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Venezuelan developers building small urban condos in South Florida

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The Elysian is a seven-unit condo project planned in Deerfield Beach. (Group P6)

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Residential developer Ignacio Diaz rattles off the requirements: East of U.S. 1. Contemporary buildings. Within walking distance of shops, restaurants and the water.

He and his wife and brother-in-law, all Venezuelans, have formed Group P6, a Deerfield Beach firm that says it's committed to creating an urban lifestyle across Broward and Palm Beach counties.

"That's what we're chasing," Diaz said.

Group P6 has three boutique condominiums in development and is preparing to open two small townhouse projects in Fort Lauderdale. All are part of a "new urbanism"



Ignacio Diaz, Daniela Diaz-Padua and Jose Padua have formed a company planning urban condos and townhomes across South Florida. Carline Jean/Sun Sentinel

movement designed to build trendy residences near vibrant commercial corridors.

The company is taking reservations for 327 Royal Palm, a 25-unit condo just south of Palmetto Park Road in downtown Boca

Raton. The complex has designer Italian kitchens, private elevators and valet parking. Units are priced from \$1.3 million.

Group P6 also is building two smaller projects in Deerfield Beach: the seven-unit Elysian and the nine-unit Fordham. Both are south of the Deerfield Beach pier, with available units priced from the \$400,000s.

Jack McCabe, a Deerfield Beach-based housing analyst, said the developer's strategy is ideal, given the preference of consumers to make shorter commutes to work.

And because the projects are small and relatively affordable, so too is the risk. If the housing market were to falter, Group P6 almost certainly wouldn't be left in the lurch as developers of larger luxury condos could be, McCabe said.

"People are tired of the traffic down here," McCabe said. "There's a growing movement among buyers to live, work and play in a pedestrian lifestyle. Quite honestly, if I were a developer, I would implement a similar business plan to what these guys are doing."

Group P6's model is similar to one used by Dennis Eisinger and Jean Francois Roy, two developers acquiring small lots across Fort Lauderdale and building boutique condos. They recently started sales at their fourth project, the 35-unit AquaBlu, near the Galleria mall at 920 Intracoastal Drive.

While ultra-luxury condo towers are sprouting in downtown Miami and along the beach in Fort Lauderdale, Eisinger said mid- and low-rise boutique condos appeal to "empty nester" buyers who don't want to maintain a single-family home but who don't want to live in a palatial skyscraper, either.

"A lot of those buildings are so extravagant, and it's really not necessary," Eisinger said.

Diaz formed Group P6 two years ago with his wife, Daniela Diaz-Padua, and her brother, Jose J. Padua, 35, a civil engineer. Diaz, 34, has a master's degree from Massachusetts Institute of Technology, and his wife, 32, has a master's in architecture and urban design from Harvard.

They moved to the U.S. within the past decade and continued to work for the family development business in Venezuela. That firm's projects included a 1,300-unit apartment complex; a 2 million-square-foot industrial development in Caracas; and the Millennium Mall, a Caracas shopping center.

One of the biggest challenges facing Group P6: finding available land.

Larger developers generally avoid smaller locations, but Diaz said his firm still had plenty of competition for land. Group P6 spent \$2.7 million for a half-acre in downtown Boca Raton and a combined \$1.25 million for slightly more than an acre on the two Deerfield Beach sites.

Diaz earlier acquired sites in Fort Lauderdale as the housing market was recovering, and the firm is nearly finished with Bayview Village Townhomes I, a three-unit complex along Northeast 26th Avenue priced from \$800,000.

A second complex, the four-unit Bayview Village Townhomes II, is under construction on 14th Street with prices starting at \$750,000.

"We had to get our feet wet with these townhomes," Diaz said. "They will sell in the next three months, no question. Now we are moving on to condos — urban, contemporary and high-end. That's where we think there is strong demand."