

# 570-574 32<sup>nd</sup> Street, Union City NJ

## Sold For: \$720,000



### Property Profile:

- 7,300 sq. ft. tire repair facility
- 9,100 sq. ft. lot
- Located 2 miles from the entrance to the Lincoln Tunnel
- Value Add/Development Opportunity



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 Cervelli was contacted by the owner of a 7,300 sq. ft. building that had previously been used as a tire repair facility for decades. The property was located on busy 32<sup>nd</sup> Street approximately 2 miles from the entrance of the Lincoln Tunnel and less than 400 ft. from the intersection of Kennedy Blvd and 32<sup>nd</sup> Street. Although this property's location was exceptional, the former use and restrictive local zoning ordinances made this property a challenge to sell. The former tire repair use would require significant investment to accommodate a new user, whereas a complete tear down would likely be the most practical strategy. However, restrictive local zoning ordinances on a new development would make it

difficult to generate enough profit to justify a tear-down given the owner's asking price.

### SOLUTIONS

Despite the condition of the building and uncontrollable external factors, James put together a marketing plan highlighting the property's superior location in hopes of identifying a buyer that could operate their own business at the property. James was able to identify a local doctor who was interested in expanding his practice in the community. This location posed an excellent opportunity for him to redevelop the building and enhance the community by removing a "dirty" use. Although James had identified a well-qualified and motivated buyer, he now faced the

task of bridging the gap between the owner's high asking price and the buyer's desire to buy the property for a price that was well below market value. Ultimately, James successfully negotiated a price that was 28% below the asking price, while still being at fair market value given the state of the property.

### OUTCOME

The buyer is currently working with local officials on an acceptable design for the brand new medical facility, which will allow him to expand his business and also better serve the community.