

Goldman Sachs & private jets: The real story of Orlando developer Chuck Whittall's banner year

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Chuck Whittall was running out of projects.

It was November 2017 when the president of Unicorp National Developments Inc., arguably one of Orlando's most prominent developers, was approached by employee Alexie Fonseca. She alerted Whittall to the dearth of future deals.

"Let's go drive," Whittall said.

So, the two climbed into his blue 2017 Range Rover and drove through Central Florida's most bustling submarkets in search of their next project.

They toured Lake Nona, Lake Mary, the Disney area and then headed down Palm Parkway, where they happened upon longtime land broker Daryl Carter's property sign near Interstate 4.

Whittall had a gut feeling. He pulled out his cellphone and called Carter, who agreed to meet him the next morning at Panera Bread at The Mall at Millenia. The two had known each other for years and even had been business partners when Whittall was just starting his real estate career buying foreclosed homes. Carter had assembled roughly 200 acres of land along I-4 and had been trying to sell property to Whittall. The real estate developer was interested in the final, roughly 80-acre parcel.

The next day, within a half-hour of meeting at Panera, Carter and Whittall had struck a handshake deal for the roughly \$50 million property. Whittall and Carter declined to comment



JIM CARCHIDI
Chuck Whittall at Icon Orlando 360

on the specific terms of the deal, which will close in first-quarter 2019.

However, the land sale is the cornerstone of the much anticipated \$1 billion mixed-use O-Town West project near Walt Disney World — the largest and most expensive project Whittall ever has announced in Central Florida.

“That is a world-class property, world-class location, and it deserved a world-class developer,” Carter said. “It didn’t take me five minutes to know Chuck was the guy.”

That meeting set in motion Unicorp’s most ambitious year since it was founded in 1996. So far, the firm has announced more than \$2 billion in Central Florida projects, not including the redevelopment of the sputtering Orlando Fashion Square mall near downtown, a project that would extend into the hundreds of millions of dollars in planning and construction, Whittall said.

In all, these projects may have a significant economic impact on the region, and generate an estimated 20,000 temporary construction jobs, not to mention additional permanent jobs.

To accomplish these deals, Whittall relied on a series of relationships with several key players in Orlando’s real estate community, large financial institutions and the trust he has built from delivering on projects.

Still, even Whittall admits his current development roster is aggressive.

The developer

Whittall, 52, feels like he’s in transition.

His company, once forced to sell its property assets in the depths of the economic downturn, now is booming with work, as evidenced by notes crammed all over a dry erase board in Unicorp’s Dr. Phillips office.

Whittall is planning to move in the next few years from his current marble-floored office in Dellagio — a high-end project he developed and sold for \$38 million in October 2012 — to O-Town. He’s even building a new home for his family along Windermere’s Butler Chain of Lakes in an 18-acre luxury community called Carmel — one Unicorp is developing.

Sometimes, he admits, it’s a little hard to believe. The son of a Winter Park fireman, Whittall now is at the helm of one of Orlando’s most successful real estate companies. The mall he and his friends used to hang out at when they were growing up — Orlando Fashion Square — is in his sights for a major redevelopment.

Since the Great Recession, Unicorp has brought Monrovia, Calif.-based popular niche grocer Trader Joe’s to two Central Florida shopping centers, built the Icon Orlando 360 entertainment

complex on the International Drive tourist corridor, and master planned and constructed the \$200 million mixed-use Griffin Farm at Midtown in Lake Mary, among other notable projects.

Whittall is detail-oriented and known for his colorful style: jeans, Robert Graham shirts, high-end shoes and custom-made, Tom James Co. jackets with “Charles” embroidered on the inside. He’s involved in every project detail, his workers said, from the way street lights are designed to which fonts are used in project names.

Even how his company’s website looks matters to Whittall, who recently paid \$75,000 for the rights to Unicorp.com, which he said was important to his firm’s branding.

Colleagues and friends describe Whittall as a workaholic — someone who eschews playing golf because he loves his own work so much. He often sends employees texts and emails about new project ideas in the wee hours of the morning, much to their spouses’ annoyance.

