

# Market View

Charlotte County  
3rd Quarter 2023



## SECTOR OVERVIEW

Never flashy, the Charlotte County Office sector delivered typically solid, if restrained, metrics for 3Q2023 with most numbers pointing to a continued steady climb.

While net absorption fell negative for the first time since 1Q22, vacancies rose by less than 0.5% and vacant SF remained below 125k and available space below 150k-sf. Occupancy continued to hover around 97.5% where it has been since last year. Leasing activity also rebounded by 50% by number of contracts & was up by 38% by square footage leased. Rental rates were up by over 4% to recover ground lost in Q2 to bring 2023 gains to ≈1.5% and rates up >7% YOY.

Sales activity was unsurprisingly limited though moving in the right direction with 1 more deal than Q2 for ≈\$1-million more in volume than last quarter. SF transferred did fall by 25% leading to a \$45 drop in average PSF pricing, however median pricing rose by \$8 PSF.

## SUPPLY

| SUBMARKET       | # BLDGS    | TOTAL SF         | VACANCY RATE |
|-----------------|------------|------------------|--------------|
| Punta Gorda     | 178        | 1,390,823        | 1.7%         |
| Port Charlotte  | 310        | 2,313,011        | 4.3%         |
| All Other Areas | 184        | 814,093          | 0.3%         |
| <b>TOTAL</b>    | <b>672</b> | <b>4,517,927</b> | <b>2.8%</b>  |

## DEMAND

| SUBMARKET       | LEASES    | LEASED SF     | NET ABSORPTION |
|-----------------|-----------|---------------|----------------|
| Punta Gorda     | 3         | 2,886         | -2,385         |
| Port Charlotte  | 15        | 26,807        | -14,416        |
| All Other Areas | 0         | 0             | 1,421          |
| <b>TOTAL</b>    | <b>18</b> | <b>29,693</b> | <b>-15,380</b> |

## NEW & UNDER CONSTRUCTION



0

SF Delivered YTD

0



SF Under Construction

## TOP LEASES

|   | Description              | Address   | Built | SF Leased | Tenant                         |
|---|--------------------------|---|-------|-----------|--------------------------------|
| 1 | Class B Community Center | Heritage Plaza<br>18500 Veterans Blvd, Port Charlotte | 1999  | 9,406     | Coldwell Banker Sunstar Realty |
| 2 | Class B Office           | City Center<br>1620 Tamiami Trl, Port Charlotte       | 1992  | 2,715     | Network Craze Technologies     |
| 3 | Class B Office           | City Center<br>1620 Tamiami Trl, Port Charlotte       | 1992  | 2,549     | Undisclosed                    |

\* Excludes Renewals

## TOP SALES

|   | Description            | Address                      | Built        | Asset SF | Sales \$   PSF              | Sale Type  |
|---|------------------------|------------------------------|--------------|----------|-----------------------------|------------|
| 1 | Class C Office         | 208 Tamiami Trl, Punta Gorda | 2007         | 7,556    | \$1,750,000<br>\$231.60 PSF | Investment |
| 2 | Class B Office         | 4044 N Access Rd, Englewood  | 2006         | 2,176    | \$475,000<br>\$218.29 PSF   | Owner User |
| 3 | Class C Medical Office | 11 1st Ave, Englewood        | 1953<br>2020 | 1,421    | \$425,000<br>\$299.09 PSF   | Investment |

\* Includes User and Investment Sales

# OFFICE

## Market Statistics

### LEASE ACTIVITY

|                                | # Executed Leases | Total SF Leased | Avg Deal Size | Current Avg. Asking Rate |
|--------------------------------|-------------------|-----------------|---------------|--------------------------|
| SPACES UNDER 2,500 SF          |                   |                 |               | BASE RENT                |
| Punta Gorda                    | 3                 | 2,886           | 962           | \$18.74                  |
| Port Charlotte                 | 12                | 12,137          | 1,011         | \$17.22                  |
| All Other Areas                | 0                 | 0               | n/a           | \$17.60                  |
| <b>TOTAL</b>                   | <b>15</b>         | <b>15,023</b>   | <b>1,002</b>  | <b>\$17.62</b>           |
| SPACES FROM 2,500 - 4,999 SF   |                   |                 |               | BASE RENT                |
| Punta Gorda                    | 0                 | 0               | n/a           | \$22.43                  |
| Port Charlotte                 | 2                 | 5,264           | 2,632         | \$17.37                  |
| All Other Areas                | 0                 | 0               | n/a           | n/a                      |
| <b>TOTAL</b>                   | <b>2</b>          | <b>5,264</b>    | <b>n/a</b>    | <b>\$19.28</b>           |
| SPACES FROM 5,000 - 9,999 SF   |                   |                 |               | BASE RENT                |
| Punta Gorda                    | 0                 | 0               | n/a           | n/a                      |
| Port Charlotte                 | 1                 | 9,406           | 9,406         | \$19.47                  |
| All Other Areas                | 0                 | 0               | n/a           | n/a                      |
| <b>TOTAL</b>                   | <b>1</b>          | <b>9,406</b>    | <b>n/a</b>    | <b>\$19.47</b>           |
| SPACES FROM 10,000 - 24,999 SF |                   |                 |               | BASE RENT                |
| Punta Gorda                    | 0                 | 0               | n/a           | n/a                      |
| Port Charlotte                 | 0                 | 0               | n/a           | n/a                      |
| All Other Areas                | 0                 | 0               | n/a           | n/a                      |
| <b>TOTAL</b>                   | <b>0</b>          | <b>0</b>        | <b>n/a</b>    | <b>n/a</b>               |
| SPACES FROM 25,000 SF+         |                   |                 |               | BASE RENT                |
| Punta Gorda                    | 0                 | 0               | n/a           | n/a                      |
| Port Charlotte                 | 0                 | 0               | n/a           | n/a                      |
| All Other Areas                | 0                 | 0               | n/a           | n/a                      |
| <b>TOTAL</b>                   | <b>0</b>          | <b>0</b>        | <b>n/a</b>    | <b>n/a</b>               |

### SALES ACTIVITY

| # Sold     | Median Sold PSF | # Sold           | Median Sold PSF |
|------------|-----------------|------------------|-----------------|
| USER SALES |                 | INVESTMENT SALES |                 |
| 2          | \$174           | 1                | \$157           |
| 0          | n/a             | 0                | n/a             |
| 1          | \$299           | 0                | n/a             |
| <b>3</b>   | <b>\$218</b>    | <b>1</b>         | <b>\$157</b>    |
| USER SALES |                 | INVESTMENT SALES |                 |
| 0          | n/a             | 1                | \$232           |
| 0          | n/a             | 0                | n/a             |
| 0          | n/a             | 0                | n/a             |
| <b>0</b>   | <b>n/a</b>      | <b>1</b>         | <b>\$232</b>    |
| USER SALES |                 | INVESTMENT SALES |                 |
| 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>      |
| USER SALES |                 | INVESTMENT SALES |                 |
| 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>      |
| USER SALES |                 | INVESTMENT SALES |                 |
| 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>      |

**6.1%**  
Charlotte County

### CAP RATES

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

**6.2%**  
Punta Gorda

**5.7%**  
Port Charlotte

**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

