

# NEWLY CONSTRUCTED RENTAL BUILDING FOR SALE

44 UNITS WITH CONDO FINISHES

## 601 Ocean Parkway

Brooklyn, NY

# MASSEY KNAKAL

Realty Services



Location	East side of Ocean Parkway between Ditmas & 18th Avenues
Block / Lot	5400 / 7501
Lot Dimensions	80' x 140' (Approx.)
Lot Size	11,200 SF (Approx.)
Building Dimensions	80' x 76' (Approx.)
Gross Square Footage	45,120 SF (Approx.)
Net Sellable/Rentable SF	38,373 SF (Approx.)
Stories	8
Residential Units	44
Year Built	2008
Zoning	R7A/OP (Special Ocean Parkway District)
FAR	4.0
Assessment (14/15)	\$1,933,390
Tax Exemption (421a)	\$1,854,813
Taxes (14/15)	\$10,283

**ASKING PRICE:**  
**\$19,750,000**

### Property Description:

Massey Knakal Realty Services has been retained on an exclusive basis to arrange for the sale of 601 Ocean Parkway, a newly constructed elevator apartment building located in Midwood on one of Brooklyn's major corridors. The building, known as The Caroline, was designed by the celebrated Karl Fischer and was completed in 2008. While the building is currently operating as a rental, it is a legal condominium building with each unit having a separate tax lot. Therefore, the units could eventually be sold as condominiums.

601 Ocean Parkway totals approximately 45,120 gross square feet and contains 44 units spread across eight floors. The unit mix consists of one (1) studio, thirteen (13) one-bedrooms, twenty-one (21) one-bedrooms with offices, and nine (9) two-bedrooms. The large, light-filled units contain exquisite condo finishes such as stainless steel appliances, built-in speakers, ample closets, and hardwood floors. Additionally, many units feature private balconies or terraces. The building features an abundance of common space, including a lounge with a film screening area, pool table, and kitchenette/bar and a communal outdoor terrace with a grill, dining area, and lounge chairs. Other features include a gym with professional quality cardio equipment, televisions, and full bathrooms, as well as a laundry facility. Additionally, the building contains a parking garage with 14 spaces, which provides additional revenue.

The building currently benefits from a 15 year 421a tax abatement, which expires in June of 2025. As a result, during the life of the abatement, all units are subject to rent regulation guidelines. Additionally, potential purchasers have the option to assume the loan of \$10.8 million at a fixed 3.25% for the next four years. The financing then resets for years 6-10 and is non-recourse with a thirty year amortization. This optional financing is assumable at a below market rate and the debt level offers upfront leverage for potential purchasers.

601 Ocean Parkway is located in Midwood, a Brooklyn neighborhood highly sought-after for its simultaneous blend of residential tranquility and close proximity to numerous shops and restaurants. The property benefits from tremendous light and air due to its location on Ocean Parkway, a wide boulevard with a walking/biking path on either side. Additionally, the property is easily accessible from all corners of New York City through the bus system or the **B** & **Q** lines at Newkirk Avenue and the **F** line at either the Ditmas Avenue or 18th Avenue stations, all of which are just a short walk away. This offering presents an excellent opportunity for an investor to purchase a high-quality, newly-constructed asset with robust in-place cash flow and the potential to increase revenue.

For further information or inspection, please contact Exclusive Agents:

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### RENT ROLL:

UNIT	BEDROOMS	SIZE (SF)	LXP	MONTHLY RENT	ANNUAL RENT
1A	1.5	933	10/31/2014	\$2,200	\$26,400
1B	1.5	834	11/30/2014	\$2,200	\$26,400
1C	1	729	6/30/2014	\$2,050	\$24,600
1D	Studio	440	8/31/2014	\$1,150	\$13,800
2A	1.5	933	6/30/2014	\$2,000	\$24,000
2B	1.5	834	10/31/2014	\$1,925	\$23,100
2C	1.5	801	9/30/2014	\$1,825	\$21,900
2D	2	1,117	2/28/2015	\$2,500	\$30,000
2E	1	756	5/31/2015	\$2,000	\$24,000
2F	1	756	11/30/2014	\$1,825	\$21,900
3A	1.5	933	10/31/2014	\$2,025	\$24,300
3B	1.5	834	9/30/2015	\$1,975	\$23,700
3C	1.5	801	2/28/2015	\$2,100	\$25,200
3D	2	1,117	8/31/2015	\$2,500	\$30,000
3E	1	756	12/31/2014	\$1,850	\$22,200
3F	1	756	6/30/2015	\$1,950	\$23,400
4A	1.5	933	5/31/2015	\$2,050	\$24,600
4B	1.5	834	7/31/2014	\$1,975	\$23,700
4C	1.5	801	8/31/2014	\$2,000	\$24,000
4D	2	1,117	8/31/2014	\$2,500	\$30,000
4E	1	756	7/31/2014	\$1,800	\$21,600
4F	1	756	11/30/2014	\$1,900	\$22,800
5A	1.5	933	8/31/2014	\$2,100	\$25,200
5B	1.5	834	7/31/2014	\$2,050	\$24,600
5C	1.5	801	11/30/2014	\$2,050	\$24,600
5D	2	1,117	11/30/2014	\$2,550	\$30,600
5E	1	756	5/31/2015	\$1,950	\$23,400
5F	1	756	8/31/2014	\$1,925	\$23,100
6A	1.5	933	7/31/2014	\$2,075	\$24,900
6B	1.5	834	11/30/2014	\$2,050	\$24,600
6C	1.5	801	11/30/2015	\$2,025	\$24,300
6D	2	1,117	11/30/2014	\$2,675	\$32,100
6E	1	756	12/31/2014	\$1,950	\$23,400
6F	1	756	5/31/2015	\$2,100	\$25,200
7A	1	802	8/31/2014	\$1,875	\$22,500
7B	1.5	834	1/31/2015	\$2,150	\$25,800
7C	1.5	901	7/31/2014	\$2,300	\$27,600
7D	2	1,083	7/31/2015	\$2,800	\$33,600
7E	2	1,118	6/30/2014	\$2,750	\$33,000
8A	1	802	5/31/2015	\$1,925	\$23,100
8B	1.5	834	10/31/2014	\$2,175	\$26,100
8C	1.5	901	12/31/2014	\$2,075	\$24,900
8D	2	1,083	8/31/2014	\$2,650	\$31,800
8E	2	1,094	1/31/2016	\$2,800	\$33,600
<b>TOTAL</b>		<b>38,373</b>		<b>\$93,300</b>	<b>\$1,119,600</b>

