



THE CARUCCI GROUP®

SERHANT.

EXCLUSIVE OFFERING

# 172 Hanover Street

Portsmouth, New Hampshire

PRESENTED BY

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THE OFFERING

# Executive Summary

SERHANT. The Carucci Group is pleased to present 172 Hanover Street, a 12,780+/- SF mixed-use corner building in the historic core of Downtown Portsmouth, New Hampshire. The property pairs in-place triple-net restaurant income on the ground and lower levels with a fully designed, permitted and bid two-unit residential conversion on the upper level.

The offering is distinguished less by what it earns today than by how much of the pre-development work is already finished. Architectural drawings, city-assigned unit addresses, a live construction bid and as of July 1, 2026 as-of-right residential zoning are all in hand.

Against this backdrop, 172 Hanover Street represents a compelling opportunity to acquire a strategically located commercial asset within a supply-constrained, high-demand downtown market—offering the potential for durable long-term value supported by location, scarcity, pedestrian connectivity, and Portsmouth’s enduring economic and lifestyle appeal.

12,780+/- SF

Gross building area across three levels

\$18,000 / month

In-place triple-net base rent

\$567,000

Live construction bid (Nov 3, 2026)

Permitted 2 Floors

Vertical addition above

THE CURRENT ASSET

# Corner Property In The Downtown Core

|                         |                             |
|-------------------------|-----------------------------|
| Zoning                  | CD5 · urban-core, mixed-use |
| Year Built              | 1850                        |
| Gross Area              | 12,780+/- SF                |
| 1st Floor / Ground      | 5,987+/- SF                 |
| 2nd Floor / Upper Level | 3,182+/- SF                 |
| Lower Level             | 4,215+/- SF*                |
| Lot                     | 0.13 acre                   |
| Taxes, FY 2026          | \$40,560 / year             |

**ZONING RELIEF · RSA 674:77-78 (HB 631)**

Effective July 1, 2026. New Hampshire's new statute permits residential use as-of-right on commercially zoned land and provides adaptive-reuse relief for conversions of existing commercial buildings.

**TENANCY & INCOME**

## La Carreta Restaurant

Occupies two thirds of the building on a triple-net lease; the tenant covers two thirds of taxes and insurance.

**\$18,000 / month**

**BASE RENT**

Two five-year options have lapsed — the tenant is now at-will.

**VACANT · LOWER LEVEL\***

1,200+/- SF of vacant lower-level space, formerly a restaurant, available for re-tenanting, owner use, or restaurant expansion.

ON THE GROUND

# The Building Today



The corner at Hanover Street and Vaughan Mall - steps to Market Square and waterfront.



Sidewalk dining · La Carreta interior



Three storefront elevations, dormered upper level, and outdoor seating on prime Hanover Street frontage.

## THE LOCATION

# Location & Investment Positioning

- Premier position in the historic core of Downtown Portsmouth — the most coveted destination on New Hampshire's Seacoast.
- Inside the city's most established pedestrian retail and dining district: prominent restaurants, boutique retailers, hospitality, professional services and cultural attractions.
- Steps from Market Square, Vaughan Mall, Strawberry Banke, waterfront and the principal downtown corridors.
- Historic architecture, limited developable land and tightly held ownership make the district structurally scarce.
- A regional economic and cultural hub drawing from residents, businesses, visitors and affluent consumers across the Seacoast and New England.
- On the I-95 corridor, approx. one hour from both Boston and Portland.



THE LOCATION

Less Than A 10 Minute Walk

DRIVE TIMES

4 min

I-95 Exit 7

1.3 mi

9 min

Portsmouth Intl at Pease

4.2 mi

23 min

Amtrak Downeaster,  
Durham

11.3 mi

60 min

Boston / Logan Airport

56 mi

THE WALK

- 172 Hanover Street

The subject property
- 1

Vaughan Mall

Pedestrian way at the door

1 min
- 2

Market Square

The downtown 100% corner

3 min
- 3

Bow St & Ceres St

Waterfront dining, tugboat pier

7 min
- 4

Prescott Park

Gardens, arts festival, harbor

11 min
- P

Hanover Garage

900 structured spaces

2 min

| TRAFFIC COUNTS · VEHICLES PER DAY |       |
|-----------------------------------|-------|
| Maplewood Ave                     | 7,576 |
| Deer St                           | 5,692 |
| Congress St                       | 5,317 |



Walk times measured from 172 Hanover Street. Traffic counts: CoStar AADT. Drive times: I-95 Exit 7 (Market St) and Portsmouth International Airport at Pease.

