

Update: Karmely, DeFortuna partner to develop Miami River condo



The One River Point condo project in Miami.

Brian Bandell | November 4, 2022

Editor's Note: This story has been updated to include details of the transaction based on a press release sent to the Business Journal.

A company led by Shahab Karmely of Kar Properties, sold the One River Point condo development site along the Miami River for \$58.85 million to a partnership between Karmely and Miami developer Edgardo Defortuna.

Miami River Project LLC, care of New York-based Kar Properties, sold the 1.8-acre vacant site at 24 Southwest Fourth St. to ORP Partners LLC, which listed its managing member in the assignment of development rights agreement as Edgardo Defortuna. He's the president and CEO of Miami-based Fortune International Group, one of Miami's largest brokers and condo developers. In a press release, Karmely and Defortuna said they formed the buying entity together to move forward with development of One River Point.

The price equated to \$32.7 million per acre. The site is located on the north side of the Miami River and the west side of South Miami Avenue.

The Kar Properties entity purchased it for \$27.5 million in 2013, so it more than doubled in value.

Karmely obtained approval on the site for One River Point, consisting of two 66-story towers connected at the top by a shared amenity deck and private club. Designed by architect Rafael Vinoly, the project would have had 193 units in each tower. It was in the works since 2015 and condo sales had started at one point, but the developer has yet to break ground.

"We remain extremely bullish on the market and on the future of the Miami River," Defortuna stated in the release. "South Florida is one of the top living destinations attracting people from all over the world and waterfront living is the apex of the Miami luxury lifestyle."

Kar Properties and Fortune International Group previously teamed together on the 2000 Ocean condo in Hallandale Beach, with Kar Properties as developer and Fortune as leader of sales and marketing. They also partnered to buy condos at Brickell City Center.

"I've always maintained that the Miami River's setting, location and views had the same potential as London's River Thames, Paris' Seine or Tokyo's Sumida River where residents enjoy the best of waterfront cosmopolitan living," Karmely stated in the release. "Edgardo and I are excited to realize the original vision and fine tune the details to take this project to the next level together."

There's been an increase in condo projects proposed in downtown Miami this year as developers aim to capitalize on the wealthy people moving to the city from high-tax states. However, condo developers are facing challenges from inflated construction costs and rising interest rates.

Kar Properties still owns the neighboring parcel where it intends to construct an office building