



# THE GALEWOOD BUILDING

2220 SUPERIOR VIADUCT, CLEVELAND, OHIO 44113

CONFIDENTIAL MULTI-FAMILY INVESTMENT OFFERING MEMORANDUM

## CLEVELAND OHIO TRANSACTION TEAM

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## TABLE OF CONTENTS

INVESTMENT SUMMARY / PG. 3	
PROPERTY DESCRIPTION / PG. 6	
FLOORPLANS / PG. 11	
LOCATION OVERVIEW / PG. 17	
APARTMENT MARKET / PG. 21	
BROKER PROFILES / PG. 23	



# INVESTMENT SUMMARY



## OPPORTUNITY

The Galewood Building is a completely renovated 35,380 SF multi-family and mixed-use development located at the intersection of West 24th Street and Superior Viaduct, steps from Ohio City's Hingetown neighborhood, the west bank of the Flats, and Downtown Cleveland. Constructed in 1900 and renovated in 2018 with high-end finishes and appliances for every unit, the property consists of 11 luxury one and two bedroom apartment units as well as three (3) first floor commercial spaces.

The property's location and condition are its best attributes. The units are spectacular and the building will require no significant capital improvement items, as everything was completely remodeled in 2018. There is significant upside in finding a user for the vacant retail/commercial space, as well as achieving higher rent for the apartments currently leased out at slightly lower rates. Currently, some units are achieving \$1.75/SF rents while other units are at \$1.38/SF. Bringing the lower-paying units up to \$1.75/SF and beyond will help the property reach its full potential. Additionally, parking is currently included as part of the rent, whereas similar apartment buildings have additional charges for parking. Investors enjoy tax abatement status for the property through 2033.

Outside of the apartments and commercial spaces, tenants of the Galewood have access to unbelievable sweeping downtown views from the Viaduct, and enjoy the benefits of multi-modal transportation, with bus and train options in the near vicinity. Tenants are within a five (5) minute walk of the new Church + State development and all the retail options in the Hingetown neighborhood. Additionally, the transformative Irishtown Bend project located two (2) minutes to the east of the property is underway. This 23-acre, \$40+ Million park development will connect Ohio City to Downtown Cleveland, the lake, and the Flats utilizing the Towpath Trail and acres of green space for the community to enjoy.



**35,380**  
GROSS SF

**1900**  
ORIGINAL  
CONSTRUCTION

**2018**  
RENOVATION

**\$235,607.08**  
2020 NOI

**\$4,600,000.00**  
SALE PRICE



Operating/Loan Analysis  
**2200 Superior Viaduct**

Cleveland, OH  
 November 4, 2020

Total Rentable SF	23,194	ACTUALS			PROFORMA	
		Monthly	2020	\$/SF/Space *	2021	\$/SF/Space *
<b>Income:</b>						
Apartments						
Unit 1	722	\$ 915.00	\$ 10,980.00	\$ 1.27	\$ 10,980.00	\$ 1.27
Unit 2	858	\$ 1,502.00	\$ 18,024.00	\$ 1.75	\$ 18,024.00	\$ 1.75
Unit 3	1,664	\$ -		\$ -	\$ 27,600.00	\$ 1.38
Unit 4	1,696	\$ 2,428.00	\$ 29,136.00	\$ 1.43	\$ 29,136.00	\$ 1.43
Unit 5	1,709	\$ 2,590.00	\$ 31,080.00	\$ 1.52	\$ 31,080.00	\$ 1.52
Unit 6	1,775	\$ 2,494.00	\$ 29,928.00	\$ 1.41	\$ 29,928.00	\$ 1.41
Unit 7	2,154	\$ 2,984.00	\$ 35,808.00	\$ 1.39	\$ 35,808.00	\$ 1.39
Unit 8	1,697	\$ 2,380.00	\$ 28,560.00	\$ 1.40	\$ 28,560.00	\$ 1.40
Unit 9	1,709	\$ 3,332.55	\$ 39,990.60	\$ 1.95	\$ 39,990.60	\$ 1.95
Unit 10	2,097	\$ 3,400.00	\$ 40,800.00	\$ 1.62	\$ 40,800.00	\$ 1.62
Unit 11	2,835	\$ 4,961.25	\$ 59,535.00	\$ 1.75	\$ 59,535.00	\$ 1.75
Commercial - Retail						
A1 - VACANT	1,639	\$ -	\$ -	\$ -	\$ 34,419.00	\$ 21.00
A2 - Confidece by Victoria	543	\$ 950.25	\$ 11,403.00	\$ 21.00	\$ 11,403.00	\$ 21.00
B1 - Prep	2,096	\$ 2,500.00	\$ 30,000.00	\$ 14.31	\$ 30,000.00	\$ 14.31
<b>Effective Gross Income</b>		<b>\$ 30,437.05</b>	<b>\$ 365,244.60</b>	<b>\$ 15.75</b>	<b>\$ 427,263.60</b>	<b>\$ 18.42</b>
<b>Operating Expenses:</b>						
Real Estate Taxes **			\$ 20,185.52	\$ 0.87	\$ 20,185.52	\$ 0.87
Insurance		\$ 921.00	\$ 11,052.00	\$ 0.20	\$ 11,052.00	\$ 0.20
Repairs and Maintenance		\$ 1,000.00	\$ 12,000.00	\$ 0.52	\$ 12,000.00	\$ 0.52
Common Area Utilities		\$ 2,500.00	\$ 30,000.00	\$ 1.29	\$ 30,000.00	\$ 1.29
Administrative		\$ 4,700.00	\$ 56,400.00	\$ 2.43	\$ 56,400.00	\$ 2.43
<b>Total Operating Expenses</b>			<b>\$ 129,637.52</b>	<b>\$ 5.59</b>	<b>\$ 129,637.52</b>	<b>\$ 5.59</b>
<b>Net Operating Income</b>			<b>\$ 235,607.08</b>	<b>\$ 10.16</b>	<b>\$ 297,626.08</b>	<b>\$ 12.83</b>

