



## **Metropolitan Realty and TH Real Estate complete \$55 million acquisition; Unger and Dolgin of Kalmon Dolgin represent seller, Matsil family**

April 04, 2017 - Front Section

48-49 35th Street - Long Island City, Queens, NY

Joseph Farkas, Metropolitan Realty Associates LLC

Queens, NY According to Metropolitan Realty Associates LLC (MRA) founder and CEO Joseph Farkas, the firm has completed its second major Long Island City acquisition. The former Matsil Bros. building was purchased for \$55 million with equity partner TH Real Estate, an affiliate of Nuveen (the investment management arm of TIAA).

Located at 48-49 35th St., the three-story 246,000 s/f warehouse was originally built in 1949 and last traded hands nearly 40 years ago. It is currently 79% leased, with international shipping company AirSea Packing as the largest tenant occupying 100,000 s/f. The building also has a private surface parking lot for 74 cars.

Neil Dolgin, Kalmon Dolgin Affiliates, Inc.

Jeffrey Unger, Kalmon Dolgin Affiliates, Inc.

Jeff Unger and Neil Dolgin of Kalmon Dolgin represented the Matsil family in the sale. Law firm Duval & Stachenfeld provided legal services to the buying entity.

"MRA intends to maintain the property in its current industrial use," said Todd Bassen, MRA's managing partner and chief investment officer. "As more and more warehouse and distribution properties in LIC are being redeveloped into residential, office and retail space, industrial users increasingly struggle to find quality properties in the neighborhood. The former Matsil building will serve these tenants' needs for years to come."

Overall, investment interest is strong and competitive for Long Island City properties, especially those that can be repositioned for other uses. More than 22,000 residential units and almost 4,900 new hotel rooms are in the pipeline, according to the Long Island City Partnership. But industrial space remains scarce. The vacancy rate for industrial properties hit a two-decade low at the end of 2016.

"Given the varied tenant needs in LIC, it made sense for us to diversify our offerings with this second acquisition," said Farkas, whose firm also owns a mixed-use redevelopment project nearby with TH Real Estate.

"Queens is a dynamic and rapidly transforming borough where user demand is growing and we continue to add to our existing positions in this submarket," said Dimpesh Darjee, senior director and

head of acquisitions for TH Real Estate's New York regional team. "Long Island City's vitality is only strengthened by its industrial tenants, many of whom have adapted to e-commerce and technology trends, and still desire proximity to Manhattan and the boroughs. Our experience in catering to this sector will help us optimally position this property."

MRA and TH Real Estate made their first foray together into the LIC market last year when they purchased HUB LIC, a 326,000 s/f industrial property situated a block away from the Matsil Bros. property. MRA plans to take advantage of HUB LIC's high ceilings, floor-to-ceiling window line, and the extremely large skylight to transform the property into a high-end, creative office and retail property.

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