



3460-3462 **MIDVALE AVE**

PHILADELPHIA, PENNSYLVANIA

Marcus & Millichap

MACLAREN, TOWNSEND
AND TALONE GROUP

SECTION 1

Introduction

INVESTMENT OVERVIEW

ADDITIONAL PHOTOS

Marcus & Millichap

Investment Highlights

1. Attractive Assumable Debt of 3.87% Maturing May 2030
2. 10 Year Tax Abatement – Ends December 2027
3. 9 Units – 2017 Conversion in the Heart of the East Falls Neighborhood of Philadelphia
4. Diverse Unit Mix: 1-, 2-, and 3-Bedroom Units
5. High-End Finishes – Stainless Steel Appliances, Granite Counter Tops
6. Unique Floor Plans with High Ceilings
7. Nicely Landscaped Ground with Room for Outdoor Amenity Space

The Offering

Marcus & Millichap is pleased to present for sale **3460 Midvale** - A 9-unit apartment building in the East Falls neighborhood of Philadelphia. The property was converted in 2017, and has Philadelphia's full ten-year tax abatement until December of 2027.

The property consists of five (5) one-bedroom units, three (3) two-bedroom units, and one (1) three-bedroom unit. Units feature high-end finishes with gourmet kitchens, stainless appliances, washer/dryers, and secured keyless entry. The property is poised to deliver strong returns, given the unique units and highly desirable location. With the assumable financing in place, a buyer will be able to take advantage of the sub-4% interest rate for seven more years.

ADDITIONAL PHOTOS // 3460-3462 Midvale Avenue



SECTION 2

Financial Analysis

FINANCIAL DETAILS

Marcus & Millichap

FINANCIAL DETAILS // 3460-3462 Midvale Avenue

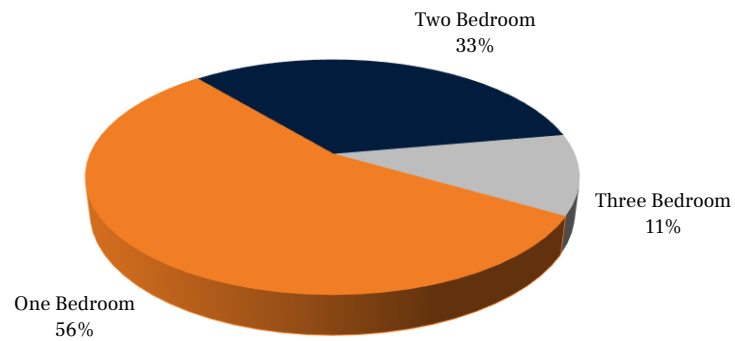
As of July, 2023

UNIT	UNIT TYPE	Square Feet	SCHEDULED Rent / Month	SCHEDULED Rent / SF/ Month	POTENTIAL Rent / Month	POTENTIAL Rent/ SF/ Month
101	1 BR / 1 BA	750	\$1,525	\$2.03	\$1,575	\$2.10
102	1 BR / 1 BA	600	\$1,595	\$2.66	\$1,595	\$2.66
103	1 BR / 1 BA	775	\$1,625	\$2.10	\$1,625	\$2.10
201	1 BR / 1 BA	700	\$1,575	\$2.25	\$1,600	\$2.29
202	1 BR / 1 BA	700	\$1,600	\$2.29	\$1,600	\$2.29
203	2 BR / 1 BA	1,050	\$1,983	\$1.89	\$2,000	\$1.90
301	2 BR / 1 BA	900	\$1,795	\$1.99	\$1,900	\$2.11
302	2 BR / 1 BA	850	\$1,876	\$2.21	\$1,900	\$2.24
303	3 BR / 1 BA	1,175	\$2,205	\$1.88	\$2,225	\$1.89
Total		7,500	\$15,779	\$2.10	\$16,020	\$2.14

3460-3462 Midvale Avenue // FINANCIAL DETAILS

UNIT TYPE	# OF UNITS	AVG SQ FEET	RENTAL RANGE	SCHEDULED			POTENTIAL		
				AVERAGE RENT	AVERAGE RENT / SF	MONTHLY INCOME	AVERAGE RENT	AVERAGE RENT / SF	MONTHLY INCOME
1 BR / 1 BA	5	705	\$1,525 - \$1,625	\$1,584	\$2.25	\$7,920	\$1,599	\$2.27	\$7,995
2 BR / 1 BA	3	933	\$1,795 - \$1,983	\$1,885	\$2.02	\$5,654	\$1,933	\$2.07	\$5,800
3 BR / 1 BA	1	1,175	\$2,205 - \$2,205	\$2,205	\$1.88	\$2,205	\$2,225	\$1.89	\$2,225
TOTALS/WEIGHTED AVERAGES	9	833		\$1,753	\$2.10	\$15,779	\$1,780	\$2.14	\$16,020
GROSS ANNUALIZED RENTS				\$189,348			\$192,240		

