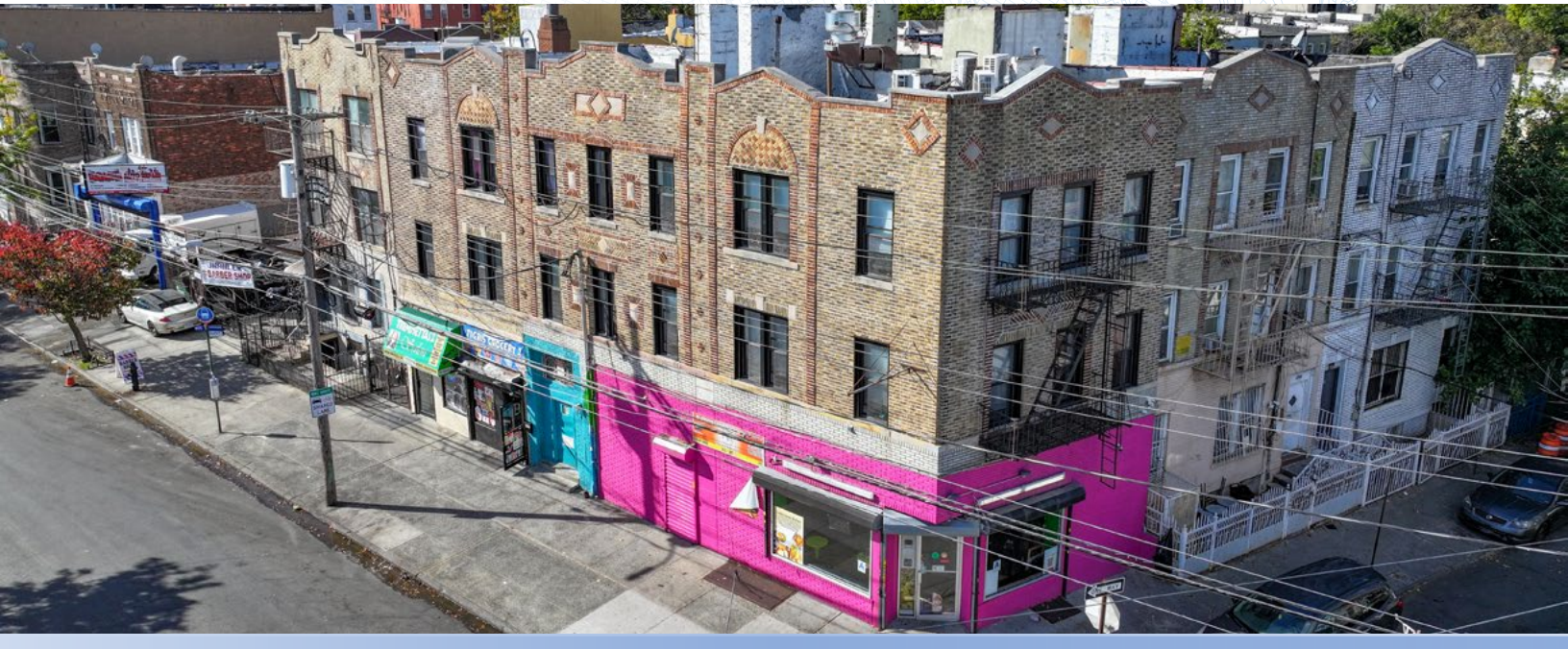
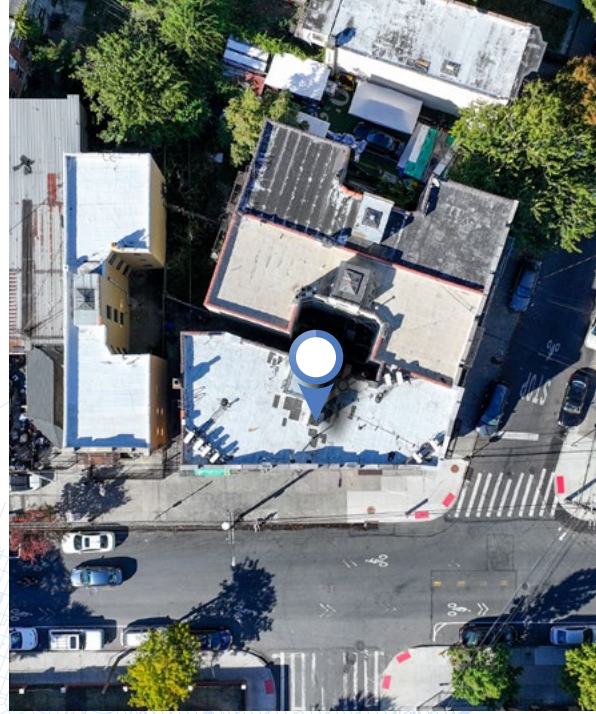




