

Market View

Charlotte County

1st Quarter 2023



CRE

CONSULTANTS

Commercial Real Estate Consultants, LLC
Florida Licensed Real Estate Broker



SECTOR OVERVIEW

Given the nation's continuing struggles with post-pandemic office usage and increased cost-of-capital, it is no surprise to see the Charlotte County Office sector flatten in 1Q2023. However, indicators were not universally negative.

While executed leases fell by nearly 40% and SF leased by almost 1/2 from the prior quarter, that was just enough to keep net absorption slightly positive. In addition, vacancy also managed to tick down 10-bps to reach a minimal 2.5% with no sublet space available. As rents continued to rise, up an additional 3%+ from the prior quarter and gaining 14% YOY, there is little concern about the non-existent development pipeline creating over-supply concerns.

Sales disappointed as well with deals dropping by 66% from the prior quarter to the lowest point since 1Q15. However, \$ volume fell by only 15% and SF transferred actually rose by 1/4 with average PSF pricing remaining steady.

SUPPLY			
SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
Punta Gorda	175	1,379,638	1.5%
Port Charlotte	309	2,300,990	3.5%
All Other Areas	184	814,093	1.1%
TOTAL	668	4,494,721	2.5%

DEMAND			
SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
Punta Gorda	6	7,668	8,319
Port Charlotte	7	10,561	-3,477
All Other Areas	2	7,086	-3,377
TOTAL	15	25,315	1,465

NEW & UNDER CONSTRUCTION



0

SF Delivered YTD

0



SF Under Construction

TOP LEASES

	Description	Address	Built	SF Leased	Tenant
1	Class C Office/Retail	Village Marketplace 1825 Tamiami Trl, Port Charlotte	1984 2005	5,450	Undisclosed
2	Class B Office	10 N Indiana Ave, Englewood	1983	5,086	Undisclosed
3	Class C Office	693 Old Englewood Rd, Englewood	1975	2,000	Undisclosed

* Excludes Renewals

TOP SALES

	Description	Address	Built	Asset SF	Sales \$ PSF	Sale Type
1	Class C Office	1600 Tamiami Trl, Port Charlotte	1987 2005	19,492	\$3,500,000 \$179.56 PSF	Investment
2	Class C Office	150 E Bay Heights Rd, Englewood	1940	875	\$375,000 \$428.57 PSF	Owner User
3						

* 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	6	7,668	1,278	\$19.78	0	n/a	0	n/a
Port Charlotte	6	5,111	852	\$16.85	0	n/a	0	n/a
All Other Areas	1	2,000	2,000	\$19.78	1	\$429	0	n/a
TOTAL	13	14,779	1,137	\$17.69	1	\$429	0	n/a
SPACES FROM 2,500 - 4,999 SF				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	0	0	n/a	\$16.31	0	n/a	0	n/a
Port Charlotte	0	0	n/a	\$17.55	0	n/a	1	\$180
All Other Areas	0	0	n/a	\$16.31	0	n/a	0	n/a
TOTAL	0	0	n/a	\$17.07	0	n/a	1	\$180
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	1	5,450	5,450	\$18.22	0	n/a	0	n/a
All Other Areas	1	5,086	5,086	n/a	0	n/a	0	n/a
TOTAL	2	10,536	n/a	\$18.22	0	n/a	0	n/a
SPACES FROM 10,000 - 24,999 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	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
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

6.8%
Charlotte County

CAP RATES

Reflect average of advertised rates as reported to Costar over past 4-quarters (9 Sales Total)

6.6%
Punta Gorda

6.2%
Port Charlotte

8.1%
All Other Areas

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