



# ***TRI-STATE REAL ESTATE MARKET TRENDS***

Michael Stoler welcomes prominent industry leaders for lively discussions on the latest trends and developments in the region. This unique breakfast seminar addresses economic trends, evolving neighborhoods, public and nonprofit sector activity, and much more.



Tuesday, November 20<sup>th</sup>

## **Residential Development in NY, NJ & CT**

- Allen Goldman, President, SJP Residential
- David Kramer, Principal, The Hudson Companies
  - Bruce Berg, VP, Cappelli Enterprises
- Louis Dubin, President & CEO, Athena Group
- Jeffrey Levine, Principal, Douglaston Developers
  - Eric Brody, Principal, The Brody Group
  - Andrew Cohen, Apollo Real Estate Advisors
  - Wayne Heicklen, Partner, Pryor Cashman

# Allen Goldman, President, SJP Residential



## • ALLEN GOLDMAN, PRESIDENT, SJP RESIDENTIAL •

### About SJP Residential:

SJP was founded with the guiding philosophy that in corporate real estate, success is in the details. For more than twenty-five years, this philosophy has grown into a dynamic culture that distinguishes the professionals of SJP – experts in all real estate disciplines who respond quickly and effectively to the needs of major regional, national, and multinational corporations. Their seamless coordination at every stage of a project's execution has built SJP's reputation in the corporate real estate community.

SJP is a full-service firm with the expertise critical to successful property development, investment and management. Privately held since its formation, SJP is driven by true entrepreneurial spirit to find effective new ways to integrate real estate services for its clients and partners. A cohesive, time tested corporate team and unusual levels of senior management involvement, continuity and depth of market knowledge allow SJP to present comprehensive solutions to complex development challenges.

Based in Parsippany, New Jersey, SJP continues to build on its record in the diverse and demanding markets for laboratory, research and development, and Class A commercial office space in New York, New Jersey, and Pennsylvania, as well as high-end residential and management in those same markets. With more than twenty-five years of experience and institutional co-investment well into the billions of dollars, the firm's long-term relationships with a notable roster of corporate clients are matched by its strong reputation with the world's largest real estate lenders and investors.

SJP extended this same philosophy to residential development in 2004, bringing on board strong new professional talent with the same commitment to quality and achievement. By taking advantage of the synergies inherent in both commercial and residential real estate development, SJP is ready to continue building upon its outstanding track record of success.

# David Kramer, Principal, The Hudson Companies



## • DAVID KRAMER, PRINCIPAL, THE HUDSON COMPANIES •

### About The Hudson Companies:

The Hudson Companies Incorporated is a real estate development firm active in residential development in New York City. Founded in 1986, Hudson's long record of successful real estate development reflects a commitment to managing the details of the development process from property acquisition, design and project finance through construction, marketing and property management. The firm is experienced in both new construction and building rehabilitation, including the adaptive re-use of historic structures. The firm's concentration in residential development spans the luxury, middle-income and subsidized affordable housing markets. To date, Hudson has developed over 2,700 new units of housing in over 34 projects and has several hundred more units currently under development. Hudson prides itself on creating high quality, attractive buildings appropriate for each marketplace. Hudson has demonstrated an ability to complete a broad array of complex and exciting projects.

### About David Kramer:

David Kramer is a principal with the Hudson Companies, Inc. and has lead responsibility for the market rate housing developments and commercial projects at Hudson. He has developed the following projects:

Prior to joining Hudson, Kramer developed affordable housing as the Housing Director of the Venice Community Housing Corporation in Los Angeles, and a project manager for the Skid Row Housing Trust, two community organizations where he developed several hundred apartments, as well as mixed-use projects, retail projects and artist-in-residence lofts. In 1989, David was one of the founders and the first Executive Director of People for Parks, a Los Angeles non-profit coalition of parks advocates.

David has a Bachelor Degree from Yale University and graduated from the Coro Foundation's Public Affairs Program, where he is still an active alumni. David serves on the Alumni Council of the Collegiate School and is a Board Member of the Brooklyn Bridge Park Conservancy and the Brooklyn Navy Yard Development Corporation. David also chairs the quarterly Brooklyn Real Estate Roundtable to benefit the Brooklyn Historical Society. He lives in Brooklyn Heights with his wife and three children. He is a long suffering New York Giants fan, has completed 4 New York City Marathons and knows the lyrics to most Broadway musicals. At the 2006 New York Post Su Doku Grand Master Championship, David finished in the money in 6<sup>th</sup> place.

