest Only

Marcus & Millichap
OZTURK GATTO GROUP

EXECUTIVE SUMMARY

VITAL DATA

Property Address	73-87 4th Avenue, Newark
Block / Lot	524 / 37
Lot Size	20,086 Sq. Ft.
Building Size (Approx.)	20,951 Sq. Ft.
Number of Apartments	18
Real Estate Taxes*	\$41,371

*Property taxes are based on 6 year average of abatement

LOAN ASSUMPTIONS

Asking Price	\$5,450,000
Loan Amount	\$4,087,500
Down Payment	\$1,362,500
LTV	75%
Interest Rate	3.10%
Amortization	30 Years





NEWARK

SUMMARY OF TERMS

INTEREST OFFERED

Marcus & Millichap has been selected to exclusively market for sale 73-87 4th Avenue, a newly constructed 18-unit, brick, multifamily building in Newark, New Jersey.

TERMS OF SALE

73-87 4th Avenue is being offered free and clear of debt for \$5,450,000.

PROPERTY TOURS

All property tours must be arranged with the Marcus & Millichap listing agents. At no time shall the tenants, on-site management or staff be contacted without prior approval.

Marcus & Millichap
OZTURK GATTO GROUP

INVESTMENT OVERVIEW

Marcus & Millichap has been selected to exclusively market for sale 73-87 4th Avenue in Newark. Built in 2020, the multifamily brick building consists of 18 large apartments and has a strong, stabilized cash flow. The property has 20 private and gated parking spaces in the rear of the building. Each unit has central air conditioning with digital thermostats, a washer and dryer and hot water heaters.

The property is located one and a half miles from Newark Penn Station, a major transportation hub, offering a 23 minute door-to-door commute to Midtown Manhattan, and it is a half mile from the Broad Street Train Station which is 12 miles from New York City. Additionally, 73-87 4th Avenue Ave has easy access to Interstate 78, Routes 1&9, Route 21 and the Garden State Parkway. 73-87 4th Avenue is steps from Branch Brook Park as well as one of Newark's most recognizable landmarks, the Cathedral Basilica of the Sacred Heart.

The property has quick access to key employment centers of Downtown Newark. Major employers in Newark include the Prudential Center, Rutgers, New Jersey Institute of Technology (NJIT), Mars, PSEG, Panasonic, Saint Michael's Medical, University Hospital, Gateway Group One and more. (See page 14 for location of 73-87 4th Avenue in relation to employers and transit).

The property is also situated closely to major international airports including Newark Liberty, JFK and La Guardia. 73-87 4th Avenue is located in Newark's Mount Pleasant/Lower Broadway neighborhood, is one of Newark's most highly sought after areas.



INVESTMENT HIGHLIGHTS

NEW CONSTRUCTION BENEFITS - BUILT IN 2020



- Premium quality construction
- 30 year rent control abatement (new construction)
- 5 year tax abatement
- No deferred maintenance



DIRECT ACCESS TO NEW YORK CITY

- One and a half miles from Newark Penn Station
 - 23-minutes ride to Midtown Manhattan
- Half a mile from Broad Street Station
 - 38-minutes ride to Midtown Manhattan
- Steps from the Broadway at 4th Street Bus Stop
 - 5 minutes to Downtown Newark
 - 10 minutes to Newark Liberty International Airport

BUILDING INFORMATION



- Minimal common area
- High Ceilings
- Fully sprinklered
- Gated parking lot
- Landlord is responsible for water, sewer and common area electric
- Each unit has the following:
 - A/C units with digital thermostats
 - Hot water heater
 - Washer and dryer
 - Security cameras



LOCATION OVERVIEW

- Blocks from Branch Brook Park
- Residents have quick access to key employment centers of Downtown Newark
- Easy access to I-78, Route 21, Routes 1&9 and Garden State Parkway
- 6 miles to Newark Liberty Airport and situated closely to JFK and La Guardia Airports

DOWNTOWN NEWARK



- The property has quick access to key employment centers of Downtown Newark including, the Prudential Center, NJIT, Rutgers, Mars, PSEG, Panasonic, Saint Michael's Medical Center, University Hospital, Audible by Amazon, Gateway Group One and more.

