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SWFL Top 10 Most Intriguing and Telling Transactions

YEAR	TOTAL SALES	TOTAL TRANSACTIONS	SALE PRICE PER TRANSACTION
2015	\$545,950,000	218	\$2,504,358
2016	\$670,612,865	254	\$2,640,208
2017	\$505,548,854	226	\$2,236,942

Over the past three years, we have stepped back and reviewed the most intriguing sales for the first part of the year. Our research shows fewer transactions in 2017 and a lower total volume compared to 2015 and 2016 but still a significant amount of activity.

1) Longitude 81 (formerly Springs at Estero) – Estero

Leading the pack in terms of price, Continental Properties Company sold the 260 unit Longitude 81 apartment complex to PASSCO Companies, LLC. for \$53,500,000 or \$205,769/unit. This represents one of the highest prices per unit in Lee County for multifamily. The project had rental rates from approximately \$1,273 to \$2,260 per month and had an occupancy of 95%. A CAP rate of 5.25% was reported. Last year at this time, we reported the sale of Channelside apartments at \$169,231/unit which was the highest price in Lee County since 2005.

2) Courtyards at Estero – Estero

Across I-75 from Sale 1 is the Courtyards at Estero which sold for \$26,180,000 or \$192,500/unit. Average rental rates were reported between \$1,133 and \$1,980 per month with a 98% occupancy. Once again, rental apartments remain strong with very little inventory of available projects.

3) Camping World – Fort Myers

Net leased properties continue to be in high demand as evidenced by our #3 intriguing sale of the Camping World property in the NE quadrant of I-75 and Luckett Road.

Local investor, Mark Stout, cashed in on this investment craze with the sale of this \$15,171,000 property. The property sold for \$338.64 per square foot of building area with a reported 7.70% capitalization rate. The lease had 15 years remaining to Camping World.

4) The Jack Parker Corporation office/retail portfolio – Fort Myers

This is a portfolio sale of four office projects and one retail center consisting of 126,000 square feet. The properties sold for \$17,550,000 or \$139 per square foot. The Jack Parker Corporation developed these properties which were all income producing properties. The buyer intends to continue leasing the properties.

5) Regions on Fifth – Naples

Veteran office brokers Randy Mercer, Brandon Stoneburner and Scott Dunnuck of CRE Consultants negotiated the sale of the Regions Bank building on 5th Avenue S./11th Street S. for \$16,000,000 or \$303.56 per square foot. The property had an average occupancy of 90% and sold at a 6.25% cap rate.

6) Former Naples Daily News property – Naples

The former Naples Daily News site (largest vacant site in Downtown Naples) sold to Ronto Group for \$15,100,000. The developer plans a mix of condo, retail and public park. The previous owner purchased the property for \$8,500,000 in 2014.

7) Lely Development on Tuckers Grade – Punta Gorda

Lely Development, who is best known for Lely Resort in Naples, acquired 563 acres on the NE corner of Tamiami Trail and Tuckers Grade in Punta Gorda. The property was acquired in April 2017 for \$6,500,000 or \$11,545 per acre. The property is approved for 999 units but the owner is seeking approvals for up to 2,400 residential units and 50 acres of commercial. This, in our opinion, represents the start of the inevitable move towards Charlotte by Lee/Collier County developers.

8) 6630 Orion Drive - Fort Myers

Lee Health continues to expand the footprint of the Gulf Coast Hospital campus with the most recent acquisition of this office property on the east side of the hospital. The three story office building was formerly occupied by the Heritage Institute and consists of approximately 52,000 square feet. Lee Health purchased the property for \$8,100,000 or \$156 per square foot. Another solid purchase for Lee Health.

9) 359 Broad Avenue S. – Naples

What's intriguing about the sale of a 3,000 square foot art gallery on Broad Avenue in Naples?...the real estate agent's comments. "The buyer purchased this as a gift to his wife. The property is an art gallery and was purchased for her to have something fun to do." Only in Naples do you see these type transactions that go against the grain of reality. The property was purchased for \$2,600,000 or \$833 per square foot. Husbands, don't let your wife see this!

10) 11161 Healthpark Blvd. – Naples

This is a MOB (medical office building) sale of a surgical center, which sold for \$6,450,000 or \$375 per square foot with a reported CAP rate of 7.2%. Investors continue to flock to MOB investments due to the perceived safety of the investment.



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