

# 112 E 19

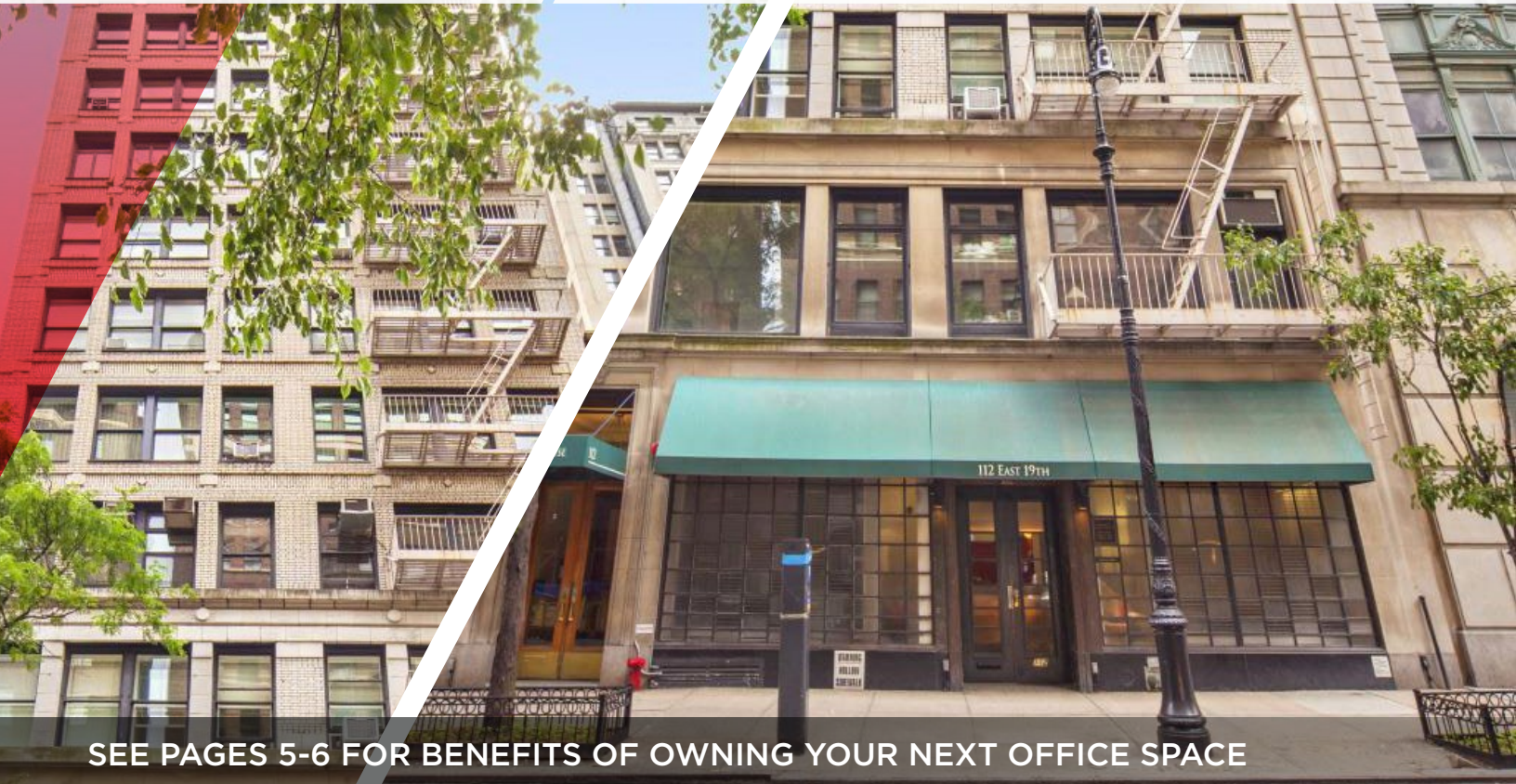
Between Park Avenue South and Irving Place



ASKING PRICE  
**\$2,950,000**

## PRIME GROUND FLOOR OFFICE COOP FOR SALE

Be safe and feel safe on the ground floor with your own entrance. Avoid lobbies, elevators, common areas and frequent touch points altogether.



