

Tuesday, July 31, 2012

Garden City Square split into 3 units for sale

BY MAURA MCDERMOTT
maura.mcdermott@newsday.com

The Garden City office and retail building that is the future home of a discount warehouse and a fitness center is being sold off in three pieces.

Garden City Square at 711 Stewart Ave. has been split into three parts: the 121,000-square-foot BJ's Wholesale Club location, which has a 20-year lease and is due to open in October; the 55,000-square-foot LA Fitness space, which has a 15-year lease and expects to open in 2014; and the offices, which are nearly 60 percent leased. The medical office tenants include NRAD Medical Associates, Endoscopy Center of Long Island and Cardiovascular Medical Associates.



A drawing of the retail/office building for sale at 711 Stewart Ave.

Each of the three parts is its own condominium unit.

Splitting a commercial building into condominiums so it can be sold as a whole or in pieces is "a sharp idea," said Charles Tabone, managing principal at Newmark Grubb Knight Frank in Melville, who is not involved in the transac-

tion. "It's a little out of the box, it's not something that happens that frequently."

Located near Roosevelt Field mall, the 293,500-square-foot Garden City Square has received a \$35-million overhaul, according to its co-owners, Jericho-based Metropolitan Realty Associates and An-

gelo, Gordon & Co. of Manhattan. The property formerly housed a Grumman Corp. facility and the onetime headquarters of CA Inc., then known as Computer Associates.

The developers bought the 17-acre property for about \$45 a square foot in May 2010, when it was 20 percent occupied and the commercial real estate market was bottoming out, said Joseph A. Farkas, president of MRA.

They are taking a "two-tier approach," aiming to sell it either in its entirety or in parts, Farkas said. Listing prices have not been disclosed.

The developers' 10-year tax breaks from the Hempstead Industrial Development Agency are being passed along to tenants as discounts.