



Chase Bank Mixed-Use VALUE/ADD

368-374 Central Ave. Jersey City, NJ



INVESTMENT HIGHLIGHTS

- Mixed Use Property - 5 Commercial Units + 6 Apartments - Chase Anchored
- Prime Location - Corner lot on a highly traversed road- Heavy foot traffic
- Under market + Vacant apartments provide upside
- Easy Access to public transportation- Bus station located at Central Ave & Bower Street is right across the street
- .6 Miles (12 Minute Walk) to Ninth Street/Congress Street NJ Transit Train Station
- Easy access to NYC - Only 6.2 Miles
- Excellent demographics - Population of 110,764 within 1 mile of property with a Average Household income of \$105,748 within 1 mile



PRICE

\$3,850,000

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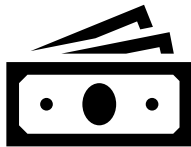


CAP RATE

Current / Pro Forma

3.81% / 7.00%

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NOI

Current / Pro Forma

\$146,834 / \$268,795

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1895
Year Built



98
Walk Score



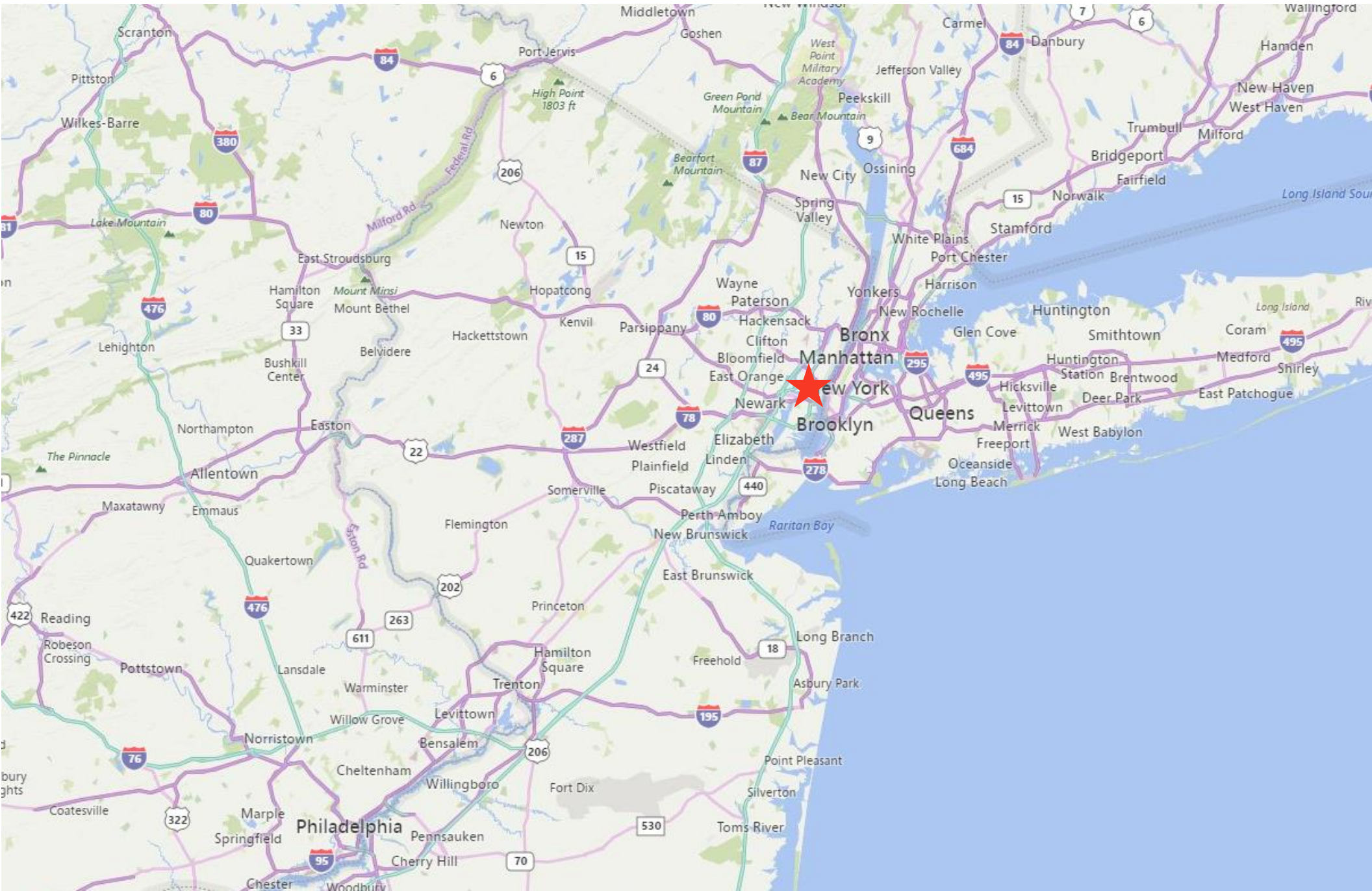
71
Transit Score

The Offering

Property Address	368-374 Central Avenue Jersey City, NJ 07307
Type of Ownership	Fee Simple

Property Description

Rentable Square Feet	12,600 SF
Parcel Size	0.19 AC
Block	2201
Lot	1
Year Built	1895
Number of Stories	3
Walk Score	98 - Walkers Paradise
Transit Score	71 – Excellent Transit









RENT ROLL- CURRENT



5 Retail 6 Apts.
Total Tenants



12,600
Gross Leasable Area



\$209,823
Total Annual Rent

Tenant Name	GLA (SF)	GLA %	Lease Start	Lease Exp.	Annual Rent	Rent/SF	Increases On	Increases To	Expense Reimbs.	Options	Lease Type
Chase Bank	4,000	32%	8/30/06	4/13/22	\$90,000	\$22.50	-	-	\$21,656 (50% of taxes)	(3) 5Yr	NN
Sweet Pineapple	2,000	16%	6/1/11	5/30/2031	\$43,023	\$21.51	6/1/21	\$50,000	-	-	Mod. Gross
