

Property Profile:

- 4 Story
- 25 Residential Apts
- 4 Commercial Units
- West Bergen Section of Jersey City



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

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CHALLENGES:

This 4 story brick mixed use investment property, in the up and coming West Bergen Section of Jersey City, was well maintained and offered a good mix of different size apartments along with various different shops that offered services to the local neighborhood. The seller was a long time owner of the property and largely provided hands on management. The property, built of steel and brick was very well maintained, and offered any incoming investor a stable asset.

The seller had long standing relationships with many of the tenants and was concerned about disrupting the sensitive harmony that had been created by the personal management style of the owner. The seller was also in a position where giving exclusive rights to one broker was not an option.

OUTCOME:

After quietly marketing and generating offers, the owner originally decided to take an offer from a buyer through another broker, with the promise of a quick and easy closing. Cervelli Real Estate works hard to keep up on the pulse of the market, and this time it paid off for the owner. We knew who that buyer was, and they had a reputation of not closing deals; this information was relayed to the seller.

A few weeks later, the premonitions came true. The original buyers started to drag out the deal and commitments were not being held. The seller, armed with the knowledge provided by Cervelli, did not waste much time and quickly moved away from the original buyer and eventually ended up accepting the offer present by Cervelli. This transaction, which was not contingent upon a mortgage, moved quickly to a closing leaving the seller satisfied with the results.

CONCLUSION:

As is in many cases, the seller was hungry to take advantage of market conditions. Ultra low interest rates and unabated interest from investors looking to deploy cash made the timing right, but keeping the sale under the radar created a tricky balancing act of exposing the property to only a very specific group of investors. The owner had been speaking with various different brokers all boasting that they had the right buyer.

While this strategy can seem like the best way to attain a high price, it is also difficult to control and does not ensure that the right buyer has an opportunity. This created an air of competition, but also a high degree of difficulty as properly marketing, yet keeping the details quiet can be tricky.