

SIX
TWO
NINE

WEST MILWAUKEE

OFFERING PROCEDURES



The sale of 629 West Milwaukee is being exclusively handled by O'Connor Real Estate.

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ABOUT

629 West Milwaukee, built in 1930's originally as a hotel with a basement speakeasy bar "The Submarine Bar, belongs to the historic legacy of Detroit and General Motors Company. The hotel was re-imagined in the 1960's as housing for the traveling General Motors employees coming in and out of the city to work in the neighborhood and features 35 residences.

Today, 629 West Milwaukee remains perfectly situated. Adjacent to the Argonaut building, Cadillac Place Building, and the Fisher Building / Theatre at the intersection of West Milwaukee and Second Avenue, it's a key destination in the thriving heart of New Center.

Surrounded by some of Detroit's most iconic architecture and desirable restaurants, 629 West Milwaukee is just steps from the Baltimore Q-Line Station and directly adjacent from Henry Ford Health Center and two blocks north of the brand new state-of-the-art Detroit Pistons Henry Ford training facility.



THRIVING HEART OF NEW CENTER.

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THE CORNER OF WEST MILWAUKEE & SECOND AVENUE



PROPERTY DETAILS

Built in 1933, the brick four story building stands on West Milwaukee and anchors the corner up to Second Avenue, including a 6,450 square foot paved parking lot and a 4,500 square foot grass landscaped lot to the east facing the Argonaut building.

The additional lots to the east are a prime location for a mixed-use development with retail and residences above and covered parking.

| | |
|--------------|--|
| Address | 629, 619, & 609 West Milwaukee 6431 Second Avenue Detroit, MI 48202 |
| Year built | 1933 |
| Square Feet | 23,820 sq ft building and additional 10,950 sq ft lot |
| Price | \$5,950,000 |
| # of Units | 35 |
| # of Stories | 4 (plus basement) |
| Occupancy | 100% |
| Amenities | Attached parking lot On-site swimming pool Resident garden / bbq area On-site laundry |





NEW CENTER

New Center Historic District is adjacent to Midtown, one mile north of the Cultural Center and approximately three miles north of downtown Detroit. This commercial and residential historic district is positioned just west of the intersection of Woodward Avenue and Grand Boulevard, approximately bounded by the Virginia Park Historic District to the north, the Ford Freeway to the south, John R Street to the east, and the Lodge Freeway to the west.

The heart of the New Center Historic District was built in the 1920s as a business hub that offered convenient access to both downtown Detroit and to its many outlying factories. General Motors maintained its world headquarters in what is now Cadillac Place before relocating downtown to the Renaissance Center. New Center's standout piece of architecture is the Fisher Building, the Fisher Brothers and Albert Kahn's Art Deco masterpiece, completed in 1928.

Other significant structures in the district include the Argonaut Building (now part of the College for Creative Studies campus), the Albert Kahn Building (formerly the New Center Building), Cadillac Place (now home to many State of Michigan agencies), and Henry Ford Hospital, in addition to various other government and commercial office buildings, retail stores, and restaurants.





FISHER BUILDING & THEATRE

Known as “Detroit’s Largest Art Project” the Fisher Building completed a full restoration of the world’s largest marble-clad commercial building and also including pedestrian upgrades and street improvements to Grand Boulevard and Third Avenue. Like so much of Detroit’s history, the Fisher Building is tied to the automobile industry. The Fisher brothers, (Frederick J., Charles T., William A., Lawrence P., Edward F., Alfred J. and Howard A.) made a fortune making auto bodies for Detroit’s booming car industry. They arrived in Detroit in 1908 and formed the Fisher Body Co. Their business was founded just three months before the birth of General Motors. The Fishers commissioned Kahn in 1927 and essentially told him to go wild. In 2001, the Detroit News wrote the brothers told the architect to build them “the most beautiful building in the world”. It was an architect’s dream project.

The Fisher Building also houses a theater that offers off-Broadway productions. Its stage was large enough to accommodate most any size production, including grand operas.



THE MOST
BEAUTIFUL BUILDING
IN THE WORLD.

COLLEGE FOR CREATIVE STUDIES & ARGONAUT BUILDING

The Albert Kahn-designed and home of the “College for Creative Studies” Argonaut Building is the first home of General Motors’ design, engineering and research departments. The brick-clad, eleven-story building was known as the General Motors Research Laboratory when it opened in 1928. The Art Deco, dark red brick building with limestone accents is a contrast to the adjacent stone facades of the former GM headquarters. After a \$145 million-dollar renovation, the Argonaut Building reopened as the A. Alfred Taubman Center for Design in 2009, residence of not only the CCS advertising and design programs but also to the Henry Ford Academy: School for Creative Studies, and the headquarters of Shinola, a high-end watch and bicycle factory.





