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Pension Funds Nab LIC Site for \$20M in First Real Estate Investment



48-18 VAN DAM STREET IN LONG ISLAND CITY.

BY [LAUREN ELKIES SCHRAM](#)

Teamsters Local 813's pension fund and **Local 27 IBT Pension Fund** are getting into the real estate game as investors for the first time, Commercial Observer has learned.

The pension fund affiliated with Local 813, which represents New York, New Jersey and Connecticut employees in the private sanitation, funeral, demolition, rental car, paper and factory industries, and Local 27 IBT Pension Fund purchased a commercial property in Long Island City for \$20 million last Friday. (Local 27 as a union is part of Local 813.)

Located at **48-18 Van Dam Street**, and bounded by 48th and Hunters Point Avenues and between the Long Island Expressway and Queens Boulevard, the fund's new two-story, 55,000-square-foot light industrial building is adjacent to the **Falchi Building**. The new owner tapped **Environetics** as its architect and plans to

reposition the building with retail at the base and offices above, [Douglas Elliman](#) Commercial's **Louis Puopolo** and **Adam Sforno** told CO.

They represented the buyer along with colleague **Alex Furst** with Douglas Elliman Commercial. **Justin Butts** of **DY Realty Services** negotiated on behalf of the seller, **Brian S. Pun**.

“Demand for office space in Long Island City continues to rise and we felt 48-18 Van Dam presented a prime opportunity for conversion to meet that demand,” Mr. Butts emailed CO. He said the tenants have mostly been storage and light manufacturing companies. A commissary kitchen remains in 3,000 square feet in the building.

Local 813 “bought this as an investment,” Mr. Sforno said. While the fund typically funds developers or investors of real estate, the fund decided to invest for itself due to the “hot” real estate market, he noted.

Mr. Furst said that the pension fund may eventually move into the property.

“This acquisition was really motivated by the uptick in office leasing in that particular area,” Mr. Furst said. In addition, there is the fact that it's in close proximity to the Falchi Building and the **Factory Building**.

Local 813 IBT Pension Fund leases space in a suite at **45-18 Court Square** in LIC.

About 38,000 square feet at 48-18 Van Dam Street is vacant. Existing tenants at 48-18 Van Dam Street include a commissary in approximately 3,000 square feet with approximately three years left on the lease, plus a four-year option, Mr. Butts said. A second-floor office tenant in about 4,000 square feet has three years remaining on its lease and a remaining tenant in approximately 10,000 square feet will be vacating within six months).

The “current layout of remaining tenants allows buyer to begin repositioning the site quickly,” Mr. Butts said.