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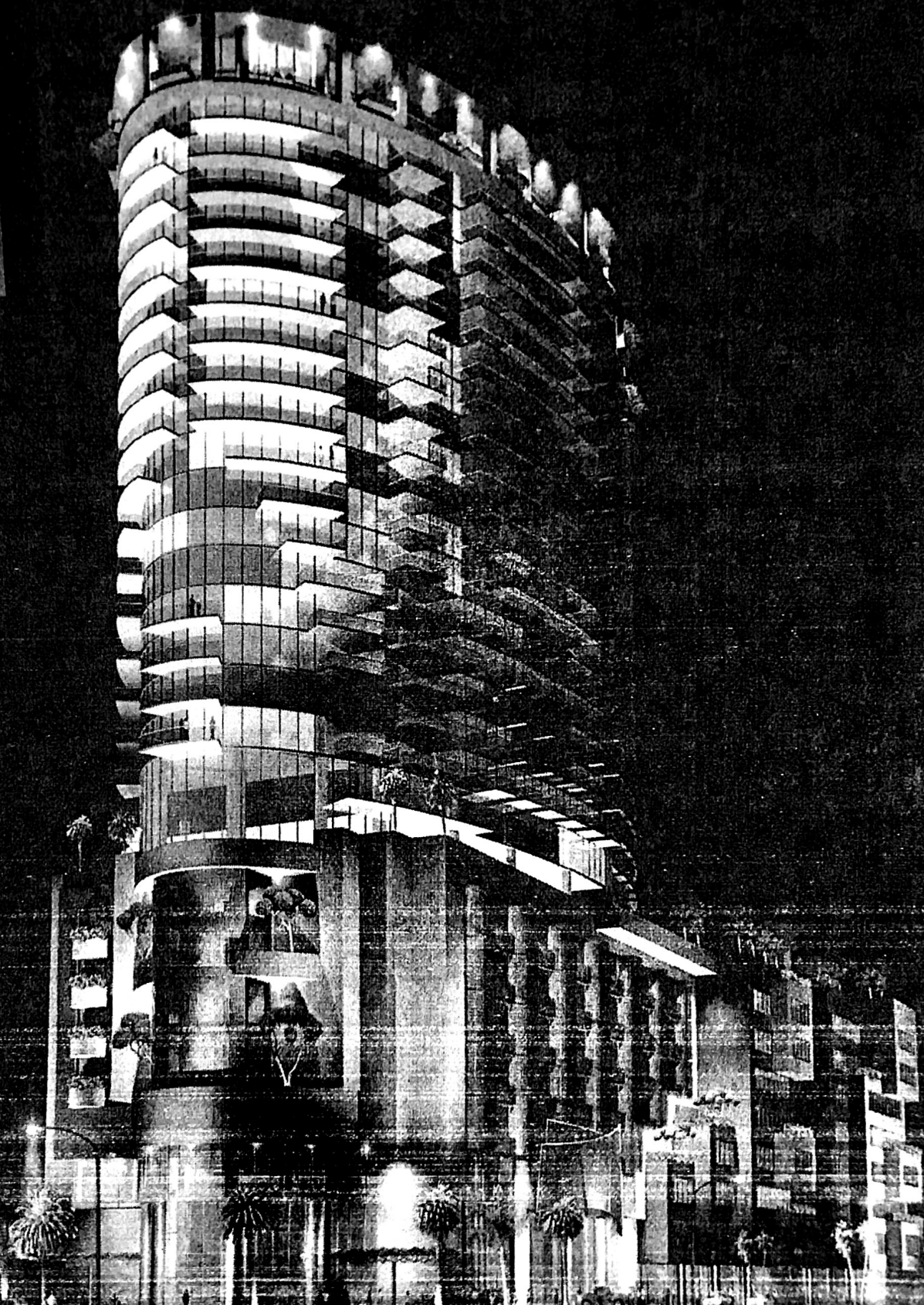
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MIAMI'S PREMIER RESOURCE TO BEAUTIFUL

July/August 2001

**Ultra-Hip
European
Club**

g. 10



by Zachary Jordania

WHY PAY RENT

When You Can Own Your Dream Office?

