

**LEE COUNTY MARKET SNAPSHOT
 MULTI-FAMILY & SINGLE FAMILY**

February 2019

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.

➤	Occupancy for most submarkets in Southwest Florida remains high for multi-family space. Rental rates indicate moderate improvements in almost all submarkets, with Cape Coral, Lely, and East Naples showing the largest increases in average rent per month prices over a rolling 12 month period.
➤	Annual rent growth levels in Cape Coral-Fort Myers began to accelerate in early 2013 as limited construction and strong demand allowed operators to pursue aggressive pricing strategies. Rent growth remained around 6% to 11% from late 2012 through mid-2016. Since then performances have been moderated from those highs. In 3 rd quarter 2018, same store rent in Cape Coral-Fort Myers increased 0.4% quarter over quarter and 4.2% year over year. Nationwide, there were also signs of a cooling property market. The rate of rental-price growth continued to slow across several markets. Nationwide, rent prices were up 3% on average, year over year.
➤	New apartment supply has historically been minimal in Cape Coral-Fort Myers area but deliveries have picked up substantially since 2015. Over the past 11 quarters, annual completion volumes ranged roughly from 800 units to 1,200 units, with inventory expansion averaging 2.2% annually over that time.
➤	Lee County’s housing market saw a dip during the month of December 2018, according to the latest statistics released by Florida Realtors. December showed a -15% decrease in the number of closed sales for single family homes, and a -23.6% decrease from townhomes and condos, compared to the same time last year. Median sale prices were up slightly for both, 5-6%. Inventory is on the rise for both. The number of active listings jumped up 19.8% for single family homes and 11.9% for townhomes and condos compared to 2017. The time properties spent on the market in December, was 63 days for single family homes and 78 days for townhomes and condos.
➤	Southwest Florida’s economy continues to display signs of a robust growth. Improvements include a 31% increase in total airport activity between Irma affected September 2017 and September 2018. Lee County’s seasonally adjusted unemployment rate was 3% in October 2018. Projected growth for the five county region averages 1.3% growth per year resulting in a population increase of 41.8% from 2018 to 2045, adding over 547,000 residents and bringing the total to 1,857,272. Lee County’s population is expected to grow 1.3% per year.