

## Miami Developer on an Upcoming Inventory Glut, Understated Luxury and More

*Edgardo Defortuna sees more buyers coming to Florida from other parts of the U.S. and single-family homes rising in popularity*

BY LUCY COHEN BLATTER  
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Mr. Defortuna and Fortune International Group's most recently developed projects in Miami.  
COMPOSITE: DBOX; COURTESY OF EDGARDO DEFORTUNA

Edgardo Defortuna is president, CEO and founder of Fortune International Group, a Miami-based real estate firm formed in 1983, with development projects in South Florida, Latin America and Europe.

For more than three decades, Fortune International Group has worked in sales, management, and development, operating and building in neighborhoods across South Florida, including Brickell, Key Biscayne, Coral Gables, Miami Beach, Aventura and Sunny Isles Beach. Fortune has 18 offices worldwide and more than 1,000 agents. Its development portfolio includes Jade Residences at Brickell Bay, Jade Beach, Jade Ocean, Auberge Beach Residences & Spa Fort Lauderdale, The Ritz-Carlton Sunny Isles Beach and Jade Signature.

The company has also developed in the European and Asian market, with a special focus on Spain, Great Britain, France, Turkey and Russia.

Mr. Defortuna and his company put stock in starchitects, having worked with Herzog & De Meuron, Pierre Yves Rochon, Michele Bonan, Arquitectonica, Carlos Ott and others.

We caught up with him to discuss out-of-state buyers moving to Florida, changes to new developments and more.

**Mansion Global: We're hearing so much about the market in Florida being hot as people move from other parts of the country. Have you found this to be true?**

**Edgardo Defortuna:** To a certain extent, yes. High-net-worth individuals living in New York, New Jersey and Connecticut, high tax states, were already moving to Florida because of tax reasons, but the pandemic also contributed to demand because the lifestyle was so much more attractive.

Completed homes in new developments became particularly in demand.

A lot of waterfront homes that had been slow, started to trade.

You saw a bit of a slowdown in the summer, while coronavirus cases peaked, but over the last few weeks, activity has picked up.

**MG: Where are people moving from mostly?**

**ED:** The top two are New York and California, but also New Jersey, Connecticut, even Chicago. Wealthy buyers from there used to go to the West Coast. Specifically they're looking in the Fort Lauderdale-Palm Beach area. And we're also seeing a lot of demand focused on single-family homes, which used to trail in the market compared to condos.

**MG: Has the foreign buyer been replaced by the domestic buyer?**

**ED:** To some extent, the domestic buyer made up for the losses of the foreign buyers. Inquiries from foreigners and participation via electronic means are still strong, but the inability to travel has certainly slowed down that segment of the market.

But recently, we've seen a strong uptick from Mexico.

The truth is that the exchange rate, other than recently, has worked against other Latin American countries.

For high-net-worth individuals, though, medical care is a plus side.

**MG: What kinds of homes are popular at the moment?**

**ED:** We specialize in high-end, waterfront homes, both condos and single-families. And people are looking on Palm Island, Star Island, Hibiscus Island. Buyers are looking for big spaces, houses that are new or relatively new and don't need a lot of maintenance.

Technology and connectivity is important, too, the ability to control things electronically.

**MG: Do you expect Covid-19 will change the way developers build buildings?**

**ED:** We are looking at different types of air-conditioning systems and air purifiers, and touchless entries.

We're analyzing buildings, taking all those things into consideration. But we also feel that once the pandemic passes, people have a relatively short-term memory, and may not want to pay for that. Even before, though, we were into wellness and health and we'd like to be at the forefront of that, but we need to do it in an economically viable way.

**MG: Will the pandemic slow down development?**

**ED:** It's had little effect on buildings under construction, but even before the pandemic, development had started to slow down. We were already talking about a lack of new inventory for 2022, 2023 and 2024 because the buildings under construction are going to be finished and there's nothing else in the pipeline.

The scarcity of sites is an issue, too, here. I do think there will be a short supply of new properties for buyers who want to buy new between 2022 and 2024, and not enough buildings in the pipeline that will be completed before 2025.

**MG: How would you describe your dream home?**

**ED:** I've already got it. I've always dreamed of living in a waterfront home in Key Biscayne, and that's what we have now. Being able to have my kids—17, 15 and 13—able to enjoy it so much that they want to bring their friends to the house and kayak, paddleboard and swim here. Being able to share it with them is a dream come true.

Plus, it's seven minutes from my office, so what more could you ask for?

**MG: What does luxury mean to you?**

**ED:** In a way it's in the eye of the beholder, and it's changed meaning since I've been a developer. It used to be more showy, ostentatious. Now it's more understated. It's about the quality of materials, and the size of spaces.

For my customers, a lot of it is about service. We just finished the Ritz-Carlton residences in Sunny Isles. There, luxury is about management—the concierge knowing what you need/are looking for. We try to listen to what the customer is looking for. It's

about simple materials, too, that don't need a lot of maintenance. Also open spaces—kitchens that open into great rooms, for example. It's about sharing time with people. That's what luxury is today.



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