

DAILY BUSINESS REVIEW

\$2.00

ALM

VOL. 82, NO. 70

LAW ■ REAL ESTATE ■ FINANCE
DailyBusinessReview.com

MIAMI

WEDNESDAY, SEPTEMBER 19, 2007

\$70 million financing reached to build Miami Beach retail center

Dealmaker: Attorney Arnie Brown

The Deal: The attorney with Bilzin Sumberg Baena Price & Axelrod helped put together a \$70 million financing package for construction of the Shops at Fifth & Alton on Miami Beach on Sept. 12.



Brown

Details: The partnership between Berkowitz Development Group and the Potamkin Companies is developing a six-story complex with three stories of retail at the northeast corner of the South Beach intersection.

The joint venture plans 175,000 square feet of space, most of which is spoken for already. The complex, modeled on Dadeland Station developed by Berkowitz near Dadeland Mall, will be home to several big-box stores including Publix, Best Buy and Staples.

The partners are negotiating deals on the remaining 70,000 square feet of space. The project also will include a 1,030-space parking garage that will operate as a municipal garage.

Brown handled the financing and worked on the leases and parking garage negotiations with the city.

Brown, who has represented Berkowitz for more than 20 years, said the biggest complexity in the financing was getting all the players, including the lender and contractor, to sign on simultaneously. He said some players were skittish because of fluctuating construction costs.

"Nobody wanted to get locked in until everybody was locked in," he said.

Metropolitan Life Insurance provided the financing. The developer has broken ground, expects to begin foundation work soon and finish by 2009.

Background: Brown has been of counsel at Bilzin Sumberg for 12 years and has been with the firm for 28 years. He is part of the real estate group and specializes in mixed use projects.