HENRY FORD HOSPITAL / CANCER PAVILION

Connected to Henry Ford Hospital by the Nancy Vlasic Skywalk over West Grand Boulevard, the new 187,000 square foot cancer pavilion is a global destination for seamless and integrated cancer care, bringing together the newest and most innovative treatment options.



ALBERT KAHN BUILDING

1931 Albert Kahn building completes \$70M extensive renovation adding 206 brand new apartments to the neighborhood ranging in size from 530 to 1,317 sq ft and priced from \$1,420 to \$4,500 a month.



THE BOULEVARD

The neighborhood's first major residential development in more than 30 years, completed in 2020, the mixed use development offers first floor retail spaces, 231 apartments, and 330 parking spaces underground. The apartments are more than 80 percent leased and more than 50 percent of retail spaces leased. The Boulevard was recently refinanced for \$62M, making it one of the largest multi-family financings in Detroit's history.

STATE-OF-THE-ART TRAINING FACILITY, DESIGNED AS A COMMUNITY HUB



DETROIT PISTONS PERFORMANCE CENTER

The \$90M state-of-the-art training center is known as Henry Ford Detroit Pistons Performance Center, and is the corporate headquarters. Designed as a community hub, the new 185,000 square-foot facility is the largest of its kind in the NBA and anchors a multi-use development that is transforming the neighborhood and attracting additional investment. Connected to the \$37 million William Clay Ford Center for Athletic Medicine, the performance center features publicly accessible grocery, food, fitness and retail amenities, and an inviting streetscape that promotes walkability and community engagement.



CADILLAC PLACE & STATE OF MICHIGAN OFFICES

Constructed of steel, limestone, granite, and marble between 1919 and 1923, Cadillac Place stands 15-stories tall, and was the world's second largest office building at the time. The façade of the building was constructed in limestone, crowned with a two-story Corinthian colonnade. The base of the building is two stories tall with four parallel fifteen-story wings designed to allow sunlight to reach each of the hundreds of individual offices in the building.

The scale of the building, even now, is impressive: 15,000 tons of steel, 4 miles of corridors, 3,500 offices, 5,148 windows containing more than 7 acres of glass and 30 acres of floor space. If you laid its 8.8 million bricks end to end, they would stretch for 1,110 miles.



8.8 MILLION BRICKS
4 MILES OF CORRIDORS

RESIDENCES

The building features 35 fully renovated apartments, currently fully occupied ranging in size from 270 - 650 square feet and rents ranging from \$800 to \$1,400 a month.

Each residence have been finished with modern finishes including contrasting bright white and dark kitchens featuring subway tile backsplashes, butcher-block countertop, and a mix of marble, granite & quartz, stainless steel appliances. The bathrooms have been fully renovated with bright white tile and vanities featuring walk-in and bathtubs.











IMPROVEMENTS & UPGRADES

The building has just completed a \$1,200,000 full head-to-toe renovation throughout the interiors of apartments, common areas, utility rooms, and exterior brick restoration.

Brand new elevator with modern cab interiors

Fully renovated apartment interiors

New kitchens

Granite & Butcherblock countertops

Stainless & black appliances

White & Dark cabinets

Bright white subway tile backsplashes

New bathrooms

Modern ceramic tile flooring

Bright white subway tile

New modern vanities

New luxury vinyl plank flooring throughout

New paint throughout

Updated interior common areas

Brick facade restoration

New Boiler installed in 2020

New chiller installed in 2020



**\$1.2M HEAD-TO-TOE
RENOVATION COMPLETED.**

FINANCIAL OVERVIEW

Gross Operating Income

| | |
|-------------------|------------------|
| Rent | \$384,000 |
| Less Vacancy/Loss | (\$25,380) |
| Parking | \$13,500 |
| Reimbursed CAM | \$23,100 |
| Total | \$395,220 |

Expenses

| | |
|-----------------------------|-----------------|
| Licenses & Permits | \$415 |
| Gas & Electric | \$25,498 |
| Insurance | \$29,999 |
| Phones, Internet & Elevator | \$2,963 |
| Snow Removal & Landscaping | \$2,000 |
| Taxes | \$8,508 |
| Waste | \$1,471 |
| Water | \$10,068 |
| Total Expenses | \$80,923 |

