

★ Genting makes move on Omni site in Miami

South Florida Business Journal by Oscar Pedro Musibay and Brian Bandell

Date: Friday, September 9, 2011, 9:45am EDT

Related: [Banking & Financial Services](#), [Commercial Real Estate](#), [Legal Services](#), [Residential Real Estate](#)

The fight over the Omni site in Miami has taken another twist, with Genting Group buying the smaller of two notes underlying the property's mortgage.

The move raises the possibility that Genting may further expand the scope of its \$3 billion plan for more than 7 million square feet of development on the current 14-acre site of *The Miami Herald*, which the [Malaysian company bought for \\$236 million in May](#).

The *Business Journal* reported in June that a group, including **Jorge Perez's [Related Group](#)** , had paid a discounted price of about \$100 million for a senior note on Omni with a balance of \$159 million. Genting's deal involves a second \$45 million junior note, which was bought from [Fillmore Capital Partners](#) .

There is no legal document disclosing a sale of the loan, but it was confirmed by **Tadd Schwartz**, a spokesman for Genting.

[View photo gallery \(2 photos\)](#)



Mark Freerks

A 527-room hotel is part of the Omni property in Miami.

Sponsored Links

DISH Network - Starting at \$19.99/month!
3 Free Months HBO, Cinemax & Starz! Free HD for Life!
www.DishNetwork.com

Healthcare Candidate Management
Increase recruitment retention & ROI with iCIMS. View our free demo.
www.iCIMS.com

Don't struggle with business analytics
See how it works with Foresight Intelligence. Free 30 Day Trial!
www.foresightintelligence.com

The senior note, which Related and its partners owns, has the rights to receive payment first.

Capmark Financial, representing the mortgage holders, filed a foreclosure lawsuit June 1 against Downtown Miami Mall and Downtown Miami Hotel – the owners of the Omni site.

Argent Group, the controlling entity of the property owners, is fighting back with a lawsuit against Capmark in New York State Court, saying it was denied the opportunity to match Related's bid for the senior mortgage.

The *Herald* site abuts the southern edge of the Omni site. If Genting is somehow able to combine the two parcels – either through legal means or working with the Related group of investors – it would have a 28-acre L-shaped site east of Biscayne Boulevard. The *Herald* site gives it waterfront on Biscayne Bay.

Genting has also reportedly paid almost \$30 million for nearly 3.6 acres west of the *Herald* property.

Related, which has long been South Florida's largest condo developer, conceivably would be interested in developing or marketing residential aspects of the Genting project if it does not do so on the Omni site alone.

The *Herald* building will be demolished and the Omni could suffer a similar fate as part of Genting's massive resort, which will include a casino if the company can get lawmakers to agree.

The Omni, at 1501 and 1601 Biscayne Blvd., has largely been transformed from an indoor mall into office and educational space, with tenants including the [Miami International University of Art & Design](#) and the [Greater Miami Chamber of Commerce](#) . It has 1.5 million square feet of office, retail and hotel space and a 2,700-space parking garage on 14 acres. The hotel has 527 rooms.



The Omni is just north of the Miami Herald site, which has already been purchased by Genting Group for a \$3 billion plus resort project.

Related News

- [Seminole Casino Coconut Creek plans to create 800 jobs](#)
- [Seminole Coconut Creek to announce major hiring plans](#)
- [Florida gambling bill could be filed this week](#)
- [Genting's Resorts World Miami project to include a marina](#)
- [Genting project could be boom or bust for retail](#)