

# REAL ESTATE JOURNAL



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**Michael Ross, Esq.**  
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# NOT YOUR FATHER'S FLAGLER

*Revitalized company is just one change at Florida East Coast Industries*

BY OSCAR PEDRO MUSIBAY

**A**t cocktail hours and conferences from Coral Gables to West Palm Beach, a common question has been making the rounds: "Is Flagler shutting down?"

Seeing a change in leadership and the exit of a large part of its brokerage team, real estate veterans have been scratching their heads, hoping their instincts and the snippets of information they were getting were wrong.

The reality is that Flagler, the company that Armando Codina and Henry Flagler built decades apart, is now a part of a unique diversification and expansion

strategy unlike any other in this market.

Vincent Signorello's rise to become president of Flagler parent Florida East Coast Industries was the first step in a very ambitious plan that would leverage its railroad and real estate roots to launch it into new areas, including logistics and communications. These are among the industries driving today's economies worldwide, and are likely to have a longer life and better margins than the old model.

His goal was to transform the Coral Gables company – known for real estate ownership, development and brokerage operations – into a synergistic array of subsidiaries, with affiliate Florida East Coast Railway's tracks

and the adjacent right-of-way as the backbone. The template has roots in FECI's parent, Fortress Investment Group (NYSE: FIG), which manages \$51.5 billion in assets and has overseen the transformation of other communications and transportation companies, including SeaCube Container Leasing (NYSE: BOX), which had third quarter revenue of \$49.5 million.

If FECI is successful, each of the subsidiaries could grow into international operations worth billions of dollars and generating thousands of jobs. In doing so, they could fuel the South Florida economy by increasing the region's influence as a global trade hub.

## FOUR MAIN ARMS

The FECI subsidiaries Signorello has under incubation are:

■ **All Aboard Florida**, which is planning to develop a passenger rail line from Miami to Orlando.

■ **Flagler**, which develops, owns and manages millions of square feet of developed properties and land in Florida. Signorello also serves as its president.

■ **South Florida Logistics Services**, which offers third-party logistics services to clients and has 2,000 acres of developable land approved for more than 16 million square feet of industrial development.

SEE PAGE 5



PHOTO BY MARK FREERKS

Left to right: Flagler Executive VP Eric D. Swanson; SFLS' Manny Fernandez; and FECI's Vincent Signorello, Husein Cumber and Rafael Rodon.



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## MEET FECCI'S TOP EXECUTIVES

### VINCENT SIGNORELLO

President, Florida East Coast Industries



Signorello

Vincent Signorello oversees all operations of FECCI and its subsidiaries.

The subsidiaries are: All Aboard Florida, which is planning to develop a passenger rail line from Miami to Orlando; Flagler, which develops, owns and manages millions of square feet of developed and developable land in the state; Parallel Infrastructure, which is offering right-of-way management and development, including communications towers and fiber optics; and South Florida Logistics Services, which is offering third-party logistics services to clients such as retailers and which has 2,000 of developable land approved for more than 16 million square feet of industrial development.

Signorello also serves as president of Flagler, FECCI's commercial real estate development and management subsidiary.

Prior to joining FECCI in 2009, he served as a member of the private equity team for Fortress Investment Group, FECCI's parent company. Previously, Signorello served in Barclays Capital's New York City-based global commercial real estate group and Lehman Brothers' real estate investment banking and finance units. He also served four years as an officer in the U.S. Army.

Signorello holds an M.B.A. in corporate finance from Boston University and a B.S. from Boston College.

### P. MICHAEL REININGER

Executive VP, All Aboard Florida



Reininger

P. Michael Reininger leads development for All Aboard Florida, an intercity passenger rail system that will connect South Florida to Orlando.

Based in Coral Gables, he reports directly to FECCI President Vincent Signorello.

The 230-mile passenger line is to include stations in Miami, Fort Lauderdale, West Palm Beach and at Orlando International Airport, with possible expansions to Jacksonville and Tampa. More than 15 trains will run each way daily, with a one-way trip taking about three hours.

The \$1 billion project would require 30 miles of new track from Cocoa to Orlando, an expansion that is currently under negotiation with the Florida Department of Transportation.