\* \$/SF/Space is calculated per month for apartment units  
 \*\* Tax abatement through December 2033  
 \*\*\* Full rent roll is available upon request



# PROPERTY DESCRIPTION



## COMMUNITY AMENITIES

- Electronic and closed-circuit camera security system at entry points
- Pet friendly
- Indoor garage parking included
- All updated common areas with LED lighting
- Bike storage

## UNIT FEATURES

- Original hardwood floors in most units
- Designed lighting
- Granite countertops
- High-end Frigidaire stainless steel appliances
- In-unit Electrolux washer/dryer
- New energy-efficient HVAC and windows
- Industrial look with exposed brick/duct work
- Ceiling heights ranging from 9'-17'

## THE OFFERING

Name	The Galewood Building
Address	2220 Superior Viaduct
Type of Ownership	
Assessor's Parcel Number	003-15-037

## SITE DESCRIPTION

Number of Units	11 apartment units, 3 commercial spaces
Number of Buildings	1
Number of Stories	4
Rentable Square Feet	35,380
Year Built	1900, renovated 2018
Lot Size	0.203 acres
Parking	13 spaces in climate controlled garage

## UNIT MIX OVERVIEW

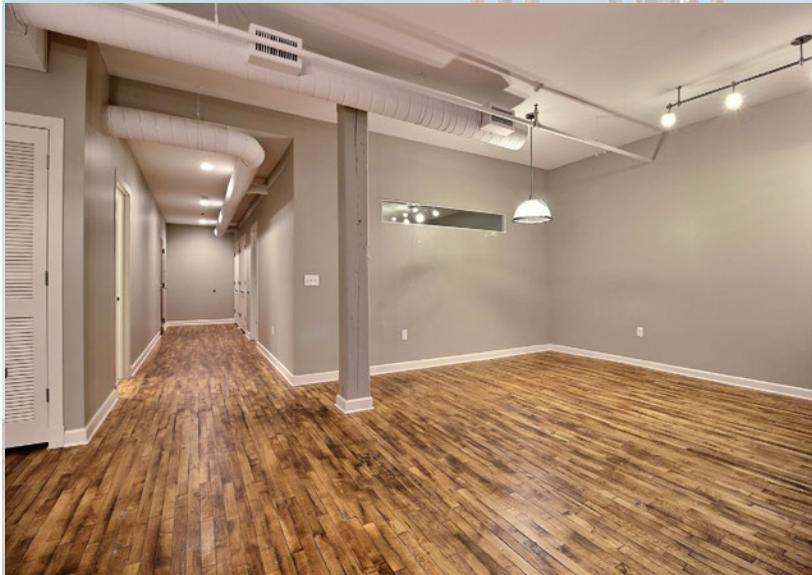
UNIT TYPE	NUMBER OF UNITS	UNIT SF
1 Bed / 1 Bath	2	722 - 858 SF
2 Bed / 2 Bath	7	1,664 - 2,154 SF
Penthouse 2 Bed / 2 Bath	2	2,097 - 2,835 SF + Rooftop Deck
Commercial	3	543 - 2,096 SF