### REVENUE

Residential Gross Income	\$	1,119,600
Miscellaneous Income (Parking & Laundry)	\$	38,400
<b>Effective Gross Income</b>	<b>\$</b>	<b>1,158,000</b>

### EXPENSES

Real Estate Taxes (14/15) <sup>1</sup>	\$	10,283
Insurance (Based on Actual)	\$	16,500
Water & Sewer (Based on Actual) *	\$	24,367
Utilities (CAM-Electric & Gas) (Based on Actual) *	\$	25,750
Repairs & Maintenance (Projected at \$550/unit)	\$	24,200
Elevator Maintenance (Projected)	\$	5,000
Payroll & Benefits (Projected)	\$	30,000
Management (2% of EGI)	\$	23,160
<b>TOTAL</b>	<b>\$</b>	<b>159,260</b>

<sup>1</sup> The property benefits from a 421a tax exemption.

\* Based on Actual 2013 Expenses plus 3% annual increase.

### NET OPERATING INCOME

Effective Gross Income	\$	1,158,000
<b>Less Expenses</b>	<b>\$</b>	<b>(159,260)</b>
<b>Net Operating Income</b>	<b>\$</b>	<b>998,740</b>

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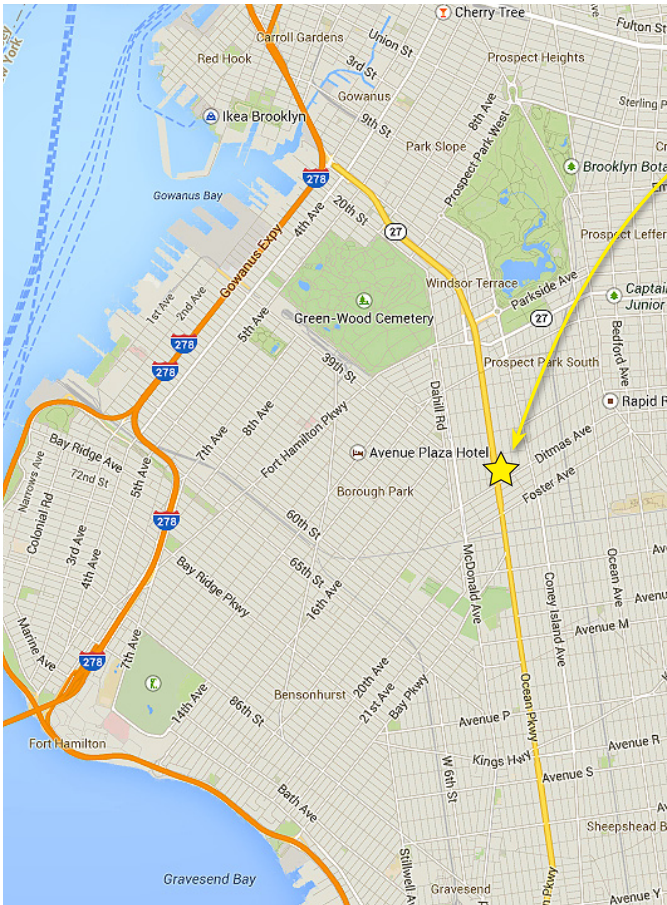
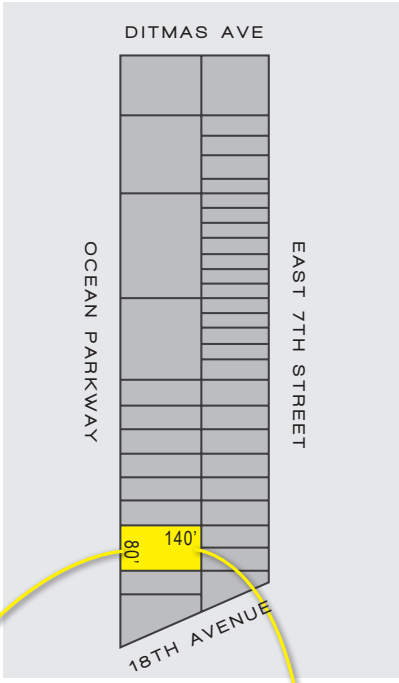
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