

Miami Strengthens Drive for Metropolitan Status

By Francys Vallecillo



The luxury condominium project Biscayne Beach is set to break ground this spring in the emerging East Edgewater neighborhood, as Miami continues its push to become a major metropolitan city.

The 399-unit high-end project is located along Biscayne Bay between 29th and 30th streets and promises it will "bring the beach to the city" with Miami's newest beach club.



In a joint venture, GTIS Partners, a New York-based real estate investment firm, and Eastview Development of West Palm Beach acquired the 2.65-acre site last year for \$28 million. The permissive zoning that allows high-rise buildings, the site's unique location along the bay and its proximity to the trendy Wynwood neighborhood and the Design District, which is emerging with luxury retail icons like Hermes and Prada, were all major selling points for the team.

"We really fell in love with the Edgewater area, and what was going on, what was happening," Taylor Collins, Eastview Development partner, told WPC News. "The only other time I can remember this happening was south of 5th [in Miami Beach] back in the early 2000s when all the development was happening down there and I can see it happening again [in Edgewater]."

Set for completion in 2016, Biscayne Beach will rise 51 stories and feature 344 linear feet of bay front with 12 cabanas. Among other amenities, it will also include a zero-entry beach pool, along with tennis courts, full gym and spa, a restaurant, play and business rooms and an additional pool on the sixth floor.

The official sales center for Biscayne Beach opened last week, but the project has been creating buzz and attracting potential buyers for weeks. Of the 399 units, 244 were reserved as of a week ago. Since opening the sales center, at least 10 percent of reservations had been turned to contracts.

Both the sales center and Biscayne Beach feature designs by celebrity interior designer Thom Filicia, known for his role on the Emmy Award-winning show *Queer Eye for the Straight Guy*, and work ranging from private home designs for celebrities Peter Jennings and Jennifer Lopez to designs for Delta Airlines' outdoor lounges.

Having Mr. Filicia on board is "very important because its brand recognition," said Alicia Cervera Lamadrid, managing partner of the project's sales and marketing team Miami-based Cervera Real Estate. "To have a signed piece is always special and this building will be signed by Thom Filicia."



The location for Biscayne Beach played a role on the project's ultimate design for Mr. Filicia's first high-rise condominium design project.

"The inspiration for the sales center, as well as Biscayne Beach as a project, was drawn from its surroundings," Mr. Filicia told WPC News. "Miami has evolved greatly over the past five to 10 years and is now a destination for people from around the world - and Biscayne Beach can truly offer something for everybody."

Approximately seven years after the previous condo market crash began, Biscayne Beach is part of a new condo boom. Out of the 22,200 new condo units built during the previous boom, there were less than 400 new units still under control of the original developers at the end of 2013, according to a report from Miami-based real estate consultancy Condo Vultures LLC.

Buyers have purchased \$8.46 billion worth of condos from the previous boom in the 60-block Greater Downtown Miami area, which stretches from the Julia Tuttle Causeway south to the Rickenbacker Causeway, and Interstate 95 east to Biscayne Bay, according to data from the Miami-Dade County Property Appraiser.

As of January 31, at least 47 new condo towers with more than 13,600 units have been proposed for the Greater Downtown Miami market, according to Florida brokerage CVR Realty's Preconstruction Condo Projects Database.

All the new construction is welcomed as Miami's popularity grows and buyers enter the market with fervor.



"It's a much more exciting place now and that has attracted a greater preponderance of wealth and opportunity," Ms. Cervera said.

The Magic City recently enjoyed the opening of the new Pérez Art Museum Miami. Next door, Miami's science museum, named Patricia and Phillip Frost Museum of Science after a \$35 million donation from the couple, is under construction.



"The connection between downtown Miami and the airport with the rapid transit was completed and that's a huge game changer," Ms. Cervera added. "All of these pieces have come together to bring Miami more and more into the ranks of a major cosmopolitan city on the world map."



The city has also enjoyed an influx of capital from foreign developers, such as the \$1 billion Brickell City Centre project by Hong-Kong based Swire Properties Inc. and the Malaysia-based Genting Group's mixed-use mega-development project featuring a five-star hotel, luxury condos, retail and commercial space.

"Miami has always been a special place," Mr. Collins said. "We're very confident with the way the market is going, we're very confident

with the kind of buyers we have and we like the area."

Not unlike other condo developments in Miami, the new Biscayne Beach project is benefitting from foreign buyers attracted to the city, with the majority stemming from Argentina, Brazil, Venezuela and Mexico. There is also a growing interest from buyers hailing from New York, as well as an unexpected prominence from local buyers, Ms. Cervera noted.

With floor plans ranging from 885 to 3,789 square feet, preconstruction prices range from the \$400,000s to million dollar penthouses.

"The high-end residential area of Miami has always been defined by the water," Ms. Cervera said. "So [East Edgewater] is the place that was destined to be the high-end residential neighborhood for all of this hub of activity that was surrounding it."