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## FOUR NEW LEASES BRING 111 GREAT NECK ROAD TO NEARLY 90% OCCUPANCY

### *Herrick, Feinstein LLP Helps Property Thrive in Receivership*

New York, December 28, 2012 - Building on recent successes, four new leases have been signed at 111 Great Neck Road in the town of Great Neck in Nassau County, NY bringing the property, which has been in receivership since 2010 to approximately 89% occupied. Scott E. Mollen, Esq., Co-Chair of Herrick, Feinstein LLP's Real Estate Group and the court-appointed receiver of the 164,000-square-foot, Class A office building at 111 Great Neck Road, has taken a positive, pro-active approach to managing the building in an effort to establish a strong tenant roster and position the building well for the future. The new deals include a 9,971-square-foot lease with First Sterling Financial Inc., a 738-square-foot lease with Norman Kaplan and a 700-square-foot lease with Helm Management. In addition, Susan's Kitchen, a corporate café serving the building's office and retail tenants signed a deal for 2,150 square feet.

Properties in court-mandated receivership often stagnate or deteriorate for a myriad of reasons: a lack of funds to properly operate a building; damage to a building's reputation; uncertainty as to the identity of and competence of future management; a receiver's inability to make business decisions in a timely manner; poor decisions by a receiver or litigation-related issues that impinge upon the receiver's ability to properly operate the building. The recent success at 111 Great Neck Road demonstrates that a building in receivership can actually overcome these common obstacles with thoughtful, forward-looking oversight.

After being appointed receiver in early 2010, Mr. Mollen retained the services of the well-respected real estate firm Jones Lang LaSalle (JLL) to oversee the management and leasing for the property. Together, Mr. Mollen and the JLL team have brought a number of new office tenants to the building including MCS Mortgage Brokers, Jason Slakter, Baldwin Technical Support, Gross & Edelstein and Levine Realty. Since beginning the leasing campaign, the team has signed market-rate leases and renewals, including the four newest deals, totaling more than 75,000 square feet and representing approximately 46% of the property's rentable space. Negotiations are also ongoing for an additional 8,000 square feet of new leases and 4,000 square feet of renewals which would bring the property to nearly 94% occupancy.

The order appointing the receiver limits the term of new leases to only two years or less, except with Court approval. However, Mr. Mollen has been successful in obtaining court approval for longer leases that are in the best interest of 111 Great Neck Road. Since taking receivership of the building, Mr. Mollen also has cultivated relationships with the current tenant community and has negotiated substantial renewals to maintain stability and promote long-term financial growth for the property. Tenants including Sterling Equities, FlexTrade Systems, Stadia Corp, Felsen Associates, Tri Northern Group, Howard Birnbach, Alliance Construction Consultants, Inc., P.L. Thomas Paper Company, Inc. and Nishiyama Corporation have all signed renewals ranging from two to five years and retail tenant Citibank exercised its option to renew its 5,216 square feet of space for 10 years.

"This property is one of the pre-eminent buildings in the Nassau County office marketplace and I knew that it was crucial to reassure existing tenants and communicate to

potential tenants, that 111 Great Neck Road would continue to be run as a Class A building during receivership,” said Mr. Mollen. “Based on the strong rent roll, we have been able to make substantial building improvements, including significant upgrades to the heating and air conditioning systems, during the receivership and we are looking forward to a bright future for the property.”

Founded in 1928, Herrick, Feinstein LLP is a prominent 170-lawyer firm headquartered in New York City providing a full range of legal services, including art law, real estate, bankruptcy and business reorganization, commercial litigation, corporate law, employment law, government relations, insurance, intellectual property, sports law, and tax and personal planning.

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