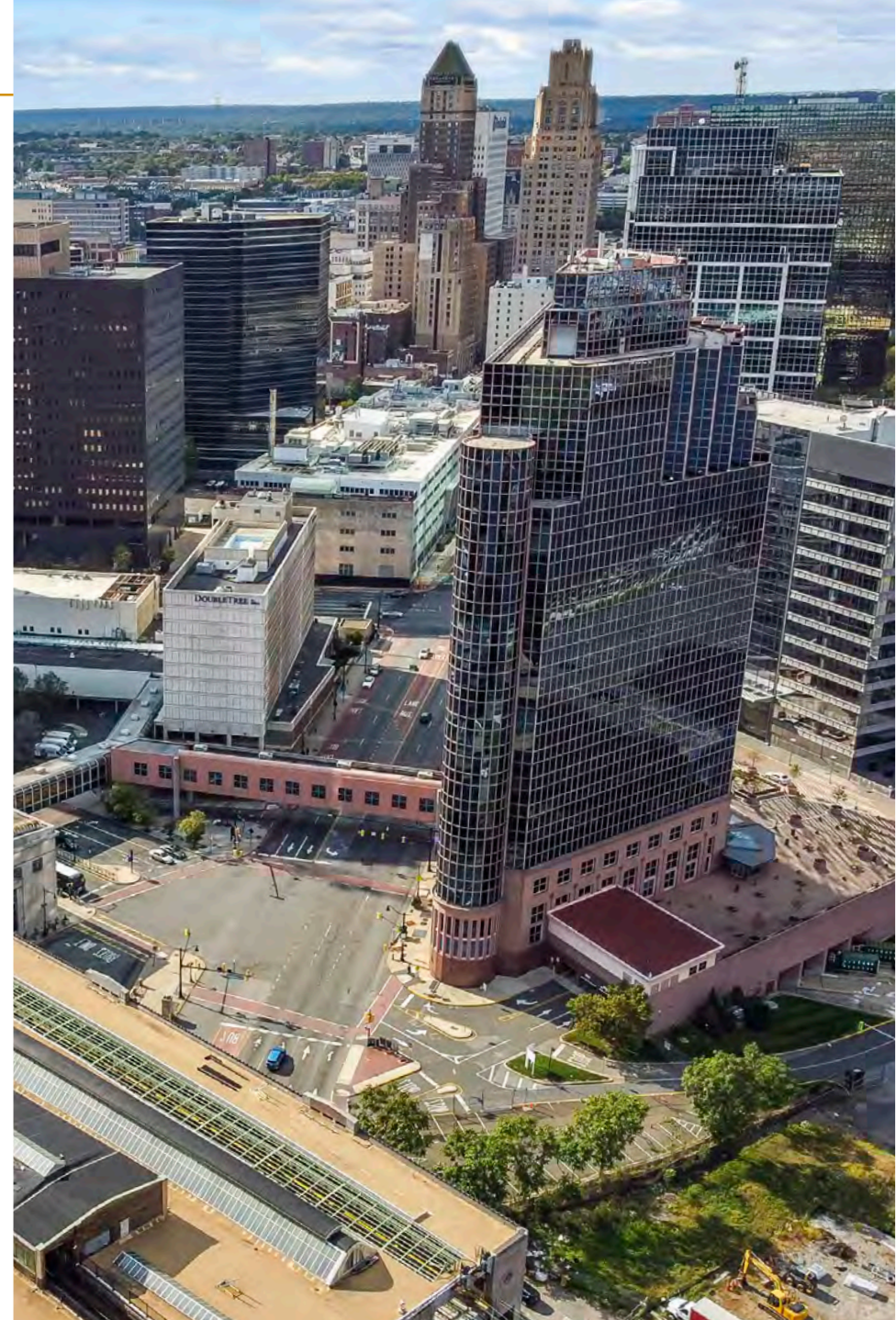
LOCATION OVERVIEW

NEWARK

Newark's proximity to New York City places it within the country's most highly industrialized and populous area. The city is the largest in New Jersey and is a leading industrial center. Its manufacturers are highly diversified and include electronic equipment, leather goods, chemicals, rubber, jewelry, furniture and fixtures, textiles, industrial machinery, and foodstuffs. Printing, publishing, and the insurance business are also significant.