Despite cutting into his sleep, the obsession with minute details helped drive his success, local real estate executives said.

“He seems to follow through with every announcement he’s made,” said Orlando timeshare mogul David Siegel, founder, CEO and president of Westgate Resorts Inc. “He’s not on an ego trip just to see his name in the paper.”

New partner

After setting O-Town in motion, Whittall turned his attention to his second-biggest project this year in Central Florida: a mixed-use development in Daytona Beach. But he needed equity to pull it off.

So, this past summer, Whittall and CFO Dale Fitch flew to the Hamptons to meet with Morgan & Morgan PA’s [John Morgan](#), a prominent lawyer and one of Orlando’s most elite residents. Whittall needed a capital partner on the \$200 million, 150-acre development in Daytona Beach’s fast-growing area of Interstate 95 and LPGA Boulevard.

Whittall, like most real estate developers, requires capital partners to pursue larger deals so he can secure financing from banks or other institutions. Usually, about 20 percent equity is needed for development deals, said Gregg Logan, a managing director of Bethesda, Md.-based real estate consulting firm RCLCO, who isn’t involved with Unicorp.

Back in the Hamptons, they were at Morgan’s home for drinks, and then went out to dinner. That’s when Whittall laid out the plans and made a more formal pitch to Morgan for project equity. Later, Morgan’s attorney, J.P. “Rusty” Carolan, blessed the deal, and Morgan wired Whittall the money.

Morgan has become an increasingly important business partner in Whittall’s various real estate plays. He plans to invest in the \$1 billion O-Town project and in Orlando Fashion Square, Morgan

said. That's because the Orlando lawyer has faith Whittall will deliver. I don't think there's a developer in Central Florida that is his rival at this time except for Walt Disney World and Universal," Morgan said.

On the other side of his deals, Whittall has relied on financing from major financial institutions, including New York-based Goldman Sachs Group Inc., New York-based Citibank and Miami Lakes-based BankUnited Inc.

That's not surprising to Logan, who said there's plenty of capital for good mixed-use projects in Orlando, with its fast-growing population and record-setting 72 million tourists in 2017. Mixed-use projects can create a sense of place and are attractive to office users and residents who might locate to the development.

Still, mixed-use is tricky to pull off. These projects involve multiple moving parts that can be difficult for developers who specialize in one specific element. Developers also carefully have to select which elements are needed in the area, and must balance how each piece interacts with the others. For example, residents might not want a late-night bar next to their apartments.

But there are financial gains for those who can build a mixed-use project successfully, Logan said. "There's more demand than there is supply for those kinds of developments, and the market rewards them with better rents."

Sink or swim

With equity secured, Whittall turns to his team of roughly two dozen employees in his Dr. Phillips office to pull off his vision in an environment he describes as "sink or swim."

Days can be hectic, job titles can be fluid and projects can change on a whim.

Some employees thrive in that environment, where success often means high compensation, said Whittall, who proves his point by noting the luxury cars in his company's parking lot.

One employee who's seen her fortunes change is Fonseca, who met Whittall when she was about 19 years old and working as a customer service representative at the Orlando Executive Airport, where Whittall flew his private jet.

In 2008, Whittall's pilot Rich Bilton alerted Fonseca that Unicorp was looking to fill a project coordinator position. During the interview, Whittall dropped in and recognized Fonseca. "I immediately got the job," she said.

Fonseca then worked her way up to her current role as director of leasing. She and colleague Taylor Coan now are in charge of handling leasing for more than 1.5 million square feet at Unicorp's projects announced so far this year. To put that in perspective, that's roughly the square footage of The Florida Mall, Orlando's largest retail center.

to be sure, current and former employees describe working at Unicorp as constantly changing, depending on Whittall's vision. Deals move quickly, too. Whittall, a race car enthusiast, said he inked the Fashion Square redevelopment deal within 10 days. That's because people trust Whittall, who tends to follow through on property deals.

"He never stops working — I think that's why he's as successful as he is," said former employee Jorge Rodriguez, who is now executive managing director of Colliers International Central Florida LLC. Rodriguez worked with Whittall on the Daytona Beach deal. "It's always go, go, go."

