nyrej

The current trends in the commercial real estate market in Nassau County - by Patrick Yu

April 04, 2017 - Long Island

Patrick Yu, East Coast Abstract

Nassau County is part of the national wave of revitalization of downtown areas in partnership with the public and private sectors. Opportunities exist outside of the core Central Business Districts for the entrepreneurial developers to replace aging housing stock, repurpose public buildings, and construct senior housing in suburbia. The $2.5 billion project of Renaissance Downtown Urban America to redevelop, beginning in December 2016 over a period of eight years, 32 acres in downtown Hempstead. The project involves constructing 1,000 apartments, retail shops, restaurants, a hotel and a movie theater and parking, is a recent illustration of this trend to cater to the preference of millennials for walkable, transit accessible, live-work urban centers. Centered around the Hempstead stop of the LIRR and a bus terminal, this project follows the national trend of transit oriented development (TOD). Denser development around train stations will promote job growth and attract younger workers to these areas. Stanley Levine, the president and CEO of East Coast Abstract, Inc., who has worked on title matters with developers of a number of downtown revitalization projects in Long Island, noted, “Long Island and other urban areas need TOD’s to keep millennials from leaving their homesteads. TOD’s represent a great opportunity to revitalize suburbia, which is now over 70 years old.”

Since the beginning of this year, the Nassau County Bar Association Real Property Law committee has offered a number of continuing legal education presentations to its members relevant to the topic of commercial real estate. Nicholas Rigano, Esq. of Rigano, LLC, who spoke in January, noted that recent court decisions make clear that extraordinary facts establishing lender bad faith and control are required for a borrower-debtor to succeed on lender liability claims. Attorney Louis Vlahos of Farrel Fritz, P.C. spoke to the committee this past February on income, estate and gift tax considerations when representing the foreign investor in U.S. real estate.

Vlahos said, “With the steady influx of foreign investors into the New York commercial real estate market, and especially into Manhattan and the East End of Long Island, it will behoove real estate attorneys to acquire some understanding of the U.S. federal, state and local tax issues that foreign investors will encounter as a result of their investments. In particular, commercial real estate attorneys have to be able to recognize that the form in which the foreign person’s acquisition and operation of the property is structured can have a significant impact on the foreigner’s U.S. income, gift and estate tax liability, and thereby on the foreigner’s economic return for the investment. Real estate attorneys don’t need to become tax experts in order to advise their foreign clients, but they do have to alert them that there are significant tax issues to be considered and, if necessary, they have to refer them to the appropriate advisers.

At the March meeting of the Real Property Law committee, Thomas Weiss, Esq. of Thomas Weiss &

Associates, P.C. gave a presentation on mechanics liens which are constant concern for commercial real estate developers/owners and their counsel. He focused his talk about the strict filing deadlines and the various ways that mechanics liens can be discharged.

Patrick Yu is a chair of the Nassau County Bar Association Real Property Law Committee and general counsel at East Coast Abstract, Inc., Manhattan, N.Y.