

## South Florida developers cautious but confident on condo market: *TRD* panel

*Shahab Karmely: "Real estate doesn't die, it sleeps."*

Katherine Kallergis October 20, 2016



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“We’re not looking to start anything new today,” Gil Dezer, president of Dezer Development, said on the developers’ outlook panel titled “The prognosis for new construction amid global market uncertainty.”

Dezer, whose current projects include [Porsche Design Tower](#) and Residences by Armani Casa, said the firm is in a good position despite the slowdown in condo sales. “We own land and can afford to wait.”

Dezer joined Shahab Karmely, founder and CEO of KAR Properties; Edgardo Defortuna, president of Fortune International Realty; Jon Paul Perez, vice president of the Related Group; and Inigo Ardid, co-president of Key International, on the panel, moderated by *TRD* Publisher Amir Korangy.

“Since velocity is down, the most dangerous is product that is not under construction or well under construction,” Ardid said, advising developers to wait on launching new projects and hold onto land.

“The ones that have good pieces of land are not letting it go,” said Defortuna, whose current projects include developing Jade Signature and handling sales for SLS Brickell. He said his projects are all under construction and are either fully sold or nearing sell-out. Timing is everything, he said.

“Despite the hype of ‘Chicken Little,’ ‘the sky is falling,’ it’s a very safe market,” Karmely said.

Karmely launched [One River Point](#), a \$1 billion luxury residential project along the Miami River, late last year. He went so far as to announce that he plans to launch another tower in the next month, designed by architect Enrique Norten.

Korangy asked panelists for advice for brokers and agents as the market slows. “Unless you’re planning to change careers, you gotta still sell,” he said.

Most agreed that agents need to educate themselves and their buyers.

“Tell brokers to be selective of projects. Study that project because when you study that project and know the projects, you’re in a much better position to educate that buyer and understand why Miami is in a much better position,” Karmely said.

Dezer said entering new markets is costly. “I can let these boys over here spend a fortune, and once their buyers come to Miami, they’ll find me...,” he said. “There’s doing business and there’s doing business intelligently.”

While sales have slowed down from Latin America, the region is still a big market for South Florida condo developers, panelists said.

Developers were spoiled before. “Now we really have to work hard to sell. The buyers are still there,” Defortuna said. The optimism in Argentina and Brazil is “much, much better than it was six months ago.”

China was also a topic of discussion, with Korangy referencing Paramount Miami Worldcenter's success with Chinese buyers. The developer and broker have taken six trips to China over the past year.

"You can do two types of jobs: educate and they pat you on the back because you're a good professor, or you can sell," Defortuna said.

"There's no financial aid for this kind of education," Dezer joked.

Perhaps Karmely said it best, citing a Farsi saying: "Real estate doesn't die, it sleeps."