



Mitchell Rechler: Where are we now, where are we headed and where are the opportunities?

July 25, 2011 - Long Island

As one of the largest owners of commercial space on Long Island, we've seen the cycles in the market since the company's inception over 50 years ago, including my own involvement over the past 30 years. 2010 was a record breaking year for us with 1.4 million s/f of leasing activity. However, we did a tremendous amount of short term leases due to the fact that many companies were uncertain about the economy and their own future. During the first half of 2011 we've already seen a big shift, with tenants signing leases with terms of seven to 10 years. We feel this is a strong indication of a renewed confidence tenants did not exhibit a year ago. We anticipate that by the close of the first half of 2011 we will have signed close to one million s/f of leases. In terms of the office market, we unfortunately do not see the same robust activity we have experienced through our industrial portfolio. While we are signing leases with office tenants at our Melville and Hauppauge properties, the level of activity is much less than compared to our dominant industrial property type.

Mitchell Rechler is a partner at Rechler Equity Partners.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540