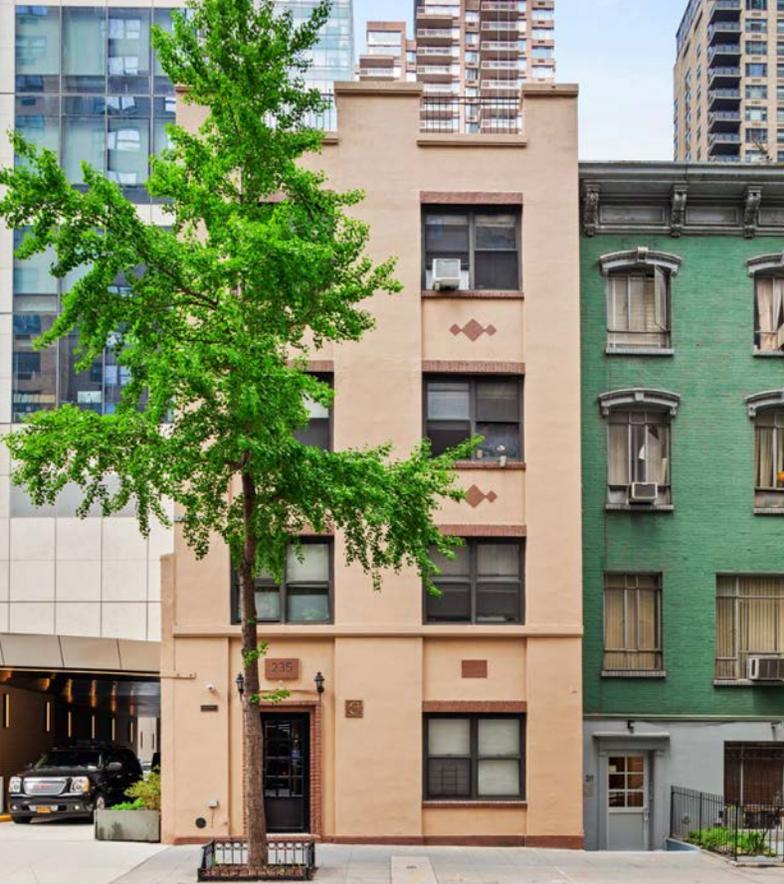


235 East 39th Street & 239-241 East 39th Street

Three Multi-Family Buildings in the Heart of Midtown East





235 East 39th Street

Property Information

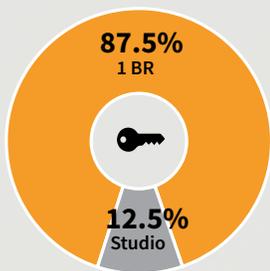
Address:	235 East 39th Street New York, NY 10016
Location:	North Side of 39th Street Between Second Avenue and Third Avenue
Block/Lot:	920/21
Lot Dimensions:	24.00' x 61.75' (Approx)
Lot Size:	1,482 (Approx)
Stories:	4
Residential Units:	8
FM Units:	7
RS Units:	1
Building Dimensions:	24.00' x 51.75' (Approx)
Building SF:	4,968 SF (JLL Estimate)
Zoning:	C1-9
Max FAR (Base):	10.00
ZFA:	14,820 SF
Avail. Air Rights:	None
Assessment:	\$347,014
Tax Rate:	12.235%
Full Taxes:	\$42,457

NOTE: All measurements and square footage estimates are approximate

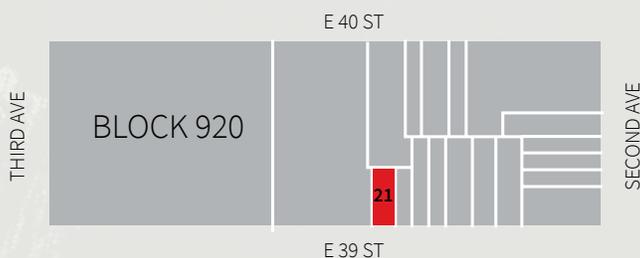
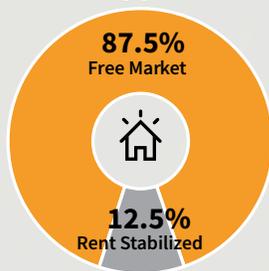
Total Units: 8

Free Market:	7
Rent Stabilized:	1
Studio:	1
1BR:	7

Unit Mix



Type



The Opportunity

JLL has been retained on an exclusive basis to arrange for the sale of 235 & 239-241 East 39th Street (The "Properties"). The three buildings are approximately 12,942 gross square feet and are centrally located on the North Side of East 39th Street between Second Avenue and Third Avenue.

