



Development

Small But Perfectly Formed

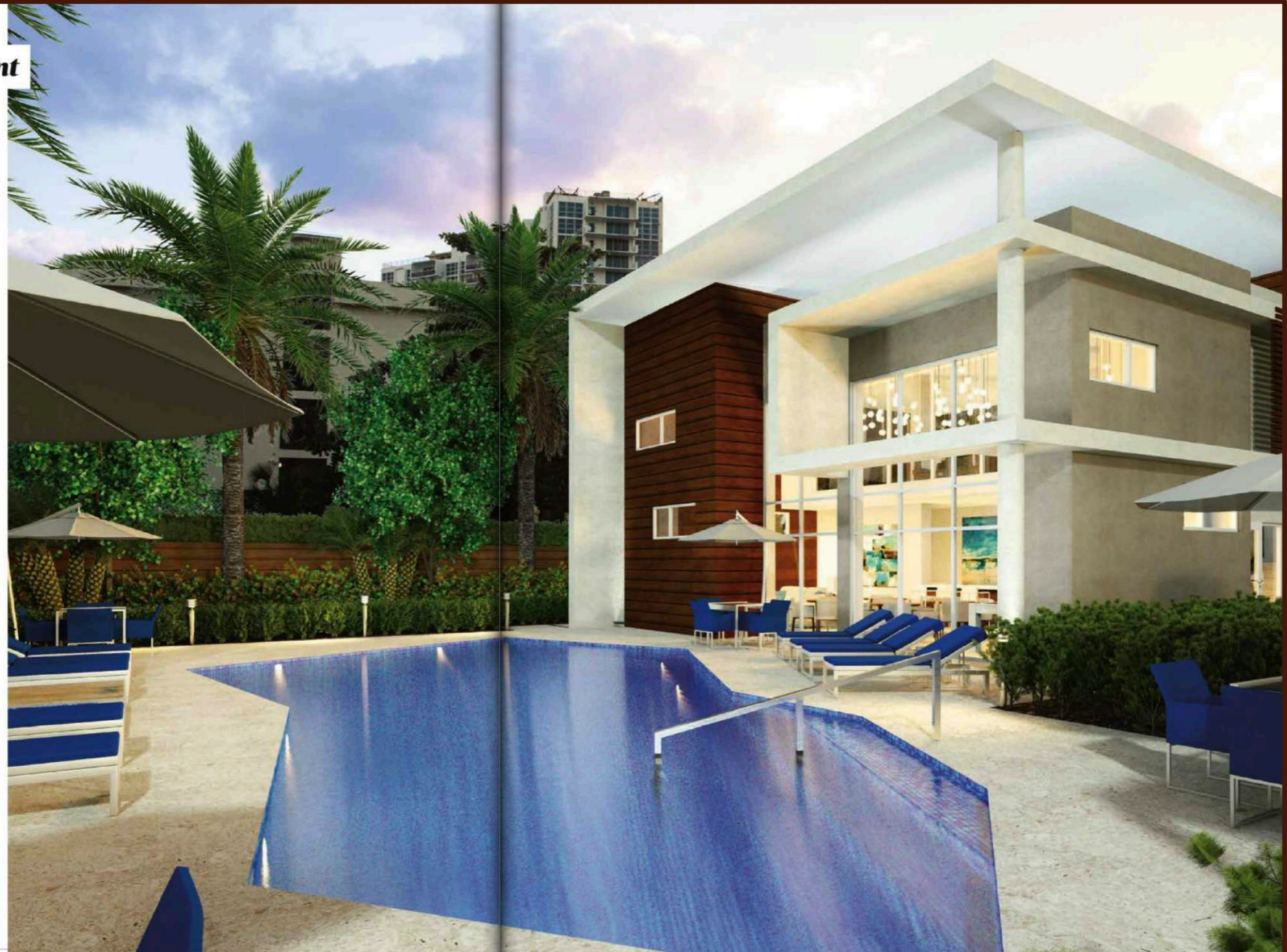
A planned condo development is part of the trend towards smaller, boutique projects that offer all the high-end amenities of beach living with less risk for the developer. *by MIKE SEEMUTH*

SOME CONDO developers dissect the mass market to find riches in niches. That is what Adam Adache hopes to find by building a boutique condominium in the Lauderdale Beach community along North Fort Lauderdale Beach Boulevard.