## THE NEIGHBORHOOD

# A Curated Historical Downtown



Market Street retail



The Music Hall



Commercial Alley



Market Square



Ceres Street



The working waterfront



Prescott Park



Historical Architecture

THE SETTING

# Portsmouth Downtown Demographics

City of Portsmouth, New Hampshire

|                      |                                    |                                     |                                       |                                    |
|----------------------|------------------------------------|-------------------------------------|---------------------------------------|------------------------------------|
| 42.9<br>Median Age   | 61%<br>Bachelor's Degree or Higher | 92%<br>White Collar Workers         | \$145,403<br>Average Household Income | 51.9%<br>Owner Occupied Households |
| 22,545<br>Population | 10,902<br>Households               | 48.1%<br>Renter Occupied Households | \$106,219<br>Median Household Income  | \$1,869<br>Median Gross Rent       |

DAYTIME DRAW

- Pease International Airport, 4 mi. out: 250+ businesses and 26,000 jobs supported region-wide
- 92% of Portsmouth workers drive; median commute 22.2 minutes
- Portsmouth International at Pease — 9 minutes from the door

VISITOR DRAW

- 10 hotels inside the Downtown core, incl. Sheraton, AC Hotel and Hilton Garden Inn
- Prescott Park Arts Festival in its 45th waterfront season
- Strawberry Banke, harbor cruises and The Music Hall all within the walk

ACCESS & PARKING

- 1,500 structured public spaces: Hanover Garage (900) + Foundry Place (600)
- Five bus stops within 0.3 mi.; Market Square transit hub at 0.3 mi.
- Amtrak Downeaster at Durham — 23 minutes

Sources: Point2Homes / U.S. Census Bureau American Community Survey (2024 release) for Portsmouth demographics; Pease Development Authority 2026 economic impact study; City of Portsmouth Parking Division; Chamber Collaborative of Greater Portsmouth.

THE ASSESSMENT

# The Value Appreciation

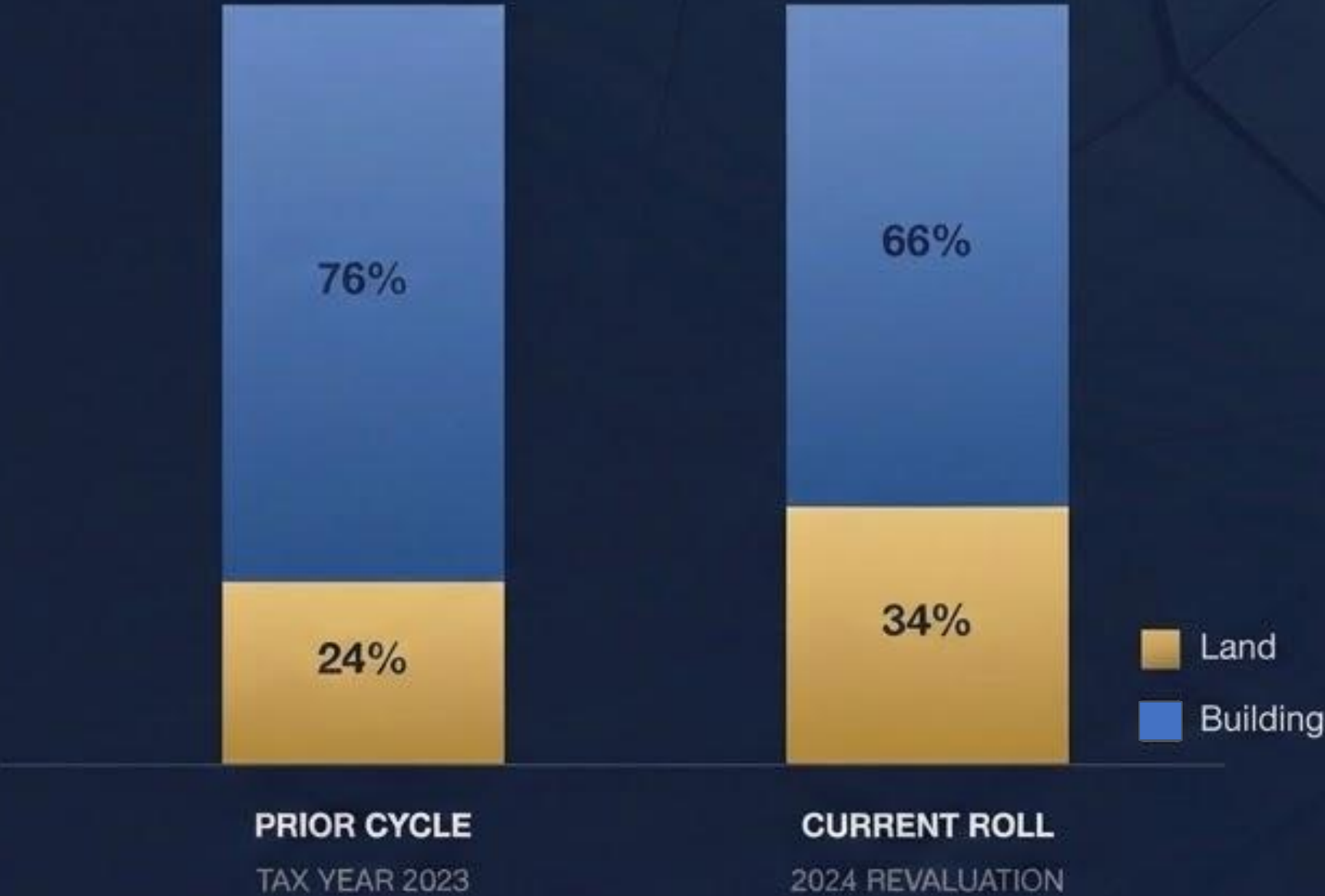
Portsmouth completed a full statistical revaluation in 2024 – replaced the prior tax cycle (FY 2023) and carried forward into the current tax roll.

