

# OSTEN

Community Facility Condominium

• 429 Kent Avenue •

WILLIAMSBURG, BROOKLYN



**MERIDIAN**  
INVESTMENT SALES

- EXCLUSIVE LISTING -







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***The community-facility unit at The Oosten is a unique opportunity for investors to purchase a new 15-year lease with a strong school operator in the newest luxury building in Williamsburg.***

Meridian Investment Sales is pleased to exclusively present for sale the Community Facility Condominium at the brand new Oosten development – 429 Kent Avenue. Located in the heart of Williamsburg, the offering is fully leased to Brooklyn Global Prep, a language immersion school that recently signed a 15-year lease. The condominium has a dedicated entrance at the corner of Kent Avenue and South 8<sup>th</sup> Street and is three stories spanning the ground, mezzanine, and lower level. The Oosten Condominium contains 216 luxury residences. The unit spans approximately 9,500 square feet and benefits from excellent ceiling heights and great corner visibility.

Brooklyn Global Prep is founded by Danielle Marino, who is an experienced school operator with over 20 years of experience and expertise. The school will offer immersion classes in French and Mandarin for students enrolling in pre-school to second-grade. Capacity for the school will be approximately 100 students, and the elegant build-out will feature an indoor garden. Given an influx in residential development in Williamsburg over the past decade, the waterfront neighborhood has become a choice destination for families and young professionals. Brooklyn Global Prep will help fill a void in the neighborhood for private schools. Base rent is \$300,000 for the first year, rising to \$360,000 in year 2 and growing at 3% per annum thereafter. In addition, the school is paying real estate taxes and CAM over a base year, providing investors with secure, increasing cash flow.

## INVESTMENT HIGHLIGHTS



Brand new corner condominium in the heart of Williamsburg



15-year lease agreement with annual increases and expense reimbursements



Fully leased to school with excellent historical track record



Desirable neighborhood with lack of nearby private schools

ASKING PRICE: **\$4,000,000**











## PROPERTY SUMMARY

Property Name	Oosten Condominium
Address	429 Kent Avenue
Neighborhood	Williamsburg
Block / Lot	2135 / 1801
Year Built	2019
Description	Community Facility Condominium
Premises	Ground, Lower Level, Mezzanine
Total SF	9,499 SF
Ground Floor SF	5,879 SF
Mezzanine SF	1,952 SF
Lower Level SF	1,668 SF
% Common Interests	2.844%
2020 CAM Charges (Annual)	\$62,954

## REAL ESTATE TAXES

Exemptions / Abatements	421a Exemption
Tax Class	4
Tax Rate	10.694%
2020/2021 Market AV	\$687,600
2020/2021 Transitional AV	\$671,400
421a AV Exemption	(\$92,674)
2020/2021 Net Taxes	\$61,889





