

Apartments to Rise on South Florida Site Formerly Earmarked for Industrial

Developer's Latest Project Part of Strategy to Avoid Low-Lying Areas

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Units at Terra's project near Miami expected to rent for \$1,400 to \$2,400 per month. (Terra)

A South Florida developer is planning nearly 1,400 apartments northwest of Miami and south of the proposed [American Dream mall and entertainment complex](#), adding more units to a region that leads the nation in rental construction.

Terra announced plans for the 70-acre site along Northwest 170th Street between Interstate 75 and Florida's Turnpike after buying the land for \$52 million from industrial heavyweight Prologis. Construction is due to start early next year.

The project is part of a larger strategy by Terra to build away from low-lying coastal grounds that are [susceptible to sea-level rise](#), said David Martin, president of Terra, in a statement.

“In this case, we are going to convert a vacant site initially earmarked for industrial development into a residential community that will create much-needed apartment housing minutes away from

some of South Florida's largest employers," said Martin in the statement.

Major employers in the area include Boeing, Royal Caribbean International, Preferred Freezer Services and the Home Depot.

[Greater Miami](#) has 10.8% of its existing apartment inventory currently under construction, the [highest level in the nation](#), according to CoStar data from Dec. 4. While there are concerns the nation's economic expansion is nearing an end, some analysts say any slowdown would not be nearly as bad as the last one.

"Rental apartments should weather the next downturn pretty well," Brad Hunter, managing director of market research firm RCLCO, said in an email.

The Terra project is near the town of Hialeah and the Broward County border, an area with pent-up demand for rentals, said Jason Shapiro, managing director of Aztec Group, which arranged \$43 million in buyer financing from Synovus.

"For the right project, lenders are still very aggressive," Shapiro said in an interview.

The development is planned to consist of a series of buildings within three subdivisions featuring clubhouses, pools and other amenities. Units will range from about 700 square feet to 1,500 square feet and rent for \$1,400 to \$2,400 per month.

For the Record

JLL's Brian Smith represented Prologis in the land deal. The buyer did not have broker representation. Pascual, Perez, Kiliddjian Architecture will handle project design. Sean Harrington of Aztec Group worked with Shapiro to arrange financing.