Current new development projects include the following:

The J Condominium, 100 Jay Street, Dumbo: 267 unit, 33 story new condominium project with ground floor retail and parking ([www.jcondo.com](http://www.jcondo.com))  
Riverwalk Landing, 425 Main Street, Roosevelt Island, 216 unit new condominium project with ground floor retail  
Forrest Glen Estate, Pike County, Pennsylvania: 134 new homes on 313 acre property  
120 East 12<sup>th</sup> Street, Union Square, 740 bed dormitory for New York University  
Hudson-on-the-Bay, Rockaway Bay, Queens, 20 new single family homes on Jamaica Bay  
Bushwick Condominiums, Knickerbocker Avenue, Brooklyn, 60 unit renovation  
111 Third Street, Carroll Gardens, Brooklyn, New construction townhouses  
Riverwalk Court, 415 Main Street, Roosevelt Island, 125 unit new condominium project

# Bruce Berg, VP, Cappelli Enterprises



## • BRUCE BERG, VP, CAPPELLI ENTERPRISES •

### About Cappelli Enterprises:

Cappelli Enterprises, Inc. is a prominent force in real estate development and general construction in the Northeast. Located in Valhalla, NY, the company has developed more than 10 million square feet of mixed use, retail, waterfront, single and multi-family residential, office building, industrial laboratory and parking facilities, with a portfolio value exceeding \$1 billion.

Cappelli Enterprises has completed one of the most exciting new developments in the New York metropolitan area – City Center at White Plains, a \$320 million, 1,100,000 sq. ft. retail complex with two adjoining 35 story residential towers. Currently under construction is Renaissance Square, a \$400 million, 890,000 sq. ft. project which will combine a five star hotel, condo-hotel suites, luxury residences, office space and street-level retail space in two glass enclosed towers. These exciting new developments are being hailed as the catalyst for the revitalization of downtown White Plains.

Cappelli Enterprises has seven related subsidiaries: George A. Fuller Company; Fuller Development Company; Summit Aviation; Summit Property Management; as well as several entertainment organizations.

Through its subsidiaries and staff, Cappelli Enterprises is a completely vertical organization, with in-house capability for all development and construction disciplines including finance, leasing, design, engineering, construction, property and asset management.

### About Bruce Berg:

Mr. Berg has been involved in real estate development for over 25 years. He joined Cappelli Enterprises in 1999 as Executive Vice President and is a member of the in-house executive team responsible for the acquisition, approvals, development and marketing of the firm's mixed-use, office, residential and retail developments. Prior to joining Cappelli Enterprises, Mr. Berg was involved in corporate real estate development and construction as the Director of Market Development for AMF Bowling, Inc, Director of Development for Disney Development Company and Project Manager for Xerox Realty Corporation. During Mr. Berg's career, he has been involved in all aspects of real estate development and construction, and several notable projects in which Mr. Berg was involved include the White Plains City Center, a 1.3Million square foot mixed-use project, the Ritz Carlton Hotel and Residences in White Plains, a 950,000 square foot mixed-use hotel/condo/office project, Disney Studios Masterplan, a two million square foot office/sound stage/back of house project, two 1,000,000 square foot office parks for Xerox and a \$600,000,000 proposed mixed-use center known as the Burbank Entertainment Center for the Walt Disney Company.

Mr. Berg holds a B.A. from Trinity College and an M.B.A. from Columbia University Graduate School of Business.

# Louis Dubin, Athena Group



## • LOUIS DUBIN, ATHENA GROUP •

### About Athena Group:

The Athena Group, LLC is a private real estate investment, operating and development company founded in 1993 with a broad mandate to make opportunistic real estate investments. Louis M. Dubin, the firm's founder, serves as President and CEO of Athena and has built a management team of professionals who have an average of over twenty four years of experience in the real estate industry with extensive experience across the firm's core competencies and operating activities, including acquisitions, development (including planning, architecture & construction), sales, marketing & leasing, as well as capital markets and finance (including purchases of distressed debt). Currently, Athena has approximately 4,500 residential units in its development and construction portfolio. These projects are located in New York, NY, Jersey City, NJ, Providence, RI, Arlington, VA, Reston, VA, Raleigh, NC, Deer Valley, UT, North Las Vegas, NV, and Los Angeles, CA.

