

Real Estate Today

THE REAL DEAL

Amenities draw young, hip crowd to downtown

By YUDISLAHY FERNANDEZ

The new assets of Miami's urban core are setting the stage for a more diversified downtown, with younger residents, more topnotch office tenants and new entertainment spots.

That's the vision panelists shared for downtown's future at a Realtors Commercial Alliance of Greater Miami and the Beaches forum this month at Miami's Chophouse, 300 S. Biscayne Blvd.

Panelist Ron Shuffield, president of Esslinger Wooten Maxwell, said a lot of buyers have entered the marketplace this year.

A total of 66 condos were sold in the Brickell, downtown and Midtown Miami areas in June 2008, 10 fewer than the 76 sold this June, according to Esslinger Wooten Maxwell's Facts and Trends report published in September.

The local condo inventory reached 3,133 for-sale units in June 2008, decreasing to 2,318 this August. About 52% of all sales are condos and 48% homes, with 60% of all sales representing foreclosures and short sales, Mr. Shuffield noted.

Another factor accelerating condo sales is the OK for many more area condo towers to get Fannie Mae and Federal Housing Administration loans, he explained. They didn't meet the lending standards months back.

"Financing is the No. 1 key to our business," he says, adding that towers such as Epic Residences, Everglades on the Bay and Met 1 are now approved.

But the rental market is the one booming in downtown's still-challenging housing market, with 300-plus units being rented each month, the report says. That number climbed to the 400s in recent months, with 448 condos rented in July and 414 in August.

Mr. Shuffield says the services and amenities now near these neighborhoods are attracting many renters as supermarkets, stores and restaurants are a walk away.

For example, he says the recent opening of a Publix supermarket in Mary Brickell Village "had a huge impact immediately for people moving into Brickell."

University students ditching dorms and off-campus apartments for newly-built condos in these thriving areas are adding to the urban core's residential population. Mr. Shuffield says an overwhelming number of the University of Miami's medical



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students are living in Brickell. It's an example of an urban city, he says, as many of these students take Metrorail to the school's medical campus.

Entertainment venues planned downtown such as the museum complex at Bicentennial Park are to complement existing venues such as the performing arts center and the arena, offering more options to new residents and the local workforce, said panelist Jack Lowell, vice president of Flagler Real Estate Services, leasing agent of under-construction office tower Met 2 Financial Center.

Panelist Tony Puente, Fairchild Pariters senior vice president, added that more and more area employees are sticking around after work because Miami's urban core is gaining popularity as a dining and entertainment hot spot.

With 2 million square feet of offices under construction in the area, Mr. Puente, who represents Bank of America Tower at International Place, says existing buildings must invest in cosmetic improvements and other enhancements to not fall behind newcomers.

Mr. Puente says the hipper image Brickell's financial district is building is drawing entertainment industry players and design firms now based in Miami Beach and Coconut Grove. He added that some Coral Gables-based insurance and accounting tenants are also looking at lower rates in Brickell.

With new buildings coming online and concession packages being offered, he says, "People are seeing downtown as what it's always been — the core of Miami."