Newark is a transportation center and a major East Coast distributing point. Newark International Airport is one of the world's busiest, since it serves both Newark and the New York City area. The Port of Newark, started in 1915, is now leased and operated by the Port Authority of New York and New Jersey.

Newark Penn Station which services Amtrak, subway, and commuter trains is an excellent way to and from the New York City, Newark is also home to the Prudential Center (2007), venue for the New Jersey Devils ice-hockey team and host to other sports and entertainment events. Major Newark employers include the Prudential Center, the New Jersey Institute of Technology (NJIT), Rutgers, PSEG, Panasonic, Saint Michael's Medical, University Hospital and Gateway Group One.



DEMOGRAPHICS

POPULATION	1-MILE	3-MILES	5-MILES
2025 Projection	98,423	567,432	1,458,705
2020 Population	88,188	546,685	1,402,475
2010 Population	70,366	503,560	1,297,714

HOUSEHOLDS	1-MILE	3-MILES	5-MILES
2025 Households	45,128	257,624	688,779
2020 Households	39,822	246,180	656,167
2010 Households	30,899	225,185	602,021

INCOME	1-MILE	3-MILES	5-MILES
2020 Average Household Income	\$133,518	\$148,962	\$144,938
2020 Median Household Income	\$90,204	\$92,550	\$88,964
2020 Per Capita Income	\$60,521	\$67,426	\$68,299

5-MILE RADIUS
DEMOGRAPHICS

\$133,518

AVERAGE HOUSEHOLD
INCOME

1,402,475

TOTAL POPULATION



656,167

TOTAL HOUSEHOLDS



NEWARK PENN STATION



1.5 Mile
to Newark
Penn Station



23 Min.
approximate ride to
New York Penn Station



NEWARK BROAD STREET
STATION



0.5 Mile
to Newark Broad Street
Station



38 Min.
approximate ride to
New York Penn Station



73-87 4TH AVENUE

NEWARK
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73-87 4TH AVENUE

NEWARK BROAD STREET STATION

- ### Major Newark Employers
- 1 Prudential Center
 - 2 NJIT
 - 3 Rutgers
 - 4 PSEG
 - 5 Panasonic
 - 6 Saint Michael's Medical
 - 7 University Hospital
 - 8 Gateway Group One
 - 9 Mars Wrigley
 - 10 Audible by Amazon