Unit Distribution



FINANCIAL DETAILS // 3460-3462 Midvale Avenue

INCOME	Current		Year 1	NOTES	PER UNIT	PER SF
Rental Income						
Gross Potential Rent	192,240		198,007		22,001	26.40
Loss / Gain to Lease	(2,892)	1.5%	0		0	0.00
Gross Scheduled Rent	189,348		198,007		22,001	26.40
Physical Vacancy	(9,467)	5.0%	(9,900)	5.0%	(1,100)	(1.32)
TOTAL VACANCY	(\$9,467)	5.0%	(\$9,900)	5.0%	(\$1,100)	(\$1)
Effective Rental Income	179,881		188,107		20,901	25.08
Other Income						
Pet Fees & Late Fees	1,908		1,950		217	0.26
Water Reimbursements	659		700	[1]	78	0.09
TOTAL OTHER INCOME	\$2,567		\$2,650		\$294	\$0.35
EFFECTIVE GROSS INCOME	\$182,448		\$190,757		\$21,195	\$25.43
EXPENSES	Current		Year 1		PER UNIT	PER SF
Real Estate Taxes	1,627		2,000	[2]	222	0.27
Insurance	6,031		6,100		678	0.81
Utilities - Electric	982		1,000		111	0.13
Utilities - Water & Sewer	228		250		28	0.03
Trash Removal	2,405		2,450		272	0.33
Repairs & Maintenance	9,626		10,000		1,111	1.33
Contract Services	3,713		3,800	[3]	422	0.51
Alarm Monitoring	480		480		53	0.06
Marketing & Advertising	5,127		5,127	[4]	570	0.68
Licenses	504		504		56	0.07
General & Administrative	1,048		1,050	[5]	117	0.14
Local Income Taxes	908		915		102	0.12
Management Fee	9,122	5.0%	9,538	5.0%	1,060	1.27
TOTAL EXPENSES	\$41,801		\$43,214		\$4,802	\$5.76
EXPENSES AS % OF EGI	22.9%		22.7%			
NET OPERATING INCOME	\$140,646		\$147,543		\$16,394	\$19.67

Notes and assumptions to the above analysis are on the following page.

NOTES TO OPERATING STATEMENT

- [1] Water/Sewer is reimbursed by tenants based on occupancy \$35 single occupancy, \$42 double occupancy, and \$50 for 2+ occupants.
- [2] Property is under a Tax Abatement until 2027.
- [3] Contract Services includes Pest Control and Landscaping/Snow Removal.
- [4] Marketing & Advertising Represents 50% Turnover Rate* 65% of the Average Rent of \$1,753
- [5] General & Administrative expense includes Advertising, Computer Expense, and Accounting Fees.

FINANCIAL DETAILS // 3460-3462 Midvale Avenue

SUMMARY		
Price	\$2,100,000	
Down Payment	\$630,000	30%
Number of Units	9	
Price Per Unit	\$233,333	
Price Per SqFt	\$280.00	
Rentable SqFt	7,500	
Lot Size	0.24 Acres	
Approx. Year Built	2016	

RETURNS	Current	Year 1
CAP Rate	6.70%	7.03%
GRM	11.09	10.61
Cash-on-Cash	9.17%	10.26%
Debt Coverage Ratio	1.70	1.78

FINANCING	Assumable
Original Loan Amount	\$1,471,000
Loan Type	Freddie Mac - Non-Recourse
Interest Rate	3.87%
Amortization	30 Years
Maturity Date	5/1/2030
Estimated Balance - 10/1/2023	\$1,462,282
Monthly Principal & Interest	\$6,912.88

OPERATING DATA				
INCOME		Current	Year 1	
Gross Scheduled Rent		\$189,348		\$198,007
Less: Vacancy/Deductions	5.0%	\$9,467	5.0%	\$9,900
Total Effective Rental Income		\$179,881		\$188,107
Other Income		\$2,567		\$2,650
Effective Gross Income		\$182,448		\$190,757
Less: Expenses	22.9%	\$41,801	22.7%	\$43,214
Net Operating Income		\$140,646		\$147,543
Cash Flow		\$140,646		\$147,543
Debt Service		\$82,899		\$82,899
Net Cash Flow After Debt Service	9.17%	\$57,747	10.26%	\$64,644
Principal Reduction		\$26,477		\$27,520
TOTAL RETURN		13.37%	\$84,224	14.63% \$92,163

