

The Pitkin

1501 Pitkin Avenue, Brooklyn, NY 11212

100% Leased Double Net Brooklyn Asset

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| Address: | 1501 Pitkin Avenue Brooklyn, NY 11212 |
| Block-Lot: | 3492-1 |
| Lot Area: | 200 ft x 169 ft <i>irreg.</i> |
| Lot SF: | 26,929 |
| Zoning: | C4-3 |
| Building Class: | W9 |
| Building Area: | 200 ft x 169 ft <i>irreg.</i> |
| Stories: | 6 |
| Above Grade SF: | 138,055 |
| Gross SF (not including roof): | 164,775 |
| Retail Tenants: | Dollar Tree, Subway, Pizza Hut |
| Majority Tenant: | Brownsville Ascend Charter School |
| Occupancy: | 100% |
| Taxes (16/17): | \$1,267,726 |
| Taxes (16/17) After ICAP: | \$96,207 |
| | <i>25 years for retail space up to 10% Net Retail SF</i> |
| | <i>15 years for non-retail and retail > 10%</i> |
| | <i>*Abatement started in 2013</i> |



For more information, please contact Exclusive Marketing Team

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TerraCRG has been retained to exclusively represent ownership in the sale of 1501 Pitkin Avenue, a 100% leased, double net Brooklyn asset that occupies a full city block. The approximately 165,000 SF former historic movie theater underwent a \$43M restoration project and turned into a mixed-use, retail and educational facility asset. The combination of both historic tax credits and new market tax credits enabled this restoration.

6% yield by 2019

The property offers a strong in place income with a consistent year-over-year income growth. The going in yield is 4.9%; within three years the property yields a 6% return, and a 6.8% in seven years. The annual increases in rental income are built into the leases and do not require any additional expenditure on the part of the owner. Along with strong income growth, the property has very low expenses. The vast majority of all building expenses are either paid directly or reimbursed by the tenants and every portion of the property has at least a 15-year tax abatement (with a portion of the retail having a 25-year tax abatement).

Property offered at below replacement cost

The property is offered at \$364/SF. The estimated replacement value of this property would be over \$95M. A renovation of this scale and magnitude will cost over \$250/SF and the total cost of acquiring and renovating similar property is being estimated at over \$600/SF.

History

The Art Deco building, constructed in 1929 by architect Thomas Lamb, was built to hold about 3,000 people and to be one of the greatest movie palaces of its time. The building showcased performances from Milton Berle, Humphrey Bogart and Jackie Gleason, along with Al Jolson’s final performance. The property has always been a high profile and highly visible building with its incredible exterior design and its close proximity to the 2, 3, 4 and 5 trains at Sutter Avenue – Rutland Road.

The property includes a NNN retail component that occupies the majority of the ground floor and a seven-story, educational facility designed especially for Ascend Charter School.