577 NEW LOTS AVE
Brooklyn, NY 11207



OPPORTUNITY



\$1,995,000 (8.2% Cap In-Place / 9.9% Cap on Legal Rents)

ASKING PRICE

REDUCED 02/25

ORIGINAL ASKING PRICE: \$2,250,000



**8 Residential (RS) /
3 Commercial (FM)**
UNIT MIX



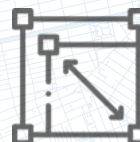
Corner Mixed-Use

PROPERTY TYPE



±5,778

SQUARE FOOTAGE



47.3' x 84.53' (Irregular)

LOT DIMENSIONS



R5 / C2-2 | 1.25

ZONING | FAR



47' x 75' (Irregular)

BUILDING DIMENSIONS



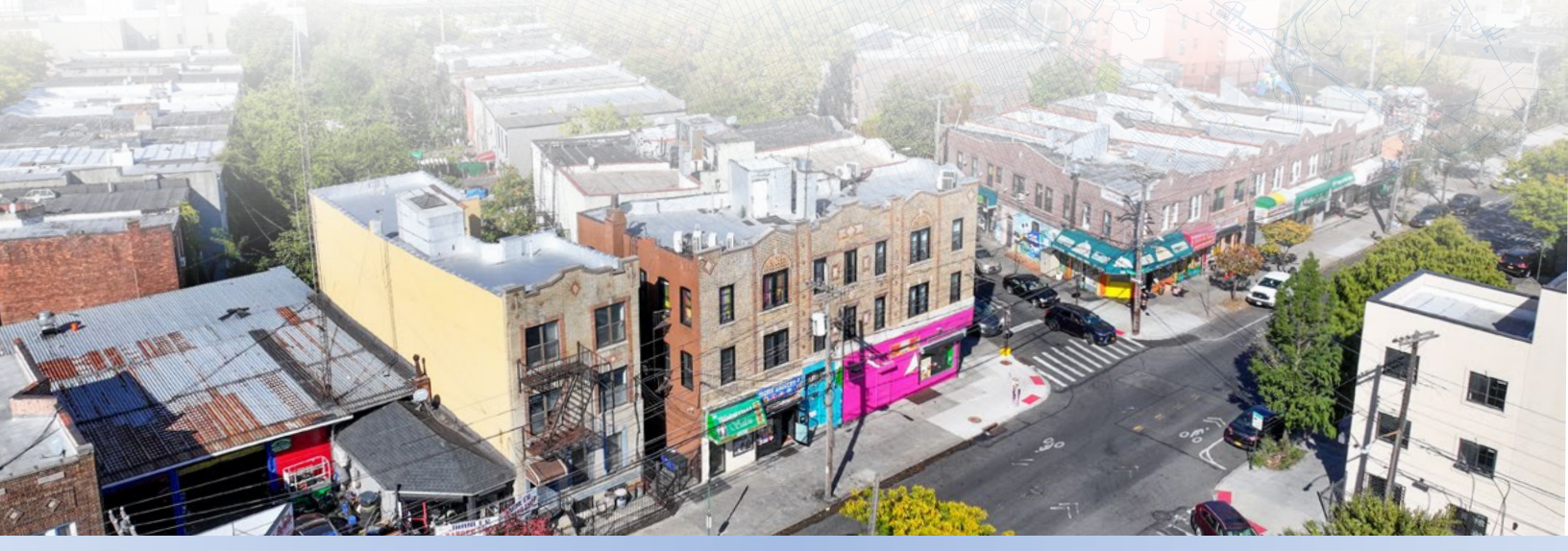
2 blocks to 3-train

PROXIMITY TO TRANSPORTATION



2B / \$17,132

PROTECTED TAX CLASS



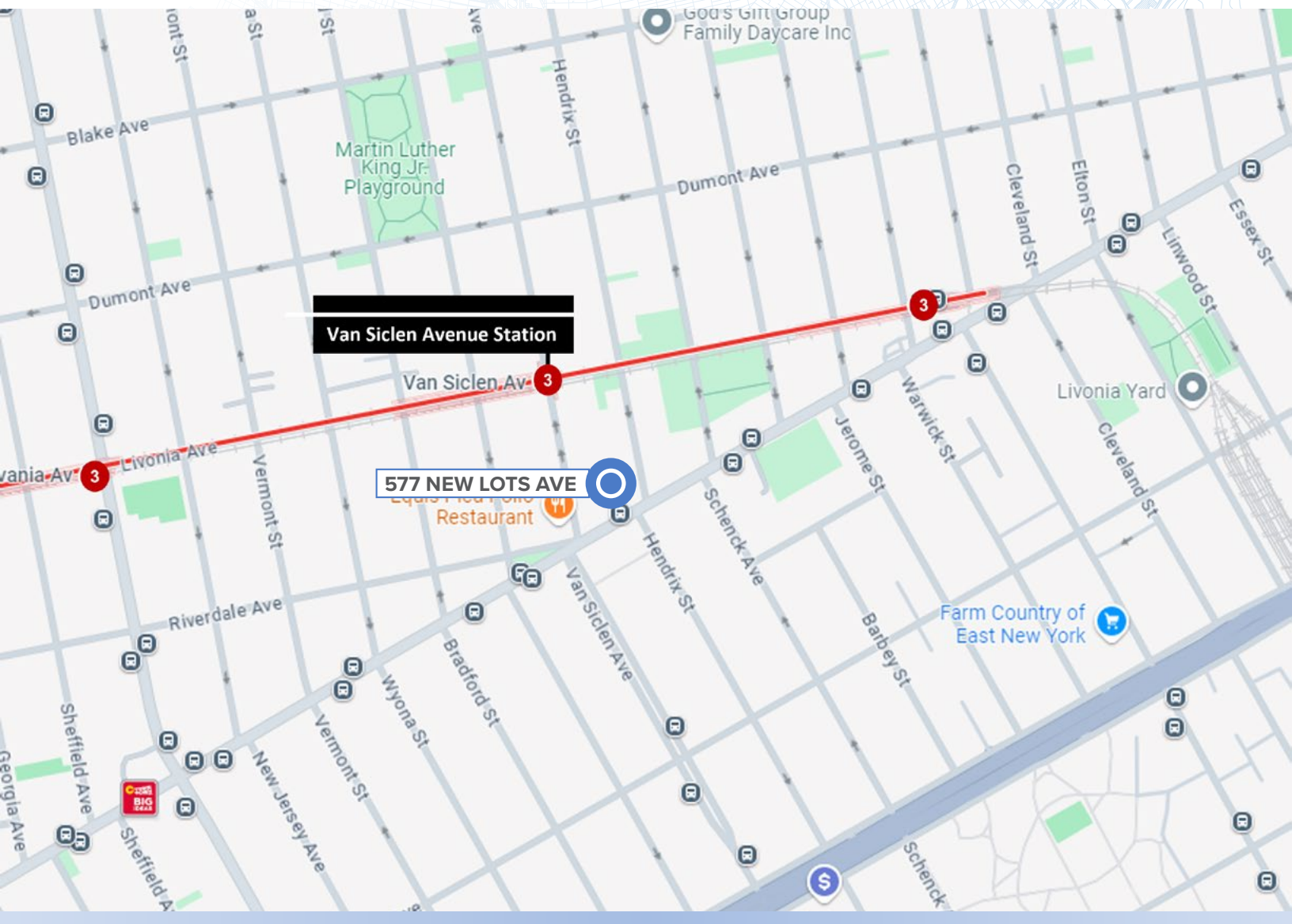
577 NEW LOTS AVE, BROOKLYN, NY 11207

Investment Highlights

- **Low Maintenance:** Building was renovated in 2015 and has been well maintained since, with no need for short term capital improvements.
- **8.2 Cap In-Place, Path to a 9.9% Cap:** Though the 8 residential units are rent stabilized, current leases have preferential rents in place, with ~15% upside in legal rents translating to a 21% increase in NOI.
- **Excellent Light & Air:** Side and rear air shafts provide units with substantial light and air, allowing for efficient unit layouts.
