

ELEVATOR BUILDING

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NEIGHBORHOOD

RIVERFRONT

LOCATION

IN DETROIT'S RIVERFRONT & ADJACENT TO THE DEQUINDRE CUT GREENWAY

SPACE TYPE

CREATIVE WORK SPACE

The newly renovated Elevator Building offers creative workspace in the heart of Detroit's East Riverfront. The building hosts a community of creative professionals working in media, architecture, fashion, wellness, community services, and other fields. The spaces offer a modern reboot of Detroit's industrial past, featuring ample light, high ceilings, and exposed brick and beams. Capital improvements include new roof systems, energy-efficient windows, new HVAC units, and renovated bathrooms. Amenities have also been added, including a conference room, kitchenette, bike storage, high-speed wifi and a private shower room. Tenants take advantage of the building's direct proximity to the award-winning Riverwalk and the Dequindre Cut to access downtown, Eastern Market and Lafayette Park by foot, bike or scooter.

ASKING PRICE	INITIAL CAP RATE	CURRENT NOI	LEASE TYPE	ZONING
\$3,950,000	9%	\$354,399	Modified Gross	SD-4
ADDRESS		BUILDING SIZE	PARKING	ZONING DESCRIPTION
1938 FRANKLIN ST, DETROIT, MI 48207		28,078 SF	22 Spaces	The SD4 District is intended for areas indicated in the Detroit Master Plan as appropriate for high intensity residential and commercial mixed-use development due to regional significance and unique locational attributes and amenities, such as the Riverfront. While recognizing that, although it may be desirable to retain in such areas a mix of existing uses, such as offices, lofts, and certain industrial establishments, due to the local ambience it provide, increased industrialization of such areas by very intense and abrasive land uses is considered inappropriate.
NEIGHBORS	Detroit Riverwalk, Dequindre Cut Greenway, Aretha Franklin Amphitheater, Renaissance Center, Joe Muer Seafood, Andiamo, Orleans Landing Apartments, Atwater Brewery, Harbor Town, Meijer, Atwater Beach, Red Hook Coffee, Breadless, Empacho argentinian street food, Stroh River Place, Rattlesnake Club, Bucharest Grill, Harbor town Market			

THE ELEVATOR BUILDING

Creative Workspaces

Robust and Diverse Tenant Base

Despite the rise in work-from-home trends, the majority of small businesses continue to rely on physical workspaces to operate effectively.

Move-In Ready Spaces

Tenants lease space in its current condition, with no tenant improvement (TI) requirements, ensuring faster occupancy and cost savings.

Minimal Broker Fees

With most tenants opting to handle their own leasing arrangements, broker involvement is limited, keeping transaction costs low.

Simple, Transparent Pricing

Rents are quoted as a flat monthly rate, allowing small space tenants to focus on total costs rather than price per square foot.

Consistent Occupancy Rates

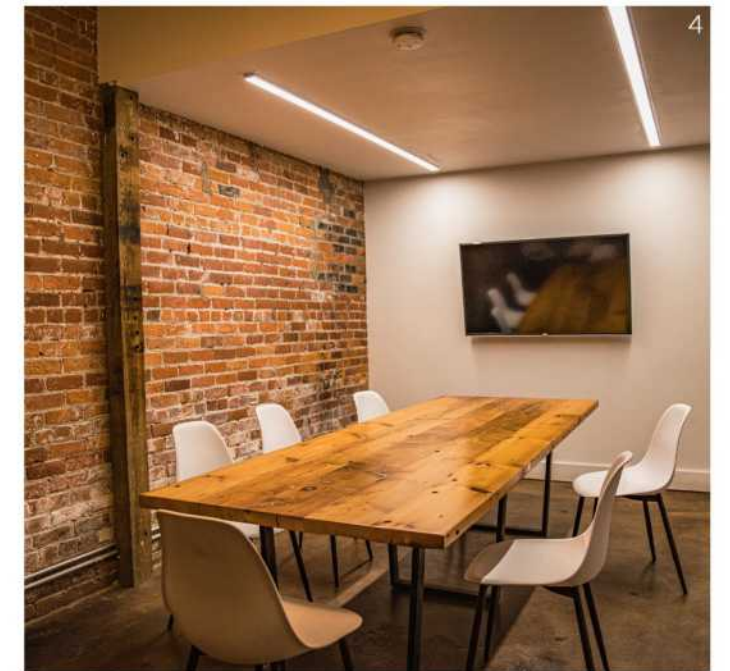
Proven track record of maintaining high occupancy levels, even with relatively short-term lease agreements of 3-5 years.

