

Property Profile:

- Warehouse perfect for redevelopment
- Cash deal with no approvals



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

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Situation

The owner of a local family business was looking to sell a long-held family asset. The property was an old warehouse, which was prime for redevelopment. Cervelli Real Estate & Property Management was called upon to help evaluate the current value and identify a purchaser.

Challenge

The issue was that the property was held in an estate with multiple beneficiaries, and there was an added emotional element because it also was the home of the family business. Given that it was an old warehouse, there was a high probability that there were environmental issues. In this particular case, there was an abandoned underground storage tank that had been compromised.

Action

The first order was to attach a value to the property. Oftentimes when a property is held in an estate, multiple decision makers can make the process difficult. That is why it is so important to use a consultative approach. When we interviewed for the assignment, we brought with us all of our supporting documentation so that we could walk the owners through each scenario and they could see the true value of the property for themselves.

This method allowed all principles to see the facts that they could rely on to make a decision. Once the family had agreed on a price, we assisted with cleaning up the environmental issue as the owner didn't want to delay a closing once we had entered into contract. Cervelli and the owner worked together through this process to ensure that the state would issue a clearance letter in a timely fashion. Relying on our experience as owners and managers, we assisted the owner in this process as it can sometimes be fragmented between the contractor who does the work, and the state that actually releases a clearance.

Solution

The consultative approach to pricing ended up working as we were able to generate several bids based on where the property was priced. Since the owner had completed the environmental remediation prior to marketing, it also was easy to demand that offers be free of any contingencies. This is an area where experience counts. Time is critical when working on a deal, so being prepared from the outset helps to ensure a smooth process.

We prefer to prepare owners for the inevitable, rather than let them be blindsided by the unexpected. This has given us a reputation as long term partners rather than just one off brokers.

Testimonial

"I have had the opportunity over the past eight years to develop a successful professional working relationship with Chris Cervelli of Cervelli Real Estate. Since I am the owner of a moving and storage business, Chris has worked with me in handling both individual and corporate relocations in the New York and New Jersey areas.

On a personal note, after going through a bad experience from a potential buyer involving one of my commercial properties, Chris was able to guide me in the right direction at a difficult time. He was able to recommend a reliable attorney, and offered the correct advice in moving forward, which resulted in the successful sale of the property on June 13, 2018. Chris has a straight-forward style when dealing with real estate issues, which I have come to admire and benefit from in my dealings with his real estate firm.

I believe anyone who gets involved on a professional level with Chris Cervelli will benefit from his knowledge and complete effort in making a real estate transaction a positive experience."

*George H. Toole, Owner
Frank Richter Moving and Storage*