- **Separate Utilities:** Tenants are responsible for their own electric, heat & hot water.
- **Protected Tax Class:** 2B Tax Class limits tax increase to no more than 8% a year or 30% over 5 years.
- **Transportation Accessibility:** Within 2 blocks of the 3-train at Van Siclen Avenue, offering access to Atlantic Terminal and FiDi within 30-45 minutes.



TAX & TRANSPORTATION MAPS



INCOME / RENT ROLL

UNIT	TYPE	LEASE EXP.	STATUS	NSF	CURRENT RENT ROLL			LEGAL RENTS		
					RENT / MO.	RENT / YR.	RENT / SF	RENT / MO.	RENT / YR.	RENT / SF
Comm	Hair Salon	7/31/29	FM	300	\$1,600	\$19,200	\$64	\$1,600	\$19,200	\$64
Comm	Corner Restaurant	3/31/26	FM	600	\$2,975	\$35,700	\$60	\$2,975	\$35,700	\$60
Comm	Market	1/31/29	FM	425	\$1,950	\$23,400	\$55	\$1,950	\$23,400	\$55
1	2 BR / 1 BTH	7/31/24	RS	480	\$1,677	\$20,121	\$42	\$2,237	\$26,844	\$56
2	1 BR / 1 BTH	7/31/25	RS	480	\$1,179	\$14,145	\$29	\$1,416	\$16,992	\$35
3	1 BR / 1 BTH	6/30/26	RS	480	\$1,316	\$15,798	\$33	\$1,873	\$22,476	\$47
4	2 BR / 1 BTH	5/31/26	RS	480	\$1,726	\$20,714	\$43	\$2,191	\$26,292	\$55
5	2 BR / 1 BTH	7/31/25	RS	480	\$1,671	\$20,051	\$42	\$2,086	\$25,032	\$52
