

Joe Morgenstern on a shape-shifting return to form for 'X-Men' **D3**



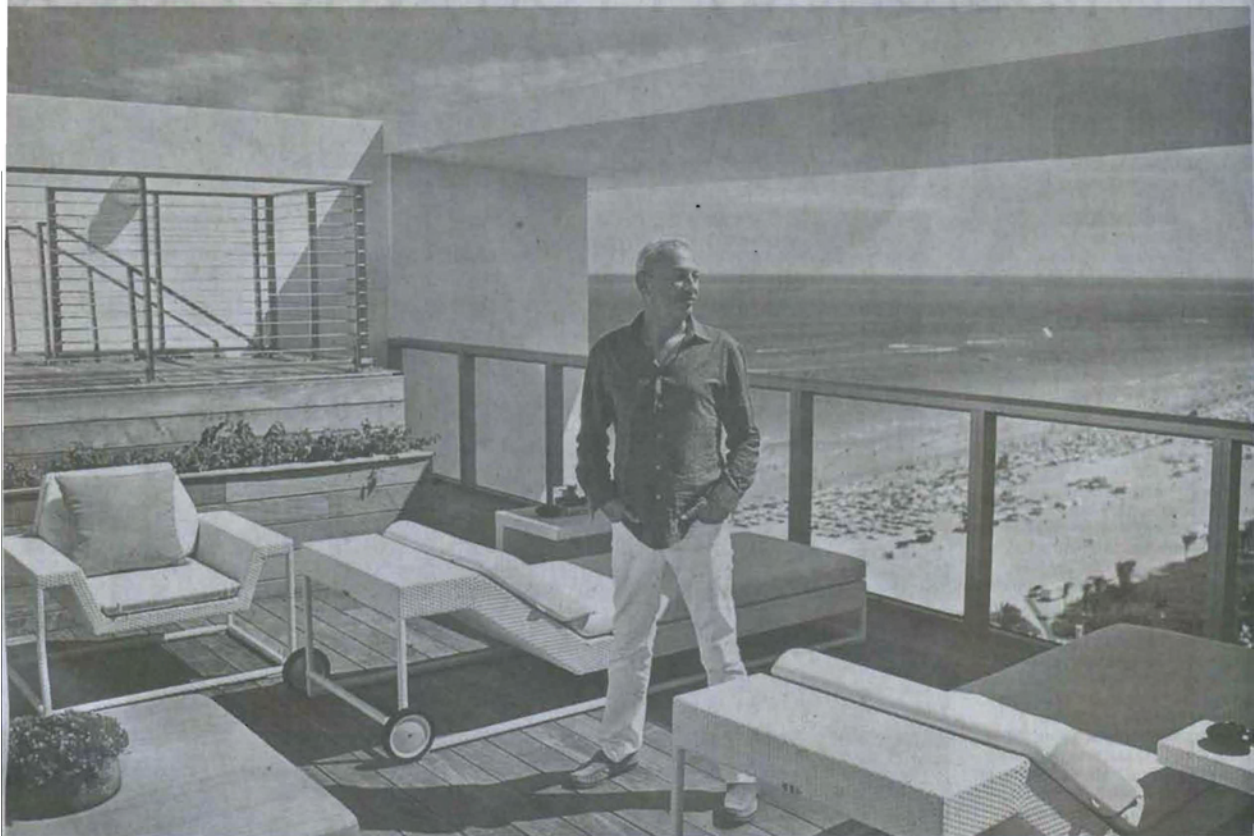
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A real-estate developer holds court at his W South Beach in Miami **D6**

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THE HOME FRONT



His Hotel, His Hangout

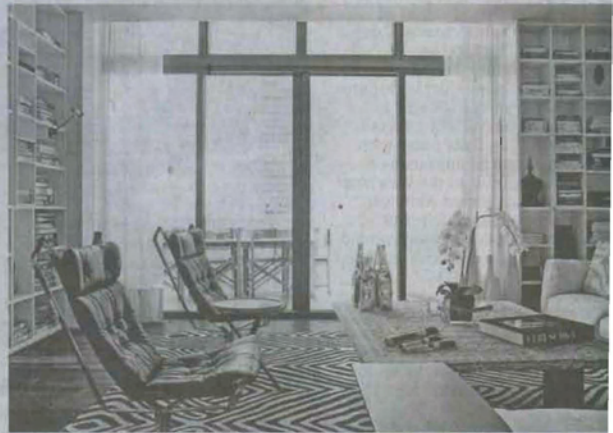
A real-estate developer shakes hands and holds court at his W South Beach in Miami

BY NANCY KEATES

Miami Beach, Fla.
WHEN HE'S AT HIS South Beach home, David Edelstein loves to lounge outdoors, under some trees in a garden

said Miami Heat guard Dwyane Wade, who has celebrated his birthday at the W for the last two years.

