

FEATURING

SHOPPING CENTERS

1994 will be remembered as year of retailing revolution



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# NEW YORK REAL ESTATE JOURNAL

FEATURING

UPSTATE  
NEW YORK

Grossman and Berns of First  
Monroe arrange \$15m mtg.



COVERING NEW YORK CITY, LONG ISLAND, WESTCHESTER, ORANGE & ROCKLAND COUNTIES, UPSTATE NEW YORK

## Hired by Chase Manhattan to market property at 102-106 East 35th St. Ciraulo of Massey Knakal brokers \$2.2 million sale

NEW YORK, NY - In an all cash transaction valued at approximately \$2.2 million the property at 102-106 East 35th St. has been sold according to a report from Robert Knakal, president, Massey Knakal Realty Services.

For the first time since 1986 Massey Knakal has sold a property for a price in excess of the asking price. This was due to the excessive buyer demand for the property which was created in a relatively short period of time.

The property, a 50 ft. wide, five story, renovated apartment building, consisted of eight residential units and five medical offices. This property was renovated from what was once three adjacent five story brownstones. The excessive cost of renovation along with lofty original purchase prices created a debt load which was in excess of what the property could support. Subsequently, Chase Manhattan Bank foreclosed on the building and hired Massey Knakal exclu-

sively to market the property. Given the extent of the renovation in the building, the property was no longer subject to rent control or rent stabilization with all apartments being at free market rents. All of the apartments were occupied but only two of the five medical spaces were rented. The actual gross income on the property was approximately \$275,000 with a potential gross rent of \$335,000 if all of the medical spaces were rented. These figures related to a gross rent multiple of eight times the gross rent based on actual income and six and a half times gross rent based on 100% occupancy with no vacancy allowance.

"These gross rent multiples are indicative of the strength of the current rental housing market in Manhattan," stated John Ciraulo, the Massey Knakal agent specializing in Murray Hill properties and also the broker who coordinated the marketing efforts for the property. "There is a lack of good rental property in the city and when a prime piece of property becomes available there is a feeding frenzy among the buying community," Ciraulo added.

The excessive demand for this property created a competitive bidding situation which resulted in the eventual purchaser bidding \$10,000 more than the asking price in order to secure the acquisition of the property. There were over 40 offers for the property generated within a seven week



period which demonstrates the appetite for residential properties which are well located.

Massey Knakal Realty Services represented both parties to this transaction.

### Two leases including 43,700 s/f lease Robert Martin Co. negotiates 53,100 s/f

HAWTHORNE, NY - Robert Martin Company, the Westchester-based real estate ownership and management firm, recently completed tenant lease expansions totaling 55,500 s/f of space at its properties in Hawthorne and White Plains.

Taro Pharmaceutical USA, Inc. leased a total of 43,700 s/f of space, in an expansion of its headquarters at the Mid-Westchester Executive Park Six Skyline Drive and distribution facilities at Five Skyline Drive in Hawthorne. The publicly traded company is the United States subsidiary of Taro Vit Industries, Ltd. of Israel, a multi-national organization that develops pharmaceutical products and manufactures generics of name-

brand drugs. Cube Computer expanded its office and distribution center, with the signing of a new lease for 9,400 s/f of space at Eleven Skyline Drive. The computer consulting firm relocated from New York City to Robert Martin's Elmsford-based Cross Westchester Executive Park in 1990, and has more than tripled its initial square footage to accommodate business growth. Cube is a designer and supplier of high-performance personal computers, a product line that is marketed to clients throughout the United States.

The transactions with Taro Pharmaceuticals and Cube Computer were coordinated by Andrew Greenspan of Robert Martin.

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## HI-LIGHTS

### Colliers ABR negotiates three deals totalling 30,000 s/f of leases

The Surdna Foundation, Solvay Marshall & Edlin and Petty Printing have all expanded their headquarters in lease transactions.

Details on page 4.



### BNYDC negotiates two leases 50,000 s/f at Brooklyn Navy Yd.

The last remaining block of unleased space at the Brooklyn Navy Yard has been leased by two firms according to the BNYDC.

Details on page 5.



### Chicago Title Ins. hosts celebration of amendment

CTIC hosted a dinner on December 13 to celebrate the recent enactment of amendments to the federal bankruptcy code.

Details on page 6.



### NACORE delves into world of real estate financing

At the Westchester/Fairfield chapter of NACORE, RE professionals met to discuss the changes in RE financing.

Details on page 10.



## Also Inside

CDE

A new dawn, a new era - Governor Pataki takes office

Buffalo

DSG Investors/R.J. Gullo arrange \$7 million exchange