Between the two cycles the land component was revalued sharply upward. The signature of a supply-constrained downtown where developable land has effectively run out.



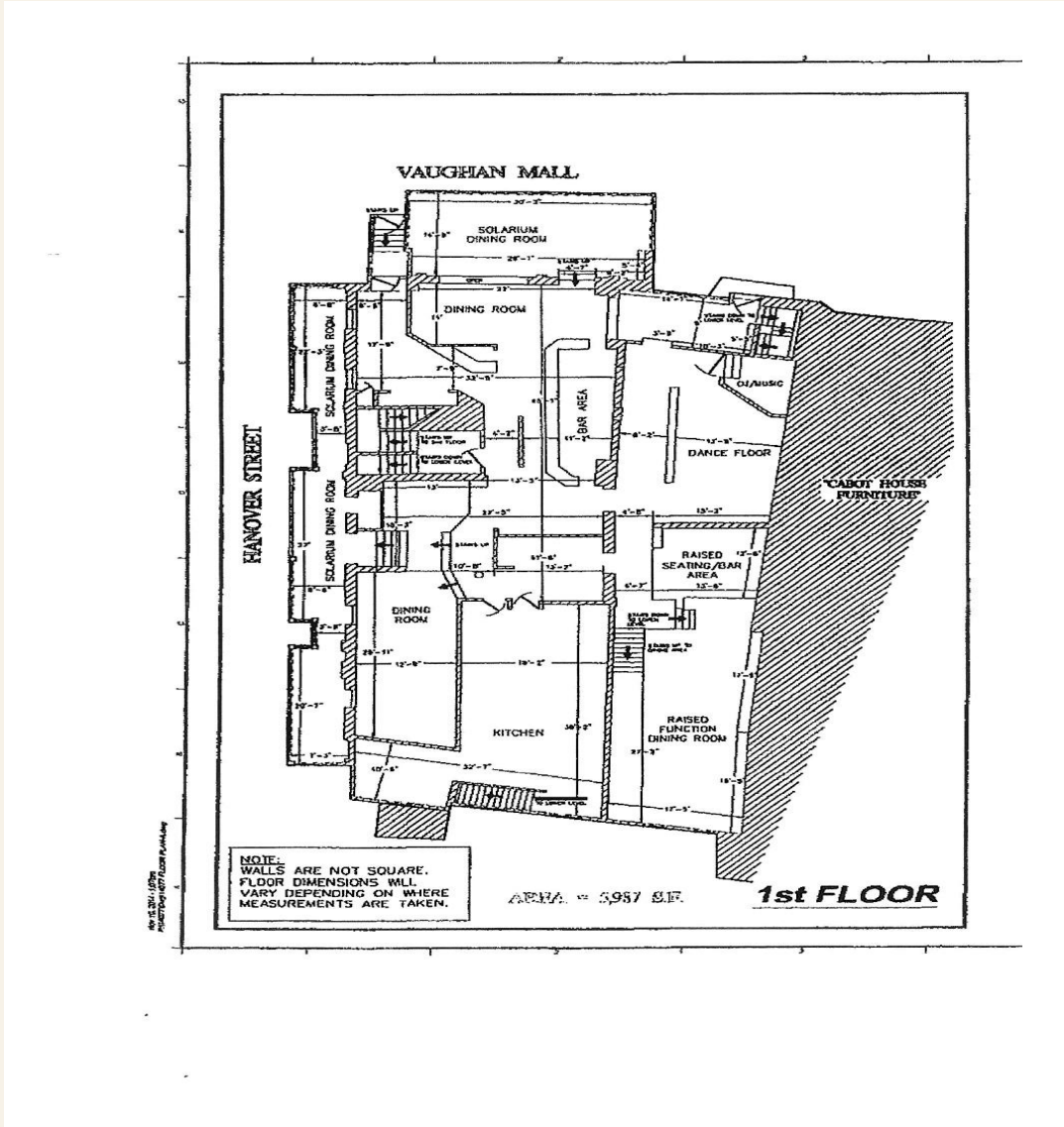
Change from the prior cycle (tax year 2023) to the 2024 revaluation.

