

118-20 W 27th ST

12-Story, Midtown South Mixed-Use
Loft Property | **FOR SALE**

OPPORTUNITY TO COMPLETE RESIDENTIAL
CONVERSION THROUGH MSMX RE-ZONING



118 - 120 West 27th Street, New York, NY 10001

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Ariel Property Advisors has been retained on an exclusive basis to sell 118-120 West 27th Street.

Located between Sixth and Seventh Avenue, the property lies within the proposed Midtown South Mixed-Use Plan (MSMX) area and benefits from a central location with arguably the best transportation in the world. Once re-zoned, this area is poised to become one of the most dynamic and sought-after areas of New York City.

The property is a 12-story, 37.5' wide, mixed-use building that has undergone an intensive renovation program to convert the upper 11 floors to residential use.

The program to obtain a residential CofO was launched in 2010. At present, 81% of this legalization program has been completed at a cost of \$8,600,000.

- New mechanicals, including a new gas-fired boiler with hydronic heat, new plumbing, upgraded electric service – 1,200 AMPs, new meter bank and panels, new life safety systems, two upgraded elevators, and a building intercom system with key card access have been installed
- 7,281 sf, spanning three floors, have been converted to 5 luxurious two-bedroom apartments renting at an average of \$75/sf (\$8,000 - \$8,750/mth).
- An additional 1,320 unit is vacant and a First Rent can be set upon completion of the building legalization program.
- 7,948 sf on Floors 4, 5, 6 have been white-boxed and are ready for conversion. An additional 1,436 sf of office space at the rear of the second floor is vacant, gutted and ready for conversion.
- There are 5 IMD units spanning 9,615 sf. – 1 of the IMD tenants sold their IMD rights. On vacancy, this full-floor unit could be split into two Free Market apartments.
- The 2,532 sf retail space is vacant and currently marketed for lease.

- The residential zoning proposed under the MSMX plan would allow for conversion of the 9,384 vacant commercial space on Floors 4,5,6 and the rear of 2 to residential use (*This path to convert the remaining commercial had been lacking to date, as the current M1-6 zoning will not allow residential use as-of-right*).
- The incentives found in the newly minted 467-M tax incentive program, combined with the zoning reforms under City of Yes, allow for efficient conversion of the existing 3.5 floors of vacant office space (9,384 sf approx.).
- A ruling on a Tax Appeal proceeding is pending and is expected to result in significant real estate tax savings.

118 - 120 West 27th Street represents a tremendous opportunity to take over a conversion project (where most of the onerous and expensive work is already complete) and benefit from the MSMX rezoning to complete the conversion of the property into a luxurious mixed-use building.

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Prime Midtown South Location

Phenomenal Location in Dynamic Midtown South



Pending Re-Zoning for Residential Conversion

Pending MSMX re-zoning allows conversion of 9,384 SF of office space to residential use, supporting transformation into a highly desirable 24/7 NYC neighborhood



“City of Yes” Zoning Eases Residential Conversion

City of Yes zoning revisions ease conversion of vacant commercial space to residential



Tax Incentive Opportunity

Ideal Opportunity to use 467-M Tax Incentive Program to convert remaining vacant 3.5 floors to residential use



Proven Residential Demand

Proof of Residential Conversion Concept: 5 Free Market residential units have already created & rented @ \$75/sf



Vacant Space Ready for Conversion

Remaining office space spans 3.5 Floors, is vacant & ready for conversion



Significant Capital Improvements

Over \$8,600,000 invested in building-wide renovation program



Conversion Program Nearly Complete

81% of Building Legalization Work is Complete to obtain a mixed-use CoFo.