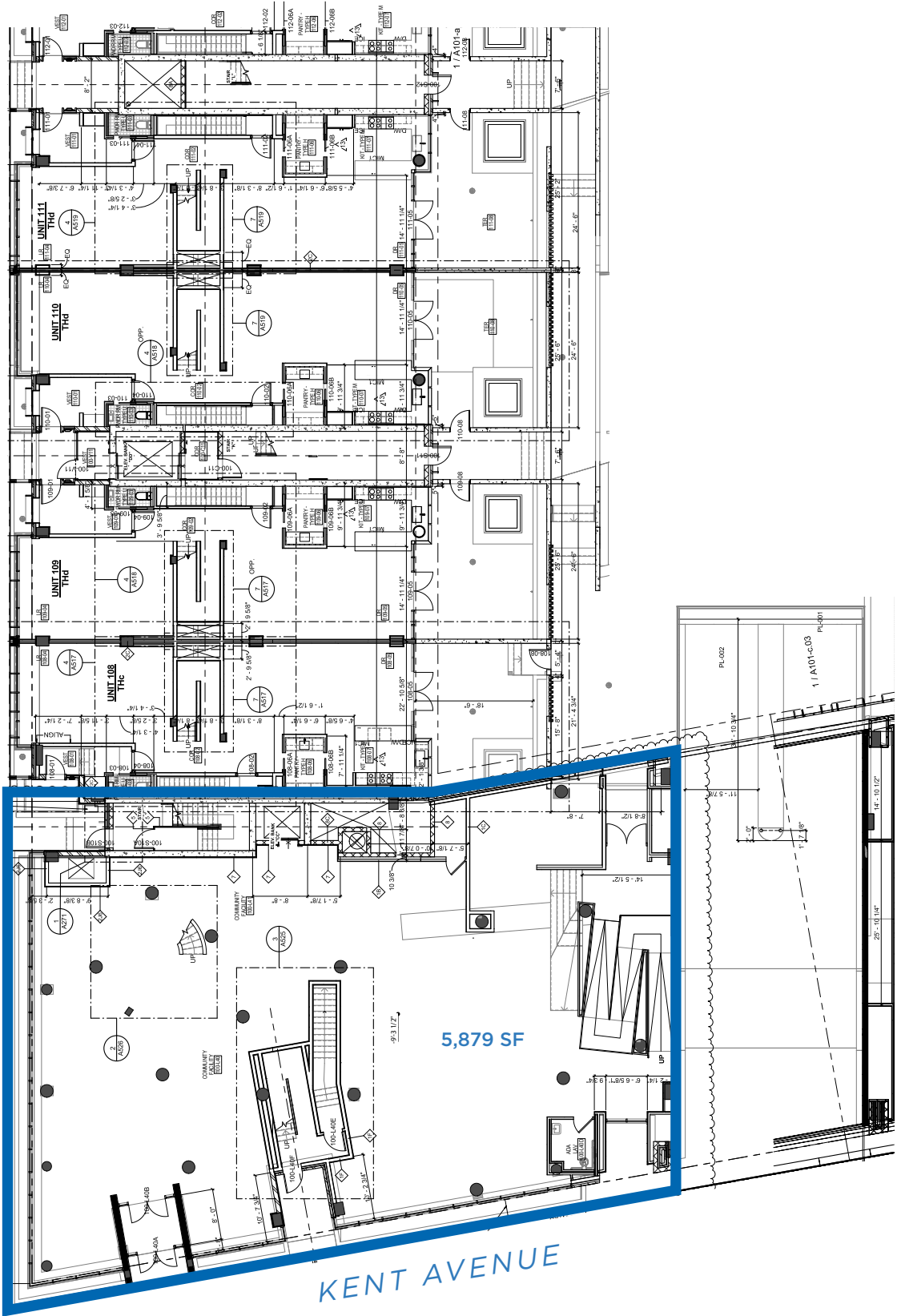






FIRST LEVEL FLOOR PLAN