Owning one's home is the ultimate American dream, giving financial security, a sense of pride and many practical privileges. Coincidentally, these are the same privileges that a new generation of American 'homeowners'—the office condo—owners, are beginning to discover.

Owning an office condo offers several economic advantages: asset/equity appreciation, tax consideration and ownership control. In an appreciating market, property owners may enjoy the consistent increases in their real estate asset value while taking advantage of the tax provisions that allow property owners to offset their income through fixed-asset depreciation allowances.

A CASE OF ECONOMICS

Often times, office condo ownership has more to do with basic business economics. In Fort Lauderdale, for instance, the demand for office space is far outpacing supply creating rising rental costs. As this trend continues, the incentive to own one's office space becomes greater.

Nir Shoshani, principal of NR Investments explains, "Development in the downtown areas has spawned the need for greater supply of premium office product. Office condominiums in particular are in high demand because of the long-term financial benefits they afford businesses."

With this in mind, NR Investments took on the project of Museum Plaza in Downtown Fort Lauderdale. Since sales commenced, units at Museum Plaza are being snapped up quickly by enthusiastic business owners.

Demand in Miami is also hot, leading to new construction. ICE Development Group (ICE) announced that its Logik Tower, downtown Miami's only new condominium office community is now 95% sold out years ahead of its scheduled 2008 completion.

The 31-story project located at 530 N.W. First Court, includes 134,000 square feet of condominium office space within 126 units, along with a host of amenities. Logik Tower floor plans range from 608 square feet to 1,126 square feet of office space with prices starting at \$250,000.

"With residential condominium construction in downtown Miami at such a fever pitch, we sensed an increase in demand for affordable, mid-size office space in the area," notes ICE Development Principals Jorge Arevalo. "There is a clear need as well as a desire, for 21st-century office space featuring the latest in technology and exciting amenities."



1110 Brickell

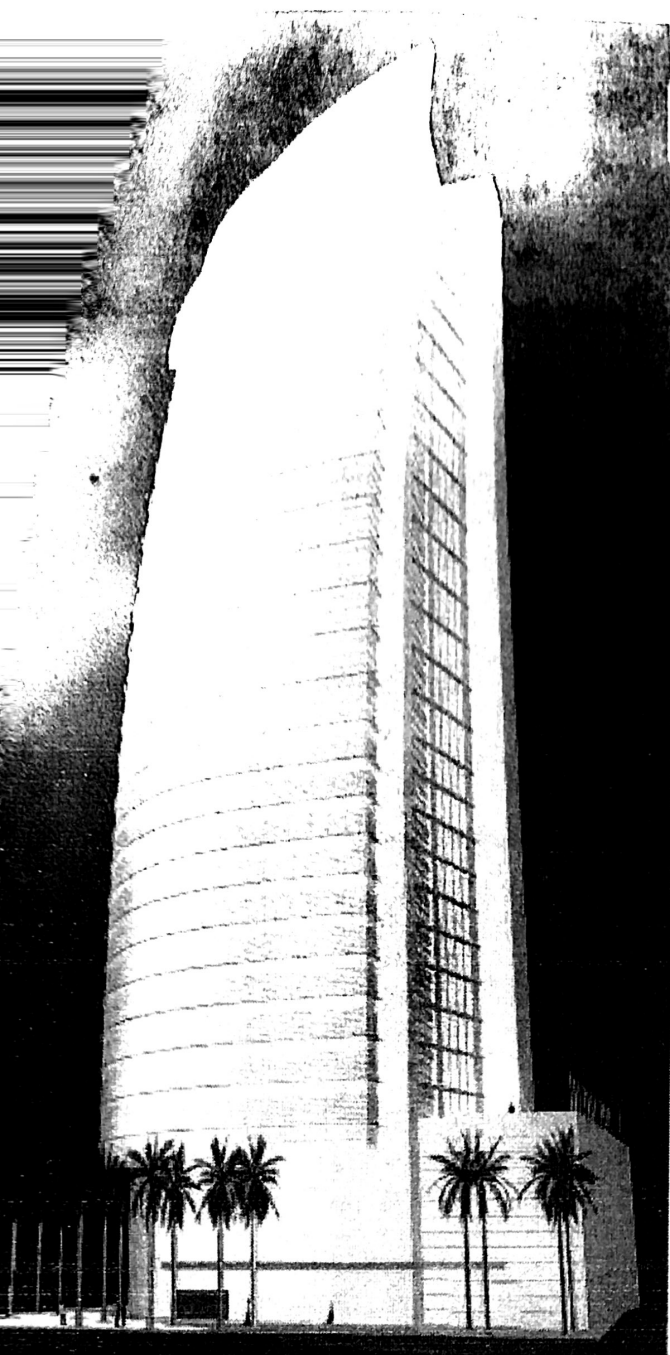
CONTROL AND MANAGEMENT THROUGH OWNERSHIP