Reininger served in senior management roles at AECOM, a global provider of professional technical and manage-

ment support services to transportation, facilities, environmental, energy, water and government; Walt Disney World; MGM Resorts; and the St. Joe Co.

He has spearheaded a diverse range of projects, including nationally recognized mixed-use, transit-oriented developments and large-scale, international entertainment resort destinations.

As managing partner for Union Station Neighborhood Co. in Denver, he orchestrated the master planning for the Denver Union Station project through a private-public partnership. The project, on 30 acres of downtown Denver real estate, is planned as one of the country's largest multi-modal transit hubs, with 4 million square feet of mixed-use space surrounding the historic station.

Reininger is affiliated with the Urban Land Institute, the American Institute of Architects and National Council of Architectural Registration Boards.

He holds a Bachelor of Architecture with a design specialization from Texas Tech University, and has executive certifications in resort and hotel master planning, financial engineering and business management from Harvard University School of Design, Harvard Business School and the Wharton School of the University of Pennsylvania.

### KEITH A. TICKELL

COO, Flagler



Tickell

Keith A. Tickell oversees statewide development and asset management of Flagler's land and building portfolio. Flagler's building portfolio consists of 69 properties totaling more than 8 million square feet of Class A office and industrial space. The land

portfolio contains 4,800 acres, with entitlements in place for more than 13 million square feet of development. In addition, its Flagler Real Estate Services manages 11 million square feet of commercial space on behalf of various institutional clients.

Tickell has 30 years of experience in the areas of entitlement, land planning and building design oversight. He is experienced in finance, strategic planning, and mergers and acquisitions.

Prior to joining Flagler in 2001, Tickell held an executive position with the North Highland Co. in Atlanta. He previously served in executive positions with the Wilson Co. and Sabal Corp. in Tampa. He has also held executive positions in the third-party logistics industry.

Tickell is active in the National Association of Industrial and Office Properties and Urban Land Institute Regional Board, and also serves on the Board of Directors of the Jacksonville Chamber of Commerce.

In addition to earning an M.B.A. from Emory University, Tickell, a Tampa native, is a graduate of the University of South Florida.

### FRANK CECCHILE

CEO, Parallel Infrastructure



Cechile

Frank Cechile directs the right-of-way management and infrastructure development on Florida East Coast Industries property and for third parties.

He most recently served as head of HP State and Local Enterprise Services, the state and local government services division of Hewlett-Packard (NYSE: HPQ). For example, he oversaw the creation of the technology infrastructure that public agencies needed to administer big programs. HP has a contract with San Diego County to manage its information technology.

Prior to joining HP, Cechile spent most of his nearly 30-year career serving in senior executive positions with Electronic Data Systems Corp. He dealt with some of EDS' largest clients worldwide – mostly in telecommunications – including Vodafone. At one point, he led an operation of 15,000 professionals in more than 20 countries.

Cechile earned a Master of Communication and Information Studies from Rutgers University, and a Bachelor of Science in mathematics with a concentration in computer science from Fairfield University. He also completed the London Business School Executive Development Program.

### MANNY FERNANDEZ

Executive VP, South Florida Logistics Services



Fernandez

In January, Manny Fernandez became responsible for FECCI's newly created logistics operations division. At that time, he began overseeing much of the development of the South Florida Logistics Center, a 400-acre intermodal logistics complex at the

northwest corner of Miami International Airport, including a 170,000-square foot facility now under construction.

Fernandez brings more than three decades of experience in supply chain and global logistics, with a comprehensive understanding of multimodal transportation, supply chain management, warehousing and ocean/air forwarding. He has held a number of senior positions with many of the world's leading international logistics companies, including DHL Express, APL Ltd. and CSX Corp.

He most recently served as senior VP with International Container Terminal Services, a global container terminal management company. He was responsible for the firm's activities in the Europe, Middle East and Africa region, based in Dubai, United Arab Emirates.

FROM PAGE 3

■ **Parallel Infrastructure**, which offers right-of-way management and development, including communications towers and fiber optics. It is poised to go beyond leveraging the FECE's right of way.

Signorello's plan is to use FECE to help capitalize the subsidiaries, familiar territory for the former New Yorker. Prior to joining FECE in 2009, he served as a member of Fortress Investment Group's private equity team.

Signorello also served in Barclays Capital's New York City-based global commercial real estate group and Lehman Brothers' real estate investment banking and finance units.

