

Developer Set to Build Miami Condo Tower

By Kevin Brass

Construction is scheduled to start by the end of the year on a 44-tower condominium tower in Miami's Brickell district, described as "the first new condo to rise directly on Brickell Avenue since the recession."

The Bond at 1080 Brickell will include 323 apartments, with prices starting at \$300,000.

"No doubt," the building will start construction, despite continued wariness of the Miami market, Diego Ojeda, vice president of the Rilea Group, the project's developer, told World Property Channel. "We have our building permits and we're starting, 100 percent."

The project has already received 130 deposits, primarily from international buyers, after launching sales last week. Many of the purchases were made "sight unseen" by Latin America buyers, according to a release from the developer.

Rilea, a family-owned company headed by Diego's father, Alan, has changed its pre-sale policies, Mr. Ojeda said. Instead of allowing buyers to reserve a unit a 20 percent deposit and then the balance when the sale closes, buyers in The Bond are required to pay additional payments at set milestones, following a system found in other parts of the world.

"Buyers are much more committed," Mr. Ojeda said. "They have much more skin in the game."

In addition to cutting down on the number of defaults, which plagued many condo projects in Miami during the downturn, the new rules "completely take out speculators and flippers," Mr. Ojeda said.

The Miami market is in the midst of a rebound, after sales and prices plummeted post-2008. Prices for condominiums were up 19.3 percent in March from a year earlier, according to the latest numbers from the Miami Association of Realtors.

Rilea, which has developed three other projects in Brickell--1450 Brickell, One Broadway and the Sabadell Financial Center--originally purchased the property at 1080 Brickell in 2005, Mr. Ojeda said. But the project was put on hold when the market disintegrated.

"We've been sitting on it," Mr. Ojeda said. "Now that buyers have come back and come back very strong, we think this is a very good time."

Private equity investment firm MDR Toledo, LLC a subsidiary of Madrid, Spain-based MDR Americana, is helping with the financing of the project, which is in place, Mr. Ojeda said.

Rilea hasn't spent any money yet advertising the project yet, Mr. Ojeda said. But buyers are looking for the urban experience, especially the younger crowd.

"Many of the buyers are still investors who in turn will rent these units to young professionals," Mr. Ojeda said.

