

Market View

Charlotte County 1st Quarter 2024



INDUSTRIAL

SECTOR OVERVIEW

The mixed 1Q2024 results from Charlotte County's industrial & flex sector clearly demonstrate that while the sector is not immune from national economic challenges, it continues to hold onto its solid foundation and fundamental value.

Vacancy ticked down by 30-bps as the sector works to absorb the near-record 400k-sf delivered in the 2nd half of 2023. Net absorption was moderately positive again for the 4th straight quarter. This comes despite leasing activity starting the year slowly with number of deals flat and square footage falling sharply from the prior quarter. Similarly, while asking rents contracted slightly, down 1.5% from Q4, YOY gains remained robust, up ≈23%.

Unsurprisingly, sales activity was light as investors and users take an increasingly cautious approach. From the prior quarter, sales activity fell by 20% by closings, 65% by dollar volume, and 20% in space sold. Despite that, median & average PSF pricing for the quarter's closings stayed strong at \$216 & \$217 PSF, respectively.

SUPPLY

SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
Punta Gorda	221	3,182,206	10.0%
Port Charlotte	200	2,010,767	0.8%
All Other Areas	116	1,024,464	0.6%
TOTAL	537	6,217,437	5.5%

DEMAND

SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
Punta Gorda	1	1,000	2,495
Port Charlotte	3	8,100	2,600
All Other Areas	0	0	17,250
TOTAL	4	9,100	22,345

NEW & UNDER CONSTRUCTION

 **0**
SF Delivered YTD

221,000 
SF Under Construction

TOP LEASES

	DESCRIPTION	ADDRESS	BUILT	SF LEASED	TENANT
1	Class B Flex	18215 Paulson Dr, Port Charlotte	2021	4,000	HEI Security
2	Class C Warehouse	24050 Tiseo Blvd, Port Charlotte	1998	2,500	Undisclosed
3	Class C Warehouse	1602 Market Cir, Port Charlotte	1982	1,600	Metro Ice

* Excludes Renewals

TOP SALES

	DESCRIPTION	ADDRESS	BUILT	ASSET SF	SALE \$ PSF	SALE TYPE
1	Class B Warehouse	13370 Marathon Blvd, Port Charlotte	2023	4,000	\$845,000 \$211.25 PSF	Investment
2	Class C Showroom Condo	524 Paul Morris Dr, Unit B, Englewood	1992	1,250	\$270,000 \$216.00 PSF	Investment
3	Class B Warehouse Condo	3921 Taylor St, Unit A4, Punta Gorda	2023	1,200	\$270,000 \$225.00 PSF	Owner User

* Includes User and Investment Sales

INDUSTRIAL

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	1	1,000	1,000	n/a	1	\$225	0	n/a
Port Charlotte	1	1,600	1,600	\$10.86	0	n/a	0	n/a
All Other Areas	0	0	n/a	\$13.00	0	n/a	1	\$216
TOTAL	2	2,600	1,300	\$11.14	1	\$225	1	\$216
SPACES FROM 2,500 - 4,999 SF				BASE RENT	USER SALES		INVESTMENT SALES	
Punta Gorda	0	0	n/a	\$12.00	0	n/a	0	n/a
Port Charlotte	2	6,500	3,250	\$15.71	0	n/a	1	\$211
All Other Areas	0	0	n/a	n/a	0	n/a	0	n/a
TOTAL	2	6,500	3,250	\$12.62	0	n/a	1	\$211
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	0	0	n/a	\$12.00	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	\$12.00	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

CAP RATES

Reflect the average of advertised rates as reported to Costar over past 4-quarters (3 Sales)

7.2%

Port Charlotte

7.1%

All Other Areas

7.1%

Charlotte County

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