EXPENSES	Current	Year 1
Real Estate Taxes	\$1,627	\$2,000
Insurance	\$6,031	\$6,100
Utilities - Electric	\$982	\$1,000
Utilities - Water & Sewer	\$228	\$250
Trash Removal	\$2,405	\$2,450
Repairs & Maintenance	\$9,626	\$10,000
Contract Services	\$3,713	\$3,800
Alarm Monitoring	\$480	\$480
Marketing & Advertising	\$5,127	\$5,127
Licenses	\$504	\$504
General & Administrative	\$1,048	\$1,050
Local Income Taxes	\$908	\$915
Management Fee	\$9,122	\$9,538
TOTAL EXPENSES	\$41,801	\$43,214
Expenses/Unit	\$4,645	\$4,802
Expenses/SF	\$5.57	\$5.76



FDC →

SECTION 3

Rent Comparables

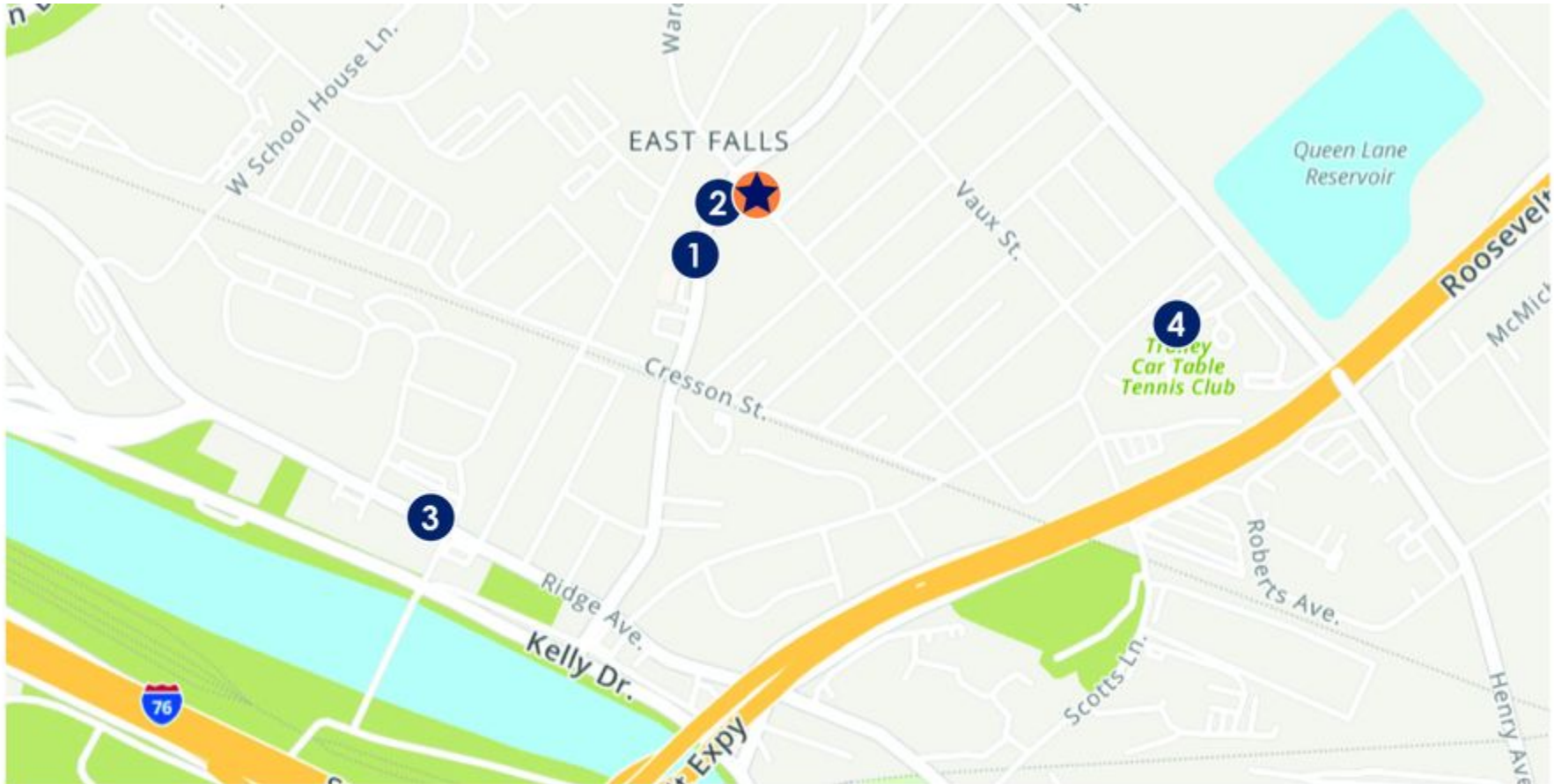
RENT COMPARABLES MAP


RENT COMPARABLES

RENT COMPS


Marcus & Millichap

3460-3462 Midvale Avenue // RENT COMPARABLES MAP



 SUBJECT PROPERTY: 3460-62 Midvale Avenue

 1 The Vale

 2 The Grace at 3503 Midvale

 3 Falls Bridge Lofts

 4 The Preston at Falls Center

RENT COMPARABLES // 3460-3462 Midvale Avenue

ONE-BEDROOM COMPARABLES

	# OF UNITS	SQUARE FEET	AVERAGE RENT	AVERAGE RENT/SF
1 THE VALE // 3515 Midvale Avenue, Philadelphia, PA	28	595	\$1,650	\$2.77
2 THE GRACE AT 3503 MIDVALE // 3503 Midvale Ave, Philadelphia, PA	11	625	\$1,750	\$2.80
3 FALLS BRIDGE LOFTS // 4328 Ridge Avenue, Philadelphia, PA	23	687	\$1,700	\$2.47
4 THE PRESTON AT FALLS CENTER // 3300 Henry Avenue, Philadelphia, PA	64	637	\$1,592	\$2.50
ONE-BEDROOM AVERAGES		636	\$1,673	\$2.64

TWO-BEDROOM COMPARABLES

	# OF UNITS	SQUARE FEET	AVERAGE RENT	AVERAGE RENT/SF
1 THE VALE // 3515 Midvale Avenue, Philadelphia, PA	8	840	\$2,338	\$2.78
2 THE GRACE AT 3503 MIDVALE // 3503 Midvale Ave, Philadelphia, PA	11	963	\$2,400	\$2.49
3 FALLS BRIDGE LOFTS // 4328 Ridge Avenue, Philadelphia, PA	19	995	\$2,313	\$2.32
4 THE PRESTON AT FALLS CENTER // 3300 Henry Avenue, Philadelphia, PA	55	950	\$1,814	\$1.91
TWO-BEDROOM AVERAGES		937	\$2,216	\$2.38

THREE-BEDROOM COMPARABLES

	# OF UNITS	SQUARE FEET	AVERAGE RENT	AVERAGE RENT/SF
4 THE PRESTON AT FALLS CENTER // 3300 Henry Avenue, Philadelphia, PA	2	1,100	\$2,300	\$2.09