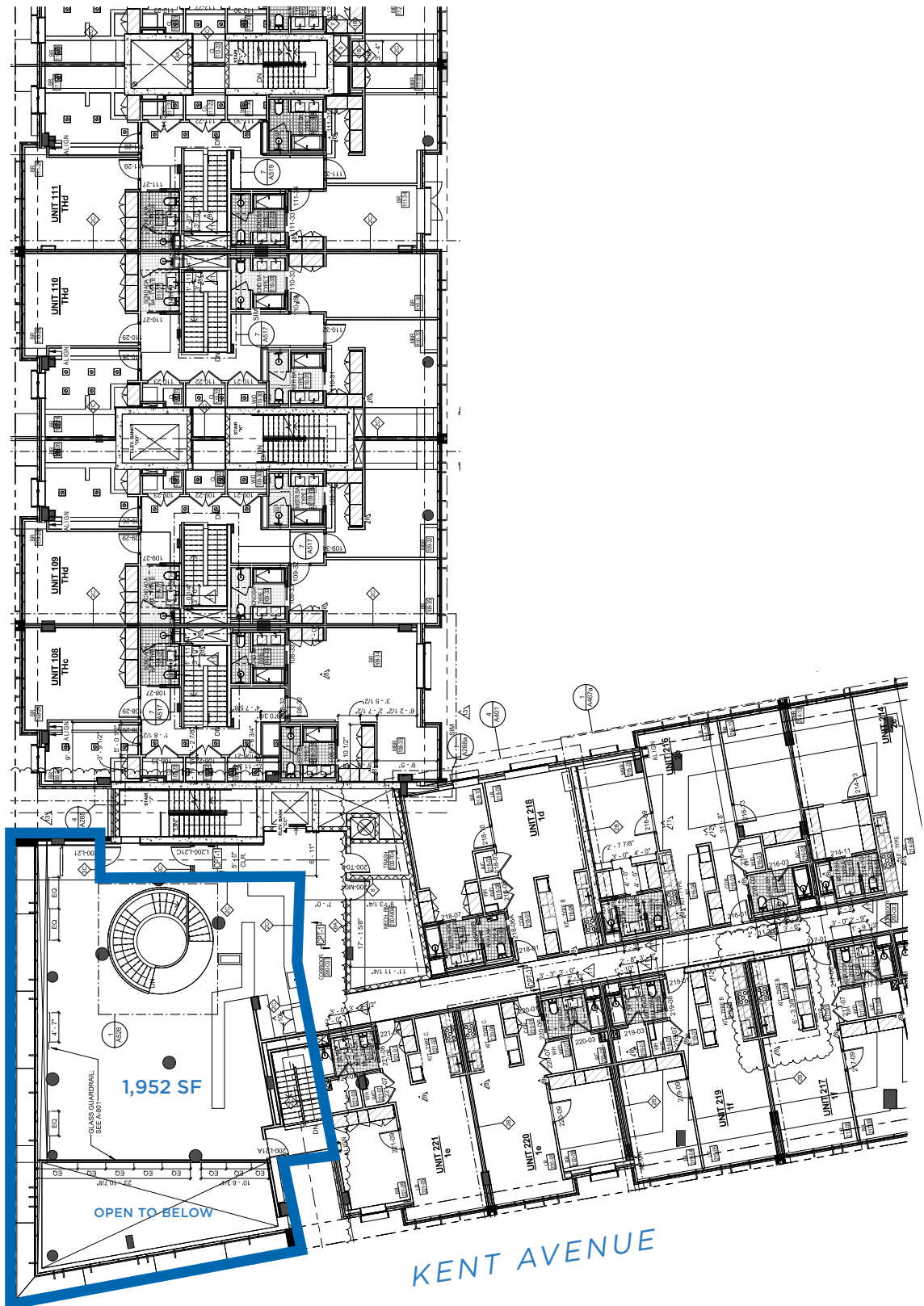
SOUTH EIGHTH STREET





SECOND LEVEL FLOOR PLAN

