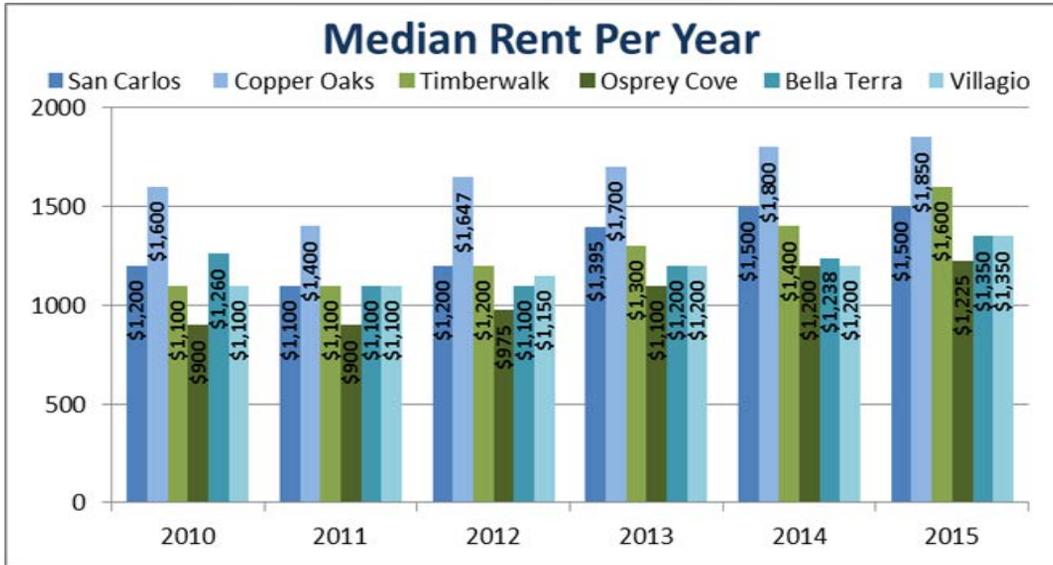




# MARKET SNAPSHOT



## Should Three Oaks Be Renamed Student Housing Parkway?

While much focus over the past few years has gone toward the increases in market values across Southwest Florida, rental rates have soared without receiving nearly the same attention. This month we've highlighted the dynamic of rental rates in South Fort Myers and Estero, in the areas surrounding Florida Gulf Coast University. Specifically, we've considered San Carlos Park, Copper Oaks, Timberwalk, Osprey Cove, Bella Terra, and Villagio.

The median rent for a San Carlos home has risen from \$1,100 in 2011 to \$1,500 in 2015. Timberwalk saw rents rise from \$1,100 to \$1,600 over the same period. The change from 2012

to 2013 reflected the largest increase in rates of the previous five years included in the study. During that time, rates in San Carlos jumped 16.25%, and Osprey Cove rents increased by 12.82%.

There are several Southwest Florida apartment projects either under construction or in the planning process. Just drive around and count the number of new units coming to the market. These new units are in direct response to the increasing trend in rental rates. However, this dynamic was amplified around FGCU where there is an ongoing shortage of on-campus student housing. The 260-unit Springs at Estero and 136-unit Courtyards at Estero are under

construction already. University Village (Miromar Development) and CenterPlace (Private Equity Group) also surround the university and will have large multi-family components.

It's important to note that rates did not increase in San Carlos Park from 2014 to 2015 and there were nominal increases in Copper Oaks and Osprey Cove over that time. So is it possible that rental rates are leveling? It's probably too soon to tell. But with the number of units coming to the market, I also wouldn't want to be the developer with the last project completed.

### QUICK STATS

#### Median Rent for 2015 (YTD)

- San Carlos Park \$1,500
- Copper Oaks \$1,850
- Timberwalk \$1,600
- Bella Terra \$1,350

#### Most Significant Rent Increases for 2015

- Timberwalk 14.29% increase
- Villagio 12.50% increase