THREE-BEDROOM AVERAGES		1,100	\$2,300	\$2.09

3460-3462 Midvale Avenue // RENT COMPS

1 The Vale
3515 Midvale Ave, Philadelphia, PA 19129

 36 Units |  Year Built 2023



UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 Bed / 1 Bath	28	77.8	595	\$1,650	\$2.77
2 Bed / 1 Bath	8	22.2	840	\$2,338	\$2.78
TOTAL/AVG	36	100%	649	\$1,802	\$2.78

2 The Grace At 3503 Midvale
3503 Midvale Ave, Philadelphia, PA 19129

 33 Units |  Year Built 2023



UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 Bed / 1 Bath	11	50	625	\$1,750	\$2.80
2 Bed / 2 Bath	11	50	963	\$2,400	\$2.49
TOTAL/AVG	22	100%	794	\$2,075	\$2.61

RENT COMPS // 3460-3462 Midvale Avenue

3 Falls Bridge Lofts
4328 Ridge Ave, Philadelphia, PA 19129

 46 Units |  Year Built 2017



UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 Bed / 1 Bath	23	54.8	687	\$1,700	\$2.47
2 Bed / 2 Bath	19	45.2	995	\$2,313	\$2.32
TOTAL/AVG	42	100%	826	\$1,977	\$2.39

4 The Preston At Falls Center
3300 Henry Ave, Philadelphia, PA 19129

 131 Units |  Year Built 2010



UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 Bed / 1 Bath	64	52.9	637	\$1,592	\$2.50
2 Bed / 1 Bath	55	45.5	950	\$1,814	\$1.91
3 Bed / 1 Bath	2	1.7	1,100	\$2,300	\$2.09
TOTAL/AVG	121	100%	786	\$1,704	\$2.17

SECTION 4

Location Overview

LOCATION OVERVIEW

AERIAL MAP

Marcus & Millichap

The Neighborhood

3460 Midvale is located in the heart of the East Falls submarket of Philadelphia. East Falls is a well-established neighborhood known for its tree-lined streets, historic architecture, and strong sense of community. Located just a few miles northwest of Center City Philadelphia, it offers a suburban-like atmosphere while maintaining easy access to urban conveniences.

Accessibility & Transit

The property's location affords residents easy access to Route 1 and I-76. Septa's East Falls train station is a 5-minute walk, providing a direct link to Center City, Bala Cynwyd among other locations. With a Walk score of 81, residents are easily able to run daily errands on foot.