Eye Vision Center	1,500	12%	5/1/14	4/30/2024	\$39,600	\$26.40	-	-	-	5 Yr Option	Mod. Gross
Vacant Retail	300	2%	2019	2024	-	-	-	-	-	-	Mod. Gross
Vacant Space	300	2%	M-2-M	M-2-M	-	-	-	-	-	-	
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$7,800	\$10.40	-	-	-	-	
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$7,800	\$10.40	-	-	-	-	
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$7,800	\$10.40	-	-	-	-	
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$7,800	\$10.40	-	-	-	-	
2 Bedroom 1 Bath (VACANT)	750	6%	M-2-M	M-2-M	-	-	-	-	-	-	
2 Bedroom 1 Bath (VACANT)	750	6%	M-2-M	M-2-M	-	-	-	-	-	-	
TOTAL VACANT	1,800	14%			-				\$21,656		
TOTAL OCCUPIED	10,800	86%			\$203,823				-		
TOTAL	12,600				\$203,823				\$21,656		

RENT ROLL- PRO FORMA



5 Retail 6 Apts.
Total Tenants



12,600
Gross Leasable Area



\$330,423
Total Annual Rent

Tenant Name	GLA (SF)	GLA %	Lease Start	Lease Exp.	Annual Rent	Rent/SF	Increases On	Increases To	Expense Reimbs.	Options	Lease Type
Chase Bank	4,000	32%	8/30/06	4/13/22	\$90,000	\$22.50		-	\$21,656 (50% of taxes)	(3) 5Yr	NN
Sweet Pineapple	2,000	16%	6/1/11	5/30/2031	\$43,023	\$21.51	6/1/21	\$50,000			Mod. Gross
Eye Vision Center	1,500	12%	5/1/14	4/30/2024	\$39,600	\$26.40	-	-		5 Yr Option	Mod. Gross
Barber	300	2%	2019	2024	\$6,000	\$20.00	-	-			Mod. Gross
VACANT SPACE	300	2%	M-2-M	M-2-M	\$10,200	\$34.00	-	-			
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$21,600		-	-			
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$21,600		-	-			
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$21,600		-	-			
2 Bedroom 1 Bath	750	6%	M-2-M	M-2-M	\$21,600		-	-			
2 Bedroom 1 Bath (100% Renovated)	750	6%	M-2-M	M-2-M	\$27,600		-	-			
2 Bedroom 1 Bath (100% Renovated)	750	6%	M-2-M	M-2-M	\$27,600		-	-			
TOTAL OCCUPIED	12,300	98%			\$330,423				\$21,656		
TOTAL VACANT	300	2%			-				-		
TOTAL	12,600	100%			\$330,423				\$21,656		

