

Market View

Charlotte County
2nd Quarter 2022



SECTOR OVERVIEW

After a slight pullback in Q1, the Charlotte County Office sector mostly stabilized and returned to typical modest growth in 2Q2022.

While leasing activity cooled in both number of deals and space occupied, net absorption returned positive, effectively erasing the losses in Q1. Development activity remained modest with 1 delivery for 28k-sf for the quarter and nothing in the pipeline. Vacancy remained unchanged at 3.7%, down 1.2% from 2Q21 and still well below historical levels. Rents also continued to rise, climbing 4.4% from Q1 and up 15% year-over-year and maintaining rates not experienced since the first half of 2007.

Sales activity rebounded nicely from Q1 with twice the number of deals closed for nearly 3.5x the \$ volume, roughly doubling the average deal size, SF traded, and average PSF prices.

SUPPLY

SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
Punta Gorda	174	1,361,743	2.2%
Port Charlotte	307	2,266,983	5.0%
All Other Areas	186	830,232	2.8%
TOTAL	667	4,458,958	3.7%

DEMAND

SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
Punta Gorda	1	3,117	-5,034
Port Charlotte	8	14,032	29,699
All Other Areas	0	0	-40
TOTAL	9	17,149	24,625

NEW & UNDER CONSTRUCTION



28,000

SF Delivered YTD

0



SF Under Construction

TOP LEASES

	Description	Address	Built	SF Leased	Tenant
1	Class B Office	1504 Kings Hwy, Port Charlotte	1989 2006	3,187	Aveanna
2	Class A Office	18501 Murdock Cir, Port Charlotte	1991	2,565	Charlotte County Center
3	Class C Office	24150 Tiseo Blvd, Port Charlotte	2001	2,500	Undisclosed

* Excludes Renewals

TOP SALES

	Description	Address	Built	Asset SF	Sales \$ PSF	Sale Type
1	Class B Medical Office	21275 Olean Blvd, Port Charlotte	1989	17,849	\$8,280,000 \$463.89 PSF	NNN Investment
2	Class B Medical Office	12479 S Access Rd, Port Charlotte	2012	6,300	\$2,833,333 \$449.74 PSF	NNN Investment
3	Class C Medical Office	150 W McKenzie St, Punta Gorda	2003	11,056	\$2,150,000 \$194.46 PSF	Investment

* Includes User and Investment Sales

OFFICE

Market Statistics

LEASE ACTIVITY

SALES ACTIVITY

	# Executed Leases	Total SF Leased	Avg Deal Size	Current Avg. Asking Rate	# Sold	Median Sold PSF	# Sold	Median Sold PSF
SPACES UNDER 2,500 SF				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	0	0	n/a	\$18.62	0	n/a	3	\$96
Port Charlotte	5	5,780	1,156	\$16.29	0	n/a	0	n/a
All Other Areas	0	0	n/a	\$14.94	0	n/a	1	\$169
TOTAL	5	5,780	1,156	\$16.63	0	n/a	4	\$128
SPACES FROM 2,500 - 4,999 SF				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	1	3,117	3,117	\$16.31	0	n/a	2	\$183
Port Charlotte	3	8,252	2,751	\$15.10	0	n/a	0	n/a
All Other Areas	0	0	n/a	\$15.24	0	n/a	1	\$123
TOTAL	4	11,369	2,842	\$15.51	0	n/a	3	\$170
SPACES FROM 5,000 - 9,999 SF				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	0	0	n/a	n/a	0	n/a	0	n/a
Port Charlotte	0	0	n/a	\$17.47	0	n/a	1	\$450
All Other Areas	0	0	n/a	\$13.10	0	n/a	3	\$250
TOTAL	0	0	n/a	\$16.71	0	n/a	4	\$291
SPACES FROM 10,000 - 24,999 SF				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	0	0	n/a	n/a	0	n/a	1	\$194
Port Charlotte	0	0	n/a	n/a	0	n/a	2	\$288
All Other Areas	0	0	n/a	n/a	0	n/a	0	n/a
TOTAL	0	0	n/a	n/a	0	n/a	3	\$194
SPACES FROM 25,000 SF+				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	0	0	n/a	n/a	0	n/a	0	n/a
Port Charlotte	0	0	n/a	n/a	0	n/a	0	n/a
All Other Areas	0	0	n/a	n/a	0	n/a	0	n/a
TOTAL	0	0	n/a	n/a	0	n/a	0	n/a

CAP RATES

Reflect average of advertised rates as reported to Costar over past 4-quarters (11 Sales Total)

6.2%

Punta Gorda

6.9%

Port Charlotte

8.1%

All Other Areas

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