For himself, Mr. Edelstein paid \$3.5 million for a 1,716-square-foot two-bedroom penthouse duplex with a private rooftop deck. His living



decorated as if it were in Provence. But this sunny day he was hanging out by the 120-foot long swimming pool, fringed with white umbrellas and palm trees. "There's Jamie now," he said, as actor Jamie Foxx strolled over.

The two chatted, paying no notice to the several hundred people around them, many gawking at the pair.

Mr. Edelstein, 56, isn't just the developer behind W South Beach, the 408-unit hotel/condo here, he's also a resident—he said it's the first time he's lived in one of his developments. Slight, deeply tan, his crisp John Varvatos shirts unbuttoned a tad more than the average businessman's, Mr. Edelstein is the W's unofficial ambassador, treating the public areas of the hotel as if they're his own. Coming here several times a month from his new \$12.9 million New York townhouse, where he lives with his wife and kids, he regularly eats at the hotel's restaurants and enjoys greeting guests as they pass by.

Two years old, the W, with rates ranging from \$459 to \$8,500 a night, is known for its modern art collection and guests like Sean Penn and Leonardo DiCaprio. It's where LeBron James celebrated after announcing that he was taking his "talents to South Beach," and where Drake played on New Year's Eve. New York Knicks forward Amar'e Stoudemire paid \$5.6 million for a two bedroom, British hedge-fund manager Chris Rokos paid \$8.2 million for a penthouse and Italian soccer player Alessandro Nesta bought two units for \$2 million total. "It's a great retreat,"

room has a white linen Flexform sofa, a tiger-striped rug and a wood coffee table made from two doors from Bali. A wall of fashion and art books is arranged horizontally on the shelves, grouped by color (purple, blue, orange, red) rather than subject.

A stairway leads up to a private rooftop deck with a living room, even better ocean views and a small private swimming pool—its blues and whites evoking images of a Greek island resort. "I've built a lot of buildings and never kept a place in any of them. Here I have two," said Mr. Edelstein. (His other unit, bought for \$2.5 million, is rented out through the hotel.)

Anna Busta, of Studio B Design in New York, who did the interior design of the hotel's lobby and Mr. Edelstein's condo, said the mix of strong materials, like marble and dark woods, and lighter furniture reflects Mr. Edelstein's persona. "It's all about his style," she said.

Mr. Edelstein grew up in a 650-square-foot apartment in Queens, dropped out of college in the 1970s and got a job working for a real-estate developer, driving a taxi at night. In 1981 he bought his first building, which led to a career buying and selling residential buildings and shopping plazas, including the Miracle Mile Shops in Las Vegas and much of the Lincoln Road pedestrian mall in South Beach.

In 2004, after two years of negotiations, Mr. Edelstein bought the 3½-acre beach-front property for \$77 million, promising the owner, who



Clockwise from top: David Edelstein at his private rooftop deck, the living area, his art-filled stairwell, the exterior of W South Beach.

ran a Holiday Inn there, that he would build a great hotel. He enlisted Aby Rosen's RFR Holdings to take a 50% stake in the W South Beach project (he owns the other 50%) and hired architect Costas Kondylis to design the exterior. The interior finishes he picked out himself, from the silvered wood tables, white leather stools, large marble columns and a Holly Hunt leather sofa. After five years of design and construction, the hotel and residences opened in 2009.

According to Mr. Edelstein, W South Beach has sold some 128 units for a total of \$215 million—\$7 million of that in May. About 63% of buyers are international, with the biggest concentration coming from Brazil. Peter Zalewski, principal at Miami based real-estate consultancy Condo Vultures, said that W South Beach has dropped prices since it opened from \$2,019 per square foot to \$1,644

per square foot. (A W South Beach spokeswoman said prices always averaged \$1,600 a square foot.) Still, Mr. Zalewski noted that with financing for hotel condos virtually nonexistent and price per square foot for condos in downtown Miami about \$348, the W is getting a "tremendous premium."

One of the W's hotspots: a basketball hoop at one end of one of the tennis courts. That's where many of the NBA stars who stay there hang out, said Mr. Edelstein. Mr. Foxx played there the night he stayed recently. "I keep thinking the Heat will come and recruit me," said Mr. Foxx.