

# High-Rise Developers Discovering Miami's Edgewater Neighborhood

*Dallas-based Multifamily Builder Pays \$29.6 Million for Two-Acre Waterfront Site*

By: Paul Owers

(Corrected Feb. 8 to show the final sales price for the parcel in the second paragraph was \$29.6 million, and not \$21.9 million as originally reported in public records.)

In the 1960s and 1970s, the Edgewater neighborhood along Biscayne Bay in Miami was an area of modest single-family homes and department store icons Sears, Burdines and Jordan Marsh. No more. Now Edgewater is a haven for high-rise developers looking to push north out of the increasingly crowded downtown and Brickell Avenue.

The latest example: A Dallas-based apartment owner and developer paid \$29.6 million for a two-acre bayfront site. Mill Creek Residential bought the land at 412-436 NE 22nd St. from Unity Center of Practical Christianity.

Newmark Knight Frank, the brokerage representing the seller, said current zoning codes offer Mill Creek flexibility to build larger unit sizes. Mill Creek officials did not respond to interview requests made through a publicist.

The Edgewater neighborhood stretches from Northeast 17th Street to the south, Northeast 37th Street to the north, the Florida East Coast Railway to the west and Biscayne Bay to the east. After the department stores left for suburban shopping malls, the area fell into disrepair in the 1980s and 1990s, but a resurgence is well under way.

"As the downtown expanded out, more areas needed to be brought in," said Alyce Robertson, executive director of the Miami Downtown Development Authority. "In Edgewater, you had all these underutilized, rundown properties that were waterfront."

Since early 2013, more than 115 Edgewater parcels totaling more than 72 acres have traded for more than \$605 million, according to Newmark Knight Frank.

"It's a continuation of what started to happen pre-Great Recession," said Joe Hernandez, a Miami native and real estate lawyer for Weiss Serota Helfman Cole & Bierman in Coral Gables, Florida. "It's super hot there. I think there's a lot more to come."

Newmark Knight Frank broker Adam Greenberg said Edgewater's relatively affordable prices and waterfront location are major draws.

“You’ve got a proximity to everything, but you’re not going to pay what you’ll pay on Brickell,” he said.

The brokerage cited DDA figures showing 13 residential projects with more than 7,600 units in the pipeline across Edgewater. One of those projects, the 57-story Elysee Miami condo, is under construction, with the 98 units priced from \$1.5 million to more than \$10 million.

As of 2018, Edgewater had nearly 7,000 residents, a 19 percent increase from 2000, according to the DDA. The greater downtown region has a population of 92,235 people, more than double the count from 2000.

One of the most prolific Edgewater developers is the Miami-based Melo Group. The family-run company has built about a dozen residential and commercial projects in and near the neighborhood since 2001.

The change to the area has been dramatic over the past two decades, and values will continue to increase, Principal Martin Melo predicts. “It has good potential because of the location and the views,” he said.

Edgewater is just east of the Wynwood arts district, another area undergoing major changes . Developers are building offices, rentals and retail there.

“I think Miami has made itself into a global city, and I don’t see us falling back into a second-tier city again,” Greenberg concluded. “We’ll always have that volume.”