

DEALMAKERS

To suggest candidates for Dealmakers, contact Cathy Wilson at cwilson@alm.com. Dealmakers should be based in South Florida, but transactions need not involve local companies or properties.

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Rennert Vogel Team Lands \$87M Construction Loan

Dealmakers: Jose Rodriguez and Elaine Cohen

The Deal: The attorneys with Rennert Vogel Mandler & Rodriguez represented the developers of Marina Palms Yacht Club & Residences in obtaining an \$87 million loan to finance the construction of a second condominium tower. The deal closed Feb. 25.

Details: Marina Palms is being developed by a company that includes the Hollywood-based Plaza Group and the North Miami Beach-based DevStar Group. The project on the Intracoastal Waterway at 17201 Biscayne Blvd. in North Miami Beach includes two 25-story residential towers with 468 units, a yacht club and a 112-slip marina that can accommodate 90-foot yachts.

It is the first yacht club condominium community to be developed in Miami-Dade County in 20 years, the developers said on the project's website.

The north tower is sold out and topped off, while the south tower is 60 percent sold, the developers said. Rodriguez said closings are expected in the fourth quarter. Average sale prices for the two-, three- and four-bedroom units are \$500 per square foot.

The original developer was



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foreclosed on, and the lender, iStar Financial Inc., took back the title. The current developers acquired it in April 2013, and the development plans were not changed.

Rodriguez and Cohen also represented the developers in obtaining a \$98 million construction loan for the north tower in 2013.

HSBC Bank USA, along with BB&T Corp., provided the south tower construction loan.

The developers obtained more favorable terms through traditional bank financing rather than a private equity fund, Rodriguez said.

"The really strong developers and projects that lending institutions consider as having merit

are easier to finance through traditional banks," he said. "This is an example of that—a strong, large banking institution giving a loan to an experienced developer who has an extremely successful development.

"It sends a broader message: The condo market is strong and alive for the right developer and the right product," he added.

Echoing that in a statement at the time of closing, Plaza Group president Neil Fairman said, "Our efficient capitalization structure and our ability to once again access traditional financing markets have allowed us to provide our buyers with a high-quality product at a very attractive price point."

While the deal came together very quickly and "seamlessly," Rodriguez said. "There are a lot of twists and turns to build a project of this magnitude and complexity.

"There has been a lot of work on this deal in the last three years," said Rodriguez, who started working in 2012.

Comment: "There has been a lot of press recently about condo market overbuild," he said. "This development is an indication that quality institutional lenders are still positive about this market."

Background: Rodriguez and Cohen, who have been with the 21-lawyer Miami firm for 11 years, focus on representing high-end condo developers in all phases of project development from acquisition to unit closings.

—Mary Hladky