**TRANSFORMATION OF FLAGLER**

Flagler, which bears the last name of the railway's founder, was a combination of Codina Group's real estate portfolio, de-

'OUR STRATEGY is to negotiate with retailers to move their supplies/merchandise, so we are the user of the space.'

Vincent Signorello | President, FECE

velopment and brokerage operations with FECE's real estate holdings, which had merged prior to Fortress buying FECE.

The revamped Flagler is less of a builder- and broker-for-hire, and more focused on in-house development and leasing. It offers those services to a smaller group of institutional clients than before.

As part of the changes, Jose Hevia, who had run Flagler's construction division, rising through its ranks before becoming president and CEO, left the company in June 2011. Then, COO and acting CFO Signorello replaced him.

Next, Flagler merged its development and construction divisions, laying off



The All Aboard Florida service would go over the Florida East Coast Railway through the coastal cities in South Florida.

MARK FREERKS

about 10 people.

Within a year, the company had sold Flagler Station, the jewel of its developed industrial portfolio in South Florida, for \$340 million.

At the time, rumors were circulating that Flagler Real Estate Services, home to an all-star team of brokers and dealmakers, was being sold.

In September, the bulk of the brokers left Flagler and joined Avison Young, a third-party services company entering the market, which further fueled rumors that Flagler was shutting its doors.

**A QUESTION OF FIT**

Up to that point, Flagler was a mainstay on lists ranking top property managers. Flagler was No. 1 on the *Business Journals* 2012 list of largest commercial property

management firms, and No. 7 on the list of largest commercial real estate brokerages.

"Brokerage is not core to our primary business objectives, and the scale and geographic dispersion of the existing brokerage team is not a good fit, therefore we are downsizing that segment of our services platform," Signorello said in September. "We intend to provide asset management services to key institutional investors."

Industry experts said smaller margins and more competition among brokerages and third-party developers were factors in the company's evolution.

Meanwhile, FECE made another jaw-dropping move that had brokers questioning what they were hearing.

Historically, the company leased space to logistics companies. Only recently, FECE

formed a logistics company that will operate within the building.

The new South Florida Logistics Services will negotiate with large retailers to move their goods and cater to companies that handle dry cargo and/or perishable commodities, Signorello explained.

Not only was the idea revolutionary for industry observers used to Flagler's old model, but South Florida Logistics Services will leverage FECE's investments at PortMiami and Port Everglades.

Both ports are getting new intermodal yards under public/private partnerships involving the railway, which is also re-establishing the rail connection to Port-Miami.

Like many transportation and shipping

SEE NEXT PAGE

# The roots of Flagler

**1892** Henry M. Flagler begins development and train operations that become Florida East Coast Railway and real estate company Gran Central Corp.

**1960** St. Joe Co. acquires controlling interest in the railway

**1979** Armando Codina founds Codina Group real estate company, offering brokerage and third-party services

**2000** Florida East Coast Industries (FECE), which includes the railway, separates from St. Joe Co., which had a 50 percent stake in Codina Group

**2006** FECE pays \$270 million for Codina Group and merges it into Flagler Development

**2007** Gran Central is renamed Flagler Development Co.

**2007** Jose Hevia becomes CEO

**2008** Flagler Development President Jose Hevia takes on CEO job; Codina is chairman

**2009** Codina forms Codina Partners

**2009** FECE announces plans for a \$1 billion project to develop a three-hour Miami-to-Orlando passenger train service using a right of way that runs through downtowns

**2009** Flagler sells Flagler Station, a key part of its industrial portfolio, to AEW Capital for \$340 million

**2009** Flagler announces the launch of a third-party logistics company, South Florida Logistics Services

**2010** Hevia departs Flagler; CFO/COO Vincent Signorello takes over as president

**2010** Flagler shops its entire 12 million-square-foot portfolio

**2011** Flagler hints at a change in direction with the hiring of logistics expert Manuel A. Fernandez; Codina leaves Flagler

**2011** Flagler restructures and narrows service at brokerage Flagler Real Estate Services to focus on elite pool of clients; Avison Young hires most of Flagler's brokers

**2012** FECE hires Frank Checchile to head Parallel Infrastructure, its growing right-of-way management and infrastructure development subsidiary



## FROM PREVIOUS PAGE

companies, the FECR is looking to the Panama Canal expansion as a catalyst for growth.

