

CITY NEWS

New Filling at Candy Factory

By JOSEPH DE AVILA

A long-planned condominium development in Brooklyn Heights is finally hitting the market after years of delays.

The Los Angeles-based development team of Canyon-Johnson Urban Fund is putting the final touches on its conversion of the Peaks Mason Mints candy factory at 20 Henry St. The former industrial space was built in 1885 and was home to the candy makers behind Mason Mints and Mason Dots.

'There is a demand for high-end condos' in Brooklyn Heights, Mr. Horowitz said.

Now the old factory has been converted into 24 loft spaces, with asking prices between \$450,000 and \$2.56 million, said Michael Chapman of brokerage firm Stribling & Associates, which is marketing the project. Sales start on Thursday.

Adjacent to the factory space, Canyon-Johnson is also building an additional 14 units in a modern structure that is scheduled to wrap up by the summer.

It has been a long road con-

verting 20 Henry into condos. During the 1970s, it became housing for artists under the state's Mitchell-Lama subsidized-housing program. Artists lived in studios there until 2004 after the building left the Mitchell-Lama program.

Developers Urban Realty Partners bought the site in 2007, according to property records, and intended to convert the building to condos.

Urban Realty hoped to sell the units for between \$595,000 and \$2.46 million, according to real-estate website StreetEasy.com, but wasn't able to finish the project after the financial crisis started.

Canyon-Johnson stepped in and took over the project in 2010. "The market changed in 2008," Mr. Chapman of Stribling said. "The building is moving on right now."

When plans were first announced that the factory was slated to become a condo development, the Brooklyn Heights Association tried to keep 20 Henry St.'s garden as open space. But that garden ended up being the site of the new 14-unit modern building, which is slated to open this summer.

Judy Stanton, executive director of the Brooklyn Heights Association, said she still prefers the garden over the new



The former candy factory at 20 Henry St. in Brooklyn Heights, right, and an unfinished interior, above. At far right, a new kitchen.



building, but is glad the factory is finally ready for new homeowners.

"We are glad to have it occupied," Ms. Stanton said. "I'm sure it will attract families."

Mr. Chapman of Stribling said 20 Henry St. already has an 800-applicant waiting list—300 of which were added this year, he said.

"There is a demand for high-end condos" in Brooklyn Heights, said John Horowitz of real-estate service firm Marcus

& Millichap, who isn't affiliated with 20 Henry St. That high demand coupled with relatively few new condo development built in recent years due to the weak economy has led to tight inventory in that section of



Peter J. Smith for The Wall Street Journal (3)

Brooklyn.

There are currently 58 condo units for sale in the neighborhood, according to StreetEasy. That low supply will likely continue for a while as banks have been hesitant to finance large

new developments, Mr. Horowitz said. Instead, developers will move forward with more smaller condo projects with 10- or 15 units in brownstone Brooklyn.

"That is where the sweet spot is for 2012," Mr. Horowitz said.