FINANCIAL SUMMARY

THE OFFERING

Price	\$3,850,000
Cap Rate	3.81%
Price/SF	\$301.59

OPERATING EXPENSES

Taxes	\$43,312
Insurance	\$12,000*
Water & Sewer	\$11,485
Utilities- Electric & Gas	\$1,100
Snow Removal	\$1,000
Repairs & Maintenance	\$3,000
Pest Control	\$1,248
Management Fee	\$5,500
TOTAL EXPENSES	\$78,645

INCOME

Base Rent	\$203,823
Expense Reimbursements	\$21,656
TOTAL Income	\$225,479
Less Total Expenses	\$78,645
NET OPERATING INCOME (Current)	\$146,834
Pro-Forma NOI	\$269,186

Construction Pro-Forma

Cost of Building	\$3,850,000
Occupied Apts. (\$25K x 4 Apts)	\$100,000
Vacant Apts. (\$125K x 2 Apts)	\$250,000
Total Costs	\$4,200,000

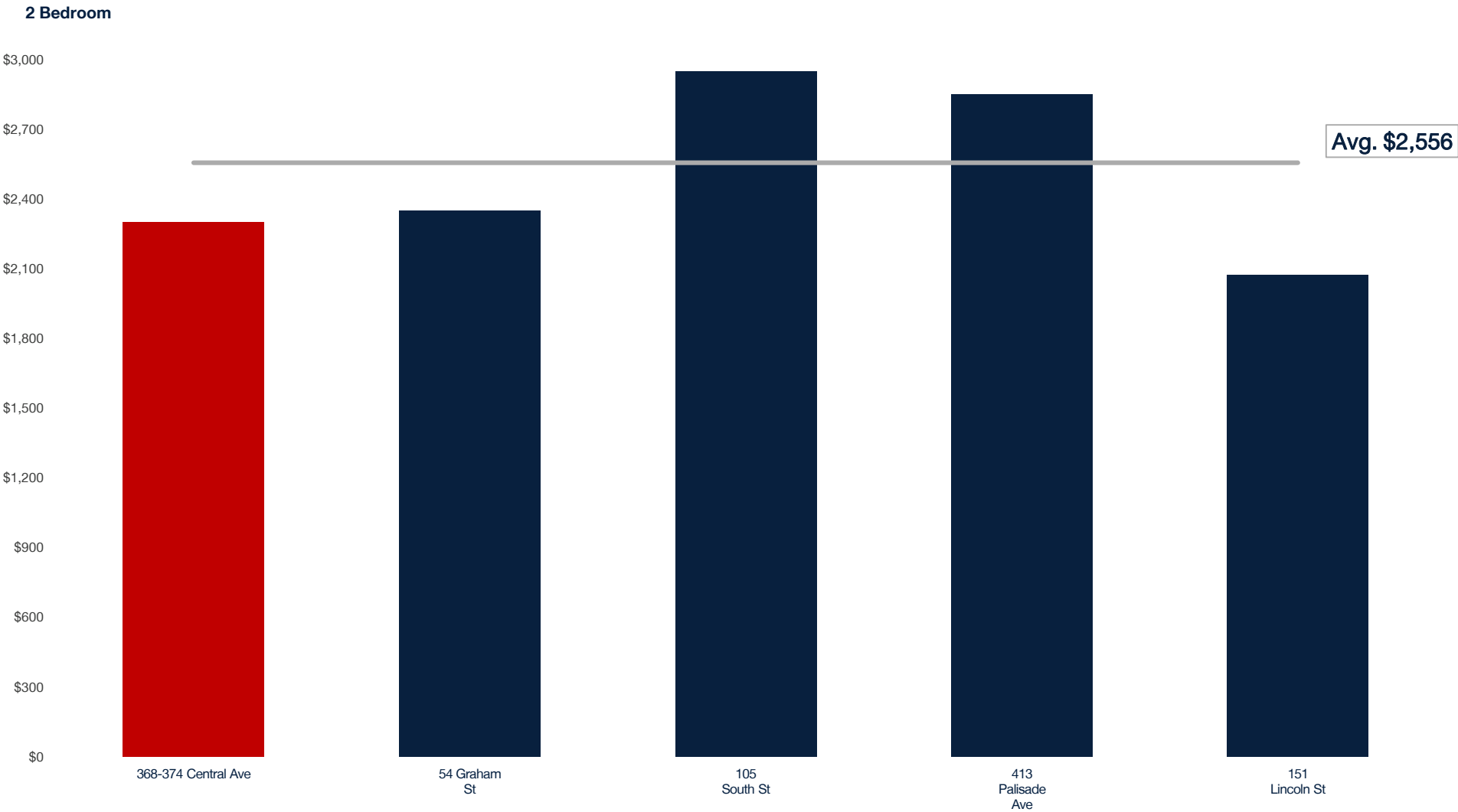
Property Value Upon Completion

Base Rent	\$330,423
Expense Reimbursements	\$21,656
TOTAL Income	\$352,079
Vacancy Factor (3% Apts)	\$4,248
Less Total Expenses	\$78,645
Pro-Forma NOI	\$269,186
Cap Rate Upon Stabilization	7.00%

*Insurance quote by Diskin Associates

COMPARABLE APARTMENT RENTS – 2 BEDROOM

Jersey City- Average Apartment Rents (2 BR)



368-374 CENTRAL AVE.
368-374 Central Ave, Jersey City, NJ, 07307



Total GLA	Available SF	Asking Rent/SF
