



Meridian's Team Doshi sells Upper West Side asset for \$20 million

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Amit Doshi

Shallini Mehra

Manhattan, NY Meridian's Amit Doshi and Shallini Mehra sold their exclusive assignment, 5 West 91st St., a legacy asset located in the Upper West Side neighborhood. The six-story elevator building is close to Central Park and was built in 1972 under the Mitchell-Lama Housing Program. The program provided developers with tax abatements in exchange for providing affordable housing to help create ethnically and economically diverse communities and neighborhoods. The property came out of the Mitchell-Lama program in 2006, transitioning into a rent-stabilized building.

5 West 91st St. traded for \$20 million, yielding a capitalization rate of 3.40%, \$417 per s/f, \$417,000 per unit, and a gross rent multiplier of 13.8 times. The property previously traded to notable landlords including Leslie Westreich, Lawrence Gluck of Stellar Management in 2006, Danny Fishman of Gaia Real Estate in 2010, and to the Park family in 2013. The 48,972 s/f property consists of 48 apartments and features 150 ft. of frontage between Central Park West and Columbus Ave.

“The passing of the historic rent law changes (HSTPA 2019) fundamentally changed the market dynamics: all that mattered to investors was achieving a 5.00% capitalization rate. The family who bought this asset is a long-standing client with a long-term view. We know their strategy well and previously sold them 90% of their existing portfolio, which is mostly in the boroughs,” said Doshi.

“The purchaser wanted 15-year fixed financing, which Meridian achieved with an agency lender, along with a 10-year interest-only period, significantly enhancing cash flow over that time,” said Mehra.

The building boasts zero violations and is 40% free market. The building features a modern lobby, a new boiler, and each unit has a balcony, many with views of Central Park. The basement has ample room to add a gym and the large backyard is ripe for creating a formal garden for the exclusive use of tenants.

Doshi and Mehra represented both parties. Matthew Schneid of Cole Schotz LLP represented the seller, and Anthony Simari of Holm & O’Hara LLP represented the purchaser.