

## COMMERCIAL REAL ESTATE ROUNDUP

# Group investing \$100M to revamp distressed Gansevoort South Hotel

BY OSCAR PERRO MUSIBAY

A consortium that includes Starwood Capital Group plans to invest \$100 million to revamp the Gansevoort South Hotel in Miami Beach.

The consortium also includes Atlanta-based Invesco and the New York-based Lefrak Organization.

The property, at 2377 Collins Ave., will relaunch in 2013 as the Perry South Beach, with 334 hotel rooms and 255 condo units totaling 294,000 square feet. It also has 90,000 square feet of retail space, including the 42,000-square-foot David Barton Gym. There are three pools and a private beach, as well.

The Philippe by Philippe Chow restaurant was formerly housed there, but it closed in July.

The hotel, previously owned by Sandy Lane Residential and Sandy Lane Retail, was taken over in early 2010 by Credit Suisse on behalf of securitized investors because the owners defaulted on an \$89 million mezzanine loan. The property had a \$403 million debt when it was seized. That included a \$315 million first mortgage held by Mexico's Banco Inbursa S.A.

## STATE STREET DOES BIG DEALS IN JANUARY

State Street Realty President George Piro and Senior VP Ed Lyden, working on behalf of landlords such as Prologis, completed nearly 100,000 square feet of leases in January.

Noteworthy deals included:

- Barthco International renewed its lease for 146,288 square feet of warehouse space at Prologis Beacon Centre. Taylor Hillmaneyer of Pro Venture represented the tenant.
- South Florida Health Management leased 2,025 square feet of office space at Prologis Beacon Executive Centre.
- Geodis Wilson USA renewed its lease for 44,800 square feet of warehouse space at Prologis Beacon Industrial Centre. Nathan Anderson of NAI Brannan Goddard represented the tenant.
- Astaldi Construction leased 1,700 square feet of flexible warehouse space at Transal Park. Jesus Cortes of Americas Industrial Realty represented the tenant.
- United States Medical Supply leased 3,074 square feet of flexible warehouse space at Transal Park. Pat O'Hare of Florida Corporate Realty represented the tenant.

## LAW FIRM RENEWS IN DOWNTOWN MIAMI

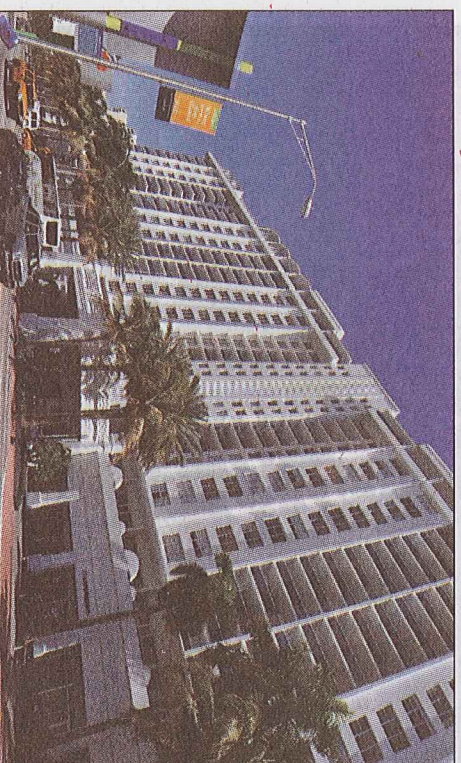
Law firm Meland Russin & Budwick, which has operated out of the Southeast Financial Center in downtown Miami for 17 years, has inked a lease renewal and expansion for 12,560 square feet.

Southeast Financial leased 200,200 square feet of space in 2011. Meland Russin & Bud-

wick represents the 15th legal tenant to sign there since the fourth quarter of 2010.

"We did our due diligence when we went to market to explore office space options, and we just didn't see anything we liked more than where we were," law firm co-founder Mark S. Meland said. "Southeast Financial Center has withstood the test of time."

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FILE PHOTO

The Gansevoort South Hotel in Miami Beach was \$403 million in debt when it was seized by Credit Suisse on behalf of securitized investors.

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