

# 111 Storms

111 Storms Ave, Jersey City, NJ 07311

**COMING SOON:**  
79 unit  
Federally Subsidized Age-  
restricted community

## Executive Summary

111 Storms is a 79 unit, 11 story double elevator building located at 111 Storms Ave Jersey City, NJ.

The building was constructed in the 1920s and its original use was a YWCA. The building was converted into apartments in 1980 and substantially renovated. The Owner purchased the building in 2007 and performed a moderate renovation.

- **Age Restricted:** Storms is an age restricted community, serving tenants who are at least 62 years old.
- **LIHTC:** Storms is also a LIHTC property with 100% of the units reserved for tenants making 60% of less of the Area Median Income (AMI).
- **HAP Subsidy:** Storms has a project based Section 8 contract for 78 of the 79 units, with the final unit for the onsite maintenance staff. This contract had an original term of 20 years. Upon expiration, the owner believes HUD would likely renew the contract as the project serves an elderly, frail, and very low income tenant population.
- **PILOT:** Storms has a 40 year tax abatement with Jersey City, so long as the LIHTC requirements continue to be met. The annual charge is 5.2% of revenues plus a 2% of the annual charge Administrative fee payable to Jersey City. The annual charge increases slightly in year 21 and again in year 31.
- **LAND:** Parking lot up the street.

The project enjoys high occupancy, close to 100%, with minimal turnover. Any turnover is primarily due to resident's health issues.

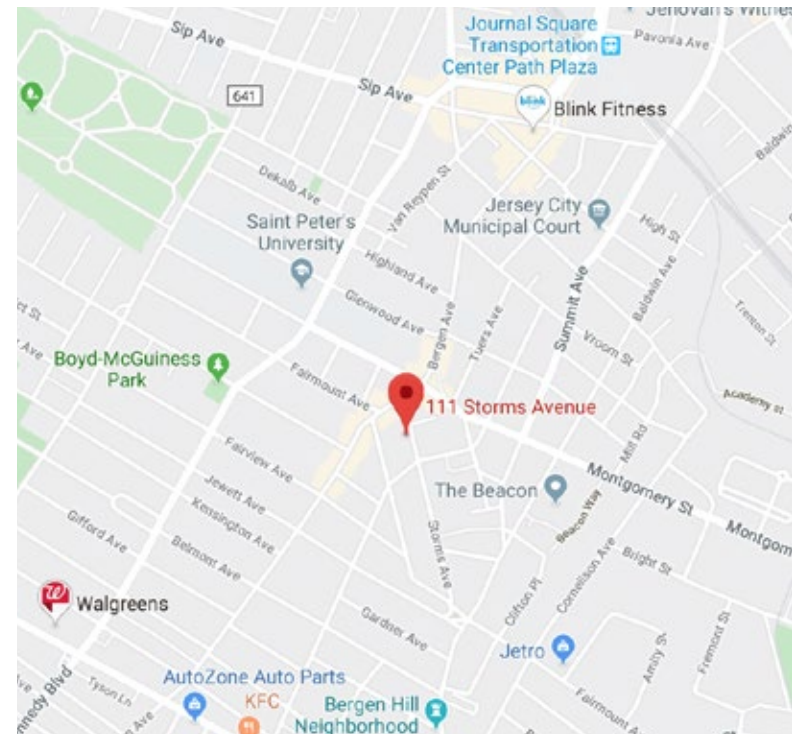
Since Storms is the only high rise in the submarket, there is a cell phone tower on the roof that pays rent of \$31,740 annually. The surface parking lot generates \$150 per space per month, which is below market.

The Agency regulates the Owner's return to investment to 10.27% annually on the amount invested. The Owner's investment was \$3,388,364 yielding a maximum annual return of \$347,985.

BridgeWater Real Estate Brokerage will be exclusively bringing 111 Storms to market as it reaches the end of its compliance period in 2023

### Asset Statistics

Address:	111 Storms Ave Jersey City, NJ 07306
Number of Buildings:	1
Number of Stories:	11
Year Built:	1920 (renovated in 1980 & 2007)
Total Units:	79
Parking:	Street parking



## Debt

The project is financed with a mortgage from the New Jersey Housing and Mortgage Finance Agency (NJHMFA). The loan closed in September 2008 and has a 40 year term and amortization schedule. The interest rate is 5.75%, plus servicing fees of 0.55% and MIP of 0.40%. The loan balance at 12/31/19 will be \$6,758,454 and is non-recourse.

### Prepayment:

The loan is assumable with Agency consent. The loan cannot be prepaid during the first 15 years, and thereafter only with agency consent. If the loan is prepaid, the annual servicing fee must continue to be paid through the full 40 year term.

### Refinance:

The agency recently released a program whereby their loans could be refinanced at the end of year 15 to allow for a buyout of tax credit limited partners. A refinanced loan would be subject to underwriting, debt service coverage and prevailing interest rates. The servicing fee would continue to be due.



The logo features a stylized bridge structure in light gray above the text. The word "BRIDGE" is in a light gray, bold, sans-serif font. The word "WATER" is in a bright blue, bold, sans-serif font. Below "WATER" is the phrase "Real Estate Brokerage" in a light gray, sans-serif font.

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