

LEE COUNTY MARKET SNAPSHOT MULTI-FAMILY & SINGLE FAMILY

January 2018

Welcome to our Lee County Multi-Family and Single Family Market Snapshot! Hopefully, you will find the summary provided to be informational and helpful with your rental investments.

Rental / Single Family Home Market Analysis

A quick Snapshot of the market in Lee County. This summary provides housing information relating to proposed growth, new development activity, sales trends, population trends, apartment rental analysis, and economic indicators.

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| ➤ | Apartment rents have grown over the past five years. Consistent and healthy expansion of newly created payroll positions has kept demand for apartments strong and vacancies low, which gave operators substantial pricing power. |
| ➤ | Some top and middle-tiered rental rate units have experienced a slowdown in rate increase as a result of robust completion volumes and momentum in the for sale market. Research indicates that the apartment market will do well but at a somewhat more measured pace in the future. We expect solid rental rate growth of 5.5% to 6.5% over the short term. Occupancy rates are averaging 95%. |
| ➤ | Passenger activity for the three local airports totaled 44,271 in September 2017, representing a decrease of (84,745) from September 2016. The decline reflects the anticipation and destruction caused by Hurricane Irma. |
| ➤ | The unemployment rate for the five county region again edged downward in October 2017 to 3.5%, down from 3.6% in September 2017 and from 4.9 % in October 2016. |
| ➤ | According to October 2017 Total Realtor, sales of single family homes in Charlotte, Lee, and Collier counties rebounded from the impact of Hurricane Irma in September 2017, increasing by 24 %. However, median prices in October 2017 were down between 3% and 6% compared to September 2017. |
| ➤ | Condominium sales were up slightly from 414 to 420 over the past year. Closed condominium sales were up for many price points, however saw a dip in the range of 200,000 through 599,999. New pending condo sales were up 23% year over year. |
| ➤ | Southwest Florida’s real estate market endured unusual numbers in the last quarter of 2017 due to Hurricane Irma. The construction industry is consumed with renovation and preservation of existing product. It will take more time to evaluate the effects of Hurricane Irma on Southwest Florida’s real estate market. |