

ON REAL ESTATE BY JACK WITTHAUS

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THESE 5 PEOPLE ARE SET TO HAVE A HUGE IMPACT ON C. FLA. REAL ESTATE IN 2020

Most everyone in Central Florida real estate wants to know what Mary Demetree is up to. After all, Demetree — owner of Winter Park-based developer Demetree Real Estate Services — has a pair of projects that may transform stretches of property near two hot submarkets: the University of Central Florida and Winter Park. That makes her someone to watch in Central Florida real estate in 2020.

Demetree said she wants to break ground on both projects in this year:

► Near UCF, Demetree plans to develop roughly 1,800 student housing beds and renovate about 100,000 square feet of retail as part of the long-anticipated Collegiate Park project. It's southwest of University Boulevard and Alafaya Trail and is an entrance to UCF's main campus.

► In Winter Park, Demetree wants to transform a gateway to the posh suburb at U.S. Highway 17-92 and Orange Avenue. Plans still are unclear as she's awaiting city of Winter Park approval on a special overlay district in the area that would allow mixed-use development. "Our project will be determined since we learn the zoning framework and what will be allowed," Demetree said.

Combined, these projects may cost hundreds of millions of dollars to construct, based on industry standards. They also may create hundreds of full-time permanent positions along with temporary construction jobs.

Once built, the projects likely will tap into experiential retail — shops that include other elements, such as entertainment. That's because consumers now can buy so many products online. So, developers have to give them a reason to stop at brick-and-mortar

stores, Demetree said. Successful retailers also need to offer more training for staff and invest into in-store talent.

"Make no mistake: physical retail is far from dead," Demetree said.

Beyond her projects, affordable housing is a huge challenge for Central Florida real estate this year, Demetree said. Nearly half of metro Orlando households are cost burdened, meaning they're spending roughly 30% of their income on housing. Severely cost-burdened poor renters are twice as likely to fall behind on rent payments and be threatened with eviction than poor renters with no cost burden, a March 2019 National Low Income Housing Coalition report showed.

Read on to hear more from other gamechangers in Central Florida real estate in 2020.



JOHN ALBRIGHT
president/CEO,
Consolidated-Tomoka Land Co.

Why he's important: He's at the helm of a transformation of Consolidated-Tomoka (NYSE: American, CTO), which is selling its Daytona Beach assets to become a real estate investment trust. Its land sales have sparked major development plans, ranging from the proposed 2,500-acre master-planned community called Avalon Daytona Beach to the first Florida Buc-ee's, a popular Texas rest station. Albright also is leading an initial public offering of Alpine Income Property Trust Inc., which will be based in Daytona Beach.

What's happening in his industry: The investment income property industry and real estate development sector seem to have a solid balance of supply and demand. Banks are getting a little more picky, which is healthy for the sector.

Benchmarks for 2020: We have a robust goal for investments with more than \$200 million between Consolidated-Tomoka and Alpine Income Property Trust Inc. We also have a goal to get [a deal with Orlando-based developer Avalon Park Group/SIXE for a future master-planned community].

"Avalon Park Group is under contract to buy 2,500 acres in Daytona Beach for a very exciting town center development, which is much in need for the area."

WILLOW FERRELLI
managing partner,
Acre Commercial Real Estate

Why she's important: She and her Orlando-based firm handle retail leasing for high-profile new developments and existing properties in Central Florida. The firm is known for attracting a mix of not-so-typical retail tenants to projects.

What's happening right in her industry: It's experiencing tremendous growth. Downtown as well as the surrounding submarkets — including Kissimmee, Davenport and Clermont — have new residential developments that will spur the need for service-oriented, experiential and retail/restaurant businesses.

Benchmarks for 2020: Create a desirable mix of local, regional and national retail tenants that will enhance the growth of downtown Orlando's vibrant retail landscape. Simultaneously, we are looking to bring the accomplishments of Orlando to the Tampa, St. Petersburg and Sarasota markets and beyond.

"We want to continue to bring more sustainable retail density to the Orlando market with the intent to create more walkable developments where the community can gather."

ADAM RUSOS
owner,
Atrium Management Co.

Why he's important: He is a co-developer of a high-profile, luxury Winter Park hotel project called the Henderson Hotel, along U.S. Highway 17-92 overlooking Lake Killarney. His Lake Mary-based firm also developed and redeveloped several smaller projects in the Orlando area, including the revitalization of Fort Pitt into a mixed-use asset near Baldwin Park.

What's happening in his industry: It is experiencing tremendous growth as more investors rush to Florida from all over the world to be a part of this impressive cycle. Orlando is a top performer in key categories for growth and people want to be part of the success. All of us are looking for ways to separate ourselves as well as our properties from the pack. Technology also is a focus right now. "Smart" properties are a big deal, and technology will continue to make our role as property managers/investors more efficient.

Benchmarks for 2020: To grow by working with investors on their real estate portfolios, adding quality properties as well as working on projects that make a difference in the community.

"Not many people grow up dreaming of becoming a property manager, but we utilize property management as our vehicle to invest in our team, clients and the community."

RYAN STAHL
president/CEO,
Equinox Development Properties Inc.

Why he's important: His Maitland-based company is developing several new projects from near Walt Disney World to Daytona Beach. Equinox plans to break ground in first-quarter 2020 on its \$75 million WaterStar mixed-use development northeast of State Road 429 and U.S. Highway 192.

Benchmarks for 2020: We've placed an emphasis on curating retailers not currently in this market, and are excited to see these deals come to fruition in 2020. Finally, we continue to expand our portfolio throughout the Southeast and look forward to breaking ground on projects outside of Florida.

What's happening in his industry: Retail is a dynamic industry, and we closely monitor the trends by traveling the country to benchmark emerging concepts, design principles and more. One trend is the shift toward entertainment-based retail and restaurants. There are some exciting new entrants into this space. Grocery stores are offering more convenient ready-to-eat meals, and convenience stores are increasingly offering more food. That said, construction pricing is still having a huge impact on project economics. Engaging the right partners early on in a development and leveraging their construction expertise has helped us accurately plan for rising costs.

"We've always focused on quality development projects and building open, valued relationships with tenants and partners alike."

