

South Florida BUSINESS JOURNAL

CELEBRATING

30

YEARS

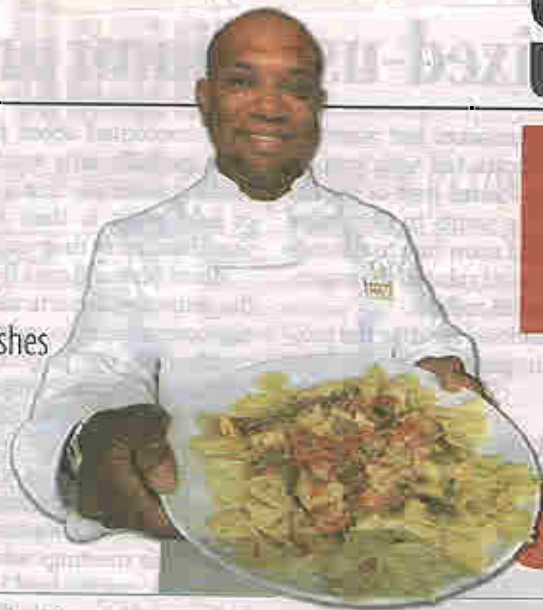
THIS WEEK

in the SFBJ

BIGGEST WINNER:

A creative chef cashes in with an NBC licensing deal

P4



Suit hints at AutoNation's online drive

BY PAUL BRINKMANN

A new lawsuit filed by AutoNation is shedding light on a little-known side of the auto sales industry: the growing importance of online sales leads. The suit may also provide more clues about why heavyweight investors like Bill Gates and Edward Lampert have steadily increased their stock in Fort Lauderdale-based AutoNation.

The nation's largest auto retailer is suing a former regional manager of its online sales company, AutoNation-Direct, for allegedly violating a non-compete clause in her contract.

According to the suit in federal court, manager Kerry Remlinger resigned from AutoNation in Atlanta on March 2 and went to Edmunds.com, a direct competitor.

AutoNation is normally protective about any information regarding online sales and its digital management systems for tracking sales leads.

But the suit makes it clear how important online sales are to the public company: "AutoNation spends millions of dollars annually, including substantial professional time, on analyzing confidential business information from every one of its dealerships and... is in a unique position in the industry to know which wholesale 'e-leads' result in the highest percentage of actual new or used vehicle sales."

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MARK FREERICKS

C. Wendall Collins says the tribe backed out of a contract after years of meetings.

Canceled ecolodge leads to \$20M suit against Seminoles

BY PAUL BRINKMANN

The Seminole Tribe of Florida says a contract to build an ecolodge on its land was canceled before the U.S. Department of the Interior's Bureau of Indian Affairs approved it, but the developers disagree.

Palm Beach County developer C. Wendall Collins and his company are suing the tribe for in Broward County Circuit Court

for \$20 million, saying it backed out of a contract after years of slideshows, meetings, blueprints and expensive government approval procedures.

Collins had already been involved in developing Grand Key Resort and Islander Resort in the Florida Keys. Now he claims in his suit that the Seminoles

SEE SEMINOLES | 29



BACK TO GROWTH

City National Bank, under CEO Jorge Gonzalez, has added six branches and has more on the way after getting a \$100 million cash injection and cutting down on problem loans. P3



EUROPEAN INFLUX

Jack Elkins says European buyers represent two-thirds of his business in northern Palm Beach County - up from a third a few years ago. P14

SOFLA LUXE

Business Journal columnist Jeff Zbar takes on a new assignment - a weekly column about the most exclusive luxury properties in South Florida. P15

Outlook for banks mixes optimism, lingering nervousness



More banks will fail and qualifying for loans is still arduous, even though there are reasons to be optimistic, our panel of banking experts says.

The chief worry is a real estate market plagued

by foreclosure and valuation issues. Would-be business borrowers have trouble getting loans because their personal credit scores are battered. Regulators are closely watching lending activity, which limits flexibility among bankers.

Community banks, in particular, are facing challenges because they've historically relied

on real estate for much of their portfolios. One expert said we are undergoing a "thinning of the herd" - a painful process that will see more bank failures and consolidations.

Our special report, with sidebars on SBA lending and the impact of rising property insurance costs, starts on Page 9.



BUSINESS OF THE YEAR AWARDS:

Join us April 28 as we celebrate the success of this year's honorees at the Design Center of the Americas. Call (954) 949-7522 or visit www2.bizjournals.com/southflorida/event/45251 for details.

SFBJ 2011 BUSINESS OF THE YEAR AWARDS

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Condo penthouse fetches sky-high price tag in rebounding market

For brokers, agents and sellers looking for a sign that the South Florida luxury real estate market is on the rebound, just look up.

High above South Beach, overlooking the Atlantic Ocean, Government Cut and Fisher Island, lies the penthouse of Apogee Miami Beach. The 6,853-square-foot unit boasts six bedrooms, 7.5 bathrooms, an 11,000-square-foot terrace/balcony with a 360-degree rooftop palazzo and private pool – and an \$11.5 million price tag.

Even discounted from the original \$15 million price tag, it's the fifth-most-expensive condominium resale in Miami-Dade County history – and just the latest in a list of high-priced properties to move off the market.

