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## Plan for downtown condo dropped

Developer behind The Metropolitan files Ch. 11; condos would have been near Capitol

**Austin Business Journal - by [Jean Kwon](#) ABJ Staff**

A local developer has shelved plans for a \$50 million luxury condo project in one of the first casualties of Austin's downtown condo boom.

**The Metropolitan, a proposed mid-rise project two blocks from the Capitol first announced in February 2007, will no longer be built. Its developer, Mote Group Real Estate Partners LLC, filed for Chapter 11 bankruptcy June 30.**

**The condo's site, a surface parking lot at 311 E. 11th St., will be put up for sale, says Weldon Ponder, the attorney representing Mote Group in its bankruptcy.**

Mote Group Principal Thomas Mote could not be reached for comment.

The company's Web site lists three other principals: Richard Cookson, who manages financing and legal affairs; Elisa Bentivoglio, who oversees architectural planning and design services; and Joel Bracewell, who directs management services and asset development. None could be reached for comment.

Bentivoglio is the founder of Houston-based Innerspace Inc., the Mote Group's largest unsecured creditor. It is owed \$76,250 for professional interior design services, according to bankruptcy filings in federal court.

When the Metropolitan project was announced last year the Mote Group said it would break ground in March 2008 and open by 2009. The project never turned soil.

Original plans called for an exclusive, eight-story, mixed-use building with street-level retail and condos priced from the mid-\$300,000s for about 900 square feet to more than \$1 million for penthouses featuring two-story glass walls and private rooftop gardens. Amenities were to include concierge and valet services, a six-level garage and a private club, the Fountainhead.

Austin-based Noack Little Architects Inc. was on board to design the building. Principal Clay Little wasn't aware of the bankruptcy. Noack Little Architects is owed \$3,381, according to court filings.

The Mote Group manages a mixed-use asset portfolio of over \$620 million, according to its Web site, although bankruptcy filings indicate total assets of \$4 million. The firm's total liabilities are listed as almost \$2.5 million.

Unsecured creditors listed in the bankruptcy filing cite numerous disputed claims, including almost \$65,000 to Austin law firms Clark Thomas & Winters PC and Graves Dougherty Hearon & Moody PC. Other unsecured claims listed include a \$20,075 promissory note to 919 Congress Avenue LLC and \$20,000 to Bobby Afshin for debt and equity sourcing. Ponder says the 11th Street property has three liens against it, including mortgages totaling nearly \$2 million.

**"The deal [for the Metropolitan] fell through," says Ponder, adding there was never a firm contract to build it.**

**The group ran out of cash and is talking to possible buyers, Ponder says, although he declined to name them.**

The Metropolitan was among about two dozen condo projects slated for Central Austin that will add about 4,500 units to the Austin skyline in the next few years. Of those, about 2,500 are under construction.

A report earlier this year by Dallas-based Residential Strategies Inc. said the fate of units still on the drawingboard may be in jeopardy as tightened credit markets and wary investors make it more difficult for those projects to secure financing.

**Courtesy of JB Goodwin**