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Citadel CEO Griffin buys \$83M office building, increasing investments in South Florida

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Billionaire Ken Griffin expanded his real estate holdings in South Florida. He acquired in July the office building pictured above. *Frisbie Group*

Billionaire Ken Griffin expanded his real estate holdings in South Florida. He acquired in July the office building pictured above. Frisbie Group Billionaire Ken Griffin continues to bet big on South Florida's office market by purchasing an \$83 million building in Palm Beach this week.

Citadel hedge fund CEO Griffin closed on a boutique office building at 125 Worth Ave. in Palm Beach on Tuesday, according to a deed found on the commercial real estate database Vizzda and the company's spokesperson Zia Ahmed.

Griffin bought the building from the Bethesda-headquartered property management firm Dreyfuss Management and Palm Beach real estate investment company Frisbie Group.

The Mediterranean-style three-story, 49,401-square-foot building once housed a Neiman Marcus flagship store. Griffin has been on a real estate shopping spree since deciding to trade Chicago for Miami during the pandemic. He acquired two estates in Miami-Dade County, including one on Star Island and another in Coconut Grove for \$106.9 million — a record price for Miami-Dade. Earlier this year he signed a lease to open an office space at 830 Brickell, and bought an office

building in Miami's financial district. Citadel spokesperson Ahmed confirmed Citadel's headquarters will be in Miami.

"These companies have their fingers on the pulse and HR preferences for existing and new workers," said John Boyd, principal at The Boyd Company Inc., a Boca Raton corporate site consultancy firm.

"When you think about the real estate assets between Miami and Palm Beach, got three major airports, colleges and universities. The Brightline. All of the new mixed-use housing that is being developed around the Brightline. That's viewed as a recruiting tool."

A Palm Beach office seems to have been part of Griffin's plan for some time. Several news outlets reported last year that Griffin was eyeing Worth Avenue for an office expansion. The purchase signals great confidence in South Florida's office market, Boyd said.

"It's a positive indicator when someone like Ken Griffin has faith in this market," Boyd said. "It encourages other investors to have faith in the market."

Real estate experts fret about the future of the office market nationwide. But other local developers, such as Michael Shvo, are moving forward with building new workplaces. Those who see a growing market for office space in South Florida often point to the state's population growth and corporate expansions.

During the pandemic, executives and corporations expanded or relocated offices to the region, recognizing the appeal of zero income taxes, lean COVID-19 restrictions, a business-friendly environment and the warm climate.