SEE PAGES 5-6 FOR BENEFITS OF OWNING YOUR NEXT OFFICE SPACE



### RENTABLE SQUARE FEET

Ground Floor	4,505
Lower Level	2,301
Total SF	6,806 (*with a 27% Loss Factor)



### CEILING HEIGHT

Ground Floor	13' 3"
Lower Level	9'



### MAINTENANCE CHARGES

\$14,500 per month
\$174,000 per year

### UNIT HIGHLIGHTS

- Delivered vacant
- Direct street access
- 13'+ high, loft-like ceilings
- Existing office installation or customizable to your needs
- 40 feet of ground floor street presence making your office easily accessible and recognizable
- One block from Gramercy Park and The National Arts Club
- Access to shared roof deck



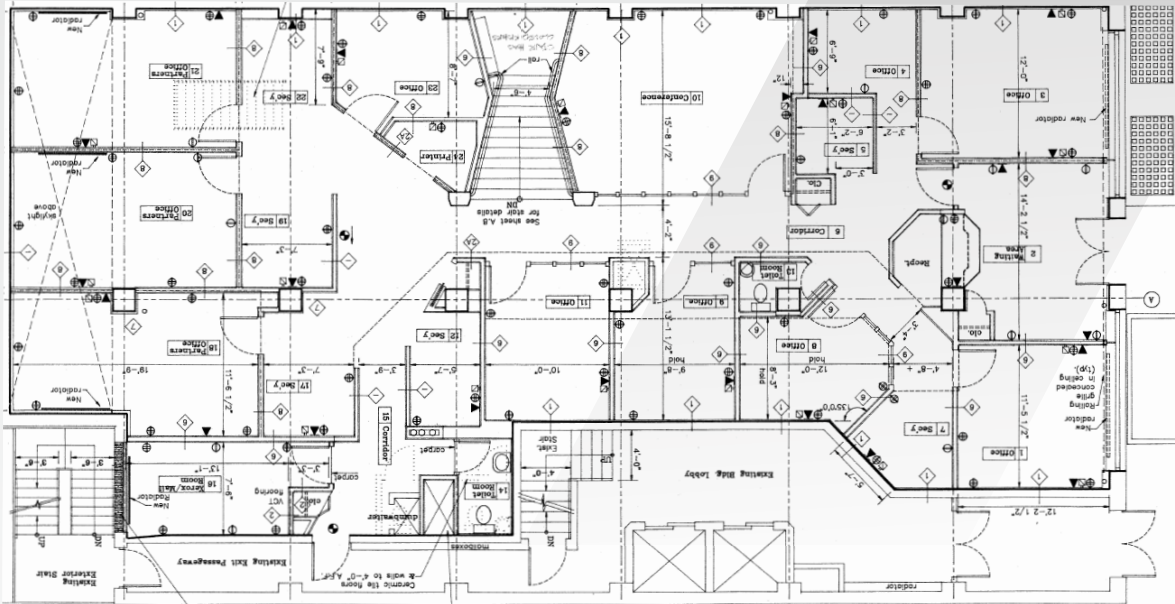
# 112 E 19

Between Park Avenue South and Irving Place

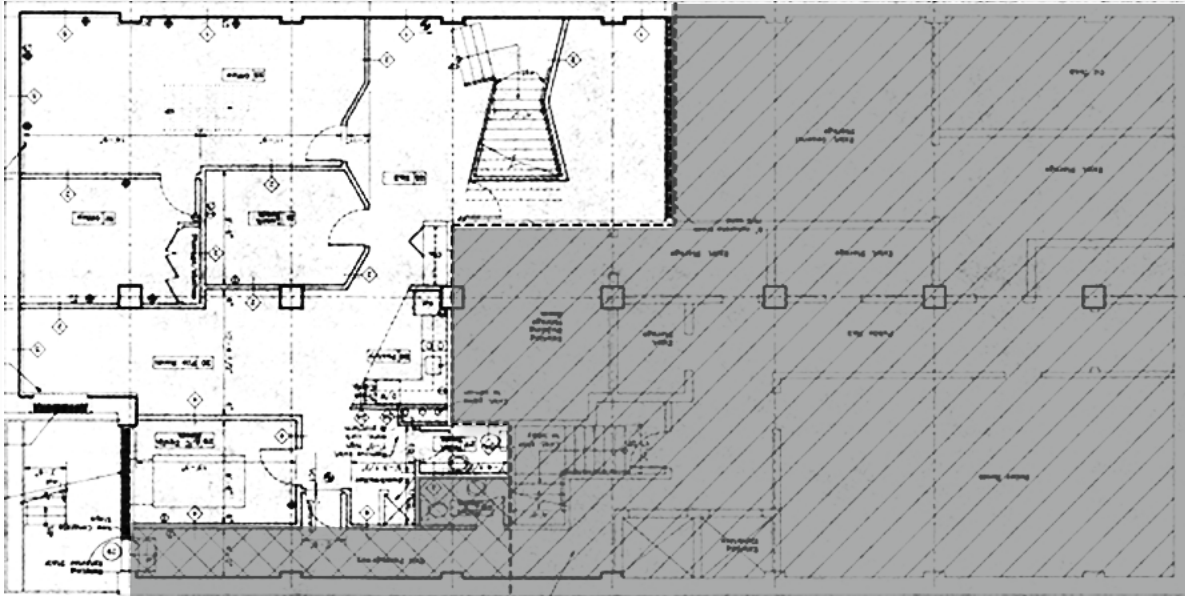