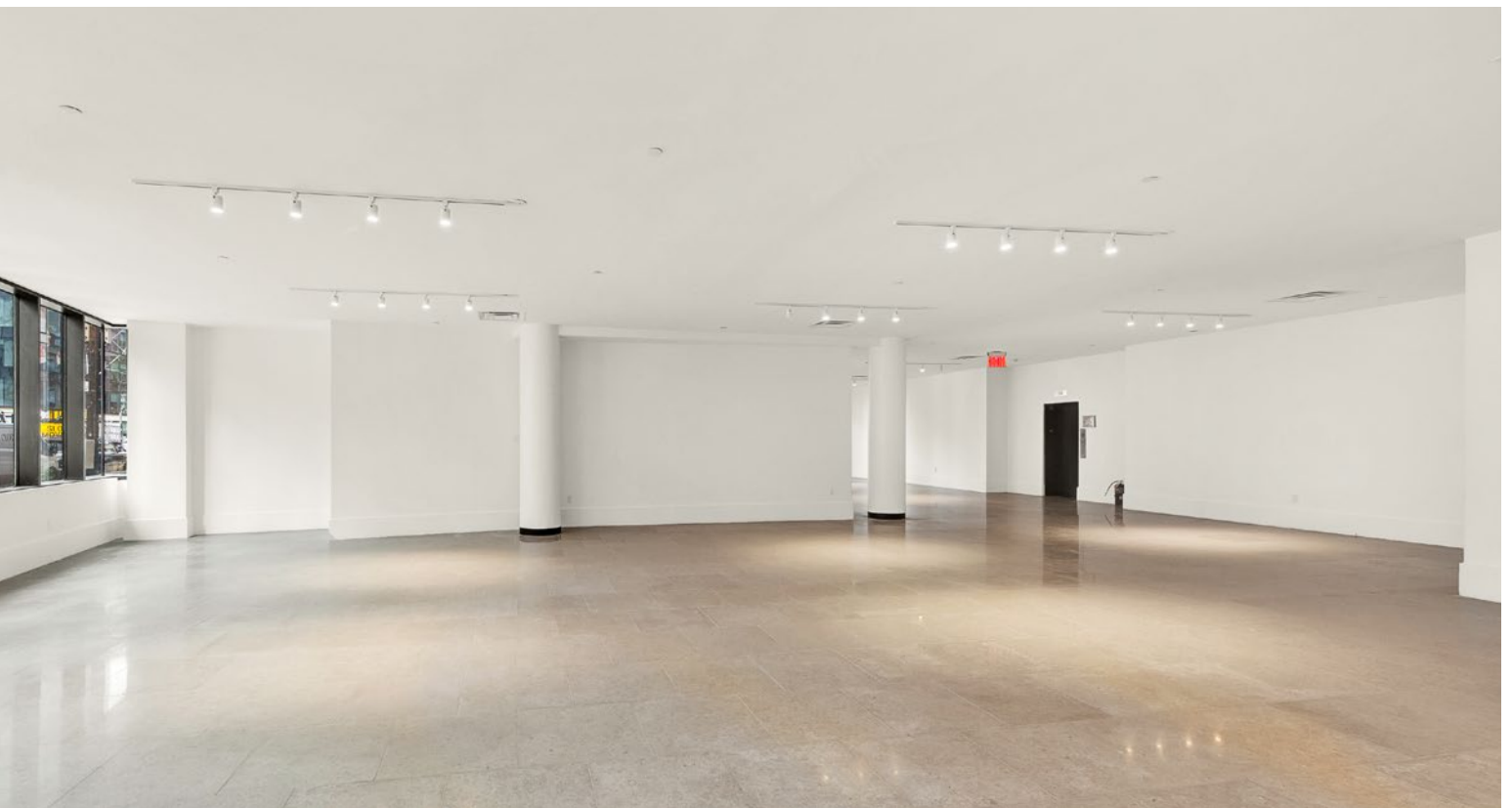
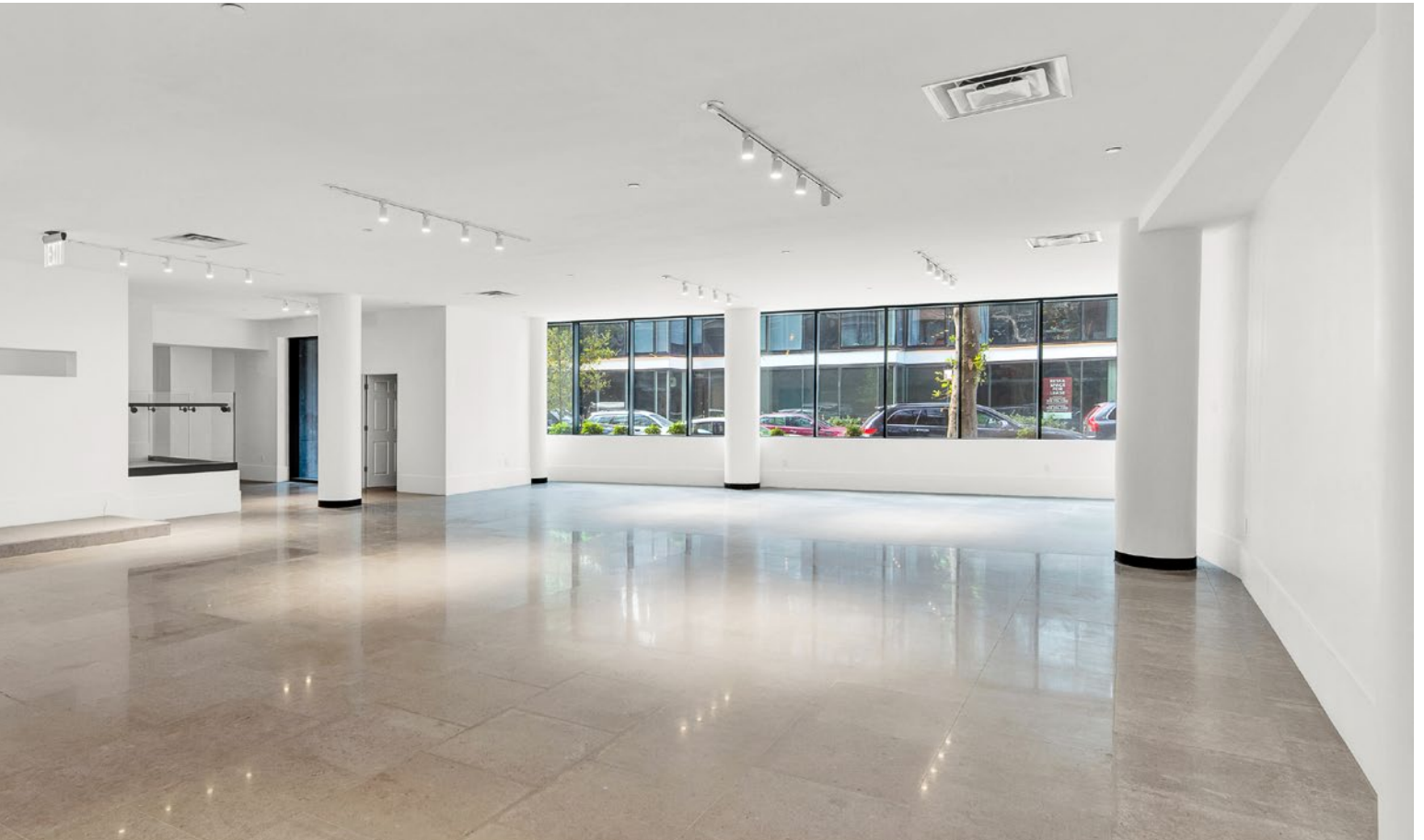
SOUTH EIGHTH STREET



