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## Second State Department lease gets Omni to 50% occupied

By MARILYN BOWDEN

With a new 27,000-square-foot lease in hand, the Omni Offices is more than half full.

"We signed a lease with the US Department of State Office of Diplomatic Security for 27,000 square feet. They are in the midst of building out the space and will occupy this August or September," said Mark Teitelbaum, principal & COO of Argent Ventures, the New York City-based real estate investment and development firm that converted close to 300,000 square feet of the former Omni Mall to office space.

The new agency joins the State Department's US Passport Office at 1645 Biscayne, at the north end of the former mall.

"Once you get a couple of government deals, you get the Good Housekeeping Seal of Approval," Mr. Teitelbaum said. "We're now talking about other government transactions as well.

"They like the parking and the access to Metromover and major transportation arteries, as well as the efficiency of having a full floor.

"For tenants whose employees go in and out a lot, this is a unique product, because not only is there lots of parking, but you can park your car very



Photo by Maxine Usdan

Leases bring Omni the federal "Good Housekeeping Seal of Approval," says principal Mark Teitelbaum.

close to your office."

The space, which has 20-foot floor-to-ceiling windows, "is probably one of the nicest government spaces in Florida, and they are very excited about it," he said. "Hopefully that momentum continues."

In addition to the 1645 building, Argent converted space at 1501 Biscayne at the south end of the complex, where Jordan

Marsh used to be. It already had two tenants in place – the Greater Miami Chamber of Commerce and Miami International University of Art & Design.

"We're talking with other tenants," Mr. Teitelbaum said. "As with all buildings, it's going slower than we expected. The new buildings downtown are offering a lot of inventory and are a distraction for tenants,

because most would love to reach to go into one of them. But when they dig a little deeper and see what the options are, I think we will get our fair share."

In addition to lots of parking and location, he said, The Omni Offices has the advantage of a contiguous hotel – the 528-room, newly renovated Hilton Miami Downtown, which has 40,000 square feet of meeting

space.

"Eventually we will start doing some retail on the ground floor – restaurants and support services for tenants," Mr. Teitelbaum said. "Publix is opening across the street on 17th Street, and we are optimistic that it will attract a little more retail activity."

He quoted office leases rates at \$30 net of electric, negotiable.

Carol Ellis Cutler, a vice president at Colliers International who worked with Mall of the Americas when it went through a similar transformation of retail to office use in 1996, said the challenge the Omni Offices faces is the size of its floor plates, since the Biscayne area is not known for attracting large corporate tenants.

On the other hand, she said, that means it will not be competing with any other properties in the area, and "the renovations are beautiful, with fantastic views."

Omni is an anomaly in that part of town, said Jay Caplin, managing director at Steelbridge Capital. "Their niche is that they can offer proximity to Miami Beach, downtown and a high-density population, with lots of parking at a reasonable rate," he said. "It has filled a void in providing big chunks of space at an inexpensive rate."