



ARIEL PROPERTY ADVISORS ARRANGES SALE OF GOWANUS DEVELOPMENT SITE FOR \$29.5 MILLION

NEW YORK, NY – September 18, 2023 – **Ariel Property Advisors** has arranged the sale of a 421a vested, mixed-use development site offering 101,852 buildable square feet at 125 3rd Street in the Gowanus neighborhood of Brooklyn for \$29.5 million (\$290 /BSF). With this transaction, Ariel has closed three deals totaling \$75 million in the last year in the rezoned Gowanus district.

An Ariel team including Sean R. Kelly, Esq. Partner, Stephen Vorvolakos, Director, and Nicole Daniggelis, Associate Director, represented the seller. The buyers, Allan Lebovits, Joel Wertzberger, Moishe Loketch, were represented by Cushman & Wakefield’s Daniel O’Brien, Executive Managing Director, and Caroline Hodes, Director.



Rendering of the development for 125 3rd Street in the Gowanus section of Brooklyn. *Courtesy of Fogarty Finger.*

“This prime Gowanus development site on the west side of the canal was particularly desirable because it is eligible for the 421a tax abatement program, which expired last year and hasn’t been renewed by the state,” Kelly said. “The site was delivered, practically shovel ready and the buyers will use the seller’s existing plans, designed by architect Fogarty Finger, for a 14-story project, which will offer unobstructed views of the New York City skyline, harbor and Statue of Liberty, 130 residential units and ground floor commercial space.”

Kelly continued, “Despite the June 2026 deadline to complete projects, there remains demand for 421a vested development sites in the Gowanus that have ‘commenced construction,’ the first step needed to qualify for the 421a tax abatement. Every day we’re speaking to developers and

investors looking in the area, with some even considering purchasing development sites that don't qualify for the tax benefit.”

The block-through lot between Bond Street and the Gowanus Canal Waterfront provides 157.5 feet of frontage on 3rd Street and 60 feet of frontage on 2nd Street on the west side of the Canal. The property is one block from the largest Whole Foods Market in Brooklyn and two and a half blocks from the Carroll Street F & G subway station, which provides access into Manhattan in 15 minutes.

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.

About Ariel Property Advisors

Ariel Property Advisors is a New York City-based commercial real estate services and advisory company with three main groups: Investment Sales, Capital Services and Research. The Investment Sales Group covers all major commercial asset types throughout the NY metropolitan area, while the Capital Services Group provides clients nationwide with custom tailored financing. Finally, our Research team empowers our professionals and clients with timely market reports. More information is available at arielpa.nyc.