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## **\$11M Loan Will Complete Construction**

*By Eric Peterson*



OTOWAS, NJ-A new 126, 160-sf warehouse/flex building is under construction here, and now the construction financing is in place to complete the project. The developer of the building at 50 Madison Rd. has picked up a \$10.8-million loan from Principal Global Investors to help cover the cost of the new building.

"We were able to secure the financing for our long-term client, a local real estate developer, for this asset," says James Gunning, who teamed with CB Richard Ellis Debt & Equity Finance colleague Donna Falzarano to arrange the deal. "The building's exterior is anticipated for completion in November 2008."

The brokers declined to identify the borrower, but as reported by **GlobeSt.com**, the project belongs to the Hackensack-based Russo Development. Russo completed the acquisition of the 6.5-acre former Hoffman-La Roche site in early 2007 and promptly announced plans for the speculative warehouse/flex project. The acquisition and new project announcement marked the entry of Russo, which has primarily focused on the Meadowlands submarket, into the Passaic County submarket.

"We have been actively seeking sites in northern and western New Jersey in order to grow our property portfolio throughout the state," Russo president and CEO Ed Russo told GlobeSt.com in February. The new facility, currently available, is located in the upper Route 46/Route 23 submarket, with access to I-80.