KENT AVENUE

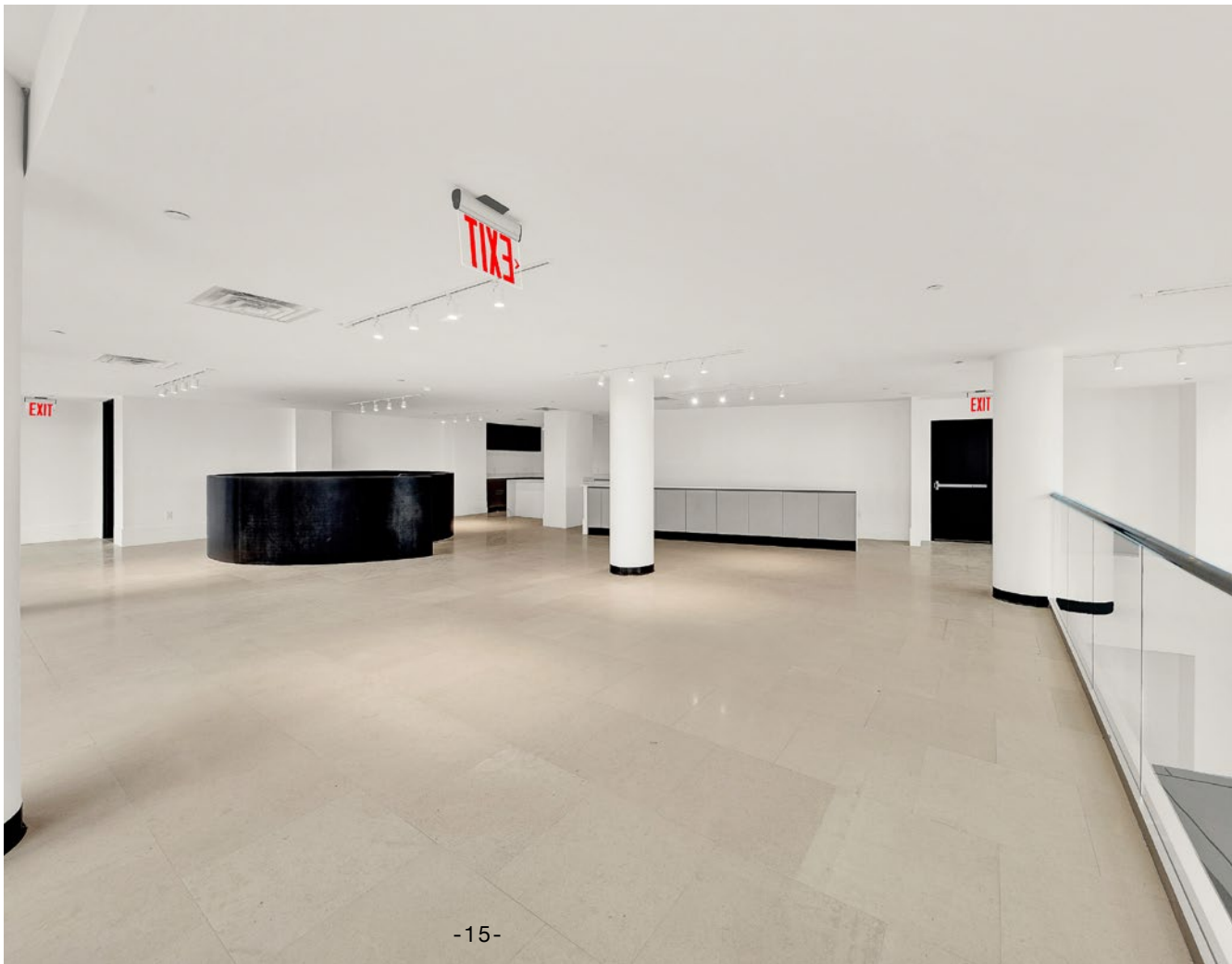


















## CASH FLOW PROJECTIONS

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Base Rent	\$300,000	\$360,996	\$371,826	\$382,981	\$394,470
Expense Reimbursements	\$0	\$3,745	\$7,603	\$11,576	\$15,669
<b>GROSS INCOME</b>	<b>\$300,000</b>	<b>\$364,741</b>	<b>\$379,429</b>	<b>\$394,557</b>	<b>\$410,139</b>

EXPENSES					
Real Estate Taxes	\$71,800	\$73,954	\$76,172	\$78,457	\$80,811
421a Benefit	(\$9,911)	(\$10,208)	(\$10,514)	(\$10,830)	(\$11,154)
Insurance	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
Common Charges	\$62,954	\$64,843	\$66,788	\$68,792	\$70,856
<b>TOTAL EXPENSES</b>	<b>\$132,343</b>	<b>\$136,314</b>	<b>\$140,403</b>	<b>\$144,615</b>	<b>\$148,953</b>

<b>NOI</b>	<b>\$167,657</b>	<b>\$228,428</b>	<b>\$239,026</b>	<b>\$249,942</b>	<b>\$261,186</b>
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## BROOKLYN GLOBAL PREP LEASE ABSTRACT

Description	Language Immersion
Unit	Entire Premises Commercial Condominium
Lease Agreement Date	9/1/2020
Lease Commencement Date	10/1/2020
Rent Commencement	Earlier of i) TCO or ii) 270 Days
Term	15 Years
Pro Rata Share	100%
CAM Reimbursement	CY 2020
Base Year CAM	\$62,954
RE Tax Reimbursement	FY 2020/2021
Base Year Taxes	\$61,889
Insurance	Tenant Policy: \$5MM Aggregate / \$2MM Occurrence
Electric	Tenant Pays
Water/Sewer	Tenant Pays
Heat	Tenant Pays
Repairs & Maintenance	Tenant Pays (Non-Structural)
Covid Concern	Up To 2 Months Abated (50% Repaid)
Estoppel	10 Days
Security Deposit	\$90,000
Renewal Option	One 5-Year Option (3% Annual Inc.)
Tenant Improvement Credit	\$30,000
Guaranty	Good Guy (180 Days)