Diverse and Resilient Tenant Mix

A broad, varied tenant base reduces exposure to credit risk, ensuring stable cash flow and occupancy across different market conditions.

O'Connor Real Estate





1. Open plan creative work space
2. Dequindre Cut Greenway
3. Most suites have usable mezzanine space
4. Renovated conference room with free Wi-Fi



- 1. Exposed original hardwood ceilings
- 2. Modern work spaces
- 3. Tenant bike storage
- 4. Building lobby



1938

FRANKLIN STREET

FLOOR PLANS

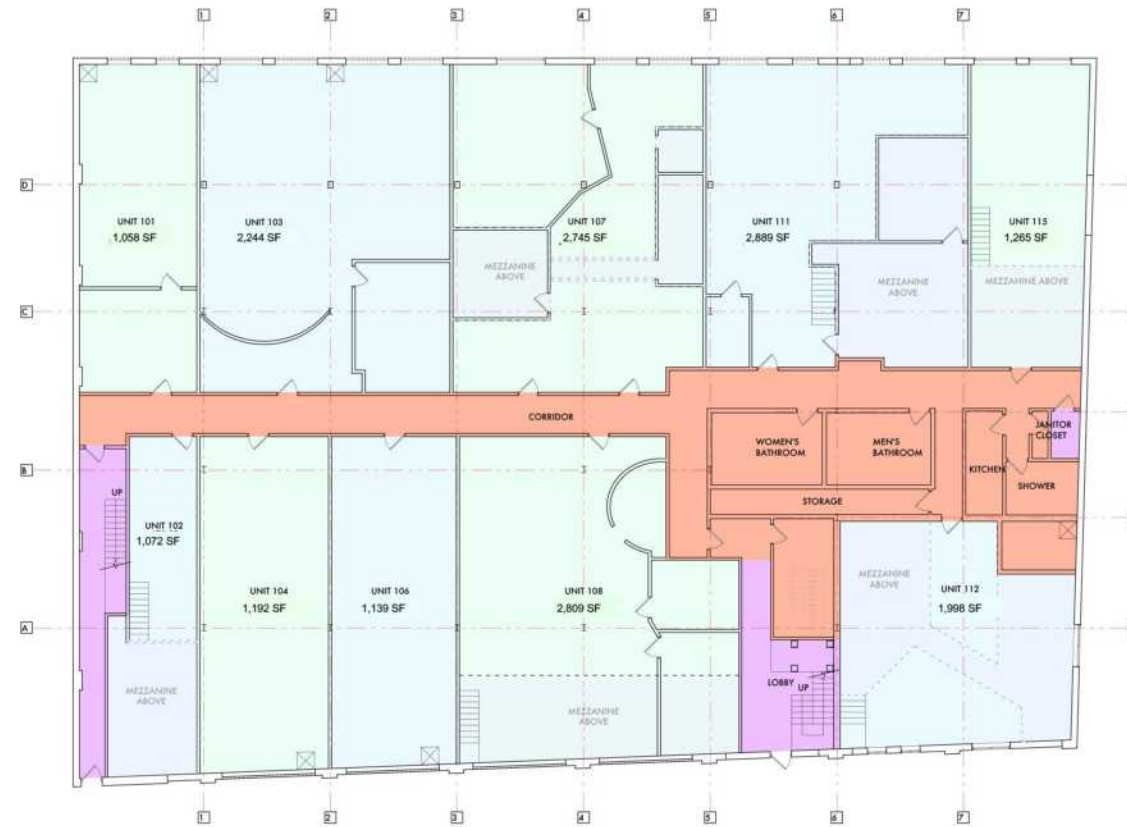
FEATURES

Suites have separately metered electric for HVAC, light and outlets

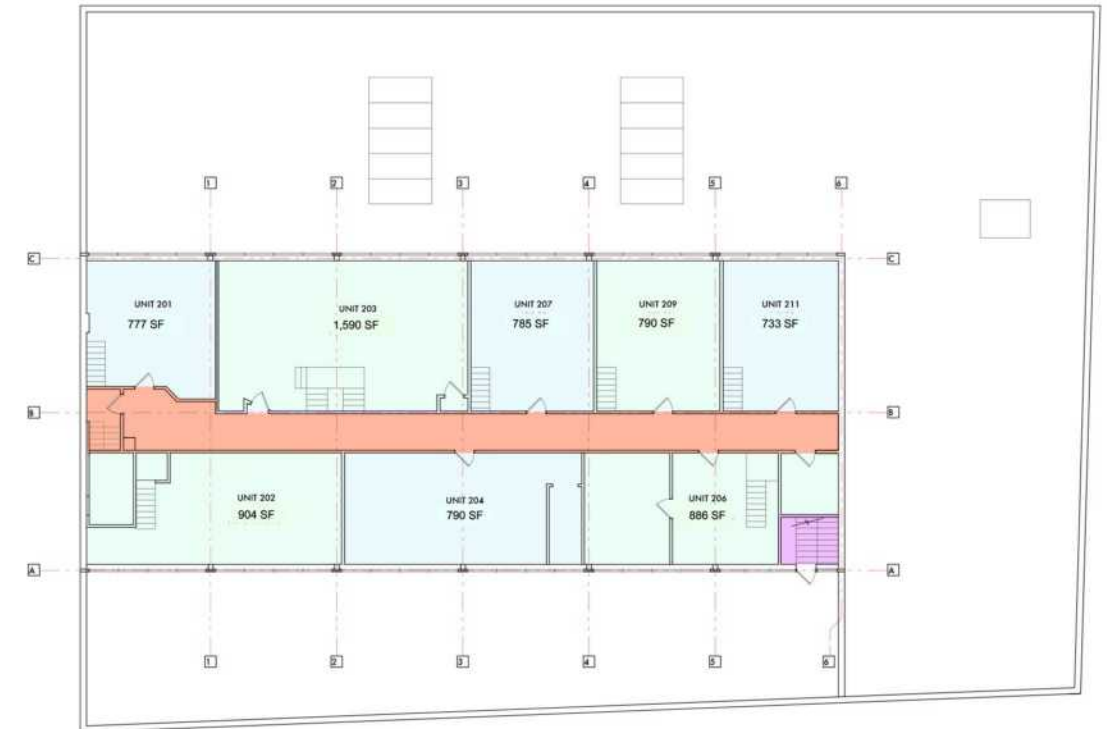
Tenants contract directly with DTE for electrical

Building offers an array of suite size and shape options.

Adjoining suites can easily be combined to accommodate growth.



FIRST FLOOR



SECOND FLOOR

AREA DEVELOPMENTS



Residences at Water Square

The residential skyscraper under construction at the former site of the Joe Louis Arena will be the biggest apartment tower to open on the Detroit Riverfront in decades. The all-glass highrise boasting 496 upscale units will open in 2024 with an all-season swimming pool, rooftop terrace, and fitness center.



Hudson's Site

Hailed as the city's most significant development in decades, the development of the former Hudson's site in the Central Business District will include 1.5 million square feet of office, retail, restaurant, hotel, residential, and event space. Construction of the city's second tallest skyscraper is expected to be complete in 2024.



The Ralph C. Wilson Centennial Park

The final part of the Detroit Riverfront Conservancy's master plan of revitalizing 5.5 miles along the river, the park is a \$75 million investment stationed on the west side of the Riverfront near the site of the former Joe Louis Arena. It will consist of 22 acres of playscapes and recreational spaces.