COMPOSITION OF ASSESSED VALUE



THE BUILDING

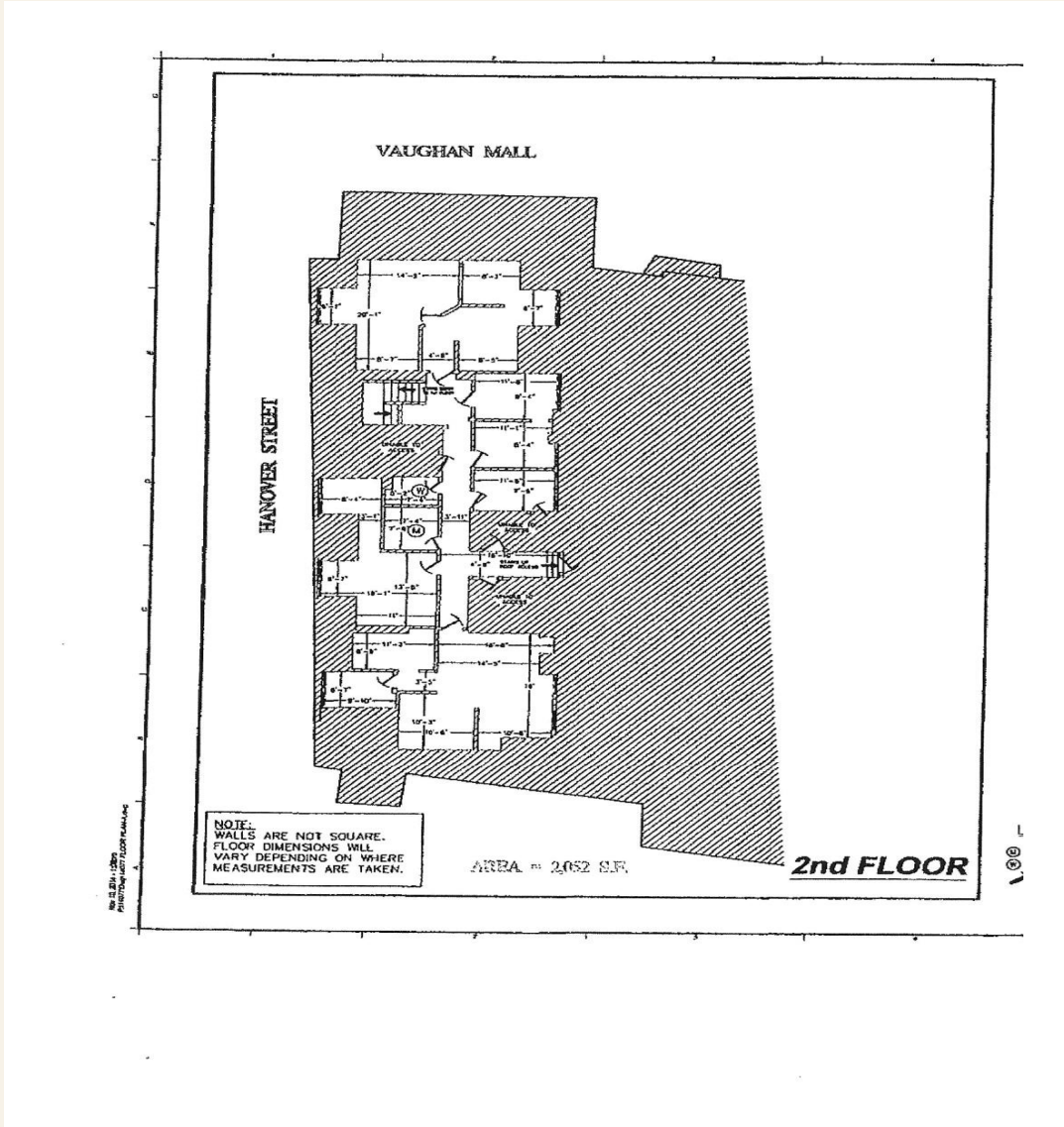
# Existing Floor Plans



1ST