



Naftali Group and Access Industries close on \$385m const. loan for 470 Kent Ave.

December 13, 2022 - Front Section



Brooklyn, NY Naftali Group is partnering with Access Industries for the transformation of the Williamsburg waterfront development at 470 Kent Ave. Together, the firms have closed on a \$385 million construction financing package for the property, which will include three buildings reaching as tall as 22 stories at 470 Kent Ave. with more than 645,000 s/f of space and 561 total units between them, as well as approximately 19,000 s/f of commercial space across all buildings. The project broke ground already and is estimated to be completed in 2025.

The \$385 million financing package consists of a \$310 million senior mortgage loan provided by Bank OZK and \$75 million mezzanine financing provided by Barings.

“We are pleased to partner with Access Industries on this very special project and have the confidence of our lenders,” said Miki Naftali, CEO and chairman of Naftali Group. “We showed our support and confidence in the future of New York City during COVID and continue to do so. All our projects are well received, and we are very excited to introduce a waterfront lifestyle to future residences in this highly desirable Williamsburg location. Based on our proven track record, we are committed to long-term investments in New York City as reflected in our three record-breaking buildings over the past two years, including the acquisition of 470 Kent in 2020.”

“Naftali Group consistently designs and builds the highest quality residential buildings in Manhattan, and we are thrilled to partner with them on 470 Kent Ave.,” said Jonah Sonnenborn, head of real estate at Access Industries. “This project will transform and bring a new life to the Williamsburg waterfront, and we are excited to work with Naftali and our lenders to bring this vision to fruition.”

“Barings is pleased to provide financing to the high caliber team of Naftali Group and Access Industries. We share the sponsor’s conviction in the New York City market and are delighted to support their long-term investment in Brooklyn,” said Jonathan Neff, managing director, Barings Real Estate. “This investment represented an attractive opportunity based upon the strong sponsorship, trophy quality and irreplaceable location. In the midst of an extremely challenging environment, Barings is committed to providing creative financing solutions for top tier sponsors and construction projects across the U.S.”

470 Kent—which Naftali Group acquired in 2020 as one of the last developable sites on the Williamsburg waterfront—will transform a rare parcel overlooking the East River. Adjacent to the Brooklyn Navy Yard and located on the prominent corner of Kent Ave. between South 11th St. and Division Ave. in South Williamsburg, 470 Kent is within walking distance to the water’s edge, which offers commuter services to and from Manhattan in less than 20 minutes from the South Williamsburg Ferry Terminal, as well as a host of subway lines including the J, M and Z trains. The Williamsburg Bridge, with access to Manhattan, is nearby.

One of the most active developers in New York City, Naftali Group successfully launched and sold out three luxury condo projects in Manhattan since 2020. The Benson, located at 1045 Madison introduced the first new luxury condominium building on famed Madison Ave. on the Upper East Side in more than 25 years and became the fastest-selling post-pandemic building. After launching with 30% of residences already sold in October 2021, 200 East 83rd—Naftali’s 500-foot residential tower developed in partnership with The Rockefeller Group—reported the highest number of luxury contracts signed in Manhattan for multiple consecutive months, earning the building recognition as one of the top-selling residential projects in New York City and in Upper East Side history. The building’s Penthouse A, asking \$27.5 million, went into contract last November, shattering real estate records for Third Ave. In early 2022, the building topped the very record it had just set with an even more expensive contract for the most exclusive unit at 200 East 83rd, Penthouse C, asking \$32.5 million. The Bellemont at 1165 Madison Ave. broke records with a penthouse sale of \$65.5 million only weeks after opening and is projected to start closings in Q2 of 2023.

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