



# Estero Development Report

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For more on Estero, visit <http://www.EsteroToday.com>

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### RENTAL HOUSING IS BOOMING IN ESTERO

In 2012 Richard Hunt, the ECCL’s real estate market research consultant, found that Estero had a shortage of both rental and senior housing. During the housing boom of the early 2000’s Estero rental-only housing was converted to condominiums.

Almost immediately after issuance of Hunt’s report, developers with plans for such projects filed applications for these kinds of projects with Lee County, which reviewed and approved all rezoning matters in Estero until the Village was functioning in March 2015.

This Estero Development Report focuses on Estero’s rental housing market and next month’s edition will discuss our senior housing market. Each report will include both a summary section and detailed information on each project, including those already completed, those under construction and those in the approval pipeline.

### THE PRESENT ESTERO RENTAL HOUSING SITUATION

**Completed or Under Construction:** Excluding specialized student housing projects, there are currently four rental housing projects containing 879 housing units already completed or under construction in, or

just outside Estero's border. Three of the four projects, containing 676 units, are well along and should be completed by year end.

**Seeking Village Approval:** Two major rental housing projects, Via Coconut Urban Place and Estero Crossing, containing 752 units, are presently seeking Village approval so they can add to the growing inventory of rental housing in the community. In addition, 13<sup>th</sup> Floor Apartments is meeting with neighboring communities to explore the development of another 200 rental units. If all of these developments are approved by the Village, an additional 952 rental housing units would be add to those already approved and/or under construction.

**Student Housing Projects:** For several years Estero has been home to one of two off-campus student housing developments, called Coastal Village, serving FGCU students. A 168-unit addition to this development was approved by the County several years ago and construction began in 2015 and is nearing completion. Recently an application, formally called "The Reef", has been filed with the Village to add another 60 units on adjacent property on the northeast corner of Estero Parkway and Three Oaks Parkway. If approved, the number of new student apartments would total 228.

The grand total of new rental housing units of all types that could be built in Estero if all these projects are approved without change would be 2,059 units.

INDIVIDUAL DEVELOPMENT STATUS

Apartment developments are summarized in the following table and described below.

<u>NAME</u>	<u>LOCATION</u>	<u>UNITS</u>
<b><u>Completed</u></b>		
<i>Springs at Estero</i>	Everblades Pkwy. off Ben Hill Griffin	260
<b><u>Under Construction</u></b>		
<i>Courtyards at Estero</i>	Corkscrew Rd., W of I-75	136
<i>Estero Oaks</i>	Estero Pkwy at Three Oaks	280
<i>Springs</i>	Miromar Outlets Dr. off Ben Hill Griffin	203
<b><i>Total Under Construction</i></b>		<b>619</b>
<b><u>Seeking Village Approval:</u></b>		
<i>Via Coconut Urban Place</i>	Corkscrew Rd. at Via Coconut Point	297
<i>Estero Crossing</i>	Corkscrew Rd. at Corkscrew Woodlands Blvd.	455
<i>The Reef (*)</i>	Estero Pkwy. at Three Oaks	60
<b><i>Total Seeking Approval</i></b>		<b>812</b>
<b><u>In Planning Phase</u></b>		
<i>13th Floor Apartments</i>	Via Coconut at Williams Rd.	200
<b><i>Grand Total</i></b>		<b>1,891</b>

(\*) Student housing -- excluding 168 units already under construction.

**COMPLETED**

***Springs at Estero*** opened in October 2015. It was the first apartment complex to open in recent years and already has reached 95% occupancy. Its 260 townhouse-style apartments occupy 18 acres at the entrance to Germain Arena. Included are a clubhouse, pool, fitness center and dog park. It offers studio, 1- , 2- and 3-bedroom units with square footage of 525 to 1,430 and pricing from \$600 for a studio to \$3,000 for some 3-bedroom units. Although located near FGCU, it is not aimed at the student market. Developed by a Wisconsin-based firm, Continental Properties, it was approved by Lee County prior to Estero's incorporation.



### **UNDER CONSTRUCTION**

***Courtyards at Estero***, being built on nine acres, includes 136 luxury apartments in 17 two-story buildings, along with a clubhouse, swimming pool, fitness center and dog park. This Focus Development Group project, located on the north side of Corkscrew west of I-75, was also approved by Lee County prior to Estero's incorporation. It includes 1- , 2- and 3-bedroom units with square footage of 850 to 1,375 and pricing from \$1,260 to \$1,990. Currently, over 80% of the apartments are occupied or under lease. The development is expected to be completed by September.



