



T. Weiss Realty seeing influx of tenants on Long Island from New York City

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Craig Weiss

Melville, NY According to Long Island landlord, T. Weiss Realty Corp, it is starting to see an influx of new tenants from New York City.

The landlord, T. Weiss Realty Corp., which owns four class-A office buildings totaling over 500,000 s/f, has signed six leases since the beginning of 2021, including four in the past few weeks. Craig Weiss, president of T. Weiss Realty, says these tenants are a mix of full relocations from New York City and newly established Long Island branch offices that are aimed at eliminating commutes for principals and employees.

"We are finally seeing a trend of tenancy coming from Manhattan and the surrounding boroughs looking to plant a flag in Melville," said Weiss.

And while Weiss acknowledges that his firm's new deals are relatively small compared to others in his robust portfolio, "We are finally seeing smaller, New York City-based businesses on Long Island making the move and the larger corporations setting up either a hub-and-spoke model or outright relocating their offices to the suburban market," he said.

Weiss said, "The smaller, locally owned companies are at full staff in our buildings. The larger, public companies are still operating with reduced in-office headcount, but they are gearing up to densify their staffing this summer."

What's more, the Melville landlord has been experiencing a dramatic uptick in leasing velocity with more prospective tenants touring its buildings, as compared to 2020, Weiss said. "Our 2021 deal flow is much greater. The Manhattan-based tenants that were touring the Long Island market last year were very reticent to make any long-term decisions, if any decision at all. With the increasing pace of vaccinations and the declining number of new COVID cases, companies are pulling the trigger on spaces that are cheaper, more convenient, and smaller than those they may be accustomed to in New York City."

Among the companies that have relocated to T. Weiss properties in Melville:

ConvergeOne, a Minnesota-based IT firm which is a portfolio company of the private equity firm CVC Capital Partners, relocated a portion of its operations from Long Island City and is doubling its footprint in Melville from 1,215 square feet to over 2,500 square feet at 532 Broadhollow Rd. The company's existing Melville operations were moved from 105 Maxess Rd. Craig Weiss arranged the transaction.

Zenith Capital Partners, a merchant banking firm from Manhattan, is opening an 1,800-square-foot auxiliary office at 105 Maxess Rd. Weiss said the company's principals and some employees live on Long Island and were tired of the commute to New York City. Zenith kept its Manhattan presence, but wanted to have the convenience of a Long Island office in the event Manhattan remained a shell of its former self for a prolonged time. Craig Weiss arranged the transaction.

WFG National Title Insurance Co., headquartered in Portland, OR, is relocating its Manhattan offices from midtown to 2,042 square feet at 324 S. Service Rd. Weiss said many of the company's employees are Long Islanders who prefer driving to Melville versus taking public transit into the city. The company also saved money from a per square foot perspective relative to the Manhattan rents it was paying. Stephanie Torres, of Austin, TX based The Stone Group represented the tenant. Craig Weiss represented the landlord.

Sielken Davis LLC, a real estate appraisal firm, which relocated from Long Island City to 2,635 square feet at 324 S. Service Rd. The company's principal, a Long Island resident, was tired of the daily commute to Long Island City, Weiss said, noting that post-COVID, Sielken Davis no longer desired have offices in a dense community and also wanted to be close to home in a suburban setting. Rob Koppersmith, of Cushman & Wakefield's Melville office represented the tenant, while Craig Weiss represented the landlord.

Whadwa Associates LLC, a new real estate brokerage established by Raj Whadwa, a Manhattan-based commercial real estate broker who left a major firm, is locating his office at 508 square feet at 532 Broadhollow Rd., just a few exits on the Long Island Expressway from his home. Whadwa was self-represented in the transaction, while Craig Weiss represented the landlord.

Municipal Data Services of NY Corp., a Staten Island-based tax and municipal search firm servicing the title insurance industry, is establishing its first Long Island office at 105 Maxess Rd. The firm is taking nearly 4,000 square feet of pre-built, fully furnished office space to accommodate a growing Long Island employee base and clients. Scott Berfas of Newmark Knight Frank's Long Island office represented the tenant, while Craig Weiss represented the landlord.