

# THE REAL DEAL

SOUTH FLORIDA REAL ESTATE NEWS

SOUTH FLORIDA  
MARKET REPORT  
OCTOBER 2015

LEGACY BUILDERS



South Florida Market Report

## It's a family affair

How SoFla's real estate dynasties negotiate professional and personal dynamics to stay on top

BY CINDY KRISCHER GOODMAN

After 40 years of working for his father, Tibor Hollo's oldest son, Wayne, readily admits, "There is only one Mr. Hollo."

Known in South Florida as a visionary, Tibor has led Florida East Coast Realty for more than six decades, forging new ground by developing Miami's Omni and Venetia areas as well as Brickell's first high-rise, the Rivergate Plaza tower. By all accounts, he remains the company's chief decision-maker.

One of the biggest hurdles that family real estate businesses encounter is preparing the next generation to take the reins and navigating the transition in leadership, particularly when a strong personality looms behind the company's success. Florida East Coast Realty, founded by the now 88-year-old Tibor, is facing just this challenge. And he is not alone.

More than a dozen South Florida builders, developers, property managers and sales agents have welcomed their offspring into their businesses, to provide new vision and skills. While some of the country's biggest real estate players (like Cousins Development of Atlanta and Tishman Speyer of New York) have entered the Florida market and left, these local family firms have powered through, changing strategies when necessary to compete. A few have even become among the industry's most profitable firms.

In Miami, well-known condo developer Jorge Perez has welcomed his son Jon-Paul Perez into his firm. Miami Beach developers Russell Galbut and Bruce Menin are benefitting from the involvement of a son, Jared Galbut, and a nephew, Keith Menin, in the hospitality side of the business. In Fort Lauderdale, Terry Stiles at Stiles Corp. recently announced his plans, after running a construction firm for 44 years, to hand over CEO duties to his son Ken by mid-2017. In a bit of a twist, Pedro and David Martin founded Terra Group together in 2001 and have proved themselves a dynamic father-son

duo in South Florida real estate. Four generations of the Murphy family have been involved in running a construction management company that today ranks among Florida's largest general contractors. In 2013, Ana-Marie Codina Barlick succeeded her father, Armando Codina, as CEO at Codina Partners, and Jessica Goldman Srebnick has followed in the footsteps of her late father Tony Goldman, a force behind the revival of South Beach and Soho.

Running a business with a family in charge, especially for three or four generations, comes with its own set of challenges amid the rewards.

**The Hollo family**-owned firm is now embarking on what might be its most ambitious project to date: the 83-story Panorama Tower in Brickell, scheduled for completion in 2018. Tibor has set the vision for what the \$800-million mixed-use complex will look like, who it will attract and how the components fit together. "These big projects are conceived by my father," Wayne said. "He knows what he wants to do." As plans become more concrete, the Hollo family gathers almost daily for progress updates — at the office, over dinner, at Tibor's home.

With three generations working together, things go more smoothly if each family member is assigned a specific role in the company, said Wayne, who's charged with administrative issues and finance. His brother, Jerome, handles legal work, and Wayne's son, Austin, takes care of leasing, marketing and insurance matters. Tibor still sits at the helm, setting direction and



Austin Hollo, 29, strives to absorb his grandfather Tibor Hollo's business maxims.

negotiating all the many pieces that must come together for a project of this size.

The responsibility of taking the company into the future is something 29-year-old Austin thinks about; he said he uses the family meetings to learn the entire company's workings, while paying close attention to his grandfather's rules for doing business: Don't go over 50 percent leverage, have a team member on a project site at all times, challenge yourself professionally and take risks. "I come in every day with my ears and eyes open," Austin said.

Succession is just one concern. Family real estate businesses also face the challenge of sustaining an older generation's influence while adapting to change in the marketplace.