FLOOR / GROUND

5,987+/- SF

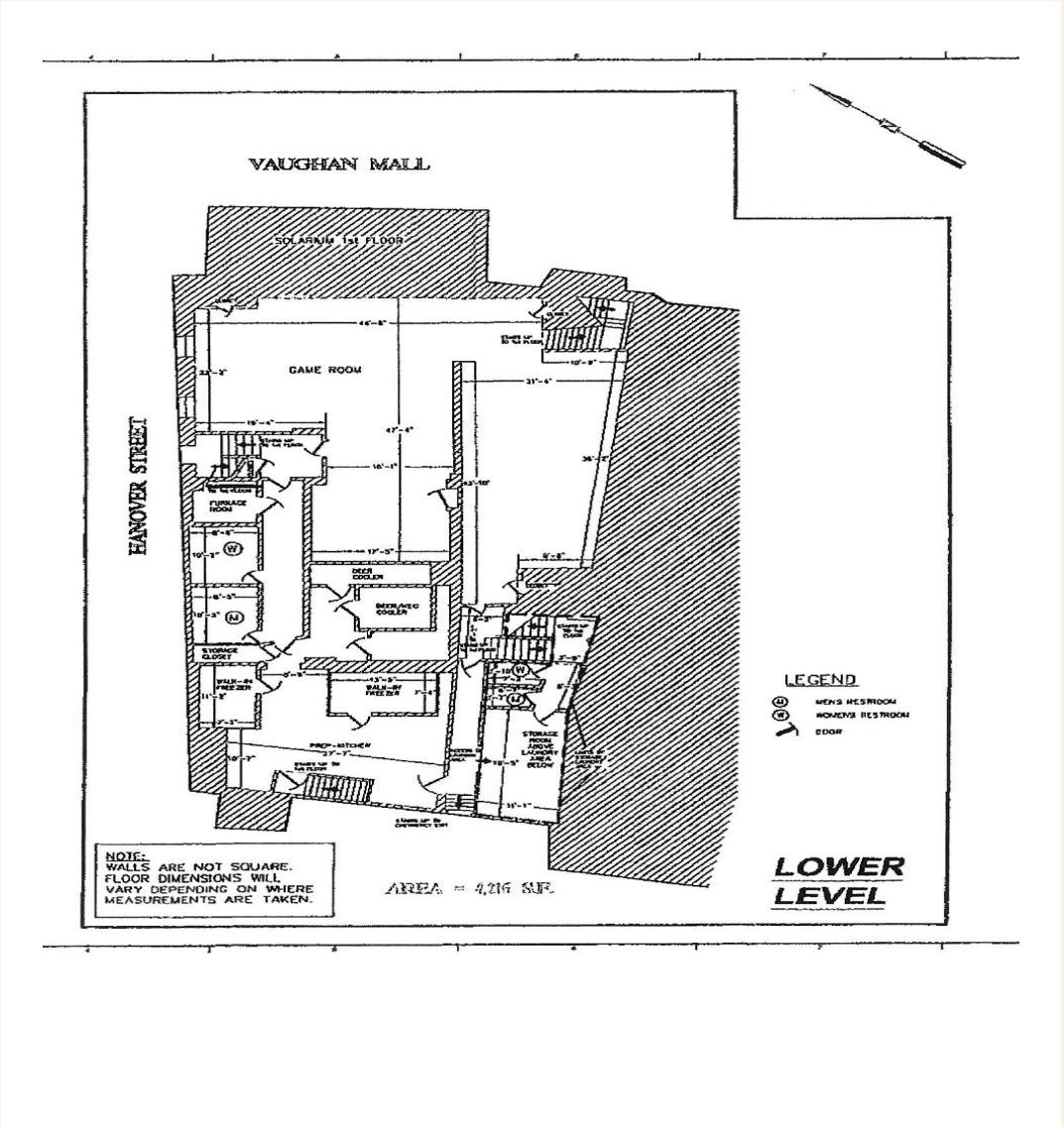
Restaurant, Dining Rooms, Kitchen and Bar



