



# Brooklyn Daily Eagle

## Commercial User Buys Potential Conversion Site in Clinton Hill

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CLINTON HILL — Terra CRG LLC, a Brooklyn-based commercial real estate brokerage, reports the sale of a large loft building in Clinton Hill.

The five story, 24,000-square-foot industrial loft building at 25-27 Lexington Ave. sold for \$2.5 million, or \$104 per square foot, according to Ofer Cohen, founder and managing director of Terra CRG, who handled the transaction on behalf of the seller along with Melissa DiBella, director of sales and marketing for Terra CRG.

“It’s a sign that commercial distressed development properties are finally starting to trade,” said Cohen. “The majority of the transactions we’ve completed in 2009 were distressed sales and we anticipate this trend to strengthen in 2010 as lenders and property owners continue the process of deleveraging.”

The property, which sits on a residential block, between Grand and Classon avenues just a few blocks from Pratt Institute, was promoted as a potential conversion site into a school, dormitory or residential building.

The building’s original owners, ABP Realty LLC, had preliminary plans to convert it into a 24-unit apartment building for students or faculty of Pratt. The rental market was strong in the area so plans were drawn up by Karl Fischer Architects.

“Through the 60-day marketing period we had quite a lot of interest from a diverse buyer pool, including developers, schools, artists and commercial users,” said DiBella. “However, the purchaser, 802 LLC, turned out to be a commercial user. He has the intention of using the building as-is for an import/export business with the possibility of a future conversion to a mixed-use or rental residential building.”

Commented Cohen, “In a market where it is virtually impossible to secure financing for vacant buildings or secure construction financing for conversions, we are very proud of being able to structure this complicated transaction.

“The purchase price represents a significant shift, which is not a surprise in the current tough climate. Unfortunately, the sellers had to cut their losses and move on to other projects.”

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