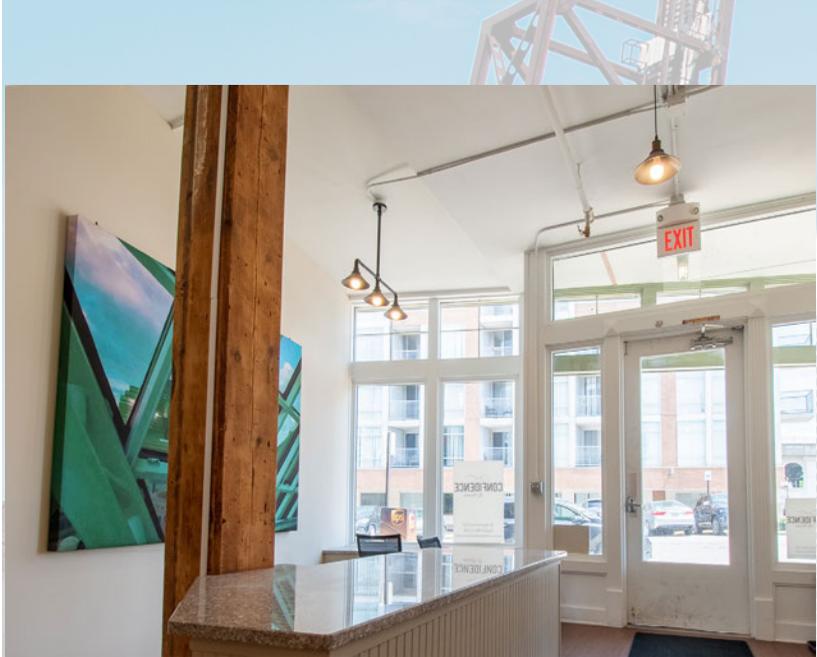
# PROPERTY PHOTOS - MULTI-FAMILY



# PROPERTY PHOTOS - MULTI-FAMILY



# PROPERTY PHOTOS - COMMERCIAL SPACE

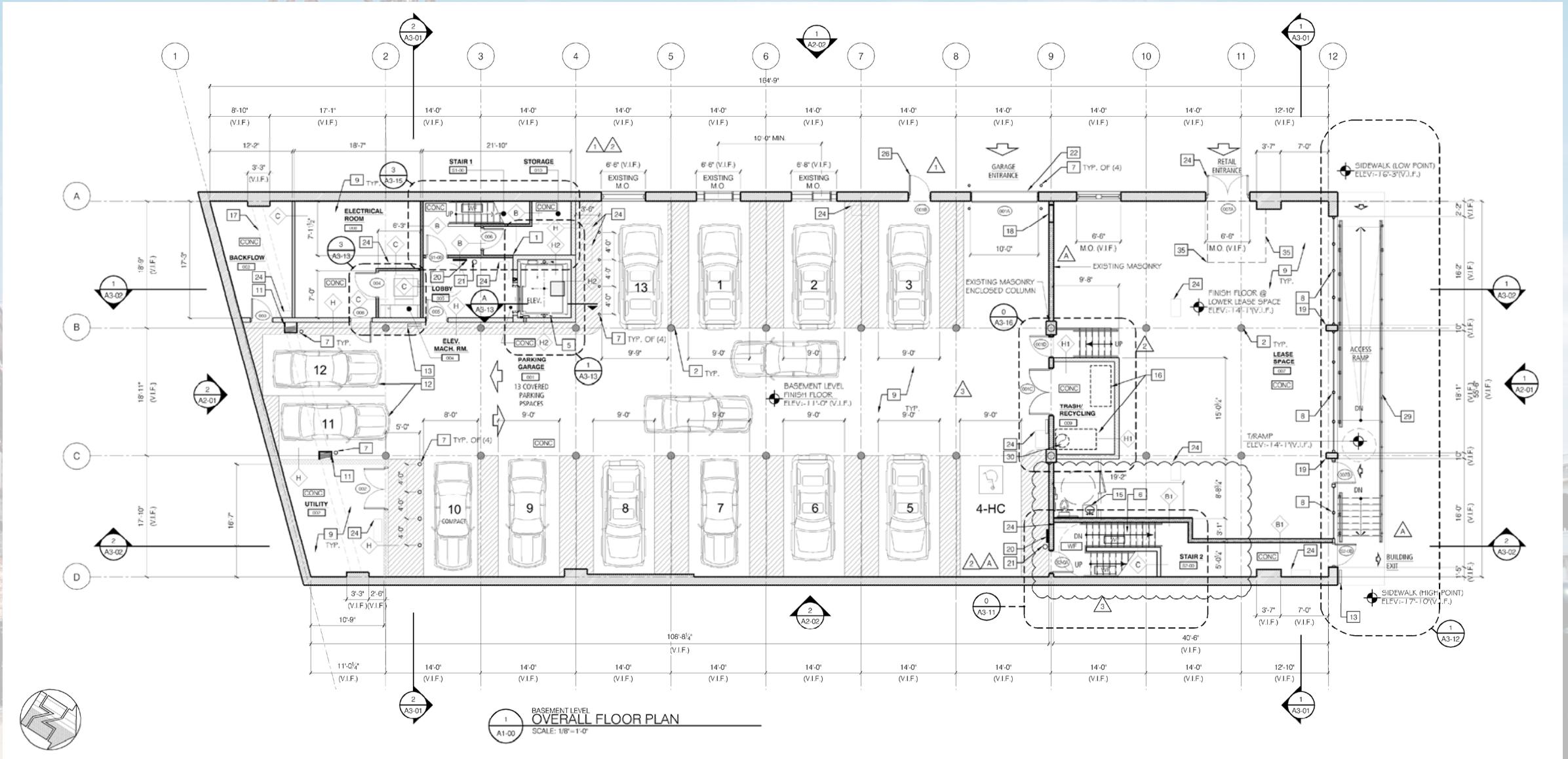




# FLOORPLANS

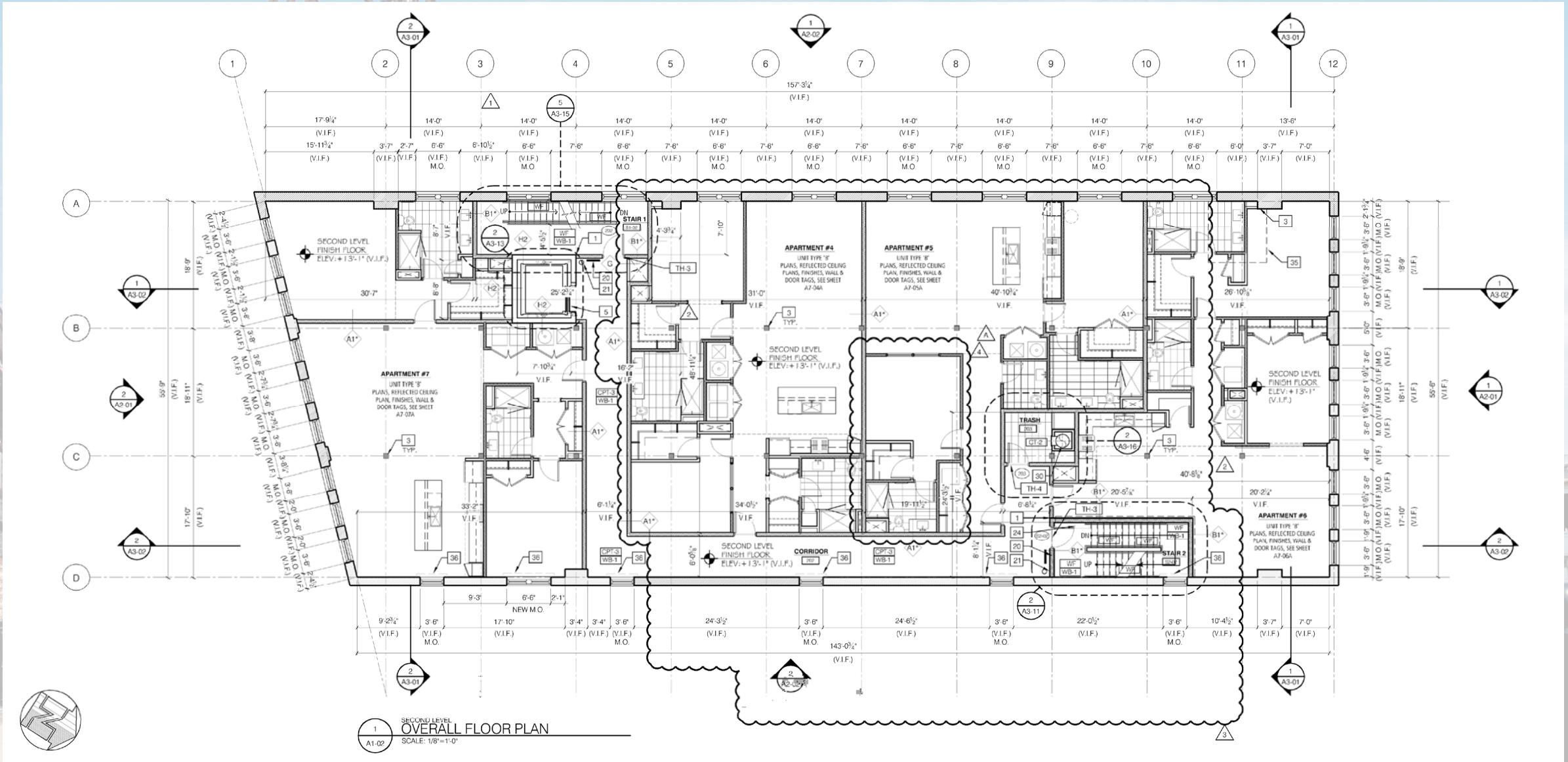


# FLOORPLAN - PARKING GARAGE



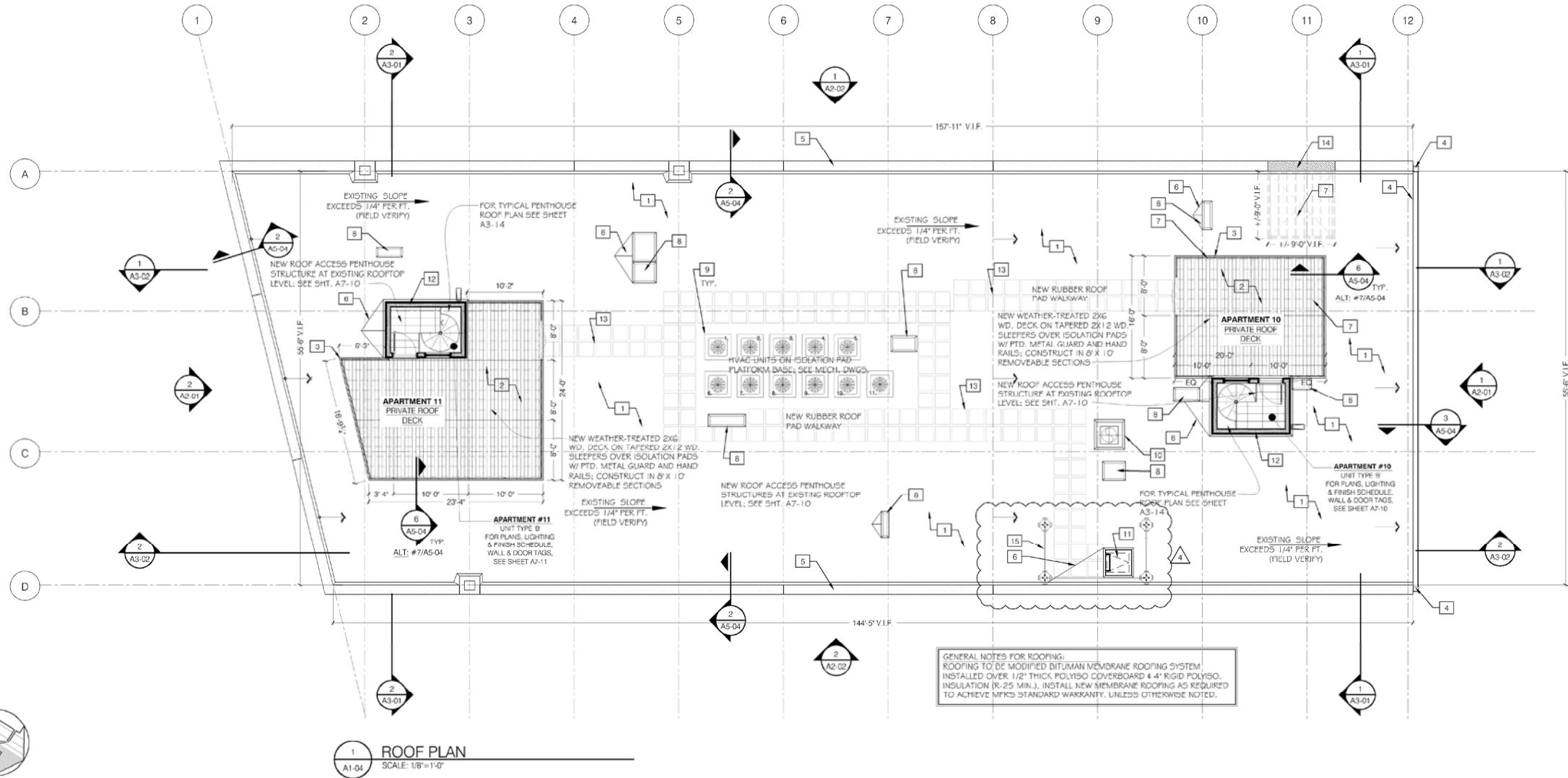