2ND FLOOR / UPPER LEVEL

3,182+/- SF

The Residential Conversion Target



LOWER LEVEL

4,215+/- SF

Includes 1,200+/- SF (vacant retail), formerly a restaurant

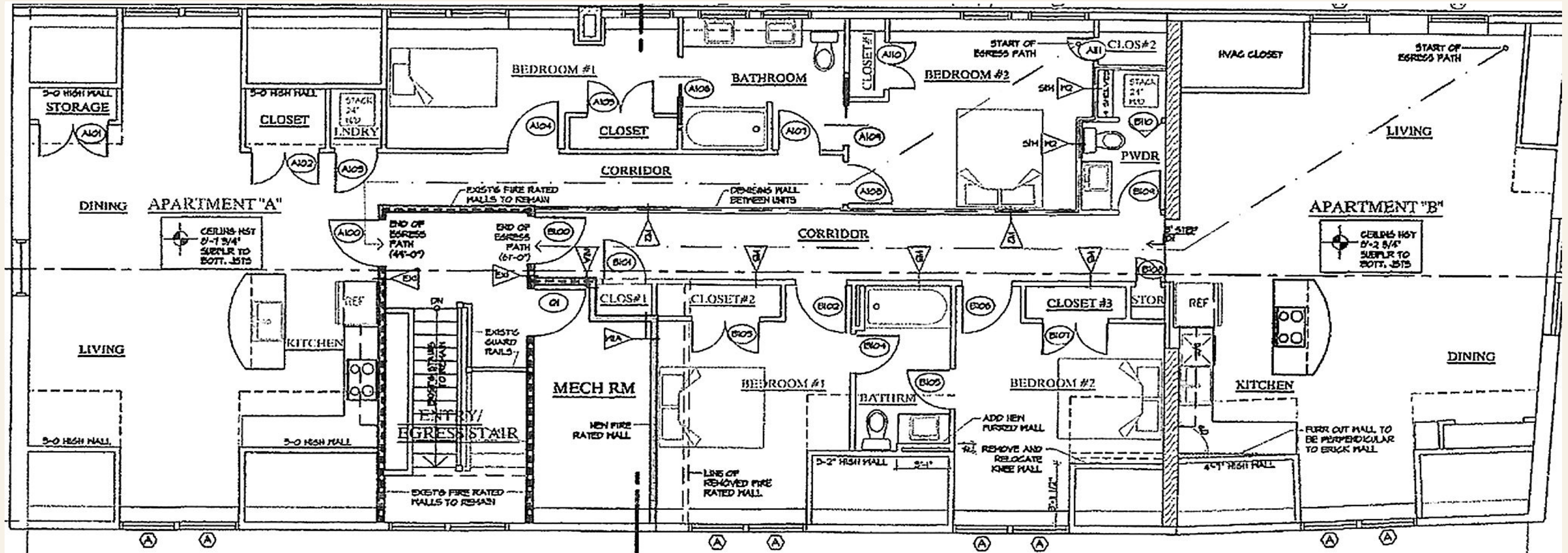
TODAY'S INCOME

In-place income, ownership-reported

| LINE ITEM                                                  | AMOUNT     | SOURCE                 |
|------------------------------------------------------------|------------|------------------------|
| Base Rent (\$18,000 per month)                             | \$216,000  | Ownership-Reported     |
| Real Estate Tax Reimbursement (approx. two-thirds)         | \$26,700   | Ownership-Reported     |
| Insurance Reimbursement (approx. two-thirds)               | \$9,700    | Ownership-Reported     |
| Effective Gross Income                                     | \$252,400  |                        |
| Real Estate Taxes (FY 2026)                                | (\$40,560) | Verified: Assessor     |
| Building Insurance                                         | (\$14,500) | Ownership-Reported     |
| Common Utilities                                           | (\$3,300)  | Ownership-Reported     |
| Net Operating Income, Before Allowances                    | \$194,000  |                        |
| Management and Reserve Allowance (broker model, 6% of EGI) | (\$15,100) | Underwriting Allowance |
| Net Operating Income, After Allowances                     | \$178,900  |                        |

## THE UPPER LEVEL

# Residential Conversion



Coastal Architects, PA — Two-Unit Residential Conversion, Units A & B

Design Fee to-date: \$120K

### UNIT A

2 Bedroom · 2 Bath

### UNIT B

1 Bedroom · 1 Bath

### ADDRESSES ASSIGNED

172 Hanover Street, Apartments  
A & B

### CONSTRUCTION BID

\$567,000 (November 3, 2026)