6	1 BR / 1 BTH	6/30/26	RS	480	\$1,264	\$15,166	\$32	\$1,292	\$15,504	\$32
7	1 BR / 1 BTH	5/31/25	RS	480	\$1,648	\$19,776	\$41	\$1,736	\$20,832	\$43
8	2 BR / 1 BTH	7/31/25	RS	480	\$1,719	\$20,623	\$43	\$2,250	\$27,000	\$56
TOTAL:				5,165	\$18,725	\$224,694	\$44	\$21,606	\$259,272	\$50



15%
UPSIDE IN
LEGAL RENTS



\$1,525 Vs. \$1,885
AVG. CURRENT RENT
VS. LEGAL RENT



\$59
AVERAGE COMMERCIAL
RENT / SF

EXPENSES & NOI

REVENUE		CURRENT RENTS	LEGAL RENTS
Potential Gross Income:		\$224,694	\$259,272
Vacancy & Credit Loss:	3.0%	-\$6,741	-\$7,778
Effective Gross Income:		\$217,954	\$251,494

GSF: 5,778

NSF: 5,165

UNITS: 8

EXPENSES (ESTIMATED)	MATTHEWS™ METRICS	CURRENT RENTS	LEGAL RENTS
Real Estate Taxes (24/25)	Full Taxes	\$17,132	\$17,132
Insurance	\$1.50 / GSF	\$8,667	\$8,667
Water & Sewer	\$850 / Resid. Unit	\$6,800	\$6,800
Heating Fuel	Tenants Pay	--	--
Electric (Common)	\$0.50 / GSF	\$2,889	\$2,889
Repairs & Maintenance	\$750 / Unit	\$6,000	\$6,000
Superintendent	\$400 / Month	\$4,800	\$4,800
Management	4.0% of EGI	\$8,718	\$8,718
Total Expenses		\$55,006	\$55,006
	Exp. Ratio:	25.24%	21.87%
	Tax Ratio:	7.86%	6.81%