Conceivably, some containers that now arrive on the U.S. West Coast and go across the nation via rail, could land in South Florida, be efficiently unloaded at the improved ports and move to customers with help from South Florida Logistics Services.

The railway is promising competitive rates because it transports a lot of empty northbound containers after goods are delivered to South Florida.

FECR CEO James Hertwig and Executive VP and COO Joel Haka, who were hired by Fortress, have broad intermodal experience.

Fortress also has expertise from forming Seacastle in 2007 as a holding company for investments related to inter-

**‘WHEN PEOPLE** hear us describe the opportunity, they realize that there is a vast potential; and when they hear what we’ve already done ... they’re convinced.’

**Frank Chechile** | CEO, Parallel Infrastructure

modal equipment. It owns and manages equipment, including shipping containers, through three companies: Seacastle Ships Holdings, Trac Intermodal and SeaCube. Two years ago, container leasing subsidiary SeaCube went.

It is conceivable that FECCI could work with SeaCube in the future, Signorello said.

### BACK TO PASSENGER SERVICE

But freight isn’t the only precious cargo FECCI is looking to move.

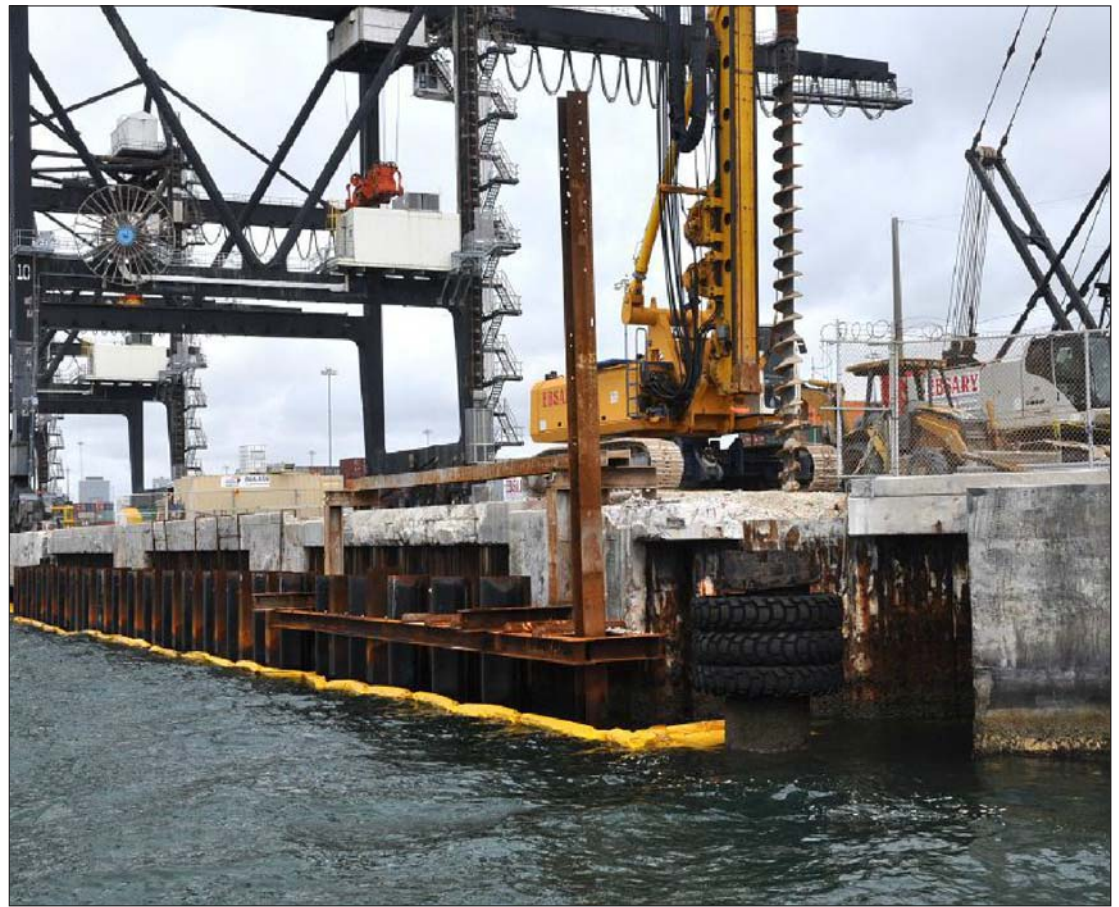
Signorello wants the company to return to the people-moving business through All Aboard Florida, a \$1 billion high-speed passenger line from Miami to Orlando. While Flagler started the FECR to transport passengers, the last passenger train ran in 1968.

