

# 886-unit student housing project breaks ground near FIU in Sweetwater

20-story project originally planned as condo

By Brian Bandell – September 27, 2018



The University Bridge Residences project in Sweetwater has undergone another transformation as it breaks ground.

The 20-story tower at 740 109th Ave. was originally conceived as condo that would have to be rented to students or faculty of neighboring Florida International University. Then it was changed to an apartment project by for-profit developer University Developments.

Now, University Bridge Residences is owned by a nonprofit developer, who will eventually deliver the completed student housing project to FIU. However, University Developments will collect a fee for building and managing the project.

Holland & Knight attorneys Vivian de las Cuevas-Diaz and Isabel C. Diaz represented the for-profit developer in the deal, thought to be the first of its kind in Miami-Dade County.

The for-profit developer, a partnership among Global City Development, Reichmann International and Podium Developments, sold the property for \$48.56 million to Atlantic Housing Foundation, a nonprofit affordable housing developer, Holland &

Knight said. The nonprofit developer then obtained a \$227.6 million tax exempt bond to fund construction of the project. Coastal Construction is already working on the 886-unit project with 7,000 square feet of commercial space.

Brian Pearl, a principal with Global City Development, said the construction bond could only be structured through a nonprofit entity. The developer's returns from the project will be about the same over the long term, although it would make less money in the beginning, he said.

Diego Procel, also a partner with Global City, said the institutional investors purchased the bond, which has a 5 percent interest rate. The building would be given to FIU after 40 years when the bond is fully repaid, he added.

"Instead of paying money to our investors or a bank, the school will be getting the benefit and the nonprofit will be getting the benefit," Pearl said.

The nonprofit would use much of the proceeds to fund scholarships at FIU, the developer said. The bonds were issued through Capital Trust Agency.

The developer expects to complete University Bridge Residences in time for the 2020-2021 academic year. It was designed by Arquitectonica. Landmark Properties will manage the student housing.

Unfortunately, the university's pedestrian bridge that was supposed to help FIU students reach the building collapsed during construction. It's not clear when, or if, it will be rebuilt.



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