***Estero Oaks*** is a 36-acre mixed-use development located at the northwest corner of Estero Parkway and Three Oaks. Because it is outside the Estero border, it also was approved by Lee County. It is being developed by Oakbrook Properties and Royal Palm Homes. Included are 280 units, a clubhouse, swimming pool, fitness center and dog park. The development features 1- , 2- and 3-bedroom apartments from 800 to 1,400 square feet. Apartments are being positioned around a four-acre lake with

public spaces and landscaped boardwalks/sidewalks for walking and biking. About 20% of the units are currently leased with first occupancy planned for this August; all units are expected to be move-in ready by the end of December. A 7-Eleven recently opened on Estero Parkway; other anticipated commercial uses include restaurants, small retail businesses and offices.



***Springs Apartments***, formerly *Springs at Gulf Coast*, is a proposed 203-unit multi-family apartment complex off Ben Hill Griffin, located at the northwest corner of Miromar Outlets Drive, and Highland Oaks Drive, which is under construction. The development will include 8 two-story buildings consistent with Mediterranean architecture. While the land is being cleared, representatives of the developer, Continental 376 Fund LLC, continue to meet with the Village's Planning and Zoning and Design Review boards.



#### **SEEKING VILLAGE APPROVAL**

***Via Coconut Urban Place*** is proposed 18-acre, mixed use development that would include 297 apartments along with 30,000 square feet of commercial use. Representatives of the developer, Focus Development Group of Boca Raton, continue to meet with the Planning and Zoning Board. Among enhancements being discussed are large open green spaces with landscaping, gathering spaces with

outdoor cafés and an east-west connector road to the Estero Community Park. The site plan below the development would be built on the west side of Via Coconut Point and north of Williams Road.



**Estero Crossing** is a proposed 43-acre mixed used development on the south side of Corkscrew Road, located 1,000 feet west of the I-75 interchange. The proposal by Stock Development of Naples calls for 455 residential units and 60,000 square feet of commercial use. The proposal brought before the Village Council in March would have required an amendment to the Village's Comprehensive Plan. More than 200 residents appeared at the meeting to oppose the development and present an 800-signature petition protesting the proposal. The Council voted to delay action on the project. There have not been any meetings with the Council or Planning boards since March.

**The Reef** is a proposed addition to an already existing 168-unit student housing complex at the corner of Three Oaks and Estero parkways. This would add 60 Mediterranean-style apartments on five acres next to the existing site. Future meetings with the Design Review Board are expected.

## **IN PLANNING PHASE**

**13<sup>th</sup> Floor Apartments** is being proposed by Oakbrook Properties on a seven-acre property at the southeast corner of the traffic circle on Via Coconut at Williams Road. Plans call for 200 apartment units. Although the developer's representatives met with a number of Rapallo residents to outline plans for the development, the details remain sketchy at this time.

## **ESTERO'S JUNE RESIDENTIAL PERMITS CONTINUE FOR TIDEWATER**

In June, 2016, twenty-five (25) residential permits were issued in Estero. This includes twenty (20) permits – 16 duplex and 4 single family -- issued to Tidewater, the upscale 55+, gated community at the SW corner of Ben Hill Griffin and Estero Parkway. The total value of all residential permits issued in June was \$4,958,241.

So far this year, ninety-three (93) housing units have been permitted in Estero. Two-thirds have been issued to Tidewater, the only large-scale, single family development currently under construction in Estero. Other active developments nearing completion include: Pebble Point, the Oaks of Estero and Estero Place.

The table below compares 2016 year-to-date figures with those of the previous 16 years.

Year	Year-to-Date Housing Units	Building Value	Average Building Value Per Unit	Percentage of Single Family Units
2000	974	\$131,332,339	\$134,838	40%
2001	1,190	182,263,909	153,163	44
2002	790	132,016,584	167,110	53
2003	970	143,337,633	147,874	35
2004	796	165,343,823	207,718	72
2005	1,465	297,653,024	203,176	48
2006	841	206,182,171	245,163	29
2007	376	103,748,273	275,926	38
2008	74	26,473,155	357,745	89
2009	69	25,700,674	372,474	80
2010	124	23,880,907	192,588	77
2011	93	18,430,455	198,177	89
2012	160	27,627,045	172,669	74
2013	257	43,764,364	170,289	78
2014	244	39,593,903	162,270	58
2015	511	55,932,031	109,456	13
2016	93	25,821,037	277,646	57

Note: The building values above exclude the value of the underlying land.

Sources:

For 2016, see Village of Estero Community Development: <https://estero-fl.gov/wp-content/uploads/library/Community%20Development%20Applications/Building%20Permit%20Applications/Building%20Permit%20Reports/Village%20of%20Estero%20Building%20Permit%20Report%20%28June%201st%20through%20June%2030th%2C%202016%29.pdf>

For prior years, see Lee County Permit Reports for the “Village of Estero”:  
<http://www.leegov.com/gov/dept/dcd/Reports/Pages/reports.aspx>.

