

# Market View

Collier County  
3rd Quarter 2022



OFFICE

## SECTOR OVERVIEW

Despite the headwinds of rising interest rates and the still-undecided fate of office users nationally, the Collier County office sector managed reasonably positive results for 3Q2022.

Vacancy continued to fall, dropping an additional 0.7% to 6.1% countywide, the lowest mark since 4Q2017. Net absorption strengthened, reaching nearly 70k-sf extending the stretch of positive absorption to eight straight quarters. While leasing transactions remained flat, sf contracted did fall by ~23%. Despite that average rents continued to climb by 2.2% from Q2 bringing the gains to 5.5% YOY. With no new deliveries and less than 150k-sf in development, supply is unlikely to alter that trend noticeably.

Sales activity did not fare quite so well with transactions falling by 40%, \$ volume dropping by 1/3, and sf sold by 55%. As a result, median PSF pricing rose to just under \$294 PSF.

## SUPPLY

SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
North Naples	376	5,823,386	6.7%
Naples	89	1,163,776	5.0%
East Naples	143	1,763,238	6.1%
Golden Gate	34	252,325	0.0%
Lely	17	129,294	10.5%
Marco Island	33	321,272	10.3%
Outlying Collier Co.	44	518,256	0.0%
<b>TOTAL</b>	<b>736</b>	<b>9,971,547</b>	<b>6.1%</b>

## DEMAND

SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
North Naples	37	103,663	38,016
Naples	6	9,137	7,991
East Naples	10	27,921	20,828
Golden Gate	0	0	0
Lely	3	5,800	3,600
Marco Island	3	3,904	-781
Outlying Collier Co.	3	13,899	0
<b>TOTAL</b>	<b>62</b>	<b>164,324</b>	<b>69,654</b>

## NEW & UNDER CONSTRUCTION

 **14,523**  
SF Delivered YTD

**149,060**   
SF Under Construction

## TOP LEASES

	Description	Address	Built	SF Leased	Tenant
1	Class B Office	3200 Bailey Ln, Naples	1990	14,861	Undisclosed
2	Class A Office	3500 Corporate Plaza 3530 Kraft Rd, Naples	2007	14,443	Florida Cancer Specialists
3	Class A Office	Bank of America Building 4501 Tamiami Trl, Naples	1985	9,630	Commerce Bank

\* Excludes Renewals

## TOP SALES

	Description	Address	Built	Asset SF	Sales \$   PSF	Sale Type
1	Class B Medical Office (Part of a Portfolio)	Fountain Park 7955 Airport Pulling Rd, Naples	2003	19,031	\$7,040,902 \$369.97 PSF	Investment Sale 100% Leased
2	Class C Office	Linde Professional Building 2900 14th St N, Naples	1985	12,000	\$2,825,000 \$235.42 PSF	Investment Sale 100% Leased
3	Class B Office	Colonial Square 1140 Goodlette Frank Rd, Naples	2001	4,400	\$1,800,000 \$409.09 PSF	Investment Sale 100% Leased

\* Includes User and Investment Sales

# OFFICE

## Market Statistics

### LEASE ACTIVITY

	# Executed Leases	Total SF Leased	Avg Deal Size	Current Avg. Asking Rate
<b>SPACES UNDER 2,500 SF</b>				
North Naples	27	30,579	1,133	\$25.33
Naples	6	9,137	1,523	\$26.60
East Naples	6	6,420	1,070	\$20.78
Golden Gate	0	0	n/a	n/a
Lely	3	5,800	1,933	\$20.00
Marco Island	3	3,904	1,301	\$23.22
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>45</b>	<b>55,840</b>	<b>1,241</b>	<b>\$24.49</b>
<b>SPACES FROM 2,500 - 4,999 SF</b>				
North Naples	4	14,454	3,614	\$25.85
Naples	0	0	n/a	\$29.95
East Naples	2	7,650	3,825	\$19.95
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	n/a	n/a	\$23.10
Outlying Collier Co.	2	7,405	3,703	n/a
<b>TOTAL</b>	<b>8</b>	<b>29,509</b>	<b>3,689</b>	<b>\$25.19</b>
<b>SPACES FROM 5,000 - 9,999 SF</b>				
North Naples	4	29,326	7,332	\$26.08
Naples	0	0	n/a	\$32.65
East Naples	2	13,851	6,926	\$20.84
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	\$22.57
Marco Island	0	n/a	n/a	n/a
Outlying Collier Co.	1	6,494	6,494	n/a
<b>TOTAL</b>	<b>7</b>	<b>49,671</b>	<b>7,096</b>	<b>\$25.56</b>
<b>SPACES FROM 10,000 - 24,999 SF</b>				
North Naples	2	29,304	14,652	\$27.48
Naples	0	0	n/a	n/a
East Naples	0	0	n/a	\$20.35
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	\$22.57
Marco Island	0	n/a	n/a	n/a
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>2</b>	<b>29,304</b>	<b>n/a</b>	<b>\$25.83</b>
<b>SPACES FROM 25,000 SF+</b>				
North Naples	0	0	n/a	\$30.00
Naples	0	0	n/a	n/a
East Naples	0	n/a	n/a	n/a
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	n/a	n/a	n/a
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>#DIV/0!</b>	<b>\$30.00</b>

### SALES ACTIVITY

# Sold	Median Sold PSF	# Sold	Median Sold PSF
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	0	n/a
2	\$644	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
<b>2</b>	<b>\$644</b>	<b>0</b>	<b>n/a</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	2	\$368
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
<b>0</b>	<b>n/a</b>	<b>2</b>	<b>\$368</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	1	\$303
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
<b>0</b>	<b>n/a</b>	<b>1</b>	<b>\$303</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	2	\$303
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
<b>0</b>	<b>n/a</b>	<b>2</b>	<b>\$303</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>

**6.3%**  
North  
Naples

**CAP  
RATES**

Reflect the average of advertised rates as reported to Costar over past 4-quarters (8 Sales Total)

**6.3%**  
Collier  
County

FORT MYERS OFFICE  
12140 Carissa Commerce Ct, Suite 102  
Fort Myers, FL 33966  
239.481.3800 Tel  
239.481.9950 Fax

NAPLES OFFICE  
1100 5<sup>th</sup> Avenue S, Suite 404  
Naples, FL 34102  
239.659.1447 Tel  
239.659.4028 Fax



Commercial Real Estate Consultants, LLC  
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