## RENT SCHEDULE

YEAR	MONTHLY RENT	ANNUAL RENT	INCREASE
<b>1</b>	<b>\$25,000</b>	<b>\$300,000</b>	<b>-</b>
2	\$30,082	\$360,984	20.3%
3	\$30,984	\$371,814	3.0%
4	\$31,914	\$382,968	3.0%
5	\$32,871	\$394,457	3.0%
6	\$33,858	\$406,291	3.0%
7	\$34,873	\$418,479	3.0%
8	\$35,919	\$431,034	3.0%
9	\$36,997	\$443,965	3.0%
10	\$38,107	\$457,284	3.0%
11	\$39,250	\$471,002	3.0%
12	\$40,428	\$485,132	3.0%
13	\$41,641	\$499,686	3.0%
14	\$42,890	\$514,677	3.0%
15	\$44,176	\$530,117	3.0%











## WILLIAMSBURG

Williamsburg has emerged as one of New York City's most desirable residential enclaves – having undergone a tremendous transformation in the past decade fueled by its irreplaceable location just east of lower Manhattan. Now a global destination unto itself, Williamsburg is bordered by the East River to the west, Greenpoint to the north, Bushwick to the east, and Clinton Hill to the south. Home to approximately 130,000 people, Williamsburg has witnessed unprecedented recent development. A shortage of available luxury housing supply coupled with demand that continues to intensify has resulted in excellent market fundamentals.

The surrounding neighborhood embodies a culturally diverse community rich with character and charm unrivaled anywhere. The neighborhood boasts a vibrant nightlife, world-renowned cuisine, and an assortment of entertainment options – which have attracted a wonderful balance of young professionals and families. As a result, Williamsburg has experienced the largest rent growth of any single neighborhood across all of New York City in recent years, with significant demand for new luxury housing leading the surge. With artists and musicians paving the way for the community with a vibrant and distinguished way-of-life, Williamsburg progressed into what it is today: a one-of-a-kind, authentic environment which offers the culmination of different cultures and history.















### NEIGHBORHOOD AMENITIES

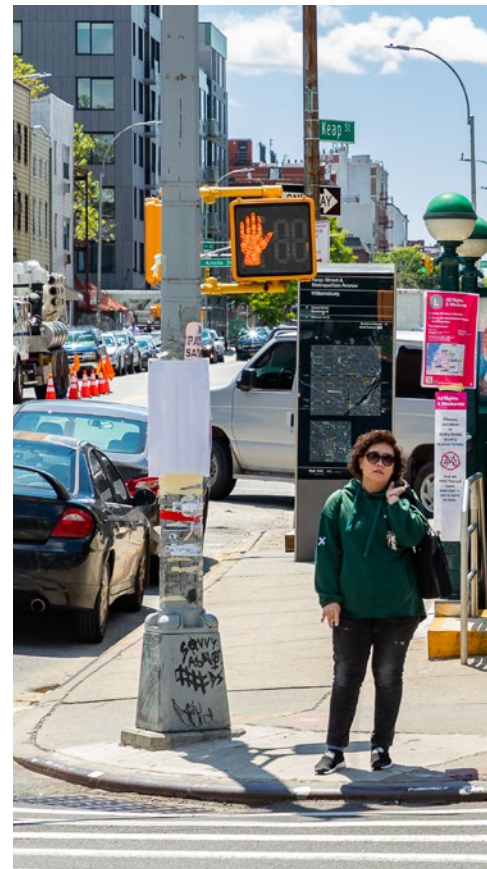
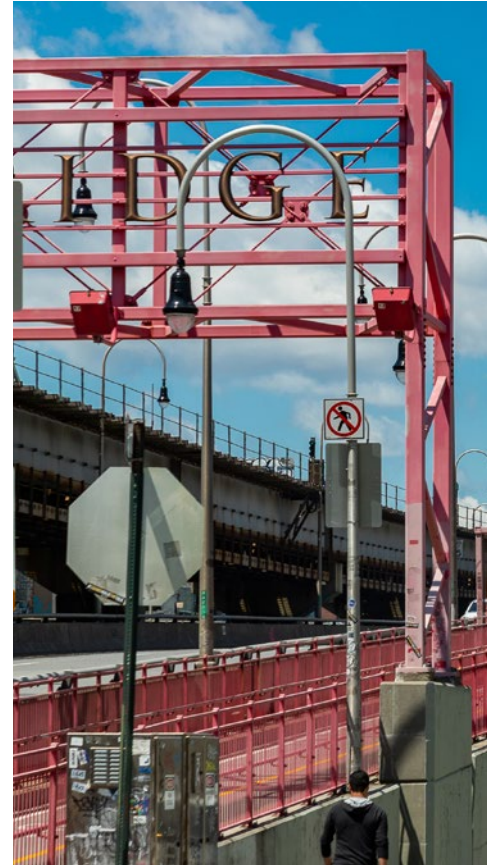
- **Supermarkets:** Williamsburg residents benefit from high-end, healthy and unique market places within short walking distance. Whole Foods Market recently opened its first outpost in the neighborhood, and additional high-end grocery markets including Brooklyn Harvest Market, Foodtown, and Midoriya are all located nearby.
- **Dining:** Williamsburg has emerged as a dining destination in NYC. There are an abundance of world-class dining institutions located in the surrounding neighborhood, including Misi, La Superior, Sunday in Brooklyn, Marlow & Sons, Meadowsweet, and Peter Luger's Steakhouse.
- **Arts & Culture:** In addition to a host of neighborhood staples such as the Williamsburg Art & Historical Center and the Nitehawk Cinema, annual festivals such as Smorgasburg, the Williamsburg Book Festival, and the Williamsburg Music Hall present an all-encompassing live-work-play experience.
- **Brooklyn Bowl:** An all-encompassing entertainment venue which offers bowling, high-quality eats and concerts highlighted by a weekly Questlove DJ set.
- **Nearby Parks:** East River State Park is an 11-acre state park located along the Williamsburg waterfront. Opened in 2007, the Park hosts the Smorgasburg Food Fair and offers stunning views of the Manhattan skyline. Other nearby parks include Cooper Park, McCarren Park, and Martinez Playground.

