For: A&G Realty Partners, Melville, N.Y.
From: Parness & Associates, Aberdeen, N.J.

FOR IMMEDIATE RELEASE

A&G REALTY MANAGED DISPOSITIONS & RENT SAVINGS ON 81 MIL. S/F OF SPACE DURING 2018; PROPERTY SALES EXCEEDED $570 MIL.

--Projects covered more than 4,700 sites across the retail, warehouse/ industrial, office, higher education and foodservice sectors for healthy and bankrupt companies

MELVILLE, N.Y. (3/27/19)—A&G Realty Partners today announced that it managed property dispositions and occupancy-cost reductions on 4,762 sites with approximately 80.9 million square feet of space during 2018. Sales of owned properties and leases amounted to $570.8 million, while the firm delivered to its clients rent savings aggregating $596.3 million through occupancy cost reductions and lease terminations.

"All told, 2018 was our most active year," said Andy Graiser, Co-President of the Melville-based firm, which assists healthy and distressed companies with portfolio strategy, due diligence, value-add lease negotiations, real estate dispositions, subleases and lease terminations.

"Disruption was in full force across real estate last year," he said. "Our multidisciplinary team responded by successfully collaborating on many diverse projects across all 50 states—everything from real estate housekeeping on behalf of healthy companies in need of portfolio optimization, to running major dispositions for nationally known retailers undergoing reorganization or closure through the bankruptcy process."

In addition to its work on behalf of retailers, A&G upped its game in the warehouse, industrial, higher education, office, and foodservice areas as well, noted A&G Co-President Emilio Amendola. "These results show that even as A&G remains a go-to resource for retail property dispositions and occupancy cost reductions, our team's efforts to broaden our scope to other sectors have been getting a very favorable reception in the marketplace," he said.

In direct response to the magnitude and complexity of real estate challenges in the marketplace, the team further honed its collaborative, results-oriented approach, Amendola noted. "We continue to deepen our bench by bringing in talent from a variety of sectors, whether you're talking about investment banking, real estate operations or the c-suites of major chains," he explained. "For us, maximizing real estate is a multidisciplinary science. We put a premium on working together on behalf of our clients."

Key projects fully completed or launched in the retail sector during 2018 included massive dispositions of owned and leased store sites for bankrupt retailers Toys 'R' Us and Bon-Ton Stores. For both of these retailers, the firm's work also included sales of five warehouses (four owned, one leased) aggregating 5 million square feet for approximately $246 million.

Additionally, A&G managed the real estate process for Mattress Firm and Charming Charlie, both of which completed successful bankruptcy reorganizations during 2018 that included closures of under-performing stores and successfully obtaining occupancy cost reductions for the vast majority of the remaining locations.

Those efforts were augmented by lease disposition and occupancy cost reduction projects for many other national, regional and local retailers that were seeking to shed underperforming stores or attain more favorable lease terms on locations that remained in operation, Graiser noted. "We are especially pleased with the success of our endeavors to help healthy retailers gain better control of their real estate costs through selective store closures and negotiations for more affordable lease terms that prevented additional locations from closing," he said.

Looking ahead, Amendola commented: “As evidenced by our recent retention to handle the disposition of 2,587 Payless sites across North America, there’s no doubt that the retail industry’s shakeout is far from over. However, the results of our two biggest projects, Toys ‘R’ Us and Bon-Ton, proved that there’s still an appetite for well-located big-box space among other retailers, entertainment companies and other non-retail uses, as well as for opportunistic landlords and investors seeking to reimagine their properties.”

Outside the retail arena, A&G completed the sale of three remaining office sites formerly owned by the bankrupt ITT Educational Services; sold a second campus for the bankrupt Dowling College; and handled rent reductions and real estate dispositions on a combined 23 sites for two other for-profit schools, Dream Education and Harrison College.

The firm also handled lease dispositions and rent reductions for 30 sites operated by a foodservice chain and completed the sale of a 33-acre industrial site in Baltimore on behalf of a bankruptcy trustee.

“Last year was an extraordinary one for A&G, not just in terms of our numbers, but also in the way we all worked together to maximize results for our clients,” Graiser said. “Emilio and I are extremely proud of the way our team rose to the challenge.”

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