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SOUTH FLORIDA

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BH, Related add West Palm Beach dev site to growing portfolio

JV pays \$34M for less than an acre of waterfront land near planned Ritz-Carlton Residences project



BH Group and Related Group snatched up another development site, paying \$34 million for a waterfront lot in West Palm Beach nearby another project the duo are working on. The frequent partners acquired a 0.8-acre property at 2001 North Flagler Drive, which is less than half-a-mile from where **Aventura-based BH** and Coconut Grove-based Related are co-developing a planned Ritz-Carlton Residences condominium, a source familiar with the transaction told *The Real Deal*.

The joint venture secured a mortgage from Amerant Bank, but the source declined to provide the loan amount. RESF Commercial's Rainier Sebastián León represented the buyer in the off-market deal.

To say that the seller, an entity managed by Dr. Steven Krumholz, is getting a good return on investment would be an understatement. It purchased the property for \$480,000 in 1997, records show. The site includes a 9,900-square-foot medical office building that was completed in 2001 and will likely be demolished. Tenants include Gastro Group of the Palm Beaches and Waterside Ambulatory Surgical.

Related, led by Jorge Pérez and his sons Nick and Jon Paul Pérez, and **BH, led by Isaac and Liat Toledano**, did not respond to requests for comment about plans for the 2001 North Flagler Drive site. The current zoning allows a project up to 111 feet, but the joint venture could go up to 306 feet by providing public incentives.

BH and Related are teaming up on a slate of mixed-use and luxury condominium developments around South Florida.

Earlier this year, the two firms launched sales for the Ritz-Carlton project, a 28-story tower with 144 condos under construction at 1717 North Flagler Drive. Last month, the city of Plantation approved the partnership's site plan for Plantation City Center, a complex of 512 apartments and townhomes, 25,000 square feet of retail space and more than 800 parking spaces. They also have a project on a 13.7-acre former AT&T office campus acquired for \$13 million last year. And in Pompano Beach, the pair received site plan approval for an oceanfront condo-hotel with 77 condominiums and 303 hotel rooms.

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Earlier this year, the two firms launched sales for the Ritz-Carlton project, a 28-story tower with 144 condos under construction at 1717 North Flagler Drive.

Last month, the city of Plantation approved the partnership's site plan for a complex of more than 500 apartments and townhomes, 25,000 square feet of retail space and more than 800 parking spaces. The joint venture's Plantation City Center project will sit on nearly 14 acres at AT&T's former office campus, which was acquired for \$13 million last year.

And in Pompano Beach, **BH** and Related recently got the go-ahead for an oceanfront condo-hotel with 77 condominiums and 303 hotel rooms.