12,600	1,500	\$2,300

54 GRAHAM ST
54 Graham St, Jersey City, NJ, 07307



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 1 Bath Flat	1	850	\$2,350	\$2.76
Total/Avg.	1	850	\$2,350	\$2.76

105 SOUTH ST
105 South St, Jersey City, NJ, 07307



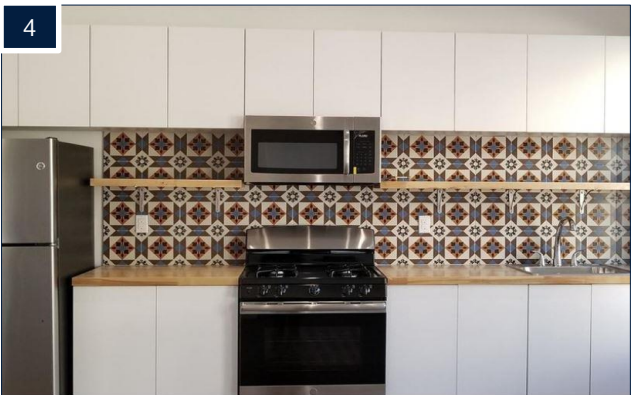
Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 2 Bath Flat	1	1,200	\$2,950	\$2.46
Total/Avg.	1	1,200	\$2,950	\$2.46

413 PALISADE AVE
413 Palisade Ave, Jersey City, NJ, 07307



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 1 Bath Flat	1	1,300	\$2,850	\$2.19
Total/Avg.	1	1,300	\$2,850	\$2.19

151 LINCOLN ST
151 Lincoln St, Jersey City, NJ, 07307



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 1 Bath Flat	1	850	\$2,075	\$2.44
Total/Avg.	1	850	\$2,075	\$2.44

A. Purpose.

The purpose of this district is to recognize the existence and importance of neighborhood business districts and promote continued efforts to strengthen and revitalize them through public-private partnerships. These areas are located along: Central Avenue, Newark Avenue, McGinley Square, West Side Avenue, Communipaw Avenue, and Lower John F. Kennedy Boulevard.

