

352 Jersey Avenue, Fairview

Sold for: \$650,000



Profile:

- **Multi Family**
- **6 units**
- **2 garages and 1 outdoor parking space**



CHALLENGES:

The gold coast multifamily investment market is so hot, there is hardly any inventory. As soon as properties become available, they receive offers, sometimes in excess of the asking price. This creates bidding and competition which puts the owner in a commanding position. This has been the case along the entire Hudson/Bergen County area of NJ, and the problem continues to grow. This creates a challenging situation for investors who do not have many options. Noting this problem, Chris Cervelli has directly solicited landlords in order to obtain information about buildings that are currently not on the market, but that an owner may consider selling. This is known as "The Off Market Deal" which is typically marketed to a select group of qualified investors.

OUTCOME:

This provides multiple benefits on both sides of the transaction. First, it brings fresh products to investors who are hungry to place capital into these hard assets just across from Manhattan. Additionally, it provides to the landlord offers on their property without them having to disrupt the tenant harmony within the property. Oftentimes the owner is concerned about tenants moving out, or not paying rent if they feel the property is for sale. Working on off-market transactions keeps the property off the public radar, but still allows the owner to receive high offers from qualified investors who are in the market to buy.

CONCLUSION:

Chris had privately marketed the property to only sophisticated investors of this product type. After a brief marketing period which included direct telephone calls and distribution of financial materials, several offers were received, negotiated, and the owner ultimately took a cash offer that was higher than he had originally expected to sell the property for, which resulted in a 5.7% cap rate. This achieved and exceeded his goals of selling the property for a certain amount, without alerting the tenants, and the investor was able to place his funds into a safe asset with great upside potential.

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

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