



The Future of Real Estate in Queens and LIC

John Maltz, SIOR, President, Greiner Maltz

Our thanks to John Maltz for composing this creative and engaging article, exclusively for the LICBDC Conduit. Mr. Maltz is a frequent contributor to Real Estate News and other NYC publications.

Recently we had the pleasure of meeting with John Maltz, President, Greiner-Maltz, for a brief Q & A session regarding what he sees in the future for real estate in the Queens and the Long Island City submarket.

Q. So nice of you to take time from your busy schedule to meet with us. We have heard that your firm has grown significantly in the past few years, concurrently with the recent surge in real estate values in the Queens area. What do you credit this to?

A. The past few years have been the equivalent of a surfer riding a continuous and ever growing wave. Despite the valuation escalation, the basic equation for success in the real estate industry has always been serving the client with the best information in the timeliest manner possible. Of course, behind those words lie thousands of hours of back office drudgery.

Q. Which recent transaction would you point to which exemplifies today's real estate market in Queens?

A. The one I would choose which both exemplifies the current market and is a harbinger of the future would be our recent \$25,000,000.00 lease transaction for a 30,000 sq. ft. commercial building off Queens Blvd., near Woodside. Formally a commercial laundry, we procured a restaurateur catering to the Asian community who was confident that the changing demographics would support such a use. This one transaction reflects the growing population mix of Queens, the continuing trend for adaptive re-use of industrial property, as well as the excess of available capital which has been driving real estate values recently.

Q. What effect will there be of the Olympic Committee either choosing or not, New York City for the location of its 2012 games?

A. That is a very interesting question for it points to the reality that regardless of whether New York City is chosen, there has been and will continue to be an impact on the Long Island City Market.

Deputy Mayor Doctoroff has done an excellent job promoting New York City and I share his conviction that we offer the best venue of all the other entrants. However, the pedigree which has been granted Long Island City by its selection as the site for the Olympic Village has played a big part in the land rush which we are now experiencing. It appears that there is a commitment at the highest levels of the administration that regardless of whether or not there is an Olympic Village, there will be high-density residential development along most of Long Island City's waterfront.

Q. What effect will this have on the Queens' industrial base?

A. With the exception of niche industries, the industrial base will be substantially made up of service, commercial, and distribution companies. While little will be manufactured in Queens, food products and consumables will continue to be distributed out of local warehouses. Service providers such as elevator maintenance companies and limo garages will continue to call Queens their home. However, Long Island City will come to resemble the West side of Manhattan from the 20's through the 40's.

Q. Now that it's going on three years since 9/11, what perspective do you have on the impact terrorism has had on New York City?

B. Unquestionably, it has not only made us stronger, but it has shown how confident New Yorker's are in their city and its future potential. The past few years has witnessed an historical increase in real estate investment in the boroughs, and the acceleration of the development of older as well as new neighborhoods. No other city, and that includes San Francisco after the 1906 earthquake, and Chicago after its' fire, and certainly Buffalo after the McKinnley assassination has recovered with such confidence.

Thank you very much, Mr. Maltz for a most interesting interview.