B. Permitted principal uses are as follows [Amended 6-24-2015 by Ord. No. [15-084](#)] :

1. Retail sales of goods and services.
2. Offices.
3. Financial institutions without drive-thru facilities.
4. Restaurants, category one and two.
5. Theaters and museums.
6. Governmental uses.
7. Parking garages, provided that the ground floor parking level shall be located behind a ground floor commercial façade not less than twenty (20) feet deep after allowing for required vehicular access drive(s) and building entrances, provided, however, that ground floor commercial use shall not be required on lots in the NC zone having frontage along Sixth Street between Brunswick and Division Streets, or Seventh Street between Brunswick Street and Newark Avenue, or Division Street between Sixth and Eighth Streets.

[Amended 11-8-2006 by Ord. No. 06-131; 3-12-2008 by Ord. No. 08-024]

8. Parks and playgrounds.
9. Residential apartments above ground floor.

[Amended 3-12-2008 by Ord. No. 08-024; 3-25-2015 by Ord. No. [15-031](#)]

10. Ground floor residential on lots having frontage on Sixth Street between Brunswick and Division Streets, on Seventh Street between Brunswick Street and Newark Avenue, or on Division Street between Sixth and Eighth Streets.
11. Educational facilities, public and private, above ground floor.

[Amended 11-8-2006 by Ord. No. 06-131]

12. Bars.
 13. Child day care centers.
 14. Medical offices.
- [Added 3-14-2007 by Ord. No. 07-035]

15. Any combination of the above.

C. Uses incidental and accessory to the principal use, such as:

1. Off-street parking.
2. Fences and walls.
3. Signs.
4. Sidewalk cafés associated with category one and two restaurants.
5. T.V., radio, and/or stereo systems accessory to bars and restaurants.

[Added 1-25-2012 by Ord. No. 12-002]

6. Live entertainment accessory to Category One restaurants only, subject to issuance of a "Restaurant Entertainment License" by the Division of Commerce and the restrictions as to decibel level, hours of operation, and location of entertainment providers attached to that license (see Ordinance #12-001), with the exception of properties on Lower John F. Kennedy Boulevard where no live entertainment shall be permitted.

[Added 1-25-2012 by Ord. No. 12-002]

D. Bulk Standards for Neighborhood Commercial Uses:

1. All existing lots of record at time of the adoption of this ordinance are considered conforming.
2. Minimum Lot Size: Two thousand five hundred (2,500) square feet.
3. Minimum Lot Width: twenty-five (25) feet.
4. Minimum Lot Depth: One hundred (100) feet.
5. Front Yard Setback: None.
6. Minimum Side Yard: None.
7. Minimum Rear Yard: Fifteen (15) feet, provided, however, that where lot depth exceeds one hundred (100) feet, the minimum rear yard shall be increased by five linear feet for every ten (10) linear feet of increase in lot depth.

[Amended 8-16-2006 by Ord. No. 06-090]

8. Minimum Building Height: Three stories.

9. Maximum Building Height

[Amended 11-8-2006 by Ord. No. 06-131]:

- a. Four stories from grade where on-site parking is not required (see Parking Standards for NC uses); five stories from grade where on-site parking is required regardless of whether parking level is below, at, or above grade.
- b. Minimum floor to ceiling height shall be nine feet for all floors except those devoted to parking; maximum floor to ceiling height for residential floors shall be twelve (12) feet.

E. Parking Standards for Neighborhood Commercial uses:

1. No on-site parking is required for existing uses, or for adaptive reuse of existing buildings, or for development on any lot that is located within five hundred (500) feet of a PATH station entrance.

[Amended 11-8-2006 by Ord. No. 06-131]

2. Parking is required for new construction on lots over fifty (50) feet wide that are not located within five hundred (500) feet from a PATH station entrance, or for construction on any lot along the Lower John F. Kennedy Boulevard NC District (from south side of Winfield Ave. to Bayonne City line) subject to the following requirements

[Amended 11-8-2006 by Ord. No. 06-131]:

a. Offices (except medical offices): One space per one thousand (1,000) square feet, excluding the first five thousand (5,000) square feet of ground floor area, except along Lower John F. Kennedy Boulevard where no such exclusion shall apply.

[Amended 3-14-2007 by Ord. No. 07-035]

b. Medical Offices: One space per five hundred (500) square feet, excluding the first two thousand (2,000) square feet of ground floor area, except along Lower John F. Kennedy Boulevard where no such exclusion shall apply.