LOWER MANHATTAN

DOWNTOWN NEWARK

73-87 4TH AVENUE

1.5 Miles
Downtown Newark

5.9 Miles
Newark Liberty Airport

12 Miles
New York City

73-87 4TH AVENUE
15
NEWARK



73-87 4TH AVENUE



PROPERTY PHOTOS

SECTION

02

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73-87 4TH AVENUE

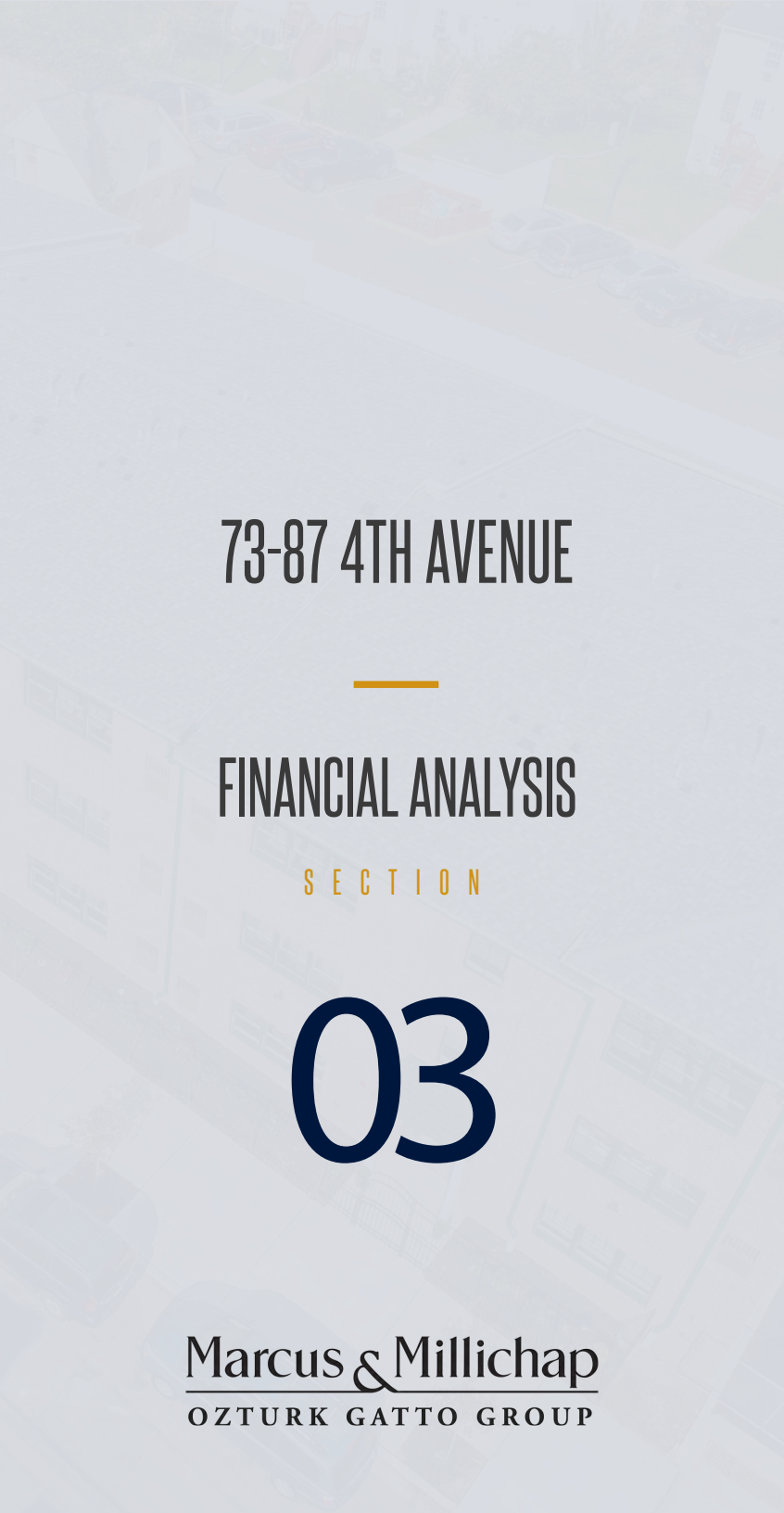
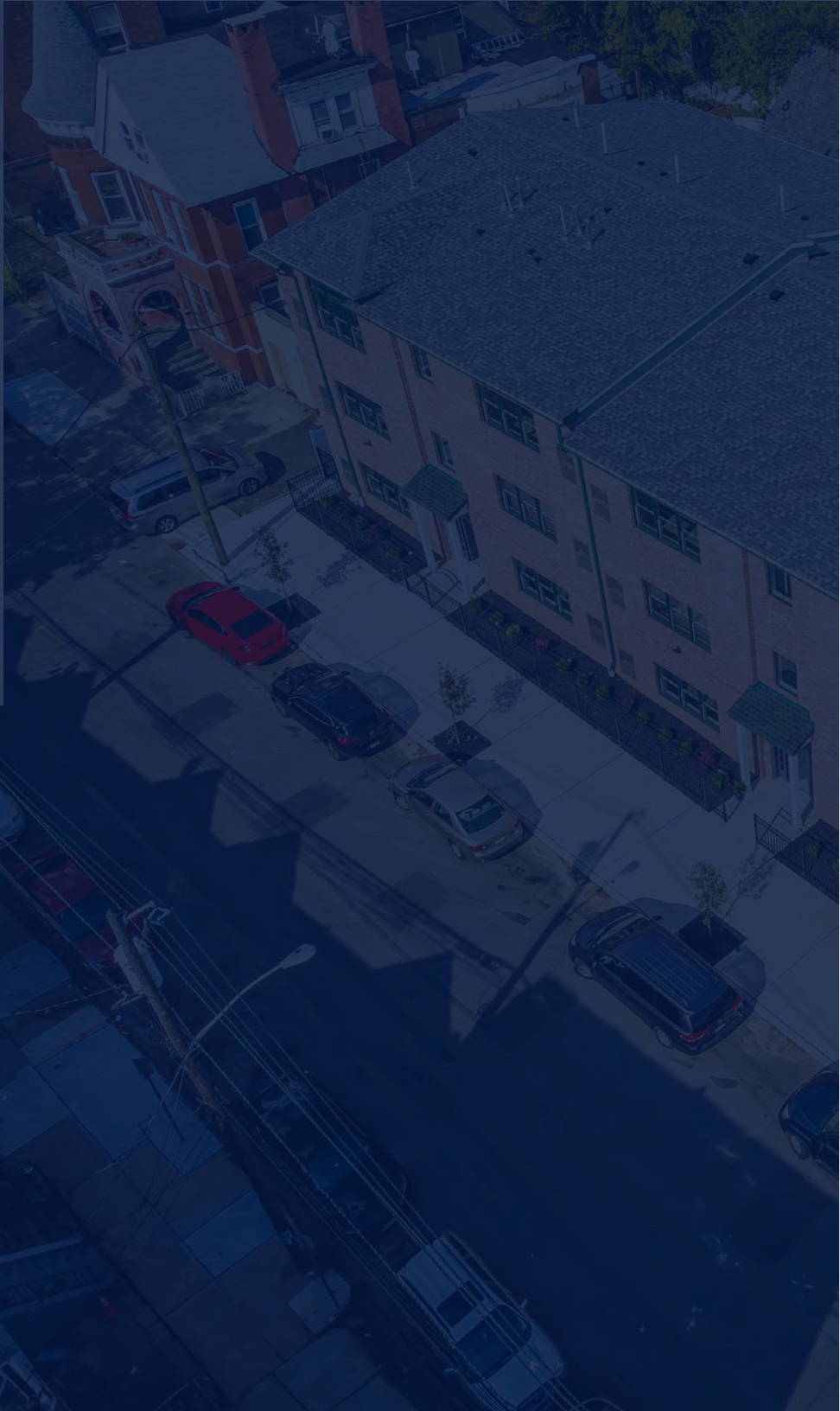
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NEWARK