## ESTERO’S JUNE COMMERCIAL PERMITS REMAIN SOFT

The value of commercial permits in Estero in June, 2016 totaled \$3,396,260. No permits for new construction of significant dollar value have been issued in the past two months. This year, the only significant dollar value permit was for \$14.9 million issued for the Marriott Hotel on Via Coconut Point and Coconut Rd.

The table below compares 2016 year-to-date figures with those of the previous 16 years.

Year	Year-to-Date	Annual Total
2000	\$69,828,849	\$77,250,835
2001	19,087,648	44,116,526
2002	13,993,282	23,135,139
2003	10,573,938	23,234,725
2004	9,652,730	60,859,820
2005	35,080,048	111,037,977
2006	89,385,203	184,709,240
2007	135,746,747	157,614,045
2008	31,692,678	39,261,677
2009	7,634,201	9,752,556
2010	3,757,995	9,322,546
2011	8,058,401	11,717,593
2012	7,820,038	11,879,291
2013	8,823,686	14,656,213
2014	77,524,188	139,285,611
2015	63,074,450	68,338,852
2016	29,178,049	N/A

Note: The building values above exclude the value of the underlying land.

Sources:

For 2016, see Village of Estero Community Development: <https://estero-fl.gov/wp-content/uploads/library/Community%20Development%20Applications/Building%20Permit%20Application/Building%20Permit%20Reports/Village%20of%20Estero%20Building%20Permit%20Report%20%28June%201st%20through%20June%2030th%2C%202016%29.pdf>

For prior years, see Lee County Permit Reports for the “Village of Estero”:  
<http://www.leegov.com/gov/dept/dcd/Reports/Pages/reports.aspx>.

## ESTERO’S JUNE SINGLE FAMILY HOME SALES INCREASE 5%; DECLINE 11% IN THE QUARTER AND 5% FOR THE YEAR

In June, 2016, the Multiple Listing Service (MLS) recorded sixty-six (66) single family home sales in the Village of Estero. While this represents a 5% increase from last June, sales for the second quarter and year-to-date decreased 11% and 5%, respectively, from last year.

Sales figures are shown below:

Period	2014	2015	2016	Inc (Dec)	Inc (Dec) %
Jan	29	34	46	12	35
Feb	33	35	39	4	11
Mar	25	65	54	-9	-17
Qtr 1	87	134	139	5	4
Apr	47	69	67	-2	-3
May	49	71	47	-24	-34
June	51	63	66	3	5
Qtr 2	147	203	180	-23	-11
July	33	51			
Aug	31	36			
Sept	33	44			
Qtr 3	97	131			
Oct	38	41			
Nov	35	33			
Dec	43	53			
Qtr 4	116	127			
Totals	447	595			
Year-to-Date	234	337	319	-18	-5

As of June 30, 2016, there were 420 listings of currently active unsold homes (i.e. “inventory”). That’s a 17% increase from June a year ago. The current inventory level equates to about an 11 month supply...up from 10 months last month and 7 months a year ago. These figures suggest a modest sales decline heading into the seasonally slow summer months, especially compared with robust sales in 2015.

Pending sales at June 30 totaled 95 homes. This figure is down about 15% from last month and June, 2015, also suggesting a modest decline ahead.

Distressed sales in the second quarter totaled only 2% of sales while distressed sales in inventory were only 1%. These percentages remain at their lowest levels since 2012.

***Continued thanks to Joe Pavich, Sr. of Realty World in Estero for supplying us monthly sales and inventory figures.***

Notes: 1) “Distressed sales” include short-sales and sales of bank owned property in which the bank receives less than their loan amount.

2) Figures include homes in the new Village of Estero (excluding homes in the Estero portion of Pelican Landing, which are not separately shown in the MLS). Also not included are figures for multi-family homes.

## ESTERO’S MAY SINGLE FAMILY RESIDENTIAL PERMITS DOMINATED BY TIDEWATER

In May, 2016, six (6) single family residential permits were issued in Estero. This includes four (4) permits issued to Tidewater, the upscale 55+ single family, gated community at the SW corner of Ben Hill Griffin and Estero Parkway. The total value of all permits issued this month was \$1,185,000.



In the past twelve months, three hundred twenty (320) residential permits have been issued in Estero. However, that includes one hundred sixty-eight (168) units at The Reef, a student apartment complex. Over half of the remaining one hundred fifty-two (152) permits were single family permits issued to Tidewater, the only large-scale, single family development currently under construction in Estero.

The table below compares 2016 year-to-date figures with those of the previous 16 years.

