

# NAI Long Island

Office Report | Mid Year | 2nd Quarter 2007



# Long Island



## TRENDS:

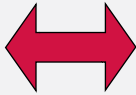
Vacancy Rate



Net Absorption



Construction



Asking Rents



## OVERVIEW:

Long Island **vacancy** decreased to 9.5%, with net absorption positive 357,217 SF in the 2nd quarter. **Rental rates** averages on all classes were quoted to be \$26.71 per-square-foot in the Long Island market area. **Inventory** on office space on Long Island amounted to 123,484,958 square feet in 4,166 buildings as of the end of the second quarter.

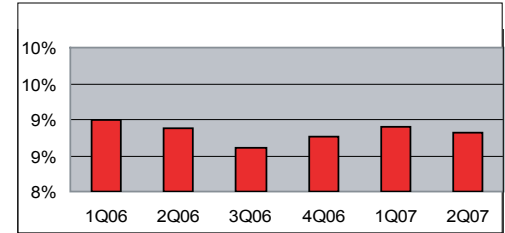
## NEWS:

Broadridge Financial Solution Leases 70,000 SF at Gateway South - Nassau Market

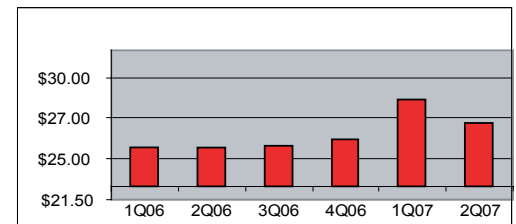
InterDigital Communications signs 50,502 SF at Huntington Quadrangle - Suffolk Market

Antech Diagnostics signs 50,000 SF lease at 1. Park Main Building - Nassau Market

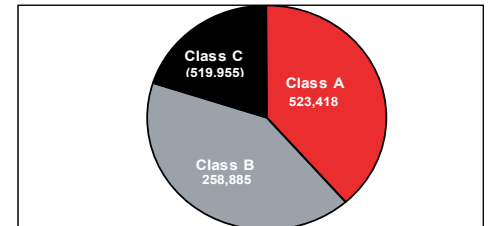
Overall Vacancy (%)



Average Asking Rental Rate



Net Absorption (SF)



## Major Lease Transactions

Tenant:	Building:	Size (SF):	Submarket:
Unavailable	159-05 Union Tpke	56,000 SF	Northeast Queens
Unavailable	60 Crossways Park W	52,500 SF	Eastern Nassau
Inter Digital Communications	2 Huntington Quadrangle, Melville	50,502 SF	Western Suffolk
Antech Diagnostics	1111 Marcus Avenue, I Park Main Bldg	50,000 SF	Western Suffolk
Unavailable	One Pierrepont Plaza	37,530 SF	Downtown Brooklyn

\*All rents are per SF/per YR unless otherwise noted.

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Office Report | Second Quarter 2007



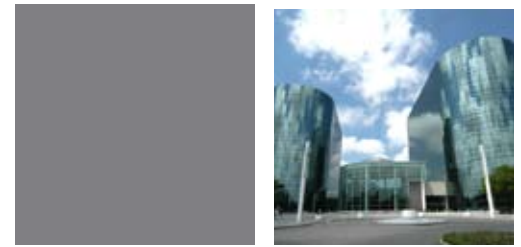
SUBMARKET/ CLASS	# BLDGS.	TOTAL RBA (SF)	TOTAL AVAIL. (SF)	TOTAL VACANT AVAIL (%)	TOTAL NET Absorption (SF)	TOTAL AVERAGE RATE (\$/SF/YR)	UNDER CONSTRUCTION (SF)
<b>Central Nassau</b>							
Class A	32	6,640,774	576,706	8.7%	(198,676)	\$37.70	0
Class B	108	5,139,691	371,910	7.2%	131,787	\$31.01	0
Class C	269	3,695,024	127,046	4.4%	(14,886)	\$24.35	0
<b>Eastern Nassau</b>							
Class A	28	4,346,116	503,120	11.6%	240,968	\$32.85	125,000
Class B	128	5,601,840	976,269	17.4%	(189,799)	\$26.04	37,000
Class C	187	2,763,745	412,682	14.9%	(69,503)	\$21.49	0
<b>Northern Nassau</b>							
Class A	1	71,400	9,798	13.7%	(798)	\$29.31	0
Class B	21	262,379	12,940	4.9%	(8,960)	\$21.00	0
Class C	55	502,872	45,988	5.4%	22,067	\$20.26	0
<b>Southeast Nassau</b>							
Class A	1	20,000	7,294	36.5%	(5,091)	\$28.07	0
Class B	27	322,275	19,791	10%	(13,691)	\$23.83	0
Class C	75	592,678	16,475	2.8%	7,858	\$22.02	0
<b>Western Nassau</b>							
Class A	27	5,030,792	656,563	13.1%	130,618	\$33.01	0
Class B	101	3,325,336	433,162	13%	(68,414)	\$29.15	0
Class C	162	1,884,225	113,780	6.0%	(9,760)	\$21.78	0
<b>Central Suffolk</b>							
Class A	18	1,249,748	809,447	13.6%	(1,555)	\$29.51	21,500
Class B	132	3,241,088	515,999	15.9%	20,585	\$20.39	0
Class C	195	2,053,568	94,285	4.6%	29,893	\$17.69	0
<b>Eastern Suffolk</b>							
Class A	1	5,357	5,357	100%	(5,357)	\$ 0.00	12,000
Class B	39	464,544	102,954	22.5%	(75,200)	\$18.41	10,020
Class C	68	810,052	19,200	2.4%	14,533	\$18.94	0
<b>Southwestern Suffolk</b>							
Class A	1	14,000	0	0%	0	\$00.00	0
Class B	39	651,751	141,874	21.8%	16,627	\$20.11	0
Class C	124	952,792	53,850	5.7%	(18,027)	\$22.94	0
<b>Central Queens</b>							
Class A	3	850,247	42,605	5%	(2,466)	\$32.13	0
Class B	37	822,796	32,904	4.0%	(3,770)	\$30.73	51,394
Class C	78	773,855	11,170	4.4%	(250)	\$25.48	0
<b>Northeast Queens</b>							
Class A	6	568,360	34,500	6.1%	9,830	\$28.36	0
Class B	62	2,313,307	41,944	1.8%	(5,602)	\$33.79	37,848
Class C	143	2,706,136	147,133	5.4%	22,067	\$20.26	0
<b>Northwest Queens</b>							
Class A	10	3,099,175	334,231	10.8%	9,830	\$28.36	493,000
Class B	69	4,804,857	358,100	7.5%	55,938	\$21.59	1,714
Class C	115	1,702,908	413,733	24.3%	(333,158)	\$25.59	0
<b>South Queens</b>							
Class A	2	223,469	2,000	0.9%	(2,000)	\$ 0.00	0
Class B	46	1,423,305	160,071	11.2%	(22,387)	\$24.65	0
Class C	151	2,658,524	175,643	6.6%	(24,582)	\$23.29	0

