



JLL Capital Markets arranges \$142m construction loan for Gowanus project

September 27, 2022 - Front Section

Brooklyn, NY JLL Capital Markets arranged \$142 million in construction financing for Majestic, a ground-up, class A mixed-use development with 255 multi-housing units and 18,000 s/f of commercial space, located at 540 DeGraw St. in the rezoned Gowanus neighborhood.

JLL worked on behalf of the borrower, a partnership of Domain Companies, the Urban Investment Group within Goldman Sachs Asset Management, Vorea Group and Mega Development, to secure the loan through U.S. Bank. The project team includes Handel Architects with landscaping by FutureGeeen. The total capitalization of the project is \$230 million.

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.

Scheduled for completion in 2025, the 12-story, mid-rise building will allocate 25 percent of the apartments as affordable. Domain is targeting a LEED Platinum certification for the property and is working on a partnership with Arts Gowanus to provide dedicated studio space for local artists.

Positioned as Brooklyn's premier mixed-use property, Majestic will rise on the highest profile inland site situated directly adjacent to Thomas Greene Park, the only large public park and community pool in the area. Under an Administrative Settlement with the EPA, National Grid is remediating the western two thirds of Thomas Greene Park, and additional park enhancements will include an expanded pool and pool house, a playground, green space and sports facilities.

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 six 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 also four 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.

This deal is the second arranged in recent weeks by JLL for Domain with the first being 420 Carroll

St., a 350-unit multi-housing property also in Gowanus.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540