# FLOORPLAN - SECOND FLOOR





# FLOORPLAN - ROOF





# LOCATION OVERVIEW



# NEIGHBORHOOD

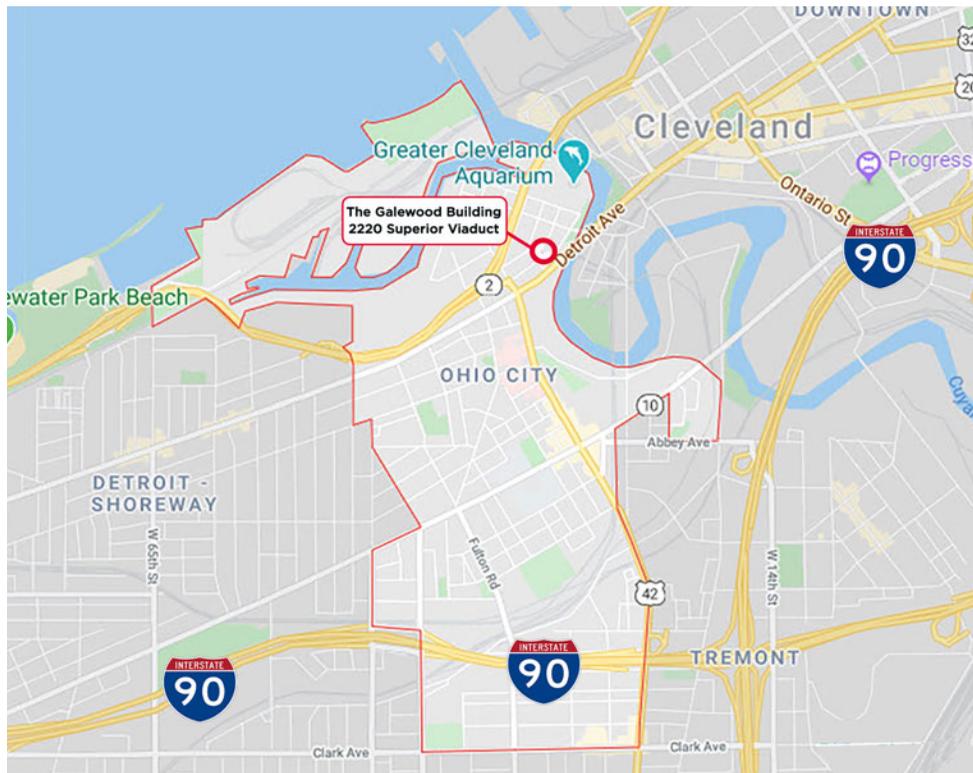
## Ohio City

Located on the near west side of Cleveland, across the Cuyahoga River from Downtown, Ohio City is one of Cleveland's most complete urban neighborhoods. The neighborhood offers a wealth of cultural institutions; public, private and charter schools; local restaurants and retail.

Ohio City is rated the second most walkable neighborhood in Cleveland, with downtown being named first. Ohio City is known for its diversity, historic housing stock, entrepreneurial spirit, passionate neighbors, and anchors like the West Side Market, Lutheran Hospital and Saint Ignatius High School.

Today Ohio City is home to nearly 10,000 residents, over 250 small businesses, and over 100 nonprofit organizations.

