

# MANN REPORT™

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## Greiner-Maltz In 2011

### Greiner-Maltz

Avoiding the bright lights of the Manhattan commercial market, Greiner-Maltz has established itself for over 50 years as the industrial brokerage firm for New York City's outer borough metro market. Growth came easily when the industrial market expanded into the boroughs when manufacturing and distribution firms were displaced from the inefficient Manhattan loft buildings built during the early 1900s. However, the residential and commercial development tide strengthened throughout the 1980s and 1990s in Brooklyn and Queens as well, eliminating manufacturing as a significant land use. The declining effective rental rates for millions of square feet of obsolete industrial land and buildings aided an explosion of conversions to residential and office use in the outer boroughs.

Greiner-Maltz maintained its balanced growth during these dynamic market shifts by focusing on its industrial roots while working with developers such as Toll Brothers to supply underutilized manufacturing space for residential and commercial conversion.

The additional space utilization trends on which Greiner-Maltz has focused are: the growth of the movie studio industry, with over 200,000 square feet of transactions for the creation of new studio space; the rebuilding of inner-city logistics centers for product distribution, with transactions of over 400,000 square feet for companies like Federal Express; the leasing of warehouse space to trade marts, allowing for importers to display and sell manufactured products, with over 200,000 square feet in Queens alone; the placement of micro industries with the sale of properties such as the 300,000-square-foot headquarters of Standard Motor Products for conversion to multiple tenanted loft space; and the assemblage of industrial sites for conversion to retail use, such as the Forest City Ratner development of the former Chase Storage facility on Grand Avenue in Maspeth.

The current industrial market fits well into Greiner-Maltz's focus and expertise. Its tracking of a total inventory base of approximately 60,000,000 square feet, with a 5 percent availability factor, provides ample opportunities for the leasing of industrial space as well as the sale of user and investor industrial properties.

The New York City commercial real estate market is one of the most competitive in the United States, and Greiner-Maltz owes a great deal of its success to its competitors in the brokerage market. While the firm has seen companies such as Cross & Brown and Helmsley-Spear fade or lose their identity through acquisitions and mergers, Greiner-Maltz continues to incorporate the upcoming class of new, entrepreneurial brokers and their fresh, inventive and proven "best practices."

The key to New York City's growth as well as that of nimble, creative firms such as Greiner-Maltz has been the continuing trend of "creative destruction." While neighborhoods across the country face negative growth, New York City's phenomenal dynamism, made up of high-energy, neighborhood-altering immigrants; the influx of wealthy, suburban empty nesters; and a flood of young college-educated job seekers—pushes weak industries out to give way for economically high impact growth.

Good examples of Greiner-Maltz transactions that reflect this trend include the lease of 150,000 square feet in the former Sperry Rand defense plant to the New York Times, the sale of a 100,000-square-foot tin foil manufacturing plant in Greenpoint, Brooklyn, for movie studio productions such as *Third Watch*, and the sale of a former tennis court facility in Long Island City for future development as a 1,000,000-square-foot residential tower.

With the continuing combination of excellent demographics, a progressive public administration — which institutes timely zoning changes and quality of life regulations — an excellent transportation system and a plentiful base of older building stock, the brokers at Greiner-Maltz look forward to thriving in what will continue to be an extremely competitive market.

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