AREA DEVELOPMENTS



Huntington Place

The redevelopment of Detroit's convention center will broaden national appeal while improving its function and experience locally. Plans call for building an attached hotel and ballroom and extending Second Street to facilitate access and loading while providing connectivity to the Riverwalk.



University of Michigan Center for Innovation

The \$250 million, 200,000-square-foot building is being built by the University of Michigan to provide graduate education, talent-based community development, and community engagement. It's part of the larger \$1.5 billion District Detroit development that includes new construction of six buildings and reuse of four historic properties.



Gordie Howe International Bridge

The new Detroit-Windsor bridge will facilitate trade and travel across the busiest international crossing in North America providing uninterrupted freeway traffic flow between the two countries. When complete in 2025, the 1.5-mile crossing will feature six lanes of travel, a dedicated pedestrian/cycling path, and new ports of entry.

DEQUINDRE CUT & THE RIVERWALK

The Dequindre Cut Greenway is an urban recreational path stretching two miles from the East Riverfront to Eastern Market through several residential neighborhoods. Formerly a Grand Trunk Railroad link, the predominately below-street-level greenway is beloved by pedestrians and cyclists for its urban artwork and graffiti.



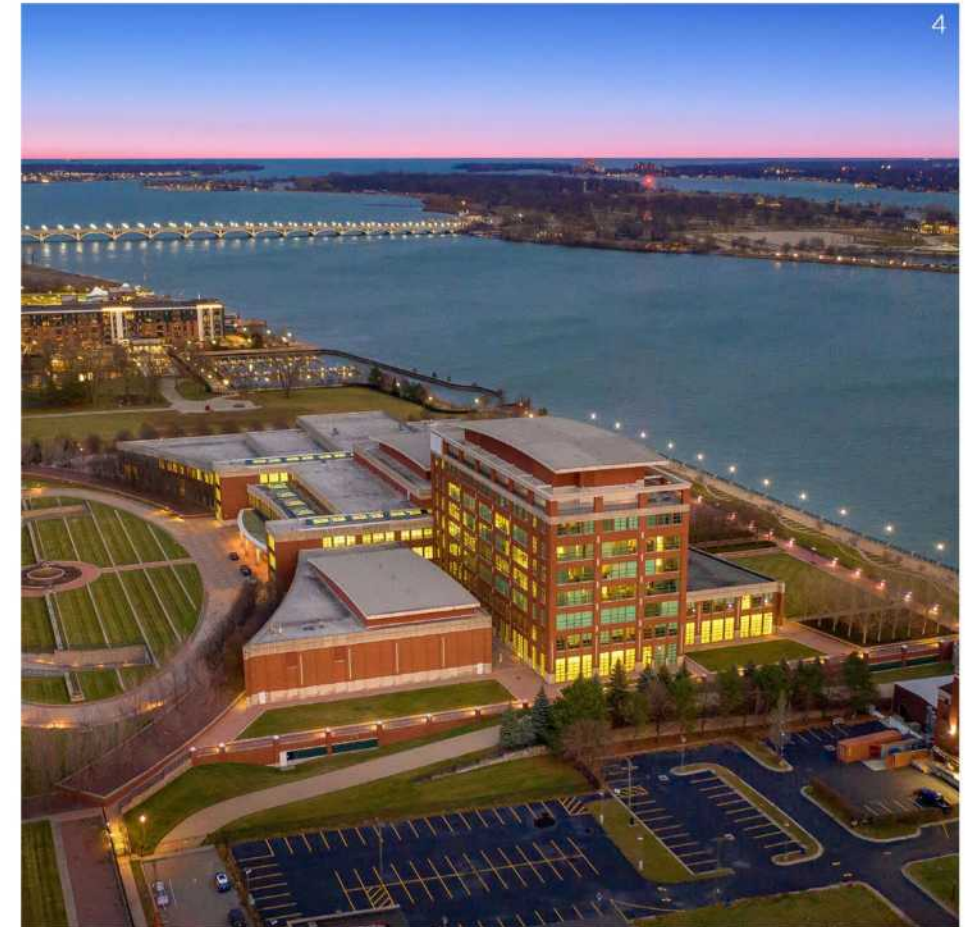


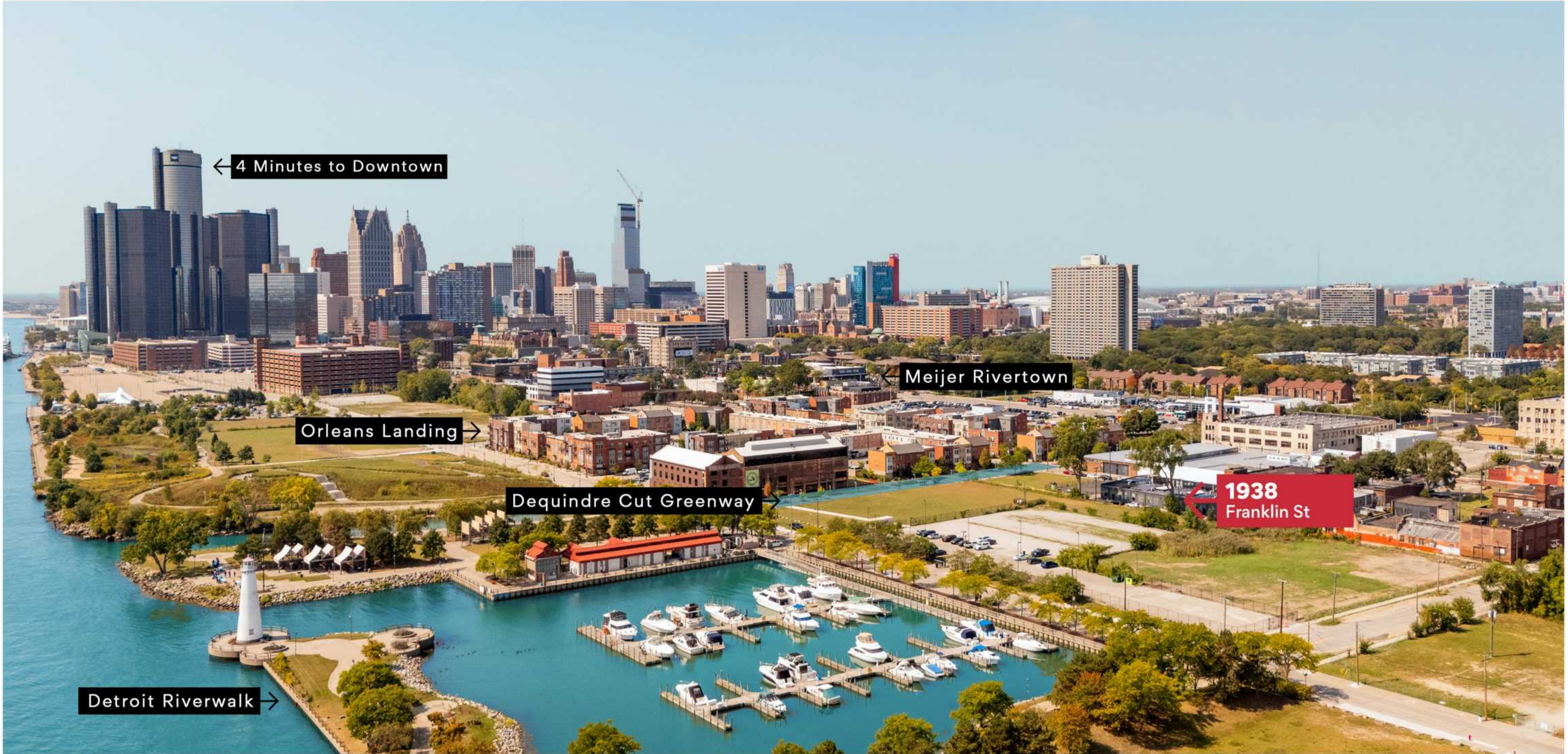


BEDROCK EXPANDS FOCUS ALONG DETROIT RIVERFRONT

Bedrock Detroit has made significant investments along the Detroit Riverfront, acquiring nearly one million square feet of property. These acquisitions include Stroh Riverplace, a 500,000-square-foot office building from the 1980s, two adjoining development parcels totaling 4.3 acres, the former UAW-GM Training Center, a 420,000-square-foot office, conference, and training facility on 18 acres of riverfront land, the 109-room Roberts Riverwalk Hotel, and a 1.7-acre development site purchased from Syncora. Additionally, Bedrock is reported to be acquiring the remaining 6.9 acres of the Syncora site, which Syncora secured development rights to following Detroit's 2014 bankruptcy.

1. 500 River Place
2. 300 River Place
3. Roberts Riverwalk Hotel
4. The Icon





← 4 Minutes to Downtown

Orleans Landing →

Dequindre Cut Greenway →

← Meijer Rivertown

1938
Franklin St

Detroit Riverwalk →



RENT ROLL

Suite	Tenant	Size	Rate	Annual Increases	Lease Maturity	Tenant Since
101	Intertek PSI	1,058	\$19.46	3%	10/31/2029	11/1/2018
102	Aviary	1,072	\$18.41	3%	12/31/2025	5/18/2015
103, 107	Teen HYPE	4,989	\$17.28	3%	12/31/2026	10/19/2016
108	Teen HYPE	2,809	\$15.81	3%	12/31/2026	10/19/2016
104	Parego Holdings	1,192	\$21.78	3%	6/14/2026	6/15/2023
106	Anthem	1,139	\$22.12	3%	8/31/2029	7/1/2019
