

# Building for Sale



226 Ohio Avenue  
Madison WI 53704



Presented By:

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## EXCLUSIVE AGENT

Madison Commercial Real Estate LLC (“Owner’s Agent”) is the exclusive agent for the Owner of 226 Ohio Ave, Madison, Wisconsin (“Property”). Please contact us if you have any questions.

## DESIGNATED AGENT

The designated agents for the Owner are:

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# Property Summary

226 Ohio Ave, Madison WI 53704



## Property Summary

Sale Price	\$1,500,000.00
Lot Size	.07 acres
Total Building Size	4,918 sf
Bar Area	1,471 sf
Retail 1	590 sf
Retail 2	417 sf
Apartments	2,440 sf
Basement	2,440 sf
Parcel Number	0710-064-3707-6
Years Built	1910
2024 Assessment	\$691,000.00
2023 Taxes	\$12,140.91
Zoning	TSS
Electric	3-Phase

Leases:	Expirations
3-bedroom front unit	Through Jan 2025
2-bedroom back unit	Through July 2025



# Property Highlights

226 Ohio Ave, Madison WI 53704



## Property Highlights

- Located on the corner of Ohio Ave & Atwood Ave
- Excellent visibility
- The Ohio Tavern has the oldest continued liquor license in Madison. There are two years remaining on the bar lease, but owner is willing to vacate early. (The bar business and FF&E are not included in the sale).
- Lower-level is used by the Ohio Tavern for storage, kitchen area with grease trap and walk-in cooler. (There is no hood system).
- Large back deck and plenty of outdoor patio seating along Ohio Ave
- Two front retail tenants along Atwood Ave: salon space and clothing store.
- See page 4 for additional property notes and upside to the leases.

# Financials & Projections

226 Ohio Ave, Madison WI 53704



226 Ohio Ave. - Current			226 Ohio Ave. - Projected		
	2022	2023		2022	2023
<b>Revenue</b>			<b>Revenue</b>		
<b>1st Floor Rents</b>			<b>1st Floor Rents</b>		
Ohio Tavern (1471 sf)	\$ 31,722.31	\$ 32,832.79	Ohio Tavern (1471 sf)	\$ 31,722.31	\$ 32,832.79
Retail Unit #1 (590 sf)	\$ 12,723.43	\$ 13,168.83	Retail Unit #1 (590 sf)	\$ 12,723.43	\$ 13,168.83
Retail Unit #2 (417 sf)	\$ 8,992.66	\$ 9,307.46	Retail Unit #2 (417 sf)	\$ 8,992.66	\$ 9,307.46
			Basement Rent (\$7 / SF)	\$ 17,080.00	\$ 17,080.00
<b>2nd Floor Rents</b>			<b>2nd Floor Rents</b>		
3-bedroom Apartment (Front-Unit)	\$ 16,200.00	\$ 16,200.00	3-bedroom Apartment (Front-Unit)	\$ 27,600.00	\$ 27,600.00
2-bedroom back unit (Back-Unit)	\$ 19,200.00	\$ 19,200.00	2-bedroom back unit (Back-Unit)	\$ 22,800.00	\$ 22,800.00
<b>Total Rental Revenue</b>	<b>\$ 88,838.40</b>	<b>\$ 90,709.08</b>	<b>Total Rental Revenue</b>	<b>\$ 120,918.40</b>	<b>\$ 122,789.08</b>
<b>Expenses</b>			<b>Expenses</b>		
Insurance	-\$3,739	-\$3,708	Insurance	\$ (3,739.00)	\$ (3,708.00)
Taxes	-\$11,451	-\$11,976	Taxes	\$ (11,451.00)	\$ (11,976.00)
Utilities: Water	-\$5,400	-\$5,400	Utilities: Water	\$ (5,400.00)	\$ (5,400.00)
Utilities: Gas	-\$5,805	-\$6,984	Utilities: Gas	\$ (5,805.00)	\$ (6,984.00)
Maintenance	-\$3,645	-\$17,688	Maintenance	\$ (5,000.00)	\$ (5,000.00)
<b>Total Expenses</b>	<b>\$ (30,040.00)</b>	<b>-\$45,756</b>	<b>Total Expenses</b>	<b>\$ (31,395.00)</b>	<b>\$ (33,068.00)</b>
<b>Net Operating Income</b>	<b>\$ 58,798.40</b>	<b>\$ 44,953.08</b>	<b>Net Operating Income</b>	<b>\$ 89,523.40</b>	<b>\$ 89,721.08</b>
<b>Cap Rate</b>	<b>3.92%</b>	<b>3.00%</b>	<b>Cap Rate</b>	<b>5.97%</b>	<b>5.98%</b>

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# Property Notes

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## 1<sup>st</sup> Floor Rents:

