

## RECENT SALES

## CAPE COD COMMERCIAL PROPERTY

### 130 UNIT INN AT MILL CREEK HOTEL SELLS

The 130 unit Inn at Mill Creek, formerly known as the Aladdin Motor Inn, at 255 Rt. 28, West Yarmouth sold July 12 from Fuchsia R. T. to Century Tool, Inc. for \$2,000,000. Chuck Carey of Carey Commercial handled the sale.

The Hotel was one of the first indoor facilities built in Yarmouth in the early eighties and lies on 4 acres overlooking the marsh on mill creek, a salt water tidal inlet.

The buyers presently operate two lodging facilities on the Cape and will reportedly convert the hotel to a Park Inn. It's worth noting that this will be the second "flag" to go up on the "Yarmouth Strip" this year. Rod Sroczenski of Travis Hospitality will manage the operation.

### CAMPBELL LAWRENCE JOINS CAREY COMMERCIAL

One of the Cape's leading business and commercial property brokers has combined efforts with us.

Mr. Lawrence is a veteran of the Cape business scene having arranged the conveyance of numerous enterprises over past years.

In the endeavor to set up the most efficient and prolific real estate office on the Cape, we appreciate the addition of a seasoned pro.

Our company has averaged nearly one million dollars of commercial real estate sales a month for the first six months of 1995 and has several more transactions under contract to close shortly.

## CROSS CURRENTS

*of Cape Cod*

*A Commercial Real Estate Newsletter*

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# CROSS CURRENTS

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## SPECIAL REPORT:

### THE "SECRET" TAX BREAK

# 1031

BY CHUCK CAREY

Imagine if there were no Capital Gains Tax. That's a 1031.

It's very simple - If you are selling one commercial property and buying another within six months you are possibly able to invoke Section 1031 of the IRS Code and defer paying the Capital Gains Tax. It's called a "Like Kind Exchange" and is best set up by an experienced professional. The term "like kind" is somewhat misleading as the two properties can be commercial property of any kind.

Sad to say, we've had several recent sales in which one of the parties tried to use a 1031 and the other party or their attorney didn't even believe they exist! This article is dedicated to them. I would venture to speculate that millions of tax dollars are needlessly paid by poorly advised sellers.

Simply put, a third party, sometimes an attorney acting as a trustee, is brought into the sale who takes title to the sold property and the "to be bought property" and exchanges one for another. It often all occurs at one closing.

The basis from the sold property becomes the basis for the purchased property. If and when that property is sold, the capital gains tax is due and payable.

Carey Commercial will sponsor a seminar later this Fall focusing on the 1031 Like Kind Exchange.

## YTD '95 SOLD:

As of July 19, Carey Commercial has closed sales on the following properties in 1995:

Cape Sojourn.....	\$1.3 M
Skipper 10 units.....	\$185,000
Industrial Condo....	\$44,900
Beachway.....	\$280,000
Cape Trv.Motel....	\$440,000
EagleW.. Motel....	\$230,000
Townhouses.....	350,000
Restaurant.....	\$130,000
Six Duplexes.....	\$140,000
10 unit apts.....	\$75,000
B & T Motel.....	\$440,000
Triplex, Dennis.....	\$75,000
130 unit Hotel.....	\$2.0 M
B & B, Dennis.....	\$207,000
Card Shop .....	35,000
Total Sales:	\$5,931,900

## FOR LEASE

➤ **Cuffy's** Landmark 7,500 SF West Yarmouth retail outlet at the Great Island Lights with huge parking lot and plenty of storage space.....\$8 / SF

➤ **Upscale Office** on Rt. 6A Yarmouthport with the ultimate in fine oak paneling and brass appointments moved from a turn of the century Boston Hotel and re-assembled by a master craftsman. A one-of-a-kind working environment for one who wants the best. Ideal for Doctor, Lawyer, Judge.....

➤ **2,000 SF** commercial space almost in the Mall just outside Jordan Marsh parking lot in Corporation Plaza. Two for lease.....\$10 / FT

➤ **1600 SF Ind. Condo** in newer industrial park with bay and pedestrian doors, loading docks and high ceilings. ....\$7.25 / SF

➤ **The former Mari-Jeans** restaurant on Main Street Hyannis with 130 seats, town sewer, plenty of parking in a private lot and full size kitchen.....\$3,000 / Month

➤ **Office space** in professional building on Camp Street, Hyannis.....\$200 / Month

➤ **700 SF retail space** next to West Yarmouth Post Office on Rt. 28 near Cuffy's with individual utilities and separate entrance.....\$350 / month

## From the sales file...

By Chuck Carey

The Inn at West Dennis, Rt. 28 West Dennis - Restaurant

1900 SF antique restaurant building on .50 acre in distressed condition with 13 year old Title V septic system sold in May from the RTC to an off Cape restaurant operator for \$130,000. The property is slated to become an Irish Restaurant.

The sale was financed by Cape Cod Five Cent Savings Bank. Attorney Myer Singer represented the buyer. Chuck Carey of **Carey Commercial** handled the sale.

Seagull Beach Motel, Rt. 28 West Yarmouth - Apartments

10 units plus a two bedroom apartment in distressed condition sold via a 1031 exchange on June 9 from Raymond and Joyce Kenney to W.S. Realty Trust for \$70,000. The rooms are presently rented by the week on a year round basis.

The property was assessed for \$211,500 at the time of the sale. **Carey Commercial** handled the sale.