[Added 3-14-2007 by Ord. No. 07-035]

c. Retail Sales of Goods and Services: One space per six hundred (600) square feet, excluding the first five thousand (5,000) square feet of ground floor area, except along Lower John F. Kennedy Boulevard where no such exclusion shall apply.

d. Financial Institutions: One space per six hundred (600) square feet, excluding the first five thousand (5,000) square feet of ground floor area, except along Lower John F. Kennedy Boulevard where no such exclusion shall apply.

e. Restaurants: One space per four seats, excluding the first five thousand (5,000) square feet of ground floor area, except along Lower John F. Kennedy Boulevard where no such exclusion shall apply.

f. Theaters and Museums: One space per four seats, excluding the first five thousand (5,000) square feet area, except along Lower John F. Kennedy Boulevard where no such exclusion shall apply.

g. Residential apartments above ground floor: One space per dwelling unit.

h. Educational facilities above ground floor: Two spaces per classroom, plus two spaces per twenty (20) seats for each auditorium, gymnasium and lecture hall.

Chapter 260 - RENT CONTROL

§ 260-3. - Allowable increases. [Amended 3-13-1986 by Ord. No. C-183]

A. At the expiration of a lease or at the termination of a lease of a periodic tenant, no landlord may request or receive a percentage increase in rent which is greater than 4% or the percentage difference between the consumer price index three months prior to the expiration or termination of the lease and three months prior to the commencement of the lease term, whichever is less. For a periodic tenant or for a tenant whose lease term shall be less than one year, said tenant shall not suffer or be caused to pay more than one rent increase in any twelve-month period, commencing 15 months prior to and ending three months prior to, the effective date of the proposed increase, whichever is less.

B. No more than one such cost-of-living rental increase in any one twelve-month period shall be permitted irrespective of the number of different tenants occupying said housing space during said twelve-month period.

C. Vacant space.

[Amended 8-12-1998 by Ord. No. 98-116]

(1) In the event of a vacant housing space, the landlord may raise the rental above the cost-of-living increase without prior application being made to the Bureau of Rent Leveling, and only if he or she has made capital improvements to the housing space. Such capital improvements will entitle the landlord to increase the base rent of the vacant unit by the following amount:

(a) For capital improvements up to \$5,000 in value, the vacant unit's monthly base rent shall be increased by \$1.35 per \$100 of improvement; and

(b) For capital improvements in excess of \$5,000, the vacant unit's monthly base rent shall increase by \$1.55 per \$100 of improvement.

(2) It shall be the sole responsibility of the landlord to register the new rent of any improved unit with the Division of Tenant/Landlord Relations pursuant to [§ 260-2](#) of this chapter. No capital improvements shall be recognized under this provision unless they are made in accordance with applicable city codes and the appropriate permits are obtained. It shall be the responsibility of the landlord to document to the Bureau of Rent Leveling and prove the cost of any capital improvements in vacant housing space for which he or she desires to increase the rental.

(3) The landlord seeking a rent increase under this subsection shall pay an application fee of \$75 per unit.

D. The landlord shall supply the following information in writing to any new tenant within the first 10 days of a new tenant's tenancy: the name of and rent paid by all tenants who occupied the apartment rented by the new tenant during the prior 12 months. The landlord shall keep a written record of the information described herein. The landlord shall make this record available to the Rent Leveling Administrator or Board upon request.

E. It shall be unlawful for any landlord to charge a tenant for the use of a washing machine, refrigerator, cooking stove, air conditioner or any other appliances wherever such appliances were permitted and allowed by the landlord without extra charge. The use of such appliances shall be considered as included in the former rents. Any such extra charge in such situation shall be considered as an unauthorized increase in rents and shall be unlawful unless approved by the Rent Leveling Board. Any landlord who has heretofore charged for such appliances shall be in violation of this chapter and shall be liable for punishment as such.