The three-hour service would have more than 15 trains running in each direction daily, with Wi-Fi and different classes of service. All Aboard Florida plans to draw some passengers from the 50 million people a year who make the trip between South Florida and Orlando.

Amtrak’s Acela service in the Northeast has shown high-speed rail can take market share from airlines.

All Aboard Florida would create thousands of jobs and be privately funded, company executives say – a departure from the state-subsidized Tri-Rail, which has been a target of derision for Gov. Rick Scott.

FECCI could locate a Grand Central Terminal-like station on its surface parking



FILE PHOTO

**PortMiami is undergoing an expansion, and Florida East Coast Railway is re-establishing its connection there.**

lots in downtown Miami. The plan is to create a commercial destination with hotels, residences, offices and retail. Smaller-scale development would take place at stations in Fort Lauderdale and West Palm Beach.

In only a few years, downtowns devoid of passenger rail for decades could once again be teeming with adults, children and visitors.

If it happens, it would be a significant investment and evolution of transportation for South Florida and the state, said Steve McCraney, CEO of McCraney Property Co., one of the region’s most successful commercial development companies.

“Whether its Sunrail [the commuter rail line in Central Florida] or the airport-port link in [Miami-Dade] or whether it’s All Aboard Florida, the infrastructure is going to change these communities,” he said.

(See more comments about logistics in the *Business Journal’s* Critical Conversation about the regional economic future, which starts on Page 9 of the Dec. 21 edition.)

### SHOULDERING THE COST OF CONSTRUCTION

Large-scale public works projects, such as the PortMiami dredging and tunnel projects, typically involve a lengthy pro-



cess to get public funding. However, the budgets of local, regional and state governments have been rocked by the recession, shrinking capital funds significantly.

In that light, FECCI wants to turn the relationship between the private sector and public agencies on its head. Not only is FECCI not asking for state money to build All Aboard Florida, but it also wants to work with public agencies to create new sources of revenue through its other new subsidiary, Parallel Infrastructure.

Parallel Infrastructure’s mission is to maximize the value of underutilized real estate along transportation right of ways. To that end, it is deploying infra-

structure on the right of way along the FECR track from Miami to Tampa. The infrastructure includes communication towers used by mobile operators and others, and pipelines for resources like fiber optics, gas, oil and water. The subsidiary also oversees land leasing and billboard opportunities.

Parallel Infrastructure offers these services to third parties like railroads and public agencies. It has already signed 20 short-line railroads with more than 1,000 miles under management agreements, and is in negotiations with nine more that have operations in 17 states.

“When people hear us describe the opportunity, they realize that there is a vast potential; and when they hear what we’ve already done for the FEC ROW [right of way], they’re convinced,” Parallel Infrastructure CEO Frank Chechile said.

Jon Bourbeau, vice chairman of Newmark Grubb Knight Frank, said: “From the outside looking in, FECCI appears to have the unique ability to be entrepreneurial and nimble to market demands. As such, I think they have spotted a few trends that are creating this need in the private market. Public funding at the state level is tightening; however, the need for logistical infrastructure continues to grow, and they have intertwined these companies to serve this need.”

# Frank Chechile named CEO of new Parallel Infrastructure

BY OSCAR PEDRO MUSIBAY

As CEO of Parallel Infrastructure, Frank Chechile will direct right-of-way management and infrastructure development on Florida East Coast Industries property and for third parties, which the company sees as having big growth potential.

His focus includes maximizing the value of underutilized land assets for right-of-way landowners such as the FECI-owned railroad and highway corridors, and for clients such as governments and other railroads. Parallel offers right-of-way clients services including development and management of fiber optics and communication towers; advertising/billboards; and pipelines for natural resources such as gas, oil, and water. Clients can also have Parallel manage their land leases.

