

Market View

Southwest Florida
3rd Quarter 2022



CRE
CONSULTANTS

Commercial Real Estate Consultants, LLC
Florida Licensed Real Estate Broker

SWFL MARKET INDICATORS

	Q3 2022	Q2 2022	Q1 2022	Q3 2021
Inventory of Rentable Units	57,445	56,825	56,189	54,785
Avg. Asking Rent Unit	\$1,785	\$1,788	\$1,776	\$1,662
Vacancy Rate	7.5%	6.5%	5.9%	6.0%
Unit Absorption	47	198	446	1,955
Units Under Construction	0	229	568	2,660
Units Delivered to Market	548	568	827	1,253
Sales Volume	\$101,146,725	\$603,555,589	\$878,278,800	\$311,443,467
Avg. CAP Rates	5.5%	6.1%	4.1%	7.7%

SECTOR OVERVIEW

The Southwest Florida Multifamily sector seems to finally begun to succumb to the array of headwinds facing the multifamily sector in 3Q2022, at least in terms of sales.

While rents remained predominantly stable, unit absorption, vacancy and sales activity all trended negatively. Regionally, vacancy continued to climb, up 1% from Q2 and 1.5% YOY while unit absorption dropped nearly four-fold. Most notably, whether due to increasing interest rates or simply lack of product, sales activity plummeted in terms of number of deals, dollar volume, and price per unit throughout the area. Nowhere was the decline more pronounced than in Collier County where volume fell by nearly 97% from the prior quarter.

On a brighter note, development activity which slowed in Q2, finalized the last of its deliveries and broke ground on no new units in Q3, providing much needed stability to the sector.

PERMITS

LEE COUNTY

20 Permits

384 Units

COLLIER COUNTY

17 Permits

49 Units

CHARLOTTE COUNTY

0 Permits

0 Units

LEE COUNTY EFFECTIVE RENTS

CLASS	STUDIO	1 BR AVG.	2 BR AVG.	3 BR AVG.
A	\$1,787	\$1,756	\$2,139	\$2,359
B/C	\$1,149	\$1,418	\$1,690	\$1,859

COLLIER COUNTY EFFECTIVE RENTS

CLASS	STUDIO	1 BR AVG.	2 BR AVG.	3 BR AVG.
A	\$1,734	\$2,057	\$2,355	\$2,728
B/C	\$616	\$1,710	\$1,921	\$1,948

CHARLOTTE COUNTY EFFECTIVE RENTS

CLASS	STUDIO	1 BR AVG.	2 BR AVG.	3 BR AVG.
A	\$1,700	\$1,490	\$1,483	\$1,325
B/C	\$1,338	\$1,018	\$1,113	\$1,156

SUPPLY

	# BLDGS	# UNITS	VACANCY
Lee County	733	34,962	7.6%
Collier County	195	18,453	6.9%
Charlotte County	117	3,892	5.2%
TOTAL	1,045	57,307	7.3%

UNITS NEW / UNDER CONSTRUCTION

	DELIVERIES	UNDER CONSTRUCTION
Lee County	448	0
Collier County	100	0
Charlotte County	0	0
TOTAL	548	0

MULTIFAMILY

Market Statistics

MARKET SUMMARY (BY COUNTY)

LEE COUNTY					
Sales Volume	\$94,856,125	# of Sales	15	Inventory Buildings	733
Avg. Sales Price	\$6,323,742	# of Units Sold	668	Inventory Units	34,962
Avg. Sales \$ Unit	\$160,575	Avg. CAP Rate	5.3%	Avg. Asking Rate Unit	\$1,754
Avg. Sale PSF	\$140	Unit Absorption	-54	Vacancy Rate	7.6%
COLLIER COUNTY					
Sales Volume	\$5,110,600	# of Sales	3	Inventory Buildings	195
Avg. Sales Price	\$1,703,533	# of Units Sold	38	Inventory Units	18,453
Avg. Sales \$ Unit	\$255,439	Avg. CAP Rate	6.3%	Avg. Asking Rate Unit	\$1,962
Avg. Sale PSF	\$287	Unit Absorption	107	Vacancy Rate	6.9%
CHARLOTTE COUNTY					
Sales Volume	\$1,180,000	# of Sales	1	Inventory Buildings	117
Avg. Sales Price	\$1,180,000	# of Units Sold	12	Inventory Units	3,892
Avg. Sales \$ Unit	\$98,333	Avg. CAP Rate	5.0%	Avg. Asking Rate Unit	\$1,156
Avg. Sale PSF	\$123	Unit Absorption	76	Vacancy Rate	5.2%

LEE COUNTY TOP SALES

	ADDRESS	UNITS	SIZE (SF)	SALE PRICE	SALES \$ UNIT	VACANCY	YEAR BUILT	AVG. UNIT SIZE
1	Aria Landings 4050 Winkler Ave Ext, Fort Myers	320	360,720	\$49,000,000	\$153,125	0.0%	1999	1,034
2	Riverwalk Apartments 2515 1st St, Fort Myers	52	49,400	\$10,100,000	\$194,231	0.0%	1963 2012	950
3	Palm Villas Apartments 8372 Beacon Blvd, Fort Myers	64	83,304	\$9,100,000	\$142,188	0.0%	1968	64

COLLIER COUNTY TOP SALES

	ADDRESS	UNITS	SIZE (SF)	SALE PRICE	SALES \$ UNIT	VACANCY	YEAR BUILT	AVG. UNIT SIZE
1	Bromelia Place 612 N 11th St, Immokalee	30	26,000	\$2,360,000	\$78,667	0.0%	2007	Unk
2	1380 Blue Point Ave, Naples	4	3,356	\$1,685,000	\$421,250	4.3%	1971	Unk
3								

CHARLOTTE COUNTY TOP SALES

	ADDRESS	UNITS	SIZE (SF)	SALE PRICE	SALES \$ UNIT	VACANCY	YEAR BUILT	AVG. UNIT SIZE
1	Alford Arms 23385 Farnam Rd, Port Charlotte	12	9,600	\$1,180,000	\$98,333	3.7%	1990	592
2								
3								

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