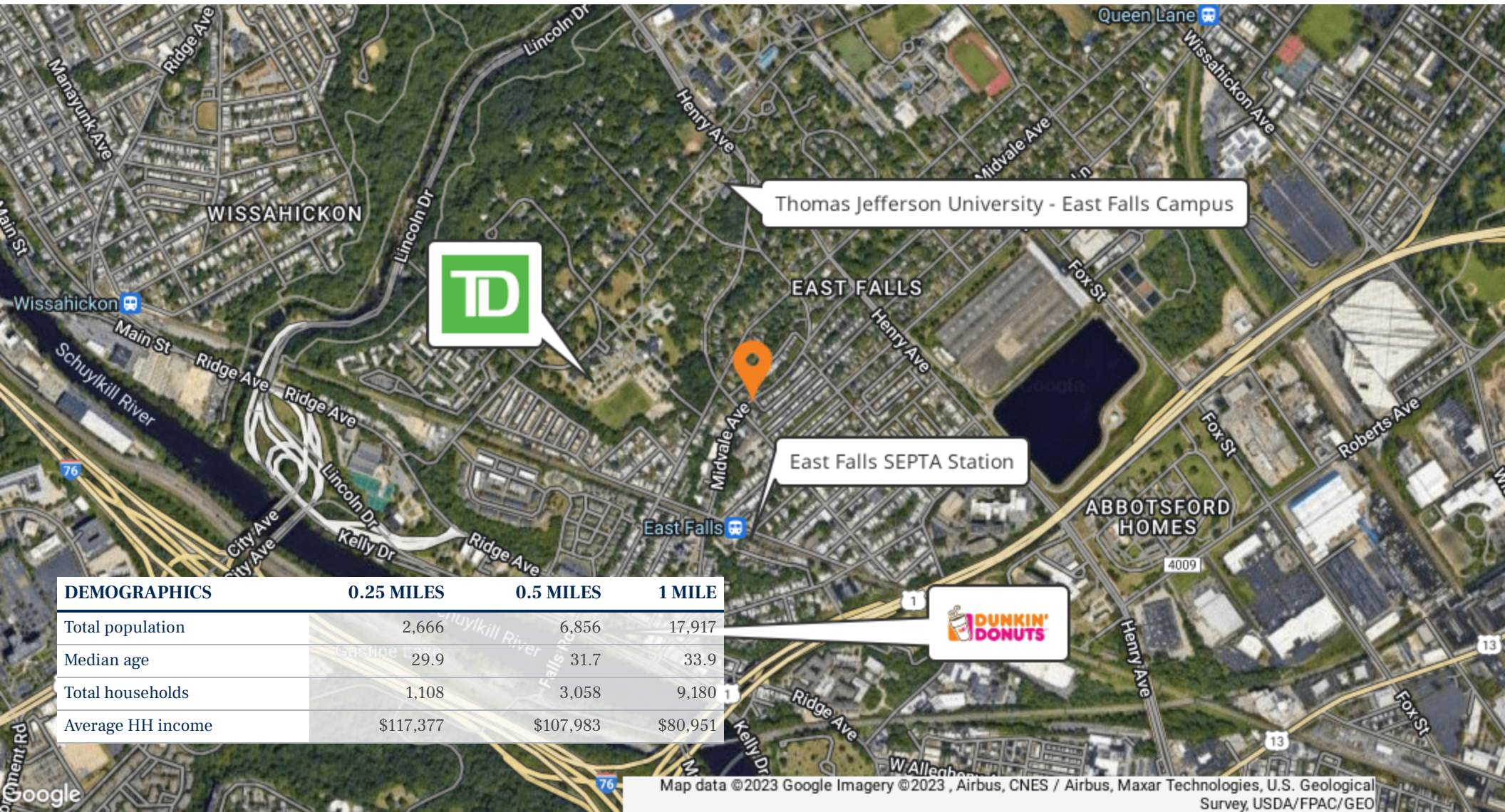
Educational Institutions

The neighborhood is backed by "Eds & Meds" employers & demand drivers. East Falls is home to various educational institutions, including Thomas Jefferson University East Falls Campus and Drexel University's College of Medicine.

Employment

The Subject Property's outstanding location enables excellent connectivity to surrounding submarkets and job centers. There are more than 3 million jobs in the surrounding MSA. The area is home to more than a dozen Fortune 500 companies, including AmeriSource Bergen, Comcast, DuPont & Aramark.