73-87 4TH AVENUE



FINANCIAL ANALYSIS

SECTION

03

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RENT ROLL

CURRENT RENT ROLL

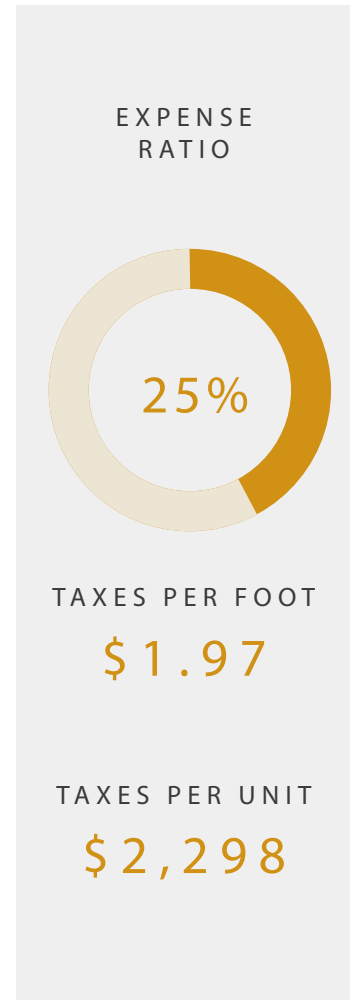
UNIT #	NOTES	UNIT TYPE	APPROX SF	MONTHLY RENT	\$ / SF
77-79 Unit 1A	Rented	2 Bed/2 Bath	1,196	\$2,050	\$21
77-79 Unit 1B	Rented	2 Bed/2 Bath	1,064	\$1,900	\$21
81-83 Unit 1A	Rented	2 Bed/2 Bath	1,238	\$2,125	\$21
81-83 Unit 1B		2 Bed/2 Bath	1,219	\$2,125	\$21
85-87 Unit 1A		2 Bed/2 Bath	1,095	\$2,125	\$23
85-87 Unit 1B	Rented	2 Bed/2 Bath	1,196	\$2,125	\$21
77-79 Unit 2A	Rented	2 Bed/2 Bath	1,185	\$2,075	\$21
77-79 Unit 2B	Rented	2 Bed/2 Bath	1,026	\$1,950	\$23
81-83 Unit 2A		2 Bed/2 Bath	1,214	\$2,125	\$21
81-83 Unit 2B		2 Bed/2 Bath	1,223	\$2,125	\$21
85-87 Unit 2A	Rented	2 Bed/2 Bath	1,026	\$1,900	\$22
85-87 Unit 2B	Rented	2 Bed/2 Bath	1,185	\$2,050	\$21
77-79 Unit 3A	Rented	2 Bed/2 Bath	1,185	\$2,050	\$21
77-79 Unit 3B	Rented	3 Bed/2 Bath	1,101	\$2,225	\$24
81-83 Unit 3A		2 Bed/2 Bath	1,289	\$2,275	\$21
81-83 Unit 3B		3 Bed/2 Bath	1,223	\$2,350	\$23
85-87 Unit 3A		2 Bed/2 Bath	1,101	\$2,225	\$24
85-87 Unit 3B	Rented	3 Bed/2 Bath	1,185	\$2,050	\$21
TOTALS/AVERAGES			20,951	\$37,850	\$22