425 Rt. 28, Dennisport - Triplex

Sale price: \$75,000. Bank owned legal three family on .50 acre next door to the Michael Patrick House, near Benny's. The building had undergone an incomplete renovation and was assessed for \$130,200 at the time of the sale from NAB. Asset Venture II L.P. to a local investor.

No mortgage was recorded with the sale. Chuck Carey of **Carey Commercial** handled the sale.

Beach 'n Towne Motel, 1261 Rt. 28, South Yarmouth - Motel

21 unit motel on 2.38 acres sold for \$440,000 from Raven Rest Trust to Sleepy Hollow R.T. A mortgage of \$240,000 from Cape Cod Bank & Trust was recorded at the time of the sale. The buyer was represented by Thomas McNulty, Esq. and the seller by Thomas N. George Esq.

The land and buildings, which are situated one mile east of the Bass River Bridge, were assessed for \$309,000 at the time of the sale.

The operation was rated well by the AAA and had a strong repeat trade at the time of the June 15 sale. Chuck Carey of **Carey Commercial** handled the transaction.

The Former Tiki Harbor Restaurant, 453 Main Street, Hyannis

Sold June 20 from Dong P. Wong, Trustee for Three W&M RT for \$324,000 to Diane A. Dillon, Tr. for Pinnocchio RT. The 13,200 SF building is served by Town Sewer and is about in the middle of Main Street, opposite the intersection of Winter and Main Streets.

A mortgage of \$270,000 was recorded by Cape Cod Bank & Trust at the time of the sale. Formerly occupied by the 170 seat Tiki Harbor Restaurant, this is the site of a new restaurant known as the Philadelphia Hoagie House. Detail courtesy of Caterino Appraisals.

Attucks Way, Independence Park, Hyannis, Comm/Ind. Land

The 27,720 Square foot parcel was sold from Pond View RT to Hyannis CT ASC, Ltd. for \$125,000 in late June.

The Dolphin Cottages, 543 Rt. 28, West Yarmouth -6 Duplexes

Six duplex buildings in distressed condition opposite Chez Lenor and adjacent to the Christmas Tree Plaza in West Yarmouth sold in June to 543 Rt. 28 Corp. The 1.92 acre parcel and buildings was assessed for \$266,500 at the time of the conveyance. **Carey Commercial** handled the sale.

1721 House, 46 Chase Avenue, Dennisport - B&B

Antique 9 room home plus garage with second floor apartment overlooking Nantucket Sound from across the street sold from CapeBank to an off Cape buyer on July 18 for \$207,000.

The .80 acre land and buildings were assessed for \$237,400 and had a permit for 4 guest rooms and one apartment at the time of the sale. Partial financing was provided by the seller. Joanne Lembo from **Carey Commercial** handled the sale.

474 West Main Street, Hyannis - Restaurant

2,800 square foot restaurant building sold May 2 from Albro 1987 RT to 474 West Main Street RT for \$250,000. A mortgage of \$200,000 from Bank of Boston was recorded along with the sale. Assessed for \$311,500 at the time of the sale, this building is best known for being the home of Turners Ice Cream for many years.

Inn at Mill Creek, 225 Rt 28, West Yarmouth - Hotel

The 130 unit former Aladdin Motor Inn was sold July 12 from Fuchsia R. T. to Century Tool, Inc. for \$2,000,000. No mortgage was recorded at the time of the sale. Thomas N. George, Esq. represented the buyer and Mark Boudreau, Esq. represented the seller. Chuck Carey of **Carey Commercial** handled the sale.

Troy Court, Sea Street, West Harwich - Motel

24 unit Inn-like motel overlooking from a distance Nantucket Sound sold in June from Clark to Lean for \$865,000. The seller was represented by Myer Singer, Esq. A mortgage of \$400,000 from Cape Cod Five Cent Savings Bank, who was represented by Thomas N. George, Esq., was recorded at the time of the sale.

Evergreen Apartments, 182 Main St., Hyannis - Apartments

7 unit apartment building circa early 1900,s on .32 acre opposite the former Hinckley Lumberyard at the corner of Yarmouth Road and Main Streets, sold for \$182,000 in late May from Collins and McGrath to McWilliams. A mortgage of \$27,750 from the seller was recorded at the time of the sale. Rental rates ranged from \$425 / Mo. (studio) to \$550 / Mo. (one bedroom). Only one unit was vacant at the time of the sale. Detail courtesy of Caterino Appraisals.

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## FOR SALE NOW:

➤ **Marine Dealership** - Thriving multi-line operation in 18 year leadership market position with all phases of marine RV's, boats, motorcycles etc. \$150,000 Profit available at asking price after debt and expenses...

➤ **4,000 SF retail center** with two apartments. Title V septic.....\$169,900

➤ **Waterfront Restaurant** and Inn with 130 seats plus 8 rooms with private baths plus owners quarters..... \$540,000

➤ **Two acres** with 7 Room residence almost abutting the Super Stop and Shop at Rtes.. 137 and 39 in Harwich. Home business allowed, possibly more..... \$349,900

➤ **3,000 SF commercial building** with large paved parking lot PLUS separate 5 bedroom home on upscale Pine Street, Centerville. Excellent place to live and do business....\$225,000

➤ **160 Seat Restaurant** with Title V septic PLUS separate income building both on Rt. 28 in West Yarmouth (Formerly Blooms + the adjacent bicycle shop).....\$299,000

➤ **Breakfast and Lunch** - One of the best - Well established from long term operation with strong presence in the Mid-Cape area. R.E. included.....\$125,000