Still, there have been past setbacks. Early on, Unicorp's Baldwin Park town center faced severe delays, which Unicorp executives at the time blamed on city permitting, damage from the 2004 hurricanes and changes in construction planning. Unicorp later sold the property to Beverly Hills, Calif.-based Rubin Pachulski Properties LP for nearly \$100 million in 2006. That year, the company also had to pull out of a town center project for the city of Casselberry due to the residential slowdown. In July 2006, Unicorp got dropped from a Temple Terrace downtown redevelopment project and then, in June 2010, Unicorp's 124,000-square-foot Water Tower Place shopping center in Celebration was repossessed by the lender.

Business associates also had complaints over the years concerning payments from Unicorp. In April 2014, for example, landscaping company Ron Dale & Co. filed a lawsuit against Unicorp, alleging failure to pay roughly \$87,000. The case later was dismissed and Ron Dale, president and founder of what's now called Dale & Co., declined to comment. However, Whittall said Unicorp hasn't had an issue paying contractors, though brokers have wanted to be paid quicker than normal business cycles.

Dreams

Despite Unicorp's robust year of new project announcements, Whittall said he is trying to slow down.

It's not clear that he means it.

Whittall doesn't want to overcommit, but also has more project announcements coming soon.

His fear with overcommitting: Unicorp might turn into another example of the Peter Principle, or the notion that people get promoted to their level of incompetence, Whittall said. "Believe it or not, with all the projects I have, every time I say yes, there's probably 10 times I say no. If it's not something that I think is an absolute home run, A-deal, we say no to it."

For Whittall, no project or portfolio of deals is ever enough. But there is one development he'd be willing to go all-in on: a Las Vegas-style theater.

Whittall, who visits Sin City multiple times a year, said Orlando lacks non-touring theatrical entertainment options outside of the Blue Man Group and Cirque du Soleil. About 15 years ago,

he wanted to do a Michael Jackson show, where the now-late pop superstar would perform multiple times a week, similar to the Celine Dion show in Las Vegas.

But Whittall is years away from pursuing that project and hasn't yet found the right piece of I-Drive property, he said.

Again, most people in the community would bank on his success.

"That's a risk you take knowing that all the dollars you put into it may be gone. Or it may be super successful and you make a killing," he said.

Unicorp's 2018 in review

Feb. 1: Unicorp National Developments Inc. proposes the \$1 billion mixed-use waterfront mega project, O-Town, near Walt Disney World.

Feb. 2: Unicorp President [Chuck Whittall](#) hints at new attractions coming to I-Drive 360.

Feb. 10: Unicorp unveils O-Town renderings.

Feb. 21: Whittall reveals a hotel may be added to O-Town plans.

May 1: An Element hotel at the Vue at 360 takes one step closer to fruition. Peachtree Hotel Group's related PG-PHG Orlando LLC buys the 1.82-acre parcel that housed the former McFadden's Orlando restaurant from Unicorp for \$3 million. Unicorp will serve as a joint partner in the hotel's development.

May 11: Unicorp doubles the size of O-Town's planned retail component to 200,000 square feet.

May 14: The Coca-Cola Orlando Eye is renamed Icon Orlando, while Unicorp's I-Drive 360 complex also changes its name to Icon Orlando 360.

May 23: Unicorp doubles O-Town's retail component again to 400,000 square feet, due to increased interest and momentum from retailers and other potential tenants.

June 1: Unicorp debuts the 400-foot Starflyer swing attraction at The Vue at 360, adjacent Icon Orlando 360.

August: Unicorp goes under contract to buy about 150 acres near Interstate 95 and LPGA Boulevard in the Daytona Beach area known as Tomoka. The \$200 million, three-phased project is expected to feature roughly 200,000 square feet of retail, 300 luxury apartment units and 200 homes.

Sept. 3: Unicorp reports more than two dozen potential restaurant tenants are interested in leasing space in the Boardwalk at [O-Town West](#), part of the \$1 billion O-Town.

Sept. 19: Whittall reveals plans for a double slingshot ride, drop tower, powered zipline ride and two new hotel towers as part of Unicorp's \$300 million mini-theme park and hotel expansion at Icon Orlando 360.

