

# Brokers: Land scarcity spreads to Central Florida

## Low interest rates, new developers help drive Central Florida shortage

By David Wilkening

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**O**RLANDO — Something unexpected is happening to land in Central Florida.

"I think we're running out of land in Central Florida. I never thought I'd say that, but land is harder to find than ever," said Daryl Carter, one of the premier land brokers in this part of the state.

"What we did used to be easy. In the last five years, the scarcity of land has really become an issue," he added.

If there are two certainties about commercial land in Central Florida, they are fewer available properties and higher and higher prices.

Another Central Florida broker who specializes in land, Dean Saunders, estimates farm or ranch lands have appreciated 7 to 12% for the past decade. That's significant because "land prices are already high-priced," he said.

Another land broker, Bill Eshenbaugh of Clearwater-based bbre/Eshenbaugh Commercial Services, can cite examples of an acre of land that appreciated considerably.

"You can find an acre of land that sold for \$5,000 in 1996. By 1999, that doubled to \$10,000, and it's now anywhere from \$25,000 to \$30,000," he said.

Land is even more in demand by home builders in large part because of the low interest rates that are fueling demand, Saunders said.

"Overall, folks still see land as a good long-term investment, particularly in Florida," Carter observed.

"It's particularly hard to find property with regional access," said Tom Wilder, a principal in the Boston-based The Wilder Cos. Wilder is developing a 440,000sf mall at the corner of John Young Parkway and Osceola Parkway. Groundbreaking on the 64-acre site is due next year.

The mall will be an open-air center mixing entertainment with dining and stores, Wilder said, an element he maintains is missing despite the recent addition of shopping centers in the south Orlando area.

In looking for land for his own mall, Wilder said he came across promising future land opportunities all along U.S. 27, as well as west of Orlando toward Clermont.

"They don't have quite the density of population we're looking for, but they're getting there," he said of those areas.

Another factor that has driven up land prices, according to Carter, is an influx of developers who have run out of room in South Florida.

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*Bill Eshenbaugh,  
bbre/Eshenbaugh Commercial Services*

"They've built all the way to the Everglades and have run out of room," he said.

Some of those developers are now looking at the next counties, which include Martin and St. Lucie counties. Home builders in Central Florida are looking at land tracts farther and farther away because of a shortage of close-in sites, said Jerry Braley, vice president of Bay Pointe Homes and Bay Pointe Development.

"Some builders are going outside of Orlando into Lake, even into Volusia County," he said, which has helped raise prices for close-in tracts of land.

The bottom line, he said, is that land-buyers have to look harder and pay higher prices.

When the real estate market

does come back, some major companies have collected enough land to immediately start construction if they are so inclined.

"Companies such as Crescent and Duke have some pretty significant holdings throughout Central Florida. They're not land banking it, but they have accumulated it," said Ken Simback, senior vice president with The Pizzuti Cos. and the incoming president of the Central Florida Chapter of NAIOP.

What new areas of land speculation are emerging? Simback thinks promising areas include anywhere south and east of the airport, and the Lake Nona area, all of which are adding population quickly.

Carter also envisions the entire southeast area as "exploding with new projects and joint ventures." He also envisions more activity at Lake Nona, as well as the tracts of land from Disney north to Highway 50.

Saunders also sees future activity for Clermont, Kissimmee and Oviedo.



**Dean Saunders**



**Ken Simback**



**Daryl Carter**