

THE WALL STREET JOURNAL.

In Florida, Return of the Condo-Hotel?



A former Trump International Hotel & Tower project in Fort Lauderdale is being revived as a Conrad condo-hotel-Helium Creative
A luxury hotel operator is trying to revive a failed condo-hotel project in Fort Lauderdale, Fla., hoping that a formula that faded during the economic downturn can make a comeback.

Orchestra Hotels & Resorts is spending \$160 million to acquire the former Trump International Hotel & Tower and redevelop it as a Conrad Hotel, a Hilton luxury brand.

The new owner is planning to sell up to 40% of the 290 units as condominium residences, with the remainder to be sold as condo-hotel units. Buyers of the condo-hotel units can stay for a maximum of 120 days a year. Conrad will try to rent out the units as traditional hotel rooms during the other days, sharing room revenue with the owners.

“There is high demand among Baby Boomers for a second-home that is maintenance free,” says Andreas Ioannou, chief executive of Orchestra. A hotel veteran, Mr. Ioannou has held many jobs, including as residence manager of the Waldorf Astoria in New York and director of food and beverage at the Fontainebleau in Miami Beach.

Orchestra is putting in four new restaurants, adding 3,000 square feet of oceanfront patio space, and expanding a sundeck so that it will connect the property’s two separate buildings. The hotel is expected to open summer of 2015.

The Conrad is selling units ranging in size from studios to three-bedrooms, with prices starting at nearly \$500,000. Mr. Ioannou said he has sold a “handful” since he began marketing them last week. A five-bedroom penthouse on the 24th floor is asking more than \$6 million.



A rendering of a planned restaurant at the Conrad project

Helium Creative

The Trump International Fort Lauderdale was supposed to open as a condo hotel in 2009 but never did, [derailed by the recession](#). [Donald Trump](#) had a licensing deal with the hotel’s developers but was not an owner.

Condo hotels have been popular in resort areas like Florida and the Caribbean as part-time residences. But many of these projects ran into trouble during the credit crisis when banks stopped lending to potential unit buyers, leaving only those with enough cash able to buy condo-hotel units.

Recently, some developers have begun trying their hands at condo-hotels again, as lending conditions begin to ease. In Miami Beach, for example, a hotel venture between Marriott and hotelier Ian Schrager called Edition will have 26 condo-hotel units when it opens at end of this year.

QUINN