



MARKET SNAPSHOT

LEE COUNTY'S TOP TEN MOST INTRIGUING AND TELLING COMMERCIAL TRANSACTIONS

As we move into the second half of 2015, lets take a step back and review the top ten most intriguing transactions in the Lee County market over the first half of the year. These transactions are not necessarily the highest priced but the most intriguing and a microcosm of trends in the market thus far in 2015.

Redevelopment, net leased properties and medical make up the bulk of our top ten list. Developers will be changing the makeup of Fort Myers Beach with the three acquisitions totaling \$17,800,000 this year on the beach. Redevelopment efforts are never for the faint of heart and this is an aggressive move. Similarly, in Downtown Fort Myers, we are already seeing significant redevelopment efforts namely on First Street. The acquisition of the former Amtel Hotel and the First Street Village land will also modify the face of downtown. A total of \$34,000,000 in redevelopment acquisitions in these two areas are eye catching to say the least.

Net leased properties are golden, as evidenced by transactions of +\$600 per square foot for retail buildings. National investors continue to desire a long term lease to a credit tenant and always will. Combine a medical tenant and a long term lease and you have one of the most highly sought after investments in Southwest Florida. Look for continued growth in this market, given the demographics of Southwest Florida and the efficient exit strategy for doctors owning real estate. Although not a medical space, the sale of 9299 College Parkway, which is leased to Lee Memorial Health System, is further proof of the desire to have a medically related tenant.

1. Helmerich Plaza – 1133 Estero Boulevard, Ft. Myers Beach

Grand Resort Ft Myers Beach LLC., acquired the most prime commercial location on Fort Myers Beach in the acquisition of Helmerich Plaza. This dated center was acquired for \$7,200,000 or \$50 per square foot of land area with the improvements contributing little, if any, value.

2. Mermaid Lounge – 1204 Estero Boulevard, Ft. Myers Beach

Grand Resort – Ft Myers Beach LLC. also purchased this property which has beach frontage and access for \$4,500,000 or \$222 per square foot of land area. The improvements were older and contributed very little to the deal.

3. 211/221/231 Canal and 1172/1174/1188/1190 Estero Boulevard, Ft. Myers Beach

Grand Resort – Ft Myers Beach LLC. Purchased this block of properties which extend from Estero Boulevard to the Gulf of Mexico. The properties were acquired for \$6,100,000 or \$148 per square foot of land area with significant improvements in place.

4. Amtel Hotel – 2500 Edwards Drive, Ft. Myers

Macfarlane Group LLC. acquired the former Amtel/Ambassador Hotel property located in the River District of downtown Fort Myers. The property was improved with a 1986-built, 24 floor, 417 room hotel which was in extremely poor condition and not in operation. The once Sheraton branded hotel was neglected for years and has been a blighted project for downtown. The property was acquired for \$12,575,000 or \$65 per square foot of land area or \$30,156 per room. The property is being redeveloped as a 55-and-older independent living facility to be known as Campo Felice.

5. First Street Village – 2144 McGregor Boulevard, Ft. Myers

Phil Fischler brokered the vacant land portion of the First Street Village property on McGregor

Boulevard in the River District of Downtown Fort Myers. After years of financial difficulties, the property was sold by the note holder for \$3,500,000 or \$10.20 per square foot. The property is the second phase of the First Street Village project and had approvals for 343 residential units and 61,900 square feet of commercial space.

6. Lee Memorial Health System – 9299 College Parkway, Ft. Myers

Adam Palmer of LandQwest brokered this \$8,900,000 sale of a 38,639 square foot former grocery store space converted to administrative office for Lee Memorial Health System. The hospital group occupied the majority of the space on a long term lease and thus the sale price of \$230 per square foot.

7. Bank United/Mattress 1 – 12748 S. Cleveland Avenue, Ft. Myers

Dan Creighton does it again! In 2014, Creighton acquired an older gas station and redeveloped with a retail building. Long term leases were signed to Bank United and Mattress 1 and the property was sold for a staggering \$4,200,000 or \$676 per square foot of building area.

8. Orthopedic Specialist – 2531 Cleveland Avenue, Ft. Myers

This represents a resale of a sale leaseback property. The property was acquired in 2013 for \$12,000,000 and sold in 2015 for \$14,800,000 with no changes in the leaseback structures and less time remaining on the lease. This is a huge investment in the otherwise stagnant Central Fort Myers. This is a great example of the strength of the medical leaseback market.

9. Tijuana Flats/T Mobile – 9990-9994 University Plaza Drive, Ft. Myers

Sena Realty acquired this net leased property which is located on an outparcel to Gulf Coast Town Center. The property had long term leases to Tijuana Flats and T Mobile and sold for \$3,999,000 or \$615.23 per square foot of building area. This is just one example of the strong retail activity around Gulf Coast Town Center.

10. 21st Century Oncology – Florida, California, Nevada, West Virginia and Kentucky

Fort Myers based 21st Century Oncology sold a total of 20 radiation oncology centers throughout the country including several in Fort Myers. The portfolio sale totaled \$117 million and included long term, net leases to the 21st Century Oncology.



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