THE VERTICAL ADDITION

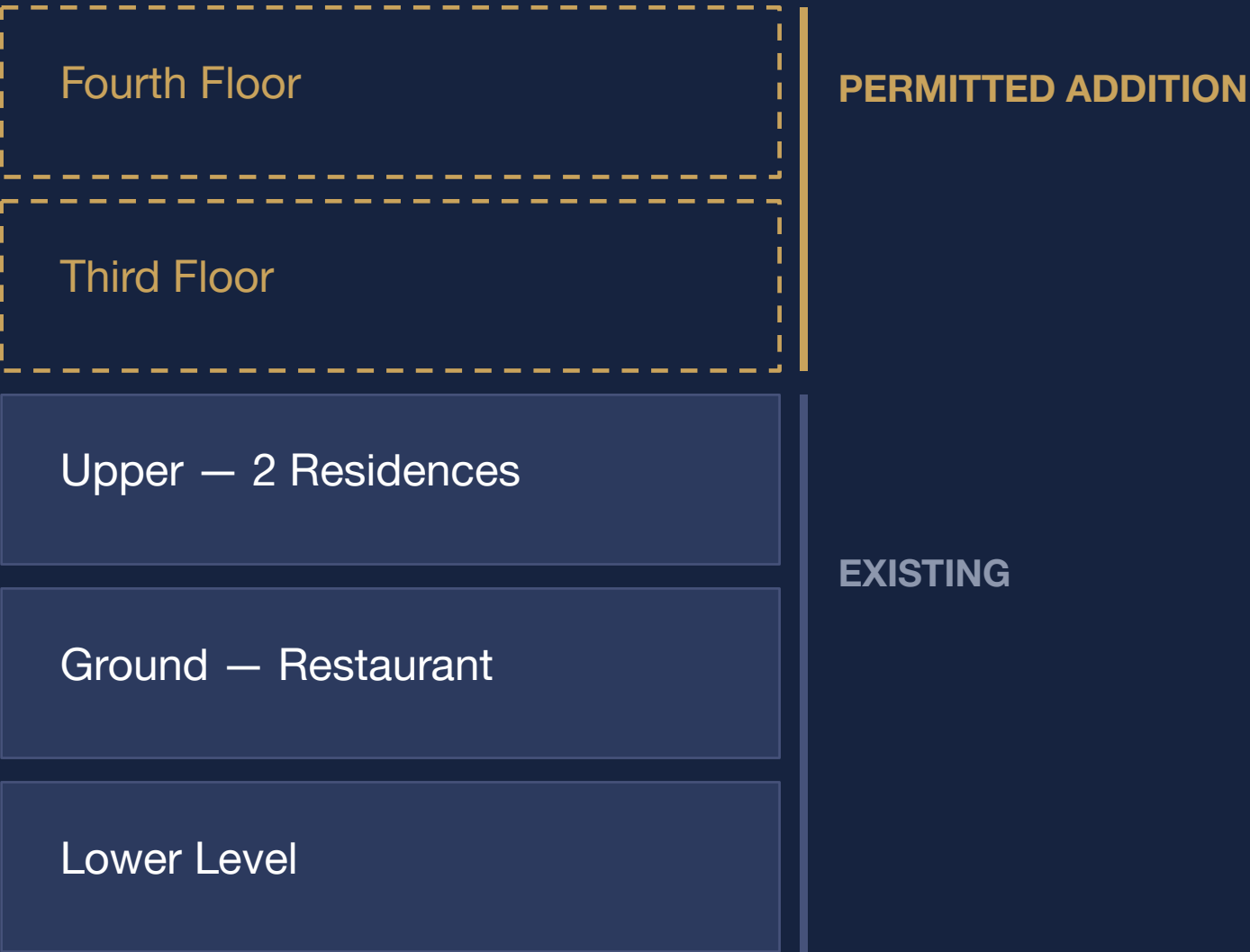
# Permitted For 2 Additional Floors

Beyond the two-unit conversion of the existing upper level, the property carries a permit to construct two additional floors above the building — taking 172 Hanover Street to three complete floors of high-end residential over the ground-floor restaurant.

The approval to build two floors above is the largest single source of optionality in the offering — and it is already granted. Not a rezoning petition, not a variance, not a concept sketch: an entitlement in hand, on a corner inside a National Historic District where no one is making new land and no one is making new corners.

|                    |                                        |
|--------------------|----------------------------------------|
| Existing Structure | Three levels — ground, upper and lower |
| Permitted Addition | Two additional floors above            |
| Resulting Scope    | Three residential floors in total      |
| Path               | Gut renovation plus vertical addition  |

