

NEW CONSTRUCTION

8

APARTMENTS

TAX ABATEMENT

STEADY INCOME STREAM

HIGH CASH RETURN

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Presented Exclusively By

OMORRISON PROPERTIES



MORRISANIA AREA BRONX NY 10456

\$1,025,000

2004 CONSTRUCTION

16 YEAR TAX ABATEMENT

\$197 TAXES

8.86% CAP RATE

8.13x GRM

\$49K CASH FLOW

16.16% CASH RETURN



INVESTMENT OVERVIEW

- Located in the Morrisania section of the Bronx is a new construction building containing 8 apartments. This 10 year old building receives a 25 year 421-A tax abatement. 16 years remain. The current tax is \$197. If the abatement was not present, the taxes would be \$5,757
- With the taxes abated, the level of risk associated with real estate investments is reduced
 - Without the abatement, 60% of the rents would need to be collected in order to pay the mortgage & operating expenses
 - Due to the abatement, only 56% of the rents need to be collected in order to pay the mortgage & operating expenses
- With an investment of \$307,500 this investment generates a cash flow of \$49k or 16.16% cash return. Opportunity to recoup your initial investment in 6.5 years
- 7/8 of the apartments are two bedrooms
- 7/8 of the tenants are on Public Assistance, Section 8 or HASA
- The building contains four 50 gallon waters heaters. Each tank services 2 apartments
- Owner pays for the tenants cooking gas
- Most tenants have lived in the building for 2-3 years. Only 1 tenant is in court
- The super lives in another building



BUILDING DESCRIPTION

BUILT SIZE	24 x 44
LOT SIZE	24.22 x 135
STORIES	3 + Ground Level
GROSS SQ FT	3,719 + Ground Level
AIR RIGHTS	3,064 Sq ft
UNITS	8
YEAR BUILT	2004
ZONING	R6
LAYOUT	1 (3 ROOMS) 7 (4 ROOMS) 31 TOTAL ROOMS

- GAS BOILER
- 4 GAS WATER HEATERS
- CAMERAS
- 200 AMP ELECTRIC SERVICE
- WHEEL CHAIR RAMP
- SPRINKLERS THROUGHOUT THE ENTIRE BUILDING & APARTMENTS

ABSOLUTELY NO SHOWINGS WITHOUT AN INITIAL VERBAL OFFER

Please run the numbers, ask questions and let us decide if the deal makes sense before scheduling a walk-through



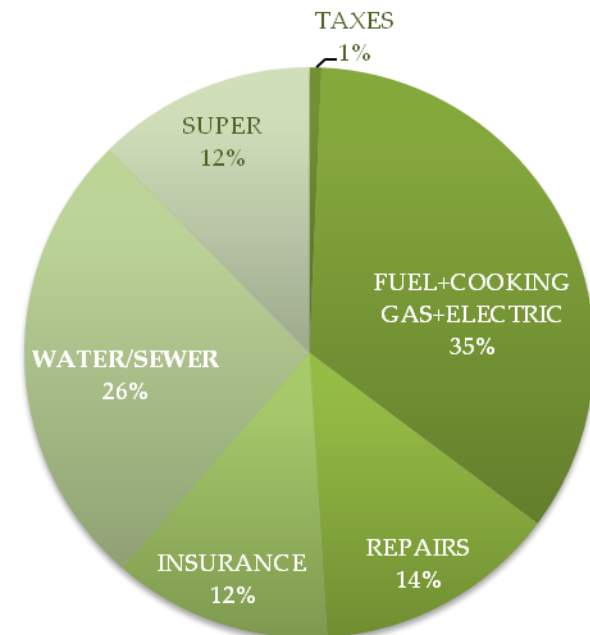
FINANCIALS

PURCHASE PRICE	\$ 1,025,000
DOWN PAYMENT (30%)	\$ 307,500
LOAN (70%)	\$ 717,500
INTEREST RATE	4.00%
AMORTIZATION (YEARS)	30
MONTHLY/ANNUAL MORTGAGE PAYMENT	\$3,425 / \$41,105
MONTHLY/ANNUAL CASH FLOW	\$4,140 / \$49,686
DEBT COVERAGE RATIO	2.21
RETURN ON CASH INVESTED	16.16%

GRM	8.13x
CAP RATE	8.86%
PRICE/UNIT	\$ 128,125
RENT/ROOM	\$ 339
PRICE/SQ FT	\$ 276
RENT/UNIT	\$ 1,314
RES. RENT/SQ FT	\$ 276
EXPENSE/ ADJ INCOME	24%

INCOME	
GROSS RESIDENTIAL	\$ 126,120
VACANCY (5%)	\$ (6,306)
ADJUSTED GROSS INCOME	\$ 119,814
EXPENSES	
TAXES	\$ 197
FUEL+COOKING	
GAS+ELECTRIC	\$ 10,026
REPAIRS	\$ 4,000
INSURANCE	\$ 3,600
WATER/SEWER	\$ 7,600
SUPER	\$ 3,600
TOTAL EXPENSES	\$ (29,023)
NOI	\$ 90,791

EXPENSE COMPOSITION



Let Us Do Business The Right Way!

OMORRISON PROPERTIES

Ovan A. Morrison

646-685-1370

ov@omorrisonproperties.com

The information contained herein has either been given to us by the owner of the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee it. All zoning, buildable footages and uses must be independently verified. Vacancy factors used herein are an arbitrary percentage used only as an example. It does not necessarily relate to actual vacancy, if any. The value of this investment is dependent upon these estimates and assumptions made above, as well as the investment income, the tax bracket, and other factors which your tax advisor and/or legal counsel should evaluate. THE PROSPECTIVE BUYER SHOULD CAREFULLY VERIFY EACH ITEM OF INCOME, AND ALL OTHER INFORMATION HEREIN.