In total, there are 24 residential units with a unit mix of seven (7) 1-bedrooms and seventeen (17) studios across the portfolio. Of those units, 79% are free market and 21% are rent stabilized (19 FM / 5 RS). The in-place average rents are approximately 35% below market, thus offering a significant potential to push the rents once renovation is complete. Furthermore, each of the properties is Tax Class 2B which significantly enhances the value while severely restricting future real estate tax increases. As a result, the portfolio offers an investor the ability to implement a complete value-add strategy throughout the buildings to push revenue while limiting the amount of potential expense increase due to the tax class protection.

The properties are conveniently located in the heart of Midtown East and border the popular Murray Hill neighborhood. The buildings are walking distance from some of the City's greatest attractions and transportation hubs such as Grand Central Station & Bryant Park while also being positioned in the heart of New York's busiest central business district. This excellent proximity to Grand Central provides tenants with direct access to the 4,5,6,7 and S trains as well as convenient access to the Midtown Tunnel. 235 & 239-241 East 39th Street represents a unique opportunity to acquire well-located, value-add, properties that are tax class protected and thus positioned to benefit from the resurgence of New York City.



239-241 East 39th Street

Property Information

Address:	239-241 East 39th Street New York, NY 10016
Location:	North Side of 39th Street Between Second Avenue and Third Avenue
Block/Lot:	920/23,24
Lot Dimensions:	43.29' x 98.75' (Approx)
Lot Size:	4,274 SF (Approx)
Stories:	4
Residential Units:	16
FM Units:	12
RS Units:	4
Building Dimensions:	38.52' x 51.75' (Approx)
Building SF:	7,974 SF (JLL Estimate)
Zoning:	C1-9
Max FAR (Base):	10.00
ZFA:	33,869 SF
Avail. Air Rights:	None
Assessment:	\$806,73
Tax Rate:	12.235%
Full Taxes:	\$98,704

