



Financing for Plainfield Development Project arranged by Progress Capital

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Plainfield, NJ Brad Domenico and Eddie Miro of Progress Capital secured a \$17.6 million construction loan for Eyal Gagín and Abraham Gagín of West of Hudson Properties to develop a 5-story mixed-use building at their recently purchased site located at 803 South Ave.

The lender, Trevian Capital, provided a 3-year interest-only construction loan on a non-recourse basis at favorable terms.

“The dramatic uptick in redevelopment within Plainfield’s TOD community has brought tremendous opportunities to the area, while gaining significant corridor advantages associated with transit systems.” said Domenico

Construction on the fully approved multifamily site includes the development of a 57-foot structure consisting of 104 residential and one commercial units. The residential unit mix will be comprised of 10 studio apartments, 61 one-bedroom and 33 two-bedroom units. Amenities within the project include 8,900 s/f of outdoor recreational space with three separate seating areas, a grilling station, a club room and a fitness center, all of which residents pay amenity fees to use. The property also offers ground floor covered parking, providing 112 parking spaces for tenants and their guests, which will be rented out to tenants to generate additional income.

803 South Ave. will be delivered with a Payment in Lieu of Taxes (“PILOT”) from the city of Plainfield. The 30-year PILOT is being negotiated at 10% of EGR, significantly reducing the operating expenses of the property and bolstering returns. The PILOT will allow for steady and predictable revenue streams by limiting their exposure to changes in local tax regulations.

Since the property is situated in close proximity to the transit hub, the development project falls within Plainfield’s Transit Oriented Development Netherwood – South Avenue Redevelopment Plan, which was created in 2017 to revitalize an underutilized area. Ideally located alongside the NJ Transit’s Raritan Valley Line and within walking distance from Netherwood Train Station, which provides direct access to Manhattan. The property is also just one mile south of Route 22, which serves as Union County and Somerset County’s main.