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Q&A: Miami Worldcenter Developer Nitin Motwani Outlines Vision

\$3B Project to Become Business and Entertainment Mecca

By Paul Owers

Miami Worldcenter, a \$3 billion mixed-use development slated for downtown Miami, is one of the nation's largest urban projects under construction.

The 10-block development, located between Second and Miami Avenues to 11th Street, will feature up to 450,000 square feet of retail, up to 600,000 square feet of offices, as many as 1,700 hotel rooms and 2,000 residential units when fully built out.

Nitin Motwani is overseeing it all as managing principal of Miami Worldcenter Associates. Motwani, 38, moved to South Florida with his parents and younger brother in the mid-1980's, and the two brothers grew up learning the family business of managing and later buying hotels.



A graduate of Duke and Columbia Universities, Motwani helped create Encore Capital Management, an equity fund with two big projects in Broward County - the 18-story Paramount Fort Lauderdale Beach hotel and the revamping the long-closed Fashion Mall in nearby Plantation.

Still, Miami Worldcenter remains the centerpiece of Motwani's development efforts.

CoStar News: What's your expectation for Miami Worldcenter?

Nitin Motwani: I've been involved in Miami Worldcenter for a decade, and while the specifics of our development have evolved over the years, the underlying problem and solution have always remained the same: How do we transform 27 acres of undeveloped land in the heart of Miami into an economic engine, an international destination and a vibrant neighborhood?

The answer, we believe, lies in a master-planned mixed-use development totaling \$3 billion in investment value and ranking as the second-largest project of its kind in the U.S., behind only Hudson Yards in New York.

It wasn't long before we began putting a master plan together, piece by piece. We envisioned residential towers, hotels, shops and restaurants, and public spaces where the community could come together. It would be unlike anything Miami had ever seen.

How did the project come about? How long did it take to acquire the land?

Our land straddles the line between two neighborhoods: Park West and Overtown, which went largely undeveloped for 50 years during the second half of the 20th century. Attempts to spur investment by adding transit and building a basketball arena never materialized, largely because there were simply too many land owners in the area and no infrastructure to speak of.

As the national shift to urbanism became apparent in the early to mid-2000s, we began to see significant residential condo development in downtown for the first time in our city's history. But as everyone knows, it took a few years for those developers to find residents. When the real estate crash hit, developers and owners had no choice but to lower their prices and rents, and suddenly the residents began pouring in.

Within two years, our residential occupancy rate rose from 68 percent to 94 percent, growth that gave developers even more confidence to invest, and that brings me to my company's project, Miami Worldcenter.

The city of Miami began auctioning off sites in our neighborhood, and our partners started bidding, and winning. Imagine that, the city of Miami was auctioning off land in the literal heart of its downtown as recently as 12 years ago.

A decade of land acquisitions, planning and public entitlements brings us to today. Our first phase, which is now under construction, will include high-street retail, luxury condos, market-rate apartments, class-A office space, an expo center and convention hotel. The second phase will be additional residences, hotel rooms and retail space. And when everything is finished, we'll be creating about 100,000 square feet of new public space that doesn't currently exist.

Twenty-seven acres is a lot of land. Can you explain why you think there's enough demand to fill all the office, retail, hotel and residential space?

We knew we were sitting on some of the most valuable real estate in all of Miami, if not the country, and we watched as our downtown began to materialize around us. The Adrienne Arsht Center for the Performing Arts opened, Museum Park took shape, condos began rising and selling out, new retailers started moving in to serve residents, our friends at Brightline unveiled their plans for a private rail system, and we were in the middle of it all.

One of the things we love most about our site, and something that's appealing to retailers, office users, residents and tourists, is that we're midway between the airport and South Beach, easily accessible from the region's major expressways, and surrounded by transit options.

Walk from our site from any direction and you'll hit a MetroMover or Metrorail station. We've got a downtown rubber tire trolley running along the length of our property. The Brightline is directly



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adjacent to the west, and there have been much-talked-about plans for a streetcar running north from downtown that would connect to Midtown and the Design District.

We're also surrounded by built-in demand drivers, we call them anchors, that will help fuel our retail and provide additional amenities and job opportunities for our residents. Miami Dade College, the Performing Arts Center, Port Miami, Bayfront Park and the new art and science museums.

As all of us in real estate know, millennials are proving to be the Holy Grail, and downtown Miami has them in droves. About 53 percent of our residents are between the ages of 20 and 44, and we've seen a 30-percent per capita increase in incomes in just five years.

We've grown our downtown population by 150 percent since 2000, and that growth is expected to continue. All of this spells more residents to fill our apartments and condos and more disposable income to help fuel our retailers.

In 10 years, what will Miami Worldcenter look like and how it will be perceived in the community?

Miami Worldcenter will be a connector, bridging the gap between the central business district and the arts and entertainment district, Museum Park and Overtown.

These 10 square blocks will be transformed into a thriving retail, residential and commercial destination, thanks to \$2 billion in new private sector investment in our community. This will be a hub for commerce, shopping, dining, entertainment and tourism. It will be a source of jobs, a magnet for conferences and events and a catalyst for improving the downtown streetscape.