

CONTACT:

85 South Service Road
Plainview, NY 11803

David A. Chauvin
Office: (516) 829-8374
Cell: (516) 410-8832

Record Occupancy Continues for Rechler Equity Partners

Hauppauge, Melville and Farmingdale Industrial Portfolio is 100 Percent Leased

Manufacturing Sector Continues to Dominate Need for Space

Hampton Business District Continues its Expansion

1031 Market Frenzy Leads to Unprecedented Closings

Plainview, NY (March 12, 2018)—Rechler Equity Partners, the largest owner of commercial real estate on Long Island, finished 2017 with the highest occupancy rate in the company’s history—99 percent—surpassing 2016’s unprecedented rate of 98.6 percent. In addition, the company also assisted the growth and expansion of several tenants, completed the second building at the Hampton Business District, and sold a key property taking advantage of the strong 1031 market.

“The strength of Long Island’s economy continues to drive demand for high-quality industrial space at a record pace,” said Mitchell Rechler, Managing Partner of Rechler Equity Partners. “Rechler Equity’s diverse and expansive property inventory allows us to remain flexible, providing additional value to our new and existing tenants. With occupancy rates for industrial space at an all-time high, creating space where space is not available is the key to success in this current climate.”

Achieving the highest occupancy rate in the company’s history was driven by another record: 100 percent occupancy at all of Rechler Equity’s Hauppauge, Melville and Farmingdale industrial properties. Overall, Rechler Equity exhibited an impressive ability to retain existing tenants with more than 300,000 square feet in lease renewals. In addition, Rechler completed more than 272,000 square feet of new lease agreements.

2017 also represented a year of significant internal growth for Rechler Equity’s manufacturing tenants, as demand for quality space spiked throughout Rechler’s portfolio. In fact, of the 572,000 square feet in new and renewal leases, more than 290,000 square feet has been leased to manufacturers. With availability space being so limited, Rechler Equity’s size in Suffolk County provides the company with the ability to identify space for their tenants.

“Manufacturing is alive and well on Long Island, and it is driving the demand for industrial spaces,” said Gregg Rechler, Managing Partner of Rechler Equity Partners. “By virtue of our size, we have the ability

to shuffle the deck and match companies with space that may not necessarily be available. Possessing this ability has made the Rechler name synonymous with not only quality products, but first-class operators as well.”

By way of example, Alubon, LTD.—a manufacturer of high-end windows and exterior panelized systems for residential and commercial properties—recently expanded from a 23,406 square-foot facility at 20 Melville Park Road in Melville to a 48,000 square-foot facility at 60 Oser Avenue in Hauppauge. Rechler Equity was able to move Alubon’s operation within its portfolio to meet their expansion needs.

As Alubon was in the process of moving to its new location, D3, LLC—a manufacturer of trade fixtures for the cosmetics industry—approached Rechler Equity about D3, LLC’s need for additional space to keep up with demand. Rechler was able to seamlessly fulfill the request and transition D3, LLC into the space once occupied by Alubon, LTD. In 2016, Rechler also played an instrumental role in D3 LLC growth by assisting the company with a move into an additional 36,000 square feet at 70 Maxess Road in Melville—a space once occupied by Netflix. With the D3 LLC’s request for additional space and Netflix’s plan to consolidate operations off of Long Island, Rechler was able to orchestrate a deal to terminate Netflix’s lease and immediately free up the space for D3’s expansion.

“We work hard and pride ourselves on our ability to accommodate the needs of our tenants,” said Ted Trias, Rechler Equity’s Director of Acquisitions and Leasing. “Since our success is directly linked to the success of our tenants, we are motivated to remain as fluid as possible to keep pace and adapt with an ever-changing business environment.”

As the availability of industrial space continues to be an Island-wide issue, Rechler Equity remains the only developer building quality Class-A industrial space on Long Island’s East End. The Hampton Business District (HBD) in Westhampton Beach continued to take shape in 2017; the park’s second building and an additional 68,000 square feet of quality warehousing and distribution space were added. In addition, the business park added a new tenant, Westhampton Beach Brewing Company, to a long term lease for approximately 4,800 square feet. Yet, this year’s largest development at the HBD is the announcement of Tate’s Bake Shop’s expansion. Tate’s recently signed a lease to take more than 16,000 square of warehouse space at 200 Roger’s Way; adding to their already 37,000 square-foot operation at 220 Roger’s Way.

2017 also provided an opportunity for Rechler Equity to take advantage of the 1031 tax exchange frenzy. Due to the high demand for these types of transactions, Rechler was able to capitalize on the sale of a 47,500 square-foot facility at 350 Kennedy Drive in Hauppauge to a purchaser on a tight timeline. From start to finish, the transaction was completed in less than 30 days and allowed Rechler to cash in on a top-of-the-market sale price.

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.