FINANCIAL SUMMARY		CURRENT RENTS	LEGAL RENTS
Effective Gross Income:		\$217,954	\$251,494
Less Expenses:		-\$55,006	-\$55,006
Net Operating Income:		\$162,947	\$196,488



\$1,995,000

REDUCED ASKING PRICE



8.17% Cap

IN-PLACE RENTS



9.85% Cap

LEGAL RENTS



NEIGHBORHOOD OVERVIEW

CYPRESS HILLS, BROOKLYN

Cypress Hills is a vibrant and historically rich neighborhood in eastern Brooklyn, characterized by its tree-lined streets and diverse community. Originally inhabited by the Canarsee Native Americans, it evolved from farmland during the Dutch colonial period to a bustling urban area in the 19th century, attracting German and Irish immigrants alongside a significant African American population. The neighborhood features a mix of historic architecture, including brownstones and row houses, and offers a variety of local businesses, cafes, and ethnic restaurants primarily along Fulton Street. Well-connected by the J-Z subway line, Cypress Hills also boasts notable landmarks such as the Cypress Hills National Cemetery and Highland Park, making it a unique blend of residential charm and cultural vibrancy that continues to evolve today.

LANDMARKS & POINTS OF INTEREST

- **Cypress Hills National Cemetery:** Established in 1862, this historic cemetery is the only national cemetery in New York City, serving as the final resting place for over 21,000 veterans and civilians, including many Civil War soldiers
- **Highland Park:** A large green space covering 190 acres, Highland Park offers hiking trails, sports fields, and scenic views of the surrounding area, providing a recreational escape for residents and visitors alike
- **Court Street:** A bustling thoroughfare lined with local shops, restaurants, and cafes, perfect for exploring and dining
- **Ridgewood Reservoir:** Located adjacent to Cypress Hills, this former water supply reservoir is now a natural habitat with walking paths and wildlife observation opportunities, promoting outdoor activities and environmental awareness
- **Cobble Hill Historic District:** Designated by the New York City Landmarks Preservation Commission, featuring well-preserved architecture from the 19th century
- **Cultural Institutions:** The neighborhood is home to several notable cultural sites, including the Brooklyn Children's Museum Annex and the Ridgewood Reservoir Education and Preservation Project, which offer educational programs and community events

DOB PROPERTY PROFILE OVERVIEW

577 NEW LOTS AVENUE		BROOKLYN 11207	BIN# 3090696
HENDRIX STREET	696 - 696	Health Area	: 6420
NEW LOTS AVENUE	577 - 577	Census Tract	: 1124
		Community Board	: 305
		Buildings on Lot	: 1
		Tax Block	: 4088
		Tax Lot	: 38
		Condo	: NO
		Vacant	: NO

[View DCP Addresses...](#) [Browse Block](#)

[View Zoning Documents](#) [View Challenge Results](#) [Pre - BIS PA](#) [View Certificates of Occupancy](#)

Cross Street(s):	RIVERDALE AVENUE, HENDRIX STREET		
DOB Special Place Name:			
DOB Building Remarks:			
Landmark Status:		Special Status:	N/A
Local Law:	NO	Loft Law:	NO
SRO Restricted:	NO	TA Restricted:	NO
UB Restricted:	NO		
Environmental Restrictions:	N/A	Grandfathered Sign:	NO
Legal Adult Use:	NO	City Owned:	NO
Additional BINs for Building:	NONE		
HPD Multiple Dwelling:	Yes		

Special District: UNKNOWN

This property is not located in an area that may be affected by Tidal Wetlands, Freshwater Wetlands, Coastal Erosion Hazard Area, or Special Flood Hazard Area. [Click here for more information](#)

Department of Finance Building Classification: C7-WALK-UP APARTMENT

Please Note: The Department of Finance's building classification information shows a building's tax status, which may not be the same as the legal use of the structure. To determine the legal use of a structure, research the records of the Department of Buildings.