EXISTING AND PERMITTED



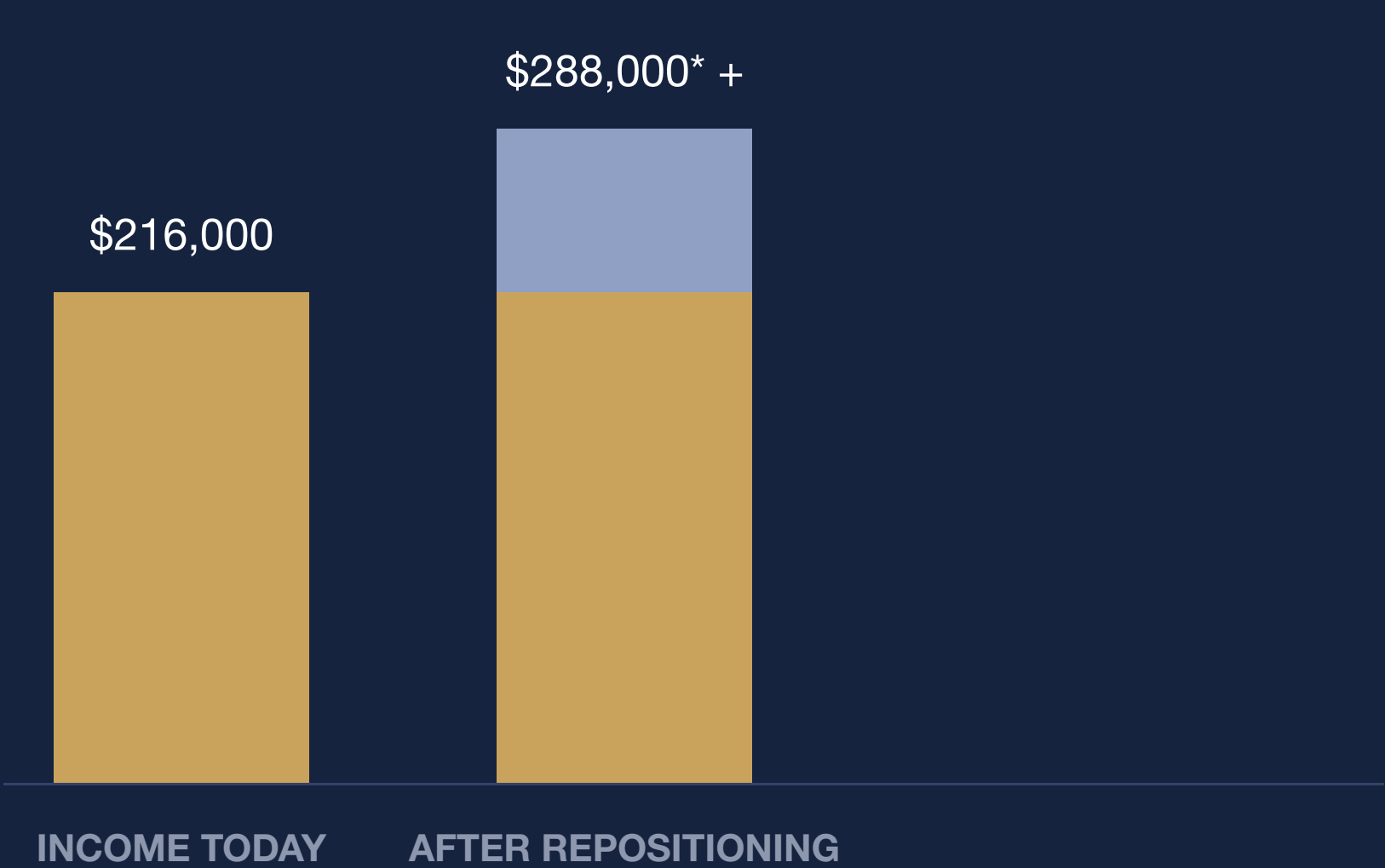
COMPLETED PROCESS

# Pre-Development

|                |                                                                                                        |
|----------------|--------------------------------------------------------------------------------------------------------|
| DESIGN         | Coastal Architects, PA two-unit residential conversion set in hand — demolition plan and code analysis |
| ADDRESSING     | Portsmouth has already assigned unit addresses — Apartment A and Apartment B                           |
| COST           | Live contractor bid — \$567,000 (November 3, 2026)                                                     |
| ZONING         | RSA 674:77-78 (HB 631) residential as-of-right from July 1, 2026                                       |
| ENTITLEMENT    | Permitted to add two additional floors above the existing structure                                    |
| INFRASTRUCTURE | The building is already wet-sprinklered                                                                |

THE UPSIDE

# Potential Upside *Existing Structure*



■ **COMMERCIAL · RENTAL INCOME IN PLACE**

\$216,000 / yr · restaurant tenant, triple-net

\* **ADDITIONAL INCOME · VACANT LOWER LEVEL**

*1,200+/- SF of vacant lower-level space — formerly a restaurant, available for re-tenanting, owner use, or restaurant expansion.*

■ **RESIDENTIAL RENTAL INCOME · REPOSITIONED**

\$72,000 / yr · two new upper-floor units, estimated

**OPTIONALITY**

Reposition and sell the two residences — roughly \$2.0M one-time. Or build the permitted two additional floors above, taking the building to three complete floors of residential.

*\* Not included in the in-place income figures above.*

THE EXIT COMPS

# The Conversion Sells Into A Proven Market

| PROPERTY            | BEDS / BATHS | PRICE    | \$/SF   | NOTE                         |
|---------------------|--------------|----------|---------|------------------------------|
| 77 Hanover St #17   | 2 / 2.5      | \$2.4M   | \$1,141 | Directly Across From Subject |
| 66 State St #302    | 2 / 3        | \$1.745M | \$1,020 | Prime Downtown Two-Bedroom   |
| 18 Congress St #405 | 2 / 2        | \$1.375M | \$999   | Market Square Modern Luxury  |
| 18 Porter St        | 3 / 3        | \$2.1M   | \$873   | Downtown Historic District   |

Downtown condominiums above \$2M have traded at a median of roughly \$1,435,000 since 2024; the broader downtown median sits near \$1,250,000.



# SERHANT.

For further information, please contact any member of the team.

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