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The pulse of the LIC business community

John Maltz Interviewed

"The industrial property sector is on the verge of changing significantly", said John Maltz, managing director of Greiner Maltz, in *Real Estate New York's* October high-tech and industrial market report. Industrial uses have been changing for the past three decades, with printing and garment manufacturers being joined by smaller industries that demand sophisticated high tech spaces, with air conditioning, T1 fiber, heavy power, and communications capabilities, noted Maltz. Because of the consolidation in the apparel industry, garment manufacturers are leaving Manhattan's west 20s, 30s and 40s, which are being converted into office and residential properties. Nonetheless, there is a tremendous demand for industrial space in the boroughs. "Rents have reached a high rate and there is a healthy demand for industrial land because the economics make sense right now to buy land and develop a building." Distributors and contractors are still actively seeking industrial space, especially in the boroughs where rents are lower, commutes are shorter and the labor pool is larger and less expensive. Maltz said that air-conditioned space is renting for \$12 - \$14 per sf, while good manufacturing space ranges from \$8 - \$10 per sf. Maltz is seeking a specialty use for a 200,000 sf state of the art baking and distribution facility in LIC, for which he is the exclusive agent. On investment sales, he said that "the market is stronger than the rental market because current financing rates and tax laws favor purchasing over renting," with some high end properties going for over \$100 a sf. www.renymag.com www.greiner maltz.com