NOTE: All measurements and square footage estimates are approximate

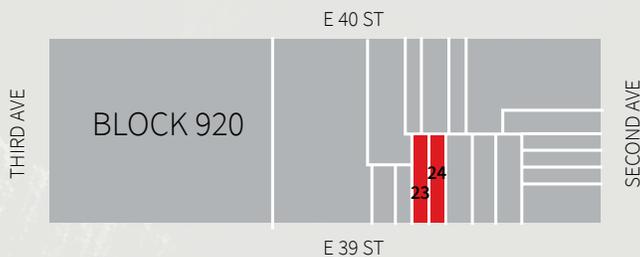
Total Units: 16

	239 E 39	241 E 39
Free Market:	6	6
Rent Stabilized:	2	2
Studio:	8	8

Unit Mix



Type



**ASKING
PRICE FOR
PORTFOLIO:
\$8,950,000**

PORTFOLIO HIGHLIGHTS



**24 UNITS &
12,942**
GROSS SQUARE FEET



TAX CLASS
PROTECTED TAX CLASS 2B
BUILDINGS



\$628,210
PROJECTED GROSS ANNUAL
REVENUE



**CENTRALLY
LOCATED**
IN THE HEART OF MIDTOWN
- IDEAL WALK TO WORK AND
COMMUTING ACCESS



\$51 CURRENT
RENT/NSF
\$77 PROJECTED
RENT/NSF



**~28% RENTAL
UPSIDE**



79%
OF UNITS ARE FREE MARKET



**MIDTOWN EAST
CBD**
871,179 EMPLOYERS W/
155,128 EMPLOYEES WITHIN
A 1-MILE RADIUS

WORLD-CLASS LOCATION

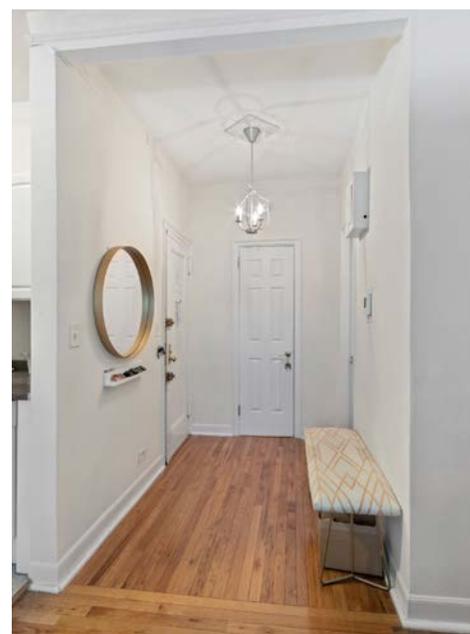


Financial Snapshot

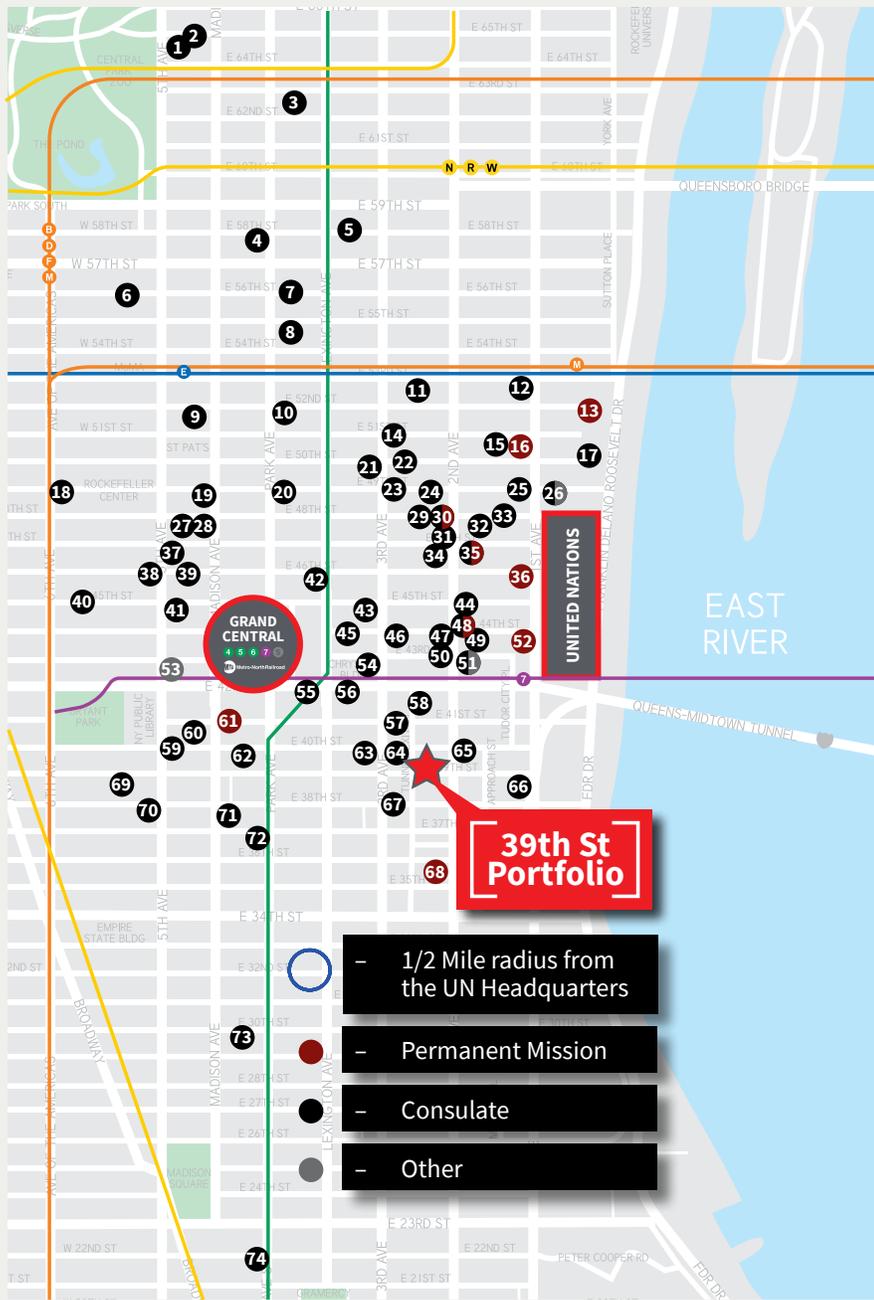
39th Street Portfolio - Property Information