Exclusively Represented By
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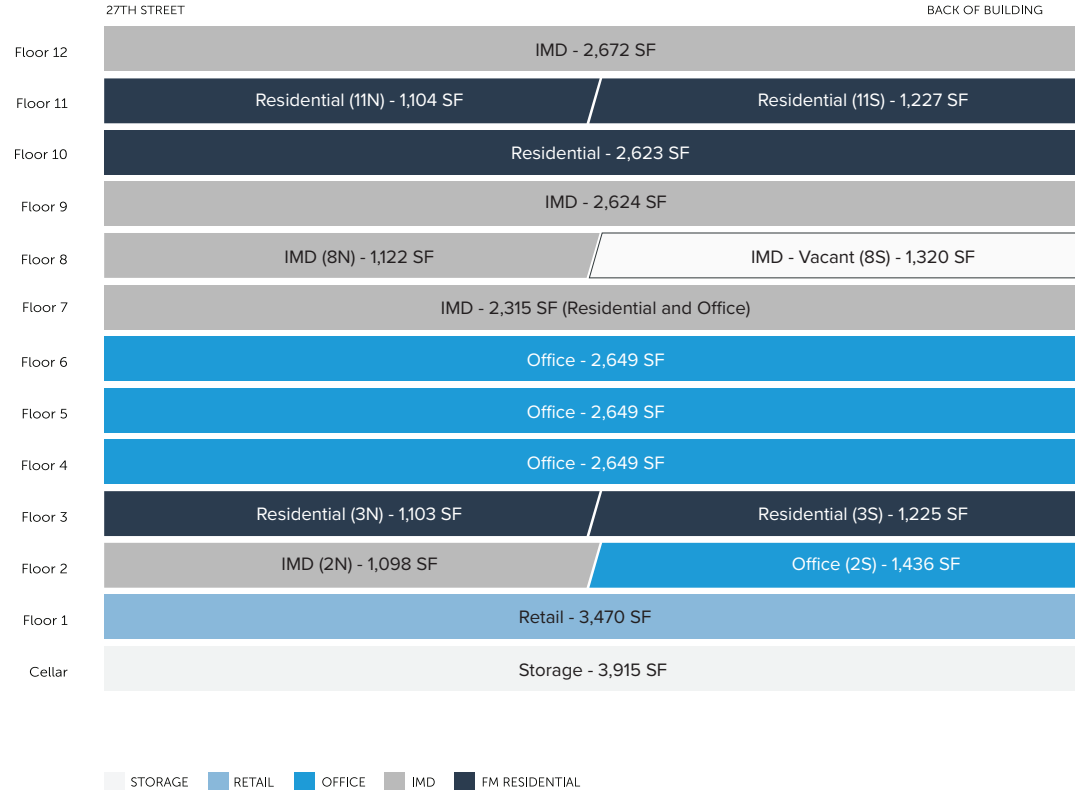
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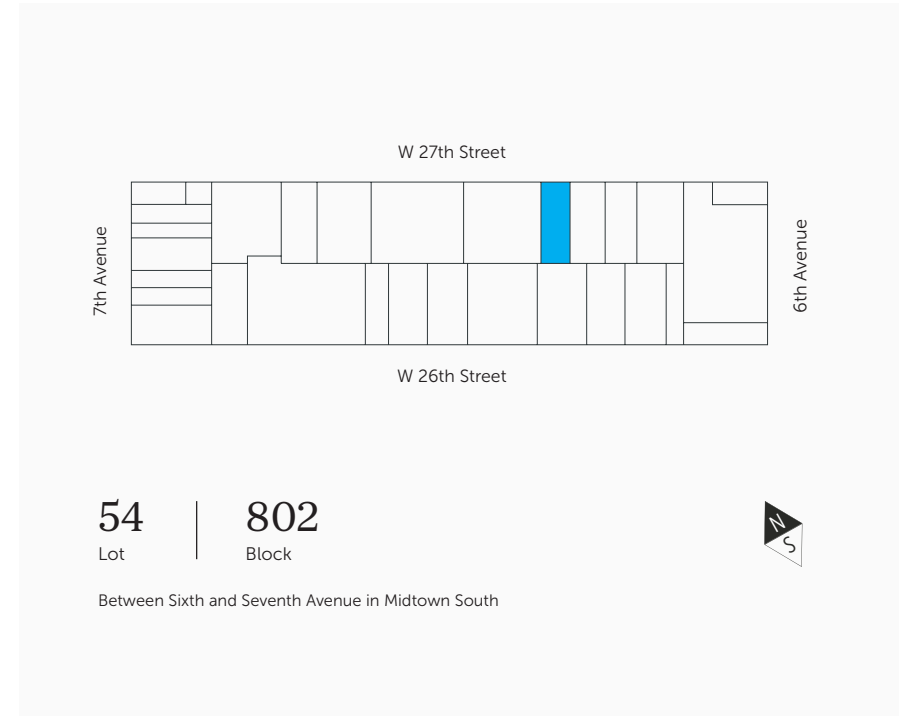
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Stacking Plan



