

Sales activity at Quail West, a 1,180 acre private golf course community in North Naples, continues to defy recent media reports that painted Naples as a site of doom and gloom when it comes to real estate and as "The market most likely to collapse." After reporting a total of \$69 million in sales of standing new product, resale homes, furnished model residences and home sites in 2010, Quail West has generated sales in excess of \$50 million through the middle of August and is on pace to achieve a significant year over year increase. Seven transactions worth \$11.3 million were completed in June alone.

"It is difficult to accept, let alone understand, recent media reports of the impending demise of the Naples real estate market," said Quail West Vice President of Sales and Marketing Cheryl Deering. "What we are experiencing both at Quail West and throughout Collier County indicates the exact opposite. We are not the only luxury community in the area that has seen an increase in sales over 2010. More importantly, inventory in Naples has decreased from 12,440 properties in March of 2007 to 7,010 properties. That is huge. Property values are a function of supply and demand and there has been a significant reduction in supply. Further, what we are experiencing at Quail West and what other communities throughout the area are experiencing is indicative of a notable increase in demand. A review of year over year closed and pending sales contracts at the area's major brokerages also indicates a significant increase in demand."

The increase in demand at Quail West is, in part, the result of a product mix that has been diversified to meet luxury market demand. The mix includes estate sized residences, more modestly sized 3,500 to 4,500 square foot homes from Quail West's Tamworth Collection and 2,700 to 3,600 single family villa residences.

"Have there been shifts in the luxury homebuyer market since the downturn? Of course there have been," said Deering. "While we have seen significant sales in every product category at Quail West, the market is trending to more modestly sized homes that offer greater functionality and value driven pricing. We have responded to the trend by diversifying our product mix and the market is clearly responding positively to that approach. At the same time, some people point to an overall decrease in new and resale property prices as an indication of

weaknesses in the market. I believe people need to remember that real estate is a cyclical business. The pricing we witnessed in Southwest Florida as recently as 3 to 4 years ago was, very simply, not sustainable for the long term. As evidenced by the significant reduction in inventory in the Naples market and the increased demand communities throughout the area are experiencing, there has been a natural market correction and some segments of the market are seeing upticks in pricing. Has the landscape changed? Yes, most definitely, and I see that change as an indicator of a market that is regaining its health."

Quail West is conveniently located east of Interstate 75, one mile south of Bonita Beach Road, between Southwest Florida International Airport and downtown Naples. The community is just minutes from the beach and a short distance from the restaurants and shops of Mercato, Coconut Point Mall and Gulf Coast Town Centre Mall.