WALL STREET JOURNAL

Miami Tower Built for Storms

Developer Touts His Building as Hurricane-Proof; 'the Code … Is Not Enough'

BY A.D. PRUITT

While some meteorologists are warning that this hurricane season could be rougher than usual, Miami-based developer Alan Ojeda isn't worried. Indeed, it could turn out to be a marketing opportunity for him.

In February, Mr. Ojeda completed 1450 Brickell Ave., a Miami office tower that he is billing as the first fully hurricane-protected high-rise office building in the state.

Hurricane-proof 1450 Brickell is one of Miami's newest office towers.

With debris-resistant windows on all 35 of its stories, he says it would withstand a Category 5 hurricane without significant damage.

Some of the office buildings on Brickell Avenue, commonly referred to as "Wall Street of the South," suffered extensive damage in 2005 from hurricanes Katrina and Wilma, such as tens of thousands shattered windows.

It is too soon to tell, however, whether Mr. Ojeda is making a sound bet financially. He acknowledged the construction costs of 1450 Brickell were hefty because of the extra hurricane protection. The tower cost $240 million with the windows costing $100 a foot. That is roughly 50% higher than normal window installations.

So far the 580,000-square-foot building is still roughly 50%-leased, not enough to be deemed a commercial success. Mr. Ojeda says he isn't charging higher rents than his competitors, as he considers this a long-term investment.

Mr. Ojeda is hoping that the added protection will translate into greater demand from tenants. Indeed, the building's largest firm so far is the law firm Bilzin Sumberg Baena Price & Axelrod, which couldn't get back into its offices for five days after Hurricane Andrew in 1992, according to John Sumberg, managing partner of law firm Bilzin Sumberg.

"To have your offices in perfect condition, ready to go, and the electricity on after a storm is a big deal," Mr. Sumberg says, who predicted that over time the building will be able to charge higher rents than competitors.

Sumberg's firm will take up 80,000 square feet of space at 1450 Brickell in October. His firm has been working out of the Wachovia Financial Center for 24 years. Other tenants at the new tower include J.P. Morgan Chase & Co., Bank of New York Mellon Corp. and HIG Capital.

The extra hurricane proofing built into 1450 Brickell shows that sometimes the private market can overtake the public sector when it comes to building design and safety standards. For example, in New York and Washington, D.C., some developers have put in anti-terrorism safeguards that exceed building codes.

For instance, developer Larry Silverstein installed in 7 World Trade Center a fireproofing material used to protect the steel

1450 Brickell is located in the heart of Miami's Brickell Financial District, commonly dubbed the 'Wall Street of the South.'

structure that is 10 times as adhesive and 50% more fire-resistant than required by building codes.

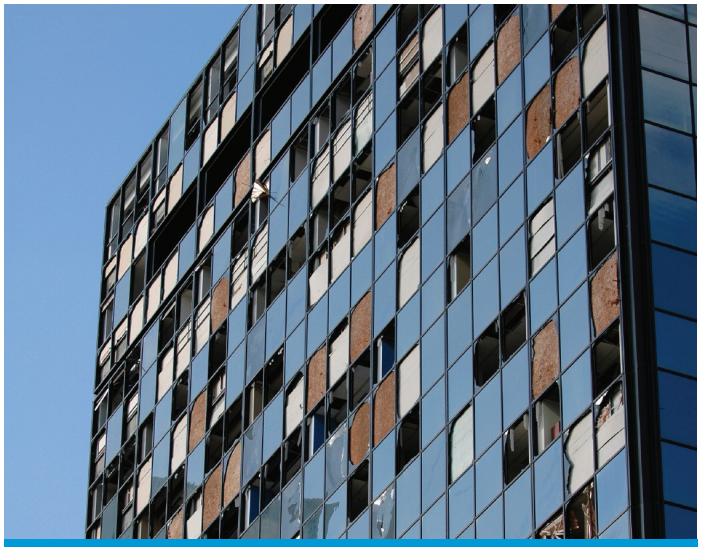
In Miami, the city building code calls for the first 30 feet of a building to be protected from large debris like timber, garbage cans or roof shingles. Above that, protection calls for a much smaller impact resistance.

But Mr. Ojeda says "the code … is not enough."

He says after the hurricanes in 2005, he walked along Brickell and "saw many broken glasses way above 30 feet high." So, "we said, instead of doing the first 30 feet … let's do the whole building," he says. The developer also installed a second generator in the building so employees can continue working even if the city loses electricity.

Mr. Ojeda recently completed a residential building that has the same kind of debris-resistant glass. And he is working on another office tower near the airport with similar protections, scheduled to be completed in 12 months.

Shattered glass is one of the most menacing of damages in a hurricane. Not only do the wind and rain that get in through broken glass wreak havoc on the office interior, the buildup of air that tries to escape blows the building apart from the inside, a phenomenon called internal pressurization. The flying debris from one building can cause damage to nearby properties.



Hurricane Wilma carved a path of destruction along Miami's Brickell Avenue corridor in 2005.

About 1450 Brickell

1450 Brickell is a 35-story, 582,817 square foot Class A office tower in Miami, Florida's Brickell Financial District, home to a dynamic and world renowned commercial and residential sector as well as more than 30 retail establishments and restaurants. The building offers both commercial office and ground-level retail space and is located in one of the City's most desirable areas, with convenient in-and-out access and sweeping views of Biscayne Bay. The tower, which is the first new office building in Downtown Miami to secure LEED Gold certification, has flexible floor plates of 25,000 square feet and five levels of office lofts consisting of 6,000 square feet. 1450 Brickell was developed by Miami-based Rilea Group, a full-service real estate development firm that has been developing real estate projects in South Florida since 1981. Learn more at www.1450brickell.com.

Developed by:

RILEA GROUP
REAL ESTATE DEVELOPERS SINCE 1981

For leasing information, please contact:

BLANCA®
COMMERCIAL REAL ESTATE, INC.

1450 Brickell Avenue, Suite 1460
Miami, FL 33131
T: (305) 577-8850 • **F:** (305) 577-8853

www.blancacre.com
Licensed Real Estate Broker