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55 YEARS

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Do you really need a Phase I?

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The short, sweet answer is: YES. And I'm saying that not because I do them for a living, but because you really need a Phase I if you're selling, or especially buying, any commercial property.

WHY? There are three basic reasons. First, when you buy or sell, you get an appraisal of the actual value, right? Since you may be obliged to perform a clean-up, you need to know the condition of the soil and groundwater, not just the state of repair of the building. Second, most lending institutions want to know about the dirt and water, too.

Third, in Connecticut the seller is required to file a Property Transfer Form if the property is an 'Establishment' under Section 22a-134 of the RCSA. If the property IS an 'Establishment' and you don't file the form, you're inviting an Entire World of Trouble. If you're the buyer and you "get a good deal" and buy an 'Establishment' without knowing ... you're looking at an absolute minimum of about \$25,000 for state-required investigation and paperwork. A cost of \$90 - \$100,000 is more typical, and there is no maximum. So get a Phase I before you buy or sell!

Dennis MacCaskie is the owner of Cambrian Geological, LLC, Southbury, Conn.

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