

# THE REAL DEAL

## Bulk Buyer Takes NoBe Bay Condo

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A joint venture between two developers has purchased the last remaining unfinished Miami Beach condo complex, the Nobe Bay.

Pordes Residential negotiated the deal by principals Arnaud Karsenti, of 13th Floor Investments, and Inigo Ardid of Key International for the 98-unit Nobe Bay, which is located at 6700 Indian Creek Drive.



"The acquisition of NoBe By is a very interesting one relative to replacement costs," Karsenti told *The Real Deal*. "This is one of the last few transactions in the Miami bulk market that can generate returns for the investor while still delivering value to the end user."

The project was developed by the Merco Group in 2005, with Regions Bank as the primary lender.

But all pre-sales were eventually canceled and Tate Capital, the seller, entered into an agreement in 2009 to purchase the debt on the project and the accompanying 450-car garage, which is also incomplete.

Tate Capital is a partner and lender in the group that paid \$100 million at the end of May for the note on the Omni in downtown Miami. (That group also includes Related's Jorge Perez).

"The investment group got a good price and can quickly bring the project to market," **Pordes Residential President Mark Pordes** said in a statement. "It was a very difficult deal to get done."

Pordes' firm has been responsible for several bulk deals of late, including the \$125 million deal

for 2700 North Ocean on Singer Island (the property is now the Ritz-Carlton Residences Palm Beach).

The new owners expect to spend between \$8 million and \$10 million to complete construction on the tower and the garage, with sales slated to begin by the fourth quarter of this year.

Karsenti said that the vast majority of the construction had actually been completed.

"We're going to be finishing it to a very high standard for condominiums in South Florida," he said. "The bulk of the construction has been built, so it's really more of a finishing job. The building's been topped off, and most of the structural work is already fully completed."

Neither side released the terms of the deal.