In-Place Financials	235 E 39th St	239 E 39th St	241 E 39th St	COMBINED
Gross Residential Rent	\$186,291	\$189,754	\$153,814	\$529,860
Vacancy %	3.00%	3.00%	3.00%	3.00%
Effective Gross Income	\$180,702	\$184,062	\$149,200	\$513,964
Operating Expenses	\$35,003	\$31,496	\$30,619	\$97,118
Real Estate Taxes	\$42,457	\$51,863	\$46,841	\$141,162
Total Expenses	\$77,460	\$83,359	\$77,460	\$238,280
RET (% of EGI)	23.50%	28.18%	31.40%	27.47%
Operating Expenses / RSF	\$8.81	\$9.86	\$9.61	\$9.38
Net Operating Income	\$103,242	\$100,703	\$71,739	\$275,684

Proforma Financials	235 E 39th St	239 E 39th St	241 E 39th St	COMBINED
Gross Residential Rent	\$283,791	\$249,634	\$224,014	\$757,440
Vacancy %	3.00%	3.00%	3.00%	3.00%
Effective Gross Income	\$275,277	\$242,145	\$217,294	\$734,716
Operating Expenses	\$35,003	\$31,496	\$30,405	\$96,904
Real Estate Taxes	\$42,457	\$51,863	\$46,841	\$141,161
Total Expenses	\$77,460	\$83,359	\$77,246	\$238,065
RET (% of EGI)	15.42%	21.42%	21.56%	19.21%
Operating Expenses / RSF	\$8.81	\$9.86	\$9.55	\$9.36
Net Operating Income	\$197,817	\$158,786	\$140,048	\$496,651



