

CLIENT SUCCESS- CASE STUDY

OVERCOMING THE UNPLEASANT TRUTH ABOUT A LEGACY PROPERTY

CHALLENGE

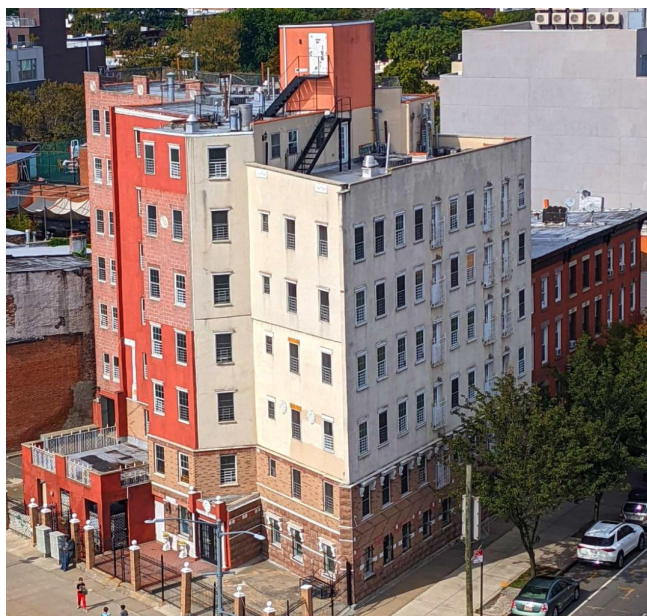
Built in 2005 by Brooklyn developer Alfred B. Thompson, 1079 Fulton Street was a 26,000 s/f elevated property with 30 apartments, a common lounge, laundry room and parking. However, when we went to market at the height of the COVID pandemic in October 2020, the property was fully occupied on a master lease by a homeless shelter. The challenge was to be able to discretely market the asset while it was fully operational. When the shelter reached the end of its lease, we were confronted with the issue of financing a property with no immediate cash flow. Years of mismanagement had also left the building rundown and regarded as a local eyesore.

ACTION

Through outreach within the immediate community, Lev Mavashev and his team were able to garner support from the local residents who were eager to see a change of use at the property. They wanted this ugly duckling turned into a swan. The brokerage team targeted their marketing towards all-cash developers with the resources to complete a substantial rehab and the vision to realize the value-add potential of a site within this popular residential neighborhood. With Clinton Hill witnessing an inventory shortage and rents on the rise, Alpha Realty advanced the asset's appeal as a conversion opportunity which would qualify under current rent regulations as free market or as a high-quality multifamily condominium venture in a supply-constrained market.

RESULT

The property traded at a significant premium, providing the seller the momentum to continue with a strategic repositioning of his real estate portfolio. The buyer is a local developer with a successful track record of condo conversions throughout Brooklyn who was attracted by the opportunity to invest in a prime Brooklyn neighborhood as the market stabilizes following pandemic disruption. The sale has also fulfilled local residents desire to see the site transformed and contribute elevated value to the area.



\$10,250,000 | **\$394**
Sales Price | \$/SF

TESTIMONIAL

“I am thrilled by the outcome of this sale of a legacy property that we knew was a diamond in the rough. Alpha Realty’s team was able to highlight all the benefits of the property while respecting its previous use and reinforcing its potential for redevelopment. We are delighted to have sold 1079 Fulton to a developer with a history of contributing to the successful growth of Brooklyn neighborhoods.” - Alfred Thompson