Year	Year-to-Date Housing Units	Building Value	Average Building Value Per Unit	Percentage of Single Family Units
2000	858	\$116,877,412	\$136,221	38%
2001	1,035	155,925,738	150,653	40
2002	599	99,942,722	166,849	52
2003	872	127,480,453	146,193	33
2004	631	126,737,869	200,852	72
2005	1,275	253,271,426	198,644	45
2006	702	164,942,772	234,961	24
2007	286	78,418,241	274,190	36
2008	56	19,730,130	352,324	80
2009	60	22,082,017	368,034	84
2010	97	17,999,000	185,557	75
2011	78	14,489,392	185,761	87
2012	97	17,342,167	178,785	88
2013	199	34,177,392	171,746	87
2014	208	32,488,789	156,196	77
2015	499	51,449,495	103,105	11
2016	68	20,862,796	306,806	100

Note: The building values above exclude the value of the underlying land.

Sources:

For 2016, see Village of Estero Community Development: <https://estero-fl.gov/wp-content/uploads/library/Community%20Development%20Applications/Building%20Permit%20Applications/Building%20Permit%20Reports/Village%20of%20Estero%20Building%20Permit%20Report%20%28May%201st%20through%20May%2031st%2C%202016%29.pdf>

For prior years, see Lee County Permit Reports for the “Village of Estero”:  
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## ESTERO’S MAY COMMERCIAL PERMITS REMAIN LACKLUSTER

The value of commercial permits in Estero in May, 2016 totaled \$1,037,393. No permits of significant dollar value were issued in the month, as has been the case in most of the last twelve months.

The table below compares 2016 year-to-date figures with those of the previous 16 years.

Year	Year-to-Date	Annual Total
2000	\$68,297,657	\$77,250,835
2001	16,911,976	44,116,526
2002	5,968,501	23,135,139
2003	8,176,174	23,234,725
2004	8,661,787	60,859,820
2005	34,119,981	111,037,977
2006	74,470,848	184,709,240
2007	70,938,231	157,614,045
2008	21,989,153	39,261,677
2009	7,439,170	9,752,556
2010	1,211,381	9,322,546
2011	5,800,777	11,717,593
2012	6,885,578	11,879,291
2013	3,219,512	14,656,213
2014	76,135,103	139,285,611
2015	62,660,403	68,338,852
2016	25,781,789	N/A

Note: The building values above exclude the value of the underlying land.

Sources:

For 2016, see Village of Estero Community Development: <https://estero-fl.gov/wp-content/uploads/library/Community%20Development%20Applications/Building%20Permit%20Application%20Building%20Permit%20Reports/Village%20of%20Estero%20Building%20Permit%20Report%20%28May%201st%20through%20May%2031st%2C%202016%29.pdf>

For prior years, see Lee County Permit Reports for the “Village of Estero”: <http://www.leegov.com/gov/dept/dcd/Reports/Pages/reports.aspx>.

## ESTERO’S MAY SINGLE FAMILY HOME SALES DECLINE

In May, 2016, the Multiple Listing Service (MLS) recorded forty-seven (47) single family home sales in the Village of Estero. After robust sales in April, the May figures show declines from April, and May, 2015, as well as being down 8% year-to-date.

Sales figures are shown below:

Period	2014	2015	2016	Inc (Dec)	Inc (Dec) %
Jan	29	34	46	12	35
Feb	33	35	39	4	11
Mar	25	65	54	-9	-17
Qtr 1	87	134	139	5	4
Apr	47	69	67	-2	-3
May	49	71	47	-24	-34
June	51	63			
Qtr 2	147	203			
July	33	51			
Aug	31	36			
Sept	33	44			
Qtr 3	97	131			
Oct	38	41			
Nov	35	33			
Dec	43	53			
Qtr 4	116	127			
<b>Totals</b>	<b>447</b>	<b>595</b>			
<b>Year-to-Date</b>	<b>183</b>	<b>274</b>	<b>253</b>	<b>-21</b>	<b>-8</b>

As of May 31, 2016, there were 466 listings of currently active unsold homes (i.e. “inventory”). That’s a 22% increase from May a year ago. The current inventory level equates to about a 10 month supply...the same as last month and up from 8 months a year ago.

Pending sales at May 31 totaled 111 homes. This figure had been trending down for several months, but rebounded sharply in the last two months, suggesting increased sales in the coming months.

Distressed sales in May totaled only 2% of sales while distressed sales in inventory were only 1%. These percentages are at the lowest levels since the ECCL began tracking these figures in 2012.

***Continued thanks to Joe Pavich, Sr. of Realty World in Estero for supplying us monthly sales and inventory figures.***

Notes: 1) “Distressed sales” include short-sales and sales of bank owned property in which the bank receives less than their loan amount.

2) Figures include homes in the new Village of Estero (excluding homes in the Estero portion of Pelican Landing, which are not separately shown in the MLS). Also not included are figures for multi-family homes.