111	Teach for America	2,889	\$21.95	3%	4/30/2028	2/1/2020
112	Pending	1,998	\$22.01	3%	TBD	N/A
115	Teach for America	1,265	\$23.45	3%	4/30/2028	2/1/2020
201	Jabrocki Love	777	\$20.85	3%	3/31/2026	4/1/2023
202	Vacant	904				
203	Stylish Detroit	1,589	\$21.90	3%	4/30/2026	8/1/2020
204	TYME Consulting	790	\$21.27	3%	3/31/2027	4/1/2023
206	Eleven24	886	\$20.99	3%	5/31/2027	6/1/2024
207	Urban Alterscape	785	\$23.69	3%	10/31/2025	10/15/2019
209	Penny Jar Co.	790	\$22.17	3%	7/31/2025	8/1/2022
211	Champagne Athletics	733	\$22.92	3%	7/14/2026	7/15/2023

ASSUMABLE DEBT TERMS

Lender	StanCorp	Next Rate Reset	8/1/2026
Loan Balance	\$2,445,991	Reset Interval (mos)	36
Interest Rate	6.25%	Recourse	Yes
Payment	\$16,492	Assumability	Yes
Amortization Term	300	Assumption Fee to Lender	1%
Maturity Date	8/1/2048	Transfer Fee to Servicer	1%

EXPENSES

Insurance	\$ 9,896.00
Utilities	\$ 12,060.67
Repairs and Maintenance	\$ 20,475.32
Janitorial	\$ 18,120.00
Landscaping & Snow Removal	\$ 5,060.00
Personnel	\$ 14,400.00
Security	\$ 2,850.00
Mgmt Fee (5%)	\$ 26,026.39
Professional & Admin Fees	\$ 408.00
Property Taxes	\$ 56,832.00

TOTALS

Gross Rental Income (96.5% Occ)	\$ 498,343.80
Parking Income (\$5 annual bumps)	\$ 15,360.00
Gas Fees	\$ 4,800.00
Total Operating Costs	\$ 166,128.38
NOI	\$ 354,399.00
Cap Rate	9%
Debt Service	\$ 197,904.00
Cash Flow After Debt Service	\$ 156,495.42
Cash-on-Cash Yield	10.41%

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