Tax Map



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Block / Lot	802 / 54
Lot Dimensions	37.5' x 98.9'
Lot Sq. Ft.	3,703
Building Dimensions	37.5' x 92' (ground) 37.5' x 87.5' (upper floors)
Stories	12
Residential Units	11
Commercial Units	6
Total Units	17
Building Sq. Ft. per NYC Records	43,393
Building Sq. Ft. per Architect's Plans	39,528
Zoning	M1-6
Proposed Zoning (MSMX)	M1-8A / R11
Proposed FAR (Standard)	12.00
Proposed FAR (MIH)	15.00
FAR (Commercial)	12.00
Buildable Sq. Ft. (Standard)	44,436
Buildable Sq. Ft. (MIH)	55,545
Buildable Sq. Ft. (Commercial)	44,436
Air Rights Sq. Ft.	1,043
Tax Class	4
Assessment (25/26)	\$4,359,960
Real Estate Taxes (25/26)	\$469,219

*All square footage/buildable area calculations are approximate

Asking Price: Ownership Requests Proposals

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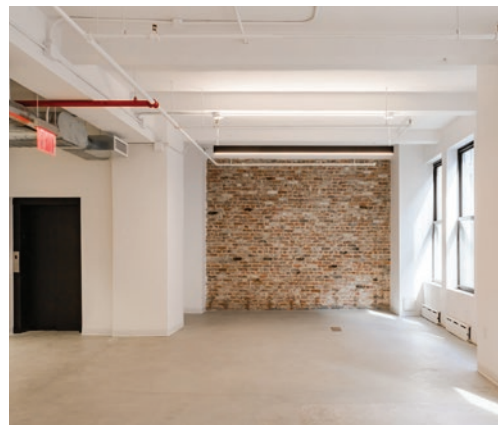
Lobby