INCOME STATEMENT

Building SF (Approx.)	20,951
Number of Units	18

PROJECTED			
INCOME		%EGI	
Gross Potential Income	\$454,200		
Less Vacancy & Credit Loss	-\$22,710	5%	
Parking & Other Income	\$1,850		
Effective Gross Income	\$433,340		
EXPENSES		EGI%	Per Unit
Property Taxes ⁽¹⁾	\$41,371	10%	\$2,298
Insurance	\$9,000	2%	\$500
Water & Sewer	\$9,000	2%	\$500
Electric (Common Area)	\$4,200	1%	\$233
Repairs & Maintenance	\$9,000	2%	\$500
Superintendent/Cleaning	\$9,000	2%	\$500
Management Fee	\$13,000	3%	\$722
Legal & Accounting	\$1,000	0%	\$56
Reserves	\$3,600	1%	\$200
Landscaping, Snow, Trash	\$7,450	2%	\$414
Total Expenses	\$106,621	25%	
Net Operating Income	\$326,719		

(1) Property taxes are based on 6 year average of abatement





73-87 4TH AVENUE



MARKET COMPS

SECTION

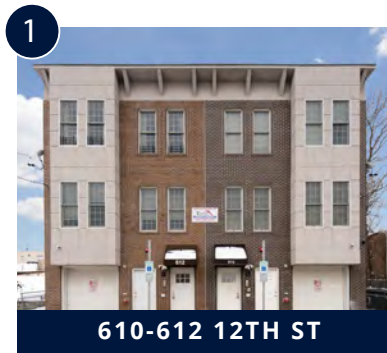
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NEWARK SALE COMPARABLES

PICTURE	ADDRESS	DATE	SALE PRICE	UNITS	P.P.U. ⁽¹⁾
1	610-612 12th St, Union City	11/21/2018	\$2,605,000	8	\$325,625
2	221 Bergen St, Harrison	9/16/2016	\$32,200,000	104	\$309,615
3	129 Halsted St, East Orange	10/30/2020	\$17,175,000	63	\$286,250
4	742 Park Ave, East Orange	5/1/2018	\$6,700,000	26	\$257,692
5	Jaclyn 40, West New York	2/5/2020	\$14,000,000	40	\$350,000
Average Price Per Unit					\$305,836

(1) Price Per Unit



NEWARK RENTAL COMPARABLES

	TWO BEDROOM / TWO BATHROOM	UNIT TYPE	SQ. FT.	RENT
1	140 Sussex Avenue	2Bdr/2Bath		\$1,950
2	24 Jones Street	2Bdr/2Bath	1,067	\$2,134
2	24 Jones Street	2Bdr/2Bath	1,018	\$2,281
3	30 Austin Street	2Bdr/2Bath	1,200	\$2,000
4	90 Clinton Avenue	2Bdr/2Bath	1,069	\$2,200
AVERAGES				\$2,113



73-87 4TH AVENUE

NEWARK, NEW JERSEY

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