Parallel has completed six communication towers, with 10 more in development on the right of way from Jacksonville to Miami, which the Florida East Coast Railway and passenger rail All Aboard Florida will leverage. It has 20 short-line railroads with more than 1,000 miles under

## FRANK'S EXPERIENCE

in leading outsourcing operations ... has superior alignment with Parallel's primary strategic objective: to be the U.S.' largest and most capable provider of third-party ROW development and management services.'

Vincent Signorello | President, FECI

management agreement, and is in negotiations with nine more operating in 17 states. Jacksonville-based Parallel has 84 billboards and hundreds of land leases under its stewardship between Miami and Tampa.

Chechile, who joined the company Nov. 12, said the potential for generating revenue from a publicly owned right of way is significant, especially for cash-strapped governments that might not otherwise be able to maximize the value of their real estate.

## FAMILIAR TERRITORY

This type of rollout is familiar territory for FECI parent company Fortress Investment Group, which was a major shareholder in Global Signal (NYSE: GSL), one of the country's leading communication

tower companies. In early 2007, Global Signal merged with Crown Castle International Corp. (NYSE: CCI), another leading communication tower company, in a cash and stock deal valued at \$5.8 billion. (To provide context for the scale of that transaction, Crown Castle paid \$2.4 billion in September for 7,200 T-Mobile towers.)

How it would work: Parallel would have an agreement with a landowner to use the land, on which it would build and own the tower, and charge customers like mobile operators for space on the tower.

Chechile most recently served as head of HP State and Local Enterprise Services, the state and local government services division of Hewlett-Packard (NYSE: HPQ). Responsible for the unit's financial performance, he focused on client service and innovation.

In four years, he completed the integration of important acquisitions and spearheaded the unit's growth. For example, he oversaw the creation of the technology infrastructure that public agencies needed to administer big programs. HP has a contract with San Diego County to manage its information technology.

"Any given business or organization has a mission. If it's a bank, it's to deliver bank services. Tech is so critical to enable the mission, but it's not the mission," Chechile said. "The real estate is not the mission for the utility or the government; it's the enabler."

## LED INTERNATIONAL OPERATION

Prior to joining HP, Chechile spent most of his nearly 30-year career serving in senior executive positions with Electronic Data Systems Corp. He dealt with some of EDS' largest clients worldwide – mostly in telecommunications – including Vodafone. At one point, he led an operation of 15,000 professionals in more than 20 countries.

"Frank's experience in leading outsourcing operations for both public and private entities, particularly in the telecom space, has superior alignment with Parallel's primary strategic objective: to be the U.S.' largest and most capable provider of third-party ROW development and management services," FECI President Vincent Signorello said.

Chechile said Parallel is focusing on right of way because no company has stepped up and said it wants to be the leader in exploiting these opportunities for third parties.

Chechile earned a Master of Communication and Information Studies from Rutgers University, and a Bachelor of Science in mathematics with a concentration in computer science from Fairfield University. He also completed the London Business School Executive Development Program.

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## Fortress Investment Group (NYSE: FIG)



Fortress Investment Group (NYSE: FIG)

FIG describes itself as a leading global investment manager with \$51.5 billion of assets under management.

The company was founded in 1998, and its first investment fund was launched in 1999. It went public in 2007.

Fortress' website lists 28 portfolio companies in an array of industries that give the company broad sets of expertise. Florida East Coast Industries, which is based in Coral Gables, and Florida East Coast Railway, which is based in Jacksonville, are two of the most important in South Florida.

### Rebound in the fall



### By the numbers

**\$51.5 billion**

Assets Fortress has under management

**\$5.2 billion**

Capital raised in the first three quarters of 2012

**\$171 million**

Pretax distributable income in first three quarters

## Florida East Coast Railway

■ James Hertwig, president and CEO



Florida East Coast Railway operates 351 miles of mainline track from Jacksonville to Miami. Henry Flagler, who partnered with John D. Rockefeller at Standard Oil,

used it to transport guests to his string of luxury resorts along the coast, and opened the state to development.

The railway is poised to take advantage of increased trade when an expansion of the Panama Canal is finished. The railway

has restored a connection to PortMiami and will have an intermodal freight yard there when construction of the port tunnel is completed. The railway will also have an intermodal yard at Port Everglades. Although the railway ends in Jacksonville, traffic can be handed off to the Norfolk Southern and CSX railways. Some FEC freight trains actually go all the way to Atlanta from South Florida.