[www.ohiocity.org/about](http://www.ohiocity.org/about)



## Flats West Bank

The Flats is a historically significant, urban waterfront destination that is host for new development and several revitalization projects. Despite the economic slowdown, several prominent local and national developers and investors are making big real estate plays on the Flats' west bank, across the Cuyahoga River from Downtown Cleveland. The end result could be a mix of buildings with mostly residential offerings and at least two (2) of the developments possibly rising to 20 stories or higher.

[www.flatsforward.org/developmentneo-trans.blogspot.com/2020/05/developers-investors-making-big-plays.html](http://www.flatsforward.org/developmentneo-trans.blogspot.com/2020/05/developers-investors-making-big-plays.html)





# AERIAL MAP - CBD





# APARTMENT MARKET



# CLEVELAND

## RESIDENTS

**The growing population in Downtown reflects the rich history and diversity of our entire region.** With several housing developments set to be completed in 2020, Downtown Cleveland's population will reach 20,000 residents by the end of the year. This growing population is one of the most economically and racially diverse in the region, which only helps to sustain that growth. Downtown's residents are 56% White, 39% Black, 7% Asian, and 5% Hispanic, non-white. The median household income of residents in the downtown core is approximately \$79,000, and about 32% are considered middle class.



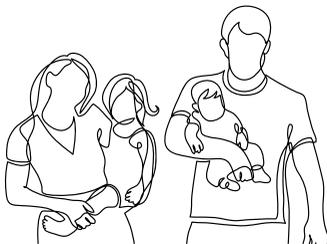
**102%**  
*Residential Growth Since 2000*

## FACTS & FIGURES

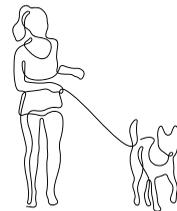
**45%**  
ADVANCED  
DEGREE HOLDERS



**94%**  
INCREASE  
IN CHILDREN UNDER THE AGE OF  
14 SINCE 2000



**59%**  
18-34 YEARS  
OF AGE



**45%**  
USE SUSTAINABLE  
MODES OF  
TRANSPORTATION  
(TRANSIT, BIKE, WALK, CARPOOL)  
TO COMMUTE TO WORK



## HOUSING MARKET

### RENTALS

Market Rate Units	7,520
Occupancy	90.0%
Average Rent	\$1.58 psf

### FOR SALE

Total Condo/Townhomes	487
2019 Condo/Townhome Sales	76
2019 Average Sale Price	\$248,731
2019 Average Price psf	\$187.49

**The housing market unfolded as forecast by Philadelphia-based Urban Partners Downtown Cleveland Housing Study.** Absorption of the 991 new and renovated apartments added to the market in 2019, along with the completion of the 1100+ units currently under construction, will carry the Downtown Cleveland population to over 20,000 by the end of 2020. The study found that the downtown market absorbs about 420 apartments per year, indicating that occupancy rates are likely to decline as new units are absorbed.



The study also found that Downtown Cleveland needs another 3800 housing units by 2030, including 800 for-sale units. There are currently 12 condominium units and townhomes under construction, bringing downtown's need to an additional 788 by 2030.

**30,000 RESIDENTS**  
*projected to live downtown by 2030*

\* DATA PROVIDED BY THE 2019 DCA ANNUAL REPORT



# BROKER PROFILES



## OUR TEAM



### Rico A. Pietro, SIOR

Principal

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### Professional Expertise

Rico Pietro, Principal with Cushman & Wakefield | CRESCO Real Estate has been in the real estate industry for over twenty (20) years. He joined Cushman & Wakefield | CRESCO Real Estate in 2004 as a founding member of the Office Services Group. Rico provides corporate real estate advisory solutions to his clients locally and on an international basis. Rico currently sits on the Cushman & Wakefield Tenant Advisory Council. Rico is known as the most active broker in the Cleveland Region and is routinely the firms top producer in dollar volume and number of transactions. Rico specializes in creative brokerage, advisory services and marketing trends in the office, investment, and mixed use arena.

Rico is a multi-year Northern Ohio NAIOP Office Broker of the Year. His recent accomplishments include lead advisor for The “9” complex in downtown Cleveland that includes an autograph Marriott Hotel, Heinen’s Grocery Store, luxury apartments and the County Office Headquarters. He also was the lead broker in assembling the land for the Gateway “nuCLEus” project, a proposed \$500 million + ground up mixed use development. Rico’s headquarters work includes Dealer Tire in MidTown who occupied 180,000 SF in early 2017. Rico also was the lead broker for the sale of Terminal Tower in September, 2016 for \$38.5MM.

