



## **Meridian's Doshi and Mehra sell 67-unit art deco building in the Bronx for a record 4.25% cap rate**

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Amit Doshi

Shallini Mehra

Bronx, NY Meridian's Amit Doshi and Shallini Mehra closed on the sale of 1815 Monroe ave., a six-story Art Deco elevator apartment building located at the southeast corner of Monroe ave. and

East 175th st. in the Mount Hope/Tremont neighborhood of the Bronx. Built in 1936, this 66,300 s/f residential building includes 67 apartments and has 240 feet of wraparound frontage. The property traded for \$7.45 million, yielding a gross rent multiplier of 9.2 times and a capitalization rate of 4.25%. This is the first sale of the property in over 50 years.

“The building does not have aggressive rents, but by legally creating additional lower-level units, the seller was able to increase the income, resulting in a higher cap rate. The buyer has several properties in the immediate area and thus is able to create economies of scale with this acquisition,” said Mehra.

“We continue to be bullish in the rent stabilized world, as most owners we interact with are comfortable with initial lower returns on stable assets. A primary market driver today is the low interest rate environment and after having sat on the sidelines, owners are coming in strong and driving the deals,” said Doshi.

Meridian’s Michael Kesselman and his team were able to procure 70% loan-to-value acquisition financing from a balance sheet lender to finance the purchase.