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## Billionsaire Schmidt-Backed Building Seeks Top Miami Beach Rents

*Developers are preparing to construct the first new office property in the city's South of Fifth district in more than 15 years.*

By: Natalie Wong  
Impression: 77,000,000



*The five-floor building in Miami Beach will feature office space with asking rents of \$170 a square foot. Credit: TECMA*

A new Miami Beach office building backed by ex-Google Chief Executive Officer Eric Schmidt will seek some of the highest rents ever seen in that market to cater to the growing number of hedge funds and finance firms expanding in the region.

Developers Sumaida + Khurana and Bizzi & Partners are building The Fifth Miami Beach, a boutique office property with roughly 60,000 square feet (5,570 square meters) of rentable space, according to a statement Tuesday. Schmidt is a co-owner of the building, according to city filings. The developers and a representative for Schmidt declined to comment on his involvement.

Asking rents for the building are expected to reach \$170 a square foot, according to Brian Gale, a vice chairman at Cushman & Wakefield, which is handling office leasing for the site. That's more than double the average rate in Miami's Brickell market of \$74.33, according to research from Savills. Rents for The Fifth Miami Beach could even top the priciest office market in New York at Hudson Yards, where high-quality offices rent at an average of \$133 a square foot, Savills data show.

It will be the first new office building in the region's South of Fifth neighborhood, one of the most prestigious districts in Miami Beach, in more than 15 years.



*The new building in Miami Beach will be designed by Spanish architect Alberto Campo Baeza. Credit: TECMA*

"We already have a tremendous amount of interest," Alessandro Pallaoro, managing director of Bizzi & Partners, said in an interview. "We're starting a new benchmark, so of course our asking rents are properly measured to what we're offering."

The office market in the Miami region has seen a surge in demand over the past two years as tech and finance giants set up shop in the area. Ken Griffin's Citadel said earlier this year that it



would relocate its headquarters to Miami from Chicago and venture capital firm Andreessen Horowitz signed a lease for a new office in Miami Beach.

The building will be designed by Spanish architect Alberto Campo Baeza and resemble a jewel box with a facade of white marble, transparent glass and white concrete. The site will have a rooftop with expansive views of the ocean, as well as two dining spots, indoor and outdoor gyms and a spa. It will also have a marble lobby with 33-foot (10-meter) ceilings and a large atrium at the center.



*The office building will feature views of the ocean from its rooftop. Credit: TECMA*

Elevators will have two entrances, with one leading to a shared hallway and another leading directly to a CEO office, according to the developers. The building will also have chargers for electric vehicles, cars for rent and drivers on-demand.

“It’s going that extra mile to make it easier for people working there to enjoy the neighborhood,” said Amit Khurana, founding partner of New York-based Sumaida + Khurana. “We’re offering a far more superior product.”

Schmidt, the co-owner of the building, is worth more than \$20 billion largely due to his ownership stake in Alphabet Inc., according to the Bloomberg Billionaires Index. His family

office, Hillspire, manages that fortune, which includes a stake in D.E. Shaw and investments in real estate and private equity.

<https://www.bloomberg.com/news/articles/2022-10-11/billionaire-schmidt-backed-building-seeks-top-miami-beach-rents?sref=TyMf2uoZ>