

Downtown Dadeland's demand seen increasing with residence openings

Despite coming onto the market in the mid-2000s, shortly before the global recession, Downtown Dadeland has enjoyed remarkable popularity. Anchored by a Metrorail line and adjacent to US 1, Kendall Drive and the Palmetto Expressway, the mixed-use complex offers residential, shopping, restaurants, hotels, offices and meeting space.

"Kendall is one of the most densely populated areas in Miami-Dade County," said Rafael Romero, associate vice president at Continental Real Estate Companies, or CREC. "But people don't realize it because the buildings are not vertical. You don't see 50-story buildings like in Brickell, but there's a lot of traffic to tap into."

CREC recently signed a lease there with Barley American Brasserie. "They doubled their size and are expecting great sales to locals throughout the area." Rents hover at about \$37 per square foot for retail, he added, and not much is available. "We're almost in the fourth quarter of 2015 and zero new retail product has been delivered," Mr. Romero said.

Demand will only get stronger as new residential projects continue to come into market, he said. La Jolla (formerly Alta Dadeland) will add 431 new units, as well as ground-floor retail. Moderna at Dadeland brought 350 units to the area last year. More residential construction in West Kendall will funnel shoppers to the busy area.

"It's ideal for people who don't want to drive a lot," Mr. Romero said. "Consumers today are looking for locally-sourced products, for the unique. The explosive growth of big chains is slowing down."

"Downtown Dadeland really does embody the concept of a mature urban cluster outside of the main urban area," said Tony Arellano, executive vice president of Metro 1 Properties. "It was one of the first transit-oriented developments, and that's a very Miami 21 way of living," he said, referring to the land-use plan adopted several years ago. "You feel like you live in a real downtown, with restaurant, bars and shops within walking distance. And Dadeland Mall is across the street."

Because of the Metrorail, offices in the area are a magnet for law firms since employees can get to the downtown courthouse without using a car, he explained. Residents can go to Brickell restaurants, to the University of Miami, downtown or all the way to Wynwood by using the Miami on-street trolley. In their own neighborhood, they can use the rail to go to the Target superstore or to Trader Joe's, he added.

"How much time do people in Miami spend in their cars? Miami 21 is about the new urbanism to get people out of their cars."

Because it is an established development, there isn't much flux within the Dadeland market, Mr. Arellano said, though a block of shops was recently sold and the owners are trying to attract new tenants.

"They don't sell or lease often. This is a quality, stabilized development with long-term shareholders. They understand the value of what they've got."

Despite some rough times during the recession, Downtown Dadeland and East Kendall have bounced back, said Fabio Faerman, commercial division director of Fortune International Realty.



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The Metropolis at Dadeland, a complex with which he has been involved, has 400 residential units in two towers, and they are fully leased. Some of the ground-floor retail in what he called "dark spaces" has a 5% to 10% vacancy, but otherwise the complex is healthy, he said. The area is served by an underground parking garage, but street parking can be an issue, he said. "Valet parking would help, and commercial tenants should offer it," he suggested.