





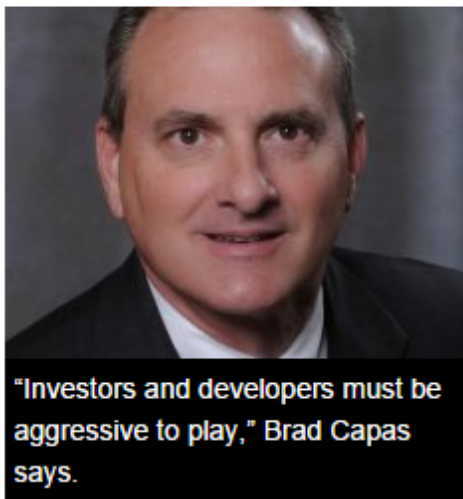
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EXCLUSIVE

## How Investors Are Winning in Palm Beach

By Jennifer LeClaire | Palm Beach

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PALM BEACH—Palm Beach may not be seeing a recovery as rapid as other areas of South Florida—property values have not yet reaching their previously frothy 2006 levels. But it's recovering all the same.

Is the reality of a slower recovery causing investors to be cautious about opportunities in the market or drive forward more aggressively? That's the question we asked **Brad Capas**, founder of **CapasGroup Advisors**. He gave us an in-depth answer that's worth digesting, especially given his dealings in the Palm Beach County market.

CapasGroup recently sold two infill redevelopment sites in West Palm Beach's North End submarket, known as the North Flagler-Currie Corridor, for \$5.5 million. The firm also inked the \$1.5 million sale of 1.55 acres of vacant land at 2023 North Flagler Drive, among other deals.

"While its recovery might be trailing that of Miami-Dade and Broward counties, Palm Beach County is experiencing impressive growth and development, particularly east of Interstate 95," says Capas. "Considering this activity stretches the full length of the county, I am confident Palm Beach County will fully participate in the current market upswing."

With respect to investor behavior, Capas says there is no question that the past market downturn has caused investors, their lenders, and capital partners, to be more disciplined today relative to the height of the last market cycle. Nevertheless, he continues, Palm Beach County and the balance of South Florida, is an extremely competitive investment environment.

"Investors and developers must be aggressive to play," Capas says. "The groups who are winning deals have confidence in the upside potential of the market and set their pricing accordingly. Overly cautious or conservative investors will continue to be outbid, relegating them to the sidelines. The Palm Beach market offers incredible potential, and investors from all over the country want to be here. However, this is not a market for the faint of heart."