3460-3462 Midvale Avenue // AERIAL MAP



SECTION 5

Philadelphia Market Overview

MARKET OVERVIEW

COVER

Marcus & Millichap

PHILADELPHIA

Philadelphia is known for the Liberty Bell and the home of Independence Hall, where the United States Constitution and Declaration of Independence were adopted. The metropolitan area encompasses 11 counties across Pennsylvania, New Jersey, Delaware and Maryland. The Delaware River bisects the metropolis from northeast to southwest, and it serves as the border between Pennsylvania and New Jersey. The Schuylkill River passes through the heart of Philadelphia, separating West Philadelphia from Center City. The market contains approximately 6.2 million residents. Although the metro has more than 360 municipalities, few have more than 50,000 citizens. Philadelphia is the largest city, with just over 1.6 million residents.

METRO HIGHLIGHTS



HIGHLY-EDUCATED WORKFORCE

Philadelphia has one of the largest concentrations of institutions of higher learning in the nation, including the University of Pennsylvania, Temple University and Drexel University.



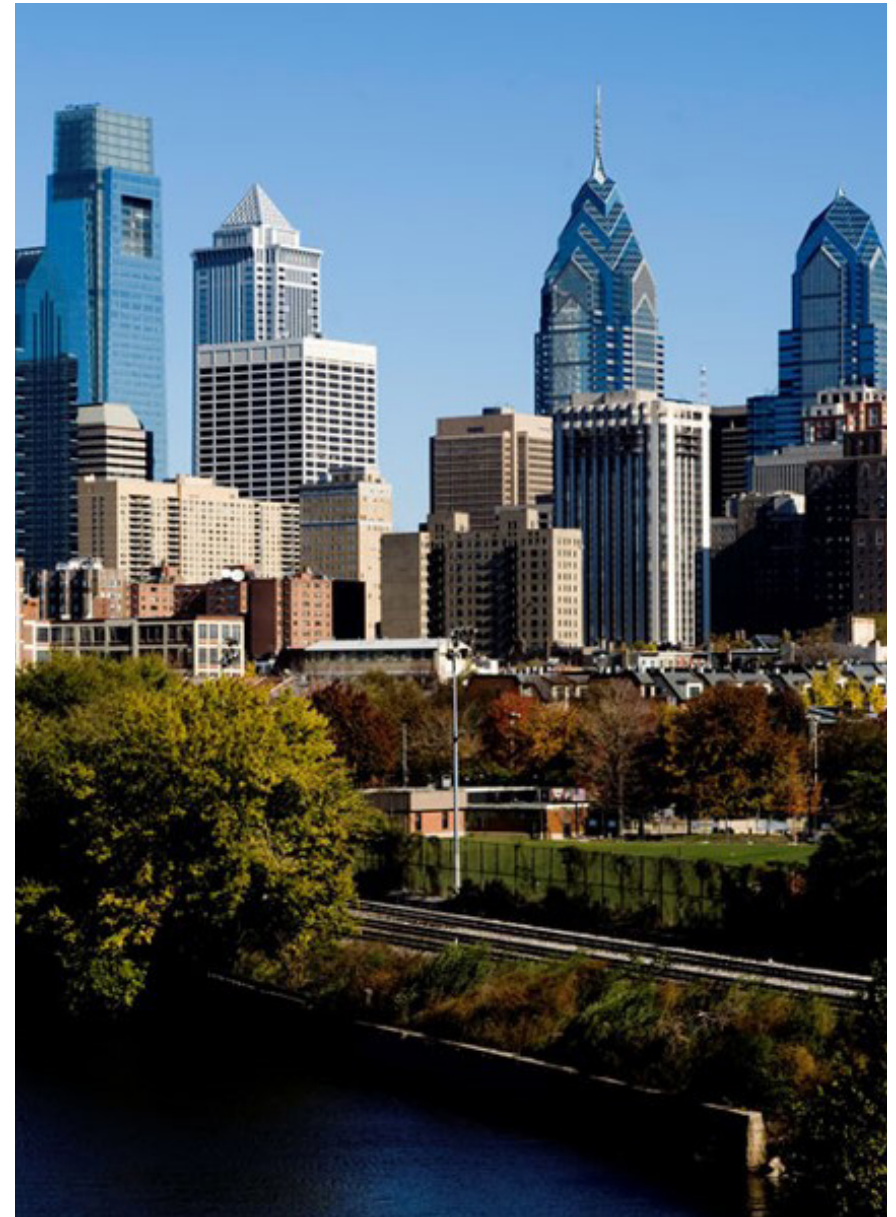
EXPANDING HEALTH SCIENCES SECTOR

The metropolitan area is a significant pharmaceutical, medical and biosciences center. Major companies include Merck, GlaxoSmithKline and Johnson & Johnson.



