



## 2016 Commercial Deals (Lee County)

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

Last year, at this time, we stepped back and reviewed the most intriguing sales for the first part of 2015. This list of sales was filled with redevelopment properties on Fort Myers Beach, namely Grand Resort Fort Myers Beach, LLC. acquisitions, and Downtown Fort Myers acquisitions, such as the former Amtel property now being developed as Campo Felice. Campo Felice is well underway, however, Grand Resorts unveiled preliminary plans for a dramatic redevelopment of Fort Myers Beach but faced significant opposition and is in the redesign phase. Fort Myers Beach residents are mixed on the desire for redevelopment as evidenced by the Grand Resort project and the Bay Harbour project on San Carlos Island. As we step forward into 2016, the redevelopment efforts continue in Downtown Fort Myers and Fort Myers Beach but the most activity continues to center on net leased investments and larger income producing properties. Our research shows fewer transactions but a much greater price per transaction in the first quarter of 2016.

These larger prices are evidenced by the first five sales which represent over \$100 million in income producing properties.

#### 1) Channelside Apartments – Fort Myers

Aileron Capital Management, led by Joe Bonora, developed the multi family project in 2015 and sold in March 2016 for \$55,000,000 or \$169,231 per unit and an approximate 5.5% CAP rate. This is highest price achieved (per unit) for a Lee County complex since 2005. This sale will set the stage for newer Class A apartments in Southwest Florida.

#### 2) Tanger Outlet – Fort Myers

Dahlmann Properties, who also own Periwinkle Place on Sanibel, acquired the outlets for \$26,000,000 or \$130 per square foot at a reported 7.0% capitalization rate. Once again, a strong income producing property which is in high demand.

#### 3) University Plaza – Gulf Coast Town Center

PV-Dunk City, LLC., part of Paradise Ventures out of the Tampa area, developed and sold this plaza for \$7,600,000 or \$450.64 per square foot and a 6.575% capitalization rate. This development had all national tenants with World of Beer, DXL and Beefstros to name a few. The property is well situated in front of Gulf Coast Town Center and further illustrates the investment property craze.

#### 4) Aspen Dental/Mattress Firm/Buffalo Wild Wings – Cape Coral

Net leased investments continue to dominate the market as investors (local, national and international) look for perceived, steady returns on US properties with long term leases. Dan Creighton and crew continue to dominate this market in Southwest Florida with another sale. This deal consists of a net leased property with Aspen Dental and Mattress Firm as the tenants and a land lease to Buffalo Wild Wings on Pine Island Road. This property sold in April 2016 for \$5,925,000 at a capitalization rate of just over 6%.

#### 5) Sanibel Beach Place

Across from the Tanger Outlets, this Publix anchored center sold for \$9,550,000, or \$129 per square foot in February 2016. The center had high occupancy with a solid anchor tenant.

#### 6) Shops at Jamaica Bay -15245 S. Tamiami Trail, Fort Myers

Karen Crowther of Colliers brokered this

deal of a relatively new retail center in South Fort Myers. The property sold for \$4,146,000 or over \$200 per square foot which once again shows the strength of a well located, leased investment.

#### 7) Mainsail Lodging & Development – Downtown Fort Myers

Although this is not a sale, Mainsail Lodging & Development has been chosen by the City of Fort Myers to develop a 225 room hotel and manage the Harborside Event Center in Downtown Fort Myers. The City of Fort Myers and Lee County will be contributing \$9.5 million to the improvements to Harborside and Mainsail will invest an estimated \$40 million into the new hotel. The new hotel will be a Marriott Signature Series hotel which will be specifically designed for Fort Myers.

#### 8) Earnhardt Building Condos – Downtown Fort Myers

Phil Fischler brokered this deal which consisted of three retail condominium units which were fully leased. The units consisted of 5,430 square feet and sold for \$1,650,000 or \$303.87 per square foot. These are along the heavily desired First Street and are representative of the demand for this area for retail.

#### 9) Midtown 2329 Union Street, Fort Myers

You say, what is intriguing about the sale of a 1,600 sq.ft. office/retail building south of the core of downtown? This is in the proposed Midtown area of Downtown Fort Myers which is an area that has struggled for redevelopment. This property, in our opinion, would have never sold at this price without discussions of redevelopment in this area. Look for growth south of Dr. Martin Luther King, Jr. Boulevard as development opportunities dwindle north of this roadway. What will these areas be called...SOMAR (south of Martin Luther), SOMILK (south of MLK), WEFO (west of Fowler)? Once we start hearing buzz words like these, we know things are happening.

#### 10) Sunnyland Traller Court, Ft. Myers Beach

Although this marks a buy and hold strategy, this mobile home park is a prime location at base of Matanzas Bridge and will one day be a great redevelopment opportunity. San Carlos Island is in a redevelopment mode with the Ebb Tide project and potential Bay Harbour project, just west of this project, sparking the interest of this area.

YEAR	TOTAL SALES	TOTAL TRANSACTIONS	SALE PRICE PER TRANSACTION
2012	\$126,586,008	114	\$1,110,404
2013	\$109,395,831	135	\$810,339
2014	\$183,000,000	125	\$1,464,000
2015	\$283,000,000	134	\$2,111,940
2016	\$239,384,128	86	\$2,783,536

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