

REAL ESTATE

Development surge brings widespread growth from downtown to the beaches.

Fort Lauderdale has become much more of a full life-cycle city, with people raising families and moving here for their careers.

—Bradley Deckelbaum

ealty Masters Advisors president Don Ginsburg has had a first-hand look at Fort Lauderdale's transformation in the decade since he launched his real estate firm. Nearly every corner of Fort Lauderdale is experiencing

Nearly every corner of Fort Lauderdale is experiencing a surge of real estate development and investment. At least 30 major projects valued at more than \$1 billion are under construction or in the planning stages, according to the city. Ginsburg's headquarters is at the southern end of Downtown Fort Lauderdale. The city's downtown is evolving into a vibrant urban destination with scores of younger residents and empty nesters.

"From downtown to the beaches, it's an exciting time to be in Fort Lauderdale," Ginsburg said. "Demographic shifts, with millennials delaying their move to the western suburbs and baby boomers seeking a more active retirement, are driving significant demand for housing in our urban core."

Downtown Fort Lauderdale, led by the burgeoning Flagler Village neighborhood and central business district, especially along the New River, is attracting much of the development activity. As of February 2016, downtown had 1,133 residential units under construction, 2,539 units approved, 2,194 units in review, and 1,396 units completed, according to the city's Downtown Development Authority. Some of the newer multi-family buildings, including The Manor at Flagler Village, New River Yacht Club, and The Morgan Group's Edge at Flagler Village, are more than 90 percent occupied.

"We are seeing a trend with the influx of individuals who want to be in the downtown core," said Randall Vitale, senior vice president and Fort Lauderdale market executive at Gibraltar Private Bank & Trust. "The downtown fringes, in every direction, are taking advantage of the ripple effect of downtown's growth. The redevelopment of downtown creates a compounding impact of success as the tax base increases and the cycle keeps going."

KEY PLAYERS

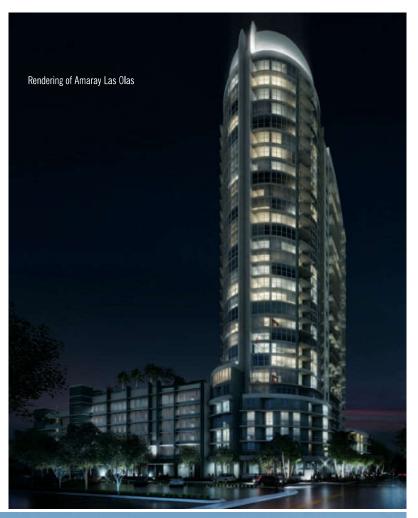
Some of the real estate industry's most prominent companies, like Related and Fort Lauderdale-based Stiles, are doing their part to address the demand for downtown housing.

Related is building the 42-story, 272-unit Icon Las Olas next to the historic Stranahan House and iconic Riverside Hotel in the heart of Downtown Fort Lauderdale. The project should be completed by mid-2017. Related executives have not ruled out converting Icon into condos, but the project is being marketed as a rental for now.

"It will be the nicest rental Fort Lauderdale has ever seen," said Carlos Rosso, president of Related's condo division. "More people are embracing living downtown. Las Olas is beautiful, and we think there is great potential to create a good salary base for people to rent or buy there." Along the waterfront, Related is building the 349-unit second phase of its New River Yacht Club rental development. The company is bringing in strong rental revenue from the project's 248-unit first phase.

Stiles, mostly known for commercial development is impacting the downtown area as both a leading employer and builder. The company has more than 300 full-time employees, many of whom work at its downtown headquarters. In January 2016 Stiles began leasing apartments

in the luxury Amaray Las Olas tower, a 254-unit project they are developing in a joint venture with The Rockefeller Group. Near Las Olas Boulevard, the site "is one of the best locations for a high-quality residential tower" in the city, said Stiles president Doug Eagon. "We are targeting the young professional right on through to retired baby boomers. We have had a long list of people inquiring about it from the time we planned the building." Eagon said the building should be ready for occupancy by the second half of of 2016.





CITY REPORT: REAL ESTATE