TRANSPORTATION NETWORK

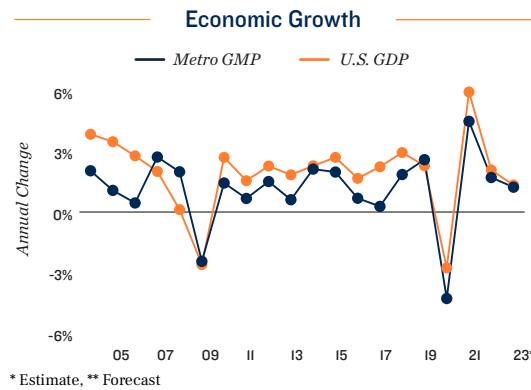
Interstate 95 connects Philadelphia to both New York City and Washington, D.C., and Interstate 76 links the region to Pittsburgh and Cleveland.



MARKET OVERVIEW // 3460-3462 Midvale Avenue

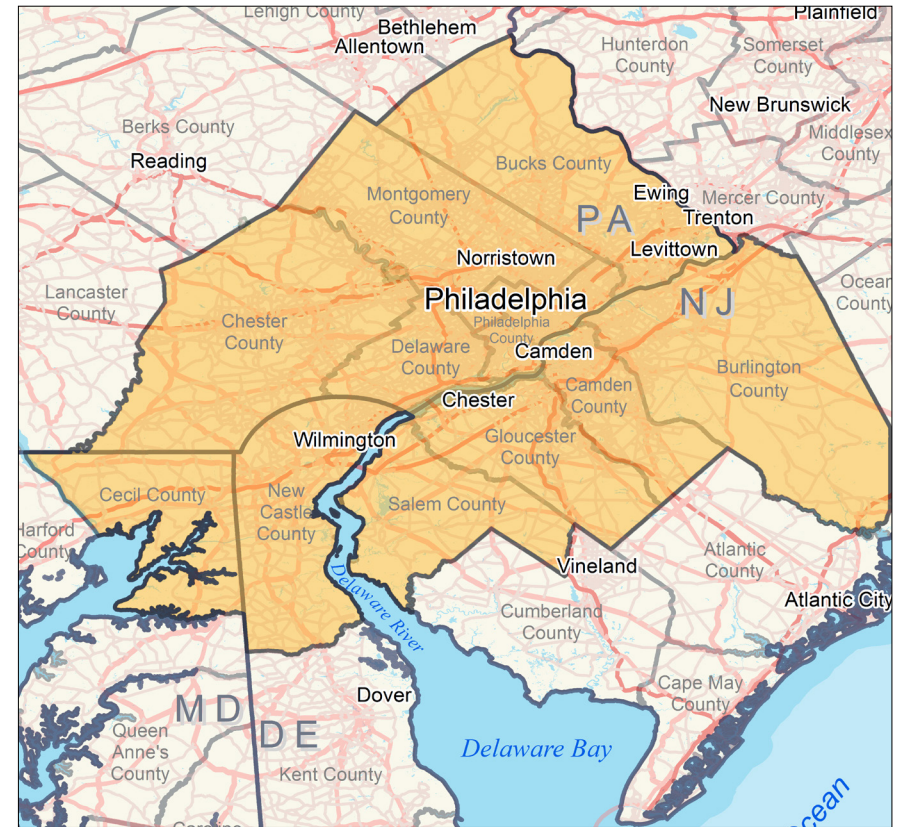
ECONOMY

- Drivers of the region's economy include pharmaceuticals, biotechnology, financial services, education, logistics, advanced manufacturing and telecommunications.
- The Philadelphia area is home to numerous Fortune 500 companies that operate across a broad spectrum of industries, including AmerisourceBergen, Comcast, Crown Holdings, Inc., UGI, Toll Brothers and Aramark.
- Philadelphia is headquarters to the Federal Reserve's Third District, which, along with the U.S. Mint, the Philadelphia Stock Exchange, and companies like Lincoln Financial Group and Vanguard, helps shape a formidable financial sector.

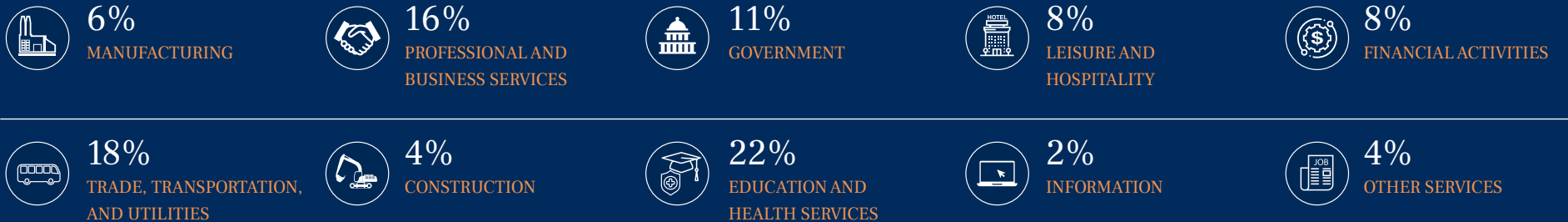


MAJOR AREA EMPLOYERS

- University of Pennsylvania
- Jefferson Health System
- Merck & Co.
- Drexel University
- Temple University Health System
- Trinity Health Corp.
- Comcast
- Bank of America Corp.
- Children's Hospital of Philadelphia
- The Vanguard Group, Inc.

