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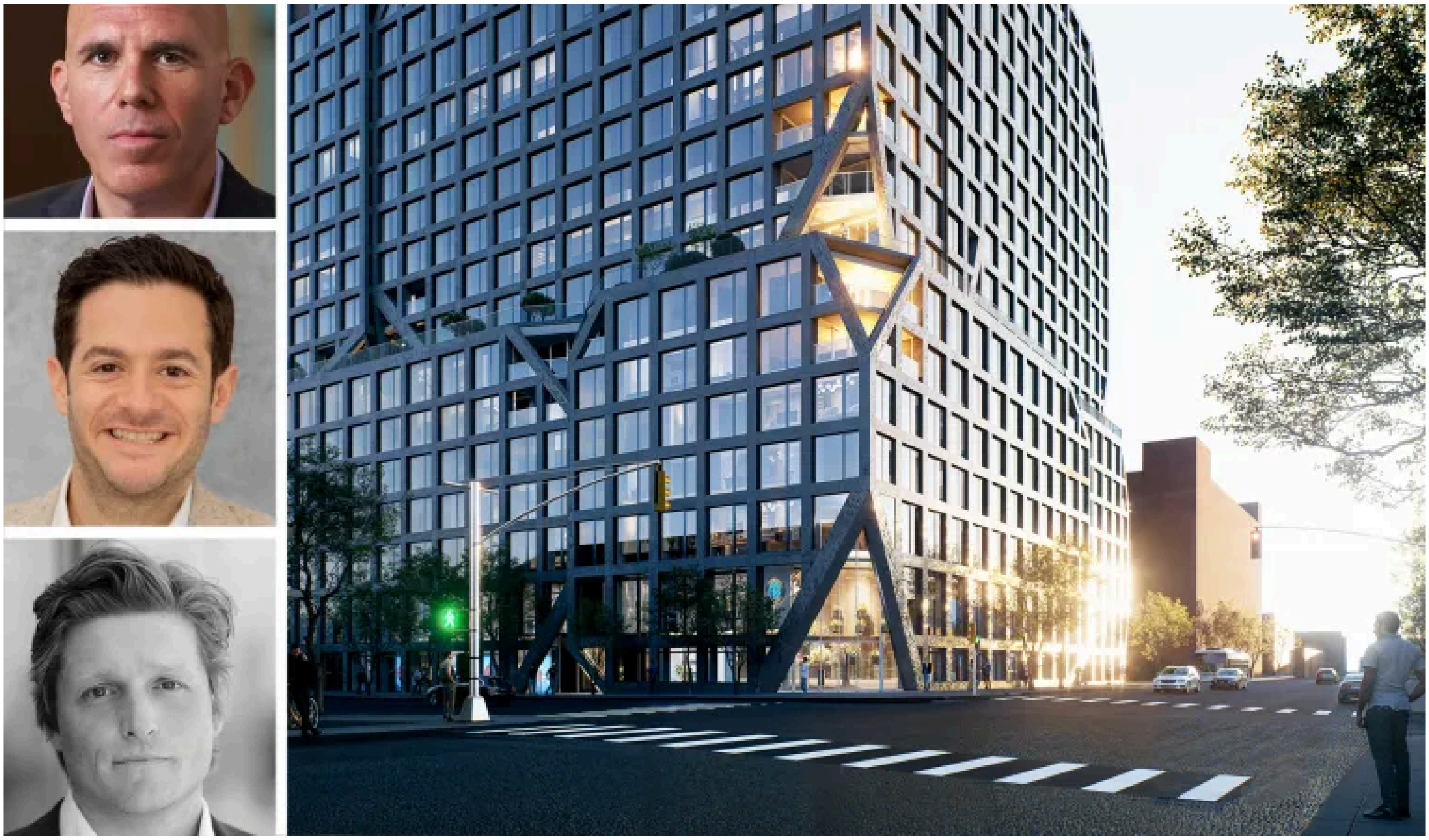
Apollo, Affinius Capital, RXR Invest $785M in Debt and Equity to Build 175 Third Street

The latest mixed-use project project at Brooklyn's Gowanus Wharf will deliver 1,100 housing units and an 85,000-square-foot Life Time fitness center

BY BRIAN PASCUS JUNE 24, 2026 5:09 PM



RXR'S SCOTT RECHLER (TOP), CHARNEY COMPANIES'S JUSTIN PELSINGER (CENTER), TAVROS'S COLIN RANKOWITZ, AND A RENDERING OF 175 THIRD STREET, BROOKLYN.

