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Private Spaces

Out of the Slump and Into the Future

The Biscayne Corridor in Miami is undergoing big changes — and fast

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The development slump is over. Banks are lending again, cautiously, and property owners are once again flooding Miami City Commission agendas with applications for zoning changes across the Magic City.

Brickell, downtown Miami, and the Design District are fueling much of the momentum. Yet that energy is also flowing outward. In this story, we update six areas along the Biscayne Corridor in Miami.

Edgewater More than ten condominiums totaling 2400 residences have been completed, are under construction, or are slated to break ground in Edgewater, according to real estate analyst Peter Zalewski in an April column for *The Real Deal* real estate news website. In this old neighborhood, the small apartments and single-family homes are being rapidly replaced by high-rises.

It's within this 19-block area that Russian mining oligarch Oleg Baybakov sank \$40 million buying a mere 2.7 acres of land. Most of his land was acquired within a three-month period and lies east of NE 5th Avenue between NE 26th Terrace and 26th Street. It includes a 12-story, 58-unit apartment complex on the bay built in 1982; a 35,000-square-foot vacant lot; a 7000-square-foot single-family home built in 1932; and three apartment buildings developed between 1926 and 1961 that house 32 residences.

But Baybakov isn't finished. The *Real Deal* also reports that he bought two parcels just west of NE 5th Avenue on May 15 from a Bay Harbor Islands-based company owned by Israel Kopel for \$1.4 million. In 2003, Kopel bought the properties (consisting of a vacant lot and a nine-unit apartment building) for

high-rise as tall as 36-stories.

The 12-story bayfront apartment building on his land was going to be the site of the proposed 39-story MBay tower.

Baybakov used to be an executive of Norilsk Nickel,

one of the largest producers of nickel and palladium in the world. According to media reports, he is now president of GSC City, a construction and consulting firm in Moscow. His 28-year-old daughter, Maria Baibakova, who has two master's degrees, is a major collector and supporter of the contemporary art scenes in Moscow, London, and Brooklyn. She has been called "the lieutenant" of Mikhail Prokhorov, a six-foot-seven-inch oligarch with a net worth of \$10.8 billion, according to a 2010 *New Yorker* article.

Prokhorov, principal owner of the Brooklyn Nets, reportedly plans to run a second time against Vladimir Putin for the Russian presidency, and once owned most of Baybakov's former company, Norilsk Nickel, the investment fund ONEXIM group, and large stakes in various other Russian companies. (Baybakov has been mentioned in press reports as a minority owner of the Nets.)

Baybakov, who dabbled in real estate investment in New York, isn't the only Russian who has taken a liking to Miami-Dade. Eastern Miami-Dade county is a

Baybakov paid about twice market value.



Edgewater, the booming neighborhood where Russian oligarch Oleg Baybakov sank \$40 million.



Midtown Opportunities is putting up for sale more than 18 acres of prime property.

citizenship for their babies.

Real estate agent Selda Kirkan, who specializes in working with Russians, says most of them prefer buying condos in Sunny Isles Beach and Miami Beach. Brickell and downtown Miami are also popular destinations for Russians, but it's tricky to build anything there. "There is no land left in Brickell," she says.

But there's still room in Edgewater, and Baybakov has picked himself a good spot. "It's a water location," she tells the *BT*. "It's a good investment."

That investment came at a cost. According to Zalewski, Baybakov paid twice the market value for his Edgewater