

# Annin Flag Company Case Study



## Requirement

Greg James, Director of Capital Markets for NAI James E. Hanson, was approached by Carter Beard of Annin & Co., Inc. to market their property at 151, 159 and 163 Bloomfield Avenue in Verona (Essex County), New Jersey. The property consisted of three buildings on 2.48 acres. The largest building, a 62,000 square foot loft style manufacturing building constructed in 1915, was the site of the Annin Flag Company, who produced more than 30 million flags annually and represented 50% of all flags sold. Flags were visible everywhere; on the moon in 1969, over the rubble on 9/11 and outside the United Nations in New York City.

## Approach

Due to the centralized location of the building and the structure with high ceilings and a good foundation, NAI Hanson determined the property would be best suited as a re-development project for residential use. The design & marketing team at NAI James E. Hanson identified a group of over 50 prospects.

The Marketing Team at NAI Hanson designed a comprehensive package that was sent to 50 local, regional and national developers who cater to the northern New Jersey housing market.

## Results

During a 60-day marketing campaign, NAI Hanson conducted over 40 tours of the Annin Flag property. Through the managed sale process, we conducted three rounds of bidding. In the first round, 20 bids were submitted. In round two, the group was culled to eight investors, which culminated in a best and final round of four investors.

In addition, there was an adjacent 2-acre parcel known as the "Verona Inn", that needed to be acquired in order for one of the developers to commit to the purchase of the property.

The property sold for \$4,500,000 to Russo Development who created what is now known as "Annin Lofts". They converted the existing 62,000 square foot building into 51 units and constructed an adjacent building with 60 units, into a total of 111 units with a total of 111,893 square feet.

In addition to representing the owner in the sale of this property, Greg also coordinated a \$29.5 million permanent loan on behalf of Russo Development and their partner, Terminal Construction. The loan closed in January 2019.