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Rechler Equity Partners Finishes 2016 with Record Occupancy Levels

*Filling the Void in Long Island's Available Class-A Industrial and Commercial Space
Company Continues to Set the Standard as Leading Operators in the
Commercial Real Estate Industry*

Plainview, NY (March 6, 2017) – Rechler Equity Partners, the largest owner of commercial real estate on Long Island, finished 2016 with an occupancy rate unmatched in the company's 60-year history. The company, with more than 6.5 million square feet of commercial real estate, has entered 2017 with an unprecedented occupancy rate of 98.6 percent. Throughout 2016, Rechler Equity Partners continued growing its reputation as first-class operators by successfully attracting new tenants, retaining existing tenants and selling key properties that no longer fit within the company's portfolio at historically high prices.

"2016 was a landmark year for Rechler Equity Partners on many different levels," said Mitchell Rechler, Managing Partner of Rechler Equity Partners. "While Long Island's strong economy coupled with companies migrating from the boroughs is having a positive effect on our business, our success is primarily driven by our ability to retain existing tenants and attract new ones. It's a point of pride for us as a company because it really speaks volumes to the product and services we offer to our tenants, and it reflects our attention and dedication as quality operators."

Quality industrial space is in short supply on Long Island, but Rechler Equity Partners is actively working to add a large quantity of Class A industrial space at the East End's only corporate park. Currently scheduled to be completed in the fall of 2017, 200 Rogers Way will be the second of nine planned buildings at the Hampton Business District, a 444,000 square-foot industrial park located in Westhampton Beach, NY. The completion of 200 Rogers Way will provide an additional 68,000 square-feet of Class A industrial space designed to meet the specific needs of today's industrial clientele.

Not only is Rechler Equity Partners leading the way and developing the next frontier for Class A industrial space on Long Island, the company is also setting the bar for tenant attraction and retention. Rechler recently reached a long-term renewal agreement with The Tiffen Company, LLC, located at 90 Oser Avenue in Hauppauge, who has been a Rechler tenant for almost 40 years. The new agreement has the company resigning to 37,500 feet of industrial space for an additional 10 years.

Although the supply of available space is limited, Rechler Equity Partners has been able to offer long-term lease agreements to new tenants while accommodating its existing tenant base looking to relocate within Rechler's portfolio. Rechler has accomplished this by entering into early termination deals with those tenants whose real estate needs have changed.

“By virtue of our size, in some cases, we are able to give our existing tenants alternatives to subleasing by allowing them to terminate early and relocate to a new property within our portfolio,” said Gregg Rechler, Managing Partner of Rechler Equity Partners. “We have the ability to shuffle the deck and match companies with space that may not necessarily be available. This level of flexibility and accommodation has made the Rechler name synonymous with not only quality products, but first-class operators as we possess the capability to help tenants maneuver in an ever-changing business environment.”

Two recent examples of creating space and not waiting for leases to expire are the long-term leases for 48,233 square-feet of industrial space at 2002 Orville Drive in Ronkonkoma to East/West Industries, Inc., and the lease of 36,000 square-feet at 70 Maxess Road in Melville to D 3, LLC.

In the case of East/West Industries, Inc., the space at 2002 Orville Drive was available for sublease with a lease expiration of December 31, 2017. East/West Industries was looking for a landlord to provide a turn-key installation with a long-term lease. Rechler Equity was able to terminate the lease with the existing tenant and provide East/West Industries with the installation they required for their business and entered into an 11-year lease agreement.

D 3, LLC, also an existing tenant of Rechler at 20 Melville Park Road in Melville, was in need of additional space for its growing operations. Rechler's tenant, Netflix, located at 70 Maxess Road in Melville, which is directly across the street from D 3's existing property, was looking for an early termination of its lease without having to sublease their remaining term. Rechler was again able to negotiate a successful termination agreement with Netflix and move D 3, LLC, into the now available 36,000 square feet of space—creating an opportunity for space where none previously existed.

“Our team works diligently to create opportunities and execute lease agreements that make sense for us and our tenants—new or existing,” said Ted Trias, Director of Acquisitions and Leasing at Rechler Equity Partners. “Because commercial real estate—primarily industrial—is in such high demand, we are in a position to offer several options to our tenants and essentially create space where space doesn't exist. Our new tenants get the space they need quicker, the exiting tenant doesn't have to go through the burden of subleasing and we have a new long-term lease signed. Everybody wins.”

For some companies, leasing does not always present the best option for them. In a time when interest rates are low, some companies find it more preferable to purchase property instead. As part of Rechler Equity's 2016 disposition program, the company has closed on the sales of several properties no longer fitting into its property portfolio. The company was able to capitalize on the current market and sell four properties, totaling more than 275,000 square feet, at unprecedented sale prices. Most recently, Rechler sold 25 Davids Drive—a 40,000 square-foot building in Hauppauge—for \$146.50 per square foot.

About Rechler Equity Partners

Rechler Equity Partners is the successor company to Reckson Associates, founded over 60 years ago by Donald and Roger Rechler. Today managed by Mitchell and Gregg Rechler, Rechler Equity Partners is the largest owner of commercial real estate on Long Island with a portfolio of assets totaling over 6.5 million square feet. Rechler Equity offers a wide range of services including leasing, property management, asset management, architecture, construction, environmental, finance and development.