

Broker takes control of 42 units at One Bal Harbour condo-hotel

BY BRIAN BANDELL

Aventura broker Mark Pordes has taken control of 42 condo-hotel units in the One Bal Harbour Resort & Spa, and could take on the property's hotel operations, as well.

Pordes said the hotel has been largely under the radar since it opened 10 months before de-

veloper WCI Communities filed for bankruptcy reorganization. His company, Pordes Residential, has launched a marketing effort to sell its units, and Pordes could take a larger role in promoting the hotel, should he exercise his option to purchase its hotel operating areas.

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UNITS: Pordes has option for restaurants, bar, spa and beach club

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Elcom Condominium and Elcom Hotel and Spa, an affiliate of Elevation Communities and Columbia native Jorge Arevalo, have owned 51 units in the condo-hotel and the 67,031 square feet of common area since 2009. They bought them from WCI for \$40 million.

"The reason I believe the condo-hotel will work is that Bal Harbour is a strong destination," Pordes said. "It is like the Beverly Hills of Miami."

And 2010 was a banner year for Pordes, who said he brokered more than \$250 million in deals. That includes the sale of 2700

Ocean in Singer Island. Pordes Residential was recently selected as the condo sales and marketing firm for Canyon Ranch Hotel & Spa in Miami Beach. However, Pordes filed a lawsuit seeking a brokerage commission from the sale of Trump Hollywood.

Pordes Residential has doubled in size, to 40 people, in the past six months, he said.

The latest deal features Pordes not only as the broker, but also as the principal investor. There are several minority partners, as well, he said.

An option agreement was filed in Miami-Dade County Circuit Court in November between both Elcom entities and Mark One Bal Harbour LLC, which is managed by Pordes. No price for the properties, at 10295 Collins Ave., was listed in the public document.

Pordes said his company already closed on a deal for 42 units from Elcom. No deed



MARK FREERKS

One Bal Harbour, above, is expected to eventually compete with the St. Regis Bal Harbour project now under construction.

equity stake of the company controlling the units, he said. Elcom retained a minority stake.

The additional nine units and the hotel's common areas - including the lobby, the restaurants, the bar, the spa and the beach club - remain under the option contract, Pordes said. He is taking a close look at the hotel's operations and considering what to do with the flag, which has not been filled since Regent bolted.

"I certainly think a national flag is a good idea," Pordes said. "It is a positive thing if that could happen. I would explore that if I did buy it."

In the coming years, One Bal Harbour will be competing with the a major national brand: the St. Regis Bal Harbour, which is under construction.

Another issue Pordes would have to address should he acquire the hotel operating area is a pending lawsuit against Elcom by the condo-hotel's residential association, which alleged that it has not maintained the property well.

The claims include that Elcom allowed mold intrusion in the building, did not hold enough

cash reserves and did not properly maintain the pool.

"It's pretty clear from the contents of our complaint that we aren't happy with the way things are being run by Elcom," said Miami attorney Mitch Bloomberg, who represents the association. "If somebody came in and bought the hotel lot and did all of the things they were supposed to do, it would impact what we were suing about."

Pordes would not comment on the lawsuit against Elcom. He is not a party to it.

FIVE UNITS UNDER CONTRACT IN 30 DAYS

In the about 30 days since closing his deal on the 42 units, Pordes said he has five under contract to buyers. All of the buyers are looking at all-cash deals. Prices range from \$350,000 for a 511-square-foot junior suite to \$1.7 million for 1,600-square-foot unit with two bedrooms and 2.5 bathrooms. Owners can use the units for up to 120 days a year and rent them the rest of the time.

The maintenance fees are higher at One Bal Harbour than in most condos, but that includes all of the hotel's amenities, such as room service, housekeeping and concierge, Pordes said. He notes that condo-hotel units should not be viewed as a source of income.

"The buyers today are not buying this from the standpoint of return on investment or 'how much can I make?'" Pordes said. "It's more about buying a turnkey solution, a move-in-ready, furnished, quality property that I can leave and know that the hotel will take care of. Whatever income comes in to offset maintenance fees is looked upon as a bonus."