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SOUTH FLORIDA REAL ESTATE NEWS

Alchemy plans mixed-use project on Salvation Army parking lot in Wynwood

New York-based developer paid \$18M for 0.8-acre site where it wants to build 186-unit apartment building with retail and garage

By: Francisco Alvarado
Impression: 1,500,000



Alchemy's Brian Ray, Joel Breitkopf and Kenneth Horn with 18 Northwest 23rd Street and rendering of planned mixed-use project (Alchemy-ABR, Google Maps)

Alchemy-ABR Investment Partners wants to develop a Salvation Army parking lot in Wynwood into the firm's first Miami project.

An affiliate of the New York-based developer paid \$18 million, or about \$526 a square foot, for the 0.8-acre development site at 18 Northwest 23rd Street, records show. Israel Discount Bank of New York provided **Alchemy-ABR** with a \$12 million mortgage.

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The Salvation Army, which operates a nearby thrift store and rehabilitation center, is the seller, records show.

Alchemy-ABR retained Miami-based Arquitectonica to design a 12-story apartment building with 186 units, retail spaces and a garage for the parking lot site. The developer expects to break ground in 2024 with an expected completion of 2026, said Alchemy-ABR Managing Partner Brian Ray.

"Everything lined up for us on this one," Ray said. "We are very cognizant of market factors and cycles, and this was the right time, right project and the right neighborhood."

Alchemy's Wynwood project will offer a mix of one-, two-, and three-bedroom units that are slightly larger than other apartment offerings in the neighborhood, Ray said.

Alchemy-ABR, co-founded by Ray and partners Joel Breitkopf and Kenneth Horn, joins a growing roster of out-of-state developers paying hefty prices to buy premium development sites in Wynwood and surrounding neighborhoods. In 2016, the firm entered the South Florida market as an investor, paying **\$30.5 million** for a pair of Palm Beach Gardens office buildings.

Last month, The Sabet Group, a Los Angeles-based and New York-based multifamily developer, paid **\$14.3 million**, or \$656 a square foot, for a 0.5-acre redevelopment site in Miami's Arts & Entertainment District. The firm has not yet decided how to redevelop the one-story commercial building, but the property is zoned for a 25-story residential building with 250 units, as well as hotel or office uses.

In August, San Antonio-based Lynd Living acquired a nearly 0.5-acre development site at Miami Worldcenter for **\$30 million**, or a whopping \$1,377 per square foot. Two development sites totaling about 1-acre each in Wynwood also recently hit the market with asking prices above **\$30 million**.

Alchemy is entering a competitive arena of development in Miami, but it still has plenty of room for growth in Wynwood's multifamily submarket, Ray said. "There will be significant absorption," he said. "We are betting on the overall market and fitting in with a high quality product."

His firm competed against other bidders, but Alchemy paid a market rate for the parking lot, Ray said. "There was a process, and we had the most competitive package for the seller," he said. "For certain sites, you have to pay a premium."

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