

19
89 | **OVER**
TWENTY
FIVE
YEARS



Triangle acquires development site for \$25.4 million; To construct 300,000 s/f industrial building designed by Craft/GF55

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Rendering of Triangle's multi-level industrial building project - Queens, NY

Queens, NY Developer Triangle Equities has acquired a development site located near John F. Kennedy International Airport for \$25.4 million. The project site is to be developed as a 300,000 s/f, multi-level industrial building. The facility will be one of the first multi-level, multi-tenant air cargo and distribution facilities in New York City. Triangle executed the land

acquisition and development financing through a strategic partnership with a pension fund advised by L&B Realty Advisors, an acquisition loan from Citizens Bank and additional equity capital from Township Capital.

The three-story industrial and air cargo facility will feature first and second-floor industrial space.

Both floors will have loading docks accessed via truck ramps, permitting full-sized trailers to dock, load and unload directly into their floors. The project is focused to deliver new-construction, class A industrial space to the JFK market – currently underserved by such space – and will include market leading clear heights, heavy floor loads and large structural column spacing.

“With this site, we will be able to develop a unique product that has not yet been delivered to the New York City industrial sector,” said Lester Petracca, president of Triangle Equities. “By making this a vertical, multi-level facility, we are able to maximize use of the site, thereby increasing the potential impact this project will have on the growth of air cargo at JFK airport and the New York City economy.”

“We have seen a paradigm shift in the retail and industrial sectors and this facility will offer tenants an ideal opportunity for air cargo business, third-party logistics and e-commerce distribution firms to enter or expand within this urban market,” said Josh Weingarten, Director of Capital Markets at Triangle Equities. “We have put together a best-in-class design and construction team and are eager to begin construction of this much needed product.”

“L&B was attracted to the project due to the strength of the market and location adjacent to JFK Airport,” said Bernadette Mussell, vice president of acquisitions at L&B Realty. “The investment is consistent with L&B’s strategy of investing in high quality industrial facilities with the potential for above average returns. L&B is looking forward to a successful partnership with a reputable and experienced developer like Triangle.”

“Our compliments and continued support to Triangle Equities for being on the forefront of multi-story logistics development in the United States,” said William Butler of Citizens Bank.

“The team in place at Triangle Equities excels at completing highly structured transactions with added complexity and the proposed multi-level industrial is another example of forward thinking development at an intricate location.”

“Township has been actively investing in industrial projects around major US MSAs over the last 12-months. We continue to see a shifting demand from high-credit users toward newly constructed class A product. The maturation of the e-commerce market creates a growing need for last-mile distribution centers in the largest land-constrained U.S. markets,” said Township Capitals’s CEO, Matthew Gorelik. “The location relative to JFK Airport and core strength of the New York market provide a tremendous opportunity for superior risk-adjusted returns. We are excited to be at the forefront of the multi-level industrial market which we believe is primed to expand in the nation’s gateway markets in much the same way it has in cities like Tokyo and London.”

This project aligns with the goals of the JFK Action Agenda through Port Authority of New York & New Jersey and NYCEDC and will contribute towards meeting the published forecast growth in the Action Agenda through increasing access to Class A industrial space abutting the airport, providing best-in class space to facilitate operational improvements, and more efficient and direct access to the airport for air cargo related service providers.

Located one quarter mile from JFK Airport, the site is conveniently accessible and features frontage on the Belt Parkway. As the region’s biggest and busiest air cargo airport, JFK easily accommodates long-haul direct and nonstop international and transcontinental traffic. The property is also located near the Port of New York & New Jersey, one of the largest natural harbors in the world and the third largest port in the U.S.

Triangle Equities worked with Holliday Fenoglio Fowler, L.P. (HFF) to arrange the investment in common equity and to place a \$19 million, floating-rate loan with Citizens Bank for land acquisition and pre-development costs. The construction manager for the project is March Associates and the design architects are Craft Architects and GF55 Partners. The development is slated to break ground in winter 2019 with tenant occupancy expected in summer 2020.