Athena's first real estate opportunity funds, Athena Real Estate Partners, L.P., and Athena Overseas Investors Trust, placed through Morgan Stanley & Co., closed in 2002-2003. From 1994-2006 Athena invested in 19 US real estate investments, 11 of which were made through the fund. The fund's total capitalization is approximately \$800 million with a projected gross IRR of over 35% and a 2.1 equity multiple. Approximately, 50% of the projected total of the fund's proceeds have been realized.

Athena Real Estate Partners II, Athena's second fund with approximately \$400 million in projected capitalization, was placed by UBS Securities and closed in 2005-2006.

### About Louis Dubin:

Louis Dubin is President and Chief Executive Officer of Athena, a position he has held since founding Athena in 1993. Athena is a residentially focused real estate opportunity, investment and development fund with a current construction and development pipeline of approximately \$2 billion. Mr. Dubin's primary responsibilities include creating and maintaining strategic relationships with financial institutions, investment banks, developers and homebuilding companies. Mr. Dubin also oversees the acquisition analysis, development and construction, capital formation, due diligence, strategic planning and new business opportunities for the firm. Prior to founding Athena, Mr. Dubin was Director of the National Land Fund for The Resolution Trust Corporation (the "RTC"), where he created and directed the \$1.7 billion National Land Fund. This disposition program was the RTC's first limited partnership between the private sector and the government and was awarded *Institutional Investor's* "1993 Real Estate Deal of the Year."

Mr. Dubin is currently a member of the Real Estate Advisory Committee of the New York Common Retirement Fund. He also serves as trustee and co-chairman of the Building Committee of the Hewitt School in Manhattan. He is a member of the House Committee of Temple Emanu-el. Mr. Dubin is a board member of the Lincoln Center Institute for Arts in Education as well as serving as Corporate Co-Chair of the Institute's Celebration of the Arts Benefit. He is a board member of the Kaufman Center of New York City and past recipient of the Kaufman Center's Corporate Leadership Award on the occasion of the Center's 50<sup>th</sup> Anniversary in 2003.

Mr. Dubin was the 2003 recipient of the West Side Spirit Thanks You "WESTY" Award for New York Cares and the 2007 recipient of the Our Town Thanks You "OTTY" Award for East Siders of the Year.

In the fall of 2006, Mr. Dubin was the commencement speaker at the Masters of Real Estate Development graduation ceremony at Columbia University.

Mr. Dubin received a B.A. in Political Science from Washington and Lee University and holds a Juris Doctorate from Washington College of Law at the American University, Washington, D.C. Mr. Dubin is admitted to practice law in the State of Maryland and the District of Columbia. He is a member of and admitted to practice before the Supreme Court of the United States.

# Jeffrey Levine, Principal, Douglaston Developers



## • JEFFREY LEVINE, PRINCIPAL, DOUGLASTON DEVELOPERS •

### About Douglaston Developers:

Douglaston Development is a full service real estate development company specializing in residential and mixed-use projects throughout New York City. Services range from site acquisition, entitlements including zoning and planning, design development, and financing, through construction and marketing. Douglaston Development has a proud history in the completion of successful projects.

Jeffrey E. Levine, founder and principal of Douglaston Development, has been developing properties in the New York Metropolitan area since 1979. Mr. Levine is also the President of Levine Builders, and the synergy between these two complementary companies can be seen in high quality projects Douglaston Development has completed. As a developer, Mr. Levine upholds the same strict standards and attention to detail that makes Levine Builders a success. In recognition of Mr. Levine's development expertise, the New York Housing Conference named Mr. Levine "Developer of the Year" in 2000.