Renovated Residential



Renovated Office Space



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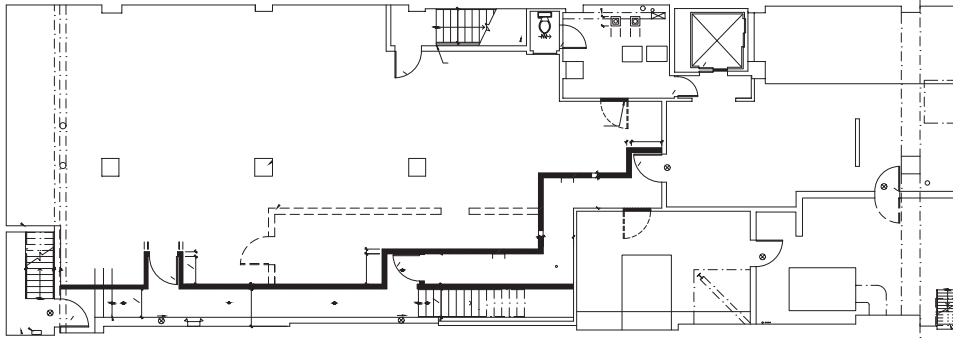
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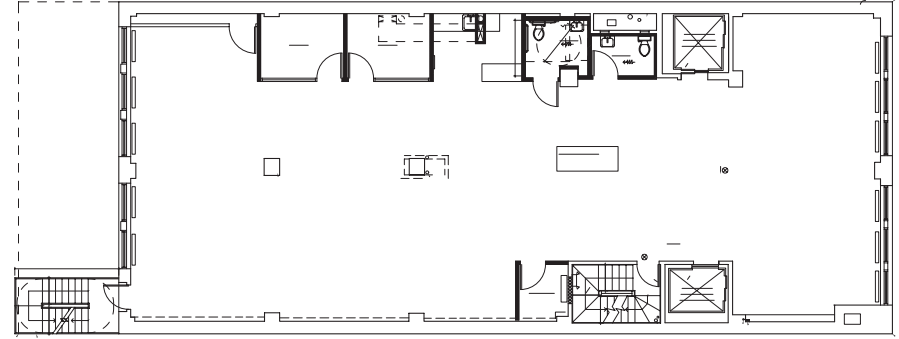
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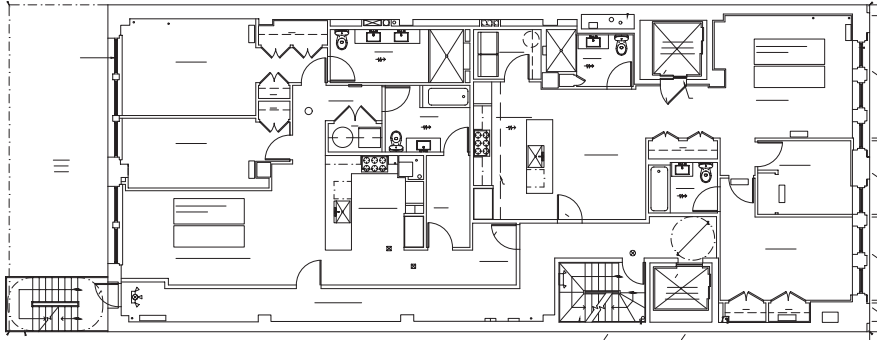
Retail Space



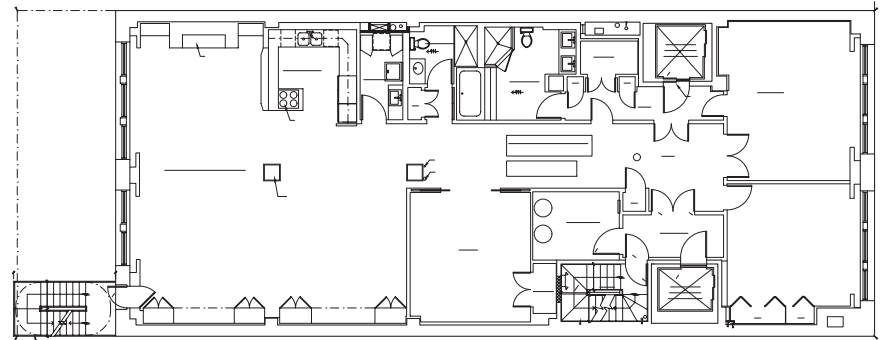
Typical Office Space Floor Plan

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Typical Floor Plan - Two Free Market Units per Floor



Full Floor, Free Market Floor Plan

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Projected Income

Projected Residential Gross Income:	\$1,278,858
Projected Commercial Gross Income:	\$216,000
Potential Gross Annual Income	\$1,494,858
Less Vacancy Rate Reserve (5.00%):	(\$74,743)
Gross Operating Income:	\$1,420,116
Less Expenses: 48% of SGI	(\$716,098)
Net Operating Income:	\$704,017

Expenses (Estimated)

Real Estate Taxes (25/26)	\$469,219	Repairs & Maintenance	\$48,722
Water & Sewer	\$16,790	Payroll	\$20,004
Insurance	\$31,943	Elevator Maintenance	\$28,740
Fuel	\$31,227	Legal/Miscellaneous	\$14,201
Electric	\$12,649	Management	\$42,603
Gross Operating Expenses:		\$716,098	

Projected Income Breakdown

Unit Type	# of Units	Avg. Rent \$/Unit	Monthly Income	Annual Income
Retail	1	\$18,000	\$18,000	\$216,000
2 BR	6	\$9,033	\$54,200	\$650,400
IMD	5	\$1,895	\$11,372	\$136,458
Office	4	\$10,250	\$41,000	\$492,000
Total Income:			\$124,572	\$1,494,858

