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Miami Rides The Wave As Art Basel And Surging Real Estate Attract The Billionaires

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The crowds gathered in Miami for Art Basel: more than 70,000 people attended the main fair

Regardless of one's preconceived notions, Art Basel Miami Beach has become an absolute success, helping to reposition the Sunshine State's most famous city as a global destination for influencers, billionaires, and partygoers. With over 70,000 attendees at the main fair—which generated more than \$20 million in revenue—and scores more flocking to one of the two dozen satellite fairs spread from South Beach to Wynwood, or just looking to escape the cold and hit the clubs, the establishment of a global art scene, added to an impressive resurgence in luxury real estate, have put Miami back on the map.

Miami's version of Art Basel (known as ABMB for its initials) just wrapped up its 13th edition, and despite collapsing the city's transportation system, it was a great success. According to the [organizers](#), ABMB hosted 267 galleries from 31 countries, along with 73,000 visitors over the five days it operated. One report put the total value of art on sale at \$3 billion (just to compare, a few weeks ago Christie's and Sotheby's [sold more than \\$1.78 billion-worth of art in one week](#) at their marquee modern and post-war auctions in New York).

Looking specifically at ABMB, the figures look pretty good as well. While organizers MCH Group (which boasts annual revenues of nearly \$500 million) make no money from the art sold at the fair—which is a private transaction between a gallerist and a collector—ABMB makes the bulk of its cash renting out booths, lights, and walls for galleries. Depending on location, booth rentals can cost around \$50,000 before factoring in furniture and lighting, which boost the price to about \$70,000. At that level, ABMB made an estimated \$18.7 million from rentals. With tickets priced at \$45 a piece, that’s another \$3.3 million assuming all 73,000 visitors paid for admission. Excluding sponsorships—BMW was one of the major partners, sponsoring the event to show off their new i8 hybrids—revenue comes out to nearly \$22 million.

Insiders agree the art market remains strong, as the New York auctions showed in November. Pieces in Miami were being sold for the exorbitant prices the art market has been accustomed to lately, such as a \$35 million Alexander Calder at Nahmad Galleries, and one of Andy Warhol’s iconic Mao’s for over \$15 million on sale at Acquavella Galleries, according to *Hollywood Reporter*. The quality of the work was lauded, as well as its breadth, particularly at places like SCOPE, which focuses on emerging artists, and Wynwood Walls, where street art took center stage. “Everyone was very pleased, from galleries to attendees,” a person close to the organizers explained, noting the uptick in buyers from the Pacific Rim, and China, ahead of Art Basel Hong Kong next March.

As the art attracts the art world, part of the allure of going to Miami has to do with the lifestyle opportunities. Beyond billionaires and hedge fund managers looking to snap up the latest piece by Jeff Koons—Steve Cohen was missed this year—celebrities and scenesters make their way from New York, LA, Europe, and Latin America to rock out. At a party hosted by Len Blavatnik along with Argentine developer Alan Faena and Ximena Caminos, billionaires [Chris Burch](#) could be seen hanging out with the likes of film director Baz Luhrmann and hotelier Andre Balazs. And while that helps keep the jetsetters entertained, it’s also good when trying to sell a \$50 million penthouse, something Faena and Blavatnik can attest to: the residential portion of their [mega-project](#) is essentially sold out, with the likes of Lloyd Blankfein and Larry Gagosian having staked their place at the Sir Norman Foster-designed tower. And it’s not just Faena: a few blocks up Collins Avenue, Oceana Developer Eduardo Costantini has a [penthouse on the market for \\$30 million](#). The demand is there, and it’s not just from international buyers, as brokers have observed an increase in clients from New York and Miami.

What all of this ultimately means is that Miami has recovered, in great part, from the incredible hit it took during the financial crisis. While real estate prices haven't returned to their pre-crisis levels (the S&P/Case-Shiller index puts them at 2004 levels), Miami has once again won the full approval of both the ultra-wealthy and the trendsetters, who are willing to spend serious money and endure endless traffic jams to get a piece of the action, be it art, real estate, or champagne.

[Art Basel Miami Real Estate](#)

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