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Mixed-use project near Florida Hospital East moves forward

Developer finalizes site plan for 41,500 SF Palms at Lake Underhill

Premium content from Orlando Business Journal - by [Anjali Fluker](#), Staff Writer

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An east Orlando internal medicine doctor is forging ahead with plans for a \$10 million-\$15 million, 41,500-square-foot, mixed-use project near Florida Hospital East.

Developer Windermere-based Vista Pointe Family LP, whose general partner is Dr. Neil Coskun, is revising a site plan for a proposed neo-Mediterranean-style project designed for retail and medical office users on Lake Underhill Road. Coskun couldn't be reached for comment.

Vista Pointe Family also wants to sell part of the property for an undisclosed price to another developer for a 50- to 100-bed assisted-living facility.

The 36-acre site for the retail/medical office project, dubbed The Palms at Lake Underhill, would have three one-story buildings ranging from 10,000 to 15,000 square feet apiece. A general contractor has not been selected yet.

Florida Engineering Group Inc. is the civil engineer on the project. Sam Sebaali, president of Florida Engineering Group, said Coskun is finalizing the funding for the project and a few institutions are looking at the project "favorably."

Aranya Mom, principal and project architect with Lake Mary-based Burke Hogue Mills Inc., said his firm is revising the architectural drawings for the retail/office center to make it more upscale than a typical retail center. "The county wants a well-articulated exterior with enough ornamentation and roof designs so it doesn't look like a plain-Jane box."

He expects to submit a revised site plan to the county's Development Review Committee for approval sometime this month.

Once submitted, the county's planning staff only would need to review the revised plans to make sure they meet the county's requested changes, and then the developer could begin pulling permits to start construction, said John Smogor, assistant manager of the county's planning division. If approved, construction could start as early as the end of this year, Mom said.

However, securing tenants may be a challenge. Mom said Coskun is talking with some potential office users, but to his knowledge no deals have been signed.

The retail market appears to be improving in the east Orlando submarket, which posted a 7.7 percent retail vacancy rate in the second quarter of this year, compared with 9.7 percent in the year-earlier period, said data from Seattle-based Colliers International, a real estate services firm. The submarket filled 256,904 square feet of space during the second quarter, compared with a negative 77,735 square feet of absorption in second-quarter 2009, meaning that much space was vacated but not backfilled during that time period.

The University Research office submarket, which includes the project site, also improved slightly, posting a 15.9 percent total vacancy rate in the second quarter, compared with a nearly 18 percent vacancy rate in second-quarter 2009, reported Morrison Commercial Real Estate. The office submarket absorbed 4,329 square feet in the second quarter, compared with 42,629 square feet absorbed in the year-earlier period.

Though conditions may be improving, construction financing remains hard to come by, said real estate sources. Some banks now require that 51 percent of a new development be owner-occupied before approving financing, said Bob Winters, president of Orlando-based commercial real estate brokerage firm **Dunhill Properties Inc.** "Investor stuff just isn't getting done."

However, if the project doesn't require much financing or has a significant amount of equity built into it, there is a good opportunity to build now and be prepared for anticipated future demand, he said. "We're in the bottom now, so there's a lot of money to be made in the next couple of years."

The Palms at Lake Underhill

Developer: Vista Pointe Family LP

Location: Lake Underhill Road near Chickasaw Trail

Plans: 41,500-square-foot retail and medical office development

Cost: \$10 million-\$15 million

Status: Site plan being revised, requires Orange County planning staff approval

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