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## Tibor Hollo buys loan on his own office building

BY BRIAN BANDELL

At a time when many developers have difficulty negotiating with their banks, veteran developer Tibor Hollo took matters into his own hands by purchasing \$39 million in mortgages covering his 2020 Ponce building from his lender.

The 130,000-square-foot office building, completed last year, had two mortgages with Wells Fargo Bank to developer 2020 Ponce LLC, which is majority-owned by Hollo, president of Florida East Coast Realty. In late December, the bank sold both loans to Financial Markets I.L.C. – a company managed by Hollo.

With the loans about to mature and the bank asking the development company to comply with new demands, Hollo said he struck a deal to purchase the loans for their full value. While he is the majority partner in both 2020 Ponce and Financial Markets, Hollo said there are different minority investors in the entities. Financial Markets, which has been making loans for five years, will continue collecting interest from 2020 Ponce, he noted.

"If I built 10 buildings, then I couldn't do it," Hollo said. "Because I do one at a time, I can do it like this."

Hollo said he reached his goal of selling 49 percent of the building as office condos. Pric-

es averaged \$550 to \$600 a square foot, he said. Financial Markets provided 50 percent purchase price financing to about 30 percent of the buyers, Hollo said.

There are 60,000 square feet remaining for lease, with asking prices from \$34 to \$44 a square foot, said Donna Abood, CEO of Miami-based Colliers Abood Wood-Fay, the brokerage handling it.

Resolving the loan, plus Hollo's 55-year track record in this market, should give buyers confidence that this developer will manage the building well, Abood said.

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