	Total	Open	
Complaints	21	0	Elevator Records
Violations-DOB	32	10	Electrical Applications
Violations-OATH/ECB	17	1	Permits In-Process / Issued
Jobs/Filings	16		Illuminated Signs Annual Permits
ARA / LAA Jobs	1		Plumbing Inspections
Total Jobs	17		Open Plumbing Jobs / Work Types
Actions	12		Facades
			Marquee Annual Permits
OR Enter Action Type: <input type="text"/>			Boiler Records
OR Select from List: <input type="text" value="Select..."/>			DEP Boiler Information
AND <input type="button" value="Show Actions"/>			Crane Information
			After Hours Variance Permits

HPD I-CARD

STREET AVENUE <i>New Lots</i>		No. <i>577</i>		Boro. <i>BROOKLYN</i>		Card No. <i>18</i>																	
USE District <i>571</i>		<i>696 Hendrix St</i>		<i>Bl-4088</i>		CLASSIFICATION																	
Record of Business Use--Location		Date		Origin		HERETOFORE ERECTED - N. L.																	
						REG-327326																	
RECORD OF FIRE RETARDING AND FIREPROOFING		Date		Origin		ORIGIN OF CLASSIFICATION																	
Location		Origin of Report		Date		1-ENEMENT HOUSE DEPT. New Building Plan																	
<i>FE'S O.K.</i>		<i>John</i>		<i>8-12-47</i>		<table border="1"> <tr> <th>Bldgs</th> <th>Plan No.</th> <th>Date filed</th> <th>Date Approved</th> </tr> <tr> <td><i>1</i></td> <td><i>223</i></td> <td><i>4-28-15</i></td> <td><i>5-12-15</i></td> </tr> <tr> <td colspan="2">Application No.</td> <td>Certificate No.</td> <td>Date issued</td> </tr> <tr> <td colspan="2"></td> <td><i>582</i></td> <td><i>11-8-15</i></td> </tr> </table>		Bldgs	Plan No.	Date filed	Date Approved	<i>1</i>	<i>223</i>	<i>4-28-15</i>	<i>5-12-15</i>	Application No.		Certificate No.	Date issued			<i>582</i>	<i>11-8-15</i>
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<i>1</i>	<i>223</i>	<i>4-28-15</i>	<i>5-12-15</i>																				
Application No.		Certificate No.	Date issued																				
		<i>582</i>	<i>11-8-15</i>																				
ALTERATION PLANS		Date Filed		Approved		Completed																	
Bld'gs	Plan No.	Date Filed	Approved	Completed																			
<i>1</i>	<i>721</i>	<i>7-3-29</i>	<i>7-11-29</i>	<i>8-20-30</i>																			
DEPARTMENT OF BUILDINGS																							
APP. NO.	PERMIT NO.	FILED	APPROVED	COMPLETED																			
<i>12570</i>	<i>9114</i>	<i>9-14-34</i>	<i>9-24-34</i>	<i>2-21-35</i>																			
LEGAL OCCUPANCY		Date		No. Ap'ts		Height																	
		<i>11-8-15</i>		<i>9</i>		<i>3</i>																	
CELLAR OR BASEMENT PERMIT		Number		Date		Number																	
BUREAU OF BUILDINGS RECORD		Plan No.		Certificate of Occ. No.		Date issued																	
To be occupied by:																							
Form 500																							
10-1010-23-D																							

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **577 New Lots Ave, Brooklyn, NY 11207** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

577 NEW LOTS AVE

Brooklyn, NY 11207



EXCLUSIVELY LISTED BY:



DJ JOHNSTON
Executive Vice President
dj.johnston@matthews.com
Dir: 718.701.5367
License No. 10401225168 (NY)



BRYAN KIRK
Associate Vice President
bryan.kirk@matthews.com
Dir: 646.868.0045
License No. 10401274694 (NY)



JERMAINE PUGH
Associate Vice President
jermaine.pugh@matthews.com
Dir: 718.701.5129
License No. 10401281410 (NY)



BOBBY LAWRENCE
Associate Vice President
bobby.lawrence@matthews.com
Dir: 718.554.0337
License No. 10401300331 (NY)



HENRY HILL
Senior Associate
henry.hill@matthews.com
Dir: 718.874.8539
License No. 10401356898 (NY)

CORY ROSENTHAL
Broker of Record
License No. 10991237833 (NY)