



## **2019 Year in Review: Brian Foley Procida Funding & Advisors**

December 31, 2019 - Spotlights

Name: Brian Foley

Company: Procida Funding & Advisors

What was your greatest professional accomplishment in 2019?

We recently closed a \$39 million construction loan, on behalf of the 100 Mile Fund, which we exclusively manage. The loan made to Forte Real Estate Development will finance "The View at Middlesex," a 200-unit apartment building development project in Middlesex, N.J. Forte Real Estate Development is committed to working with borough of Middlesex to revitalize Lincoln Blvd. The new mixed-use building at 220 and 232 Lincoln Blvd. will transform vacant and under-utilized properties into a vibrant location with amenity-filled apartments, new retail spaces and an improved streetscape. The project features a five-story, 255,000 s/f building with 200 rental units – 140 one-bedroom units and 60 two-bedrooms units.

What was your most notable project, deal, or transaction in 2019?

We provided a \$10 million construction loan to The Mabie Group which will be used to finance the reconstruction of the Belle-Freeman Amusement Pier in Seaside Heights, N.J., which was previously destroyed by Super Storm Sandy and a fire shortly thereafter. The Belle-Freeman Amusement Pier dates back to the early 1920s. Prior to Sandy, the site was home to a number of structures, including small eateries, arcades, amusement games and rides. The new development will transform the currently vacant location into the boardwalk's premier entertainment location. The project's plans currently feature a 17,500 s/f multi-tier bar & restaurant, a pool club, and a proposed concert venue on the southern portion of the site. The project also includes five to six kiosk buildings which The Mabie Group has already completed and is currently leasing. Approvals also allow for full restaurant and bar service on the beach adjacent to the development.

What are your predictions for commercial real estate in 2020?

I think that we are going continue to see a pull back on the upper middle to high end residential markets, especially in the NY Metro area. We have already begun to see this as there is a lot of "super luxury" units up for sale and sitting on the market for an extended amount of time. As an originator, I have seen a much larger amount of mezzanine and equity loan requests in comparison to years past, which concerns me. At Procida, we are staying with our core investment strategy, focus on the low-cost provider. For example, we are staying away from projects where the breakeven per unit are in excess of \$800,000/unit and focusing on projects such as our recent deal that features 98-town home units in the Lehigh Valley where the unit break-even is under \$300,000

and targets first-time home buyers.

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