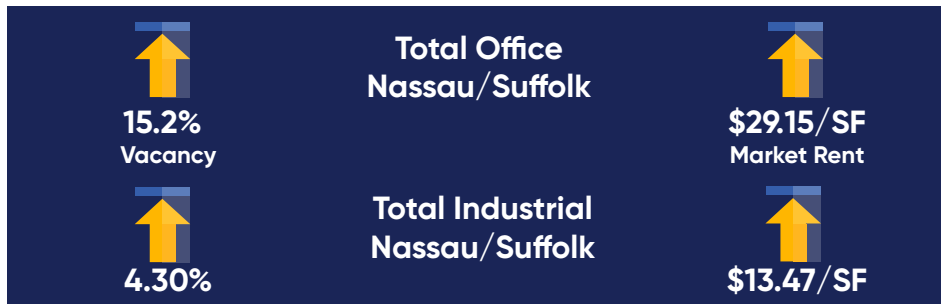


Market Report

The COVID-19 Global Pandemic brought an abrupt halt to what had been robust leasing activity in Nassau and Suffolk Counties. Tenant's new focus became the preservation of capital through expense and workforce reduction. Many occupiers were able to negotiate deferred or reduced rent agreements with their landlords, while many others were forced to default on rent payments. The end of the second quarter saw some businesses begin to reopen on a limited basis. Many other occupiers are evaluating the practicality of a remote workforce and a reduced real estate footprint. Expect a surplus of space in the 3rd Quarter, with a glut of sublease space available. Credit-worthy tenants will have significant leverage when negotiating lease terms.



Rental and Vacancy Rates

Market Rent (\$/SF)/Change	Vacancy Rate	Change
\$30.57 ▲ 2.5%	Melville Class A Office 9.5% ▲ 1.7%	
\$27.16 ▲ 1.9%	Melville Class B Office 10.5% ▼ 1.5%	
\$33.99 ▲ 2.4%	Garden City Class A Office 11.0% ▼ 1.7%	
\$32.94 ▲ 1.7%	Garden City Class B Office 11.5% ▲ 1.1%	
\$30.78 ▲ 3.8%	Hauppauge/Islandia Class A Office 11.6% ▼ 1.0%	
\$23.65 ▲ 1.7%	Hauppauge/Islandia Class A Office 8.4% ▼ 1.3%	
\$11.96 ▲ 5.2%	Hauppauge Industrial 3.2% ▲ 0.2%	
\$14.74 ▲ 5.2%	Central Nassau Industrial 4.1% ▲ 1.6%	
\$13.62 ▲ 5.4%	East Farmingdale Industrial 2.8% ▲ 1.2%	

Recent Transactions

Tenant	Size	Submarket	Type	Sector
1 Uncle Giuseppe's	47,289SF	Melville	Sale	Office
2 Cabot Industrial	104,500SF	Hauppauge	Sale	Industrial
3 Walmart	50,000SF	Bayshore	Lease	Industrial
4 Pharmpacks	231,000SF	Edgewood	Lease	Industrial
5 Eastern Empire	70,000SF	Farmingdale	Sale	Industrial
6 Biotelemetry	11,000SF	Melville	Lease	Office
7 Pinnacle Appliance	20,000SF	Melville	Lease	Industrial

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Tenant's Perspective

Return to work Strategies

Reduce Density

Reconfigure your workspace to adhere to the CDC's latest social distancing guidance.

Increase Sanitization

Elevate cleaning protocols and offer sanitizing stations throughout your space.

Foster Productivity

Develop a Change Management and Communication Plan to facilitate the transition

Moving? Things to Consider

Landlord Solvency

Your prospective landlord's ability to provide capital for your build out may be affected. If the building you are considering is now producing negative cash flow, building services will suffer and/or your building will likely change hands.

Increased Lead Time

Building permits are backlogged, increasing construction time and impacting your occupancy timeline

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