

Pair of South Beach office buildings sold for \$49M

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Terranova sold the office building at 1688 Meridian Ave. in Miami Beach to Ivy Realty.

Terranova Corp. sold a pair of office buildings in South Beach, just north of trendy Lincoln Road, for \$48.75 million.

Beach Tower LLC, an affiliate of Miami Beach-based Terranova, sold the offices at 1674 and 1688 Meridian Ave. to Ivy MBT Property, an affiliate of New Jersey-based Ivy Realty. The buildings have 30,132 square feet in three stories and 89,834 square feet in nine stories.

The deal also included 0.7 acres of land at 1699 to 1719 Jefferson Ave. that's currently used for parking. Ivy Realty said that property could potentially be developed into commercial or multifamily use.

Terranova acquired the buildings in 2004 for a combined \$27.03 million and renovated them. Ivy Realty said the office towers were 69 percent occupied and it plans to invest in upgrading them further.

“There are enormously high barriers to entry for office space in Miami Beach with virtually no new inventory in nearly a decade and no new construction on the horizon,” said [Rusty Warren](#), Co-CEO of Ivy Realty. “Once we revitalize Miami Beach Towers in the tried and true formula we’ve employed with other office buildings in South Florida, we expect occupancies to soar. It’s a stellar addition to our 1.7 million square-foot office portfolio in South Florida, and the plans for Lincoln and Meridian Roads’ transformation will only add to Miami Beach Towers’ future value.”

The office buildings were developed in 1959 and 1961. Tenants include Regus, Next Model Management, Verizon Wireless, Barclay’s Real Estate Group, SCPF and Merchant Data Systems.

“We are delighted with the positive conclusion of this investment,” Terranova Chairman [Stephen Bittel](#) said. “Our current development of two neighboring three-story retail buildings [801 Lincoln Road and 723 Lincoln Lane] featuring Marshalls and Anthropologie as anchor tenants, will open the future of Meridian Avenue and expand Lincoln Road, Miami’s most famous landmark, an eight block expanse of shopping, dining and entertainment.”