

1405 Bergenline Ave, Union City

Sold For: \$875,000



Property Profile:

- Multiple City Violations remediated during due diligence
- Negotiated No Mortgage Contingency
- 6% Capitalization Rate



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

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Situation

A long-time client came to Cervelli Real Estate looking to dispose of an asset he had acquired in a bulk purchase several years ago. The property was an eight-family, brick residential building with separate boilers and hot water heaters.

Challenge

The property was situated in Union City, which has a reputation for being extremely bureaucratic and difficult to work with for property owners. The property had several issues that had to be addressed at the city, including a sidewalk repair in the front of the building and several open permits. One especially difficult issue was resolving an open permit on a “phantom” oil tank. Cervelli Real Estate had already obtained the necessary information for the legitimate oil tank that had previously been removed. However, there was an open permit on a non-existent oil tank that had been floating around for decades that needed to be resolved and closed out.

Solution

After Cervelli Real Estate obtained the exclusive listing, the team immediately began marketing the property using its proven marketing strategy and quickly generated several offers. Once the property was under contract, the team quickly began working on the certificate of occupancy, knowing that working with Union City officials could be a long, arduous process. In past deals, the city has held up sales for over 12 months. The team knew it needed to get a jump on resolving outstanding issues in order to prevent unnecessary delays.

The process of applying for the certificate did turn up some open permits, one of which was extremely difficult to remediate. Generally open permits for general construction issues can be handled relatively simply by calling in a professional to certify the work. The problem with this particular permit was that it was for multiple oil tanks, and it was unclear of their exact location, and if they had ever

been removed. There was evidence of a permit that was taken out, and subsequently closed, but there was an additional permit for a supposed additional tank. The permit actually placed the tank underneath an adjacent building.

Conclusion

After many delays and trying to reason with the building department, Cervelli Real Estate assisted the client in arranging for a Phase 1 environmental analysis to be done on the entire property to confirm that no oil tank existed. The environmental analysis was key to satisfying city demands, which allowed the closing to move forward as planned. Ultimately, it was the persistence of Cervelli with the building department that brought the deal to a close.

Testimonial

“I am very grateful to Mr. Linky who is a patient, honest and professional agent.” – Colin Lam