Unit Breakdown

Unit Status	# of Units	Avg. Rent \$/Unit	Monthly Income	Annual Income
FM	5	\$9,240	\$46,200	\$554,400
RS	1	\$8,000	\$8,000	\$96,000
IMD	5	\$1,895	\$11,372	\$136,458
Retail	1	\$18,000	\$18,000	\$216,000
Office	4	\$10,250	\$41,000	\$492,000
Total Income:			\$124,572	\$1,494,858

ASKING PRICE: OWNERSHIP REQUESTS PROPOSALS

FOR FULL RENT ROLL CLICK HERE

Points of Interest

COFFEE SHOPS

- | | |
|--------------------|---------------------------|
| 1 Gregory's Coffee | 5 Seven Grams Caffe |
| 2 Starbucks | 6 Sip Coffee |
| 3 Patent Coffee | 7 Variety Coffee Roasters |
| 4 Paper Coffee | 8 787 Coffee Co. |

HOTELS

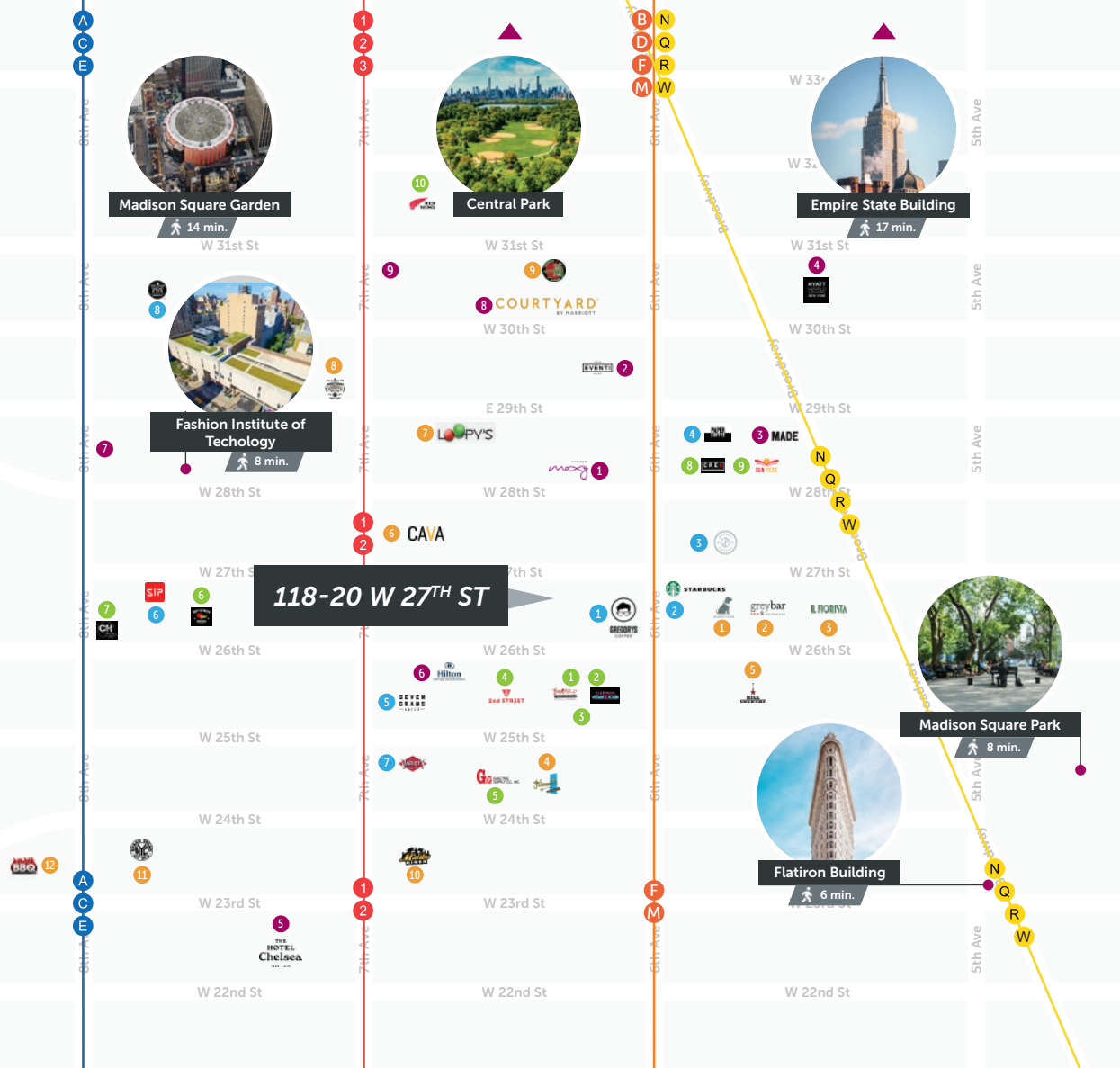
- | | |
|--------------------------------|--|
| 1 Moxy NYC Chelsea | 6 Hilton New York Fashion District |
| 2 Kimpton Hotel Eventi | 7 New York Spirit Retreats |
| 3 Made Hotel | 8 Courtyard New York Manhattan/Chelsea |
| 4 Hyatt Herald Square New York | 9 Stewart Hotel |
| 5 The Hotel Chelsea | |

