

Real Estate Journal

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Schacker Real Estate Corp. reports strong results for 1st half 2010



Phil Shwom, Schacker Real Estate Corp.

Despite a challenging real estate market, Schacker Real Estate Corp. CEO Phil Shwom reports that the firm posted surprisingly strong results for the past 6 months. Schacker completed 38 transactions totaling in excess of 750,000 s/f, 15 of which were in excess of 20,000 s/f, and two in excess of 100,000 s/f.

Shwom cautioned that this activity was not indicative of a strong overall market and that Schacker's results were somewhat of an anomaly among commercial brokerage firms. Shwom noted that its brokers had been working with many companies that had delayed relocation decisions thru an unstable first half of 2009, and moved forward as excellent opportunities to acquire property at a substantial discount to pricing levels of 2007 and 2008 were presented. Shwom cautioned that activity has slowed down again in May and June and reports that executives at competing firms are still experiencing weakness.

Schacker has improved its back office support, information systems, and marketing capabilities, which has allowed its brokers to perform more productively for its clients. Schacker is showing an in-house exclusive transaction percentage in excess of 35% during the past year. This ratio indicates that on Schacker's exclusive listings, the buyer or tenant has been procured by a Schacker broker in just over 35% of the transactions.

Given the nature of the Long island commercial real estate brokerage community in which no firm houses more than 10% of the commercial agents, and Schacker itself having less than 5% of the agents, a 35% in-house procuring rate demonstrates that Schacker's broad and innovative marketing efforts for their exclusive listing are producing superior results.

In recent transactions, Schacker's Larry Bianco acted as the listing broker in a 180,000 s/f long term retail lease at 3041 Hempstead Tpke., Levittown to Appogee Retail for discount clothing and Bazaar operations. Bianco's negotiating skill and strong relationship with the landlord was vital in the complex negotiations which involved the termination of one lease and the buyout of another to complete the transaction. The long term lease was among the largest retail transactions on Long Island.

Schacker's Jeff Starr was the procuring broker representing Stellae International inc. in a 120,000 s/f long term sublease at 1111 Marcus Ave. in Lake Success from a subsidiary of the New York Times. Stellae provides logistical management services for the fashion industry. The transaction was the largest industrial lease in Nassau County in 2010. After a lengthy search, Stellae was able to take advantage of favorable market conditions to lease space in prime location at a below market price level.

Shwom and Gary Friedman acted as listing agents in the sale of a 51,000 s/f industrial building at 3000 Burns Ave. in Wantagh to the Gramercy Group, represented by Edward Fitzsimons. The property required extensive renovations and had been on the market for over a year prior to Schacker being hired by the owner. Schacker focused its marketing efforts to highlight the properties desirable outside storage zoning and its oversized lot to attract interest from construction supply companies, large contractors, fleets, and other parties that value this type of property and are typically better equipped to acquire property that requires extensive renovations.

Larry Bianco acted as the seller's agent in the sale of a 42,000 s/f building located at 187-10 Jamaica Ave. in Hollis. The building was purchased by Royal Waste Service, who occupied neighboring property. Joe Hentz of Hentz Dor represented the purchase and Schacker's Rich Corso assisted Bianco.

Friedman represented Kraus USA in the lease of 41,000 s/f at 12 Harbor Park Dr. in Port Washington. The Queens based company was attracted to the buildings unusually high ceilings, proximity to the New York City market, and the modern building. Jared Baritz of Northeast equity management represented the landlord, 4 B's Realty.

Ron Lazar and Shwom represented the seller of 131 Heartland Blvd., Edgewood, a 35,000 s/f building purchased by Island Technology of Ronkonkoma. Located in prestigious Heartland Business Center, 131 Heartland was one of the finest industrial buildings available when the transaction closed last November.

Schacker represented both the Buyer and Seller of 5 Dubon Court, Farmingdale, a 31,873 s/f industrial building purchased by Daejin America Corp. a Queens based distributor of floor tile. Friedman represented Daejin America and Shwom acted as the exclusive agent representing the seller. A tax abatement provided by the Babylon IDA helped induce Daejin to relocate to Babylon Township.

Joe Brown represented Royal Apparel in the lease of 24,554 s/f at 65 Commerce Dr., Hauppauge. In a rare move, Royal Apparel relocated their distribution facilities from Allentown Penn. to Long Island. David Rotter of Metro Realty represented the landlord.

Shwom and Brown represented the landlord in the lease of a 24,000 s/f office and distribution facility leased to All Island Media. Tony Gerrato and Willie Becker of RBF Associates represented the tenant.

Friedman represented Polygen Pharmaceuticals in a 22,700 s/f sublease at 41 Mercedes Way, Edgewood. Shwom represented the sub-landlord, Sheralven Enterprises. Friedman then represented both parties in a lease extension with landlord Heartland Development.

Schacker also represented both the buyer and seller of 3 Dubon Court, Farmingdale, a 21,000 s/f industrial building purchased by European marble and granite. The location, large lot, clear span construction, and extra thick floor all attracted purchaser European marble and Granite who was represented by Schacker's Richard Weissman and Ron Lazar. Shwom acted as the exclusive agent representing the seller.

Weissman represented Cablelot in the lease of 20,000 s/f at 700 Broad Hollow Rd., Farmingdale. Weissman and Lazar represented the landlord, Manhattan based Midwood Management. The modern industrial facility had frontage on Rte. 110 offering Cablelot retail visibility at a better quality industrial price point.

Bianco represented dessert manufacturer Kozy Shack, and landlord the Mack organization in a 20,000 s/f long term lease extension at 27 Ludy St., Hicksville. The location was strategically located near Kozy Shack's main manufacturing facility.

Steve Tomback brokered a build to suit bank lease for Suffolk County National Bank at 3000 Montauk Hwy., Amityville. Shacker's Chris Ferencsik represented the landlord. Tomback also brokered a bank lease for Madison National Bank at 700 Hicksville Rd., Massapequa. Tomback also brokered a bank HQ lease extension which cannot be disclosed pursuant to a confidentiality agreement.