UN Consulates Missions, and Embassies



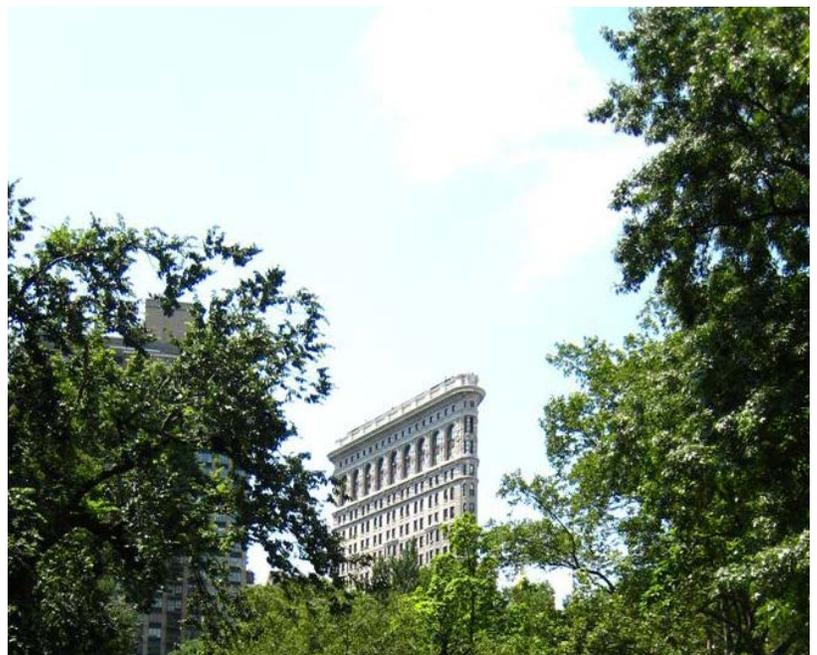
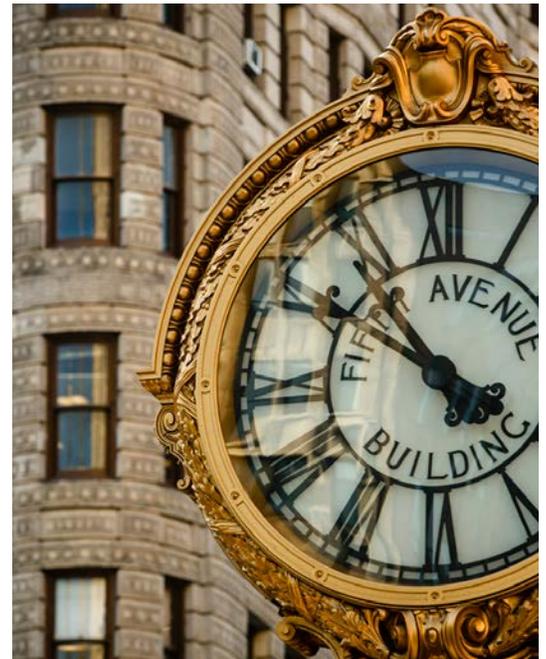
- | | |
|--|---|
| 1. India | 39. Columbia |
| 2. Pakistan | 40. Serbia |
| 3. Bulgaria | 41. Kazakhstan United Arab Emirates |
| 4. Korea | 42. Canada |
| 5. Spain | 43. Belarus |
| 6. Argentina | 44. Nigeria |
| 7. Slovenia | 45. Georgia |
| 8. Hong Kong | 46. Grenada |
| 9. Venezuela | 47. Haiti |
| 10. Ireland | 48. Barbados Croatia Madagascar Nicaragua Sri Lanka |
| 11. Hungary | 49. Malaysia |
| 12. Thailand | 50. Kosovo Uzbekistan Montenegro / Paraguay Saint Vincent and the Grenadines Slovakia |
| 13. Tunisia | 51. Bolivia Ivory Coast Ecuador Seychelles Dominica Israel Saint Lucia |
| 14. Royal Norwegian Turkey | 52. Bhutan |
| 15. San Marino | 53. Taiwan |
| 16. Latvia | 54. Netherlands |
| 17. Luxembourg | 55. Gabon |
| 18. Panama | 56. Australia |
| 19. Uruguay | 57. Switzerland |
| 20. Japan | 58. Brazil |
| 21. Iceland | 59. Morocco |
| 22. Nepal | 60. Cyprus |
| 23. Jamaica Peru | 61. New Zealand |
| 24. Ukraine | 62. Mexico |
| 25. Germany | 63. Chile |
| 26. Angola Congo Egypt Kenya Kyrgyzstan Macedonia Vietnam Bosnia and Herzegovina | 64. Finland |
| 27. Algeria | 65. Central Africa |
| 28. Ghana | 66. South Africa |
| 29. Liberia | 67. Romania |
| 30. Denmark Belgium United Kingdom | 68. Malta |
| 31. Sweden | 69. Costa Rica |
| 32. Antigua and Barbuda Estonia | 70. Lithuania |
| 33. Singapore | 71. Poland |
| 34. Bahamas | 72. El Salvador |
| 35. Ethiopia Bahrain Portugal Saudi Arabia | 73. Moldova |
| 36. Qatar | 74. Guatemala |
| 37. Monaco | |
| 38. Philippines | |



Midtown East

The Neighborhood

Midtown East, stretching from 42nd to 63rd Streets and Fifth Avenue to the East River is characterized by energized and diverse street life day and night, prominent office towers, and easy transportation access. From the prestigious flagship stores on Fifth and Madison Avenues to the Midtown office core on Park and Lexington, the western side of this neighborhood is all about business, tourism, shopping, and recreation. Moving eastward, Third, Second, and First Avenues are predominantly lined with post-war residential towers, with mid-rise elevator and walk-up apartment buildings filling in the side streets. United Nations employees, consulates, and visitors flock to the area for its proximity to the UN on First Avenue and East 43rd Street. In addition, two of the city's most sought after and genteel residential enclaves – Sutton Place and Beekman Place – are located within Midtown East. This mix of office towers, retail flagships, foreign consulates, and desirable residential locations draw a diverse group of shoppers, commuting business men and women, tourists, foreign dignitaries, and young residents to visit, work, and live in Midtown East.



