



FEBRUARY 13, 2018 | PAUL OWERS

# New Office Bldg Planned North of Downtown Miami

The Gateway at Wynwood to Serve Four Trendy Neighborhoods



A New York developer is betting big on the Class A office market in the emerging Miami neighborhoods of Wynwood, Midtown, Edgewater and the Design District.

R&B Realty said Tuesday it expects to break ground in the next three months on The Gateway at Wynwood, a 225,000-square-foot building at 2916 N. Miami Ave. The firm is building the project on spec, and says it will be ready by late 2019.

The 12-story property will have 200,000 square feet of offices and 25,000 square feet of retail. It's six blocks from I-95 and near Miami International Airport and Brightline's Miami station.

"Artsy, accessible and efficient, The Gateway at Wynwood is the office address of choice for both creative directors looking for a hip, trendy location - and CFOs focused on the bottom line," Aron Rosenberg, chairman of New York-based R&B Realty, said in a statement. "Our team is confident in the Miami market, and we've encountered significant pre-leasing demand among tenants eyeing a move into Wynwood who view our building as the only option for true class-A users."

Colliers International is handling the office leasing. The brokerage said Wynwood's average gross rents have soared in the past five years from nearly \$23 per square foot to more than \$40. Gross rents for Class A space proposed and under construction in the market are higher, according to Stephen Rutchik, executive vice president of Colliers.

Meanwhile, vacancy rates have dropped to 6.7 percent, below the countywide average of 9.5 percent, according to the company.

"Multinationals and local tenants are looking at Wynwood and outside the urban core," Rutchik told CoStar News. "They want to go there, but they can't find space there. We're finding a tremendous amount of demand."

But some South Florida office brokers say the developer will have to be patient.

Les Byron, managing director of SVN Commercial Realty, said he can't see corporate users wanting to stray from Brickell Avenue to the south. R&B will have to cater to smaller users who want to be part of Wynwood and the other neighborhoods.

"That market for office space is premature," Byron said. "It's a high-risk venture."

Rutchik and R&B are undeterred.

Wynwood, Midtown, Edgewater and the Design District have more than 8,000 residential units and a population of more than 875,000 in the nearby commercial trade area, according to R&B. Rutchik pointed to the success of retail and residential in those areas.

"The missing component for today's tenant is the ability to have a place for their office," Rutchik said.

Drew Schaul of RKF Miami is handling the retail leasing. Kobi Karp Architecture designed the building, which will feature floor-to-ceiling glass windows, covered parking and a private rooftop terrace.

R&B has a portfolio of 1 million square feet of office, retail and industrial

projects in New York and New Jersey. The firm acquired the Miami site and two other properties nearby in 2016.

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