Net Operating Income **\$314,297**





Rent Roll

| Apartment | Type | Size | Monthly Rent | \$/Sq Ft | Market \$/Sq Ft | Market Rent |
|--------------|-----------------|---------------|-----------------|---------------|-----------------|-----------------|
| 101 | 1 bed / 1 bath | 550 | \$1,265 | \$2.30 | \$3 | \$1,650 |
| 102 | 1 bed / 1 bath | 650 | \$1,465 | \$2.25 | \$3 | \$1,950 |
| 104 | Studio / 1 bath | 350 | \$885 | \$2.53 | \$3 | \$1,050 |
| 105 | Studio / 1 bath | 270 | \$540 | \$2.00 | \$3 | \$810 |
| 106 | Studio / 1 bath | 350 | \$700 | \$2.00 | \$3 | \$1,050 |
| 107 | Studio / 1 bath | 350 | \$750 | \$2.14 | \$3 | \$1,050 |
| 201 | 1 bed / 1 bath | 400 | \$975 | \$2.44 | \$3 | \$1,200 |
| 202 | 1 bed / 1 bath | 425 | \$1,000 | \$2.35 | \$3 | \$1,275 |
| 203/04 | 1 bed / 2 bath | 570 | \$1,000 | \$1.75 | \$3 | \$1,710 |
| 205 | Studio / 1 bath | 300 | \$810 | \$2.70 | \$3 | \$900 |
| 206 | Studio / 1 bath | 330 | \$825 | \$2.50 | \$3 | \$990 |
| 207 | Studio / 1 bath | 300 | \$700 | \$2.33 | \$3 | \$900 |
| 208 | Studio / 1 bath | 270 | \$800 | \$2.96 | \$3 | \$810 |
| 209 | Studio / 1 bath | 330 | \$875 | \$2.65 | \$3 | \$990 |
| 210 | Studio / 1 bath | 395 | \$850 | \$2.15 | \$3 | \$1,185 |
| 301 | 1 bed / 1 bath | 400 | \$950 | \$2.38 | \$3 | \$1,200 |
| 302 | 1 bed / 1 bath | 425 | \$1,000 | \$2.35 | \$3 | \$1,275 |
| 303 | Studio / 1 bath | 270 | \$700 | \$2.59 | \$3 | \$810 |
| 304 | Studio / 1 bath | 300 | \$800 | \$2.67 | \$3 | \$900 |
| 305 | Studio / 1 bath | 300 | \$850 | \$2.83 | \$3 | \$900 |
| 306 | Studio / 1 bath | 330 | \$850 | \$2.58 | \$3 | \$990 |
| 307 | Studio / 1 bath | 300 | \$800 | \$2.67 | \$3 | \$900 |
| 308 | Studio / 1 bath | 270 | \$800 | \$2.96 | \$3 | \$810 |
| 309 | Studio / 1 bath | 330 | \$880 | \$2.67 | \$3 | \$990 |
| 310 | Studio / 1 bath | 395 | \$900 | \$2.28 | \$3 | \$1,185 |
| 401 | 1 bed / 1 bath | 400 | \$900 | \$2.25 | \$3 | \$1,200 |
| 402 | 1 bed / 1 bath | 425 | \$1,025 | \$2.41 | \$3 | \$1,275 |
| 403 | Studio / 1 bath | 270 | \$750 | \$2.78 | \$3 | \$810 |
| 404 | Studio / 1 bath | 300 | \$800 | \$2.67 | \$3 | \$900 |
| 405 | Studio / 1 bath | 300 | \$700 | \$2.33 | \$3 | \$900 |
| 406 | Studio / 1 bath | 330 | \$770 | \$2.33 | \$3 | \$990 |
| 407 | Studio / 1 bath | 300 | \$775 | \$2.58 | \$3 | \$900 |
| 408 | Studio / 1 bath | 270 | \$800 | \$2.96 | \$3 | \$810 |
| 409 | Studio / 1 bath | 330 | \$825 | \$2.50 | \$3 | \$990 |
| 410 | Studio / 1 bath | 395 | \$850 | \$2.15 | \$3 | \$1,185 |
| Retail | | 1,650 | \$0 | | \$15/NNN | \$2,062 |
| Total | | 12,480 | \$30,165 | \$2.46 | | \$39,502 |

Additional Income Opportunities

*Additional retail space currently being marketed for lease at \$15/NNN. At 1,650/sq ft, an additional annual income potential of \$24,750.

*Most units are below market rent as of 7/23/2021. Potential to increase rents by \$.25 - \$.75/sq ft adding an additional annual gross income of \$50,000 - \$70,000.

*Each tenant pays a \$50 CAM charge.

*Additional basement storage area available for lease to tenants for storage lockers as an additional rent fee.

*Tenants currently pay \$50/month for parking with potential to increase to \$125/month per unit adding an additional \$20,000 - \$25,000 of annual income from parking. Market monthly parking fee is between \$100 - \$200/month.

*Additional 10,950 square feet of lots to the east are a prime location for mixed-use development with retail and residences above and covered parking. New construction condo sales are between \$375 - \$450/sq ft in the surrounding neighborhoods.



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