BARS & RESTAURANTS

- | | |
|--------------------------------|------------------------|
| 1 The Grey Dog—Flatiron | 6 CAVA |
| 2 Grey Bar and Restaurant | 7 Loopy's Eatery |
| 3 Il Fiorista | 8 Mustang Harry's |
| 4 Johny's Luncheonette | 9 Ichiran |
| 5 Hill Country Barbecue Market | 10 Malibu Diner |
| | 11 Urban Vegan Kitchen |
| | 12 Dallas BBQ Chelsea |

SHOPS

- | | |
|----------------------------|----------------------------|
| 1 Buffalo Exchange | 6 30th Street Guitars |
| 2 Flamingo's Vintage Pound | 7 Chelsea Hardware |
| 3 New York Vintage Inc | 8 Cre8 Imprints |
| 4 2nd STREET Chelsea | 9 Sun Tees Inc. |
| 5 G & G Electric Supply | 10 Red Wing - New York, NY |



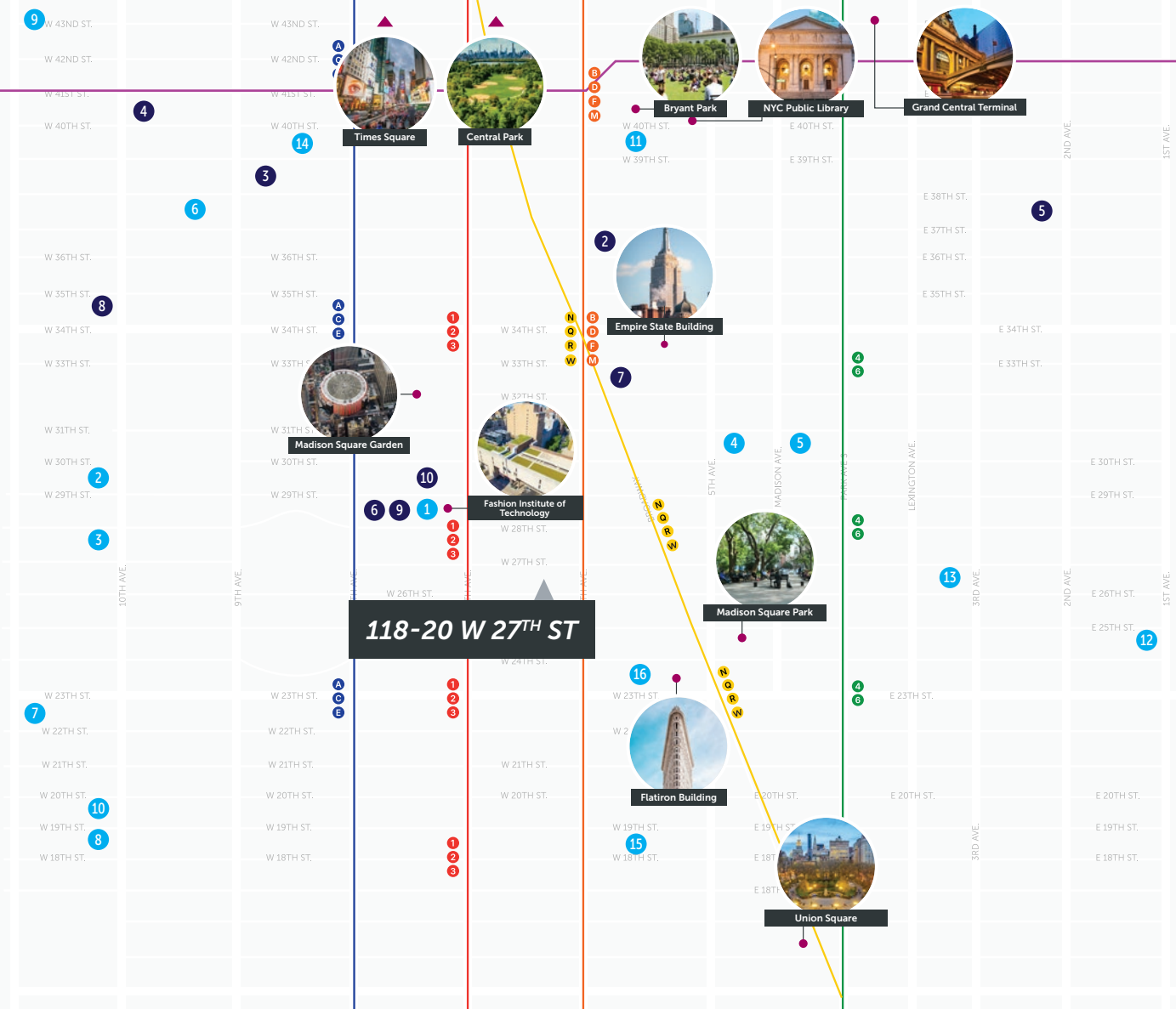
Developments in the Area

CONDO RESIDENTIAL DEVELOPMENTS

1. Maverick - 215 West 28th
2. HxH Residences - 517 West 29th Street
3. Zaha Hadid Building - 520 West 28th Street
4. 277 Fifth Avenue
5. Madison House - 15 East 30th Street
6. VITA - 499 9th Avenue
7. The Courtland - 555 West 22nd Street
8. Lantern House - 515 West 18th Street
9. Charlie West - 505 West 43rd Street
10. 532 West 20th Street
11. The Bryant - 16 West 40th Street
12. Hendrix House - 250 East 25th Street
13. VU - 368 3rd Avenue
14. 355 West 39th Street
15. LOUIE XVII & XVIII - 21 West 17th Street & 16 West 18th Street
16. Flatiron House - 39 West 23rd Street

RENTAL RESIDENTIAL DEVELOPMENTS

1. Mabel - 335 8th Avenue
2. Quincy New York - 980 Sixth Avenue
3. The Royce Residences - 339 West 38th Street
4. The Maybury - 550 10th Avenue
5. 650 First Avenue
6. Ruby Chelsea - 243 West 28th Street
7. Solari - 42 West 33rd Street
8. The Set - 455 Tenth Avenue
9. Maverick Chelsea - 225 West 28th Street
10. Flow Chelsea - 211 West 29th Street



For More Information Contact Our Exclusive
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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 the accuracy of any information provided herein. As an example, all zoning information, buildable footage estimates and indicated uses must be independently verified. Vacancy factors used herein are an arbitrary percentage used only as an example, and does not necessarily relate to actual vacancy, if any. The value of this prospective investment is dependent upon these estimates and assumptions made below, 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 contained here in, May 31, 2024 3:21 pm

Ariela
GREA Partner