



## **Greene of Chartwell handles \$1.343 million auction sale of the Niagara Hotel; Seller was State Bank of Texas; Sold to a Vancouver investor**

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The former Niagara Hotel where Marilyn Monroe and Joseph Cotton stayed in 1953 while filming the Alfred Hitchcock thriller "Niagara" was sold at an Open Outcry Auction in the second quarter of this year. This 193-room, 1920s vintage hotel was owned by a group from Texas that had attempted a complete and total rehab of the property beginning in 2007. They had removed every pipe, electrical wire, heating plant, and plumbing line in the building as well as all doors, fixtures, equipment, and furniture. The property was stripped down to the bare concrete walls before the previous owners ran out of money. The property had no heat, no water, and no electricity at the time that State Bank of Texas bid the property in at a level of \$1 million at a Jan. 6 foreclosure sale. There were no other bidders for the property at the foreclosure sale.

State Bank of Texas directed Gordon Greene, CCIM, New York real estate broker, of Chartwell Group Commercial Real Estate Brokers to conduct an open outcry real estate auction program. The approved starting bid was \$145,000 with a published reserve price of \$750,000 at which the bank would guarantee selling the asset at auction. Forty-five buying groups inspected the property with 24 groups purchasing the 500-page due diligence package that also included a CD on all previous building blue prints, specifications, proposed mechanicals, and electrical.

At auction there were eleven registered buying groups bidders from Vancouver, British Columbia; Hamilton, Ontario; Toronto, Ontario; Anaheim, Calif.; Chicago, Ill.; Boston, Mass.; New York City; Buffalo; and Niagara Falls (3) competing for the asset. The total sales price at auction was \$1.343 million or 179% of the bank's acceptable selling price of \$750,000. The final four bidding groups over \$1 were all from Canada or California. The prevailing bidder was from Vancouver.

This trend of Canadian investors paying the best prices for certain U.S. Assets has accelerated since the Canadian dollar has become stronger than the U.S. dollar.

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