

117 Fort Lee Road Leonia NJ

Sold For: \$1,800,000



Property Profile:

- 18,000 sq. ft. office building & car wash with parking
- Located in Redevelopment Zone
- 1 mile from the entrance to I95 & 2 miles from the entrance to the GWB.



For more information, or if you would like a complimentary Opinion of Value for your property, please contact:

James Cervelli

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CHALLENGES

James was first contacted by the owner of this 18,000 sq. ft. office building to assist in leasing the vacant spaces that totaled XXX sq. ft. After moderate leasing activity had improved the building occupancy, James began to discuss selling the asset with the owners to capitalize on value creation. The area had just been designated as a redevelopment zone, which posed an excellent opportunity for the sellers who were nearing retirement.

Despite good leasing momentum, the property still faced some significant issues that included lingering vacancy, need for aesthetic upgrades and capital improvements to the mechanicals and insufficient parking to serve a fully leased building. Combined, these issues would make it challenging for a prospective buyer to obtain financing.

Despite the obvious problems with

the asset, the owners felt that the property's location in the newly designated redevelopment zone warranted a higher sell price than what the cash flow or property condition could support. James was faced with the task of locating a buyer who could see beyond the current condition of the property and be able to visualize the future value and upside potential of the site.

SOLUTIONS:

James knew that the new redevelopment zone designation was the biggest selling point for this property. To fully understand the value, James met with the Borough Administrator and conducted thorough research on plans for the Hudson-Bergen Light Rail system, which called for a station to be built approximately 500 ft. from the property. With a targeted marketing campaign in hand, James presented the property to local developers and investors who might be willing to

purchase and hold the property for redevelopment. James received several initial offers that were too far apart from the seller's strike price. After continued marketing James was able to negotiate an all cash offer at the full asking price, which allowed the seller to avoid any obstacles with financing the asset and meeting the owner's requirements.

OUTCOME:

In this case, the sale was a win-win. The seller obtained the full ask price, while the new owner has begun making property improvements and exploring potential future value-add development strategies.