

Tricera Capital and Alex Karakhanian pay \$2.8M for Design District development site

Partners plan a three-story, 9k sf retail building with a bridal boutique on the top two floors



Tricera Capital and investor Alex Karakhanian just paid \$2.8 million for a site in the Miami Design District where they plan to develop a retail building, Tricera's co-founders Ben Mandell and Scott Sherman told *The Real Deal*.

Tricera and Karakhanian's LNDMRK Development bought the property at 4112 Northeast First Avenue for \$609 per square foot for the land. The 4,600-square-foot site currently houses a 2,100-square-foot building built in 1937 that will be torn down.

Mandell said the plan is to build a three-story, 9,000-square-foot retail building on the site. Already, the partners have secured a high-end bridal boutique to lease the two top floors, though they declined to disclose the name of the retailer or the lease terms. They said they are marketing the 3,000-square-foot ground floor retail space for an upscale restaurant like Nespresso or a luxury retailer.

The total investment in the project will exceed \$6 million, Sherman said. BridgeInvest provided the financing, which was arranged by Charles Penan of Aztec Group.

The seller in the off-market deal was Margaret Okonkwo, who had operated Kidstown Pediatrics at the site. Records show she paid \$470,000 for the property in 2003. Chariff Realty Group represented the seller.

Sherman said the goal is to break ground in the beginning of 2018, and complete the building by the end of that year. The property is next door to the upcoming site of Rag & Bone, and across the street from the future ABC Kitchen and Tesla.

The project marks the first investment in the [Design District](#) for Tricera, [founded early this year](#) to focus on retail, office and mixed-use properties in the Southeast. Managing partners Mandell and Sherman had previously been active in the neighborhood when they were with RKF and Thor Equities, respectively.

Karakhanian has been busy developing projects in Miamo, Wynwood and the Design District. Among his Design District properties is 3701 Northeast Second Avenue, the future site of [Istituto Marangoni](#), a Milan-based fashion school.

“We’ve always been believers in the Design District, and even to this day a lot of people don’t think it’s going to work,” Sherman said. “But we see through the noise, and when the next phase opens it will be an incredible, vibrant destination within Miami.”