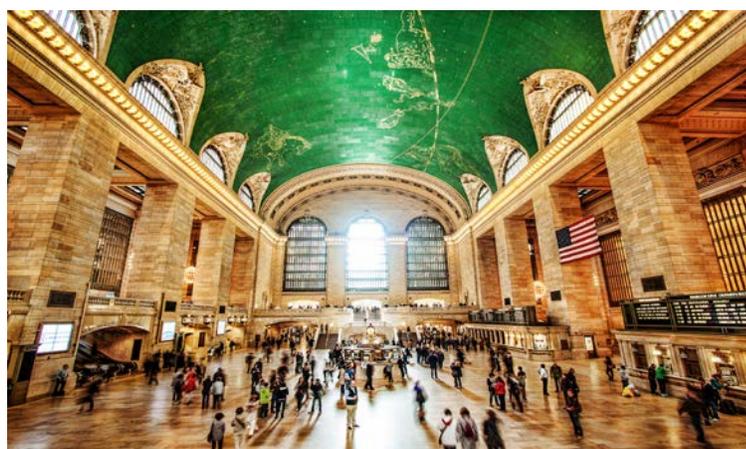
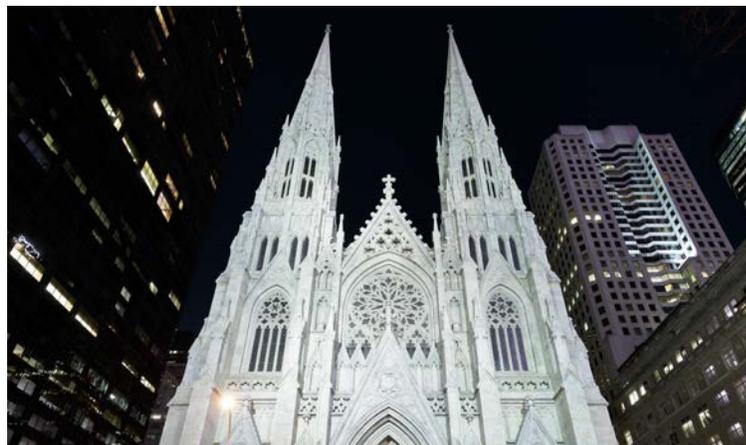
Recreation & Development

Business

Midtown Manhattan is one of the largest business districts in the United States and is home to some of Manhattan's largest and most prestigious companies, as well as some of the city's premier flagship office buildings. J.P. Morgan, Wachovia, Pricewaterhouse Coopers, CitiGroup, and Guggenheim Partners are some of the world's most influential names in business, and are just a handful of the major employers in the area. The proximity to Grand Central Station makes for an easy commute from Westchester and Fairfield Counties and the abundance of subway lines make it one of the connected corridors in New York City. Historical icons such as The Chrysler Building, the Greybar Building, the Helmsley Building, the Seagram Building, The Lever House, and Met Life Building are located in Midtown East.

Cultural Amenities

One of the greatest pleasures of Midtown East is the abundance of cultural amenities offered in the neighborhood. The United Nations is located at First Avenue and East 43rd Street and is one of the most famous destinations in all of Manhattan. Many of the employees of the United Nations choose to reside in the Midtown East area. Midtown East is also home to numerous places of worship for people of all religions including Saint Peter's Church at 619 Lexington Avenue, St. Bartholomew's at 109 East 50th Street, St. Michaels at 242 East 53rd Street, Central Synagogue at 123 East 55th Street, Sutton Place Synagogue at 225 East 51st Street and the famous St. Patrick's Cathedral at 50th Street and Fifth Avenue.