PHOTOS: SPENCER-MARC DAUDIER/FOR COMMERCIAL OBSERVER; COURTESY CHARNEY COMPANIES; PIERRE CROSBY; RENDERING: COURTESY BUCHAREST STUDIO

One of Brooklyn's biggest developments just secured a hefty sum of construction financing.

Charney Companies, **Tavros** and **Incoco Capital** have secured $785 million in debt and equity financing to build **175 Third Street**, a 1.1 million-square-foot mixed-use residential complex in Brooklyn that will be the fifth building in the **Gowanus Wharf** campus, Commercial Observer can first report.

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development partner RXR will provide $185 million in equity. A **JLL Capital Markets** team of **Christopher Peck, Peter Rotchford** and **Nicco Lupo** arranged the transaction.

Ben Gray, a partner at Apollo, noted in a statement that the new mixed-use, multifamily development brings housing units to a Gowanus neighborhood that is both growing quickly and displays "strong fundamentals" in the residential space.

"The New York City housing market remains undersupplied, and we are pleased to provide a scaled financing solution to support a sponsorship team with deep local market expertise as they execute their broader vision for Gowanus Wharf," Gray said.

To say Charney Companies and Tavros deep local market expertise undersells the group. The two development and property management firms have been constructing assets and units across the Gowanus Wharf since 2019 and are responsible for **585 Union Street, 251 Douglass Street**, and the two-building **Nevins Landing** complex, which together will add more than 1,100 units to the neighborhood.

175 Third Street is the fifth building developed by Charney Companies and Tavros over the last seven years, a development timeline that presages the passing of the Gowanus rezoning from the **New York City Council** by two years. This landmark plan pushed by the de Blasio administration allowed for an 82-block area around the Gowanus Canal to be upzoned for more than 8,500 new residential units.

completed yet, so we essentially came into the neighborhood and took rezoning risk," explained **Justin Pelsinger**, chief operating officer at Charney Companies. "That was a huge gamble, but one that we were very comfortable with."

Along with Incoco Capital, which partnered with Charney on two of the three deals, the sponsorship team went to work. Since 2019, the group has added 224 apartments via 585 Union Street, 265 units via 251 Douglas Street, and 668 units at Nevins Landing, carving out 25 percent affordable housing exemptions in each building.

Colin Rankowitz, partner at Tavros, told CO that he and Pelsinger deliberately leaned into the challenge of building in the same, largely undeveloped neighborhood, rather than in more established New York City locations in Manhattan.

"The beauty of this thesis is Justin and I could build a condo building on the Upper East Side and then decide to do that again on the Lower East Side, but that's an entirely different animal than building 2,200 units over time in the same five blocks,' he said.

"You learn so much, and all of it is applicable to the next project," he added. "There's a compounding trust with your partners when you succeed once and say, 'We'll do it again.'"

Without question, 175 Third Street is their most ambitious project yet.

The new building will span 27 stories and 1.1 million square feet and deliver 1,100 units of housing, of which 25 percent will be affordable. The building's amenities will include a three-story, 85,000 square-foot **Life Time** fitness studios, and 40,000 square feet of amenities such as an indoor soccer field, karaoke bars, an interior courtyard and a roof deck.

“When you add up all the interior and exterior square footage, it’s about 215,000 square feet of amenities and public space people will have access to,” said Rankowitz. “It has the most amenitized space per unit than any other building in New York City.”

Sponsorship acquired the site of 175 Third Avenue a year ago from **Aby Rosen**’s **RFR Holding**, and quickly entered into talks with **Scott Rechler**’s **RXR**, which was interested in the project, about an equity position, according to Pelsinger.

Rankowitz added that the sponsorship team had already worked with Affinius on financing the earlier three Gowanus Wharf projects, and that Apollo had previously financed development in Gowanus in other deals.

“It has been so utterly rare to acquire more sites so close in location, and also timing to other sites that you’re currently doing,” he said. “[Lenders] are seeing just how successful these projects have been and are anteing up and reinvesting again into the neighborhood.”

Russ Young, head of investments at RXR, said in a statement that Charney and Tavros “have built something special at Gowanus Wharf,” while **David Greenburg**, managing director at Affinius Capital, said in a statement that his firm prioritizes backing “experienced sponsors on high-quality assets where execution and alignment matter most.”

585 Union Street and 251 Douglas Street opened in spring 2025 and March 2026, respectively.

expected to finish construction in 2028.

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KEYWORDS: 175 Third Street, Aby Rosen, Ben Gray, Christopher Peck, Colin Rankowitz, David Greenburg, Justin Pelsinger, Nevins Landing, Nicco Lupo, Peter Rotchford, Russ Young, Scott Rechler, Affinius Capital, Apollo Global Management, Charney Companies, Incoco Capital, JLL Capital Markets, RXR, Tavros

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