"I love that neighborhood. I'm from Fort Lauderdale, and I've been seeing it change," says Adache, managing director of Cavache Properties LLC. "Obviously, it has houses built in the '50s, '60s and '70s. Now you're seeing a wave of [new] houses built ... It's a good mix."

In February 2016, Adache and his partners got into the mix by acquiring a parcel there, a bit more than one acre, for \$3.3 million. They expect to break ground this summer for 30 Thirty North Ocean, a 24-unit condominium with prices starting at \$1.175 million.

The development sits at 3030 N. Ocean Blvd. (A1A), near Oakland Park Boulevard and the twin 27-story buildings that compose L'Hermitage condominium, the beachfront high-rise built in 1998. Several blocks to the south of 30 Thirty's address is the beachfront construction site of Auberge Beach Residences and Spa, one of the priciest condo projects in Broward County, with a roster of pre-construction



"We have a handful of empty-nesters, people who live in such places as Plantation and Weston," Adache says. "They live in big houses and they want to move east, and their kids are going away to college."

The 30 Thirty development may face limited competition from the nearby L'Hermitage, which will turn 20 next year, and Auberge Beach, which is still under construction. But the boutique condo develop-

ment could be challenged by two others: the 35-unit AquaBlu Fort Lauderdale at 1800 E. Las Olas Blvd. and the 31-unit Adagio Fort Lauderdale at 435 Bayshore Dr.

"It definitely has been an ever-changing market," Adache says. But "we're very happy with the response we're getting so far ... Projects that make sense and are priced properly and marketed properly will succeed in this market." 🌟



buyers including Dan Marino, Moss & Associates CEO Bob Moss, and condo king Jorge Perez, chief executive of Miami-based Related Group, one of the developers of Auberge.

But the condo market clearly can turn fickle. Earlier this year, for example, Related Group shut down its development of another condo called Auberge, this one in Miami. Related started developing Auberge Residences and Spa Miami in February 2016 but this year returned deposits to pre-construction buyers amid sluggish conditions overall in the condo market. Fourteen months into the luxury condo development, 20 percent of the Auberge Miami units had been reserved by pre-construction buyers.

Adache is wary of the risk of further weakness in the condo market. But he says he limited his downside in the 30 Thirty development by building small: "Once you go up over 75 feet, you're into the high-rise building code, which is a lot more expensive

to construct because you have all the additional code requirements."

Real estate brokerage veteran Mike Pappas agrees that building small in an uncertain condo market can pay off. Pappas, president of Keyes Company and Illustrated Properties, said he recently told the developer of a 24-unit condominium in Coconut Grove that the project is risky, "but because it's a boutique, you may be able to survive this condo oversupply."

The 24 condo units Adache is developing will come in six different floor plans, each a two-story unit with three bedrooms and three-and-a-half bathrooms. "They all will be two stories and will have private elevators going to the living rooms," he says. "We're trying to maintain more of a single-family [home] style of living, combined with head-ache- and hassle-free condominium living."

Residents of 30 Thirty will have access to onsite amenities that will include a clubhouse, gym, sauna and Jacuzzi whirlpool spa,

plus "we're a couple of blocks from public beach access," Adache says.

In addition, 30 Thirty residents will have full membership privileges at a nearby resort, The Club at Harbor Beach Marriott Resort and Spa, which features a quarter-mile-long private beach, tennis courts, an 8,000-square-foot heated lagoon pool, and a full-service, European-style spa.

The deal with the Marriott resort precluded the need to duplicate its fancy features at 30 Thirty, further limiting the project's downside risk.

"Without spending the extra money on thousands of square feet of additional amenities, and maintaining those amenities as well, we wanted to offer a club-type atmosphere," Adache says. "The Marriott Harbor Beach was our first choice."

Another cost savings stems from the quality of the soil at the 30 Thirty development, which precludes the need for costly con-

struction of pilings beneath the building. "It's certainly a big cost savings," Adache said. "We don't have soft, sugary sand right there. It's harder, more compacted soil that's a little bit more sound."

The \$1.175 million starting price for condos at 30 Thirty translates to an average of \$548 per square foot. "We'll have some units in the \$600s, for sure, but not in the \$700s, \$800s and \$900s like a lot of condos out there," Adache says. "We don't have that type of costs."

30 Thirty owners will pay a comprehensive monthly fee - including club membership at the Marriott Harbor Beach - equal to 54 cents per square foot, "which is on the low side of where most new-construction condos are," Adache says. "Most are in the 75-cent range and up."

So far the project has attracted local buyers, as well as some from New York and Chicago.