



Ariel Property Advisors sell 142,500 s/f development site for \$40.65 million in the rezoned Gowanus neighborhood

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450 Ariel St.

Brooklyn, NY Ariel Property Advisors has arranged the sale of a development site with a 142,500 s/f zoning floor area at 450 Union St. in the rezoned Gowanus neighborhood. The property traded for \$40.65 million or \$285 per s/f, a record for a site in Gowanus with a Mandatory Inclusionary Housing requirement. The site is occupied by Pig Beach and The Green Building.

An Ariel team including Sean Kelly, Esq. partner, and Stephen Vorvolakos, director, investment sales, represented the seller Pilot Real Estate Group. The buyer was Tankhouse LLC.

“This is a prime location on the west side of the Gowanus Canal and the seller had already filed plans with the Department of Buildings to qualify for a 421a tax abatement before the program expired in June,” Kelly said. “This transaction illustrates the tremendous value created by the Gowanus rezoning, which will bring much-needed housing to Brooklyn as well as connect the brownstone neighborhoods west of the canal to Park Slope.”

Also in Gowanus, Kelly and Vorvolakos arranged a joint venture on behalf of partners Sterling Town Equities and Orange Management, Inc. for the \$21.6 million acquisition of 125 3rd St., a development site with a 102,035 gross zoning floor area. In addition, they have another development site and a commercial office building under contract in the neighborhood.

Approved in November 2021, the Gowanus rezoning plan will pave the way for 8,500 new units of housing, including 3,000 permanently affordable homes with 2,000 governed by the Mandatory Inclusionary Housing Program. Other investments include \$250 million for a waterfront park along the Gowanus Canal, an upgraded drainage infrastructure to alleviate flooding, and community amenities. An additional \$200 million will be allocated for capital improvements to the NYCHA housing in the community.

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