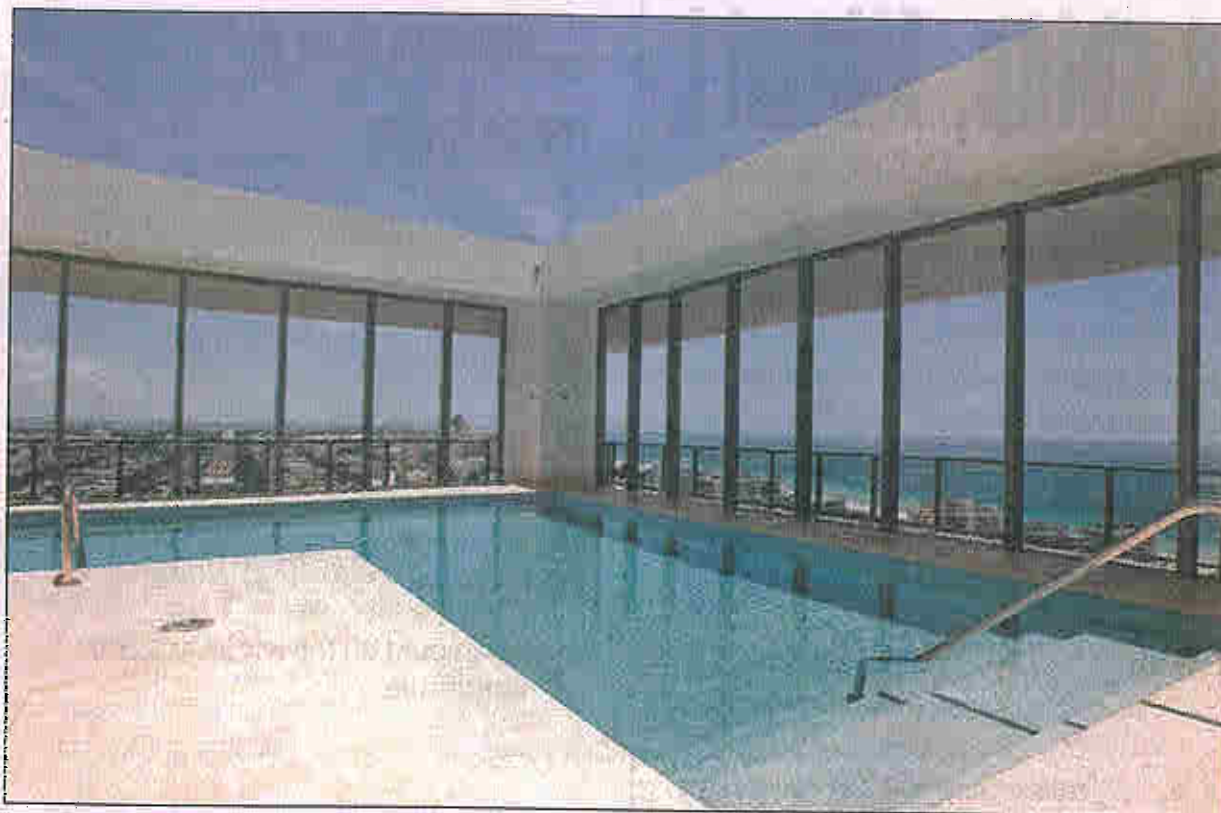
In an economy where the recovery has been called tenuous and foreclosures persist, the \$1 million-plus market has been unusually active. Since last May, seven properties have sold for between \$8.7 million and \$15 million, says Ron Shuffield, president of Esslinger Wooten Maxwell, which handled both sides of the Apogee transaction – and three of those top seven deals. The price was almost \$1,700 a square foot.

"We will sell more properties this year than any previous year," he said. The former peak year: 2005, with 2,201 sales a month in Miami-Dade County. It soon dropped to 1,066 a month in 2008, but the first quarter



SOFLA LUXE

Jeff Zbar



Apogee Miami Beach's penthouse includes a 360-degree rooftop palazzo and private pool.

of 2011 is on pace to hit 2,348 a month, according to South Florida Regional MLS data, he said.

ULTRA-LUXURY SALES ON A TEAR

Though overshadowed by the sheer numbers of the residential sales recovery, ultra-luxury is on a tear of its own. EWM is 38.4 percent ahead of 2010 figures, with some \$543 million in the million-plus home/condo market in Miami-Dade over the past year, Shuffield said. That included properties in Bal Harbour, Brickell, Fisher Island, and the most expensive proper-

ty ever sold in Coral Gables, at the Gables Club.

Apogee Penthouse A is Exhibit A of the high-end recovery. The condo unit commands the top two floors of the 22-floor Apogee, and it offers three levels of decorator-ready living space. The main living area features 22-foot ceilings with double-height floor-to-ceiling windows. The private elevator drops to the 2.5-car private, air-conditioned garage.

Jorge Perez and his Related Group completed Apogee Miami Beach in 2008. The Sieger Suarez Architectural Partnership

THE DETAILS

SoFla Luxe is a weekly column focusing on ultra-luxury residential real estate in South Florida. If you have news to share, e-mail columnist Jeff Zbar at jeff@jeffzbar.com or call him at (954) 346-4393.

designed it, with interiors from Yabu Pushelberg. The buyer – like the seller, a corporation – was piqued by ocean views, location and exclusivity, said Pablo Alfaro, the EWM agent who represented the buyer. Fellow EWM agent Esther Percal represented the seller. The buyer was an undisclosed European concern. The seller was Moonlight LLC.

"Foreign clients want to be on the water," Alfaro said. "This is like a single-family home in a luxury setting. It's a family apartment – and there's certainly not a lot of family apartments in Miami Beach."

Are such sales a bellwether or a blip? Shuffield is understandably bullish. Prices are low, the global rich have money to spend and South Florida – with the emergence of world-class culture and enduring beachfront allure – is getting eyed anew.

"The rest of the world recognizes that we're at the low point of pricing, and they're quickly taking advantage of that," Shuffield said. "It might be another 20 years before buyers have a chance at condo units like these."

JEFF ZBAR covers ultra-luxury residential real estate. Contact him at jeffzbar@gmail.com or (954) 346-4393.

Executive Suites