Welsh of Zere Real Estate Services completes $1.6 million sale within Calverton Enterprise Park

A 14-ACRE PARCEL WITH A 15,000 S/F INDUSTRIAL BUILDING

Kevin Welsh of Zere Real Estate Services has recently closed on a new transaction in the

Town of Riverhead's Calverton Enterprise Park (EPCAL) formerly owned by the U.S. Navy and occupied by Northrop Grumman. This deal entailed the sale of a fourteen-acre parcel with a 15,000 s/f industrial building on the premises. The seller of the property consolidated their company and sold the property for an estimated $1.6 million.

The deal started out smoothly with the customary Phase I environmental report. The results of the report requested an additional Phase II environmental report to remove underground tanks and take soil samples on the site, incurring a substantial financial burden on the seller extending the closing an additional two months, a potential deal killer.

As a result of the environmental company’s findings, the bank would not fund the project due to pressures from the SBA office in Sacramento, California, who were relentless in their demands. They were not satisfied with the US Navy’s report and wanted documentation that proved the substance contamination and finally discovered the actual photos supporting the removal of the tanks. More importantly, he was able to recover the most recent documentation that proved the subject site had been found to be “suitable for transfer without further environmental investigation or action.” This crucial documentation was previously overlooked. This was the missing link that nearly killed the deal. They were formally submitted as evidence, which eventually satisfied the SBA office in Sacramento, Calif.

Sometimes the difference between being a good broker and a being a great broker is when the broker is not afraid to question the judgment of an environmental engineer or any other professional, particularly if a deal-breaking issue arises; then they should look into the matter more comprehensively. “If anyone needs a broker who goes above and beyond the norm, Kevin’s their man,” said Zere.

“I was confident the solution could be found in the Town of Riverhead’s records. With the cooperation of the Town of Riverhead, particularly Andrea Lohneiss and the staff of the Riverhead Library, I was able to recover all of the necessary documentation to resuscitate the deal. With the existing reports we were able to resolve the environmental issues without having to perform a Phase II saving thousands of dollars and critical time. With the patience of both the buyer and seller we were able to finally close the deal at the end of the 2006 calendar year” said Welsh of Zere Real Estate Services.

As a result of the environmental report, the environmental company to put the deal back together again. “We believed the preliminary environmental investigation or action. This crucial documentation was previously overlooked. This was the missing link that nearly killed the deal. They were formally submitted as evidence, which eventually satisfied the SBA office in Sacramento, Calif.

Kevin Welsh

"We often joke around in the office that Kevin has a knack for uncovering unsolved commercial real estate mysteries and should be a private investigator or a gum shoe reporter for a daily newspaper with his inquisitive skills and relentless curiosity” said Michelle Marie Zere, V.P. business development, Zere Real Estate Services.

Shown (from left) are: Michael Zere, Marie Zere, and Kevin Welsh of Zere Real Estate Services, strategizing over architectural development plans.