## NEW DEVELOPMENTS

- The William Vale Hotel: Completed in Spring 2017, the luxury boutique hotel offers the longest hotel pool in Brooklyn, world-class dining courtesy of Chef Andrew Cermellini, art gallery space and a 24/7 on-site parking garage.
- Wythe Hotel: Originally constructed in 1901 and recently redeveloped into a boutique luxury hotel equipped with The Reynard Restaurant, The Ides Bar and a rooftop bar.
- 325 Kent Avenue: Developed by Two Trees Management and Designed by SHoP Architects, the 525 unit mixed-use building is nearing completion. With the unrivaled Manhattan Views singular to Kent Avenue, residents will enjoy a 7,000 square foot roof deck, fitness center, parking garage, concierge service and much more.

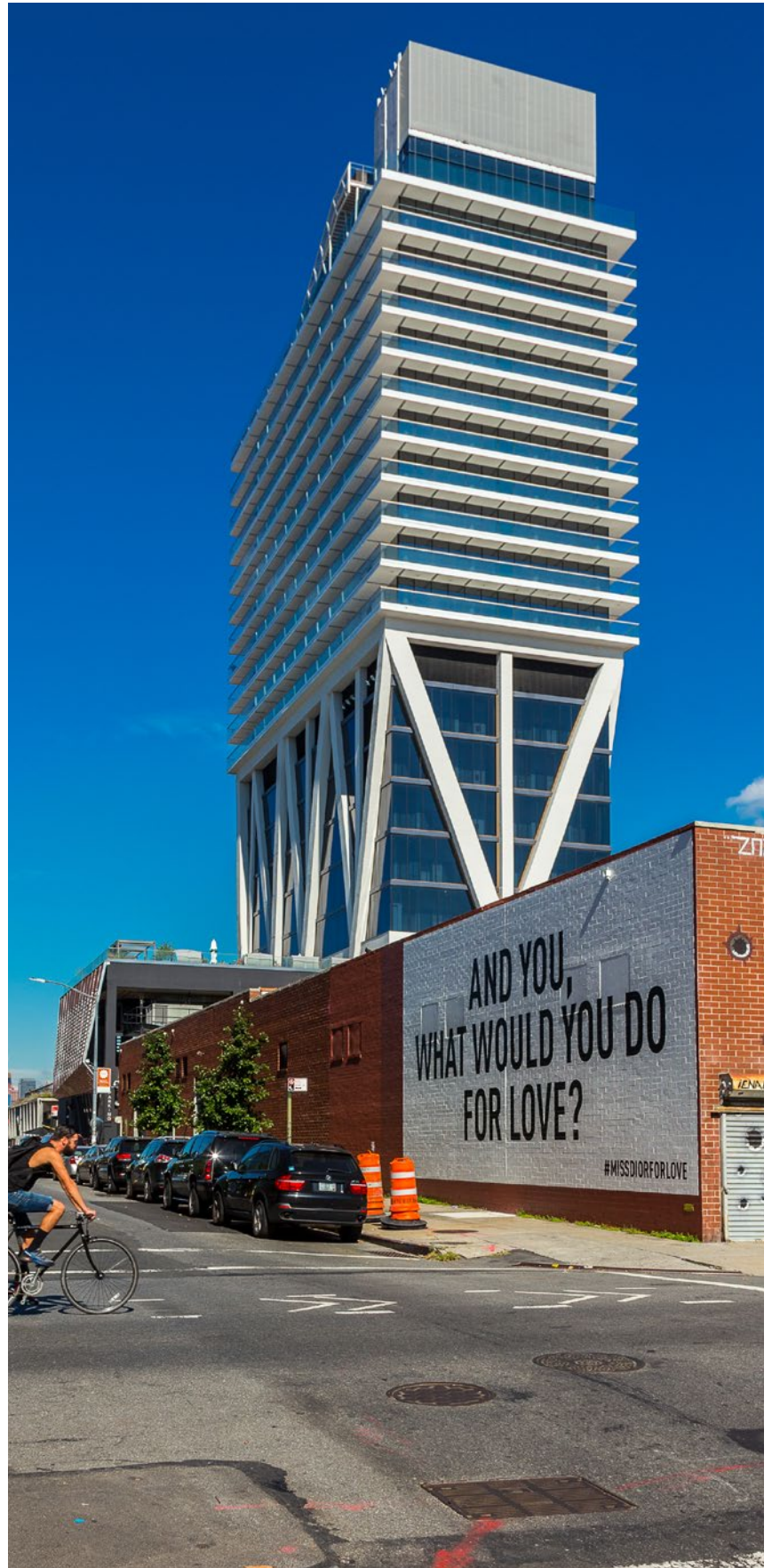
## TRANSPORTATION

- The Marcy Avenue train station is located a short walk from the property, offering access to the M, J, and Z trains.
- The South Williamsburg ferry station is located less than a block away from the Oosten development.
- There are numerous MTA bus lines and Citi Bike stations located within a few blocks of the property.





## LOCATION OVERVIEW



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By receipt of the Brochure, you agree that the Brochure and its contents and information are of a confidential nature, that you will hold and treat it and all information therein in the strictest confidence, and that you will not disclose the Brochure or any of its contents or information to any other entity without the prior written authorization of Owner, nor will you use the Brochure or any of its contents or information in any manner detrimental to the interest of Owner or MCG. You acknowledge and agree that any breach of this confidentiality clause will cause injury to Owner and/or MCG for which money damages may not be an adequate remedy and that, in addition to remedies at law, Owner and/or MCG is entitled to equitable relief as a remedy for any such breach.

It is essential that all parties to real estate transactions be aware of the health, liability and economic impact of environmental factors on real estate. MCG does not conduct investigations or analysis of environmental matters and,

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While the Brochure contains physical description information of the Property, there are no references to its condition. Neither Owner nor MCG make any representation as to the physical condition of the Property. Prospective purchasers, mortgagees, investors, lenders or lessees should conduct their own independent engineering report and any other reports or inspections they deem necessary to verify property condition.

