

# 854-860 Newark Ave, Jersey City

## Sold For: \$2,100,000



### Property Profile:

- 8700 Sq Ft Development Lot
- In Journal Square
- Approved plans for a Luxury Condo



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:

The development lot is located on Newark Ave, in the Journal Square section of Jersey City. It was one of the last development lots on Newark Avenue. The immediate surrounding area, originally industrial, was being rapidly developed and seeing a resurgence as a secondary neighborhood to Journal Square. Already completed were the CANCO Lofts, an adaptive reuse condo project, and Mana Fine Arts, a large art complex with exhibition spaces & artist studios.

Our client, an established Import/Export company, put together a 4 parcel, 8700 sq/ft assemblage at the height of the market. They obtained the plans and approvals to construct a luxury condominium building with 24 residential units, 2 retail units with parking for 27 cars, at and below grade. However, when the housing market crashed in 2008, the market demand for luxury condominiums evaporated and the client was left with an entitled project they did not have the resources to build.

### OUTCOME:

Gardner Rivera, MSRED of Cervelli Real Estate was commissioned to sell the property. After the initial contact was made, the Owners were walked through the best and worst case scenarios. Detailed options were presented including; exploration of completing the condo project, construction costs, creative financing options and Joint Venture options.

The client, after abating environmental issues and demolishing the existing dilapidated buildings, and incurring holding costs, had invested over \$1,850,000 into the project.

Cervelli Real Estate used traditional marketing – print and digital advertisements – as well as showcasing the property to investors and developers in the Cervelli Real Estate private marketing group.

### CONCLUSION:

Through these connections, Gardner was able to connect with a broker who represented an investment group in China that had capital earmarked for a development deal in Jersey City. They were very aggressive in their pricing and outbid several local developers. While Gardner and CRE never had direct contact with the he was still were able to facilitate an all cash transaction after a brief due diligence period and a Phase 1 environmental review.

By 2014, the real estate market had rebounded and Gardner Rivera along with CRE was able to recuperate not only the Owner's original investment but come to terms on a deal that allowed them a profitable exit.

The deal closed quickly, and the Buyers are currently filing to get approval for the construction of additional units.