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Developer: Wellness is a must for new condo development in South Florida

BY REBECCA SAN JUAN



A rendering of the 64-unit condo 2000 Ocean in Hallandale Beach.

Measures to contain the spread of the coronavirus continue to shift — and so do responses by investors, developers, builders, banks and buyers. To track the impact, RE|source Miami is asking area real estate professionals in various sectors for on-the-ground reports.

Today we hear from Shahab Karmely, founder and CEO of the real estate investment and development firm KAR Properties. KAR Properties is developing 2000 Ocean in Hallandale Beach and One River Point in downtown Miami. The New York-based firm has acquired, invested and developed other condos for 50 years across the globe.

Karmely said in May the luxury condo market — residential towers with units priced at \$1 million and above — will suffer from the pandemic among all socioeconomic classes, including the wealthy.

Q: How has the pandemic influenced demand for the luxury condo market in South Florida?

One of the byproducts of this pandemic is an escape from density. People have a strong desire to escape compact cities with limited to no options for outdoor living and distancing. This has come as a detriment to real estate markets in New York City, Boston and Chicago, and placed a spotlight on the South Florida market which offers lifestyle and lack of density.

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For example, at our development 2000 Ocean in Hallandale Beach, we're amplifying outdoor options and enhancing South Florida's natural surroundings by creating multiple outdoor spaces for residents.

Q: How has the pandemic influenced the luxury buyer?

The pandemic has radically changed what luxury buyers are looking for in a home. Now, more than ever, access to the outdoors and the ability to comfortably shelter in place are of paramount importance.

Buyers are demanding to live in buildings with outdoor landscapes. While large, densely populated areas can't offer this, the Greater Miami area sets itself apart. The city has some of the finest luxury high rises next to the beach and river and a climate that allows you to be outdoors year-round.

Q: How has the pandemic influenced developers' plans for new construction?

The pandemic has had an economic impact on everyone. Right now, many buyers are assessing their options. Whether they want to move, where they want to move, or if they want to stay where they are, it all needs to be assessed.

We're still coming to terms with the whole economic impact this pandemic will have, and I hope it's quicker than not. In times like these, you must take a step back, reassess your options and try to come to market with a product that is timely in its offering but also somewhat redesigned to take into account the awareness of density, distancing, lobby size [and] amenities.

Developers need to evaluate their buildings' number of units, the timing of the introduction of new units and the realistic appetite in the market. I'm optimistic about South Florida's recovery in terms of buyers looking for tax breaks, safety, security and low density.

Q: What amenities and designs may be incorporated into new luxury towers that weren't a priority before?

Developers will likely begin to incorporate new health technology and wellness-focused amenities into new development.

To adapt to the current climate and respond with extra precautions, we've recently rolled out several new health-centric advancements at 2000 Ocean. We're installing UV disinfectant lights that will sanitize elevators between trips and package cabinets, as well as cargo unloading areas.

Residents will also have an option to include an iPad in their individual unit that will encompass a 24/7 doctor concierge service that will take your blood pressure, temperature, blood and oxygen levels.

Q: What are your expectations for the luxury condo market in South Florida looking ahead?

South Florida has so much working in its favor between its lifestyle, beauty, proximity to nature, world-class cultural institutions, tax benefits and security. As people look to escape from larger,

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highly populated cities in the Northeast and Midwest, they will continue to recognize all of this and the market will forge ahead.



“One of the byproducts of this pandemic is an escape from density,” said Shahab Karmely, founder and CEO of KAR Properties.