

Real Estate Finance and Investment

November 15, 2010

New Book Takes Aim At Aging Infrastructure

LENGTH: 263 words

A new book from **Barry LePatner**, a New York-based construction and real estate attorney, takes aim at the deteriorating U.S. infrastructure and discusses the impact that bridge, tunnel or road failures could have on the commercial real estate market. *Too Big To Fall* points out that of the 600,000 bridges in the U.S., half are past their originally intended 50-year life span. "The bridges have deteriorated to the point that over a quarter of them are rated by state inspectors as 'structurally deficient' or 'functionally obsolete.' It puts the traveling public at risk," LePatner said, adding that value and ability to use commercial real estate is tied directly to the health of the surrounding infrastructure.

LePatner points out that many decisions made about American infrastructure are short-sighted. He cited the \$9 billion Hudson River ARC Tunnel project, which was recently quashed by New Jersey's Governor Chris Christie. Christie reasoned that the tunnel, which would expand train capacity between Manhattan and New Jersey, would run several billion dollars over budget. But LePatner believes this is short-sighted. "It would [bring huge returns] to the state of New Jersey and would increase real estate values around the system," he added.

The book also allowed LePatner to touch on another key concern: the inflated costs and inefficiencies of the construction industry. LePatner, who authored a book in 2007 on the subject, sees the economic downturn as an opportunity to remediate long-standing problems in the industry, particularly as the lending market revives.

LOAD-DATE: November 30, 2010

LANGUAGE: ENGLISH

PUBLICATION-TYPE: Newsletter

JOURNAL-CODE: REFAI

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