Douglaston Development develops most of its projects to hold for the long term. Many of our projects are in partnership with landowners who turn to us for our expertise in successfully completing projects in a highly complex environment. Since these projects are continuing investments, we believe in developing high quality projects that will maintain their value while meeting our financial goals. Our condominium and cooperative projects are developed to the same high level of quality since our reputation remains on the line for many years after the apartments are sold.

In addition to our private projects, we are known for our extensive work with non-profit and public agencies, and our thorough understanding of the unique requirements of developing affordable housing for these agencies. We have developed projects for the New York City Department of Housing Preservation and Development and the New York City Housing Partnership, and have secured government financing from various agencies, including tax-exempt bond financing from the New York State Housing Finance Agency, taxable bonds from the New York City Housing Development Corporation, Inclusionary Zoning Bonus Certificates from the City of New York, and Low Income Housing Tax Credits issued by the New York State Division of Housing and Community Renewal.

### About Jeffrey Levine:

Jeffrey E. Levine is a respected and accomplished individual with an impressive list of credits to his name. Since 1979, he has been developing and building properties throughout the tri-state area. Mr. Levine has been responsible for development projects ranging from luxury residential buildings, affordable housing units, healthcare and assisted living complexes, and commercial properties, to a large-scale waterfront redevelopment project.

Mr. Levine's projects benefit from his significant track record as well as his expertise in all areas from acquisition to financing, construction, marketing and management. Mr. Levine's endeavors have resulted in frequent recognitions from the real estate community including Phipps Houses Community Builder Award in 2003, The New York Housing Conference Developer of the Year Award in 2000, Ernst & Young 1997 Entrepreneur of the Year, the National Association of Home Builders Pillars of the Industry 1997 Builder of the Year and the Associated Builders and Owners of Greater New York Developer of the Year in 1997.

# Eric Brody, Principal, The Brody Group



## • ERIC BRODY, THE BRODY GROUP •

### About The Brody Group:

The Brody Group LLC is a Brooklyn based Real Estate development firm offering development, project management and consulting services. The firm is capable of providing a broad range of building types, including market rate condominiums and rentals, subsidized housing, and mixed-use developments with retail and commercial components.

Their goal and their commitment is to assist our clients – land owners, building owners and investors – in achieving the highest quality and best use for their properties and investments. Since its inception in 2004, The Brody Group is developing and/or developed over 200,000 square feet of real property in the five boroughs.

Like all successful enterprises, The Brody Group is a family tradition spanning thirty five years of construction and development in NYC.

### About Eric Brody:

Eric Brody, the founder and principal of The Brody Group LLC, started the company in 2004 in Brooklyn, NY to develop, oversee and consult on residential, retail and commercial buildings within the five boroughs of New York City. Eric Brody oversees The Brody Group's acquisition, finance, construction, and development activities.

Prior to starting The Brody Group LLC, Eric Brody led the Acquisition and Land Sales group at Corcoran Brooklyn Development Division where he analyzed, valued, marketed and sold potential development sites in Brooklyn. Currently, The Brody Group, along with other leaders in Brooklyn's Development Community including Hudson Companies, Boymelgreen Developers and Toll Brothers is serving on the inaugural committee to organize The Brooklyn Real Estate Roundtable to benefit the Brooklyn Historical Society; a Brooklyn based non-profit organization dedicated to preserving the history of Brooklyn.

Eric has a Bachelor's degree from the University of Wisconsin – Madison and attended the Institute of Design and Construction. Eric is a licensed Real Estate Broker in the State of New York. He is also a member and is involved with FIDO, Atlantic Avenue Betterment Association, Atlantic Avenue Local Development Corporation, and a volunteer for the Urban Land Institute (ULI) UrbanPlan Program.

# Andrew Cohen, Apollo Real Estate Advisors



• ANDREW COHEN, APOLLO REAL ESTATE ADVISORS •

**About Apollo Real Estate Advisors:**

Apollo Real Estate Advisors has been one of the foremost private real estate investors for more than a decade. William Mack, whose 40 years in real estate have made him a leading figure in the industry, founded Apollo Real Estate in 1993 in cooperation with the Apollo private equity funds. The company is a private partnership of real estate professionals with a rare blend of hands-on real estate experience and sophisticated capital markets expertise. Apollo has overseen the investment of thirteen real estate funds and joint ventures, through which it has invested over \$7 billion in more than 350 transactions with an aggregate value in excess of \$30 billion. With main offices in New York, Atlanta, Los Angeles, and London the Apollo Real Estate funds target a broad range of opportunistic, value-added and debt investments in real estate assets and portfolios throughout the United States, Europe and Japan.

