



Douglaston Development acquires site and secures financing for \$66 million mixed-use development

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1057 Atlantic Avenue - Brooklyn, NY

Brooklyn, NY Douglaston Development has acquired a 46,000 s/f development site for \$66 million located at 1057 Atlantic Ave., and closed financing for a 474,000 s/f, 17-story, 456-unit mixed-income multifamily rental development, which will be one of the last new housing developments eligible for a long-term tax exemption under the recently expired Affordable New York Housing Program. Wells Fargo Bank led the \$185 million construction financing as administrative agent and partnered with M&T Bank as joint lead arranger, with BankUnited also participating in the facility. Funds managed by Ares Real Estate acquired a preferred interest in the project. BEB Capital and Totem co-invested in the project with Douglaston and will serve as co-developer on the \$320 million development. The Greystone Capital Advisors team, led by Drew Fletcher and Paul Fried, was retained by Douglaston to serve as exclusive advisor in arranging the full capital stack for

the project.

Upon completion, 1057 Atlantic Ave. will deliver 456 residential units to the community living at the intersection of three vibrant neighborhoods: Bedford-Stuyvesant, Crown Heights, and Clinton Hill. The development will include a mix of one-bedroom, two-bedroom and three-bedroom residences. A total of 137 units will be permanently affordable, approximately two thirds of which will be dedicated to those earning an average of 60% of the area median income (AMI). In addition to the residential portion of the project, 1057 Atlantic Ave. will include 31,000 s/f of ground-floor retail space as well as 35,000 s/f of resident amenity spaces, featuring a gym, lounge, golf simulator, game room, screening room, children's playroom, and landscaped roof deck offering views of the Brooklyn and Manhattan skyline.

“At a time when New York City is in vital need of more affordable housing options and expanded market-rate supply, we're excited to bring another best-in-class housing option to residents of Bed-Stuy and the larger Brooklyn community,” said Jeffrey Levine, chairman of Douglaston Development. “We are looking forward to expanding upon both our previous work within the borough and our deep relationships with Greystone, Wells Fargo, M&T, BankUnited, and Ares. We are especially thankful to our lending partners for their support and confidence in light of an exceptionally challenging financing market.”

“Ares is excited to continue to grow our relationship with Douglaston and provide financing to construct much-needed rental housing – including 137 affordable units in New York City,” said Andrew Holm, partner and co-head of U.S. investments in Ares Real Estate. “This investment reflects both our conviction in multifamily housing and our commitment to providing greater access to quality housing.”

Douglaston acquired the site for \$66 million from the partnership led by BEB Capital and Totem, which assembled the site between 2019 and 2020, obtained a rezoning to allow for residential use, and commenced foundation work in May 2022. As co-developers, the BEB Capital and Totem teams have co-invested in the project alongside Douglaston and will play a role as the project moves through its next phases.

Construction on the \$320 million project has commenced and is slated for completion in late 2025.

“This partnership is the culmination of more than two years of collaboration with Totem, Ofer Cohen of TerraCRG and BEB Capital.” said Jed Resnick, chief executive officer of Douglaston Development. “Their dedication to growth in Brooklyn, excellence in design, and community engagement has earned the respect of the entire Douglaston team.”

“We're excited to work with Douglaston Development, a first-class developer, on this market-changing multifamily project that will have a tremendous impact on the Bedford-Stuyvesant community,” said Lee Brodsky, CEO of BEB Capital. “We look forward to serving as co-developers, along with Totem, and helping to realize a truly dynamic and state-of-the-art mixed-use development.”

“This project is a reflection of our commitment to community-driven development, and we are proud of our work with local organizations, like Bedford Stuyvesant Restoration Corporation and St. Nicks Alliance, to help secure a myriad of benefits for the neighborhood during the entitlement process, including increasing affordable housing and launching a first-of-its-kind community impact fund,” said Tucker Reed, principal of Totem. “We are proud to now partner with Douglaston on the next phase of development.”

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