Shopping

From the big national retailers along Fifth Avenue, to the small boutique stores in Sutton Place, Midtown East has a wide array of shopping available to residents and tourists. Recognized as one of only a handful of truly first-class shopping locations in the world, Lexington, Madison and Fifth Avenues are an impressive display of elite retailing options. Notable flagship stores include Tiffany's, Brooks Brothers, and Saks Fifth Avenue. Other retail giants with presence on Fifth Avenue are Bergdorf Goodman, Louis Vuitton, Giorgio Armani, Cartier, Versace, Jimmy Choo, Cole Haan, Lacoste, Chanel, and Coach. Further to the south is home to other boutique shops including Givenchy, Yves St. Laurent, Prada and the luxury day spa, Georgette Klinger. Bloomingdales, the world famous department store, has a full block on East 59th Street and Lexington and is serviced by the Lexington Avenue subway line in its basement.



Recreation & Development

Recreation

The abundance of recreational attractions in Midtown East is one of the major forces attracting people from all over Manhattan. Some of New York’s oldest and most prestigious private clubs are located in the neighborhood. The Yale club is located on 50 Vanderbilt, the University Club on Fifth Avenue. The Vanderbilt YMCA is a popular facility utilized by many residents of the Midtown East area and is located just three blocks to north of the subject property. This division of the YMCA is an institution keeping many residents and families involved in Midtown East neighborhood activities including athletic events, summer camps and classes for the youth. In addition to the YMCA, there are three New York Sports Clubs within easy walking distance at Lexington Avenue and East 31st Street, Third Avenue and East 41st Street, and Grand Central Terminal. Equinox has five locations at East 53rd Street between Fifth Avenue and Madison Avenue, Lexington and East 44th Street, Fifth Avenue and 43rd Street, Third Avenue and East 63rd Street, and Second Avenue and East 54th Street. There is also a New York Health and Racquet Club on 45th and Lexington offering everything from specific training classes, to racquetball and squash. For those who desire to be outside, the Dag Hammarskjold Plaza provides outdoor space for the famous Greenmarket event. This tradition, dating back to 1976, is a program allowing outside regional growers to sell fresh farm produce to New Yorkers. This market has been a godsend for Midtown East due to the ease with which residents can get fresh produce and staples including, but not limited to, corn, tomatoes, zucchini and fresh flowers. The large crowds that attend this weekly event can stroll around the open space while enjoying the free music provided by various street musicians. Silicon Island, the redevelopment of 12 acres on Roosevelt Island into Cornell Tech’s engineering school, which will fuel new entrepreneurial ventures and strengthen the startup culture already existing in New York City and the East River Esplanade which will provide for new open space on the waterfront of the East River.

Development

Upcoming developments in the area include the construction of the Second Avenue subway which will reduce the overcrowding and delays on the Lexington Avenue line, improving travel for both city and suburban commuters, and provide better access to mass transit for residents of the far East Side of Manhattan. Other important developments are Silicon Island, the redevelopment of 12 acres on Roosevelt Island into Cornell Tech’s engineering school, which will fuel new entrepreneurial ventures and strengthen the startup culture already existing in New York City and the East River Esplanade which will provide for new open space on the waterfront of the East River.



Confidentiality Agreement Sale of:

246 East 46th Street

New York, NY 10017

959-961 Second Avenue

New York, NY 10017

(“Proposed Transaction”)

Following your execution of this letter, you will be provided with confidential information from Jones Lang LaSalle Americas, Inc. and/or one or more of its affiliates, representatives or advisors (collectively, “Broker”) and Owner and/or one or more of its affiliates, partners, representatives or advisors (collectively, “Seller”) relating to the Proposed Transaction. In furnishing such information, Broker and/or Seller are relying on your agreement to preserve the confidential nature of all such information, whether furnished before or after the date of this letter agreement (collectively, the “Evaluation Material”); provided, however, that there shall be no obligation under this letter agreement with respect to any Evaluation Material which (i) is or becomes generally available to the public or (ii) is required by law or requested by judicial process to be disclosed. You agree that such material will be used solely for the purpose of evaluating (at your sole cost and expense) whether you have an interest in pursuing the Proposed Transaction.

