Gulf Coast Town Center facing foreclosure

One of the largest foreclosure cases ever in SWFL

June Fletcher, Laura Layden
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Fort Myers, Fla. - Gulf Coast Town Center is facing foreclosure.

Wells Fargo filed a lawsuit Sept. 8 against an affiliate of CBL & Associates, the owners of the decade-old, 1.2 million-square-foot mall in south Fort Myers for a $190.9 million unpaid loan. The center has 94 stores on 204 acres, with such anchors as Super Target, Belk, Best Buy, Dick's Sporting Goods, Marshalls and Costco.

Kathy Harrison, a vice president for corporate communications for Wells Fargo, declined to comment. The bank is acting as the trustee for the holders of Credit Suisse First Boston Mortgage Securities Corp.'s mortgage notes.

The news rattled shoppers like Florida Gulf Coast University students Tiffani Sprague, Corinne Green and Savannah Phillips, who were browsing the mall laden with shopping bags Wednesday.

"Everyone at the university goes here for just about everything," said Phillips.

But it's unlikely that the suit will result in any disruption of the mall's activities for customers, local real estate experts said.

"This is simply a loan that has come due on its terms," said Kevin Jursinski, a board-certified real estate and litigation attorney in Fort Myers, who has clients who have signed leases and purchased lots at the center. He is not involved in the case but has reviewed it, and has a client interested in buying it.

He added the loan appears to have helped the owners pay for the land acquisition and development costs.

It appears the lenders have been negotiating with the mall's owners for some time, as the lawsuit includes demands for more than $1 million in attorneys' fees already spent, Jursinski said.

The lawsuit could result in the sale or refinancing of the property, or a new lender being brought on board, he said.

"I would think this is one of the largest foreclosure cases in Southwest Florida," Jursinski said.