

Laps of luxury: What upscale brands add to South Florida condos



A beachgoer walks along the sidewalk in front of the Four Seasons Private Residences in Fort Lauderdale. From 5 million penthouses to million-dollar-plus homes and condos, branded luxury condos are in high demand among buyers from North America and overseas, brokers and analysts say. Carline Jean / South Florida/South Florida Sun-Sentinel/TNS

As well-heeled out-of-staters continue to flood South Florida, many are turning to brand names such as Ritz-Carlton, Porsche, Armani, Four Seasons and Aston Martin as they search for homes.

Luxury hotel and other high-end product brands have long been a big magnet for buyers who want a place with services ranging from spas to golf to high-end restaurants and recreation on the water. Now, developers see those brand names as a catalyst for sales at prices above-market rates, or as a means for speedier condo sales. In the past few years, a spate of new South Florida condo towers have taken on high-end monikers.

Branded residences have “experienced an extraordinary decade of growth,” according to Savills PLC, the London real estate services firm. The number of hotel branded residences doubled from 2010 and 2020.

“These brand names are equal to high-end and quality,” said Eileen Acello, marketing professor at the Florida Atlantic University College of Business. “The [consumer] trust is there, and the quality is there, and it can be an easy sell.”

What’s in it for buyers?

Developers and real estate agents [say it’s all about elevated service](#) . Some say the brands have long-time loyalists who follow them for years.

“A brand has the power to attract buyers from all over the globe when it has a strong following and an excellent reputation,” said Nadim Ashi, founder of Fort Partner, which is developing the Four Seasons Private Residences Fort Lauderdale Beach.

Residents who buy at this level place a higher level of trust in a brand operator for building management than a building’s elected condo board.

“I think that right now that when you mention brand the buyers are very astute,” said David Teixeira, vice president of Douglas Elliman Business Development Marketing. “They want the quality control, everything down to the uniforms, the music the lighting.”

Condo owners who buy units with hotels on the properties can avail themselves of the food, beverage and concierge services that guests normally receive at the hotel.

“The housekeeping, the guest services, the high-end dining—basically all of the services,” said David Warne, chief operating officer of Penn-Florida, developer of The Residences at Mandarin Oriental, Boca Raton. “When you have a branded condominium adjacent to a hotel you can complement it with high end service: Turn down service, housekeeping, bar service and wine storage, all of these accoutrements you would expect from a luxury hotel are available on an a la carte basis.”

The economics of it all

At the Four Seasons Private Residences Fort Lauderdale Beach, two-bedroom units are starting at \$4.55 million, and the project is 90% sold. Ashi's firm also converted the 1930s-era [Surf Club in Miami Beach](#) into a Four Seasons that quickly sold out.

And buyers of branded properties are finding they can sell at premium prices thanks to the names on the building, brokers say.

Elliman's Teixeira said he examined his firm's internal data on price appreciation and found a substantial upside among the sales of branded properties.

"I'm seeing about a 40% increase with our branded residential," said Teixeira, whose firm is handling sales at the Fort Lauderdale Four Seasons. "If you were to look at newer buildings on Fort Lauderdale Beach, there is about a 40% increase in the dollar per square foot ... sales price. It's significant with certain brands."

The property is attracting "a variety of different buyers," Ashi said.

"There are brand devotees who recognize the value of owning a Four Seasons home, local empty nesters who are ready to move to the beach and a large portion of buyers from the Northeast who want to take advantage of Fort Lauderdale's amazing quality of life," he said. "Many of our buyers have discovered Fort Lauderdale in comparison to Miami for its comparable level of finishes, services, views and amenities, but at a more enticing price point. While we have seen international buyers drawn to Fort Lauderdale's world-renowned yachting lifestyle, the bulk of our buyer demographic is domestic."

What's in it for the developers

"Branding is just an outstanding way to differentiate and elevate a condominium offering," said Warne. "This is not only providing a high-end real estate opportunity, you're adding high service brands."

The project has 89 units for sales next door to a Mandarin Oriental hotel that's nearing completion in Boca Raton. Prices range from \$3 million to over \$20 million.

The Four Seasons takes advantage of a long-time following, said Ashi.

"Aligning with Four Seasons has also allowed us to tap into a market of brand loyalists," he said. "Many have been waiting for the right opportunity to purchase at a Four Seasons property and have chosen one of our developments for their elevated, oceanfront lifestyles."

Gil Dezer, president of Dezer Development, which built the [Porsche Design Tower in Sunny Isles Beach](#), is starting to sell units for the nearby Bentley Residences, named after the British luxury car. He said there's little question that brands expedite sales over unbranded properties as buyers know what they're getting from the more prominent name.

"I think all things being equal, if you had two buildings — one with and without — the one with the brand will make more sales," he said.

Ryan Shear, managing partner of PMG, which is developing a landmark [1,069-foot Waldorf Astoria](#) Hotel & Residences tower in downtown Miami, agreed that brands are perceived by owner-developers as a way to "elevate the building to sell. They think it

will help their project."

“We didn’t go out there and say we wanted a big brand,” Shear said. “It took us a couple of years. We went through surveys and talked to everybody and got [offers] from multiple brands.”

But he got a big brand: the 90-year-old Waldorf Astoria, the flagship of Hilton Worldwide.

“We thought they were the highest and best brand,” Shear said. “We liked Hilton a lot. Their team was great. It’s just a good marriage and that was it.”

Demolition and underground work have started on the project, which still requires various government approvals and isn’t expected to be completed until 2026. Yet, Shear said, “we’ve just reached 70% sold.”

Hotels vs. cars

So which brand affiliation is best? Hotel or non-hotel?

“I think most of our buyers really prefer staying with the hotel brand because the hotel brand understands the full combination of a hotel, meaning restaurants, spas and maid service,” said Teixeira of Elliman. “They feel there is an advantage over a car maker that has name of it.”

But Dezer sees an affinity-driven advantage by appealing to people who are familiar with cars and other high-end products. And he thinks it’s what a developer puts into a building that matters the most. Nonetheless, the service at the Bentley will be comparable to what owners at hotel-branded condos receive.

“The people who are running the building are ex-hoteliere from specific brands,” he said. “They are hotel managers.”

“As a developer you have to look at the product you are building,” he added. “If the floor plans aren’t good, they aren’t worth anything. We have swimming pools on the balcony. What we do is kind of on a different level.”

Prices at the Bentley will range from \$3.9 million to \$7 million. He said the penthouse prices have yet to be determined.

For others, the brand is not the sole element in selling a luxury tower.

German Coto, CEO of G&G Business development, builder of the [66-floor Aston Martin Residences](#) in downtown Miami, says it’s a combination of factors.

“There is not a single element that works alone in a marketing strategy,” he said “It’s the combination of all the factors, including location, architectural proposition, amenities, design, and of course a brand and the developer. All of these factors together bring the ultimate proposition that, in fact, in Aston Martin Residences results in almost 85% of units sold ahead of its completion in one year.”