To facilitate your review, you are authorized to disclose the Evaluation Material to your directors, partners, officers, employees, attorneys, accountants or other professional representatives and consultants who need to know such information for the purpose of evaluating the Proposed Transaction (collectively, “Advisors”); provided, however, that such Advisors will be informed by you in writing of the confidential nature of such information and will be directed by you in writing to treat such information confidentially and to otherwise comply with all of the provisions of this letter agreement. Without the prior written consent of Seller, neither you nor any of your Advisors will have any discussions regarding the Proposed Transaction with any third party, except for disclosures as may be required by applicable law or pursuant to court process, provided that prior to any such disclosure by you, you will, if permitted by applicable law or judicial order, immediately notify Broker and/or Seller of such pending disclosure by writing, and you will delay such disclosure consistent with applicable law in a manner that provides Seller with a reasonable opportunity to obtain a judicial protective order or other relief. You shall be responsible for the breach of this letter agreement by any of the Advisors referred to in this paragraph.

Upon termination of discussions, or upon Broker’s and/or Seller’s written demand, you will promptly return all Evaluation Material previously delivered to you, without retaining any copy, extract or other reproduction (in whole or in part) of such Evaluation Material and will require your Advisors to do the same. The obligations of this letter agreement shall terminate two (2) years from the date of this letter agreement.

Although the Evaluation Material has been prepared in good faith and is believed to be accurate, Broker and Seller will not be deemed to have made any express or implied representation or warranty regarding the Evaluation Material.

You acknowledge that in the event you and/or any of your Advisors breach any of the provisions of this letter agreement, or threaten or attempt to do so, Seller would be irreparably harmed. Accordingly, you agree in advance to the granting of injunctive or other equitable relief in favor of Seller without proof of actual damages. Such injunctive or equitable relief will not be the exclusive remedy for a breach of this letter agreement, but will be in addition to all other remedies available at law or in equity. You also agree to indemnify, save harmless and defend Seller against all losses directly or indirectly associated

with any breach by you or your Advisors of this letter agreement, and you agree to reimburse Seller for all costs and expenses, including attorneys' fees, incurred by Seller in successfully enforcing your obligations or the obligations of your Advisors under this letter agreement. The provisions of this letter agreement are for the benefit of each of the parties comprising Seller and may be enforced by any of such parties.

You agree that the failure or delay by Seller in exercising any right or privilege under this letter agreement will not operate as a waiver of such right or privilege. This letter agreement may be signed in counterparts and may only be modified or waived by subsequent written agreement signed by the parties.

You acknowledge and agree that Broker is assisting Seller and acting in Seller's interest and not in your interest or on your behalf in connection with the Proposed Transaction. Furthermore, you (i) agree to pay all brokerage commissions, finders' fees and other compensation that may be due to your brokers, finders, Advisors, and other persons retained by you in connection with the Proposed Transaction; (ii) agree to indemnify, save harmless and defend Seller and its respective affiliates and successors and assigns against and from any loss, liability or expense, including attorneys' fees and expenses, arising out of any claim or claims by any broker, finder or similar agent, representative or Advisor for commissions, fees or other compensation relating to any Proposed Transaction if such claims are based in whole or in part on alleged dealings or agreements between or with you and such broker, finder or similar agent, representative or Advisor; and (iii) acknowledge that Broker has no power or authority to in any way bind Seller with respect to any transaction involving Seller, or with regard to any of the terms and conditions of any such transaction and that Seller shall in no way be bound or be deemed to have agreed to any such transaction or the terms and conditions thereof until such time (if any) as Seller has executed and delivered a written agreement to enter into any transaction involving the above-referenced property under terms and conditions that are acceptable to it in its sole discretion.

You agree that this letter agreement will be governed and construed in accordance with the laws of the state where the property is located, without giving effect to choice of law doctrines.

IN WITNESS WHEREOF, the parties agree that the effective date of this Agreement shall be the _____ day of _____ 2021.

By: _____

Title: _____

**235 East 39th Street &
239-241 East 39th Street**

For more information, please contact exclusive agents:

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