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SQUARE FEET

The Latest Fashion Accessory in Miami: A Luxury Condo

Upscale brands are licensing their names to developers in South Florida who are looking to stand out in a crowded market.



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Pop stars and perfume. Athletes and sneakers. Big-budget movies and toys.

When it comes to cross-promotional licensing deals, there are few pairings that marketers haven't tried to raise the profile of their products. Add to that list a new and perhaps unusual partnership: fashion brands and luxury condos.

Across Miami, high-end condos are teaming up with upscale brands in a bid to stand out in a crowded field and reach new consumers. The trend preceded the coronavirus crisis and is expected to last beyond it.

It may be risky to yoke a long-term real estate development to a name that could someday fall out of favor. Indeed, condos in New York and elsewhere have removed Donald J. Trump's name from their facades.

But the strategy, which involves designer labels like Armani, Diesel, Fendi and Missoni as well as luxury automakers like Aston Martin and Porsche, makes sense in place with a fondness for status symbols, industry observers say.

"The people here tend to be very fashion conscious and show off what they own more so than in other places," said Michael Tsiros, the chairman of the marketing department at the Miami Herbert Business School at the University of Miami.

"But the building has to have some value added," he said. "It has to be different from one across the street that looks the same without the same branding."



Missoni Baia, a 249-unit tower under construction in Miami's Edgewater neighborhood, in a licensing deal with the fashion brand Missoni. Scott McIntyre for The New York Times

The overseas buyers who flock to Miami, even in the middle of a pandemic, are a target audience, brokers say.

"The approach has staying power in Miami because the city is so international," said Dora Puig, the principal broker of Luxe Living Realty, who is not involved with the condos but has represented clients who have bought in them.

"Buyers know these brands, which is part of the impetus for developers," she said. "They can help a lot."

The half-dozen projects, which are found around Miami-Dade County, from downtown Miami to Sunny Isles Beach, play up their stylish lineage in marketing materials, but the degree of involvement by the labels at each property varies.

One address where the apparel partner has taken a hands-on role is Diesel Wynwood, a planned 143-unit offering in Miami's Wynwood neighborhood from Bel Invest Group, an Italian developer, and Diesel, an Italian company known for jeans.

Diesel also has a home furnishings line, Diesel Living, which helped design the moodily colored facade, the industrial-themed common areas and the interiors of the condos, said Maximilian Beltrame, Bel Invest's chief executive.



Construction of Diesel Wynwood in Miami is expected to begin this fall. Diesel

Buyers won't get the kind of empty, white-walled unit that is typical in most apartment sales. Instead, Mr. Beltrame said, units will be delivered at least partly decorated, and possibly with full range of furniture, including Diesel coffee tables, lamps and sofas.

Andrea Rosso, Diesel's licensing director, also pointed to the condo's healthful qualities. The airy eight-story complex, which is cleaved by a courtyard, is seeking to be certified as a WELL building by meeting certain thresholds for air and water quality.

"Our vision is optimistic," Mr. Rosso said.

Prices range from \$370,000 to \$5.5 million, which works out to about \$1,100 per square foot, and ground is expected to be broken this fall.

"This is not one of those buildings when you just put a brand on top to make the apartments more expensive," Mr. Beltrame said. "Ours is a very spirited building with a very authentic brand experience."

Similarly, the luxury fashion house Fendi collaborated with the interior designer Fanny Haim on the Fendi Chateau Residences, a 12-story beachfront condo in Surfside designed by the architecture firm Arquitectonica.

The condo sales market was holding its own before the coronavirus case total started mounting in March; Florida did not announce a lockdown until April 2.

In mainland Miami, luxury condo sales in the first quarter rose to 173 from 160 a year earlier, according to the brokerage firm Douglas Elliman. The average sale price jumped to \$492 per square foot from \$468.

But the trend was reversed in oceanfront cities like Miami Beach and Sunny Isles Beach, with 69 sales in the first quarter, down from 70 a year earlier, according to Douglas Elliman. The average sale price was \$1,175 per square foot, down from \$1,299.



Condo developers, who often have little to do with a project once its apartments are sold, may not care so much if the name of a fashion brand on a facade becomes dated down the road.

But some licenses are structured so that condo boards can strip off a designer's name if the brand ever winds up in the discount bin. For example, Gil Dezer, the president of Dezer Development, which is behind the Residences by Armani/Casa Miami, a 308-unit beachfront high-rise in Sunny Isles Beach. Developed with the Related Group, the condo opened this winter and is about 90 percent sold, for prices that average \$1,200 per square foot.

Yet Armani also has the option to sever ties if it comes to believe the building, a sail-shaped structure designed by Pelli Clarke Pelli Architects, is not being maintained properly. "They can't go and paint the building pink if they want to," Mr. Dezer said.

Armani, like other fashion houses, would seem to have much to gain from joining luxury housing developments. Besides collecting a licensing fee for the \$750 million project, Armani was reimbursed for design work, including \$850,000 for gold-toned, custom-built lighting that rings the lobby, Mr. Dezer said. Plus, each buyer has been handed a \$25,000 gift certificate for an Armani boutique.

"Their motivation is to sell furniture," he said.



The fashion house Armani will collect a licensing fee and be paid for its design work at Armani/Casa Miami in Sunny Isles Beach, Fla. Angel Valentin for The New York Times

The premium for developers may be less quantifiable, but "there is definitely a value in putting brands on buildings," added Mr. D. whose portfolio includes the nearby Porsche Design Tower, a 132-unit spire.

Like some other high-end automakers, Porsche has branched into apparel and accessories in recent years, including shirts, pants and watches.

Similarly, the lifestyle collection from the British sports-car maker Aston Martin is packed with sweaters, jackets and leather bags; it may come as no surprise that the company is following Porsche down the same track with a new 391-unit, 66-story condo.

Aston Martin Residences was developed through a partnership with G&G Business Developments, a firm tied to Argentina's Coto owner of a supermarket chain. The condo, whose one-bedrooms start at \$750,000, is expected to open in 2022. The building is 55 percent sold since 2017, a spokesman said, for prices averaging \$1,200 a square foot.

The condo, which has a protruding, semicircular edge, may recall the curvy lines of a coupe, but relevant interior detailing can seem minimal. Small versions of the Aston Martin logo appears on the handles of sliding doors in common areas, and lobby desks are made of carbon fiber, a car body material.

Along the same lines, it remains to be seen how wholeheartedly Missoni Baia, a 249-unit tower under construction in the Edgewater neighborhood, will embrace the fashion brand Missoni, an Italian label known for kaleidoscopic fabrics.

The stark-white 57-story structure, which is being developed by OKO Group, OB Group and Cain International, features ground-floor columns imprinted with tie-dye-style patterns. The units, save for geometric upholstery, seem fairly conventional.

At the end, though, many buyers may not care if their living room has the provenance of a runway, some developers say.

"Fashion is almost a nonissue," Mr. Dezer said. "What counts is a nice building."