- 1<sup>st</sup> floor rents – based on June 2024 rental rate. Rent is currently split proportionally by square footage between the Ohio Tavern, and both retail spaces on Atwood Ave.
- Total 1<sup>st</sup> floor rent is \$4,609. Both the Current and Projected cash flows use the rates shown below).
  - Ohio Tavern: \$2,736
  - Retail #1 (590 sq ft.): \$1,097
  - Retail #2 (417 sq. ft.): \$775
  - Rent is currently not paid on the 2440 sq. ft. of basement space utilized by Ohio Tavern.
    - MCRE estimates space could be leased for \$1,423 (\$7/SF)

## 2<sup>nd</sup> Floor Rents:

- 2<sup>nd</sup> floor rents – based on two active leases that expire January 31<sup>st</sup>, 2025 and July 31<sup>st</sup> 2025. 2<sup>nd</sup> floor totals 2,440 sq. ft.
- Madison Commercial Real Estate believes current rates are significantly below market. Projected cash flow uses market rental rates shown below.
  - 3-bedroom front unit: \$2,300
  - 2-bedroom back unit: \$1,900

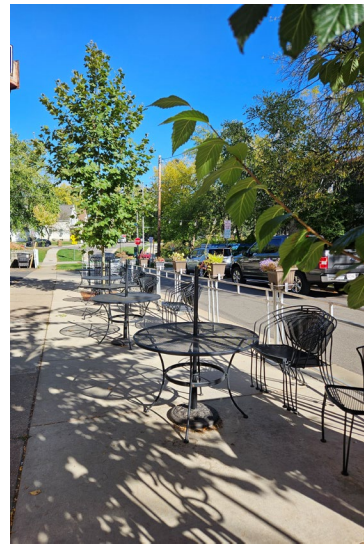
## Expenses:

- Both the current and projected cash flows use actual expenses associated with the property. This includes insurance, taxes, and utilities. A flat rate of \$5,000 is used for the maintenance expense in the Projected Cash Flow.
- Utilities, aside from electric bills, are not currently passed onto tenants per the existing leases.
  - All tenants are separately metered for electric currently.
  - MCRE believes the rest of utilities could be charged to the individual tenants (Bar, Retail #1 and #2, and both apartments).
    - This would positively influence the NOI and Cap Rate if utilities were to be passed onto tenants.



# Ohio Tavern Photos

226 Ohio Ave, Madison WI 53704





# Front Retail Suites

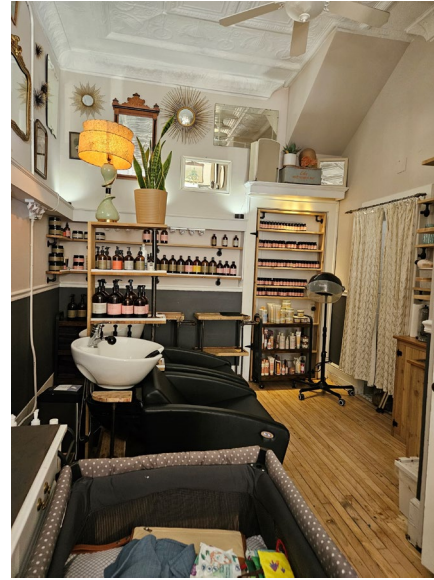
2332 & 2334 Atwood Ave, Madison WI 53704



2334 Atwood Ave



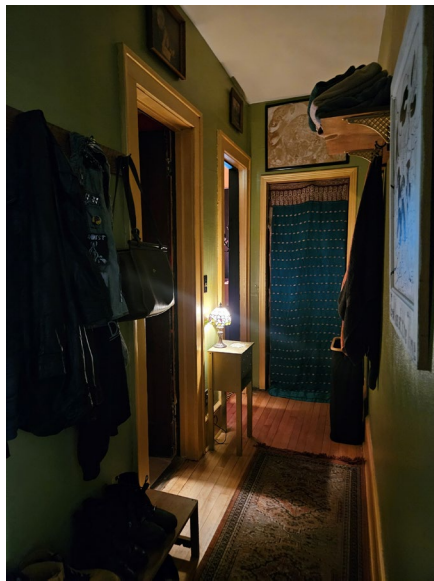
2332 Atwood Ave





# Back Apartment Unit Photos

226 Ohio Ave, Madison WI 53704





# Front Apartment Unit Photos

226 Ohio Ave, Madison WI 53704



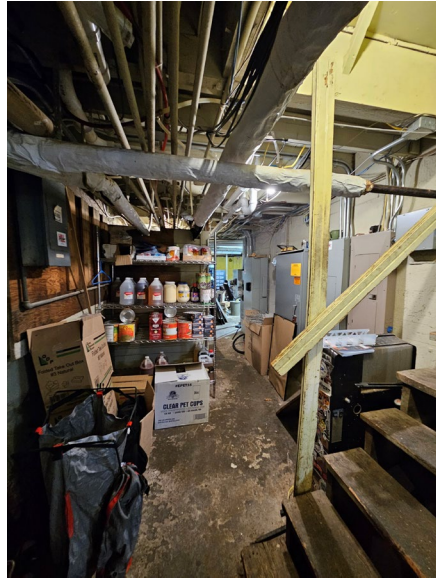
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# Basement Photos

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# Aerial Map

226 Ohio Ave, Madison WI 53704