F. Any landlord seeking a major capital improvement rent increase based upon a substantial improvement of the dwelling and/or housing space must include in the notice to the tenant a landlord certification that said dwelling and housing space is in substantial compliance as defined by this chapter. All work done on the structure and premises must have been with approval of the appropriate agency or department as evidenced by requisite permits. The completed construction must be in accord with building, fire and other code regulations. A certificate of occupancy, where required by law, and a certificate of code compliance, including a housing inspection report based upon an actual inspection made within six months of the date of the landlord's application, must be produced as evidence. For the purpose of this section only, "substantial improvement" shall mean that the cost of the capital improvements exceeds 50% of the current assessed value, as adjusted to 100% by the county tax equalization ratio prior to the improvements being made

(1) If a landlord is determined to be in substantial compliance the increase shall be payable from the date set forth in the original notice of rent increase.

(2) If a landlord is determined not to be in substantial compliance at the time of the hearing, then the Board may grant provisional approval for the capital improvement and rent increase with such approval to be reviewed within six months. In the event that the subject property is brought into substantial compliance within the six-month period, then the provisional approval shall become final.

(3) In the event that the subject property is not brought into substantial compliance within the six-month period, but the owner has within this period made significant progress toward substantial compliance, the provisional approval shall continue with a further review being scheduled within the following three months. If the property is brought into substantial compliance within the additional three months, the provisional approval shall become final.

(4) In the event that the owner has not brought the property into substantial compliance or made significant progress toward substantial compliance within the six-month initial period or fails to bring the property into substantial compliance after being accorded the additional three-month extension, the owner provisional approval shall terminate and any capital improvement rent increase collected shall be immediately refunded to the tenant who paid the increase.

(5) Any capital improvement rent increase approved pursuant to this section shall take effect from the date of determination by the Board upon proper notice as required by the laws of the State of New Jersey.

G. Any landlord seeking a hardship increase shall include with the application an actual inspection report from the local building or property maintenance department based upon an inspection made within six months prior to the application. An application without said inspection report shall be void. The hearing officer may request an inspection if no inspection report is included in such application. The determination of substantial compliance shall be made by the Rent Leveling Board upon reviewing the list of violations, if any, set forth in the inspection report. If there are any objections thereto, then either party may file a complaint with the Board and a hearing shall be scheduled. The Chairperson of the Board shall intervene whenever necessary, upon request of any party to an application, to assure a prompt inspection by the appropriate department.

(1) If a landlord is determined to be in substantial compliance, then the hardship request shall be processed subject to the requirements set forth in [§ 260-10](#) of this chapter.

(2) If a landlord is determined not to be in substantial compliance at the time of the hearing on the hardship application, and the Board determines, after hearing, that the application would otherwise be granted, then the Board may grant provisional approval for the hardship application with such approval to be reviewed within six months. In the event that the subject property is brought into substantial compliance within the six-month period, then the provisional approval shall become final.

(3) In the event that the subject property is not brought into substantial compliance within the six-month period but the owner has, within this period, made significant progress toward substantial compliance, the provisional approval shall continue with a further review being scheduled within the following three months. If the property is brought into substantial compliance within the additional three months, the provisional approval shall become final.

(4) In the event that the owner has not brought the property into substantial compliance or made significant progress toward substantial compliance within the six-month initial period or fails to bring the property into substantial compliance after being accorded the additional three-month extension, the owner's provisional approval shall terminate and any rent increase collected shall be immediately refunded to the tenant who paid the increase. In the event that a provisional approval is so terminated, the Board shall dismiss the hardship application. An owner whose application has been so dismissed may reapply for a hardship rental increase. Any reapplication shall be considered an original application under [§ 260-10](#).

