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## Avery Hall secures financing for big Brooklyn apartment project

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The Brooklyn-focused high-end apartment builder Avery Hall Investments is about to break ground on its biggest project to date, a 21-story, roughly \$250 million condo building in Downtown Brooklyn.

The developer, which is partnering with Allegra Holdings and Aria Development Group in the project, has sourced a \$165 million construction loan from Jutland Finance, a subsidiary of the large Canadian pension fund British Columbia Investment Management Corporation. The project will be the fifth residential development that Avery Hall has done in partnership with Allegra Holdings, a Madrid-based investment firm controlled by the Spanish real estate investor and art collector Mario Losantos.

Avery Hall, which is managing design and development of the building, said it will break ground on the project by the end of the month. Called 1 Boerum Place, the apartment property will rise on the triangular block framed by Fulton Street, Boerum Place and Red Hook Lane.

"This location is unique because it has extra light and air," Brian Ezra, a founding principal at Avery Hall said, referring to the building's position on a wide thoroughfare, catty-corner to greenspace at Borough Hall. "It's going to be a very prominent building close to eight subway lines and right next to historic Brooklyn Heights."

The property will be Avery Hall's 10th development.

The high-end condo market in Brooklyn hasn't been as hard hit as Manhattan's, in part because of the borough's residential allure and also because unit prices are lower and appeal to a wider pool of buyers. Ezra said that at Avery Hall's soon-to-be-complete, 17-apartment condo building at 145 President St. in Carroll Gardens, about half the units are in

contract, including that project's two penthouses, which commanded roughly \$1,800 per square foot apiece—prices on par with some high-end offerings in Manhattan.

Closings at 145 President St. are set to begin in the coming weeks.

Thousands of units have been brought to or are soon set to hit the market in Downtown Brooklyn, but most of that inventory is rentals.

"We absolutely believe there's a great opportunity in the condo market for units that are sensitively designed and appropriately priced," Ezra said. Ezra declined to specify the range of prices for units at 1 Boerum Place.

About a third of the units at the building will feature outdoor space and the property has other planned amenities such as a swimming pool, 48-space parking garage and a 250-foot-high roof deck common area.

The building is the first large construction loan that Jutland Finance has done in the city without lending partners.

"We're thrilled to partner with a premiere lender like Jutland," said Avi Fisher, a principal at Avery Hall who founded the firm with Ezra and spearheaded the financing deal. "They share our vision for what will be one of the most exciting new developments to come on line in the brownstone Brooklyn market."

Christopher Peck and Graham Stephens, mortgage brokers at HFF, worked with Avery Hall to source the loan.

In addition to the residential apartments above, the building will feature about 20,000 square feet of retail space on its ground and second levels.

"We're very excited about the whole project but the retail, in terms of its visibility, could be a great flagship opportunity for any number of tenants," Ezra said. "It's a one-minute walk from eight subway lines and that unleashes so many possibilities."