Oct. 5: Unicorp expands plans for O-Town by going under contract to buy roughly 100 acres east of Apopka Vineland Road in southwest Orlando. The Town Center at [O-Town West](#) will feature a grocery-anchored shopping center along with a few hundred homes and apartment units.

Oct. 8: Unicorp adds a 150,000-square-foot office building to plans for the Boardwalk at O-Town West shopping district.

Oct. 10: Whittall reveals plans for Unicorp to spend hundreds of millions of dollars to redevelop Orlando Fashion Square mall by buying the 50 acres under the mall and working with other building owners to turn the area into an outdoor, experiential town center with apartments, entertainment and retail.

Oct. 31: Whittall reveals plans to add two or three towers with roughly 400 to 500 apartments each as part of Unicorp's redevelopment of the Wyndham Orlando Resort International Drive.

November: Unicorp increases the luxury apartment unit count at O-Town West from 800 to 1,600.

Unicorp's Current Project Lineup

1) Orlando Fashion Square mall

Location: Maguire Boulevard and East Colonial Drive near downtown Orlando

Size: Roughly 50 acres

What's happening: Unicorp wants to buy the 838,865-square-foot enclosed mall — including the land under it — from longtime owner MMM Lakewood Ltd. LLLP. The mall has been subject to a long-term ground lease for decades. Unicorp wants to buy the land and turn the mall into an outdoor, experiential town center with retail, entertainment and apartments.

What's next: The land sale may close by January.

Cost: Hundreds of millions of dollars, though not finalized

2) O-Town West

Location: Near Palm and Daryl Carter parkways, close to Walt Disney World in Orlando

Size: Almost 200 acres

What's happening: Unicorp's still-evolving mixed-use project will include more than 500,000 square feet, featuring a grocery-anchored shopping center with a tourist-centric mix of shopping, dining and entertainment venues, as well as an office building, possibly a hotel and a 600-space parking garage. In addition, the project will feature the "Isleworth of apartment communities" with about 1,600 luxury residential units.

What's next: The land sale is expected to close in next year's second quarter, with groundbreaking shortly thereafter; the project is expected to open in the holiday season in 2020.

Cost: More than \$1 billion

Leasing contact: Alexie Fonseca at alexie@unicorp.com, and Taylor Coan at taylor@unicorp.com

3) Expansion of Icon Orlando 360 and Wyndham Orlando Resort International Drive

Address: 8375 International Drive, Orlando 32819

Size: 42 acres

What's happening: Unicorp plans to build two or three apartment towers with a total of roughly 400 to 500 units near the Wyndham Orlando Resort International Drive. The project is in conjunction with a previously announced plan to add two new hotel towers to the Wyndham resort with about 500 to 600 guest rooms each. Additionally, a new mini-theme park with rides and attractions is expected to join the existing Icon Orlando 360 dining/shopping/entertainment complex on Orlando's International Drive tourist corridor.

What's next: Construction on some elements may start in mid-2019.

Cost: \$1 billion

Leasing contact: [Alexie Fonseca](mailto:alexie@unicorp.com) at alexie@unicorp.com

4) Shoppes at Williamson Crossing

Location: Near Interstate 95 and LPGA Boulevard in Daytona Beach

Size: 150 acres

What's happening: Unicorp wants to develop a mixed-use complex with 200,000 square feet of retail, 300 luxury apartments and 200 homes. The site is near the \$1 billion massive Jimmy Buffett-themed Latitude Margaritaville mixed-use active-adult community, a collaboration between Minto Communities LLC and Margaritaville Holdings Inc. that's now under construction. Unicorp bought its land Aug. 30 for \$6.7 million, or \$325,000 an acre, from Daytona Beach-based Consolidated-Tomoka Land Co. (NYSE: CTO).

What's next: Construction is expected to start in next year's first quarter.

Cost: \$200 million

Leasing contact: [Alexie Fonseca](mailto:alexie@unicorp.com) at alexie@unicorp.com, and Taylor Coan at taylor@unicorp.com

Jack Witthaus

Staff Writer

Orlando Business Journal