Another trend-setting office condo conversion story is taking place in the Miami's up-and-coming Biscayne Corridor. 4770 Biscayne is a natural magnet for many corporate entities that want to be situated near Miami's primary business core of downtown and Brickell.

The Class-A building offers approximately 127,000 square feet of purchasable office space. Hudson Capital, the company that converted the property, literally bought into the concept by purchasing the entire fourth floor of 4770 Biscayne for its own use as corporate headquarters.

"Office condo ownership is an excellent investment vehicle," says Neil Greenbaum, a principal with Hudson Capital. "It allows business owners to build equity on an asset which also provides them with an operating base."

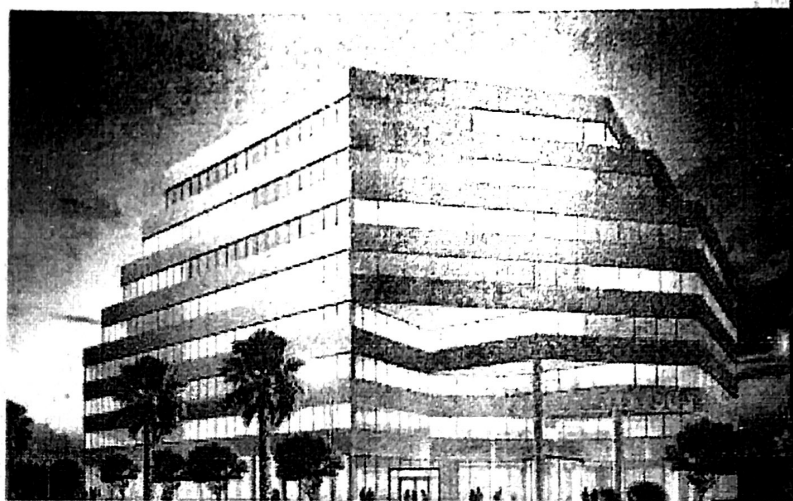
Another ownership advantage is having direct control and influence on the management of the real-estate investment assets just like residential condo owners have always enjoyed.



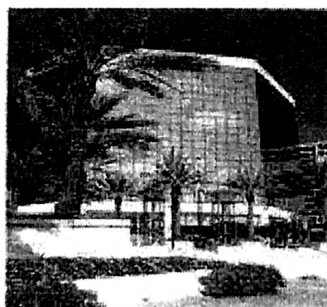
Biscayne Tower

BUSINESS SIZE NO LONG AN ISSUE

While Hudson Capital's 4770 Biscayne project is a relatively newcomer to the market, Miami Beach-based SMK CAPE HORN Development Group is the true pioneer in these specialized conversions, credited with first introducing the concept of office condo conversion to Miami's financial district. Wanting to focus on office condo ownership for smaller-sized companies, SMK CAPE HORN has a range of small to large state-of-the-art buildings now available in two premier locations: 1680 Michigan project in South Beach and their newest project, Biscayne Center at 11900 Biscayne Boulevard in North Miami. "Biscayne Centre is a contemporary, cutting-edge



Biscayne Centre



Left: Museum Plaza, right: 4770 Biscayne

building with 21st-century conveniences," said Michael Konig, principal of SMK CAPE HORN. "Its central location will allow business owners to enjoy the convenience of easy access to fine dining and many neighborhood businesses."

At one time, only large business conglomerates owned their office buildings. For smaller firms, unless they want to settle for a tiny, modest abode in a location far away from the central business hubs, they are out of luck. Office condo ownership has changed all that, and in doing so, it has redefined the American dream of homeownership.