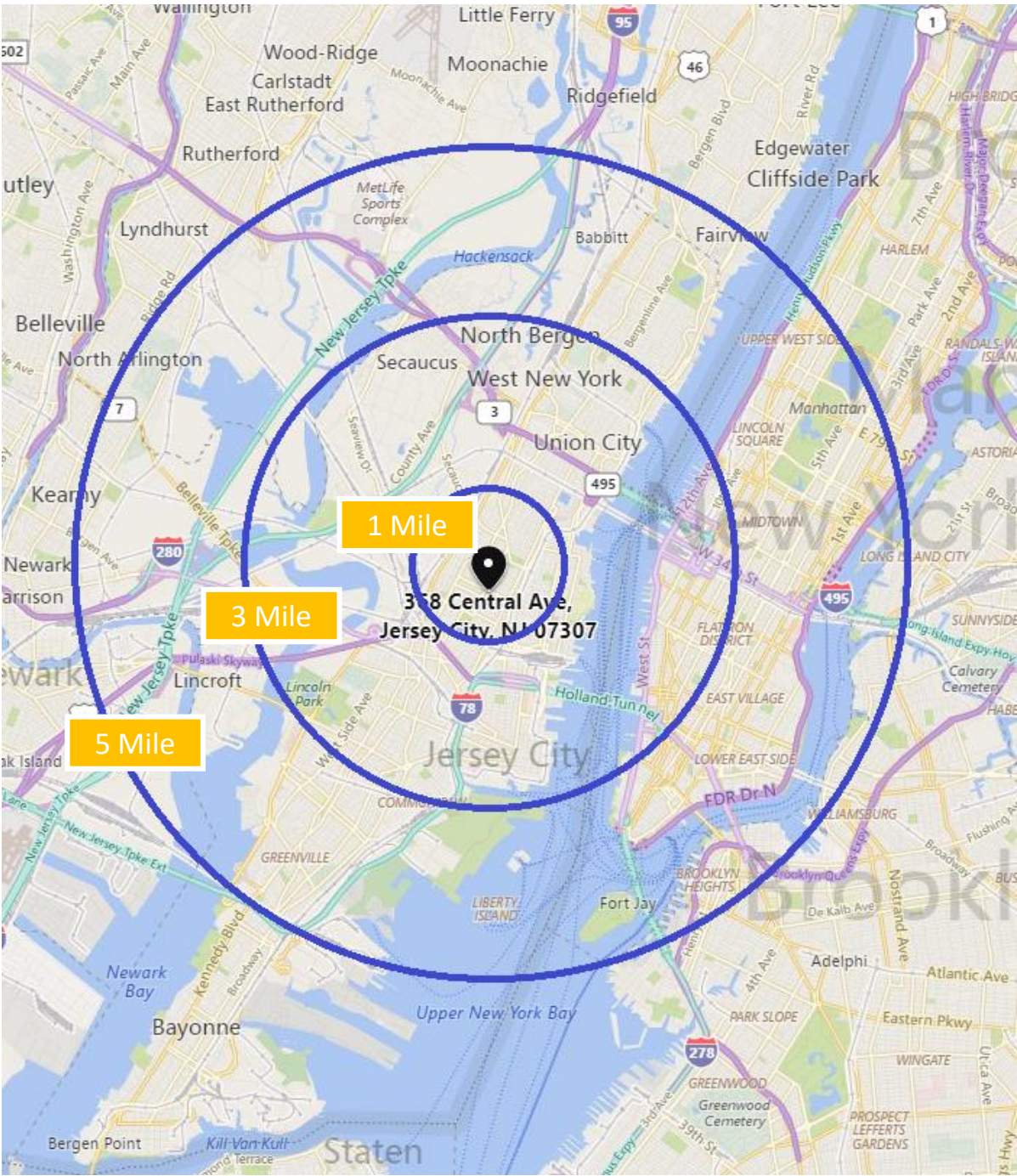
[Amended 4-23-1987 by Ord. No. C-451]

H. The landlord shall register the rent roll with the Rent Leveling Bureau in order to qualify for any rental increase.

I. If the landlord does not inform or misinforms the tenant concerning the rent paid by the prior tenants or in any manner illegally increases the tenant's rent, the Rent Leveling Bureau shall then accept, hear and adjudicate a compliance of an illegal increase.

J. The landlord shall provide to each tenant a copy of the Truth-In-Renting Statement and subsequent amendments to said statement and be in full compliance with the landlord identity disclosure provision contained within the statement in order to qualify for any rental increase.

DEMOGRAPHICS



Daytime Population
811,958
3 Mile Radius



Average HH Income
\$128,346
3 Mile Radius

POPULATION

1 Mile	3 Miles	5 Miles
110,764	543,087	1,501,143

HOUSEHOLD

1 Mile	3 Miles	5 Miles
45,228	247,818	720,140

AVERAGE HH INCOME

1 Mile	3 Miles	5 Miles
\$105,748	\$128,346	\$139,764

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