

232 Van Horne, Jersey City

Sold Price: \$830,000

C E R V E L L I

Property Profile:

- 5.1% Cap rate
- \$138,000 per unit
- All cash transaction negotiated



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

Chris Cervelli, CCIM

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CHALLENGES

The owner, a local developer who knows Chris, approached him looking to sell this asset, but only for a significant dollar amount. Though he was licensed himself, the owner recognized the ability of the Cervelli team to successfully close such a low-probability deal.

The asset itself was strong, clean, and located in an up-and-coming area, but the building was not generating enough income to justify the value attached to the property. Only a buyer willing to work and be patient to unlock all the true value in the deal would be interested, and Cervelli has built a reputation on being able to identify the most aggressive investors. In addition, the deal was negotiated in such a way that it was not contingent upon a mortgage, which gave the seller the assurance he needed that the deal would close. Despite that point being negotiated by Cervelli, an error by the seller's attorney allowed the buyer to back out without losing the deposit.

This was a low point in the transaction as many involved lost faith that the building would be sold. One principle preached by Cervelli leadership is to always stay focused and never get too high or too low. With a grounded approach, the team set out to the market again and secured another buyer under the same exact terms in a very short period. This time, under the recommendation of Cervelli the seller used a different attorney who was more detailed in his approach, and the deal eventually closed.

Conclusion

The lesson learned in these types of deals is to not take anything for granted and give care and attention to detail. It is important to consider specialized experts, rather than general practitioners, for professional services such as real estate. Chris and his team focus only on income-producing commercial real estate and development.

They stay ahead of market, political, and legislative trends that affect commercial property owners in Hudson County, giving them a leg up on the competition. The team anticipates challenges that will arise and handles them early in the deal process, limiting costs and keeping expectations for all parties in line with their goals.

Testimonial

"I am fully immersed in the Hudson County Commercial real estate market as an investor and developer. Having dealt with so many professionals in the industry, I found Chris' experience, honesty and accessibility to be among the best. In this particular deal, we had some serious issues that seemed the deal was going to fall apart. However, Chris' calm and perseverance made the deal go to closing with all parties satisfied." Diego H. - Seller