



JLL arranged \$176 million construction financing for Domain Companies; Bank OZK provides loan

August 23, 2022 - Front Section

Brooklyn, NY JLL Capital Markets arranged \$176 million in construction financing for 420 Carroll St., a ground-up development of a 360-unit, class A multi-housing property in the rezoned Gowanus neighborhood.

The total capitalization of the project is \$295 million. JLL worked on behalf of the borrower, Domain Companies, to secure the loan through Bank OZK. JLL also advised on the limited partner joint venture that closed in January. The partnership also includes Vorea Group, the construction manager. The general contractor is Mega Development, with designs from architects, FX Collaborative and Studio Mainer.

The JLL debt and equity advisory team representing the borrower was led by senior managing director Christopher Peck, director Nicco Lupo, senior managing directors Jeff Julien and Rob Hinckley, and associate Jonathan Faxon.

Situated directly on the waterfront at the 1st Street turning basin, the 420 Carroll St. development will comprise a 20-story high-rise tower and an adjacent 15-story high-rise tower and will have a direct connection to the Gowanus Canal promenade. The community will include 27,500 s/f of commercial and retail space, including about 7,700 s/f of Gowanus Mix space pursuant to the rezoning. The development will allocate 25 percent of the apartments as affordable. Scheduled for completion in December 2024, Domain is targeting a LEED Gold certification for the property.

The development borders the historic Carroll Street bridge and sits across the Gowanus Canal from the only completed portion of waterfront promenade that will ultimately stretch the full length of the canal.

Located in a Qualified Opportunity Zone near highly ranked schools and the Smith Street retail corridor, the development will be among the first to rise since 82-blocks of Gowanus were rezoned last year to accommodate demand for permanent affordable housing in a neighborhood with strong transit access.

The site is four blocks from the Carroll Street subway station, served by the F and G lines, and four stops from Manhattan via the F line. It is three blocks from the Union Street Station served by the D and R lines and one stop from Atlantic Terminal. By car, it is easily accessible to Manhattan via the Brooklyn Bridge or Battery Tunnel.

Matt Schwartz of Domain Companies said, “We could not be more excited about the team we have assembled to move this project forward and deliver much needed mixed-income housing in New York City. We are incredibly optimistic about the future of Gowanus and are excited to be part of this growing community.”

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