In the Brochure, certain documents, including leases and other materials, are described in summary form. The summaries do not purport to be complete nor, necessarily, accurate descriptions of the full terms or agreements involved, nor do they purport to constitute a legal analysis of the provisions of the documents. Interested parties are expected to independently review all relevant documents which may or may not be referenced in this Brochure. The terms and conditions stated in this section will relate to all of the sections of the Brochure as if stated independently therein. If, after reviewing the Brochure, you have no further interest in purchasing the Property, kindly return the Brochure and all other documents accompanying the Brochure to MCG at your earliest possible convenience.

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Zoning is a critical factor in the value of the Property. All zoning information must be independently verified as the Owner or MCG does not make any representation with respect thereto.

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## MERIDIAN INVESTMENT SALES TEAM

### A DIVISION OF MERIDIAN CAPITAL GROUP

Meridian's Investment Sales division is comprised of some of the top investment sales professionals in New York City. With more than 75 years of combined New York real estate transactional experience exceeding \$35 billion in value, Meridian's team of investment sales professionals includes best-in-class expertise across a breadth of asset types, transaction sizes, and sub markets. Meridian's team has an intimate knowledge of New York City real estate, knowing neighborhoods on a door-by-door basis, and has a deep and detailed understanding not just of how a property's tenancy and cash flow drive value, but also of how drivers such as zoning, land use, air rights, and alternative uses play a key role in determining a property's true market value. The Meridian team has an unparalleled knowledge of the buyer base and capital flows germane to the New York City investment sales market at any given point in time, and maintains excellent working relationships with a wide array of local, national, and international buyers.

Meridian's Investment Sales professionals have transacted in New York City over the course of many macro and micro market cycles. As such, clients seek out Meridian's team not only when they have decided to sell a property, but also as trusted advisors that can offer unique perspectives relative to portfolio management, risk mitigation, and value creation.

Meridian Capital Group was founded in 1991. It is widely recognized as one of the leading and prolific commercial real estate finance and advisory firms in the country. Meridian has arranged \$286 billion of commercial real estate financings, including more than 48,231 transactions in 49 states.

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