## GROUND FLOOR PLAN



## LOWER LEVEL FLOOR PLAN

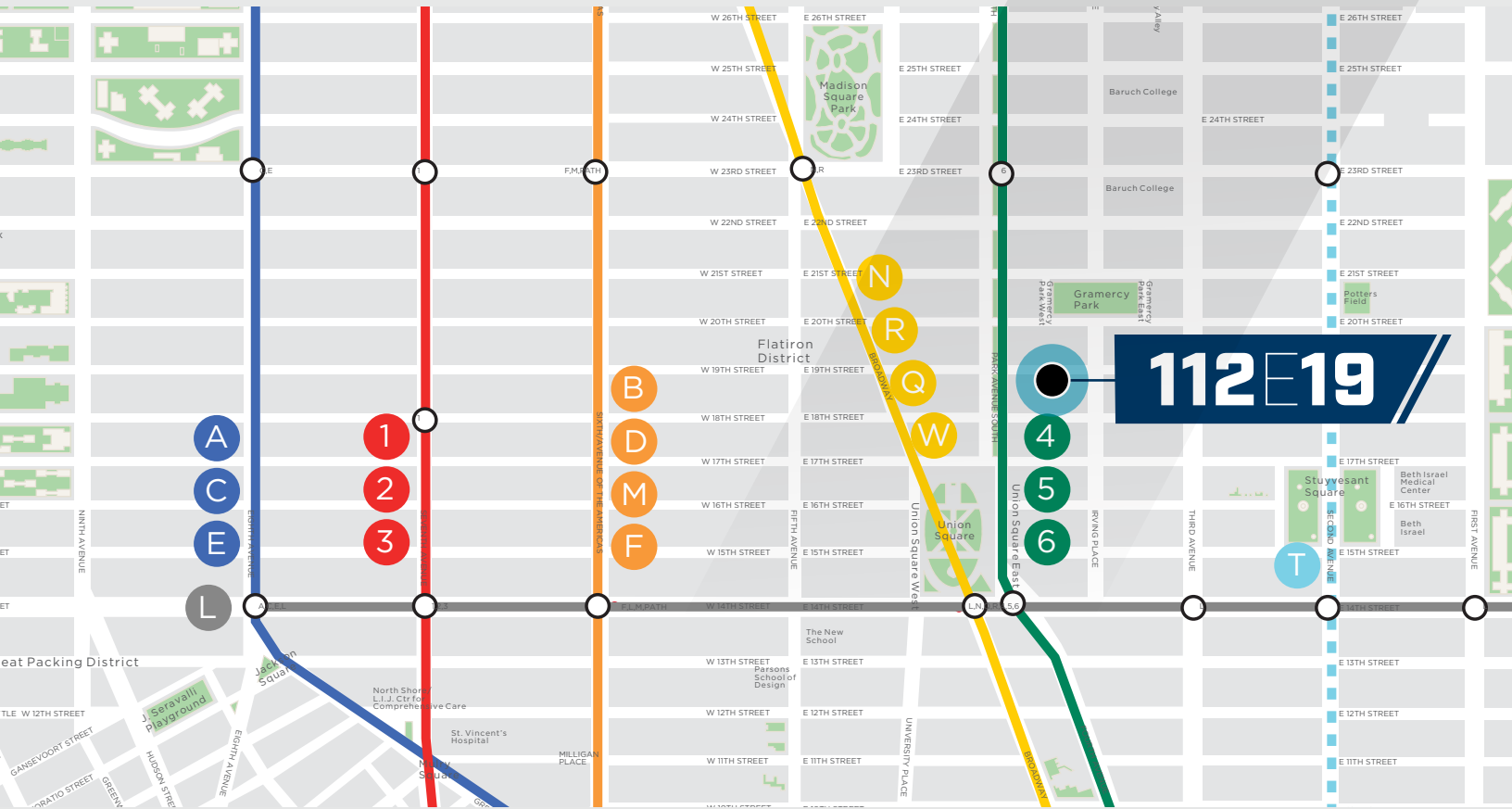


*\*These are the original plans from 1987. Some interior walls may have changed since then.*

- Reception area
- 1 large conference room
- 11 private offices
- Bullpen with workstations
- Pantry
- Lunchroom
- I.T./Telephone equipment room
- Copy room
- 3 Bathrooms
- Large file storage room
- HVAC room

# 112 E 19

Between Park Avenue South and Irving Place



## LOCATION HIGHLIGHTS

- Located conveniently in prime Gramercy, just one block south of Gramercy Park, two blocks north of Union Square and four block south of Madison Square Park
- Surrounded by glorious historic architecture and top-notch dining, entertainment and recreation.
- Near popular restaurants including: Gramercy Tavern, ABC Kitchen, Eleven Madison Park, Eataly, Dear Irving, Union Square Cafe, Daily Provisions, Bedford Cheese Shop, and Whole Foods.
- Close proximity to the **N R Q W 4 5 6** and **L** trains, making the rest of the city just minutes away





## WHY YOU SHOULD PURCHASE YOUR NEXT OFFICE SPACE

Whether you have a growing business in need of more space or you have a burgeoning not-for-profit organization that wants to establish itself in a new location or your current office lease is expiring there is a growing marketplace recently for commercial coops and condominiums that provide users of less-than-an-entire building to acquire their office space as opposed to leasing. In most cases it's less expensive to own than it is to rent with the bonus of a payout whenever you choose to sell the unit.

