

Federman Steifman Guides \$500M Financing for Alloy's Downtown Brooklyn Project

Firm News • September 10, 2025

Federman Steifman LLP advised [Alloy Development](#) in connection with the financing of [One Third Avenue](#), a transformative residential and mixed-use project in Downtown Brooklyn that is slated to become the tallest passive house building in the world.

The Federman team was led by partner [L. Minnie Bellomo](#), outside general counsel for Alloy, and counsel **Max Liporace**.

On August 26, 2025, Alloy closed on \$375 million in loans from [Kayne Anderson Real Estate](#), complemented by \$120 million in equity from [Vistria Group](#)—its first ground-up development investment—and \$40 million in sponsor equity from Alloy. Together, these financings total over \$500 million, enabling the project to move forward.

Rising 730 feet, the 583-unit tower will be constructed to passive house standards, a design approach focused on minimizing energy consumption through advanced insulation and sustainability methods. One Third Avenue represents the second phase of the broader [Alloy Block development](#), which already includes the city's first all-electric skyscraper at [505 State Street](#) and two passive house public schools at [489 State Street](#).

Highlights of the project include:

- 153 affordable housing units, reserved for tenants earning, on average, 60% of AMI, with rents starting at \$1,023 per month.
- 60,000 square feet of office space within the tower's podium.
- 30,000 square feet of retail integrated into preserved 19th-century buildings on State and Schermerhorn Streets.
- Incorporation of innovative sustainability standards to set a global benchmark for energy-efficient design.

Demolition work began earlier this year, with vertical construction expected to commence in the fall. Upon completion, the Alloy Block will comprise more than 1,000 residential units, with over 200 permanently affordable.

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