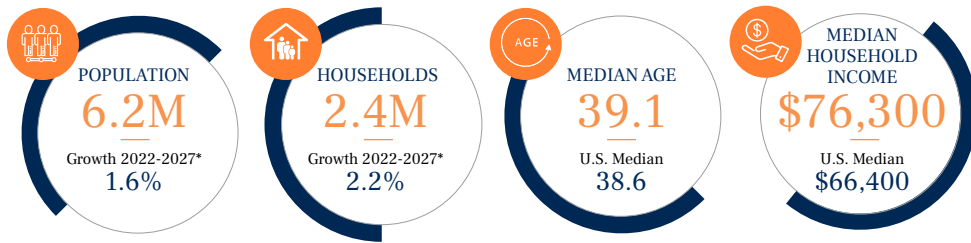


SHARE OF 2022 TOTAL EMPLOYMENT



DEMOGRAPHICS

- The metro is expected to add roughly 99,000 people over the next five years, which will result in the formation of approximately 52,000 households.
- A median home price below the U.S. level has afforded 67 percent of households the ability to own their homes, compared with 64 percent for the nation.
- Roughly 37 percent of people ages 25 and older hold a bachelor’s degree; among those residents, 15 percent have also earned a graduate or professional degree.



2020 POPULATION BY AGE



QUALITY OF LIFE

Philadelphia offers its residents an attractive package of economic, educational, cultural and recreational advantages. Its transformation from a manufacturing-based economy to one more reliant on information will continue to provide greater economic opportunities. In addition, the cost-of-living in Philadelphia is much less than in other major East Coast markets. Philadelphia provides both visitors and locals with a wide array of destinations. Art and science museums are plentiful, and the restaurant and nightclub scene is alive in the Center City area. The metro houses major professional sports teams, including the Eagles, 76ers, Phillies, Flyers and Union, in addition to numerous golf courses, bike paths and water-related activities.

SPORTS

- Baseball | **MLB** | PHILADELPHIA PHILLIES
- Football | **NFL** | PHILADELPHIA EAGLES
- Basketball | **NBA** | PHILADELPHIA 76ERS
- Hockey | **NHL** | PHILADELPHIA FLYERS
- Soccer | **MLS** | PHILADELPHIA UNION

EDUCATION

- UNIVERSITY OF PENNSYLVANIA
- DREXEL UNIVERSITY
- TEMPLE UNIVERSITY
- COMMUNITY COLLEGE OF PHILADELPHIA

ARTS & ENTERTAINMENT

- KIMMEL CENTER FOR THE PERFORMING ARTS
- PHILADELPHIA MUSEUM OF ART
- THE FRANKLIN INSTITUTE
- MORRIS ARBORETUM

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody’s Analytics; U.S. Census Bureau

exclusively listed

Marcus & Millichap

MACLAREN, TOWNSEND
AND TALONE GROUP

3460 - 3462 MIDVALE AVENUE

Philadelphia, PA 19129

9 Units

MACLAREN • TALONE • TOWNSEND | MULTIFAMILY HOUSING SPECIALISTS

Clarke Talone

First Vice President Investments
PHILADELPHIA OFFICE
Tel: 215.531.7021

Clarke.Talone@marcusmillichap.com

License: PA RS299113
License: NJ 0787408
License: DE RS-0019808

Luke Bianchino

Associate
PHILADELPHIA OFFICE
Tel: 215.531.7041

Luke.Bianchino@marcusmillichap.com

License: PA RS355270

Andrew Townsend

Senior Vice President Investments
PHILADELPHIA OFFICE
Tel: 215.531.7020

Andrew.Townsend@marcusmillichap.com

License: PA RS304074
License: NJ 0680787
License: DE RS-0019885

Ridge MacLaren

Senior Vice President Investments
PHILADELPHIA OFFICE
Tel: 215.531.7019

Ridge.MacLaren@marcusmillichap.com

License: PA RB-063070-L
License: PA RM042723B
License: NJ 0673619
License: DE RB-0002461

Dan Bernard

First Vice President Investments
PHILADELPHIA OFFICE
Tel: 215.531.7022

Daniel.Bernard@marcusmillichap.com

License: PA RS331381