Sourcing/Reference:



# NAI Long Island

## Methodology / Definitions / Market Map



### Absorption (Net)

The change in occupied space in a given time period.

### Available Square Footage

Net rentable area considered available for lease; excludes sublease space.

### Average Asking Rental Rate

Rental rate as quoted from each building's owner/management company, For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NN basis.

### Building Class

Class A Product is office Space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office Space built after 1980, fair to good finishes & wide range of tenants.

### Direct Vacancy

Space currently available for lease directly with the landlord or building owner.

### Market Size

Includes all existing and under construction office buildings (office, office condo, office loft, office medical, all classes and all sizes, both multi-tenant and single-tenant, including owner-occupied buildings) within each market.

### Overall Vacancy

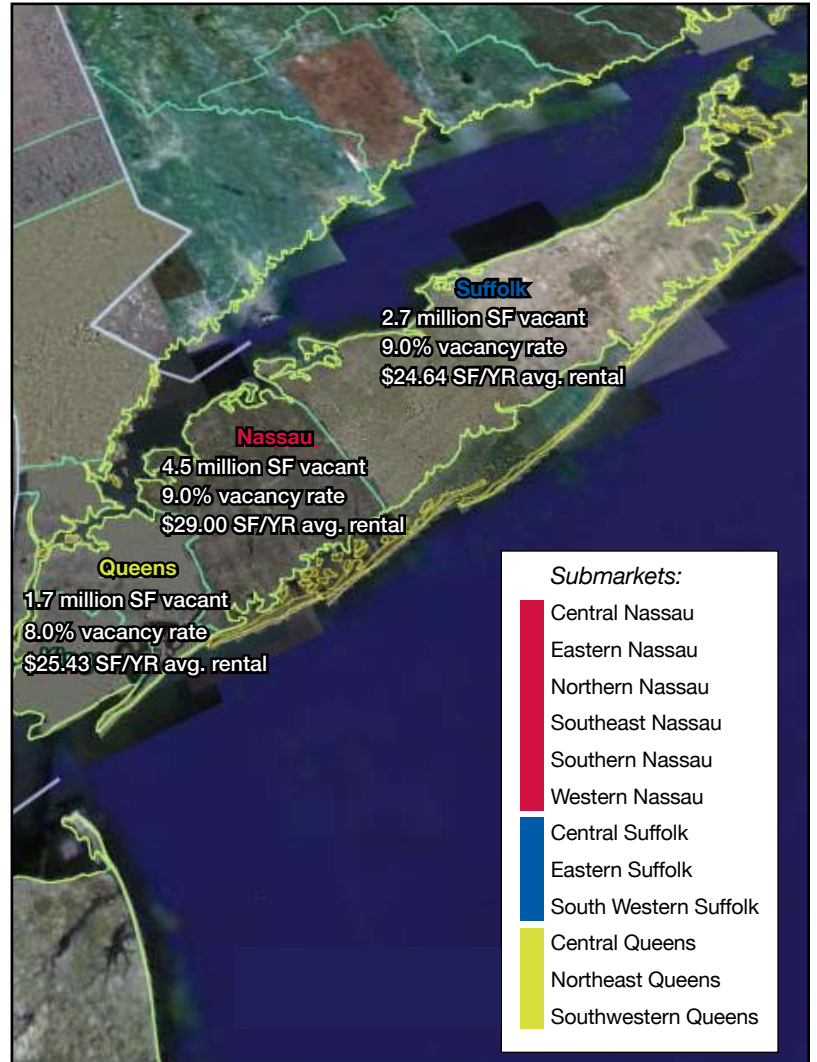
All unoccupied lease space, either direct or sublease.

### SF/PSF

Square foot/per square foot, used as a unit of measurement.

### Sublease

Arrangement in which a tenant leases rental property to another, and the tenant becomes the landlord to the subtenant.



### Sublease Space

Total square footage being marketed for lease by the tenant. Sublease space is not considered in the overall occupancy or absorption numbers - only direct leases are included.

### Sublease Vacancy

Space currently available in the market for sublease with an existing tenant within a building acting as the landlord.