

Wynwood developer scores \$10M in loans to redevelop warehouses for retail/restaurants

Sep 18, 2015, 10:00am EDT

J Cube Development obtained \$9.75 million in loans from [City National Bank of Florida](#) to redevelop and retrofit two vacant warehouses in Miami's Wynwood Arts District for retail and restaurants.

[Aztec Group's Charles Penan](#) and [Howard Taft](#) represented the developer in the transactions covering 201 N.W. 21st Street and 2217 N.W. Miami Court. They said the non-recourse loan carried a LIBOR-based floating interest rate with interest only payments and had a 35 percent loan-to-value ratio.



Charles Penan and Howard Taft, of Aztec

“In both transactions, the ownership has the opportunity to turn these vacant warehouses into active commercial real estate spaces that will further enhance the commercial and retail mix in the vibrant Wynwood Arts District, while enhancing the properties’ long-term values,” Penan said.

Wynwood has transformed from an industrial area into a hub for arts and shopping. A new zoning code could allow more residential and taller buildings in the neighborhood. Property values have spiked as major investors have snapped up buildings.

To learn more about where Wynwood is heading, [read this centerpiece from the *Business Journal's* print edition.](#)

J Cube Development Principal **Remy Jacobson** said he previously saw building in Wynwood as speculative, but the “staggering” rental rates being achieved there now show that demand has increased.

Jacobson said he would tear down and redevelop the 26,765-square-foot warehouse on Northwest 21st Street. The size would be about the same, but it would have more frontage on popular Northwest 2nd Avenue to accommodate retail, he said. The building will be designed to handle additional stories for a future expansion with condos or creative lofts, he said.

For the 20,530-square-foot building on Miami Court, Jacobson said he would build out its bare interior to house retail and restaurant. He'd like to attract a French bakery and coffee shop.

J Cube Development needs to obtain city approval for both projects.

“Nobody could have expected such a dynamic market, such an artsy scene coming to Wynwood that non-waterfront property would become such valuable property,” Jacobson said.

J Cube Development paid \$3 million in 2014 for the building on Northwest 21st Street and \$2.43 million in 2013 for the building on Miami Court.