The railway's historical land holdings are providing new business opportunities to sister company Florida East Coast Industries, which has four subsidiaries. (See boxes to right.)

## Florida East Coast Industries

■ Vincent Signorello, president



FECI was incorporated in 1983 and was the holding company for the Florida East Coast railway and real estate holdings managed by Flagler Development. FECI became independent of St. Joe in 2000 and its prominence in the state was symbolized by its New York Stock Exchange symbol: FLA.

On May 8, 2007, FECI announced it had accepted a \$3.5 billion buy-

out offer from Fortress Investment Group.

FECI, which is led by president Vince Signorello, now has four main arms (see them to the right), which have major synergies with the railway.

**All Aboard will run along the FEC tracks**







## Flagler

■ Vincent Signorello, president  
■ Keith A. Tickell, COO



Flagler owns, manages and leases 8 million square feet of commercial space, mostly suburban office space, in Miami Tampa, Orlando and Jacksonville. The Coral Gables company is focused on paring down the legacy office portfolio, which generates cash that can be recycled for other purposes.

Flagler provides asset management to institutional owners on an additional 11 million square feet of commercial space.

It has 2,500 acres of developable land in the state, allowing for 10 million square feet of commercial/

mixed-use development

Everywhere FECR goes, Flagler is trying to lease small parcels – less than 5 acres – to municipalities and private businesses for various uses including additional parking, storage, etc.

A major change for the company came in October, when 30 brokers left for Avison Young, one of Canada's largest real estate service companies. That was an indication of how Flagler was de-emphasizing real estate services to third parties.

## South Florida Logistics Services

■ Manny Fernandez, executive VP



The recently created South Florida Logistics Services (SFLS) is a major landholder and is also developing new industrial buildings that emphasize logistics. Direct access to rail is a big part of the picture.

SFLS has 2,000 acres of land approved for 16 million to 18 million square feet of industrial development, most of which is in South Florida. Some of the locations are at Beacon County-line, Florida East Coast Railway's Hialeah yard and Flagler Station.

SFLS has broken ground on a 170,000-square-foot facility at the South Florida Logistics Center on the western edge of Miami International

Airport. The site was previously used by the railroad.

SFLS also broke ground on a 173,000-square-foot industrial building at Flagler Station in Miami-Dade County's Airport West area.

But SFLS is more than just about land and buildings. Its strategy involves moving from purely leasing logistics/freight forwarder space to operating the space on behalf of retailers and others. That would cater to companies that handle dry cargo and/or perishable commodities.

## All Aboard Florida

■ P. Michael Reininger, executive VP



Plans for the high-speed passenger rail line envision a three-hour trip from downtown Miami to Orlando International Airport with 15 trains running each way daily.

Stations would also be located in Fort Lauderdale and West Palm Beach. Eventually, the service could extend to Tampa and Jacksonville.

The \$1 billion project would create thousands of jobs and involve invest-

ment by the company in not only the passenger line, but in commercial development at the stations.

The service would use 200 miles of existing tracks between Miami and Cocoa and create about 30 miles of new track to complete the route to the Orlando airport. All Aboard Florida is seeking governmental approvals for the 30 miles of right of way.

## Parallel Infrastructure

■ Frank Chechile, CEO



Chechile, who just started Nov. 12, runs a company that is rooted in managing the non-railroad operations along the Florida East Coast Railway tracks.

The railway corridor is a major fiber optics conduit for an array of telecommunications companies. It also includes other utility crossings and billboards.

The next generation of business is infrastructure development. Services offered to customers include communication tower development, management and services, fiber optics, land lease management, billboards, and pipelines for gas, oil and water.

Parallel has six communication towers completed and 10 more in devel-

opment on the right of way from Jacksonville to Miami.

A Jacksonville-based billboard and land lease management business oversees 84 billboards and hundreds of land leases along the right of way.

As part of its third-party services, Parallel has signed contracts with short-line railroads nationwide to manage their right of ways and develop communications infrastructure. It has agreements with 20 short-line railroads with more than 1,000 miles under management.

Parallel reports it is negotiating with nine other railroads that have operations in 17 states.