### BENEFITS OF OWNING

- Build equity
- Significant carrying cost savings
- Price appreciation
- Attractive and steady financing costs
- Stabilized occupancy costs
- Depreciation
- Not-for-profit real estate tax exemptions
- Section 1031 - like-kind exchange eligibility
- Mortgage interest tax deductibility
- Own and justify higher-end buildout costs
- Excess space may be sublet to offset costs
- Owners not subject to NYC commercial rent tax

### DOWNSIDES TO LEASING

- Limited (and rarely ever) any appreciation in value for tenants to benefit from
- Rent increases over the course of a lease
- Pass-through of increases in operating expenses
- Limits on expansions and modifications
- Improvements and modifications revert back to the landlord
- Leases subject to NYC commercial rent tax
- New lease GAAP accounting rules require leases to remain on your balance sheet



To illustrate the implications of leasing versus owning, here is a real-life example illustrating typical costs of buying 112 East 19th Street versus leasing comparable space at market rent:

PURCHASE		LEASING	
Purchase Price	\$2,950,000	Market Price Per Square Foot	\$65/psf
Down Payment 35%	\$1,032,500	Square Footage of Space	6,806
Loan Amount 65%	\$1,917,500	Monthly Rent Expense	\$36,866
Interest Rate	4.49%	CAM Charge/Sq. Foot	\$7.00
Loan Term	30	Yearly Rent and CAM Increases	3%
Monthly Loan Payment	\$9,701	Months Of Free Rent	6
CAM / Assessment Charge/Sq. Foot	\$28.50		
10 YEAR OF OWNERSHIP		10 YEARS OF LEASING	
Total Mortgage Payments	\$1,164,158	Total Rent Expense	\$5,071,506
Total CAM Charges	\$2,223,660	Total CAM Charges	\$546,162
Down Payment	\$1,032,500	Security Deposit - 6 Months Rent	\$221,195
Total Cash Outflow - 10 Years	\$4,420,318	NYC Commercial Rent Tax 3%	\$156,569
		Total Cash Outflow - 10 Years	\$5,995,432
10 YEARS - OWNER TAX DEDUCTIONS		10 YEARS - LEASING TAX DEDUCTIONS	
Loan Interest	\$781,754	Total Rent	\$5,071,506
Total CAM Charges	\$2,223,660	Total CAM Charges	\$546,162
Depreciation**	\$680,769	NYC Commercial Rent Tax 3%	\$156,569
Total Tax Deductions - 10 Years	\$3,686,183	Total Tax Deductions - 10 Years	\$5,774,237
FINANCIAL POSITION AFTER 10 YEARS		FINANCIAL POSITION AFTER 10 YEARS	
Total Cash Outflow - 10 Years	\$5,164,948	Total Cash Outflow - 10 Years	\$5,995,432
Cash Benefit of Tax Deductions	(\$734,135)	Cash Benefit of Tax Deductions	(\$221,195)
Net Cash out of Pocket	\$3,686,183	Net Cash out of Pocket	\$5,774,237
Equity in Real Estate*	(\$1,414,905)	Security Deposit	(\$221,195)
Opportunity cost on Down Payment***	\$580,958	Opportunity cost on Security Deposit***	\$90,822
Financial Position After 10 Years	(\$2,852,236)	Financial Position After 10 Years	(\$5,643,864)

\*Assuming no appreciation or depreciation in the property value for the purposes of this illustration

\*\*The property is depreciated over 39 years, with a 10% allocation of purchase price to land, which is not depreciable

\*\*\*An assumed opportunity cost with a rate of return of 3.5% over 10 years

Generally there is a nominal difference in utilities and repairs expense between renting and owning, therefore it is not included in this illustration.

**All numbers used in the illustration above are estimates and are likely to change.**

Each option has its own distinct advantages, and your decision to lease or buy will hinge on a combination of financial, tax, and personal issues. As you explore the decision, bring in trusted advisors and professionals to help you understand the option that works best for your situation.

**FOR MORE INFORMATION, PLEASE CONTACT:**

**John Ciraulo**

212-660-7700

john.ciraulo@cushwake.com

**Craig Waggoner**

212-660-7744

craig.waggoner@cushwake.com

**J.P. Will**

212-660-7718

jp.will@cushwake.com

**Mike Kavanagh**

212-660-7765

mike.kavanagh@cushwake.com