

# DOW JONES

327.23 to 25,379.45

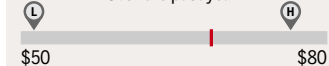
Over the past year:



# CRUDE OIL

\$1.10 to \$68.65

Over the past year:



Key:  
 ○ Past year's low  
 ○ Past year's high

Close; color indicates up/down from previous close

# INDUSTRIALS, TECH DRAG STOCKS DOWN

Stocks slumped again Thursday as investors sold shares of technology and internet companies, industrials, and companies that rely on consumer spending.

Several industrial companies tumbled after releasing weak quarterly reports, and European stocks also fell as European Union leaders criticized Italy's spending plans.

In early trading, stocks took small losses as bond prices fell and interest rates spiked. While the gain in interest rates didn't last, stocks turned lower and by the close had wiped away most of their rally on Tuesday.

The S&P 500 fell 1.4 percent to 2,768; it has fallen 5.5 percent in volatility since Oct. 3. The Dow Jones Industrial Average dropped 327 points to 25,379; it was down as much as 470 earlier. The Nasdaq gave up 2.1 percent, to close at 7,485. The Russell 2000 of smaller-company stocks fell 1.8 percent to 1,560.

Industrial and basic materials companies have taken bigger losses than any other part of the market in the last month, with investors feeling vulnerable in the U.S.-China trade dispute.

"If uncertainty starts to creep in around trade or growth, that could be a risk to the recovery in . . . corporate spending," said Jill Carey Hall, senior U.S. equity strategist for Bank of America Merrill Lynch.

— AP

Get business  
updates and sign up  
for the daily business  
newsletter.

newsday.com/biz

# LI buyers competing

Home prices rise  
in September due  
to low inventory

BY VICTOR OCASIO

victor.ocasio@newsday.com

Long Island home prices rose in September as buyers competed for a low inventory of homes for sale.

The median home price in Suffolk County rose 6 percent last month compared to the same period a year earlier due to increased demand from new home buyers and constraints on inventory.

Suffolk's median sales price was \$381,500 in September, up from the \$360,000 median price a year earlier, the Multiple Listing Service of Long Island reported Thursday.

In Nassau County the median price was \$525,000, representing a nearly 3 percent increase over the previous September.

The biggest factor driving Suffolk's price increases has come from a lack of suitable inventory, said Melanie Mazzeo, a real estate agent with Douglas Elliman in Huntington.

"If there's low inventory and there's more buyers looking, buyers are going to up-bid on a property," said Mazzeo, who recently sold a home for \$55,000 over the asking price.



The median home price in Suffolk rose 6 percent from a year ago; in Nassau, about 3 percent.

Concern over rising interest rates in the past year has brought hesitant first-time buyers "back in off the fence," Mazzeo said. Compounding the demand is the inability of older homeowners to find smaller, affordable rental options that would allow them to downsize.

"They look to downsize but don't have many choices to stay on Long Island," she said. "They really don't have too many options or places to go."

The number of Suffolk homes sold in September was down

11.2 percent at 1,415, compared with 1,593 home sales closed during the same period last year.

In Nassau the drop in sales was steeper at 15.1 percent; 991 homes were sold in September, down from the 1,167 sold last year.

Gary Baumann, a broker who works with homeowners in Nassau with Douglas Elliman's Plainview office, said first-time home seekers who waited to buy now have more money to invest.

"A starter home has a much

bigger range than it used to because people were waiting a little longer to buy, so now they have a little bit more money," Baumann said.

Moreover, the number of people buying homes as an investment, not a primary residence, has grown. As they renovate and resell the homes at higher prices, fewer entry-level homes are available, Bauman said.

"As the real estate market has been improving, the builders and the flippers have gotten back in," he said.

# Another LI location shut in bankruptcy case

BY DAYS CALAVIA-ROBERTSON

daysi.calavia-robertson@newsday.com

A newly closed Mattress Firm store in Oceanside is among 99 locations in the retailer's second round of closures as part of its bankruptcy protection filing.

The 4,000-square-foot store, which was once a Sleepy's — the Hicksville-based mattress retail chain was acquired for \$780 million by Mattress Firm two years ago — was located on 3150 Long Beach Rd. The property is owned by United Properties Corp. in East Meadows.

A public relations representative for Mattress Firm, when contacted about the closing of the Oceanside store, didn't provide updated information.

Houston-based Mattress



The company has about \$1 billion in liabilities, court papers show.

Firm filed for Chapter 11 bankruptcy protection in federal court in Delaware Sept. 28, citing market saturation and competition from online mattress retailers, among other factors.

At the time, Mattress Firm said it planned to close up to 700 stores around the country.

A 6,525-square-foot Mattress Firm store in Plainview, located at 1040 Old Country Rd.

in Morton Village Plaza, closed in early September.

Patrick Collins, a law partner at Farrell Fritz in Uniondale who specializes in bankruptcy and restructuring, said that in a changing retail landscape competition from the "Amazon effect" and other retailers continues to hurt many businesses.

In recent years Mattress Firm aggressively purchased competi-

tors, expanding to more than 3,000 stores. The company has more than \$1 billion in liabilities and a long list of creditors, according to court documents. It owes its largest creditor, mattress maker Simmons Manufacturing Co., close to \$65 million.

Even so, Mattress Firm could emerge from bankruptcy as a stronger company, Collins said.

"The plan Mattress Firm has in place is smart in that it lets the company retain ownership, leverage the provision of the bankruptcy code that limits landlord rejection damage claims, and allows it to negotiate or terminate leases in oversaturated areas," he said. "This means the company has an opportunity to 'right size' and reorganize their business without shutting down completely."