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## Developer lucks into Miami's newest hot spot

Stephan Gietl, principal of Mckafka Development in Miami, wasn't looking for the city's next hot neighborhood when he purchased just over a half-acre near the edge of Biscayne Bay — 8 miles or so across the Intracoastal Waterway from Miami Beach — in early 2012. At the time, he and his business partner, Fernando Levy Hara, simply figured that they were getting a good deal in a blighted district known as Edgewater.

The two men planned on putting up a modest residential rental building with units that would go for \$350 to \$450 per month.

Then, in the spring of that year, something unexpected happened. Jorge Pérez, the largest and most successful developer of luxury condominiums in Miami, announced plans for his Related Group to develop 2.15 acres of Edgewater's bayfront property into luxury condominiums. Related's 40-story, 300-unit Icon Bay landed just north of the Mckafka site.

Almost overnight, Edgewater — a 1½-mile-long and four-block-wide piece of land sandwiched by the Venetian Causeway and Biscayne Boulevard, bordering the happening neighborhoods of Wynwood and the Design District — became a development hot spot. Construction drove away packs of vagrants and Edgewater suddenly seemed blessed.



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At the Crimson, residents will enjoy luxe amenities such as penthouse hot tubs and an indoor/outdoor theater.

“When we saw Related in there, we realized that the neighborhood is better than we thought,” says Gietl, who decided to revise his original idea to build a rental. “We went for a condo, naming it The Crimson.” All but 16 of the Crimson’s 90 units — from 850 to 1,250 square feet — have sold, for upwards of \$650 per square foot. Meanwhile, at 460 NE 28th St., Icon Bay, with a completion set for sometime next year, is sold out — with prices as high as \$800 per square foot.

Gietl’s space-age-inspired Crimson, at 601 NE 27th St., should also be finished next year and will offer goodies such as private hot tubs on penthouse terraces and an indoor/outdoor theater for residents. Such amenities are more common in posher Miami districts such as South of Fifth (SoFi). But unlike the more slowly evolving SoFi — to which it is often compared — Edgewater is being transformed all at once, with a total of nine luxury buildings in development or under construction. When completed by 2017, the buildings will offer more than 3,300 condo units.



An interior at Biscayne Beach Residences, a new condo development with interiors by celeb designer Thom Felicia (inset). Photo: Eastview Development; Brett Hufziger

Like much of the rest of South Florida, Edgewater is luring an international clientele — particularly Latins — who demand amenity-rich developments. Tennis courts, swanky club rooms and interior design by Thom Filicia, for example, add allure to Biscayne Beach Residences, at 711 NE 29th St., which is being put up by Eastview Development and GTIS.

The 51-story project, with 399 units ranging from 1,000 to 3,100 square feet, is going for \$620 per square foot; 80 percent of the building, which is scheduled for completion in 2016, is sold. It will also include a branch of NYC’s Tutto Il Giorno.



Nearby, on Biscayne Blvd., an ultra-modern, anvil-shaped office building is in the proposal stages. It will feature an open-to-the-public museum with just two permanent displays of enormous works by James Turrell and Richard Serra.

With brand-new buildings, innovative comforts (like a “dive-in” theater at ION that allows movie-viewing while floating in the pool), easy access to watersports and a 50 percent or so discount from South Beach, Edgewater sales have been brisk. “What took 10 years at South of Fifth is taking five years at Edgewater,” says broker Alicia Cervera, managing partner of Cervera Real Estate.

Anyone who’s surprised by the neighborhood’s rapid ascent shouldn’t be. “Edgewater is the biggest no-brainer in all of real estate development,” Perez insists, sitting in his art-filled office in Brickell, less than a mile away from where he is putting up four more area towers in Edgewater — Paraiso Bay Towers 1 and 2, Paraiso Bayview and One Paraiso. The combined projects will offer 1,397 units selling for \$450 to \$1,200 per square foot on a block of land between NE 30th and 31st Streets.

Besides Edgewater’s proximity to the Design District and Wynwood, Perez says, “you have Biscayne Bay. It’s beautiful compared to the Atlantic Ocean. At night, the ocean is dark. But from the bay, you see all the lights of Miami.” No wonder, then, that Icon is entirely sold out while the three Paraiso towers, opening between 2017 and 2018, are en route to filling up fast (sales have yet to commence at Paraiso Bayview) with buyers like DJ David Guetta and NBA star Manu Ginobili.



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Santiago Rodríguez Tarditi.

If Edgewater still lacks the panache of Miami Beach’s top waterfront neighborhoods, some view that as a plus. Santiago Rodríguez Tarditi, a 29-year-old TV journalist, recently moved to Miami from New York City. He pays \$2,000 per month for a one-bedroom in a condo building called Quantum on the Bay, at 1900 N Bayshore Drive,

about eight blocks south of the new construction. Tarditi says, “The neighborhood feels like a small, up-and-coming city. While there is still some grit, I spent last night playing volleyball in a park until 10 p.m. It’s a little quiet, but the place is waiting to be developed.”

While brokers and developers talk about Edgewater eventually attracting families, the Melo Group is already there. Its 38-story Bay House, at 600 NE 27th St., is designed for the baby-makes-three set. Its 165 units are all three-bedrooms with private elevator entries and priced at \$550 per square foot. Only five apartments remain at Bay House, with resident amenities like a playroom, theater and summer kitchen. “Young people live in the area, they start having children and they don’t necessarily want to move to the suburbs,” says Melo Group principal Carlos Melo, whose building is scheduled to open by the end of this year.

Melo is so bullish about Edgewater that he purchased the last waterfront parcel, located on its southern tip, where he will start construction on Aria on the Bay, at 1770 N Bayshore Drive, in February. The 647-unit, 53-story high-rise is already nearly one-third sold at \$550 per square foot. “Things here,” he says, “are running very good.”



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At Edgewater’s ION, owners can watch movies while relaxing in the pool. Photo: SAKOR Development

Good enough, in fact, that there is a new project underway that doesn’t come with direct waterfront access but seems poised to fit in just fine. Sakor Development, a collaboration between Barbara Salk and Steven Kornfeld, is putting up the 36-story ION

East Edgewater, with 330 units ranging between 800 and 2,100 square feet and selling at \$475 per square foot.

The building is designed to encourage socializing, with a hotel-style lobby and communal firepit on the pool deck. “It’s the value proposition of the neighborhood,” says Salk of ION, at 2751 Biscayne Boulevard, which is just getting underway for a 2017 finish. “You can walk to the bay and it presents a great opportunity to get into the neighborhood that will be the next South of Fifth.”

If things go as planned, that prediction will be close to a reality by the time ION East opens its doors. As Carlos Melo puts it: “Cranes are everywhere and Edgewater is getting dense!”