### Clients Served

- ADCOM
- Allstate Insurance
- Bryant & Stratton College
- Bureau Veritas
- Carpenters Union
- CF Bank
- Cleveland.com
- Cleveland Urology
- The Cleveland Clinic
- Cuyahoga County Land Bank
- Dalad Group
- Dealer Tire World Headquarters
- Forest City Enterprises
- Fresenius Dialysis Centers
- GEIS
- Gleeson Labs/Co-lab
- Hemingway Development
- Intercontinental Hotel Group
- J Scheer Investments
- K & D Group
- Marcus & Millichap
- Marriott
- Microsoft
- Middlefield Bank
- Morgan Stanley
- New York Community Bank
- Nationwide Insurance
- NESCO
- OrangeTheory Fitness
- Prestige Management
- Starbucks
- St. Vincent Medical Center
- Stark Enterprises
- Sun Life
- Uber
- University Hospitals Hospital Systems
- Welty Building Co
- Weston Hurd

## OUR TEAM

### Major Transactions

- Dealer Tire - 180,000 SF
- “The 9” and County Office Headquarters - 500,000 SF
- Downtown Land Assembly - “nuCLEus” \$26,000,000 - For proposed \$500 million mixed used development
- Sale of Terminal Tower for luxury apartment conversion for \$38.5MM

### Accomplishments

- Routine Top Company Producer
- Consistent “Power Broker” via CoStar

### Professional Affiliations

- Cleveland Area Board of Realtors (CABOR)
- Ohio Association of Realtors (OAR)
- National Association of Realtors (NAR)
- Society of Industrial and Office Realtors (SIOR) Executive Committee

### Professional Recognition

- NAIOP Office Broker of the Year
- NAIOP Office Broker of the Year Nominee
- NAIOP Investment Transaction of the Year
- NAIOP Office Transaction of the Year

### Community Leadership

- Lakeland Foundation – Next Generation Board Member
- Ohio Association of Community Colleges Board Member

### Education

- John Carroll University: Boler School of Business; B.S.B.A., Marketing Major

## OUR TEAM



### David Leb

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### Professional Expertise

David joined Cushman & Wakefield | CRESCO Real Estate in 2017 after several years with a national real estate brokerage. David specializes in office landlord representation, tenant representation, leasing and sales. David's clients can attest to his excellent market knowledge, negotiation skills and tireless work ethic to accomplish his clients' real estate objectives. In his first four years in brokerage, David closed more than 100 leasing and sale transactions, equal to more than \$75MM in transaction value. David earned the CoStar® Power Broker award for 2018 and 2019, which is awarded to the top leasing and sales brokers for Northeast Ohio.

David was recognized by *Crain's Cleveland Business* - "Twenty in their 20s" Class of 2017 for his professional accomplishments and contributions to the community. David works primarily with the office services and retail services group and he represents some of the most active owners and users in the local Cleveland Market. David is a Cleveland native.

### Clients Served

- Bedrock Companies
- Carnegie Companies
- City of Beachwood
- Eriebank
- Equity LLC
- Forest City Shuffleboard Arena and Bar
- FormFire
- Galaxy Corporate Center
- Government Investment Partners
- Midwest Development Partners
- MyPlace Homes
- Rose & Berg Realty Group
- Splash Financial
- USA Parking

### Professional Affiliations

- Young Commercial Real Estate Professionals (YCREP) Organizer
- Downtown Cleveland Alliance City Advocate
- CCIM, Ohio Chapter Member
- Urban Land Institute

### Professional Recognition

- CoStar Power Broker (2018, 2019)
- 2019 Jewish Federation of Cleveland's Mandel Symposium
- 2017 Urban Land Institute Partnership Forum
- 2017 Honoree of Crain's Cleveland "Twenty in their 20s"

### Community Leadership

- Board Member of Young Leadership Division, Cleveland Jewish Federation
- Treasurer of Heartland PAC
- Anti-Defamation League Glass Leadership Institute

### Education

- Northwestern University, M.A. in Social Policy
- The Ohio State University, B.A. in Geography and History, Cum Laude





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**About Cushman & Wakefield**

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 53,000 employees in 400 offices and 60 countries. In 2019, the firm had revenue of \$8.8 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

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