Apollo's overall investment strategy is based on exploiting the arbitrage between the high demand and liquidity for stabilized, core real estate assets and the relatively low demand and liquidity for assets that require strong real estate skills to improve them. Apollo seeks situations in which investments can be made at an attractive cost basis and in which value can be enhanced through intensive operational and financial management. Apollo typically sources investments by teaming up with joint venture partners with excellent access to off-market transaction flow. The firm seeks to add value, with proven local partners, through aggressive asset management.

**About Andrew Cohen:**

Mr. Cohen has been associated with Apollo since 1996 and is responsible for development and asset management, including leasing, financing and dispositions. From 1987 to 1996, Mr. Cohen was with Park Tower Realty Corp., a New York based development company, where he was a Senior Vice President responsible for finance and asset management. Mr. Cohen graduated with a BA from Brown University and an MBA from Columbia Business School.

# Wayne Heicklen, Partner, Pryor Cashman LLP



## • WAYNE HEICKLEN, PARTNER, PRYOR CASHMAN LLP •

### About Pryor Cashman LLP:

Bucking the 21st century's bigger-is-better evolution, Pryor Cashman successfully balances the highly professional with the personal. As a premier, mid-sized law firm in New York, we are known for getting the job done right and doing it with integrity, efficiency and élan.

With over 120 attorneys in our offices on Park Avenue (and a satellite office in Los Angeles), they have assembled the finest legal minds and business acumen in 12 different practice groups encompassing 88 different practice areas.

They consider themselves an entrepreneurial law firm, unencumbered by bureaucracy – able to break new ground with unique approaches. An environment where lawyers make independent, informed and creative decisions on behalf of their clients – eliminating logjams and avoiding wasteful over-lawyering. In fact, they are known for their expeditious and creative handling of complex challenges, their accessibility, practicality, and equally important, their cost-sensible solutions.

### About Wayne Heicklen:

Wayne B. Heicklen, Co-Chair of the Real Estate Group, concentrates his practice in the area of real estate law, and has a broad range of experience in real estate and related business transactions including development, sales, acquisitions, financings, joint venture work and commercial leasing. He also has extensive experience with Real Estate Investment Trusts and securitized ownership and financing of real property interests.

Wayne was featured as one of the "twelve most prominent real estate lawyers" in the September 2005 Real Estate New York cover story, *Meet the Real Estate Lawyers*

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By MICHAEL STOLER  
November 15, 2007

### **Concerns Rise Over Brooklyn Boom**

It is hard to imagine that 14,300 new apartments are now under construction or in the pipeline for downtown Brooklyn. Business leaders who have made a positive commitment to this area are bullish on the future of the area, but others worry that a number of the planned developments there will be delayed because of the turmoil in the credit market, as well as the tightening of underwriting standards by financial institutions and the recent changes in the 421-a tax abatement program.

On the bullish side, real estate experts point to a combination of apartments, offices, and retail that will finally populate the area 24 hours a day, seven days a week. "For the first time, we have a full-scale view of downtown Brooklyn's future as a thriving neighborhood, supported by a revitalized commercial core and made possible by the financial commitments from the city and the private sector, which further enhances the environment for continued growth," a co-chairman of the board of directors of the Downtown Brooklyn Partnership, Robert Catell, said.

"The residential development is what is sparking a whole new set of demand and activity in downtown Brooklyn," the chairman of Thor Equities, Joseph Sitt, said. "These many new residences are creating a new residential consumer base, igniting demand for retail services, restaurants, hotels, and even businesses that feel that relocating to downtown Brooklyn will allow them to draw on a strong base of talented and educated employees in the Brooklyn market."

The president of the Downtown Brooklyn Partnership, Joe Chan, said: "In the pipeline there are 56 projects which will develop a total of 14,300 residential units, including the Atlantic Yards project. Forty percent are slated to be condominiums, and the balance will be residential rentals. Today we are seeing some developers hedging their bets between condominiums and rentals. Of the 5,600 rental projects, approximately 3,200 will have an affordable component, the majority of which will be located in the Atlantic Yards."

