

# Market View

## Southwest Florida

### 1st Quarter 2023



# CRE

CONSULTANTS

Commercial Real Estate Consultants, LLC  
Florida Licensed Real Estate Broker

## SWFL MARKET INDICATORS

	Q1 2023	Q4 2022	Q3 2022	Q1 2022
Inventory of Rentable Units	60,044	58,797	57,445	57,134
Avg. Asking Rent   Unit	\$1,896	\$1,914	\$1,785	\$1,806
Vacancy Rate	6.7%	5.9%	7.5%	5.9%
Unit Absorption	352	958	47	487
Units Under Construction	8,715	6,496	0	2,794
Units Delivered to Market	878	886	548	828
Sales Volume	\$192,616,900	\$409,883,604	\$101,146,725	\$957,999,300
Avg. CAP Rates	6.9%	6.0%	5.5%	4.6%

### SECTOR OVERVIEW

After a furious finish to 2022, it comes as no surprise to see the 1Q2023 Southwest Florida Multifamily Sector pull back somewhat. The region is not immune to the national economic uncertainty that continues to shadow the market and many, if not most, of the premier properties in the region have already transferred at least once recently.

Vacancy ticked up and rents cooled slightly on a regional level for the first time since the pandemic, perhaps providing some much needed relief to one of the most overheated housing markets in the country. While unit absorption fell, development activity remained brisk as the region continues to work toward some level of equilibrium.

If not for the \$125-million sale of The Pearl Founder's Square apartments in Naples, the metrics for the quarter would look much worse. However, as more new developments and units are delivered and cap rates respond to investment realities there is every reason to believe in a return to a much more robust market in the near future.

### PERMITS

LEE COUNTY

**19** Permits  
**470** Units

COLLIER COUNTY

**4** Permits  
**44** Units

CHARLOTTE COUNTY

**0** Permits  
**0** Units

### LEE COUNTY EFFECTIVE RENTS

CLASS	STUDIO	1 BR AVG.	2 BR AVG.	3 BR AVG.
A	\$1,465	\$1,900	\$2,202	\$2,487
B/C	\$1,227	\$1,502	\$1,803	\$1,973

### COLLIER COUNTY EFFECTIVE RENTS

CLASS	STUDIO	1 BR AVG.	2 BR AVG.	3 BR AVG.
A	\$1,925	\$2,162	\$2,535	\$3,108
B/C	\$681	\$1,813	\$2,062	\$1,956

### CHARLOTTE COUNTY EFFECTIVE RENTS

CLASS	STUDIO	1 BR AVG.	2 BR AVG.	3 BR AVG.
A	\$1,508	\$1,620	\$1,691	\$1,612
B/C	\$1,424	\$1,085	\$1,176	\$1,698

### SUPPLY

	# BLDGS	# UNITS	VACANCY
Lee County	751	36,735	5.8%
Collier County	201	19,245	8.1%
Charlotte County	122	4,064	7.8%
<b>TOTAL</b>	<b>1,074</b>	<b>60,044</b>	<b>6.7%</b>

### UNITS NEW / UNDER CONSTRUCTION

	DELIVERIES	UNDER CONSTRUCTION
Lee County	356	4,664
Collier County	434	2,125
Charlotte County	88	1,926
<b>TOTAL</b>	<b>878</b>	<b>8,715</b>

# MULTIFAMILY

## Market Statistics

### MARKET SUMMARY (BY COUNTY)

LEE COUNTY					
Sales Volume	\$9,185,000	# of Sales	6	Inventory Buildings	751
Avg. Sales Price	\$1,530,833	# of Units Sold	47	Inventory Units	36,735
Avg. Sales \$   Unit	\$213,605	Avg. CAP Rate	6.9%	Avg. Asking Rate   Unit	\$1,836
Avg. Sale PSF	\$247	Unit Absorption	306	Vacancy Rate	5.8%
COLLIER COUNTY					
Sales Volume	\$182,056,900	# of Sales	4	Inventory Buildings	201
Avg. Sales Price	\$45,514,225	# of Units Sold	660	Inventory Units	19,245
Avg. Sales \$   Unit	\$275,844	Avg. CAP Rate	4.5%	Avg. Asking Rate   Unit	\$2,112
Avg. Sale PSF	\$291	Unit Absorption	43	Vacancy Rate	8.1%
CHARLOTTE COUNTY					
Sales Volume	\$2,015,000	# of Sales	2	Inventory Buildings	122
Avg. Sales Price	\$1,007,500	# of Units Sold	14	Inventory Units	4,064
Avg. Sales \$   Unit	\$143,929	Avg. CAP Rate	8.2%	Avg. Asking Rate   Unit	\$1,305
Avg. Sale PSF	\$158	Unit Absorption	91	Vacancy Rate	8.1%

### LEE COUNTY TOP SALES

	ADDRESS	UNITS	SIZE (SF)	SALE PRICE	SALES \$   UNIT	VACANCY	YEAR BUILT	AVG. UNIT SIZE
1	Fountain Cottages Inn 14621 McGregor Blvd, Fort Myers	18	8,047	\$2,750,000	\$152,778	4.3%	1961	447
2	37 SE 24th Ave, Cape Coral	8	8,012	\$2,320,000	\$290,000	2.5%	1998	Unk
3	3705 Country Club Blvd, Cape Coral	12	10,704	\$1,800,000	\$150,000	0.0%	1981	892

### COLLIER COUNTY TOP SALES

	ADDRESS	UNITS	SIZE (SF)	SALE PRICE	SALES \$   UNIT	VACANCY	YEAR BUILT	AVG. UNIT SIZE
1	The Pearl Founders Square Apartments 8820 Walter Way, Naples	400	360,000	\$125,106,900	\$312,767	18.7%	2022	1,101
2	Aqua Bay Apartments 4300 Atoll Ct, Naples	120	109,200	\$26,500,000	\$220,833	3.2%	1988 2002	936
3	Bear Creek 2367 Bear Creek Dr, Naples	120	129,051	\$22,000,000	\$183,333	5.4%	1995	969

### CHARLOTTE COUNTY TOP SALES

	ADDRESS	UNITS	SIZE (SF)	SALE PRICE	SALES \$   UNIT	VACANCY	YEAR BUILT	AVG. UNIT SIZE
1	The Courtyard Apartments 2595 Tamiami Trl, Port Charlotte	6	8,948	\$1,375,000	\$229,167	4.1%	1974 2019	Unk
2	305 Duncan Rd, Punta Gorda	8	3,800	\$640,000	\$80,000	4.5%	1975 2008	400

**FORT MYERS OFFICE**  
11240 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

