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Party will promote W. Palm luxury condos with real estate brokers

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Here's a shindig worth crashing: T-Rex Capital is throwing a party Thursday at its new Eighty Points West luxury condominiums on Flagler Drive in West Palm Beach.

Real estate agents and various VIPs will be treated to crabcakes, sliced tenderloin and frozen margaritas. Agents can drop their business cards into a bowl and be eligible for a four-day, three-night cruise aboard a 94-foot yacht.

They'll also learn that for every two units they sell, their names will be entered into a drawing for a \$60,000 Porsche.

It's all to show brokers how much they're appreciated, says Cliff Preminger, president of T-Rex.

But T-Rex also has another motive. The company that once owned the former IBM complex in Boca Raton needs to generate buzz for its pricey condos, especially now that the housing market has softened.

Only about 10 percent of the 173 units have sold so far, although Preminger said sales are on schedule because T-Rex held back on marketing most of the \$170 million project until now.

Prices start in the high \$500,000s and top out at about \$3.3 million. The units range in size from two to five bedrooms and should be ready later this year.

The first three levels in the 20-story building will be devoted to parking, meaning all the units will have unobstructed water views.

Home sales have slipped across South Florida in recent months, and experts say West Palm's condo market is overbuilt.

But Preminger remains undeterred.

"Obviously, we don't expect to sell out overnight, and people are not going to be sleeping in the parking lot, but we expect a good sales velocity," he said. "We think we've done a good job. The market will tell us."

Last summer, T-Rex sold the former IBM campus on Yamato Road to The Blackstone Group for \$193 million. T-Rex paid \$138.65 million for the 1.8 million-square-foot campus in 2000.

The Boca Raton-based company shelled out \$22 million last spring for the 6 acres at the north end of West Palm.

Eighty Points West is the longitudinal address of the condos. The street address -- and where the party will take place from 5 p.m. to 8 p.m. Thursday -- is 5700 N. Flagler Drive.

Preminger, by the way, wouldn't say exactly how much money T-Rex is pouring into the event. "Let's just say it's a six-figure party," he said.

>The insatiable appetite for urban housing and escalating land prices in recent years has led to more condos and fewer offices in downtowns across the region.

"Owners can get more value for their properties from residential developers," said Tom Capocéfalo, managing partner of the Studley real estate firm's Fort Lauderdale office.

You won't hear complaints from owners of existing office projects. With the lack of new products, many buildings in South Florida are more than 90 percent occupied.

"When that occurs, landlords tend to reduce concessions and rental rates go up," said Capocéfalo, who advises clients looking for space to start the process early -- three years ahead of time in some cases.

Eventually, those buildings that perform well attract investors snooping around for properties.

A handful of office buildings have sold recently, including Esperante and Centurion Tower in West Palm Beach and SouthTrust Tower and Las Olas City Centre in Fort Lauderdale.

ING Clarion Realty Services bought Esperante for \$104.5 million from Rockwood Capital. The \$418-a-square-foot price makes Esperante one of the most expensive buildings ever to trade in South Florida, Capocéfalo said.

Rockwood bought the 246,000-square-foot building for \$60.8 million in 2003. A \$43.7 million profit in less than three years?

"Right place, right time," Capocéfalo said.

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