The new apartments, Mr. Chan said, will "create a 24/7 environment and will help to diversify the retail environment and strengthen the local economy. In the long term, this will help the commercial market, and people's perception of downtown Brooklyn will change for the positive."

Still, changes in the credit market and the drying up of the long-fruitful 421-a subsidy program loom large, even for Mr. Chan. "Brooklyn will not be immune to the credit crunch," he said. "Prices will have to be adjusted for developments to take place and units to be sold. Perhaps the biggest effect on new residential developments in Brooklyn and the other boroughs is the change in the 421-a legislation, which provides tax abatements for projects which have their foundations in the ground prior to June 30, 2008."

After December 28, no written agreement for 421-a negotiable certificates projects will be issued by the city, but existing certificates will not expire and can still be used, with some limitations. If construction commences after June 30, 2008, only buildings receiving substantial government assistance under an affordable housing program, those that set aside at least 20% of their units as affordable, and projects that purchase negotiable certificates from agreements executed prior to December 28 are eligible for 421-a benefits in the geographical exemption area, which includes downtown Brooklyn.

A former City Council member and a partner at the law firm WolfBlock, Kenneth Fisher, said recent revisions to the 421-a program could be devastating to downtown Brooklyn's residential market.

"Given the credit crisis and problems on Wall Street, they picked exactly the wrong moment to choke the golden goose," Mr. Fisher said. "Even the biggest developers are worried that there is simply not enough subsidy to meet the need. The 421-a requirement for affordable housing is already skewing the market. Projects are being accelerated to meet the deadline, creating a glut just as the demand might soften."

"Home ownership is at risk as developers switch to rentals because there are no meaningful subsidy programs for condos," he said. "The biggest losers will be the smaller projects, which can't possibly qualify or navigate the subsidy program."

The president of the Brody Group, Eric Brody, said: "In the short term, there is a scramble for landowners to develop their existing property before the deadline of the 421-a tax abatement. Bankers are not interested in giving new developers money to develop, so the landowner has two options: put up another year of interest reserve or partner up with a proven developer ASAP. This creates a high demand for developers because there are only so many people who have the credibility to obtain financing. This will decrease the amount of projects that occur before the deadline."

"After the deadline, many projects in downtown Brooklyn's most insulated neighborhoods will still move forward because sellout prices still make the jobs feasible," Mr. Brody said. "Developments on fringe areas but still in the exclusion zone will be most affected. All of those planned new developments in Prospect Heights are examples of this type of development. The neighborhoods are 'rising stars,' but they are still a bit fringe. They will be unable to survive without the abatement to attract buyers."

Another residential developer in Brooklyn, who asked to remain anonymous, called the market in downtown Brooklyn "lukewarm." "Last week at some new development open houses, very few or no one even showed up," the developer said. "Nevertheless, developments in good locations with priced-right products will move and be sold, especially since they are offering 421-a tax abatement. Developments in fringe areas in towers being built at prices of \$700 to \$800 a square foot, located on streets with three lanes of heavy traffic, will have difficulty selling."

There remain an extraordinary number of new apartments at some stage of construction, and developers are reporting strong sales. The developer Dean Palin, president of Palin Enterprises and a co-developer of the 309-unit Oro condominium on Gold Street and Flatbush Avenue, said apartments are selling well, with some units selling for close to \$800 a square foot. Directly adjacent to the Oro, Mr. Palin's partner in the project, Ron Herscho of United Homes, is creating a mixed-use building with a Hilton Hotel on the lower half of the building and 10 stories of condominium units above.

Nearby, construction is under way on an affordable and market rate condominium development by BFC Partners at 225 Flatbush Ave. Extension. When completed, the 310,000-square-foot development will have 240 condominium units.

Construction has begun on Lalezarian Properties' new \$200 million luxury rental complex, which will comprise three high-rise towers encompassing nearly a full city block on Gold Street, between Tillary and Concord streets. The 512-unit building will have an attended parking garage, as well as 40,000 square feet of retail space.

