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Commercial Real Estate

BH3, Merrimac obtain \$50 million loan to take over development site on Miami's Watson Island

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BH3 Management and Merrimac Ventures have teamed up to take over a development site on Watson Island in Miami.

The joint venture between Aventura-based BH3 and Fort Lauderdale-based Merrimac acquired a lease on 10.7 acres on the island in Biscayne Bay from Flagstone Island Gardens and several affiliates. County records show the buyer utilized affiliates IG Retail LLC and IG Parking LLC to obtain a \$50 million mortgage from Maxim IG Lender. [Alex Zylberglait](#) of Marcus & Millichap brokered the deal.

The city of Miami leased the portion of Watson Island next to the Miami Children’s Museum to Flagstone Island Gardens, led by **Mehmet Bayraktar**, in 2002. After resolving **years of litigation**, the city amended the company’s lease in 2020. Flagstone Island Gardens developed a mega yacht marina and a waterfront restaurant, now known as Yacht Haven Grande Miami at Island Gardens.

That marina is now part of MarineMax after an **acquisition in August**.

However, the retail development site on Watson Island has remained undeveloped. BH3 and Merrimac said they will start initial site work on the land, such as installing utilities and infrastructure, as they evaluate their development plans.

While the new owners haven’t revealed their plans, they said it would fall within the same footprint and density the city previously approved.

“Watson Island is one of the city of Miami’s most important and well-situated properties, yet it’s also one of its most underutilized assets,” stated **Greg Freedman**, principal at BH3 Management. “For two decades, Miami residents have been anticipating the creation of a mixed-use development at this site, and now that vision will come together. Our plans for Watson Island will deliver an amenity for nearby residents, as well as a destination for visitors from across South Florida and around the world.”

BH3 has developed over \$2 billion in projects, including the Privé at Island Estates condo in Aventura. It’s led by Freedman and **Daniel Lebensohn**.

Merrimac, led by brothers **Nitin Motwani** and **Dev Motwani**, has \$3 billion in its development pipeline and has previously completed the Four Seasons Fort Lauderdale Hotel and Residences and the Paramount Fort Lauderdale condo. **Nitin Motwani** is one of the principals of the 27-acre Miami Worldcenter mixed-use project.

“The development of Watson Island is an opportunity to rethink the way people can access this beautiful site, which offers unobstructed vantage points featuring the Downtown Miami skyline, Biscayne Bay, Museum Park, and the cruise ships at PortMiami,” **Nitin Motwani** stated. “Miami is synonymous with the water, and yet there are surprisingly few places where residents and visitors can access the waterfront. Our plans for Watson Island will be centered around public space and the site’s bayfront setting, offering some of the best views in all of Miami.”