The developer of Avalon Chrystie Place on the Lower East Side, AvalonBay Communities, is also bullish on downtown Brooklyn and is now building a rental property there. The senior vice president for development at the company, Fred Harris, said: "Our tower will be 42 stories with over 625 market-rent rental apartment homes on the site at Myrtle and Flatbush avenues. We are very excited by the magnitude of the investment that is being made in downtown Brooklyn, where we plan to spend over \$300 million, which would be the largest single investment by our company."

United American Land is planning to build a \$208 million development a block from Fulton Street Mall and MetroTech. The development site occupies approximately half a square block along Willoughby Street, between Bridge and Duffield streets. The 594,000-square-foot development would include retail stores on the base with housing on top.

A real estate investment fund, Glory Capital — a subsidiary of an international company in the apparel and licensing business, Faded Glory Group — has been active in acquiring properties in downtown Brooklyn. Since the beginning of the year, it has acquired a 43-unit apartment building at 6-10 Clark St., as well as a 30-story, 50,000-square-foot, 76-unit luxury apartment building at 67 Livingston St.

A joint venture of SDS Procida Development and the real estate investment fund Jamestown Properties has retained Cushman & Wakefield as the broker for 189 Schermerhorn St. The site is currently under development as a mixed-use property consisting of two buildings with 246 luxury apartment units, 13,700 square feet of retail space, and a 150-car parking garage.

The Clarett Group is also quite active in developing downtown Brooklyn. It is completing a 30-story, 108-unit condominium tower, the Forte, at 230 Ashland Place in the Brooklyn Academy of Music cultural district. In addition, the company has recently acquired a prime development site in Carroll Gardens. The site, on Court Street, between Union and Sackett streets, was recently acquired from Long Island College Hospital's School of Nursing. The developer plans to build a residential project that would include 91,000 square feet of residential condominiums on Court Street and 40,000 square feet of single-family townhouses.

A joint venture of Clarett Capital and Equity Residential is planning a large rental apartment development called 111 Lawrence Street, between Willoughby Street and Myrtle Avenue on the MetroTech campus. When completed in June 2010, the 52-story tower will contain 493 rental apartments and a 202-space parking garage.

As reported last week, Acadia Realty Trust is developing City Point, a mixed-use 1.5 million square-foot tower adjacent to the Fulton Mall. The complex will house approximately 500,000 square feet of retail, 120,000 square feet of office space, and 900,000 square feet of rental apartments. The rental component will be developed by MacFarlane Partners and Rose Associates and will have 20% reserved for affordable housing.

One of the largest residential developments is by the Red Apple Group, which is owned by a mayoral candidate, John Catsimatidis, on Myrtle Avenue, between Prince Street and Ashland Place. The development contains 660 condominium apartments in a 37-story tower and 415 mixed-income rental apartments in mid-rise buildings. The development will include approximately 290,000 square feet of commercial space and subgrade parking. One of the most prominent condominium developments near downtown is known as One Brooklyn Bridge, a project by the RAL Companies. The 450-unit project is the conversion of the industrial buildings on the waterfront, once owned by the Jehovah's Witnesses, who sold the property in 2004 for \$200 million. According to real estate sources, many of the units that have extraordinary views of the East River and the lower Manhattan skyline are selling for more than \$1,000 a square foot. With seven universities in downtown Brooklyn, a number of new dormitories have been built and are planned.

In September, New York University opened a new graduate residence hall at 67 Livingston St. that is home to 115 NYU graduate students. The university is making a van available at night to take students to the Brooklyn dormitory from NYU's Manhattan campus.

Mr. Chan said: "You are seeing in downtown Brooklyn a growing college community. Polytechnic is building on Johnson Street, and Long Island University recently built a dormitory at One Hoyt Street and is converting a couple of hundred dorm rooms, a joint venture of the Chera Family and Long Island University. Downtown Brooklyn is going to be a 24/7 campus for students. As residential grows, college students will feel happy, and this will add to the retail environment." One thing is certain: The landscape of downtown Brooklyn will change dramatically over the next decade, with commercial, retail, office, and residential development. Expect to see thousands of new residents joining the ranks as residents of this dynamic urban community.