

# Market View

## Collier County 1st Quarter 2024



# INDUSTRIAL

### SECTOR OVERVIEW

The Collier County industrial sector again posted mixed results for 1Q2024 as the market continued to perform well despite continuing macroeconomic challenges.

Vacancy increased by 0.5%, the largest quarterly increase since 2018 as net absorption continued its negative streak for a 3<sup>rd</sup> straight quarter experiencing its largest loss since 2018. However, in a sector with less than 300k-sf available and only 3 quarters removed from sub-1% vacancy and little to no development activity, it is easy to hope that additional availability could allow for some welcome activity. In that respect, leasing activity was up from Q4 by 55% by number of leases and 33% by SF contracted. Rents were up nominally from the prior quarter, maintaining their 7% YOY growth.

While sales volume dropped as measured by closings, down 8%, and SF transferred, down 42%, dollar volume jumped by over 100% to the highest quarterly volume seen in the past 10-years. And, while down from Q4, median and average PSF pricing remained well over \$250 PSF at \$269 and \$273 PSF, respectively.

### SUPPLY

SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
North Naples	472	4,796,070	1.9%
Naples	10	63,521	0.0%
East Naples	450	5,929,269	1.9%
Golden Gate	16	96,614	3.1%
Lely	2	9,963	0.0%
Marco Island	10	99,846	0.0%
Outlying Collier Co.	115	3,494,483	1.5%
<b>TOTAL</b>	<b>1,075</b>	<b>14,489,766</b>	<b>1.8%</b>

### DEMAND

SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
North Naples	11	28,469	-54,689
Naples	0	0	0
East Naples	17	44,807	-4,217
Golden Gate	0	0	0
Lely	0	0	0
Marco Island	0	0	0
Outlying Collier Co.	3	5,578	2,898
<b>TOTAL</b>	<b>31</b>	<b>78,854</b>	<b>-56,008</b>

### NEW & UNDER CONSTRUCTION

 **7,800**  
SF Delivered YTD

**0**  
SF Under Construction 

### TOP LEASES

	DESCRIPTION	ADDRESS	BUILT	SF LEASED	TENANT
1	Class C Warehouse	Mercantile Business Center 4775 Mercantile Ave, Naples	1985	11,000	Gemair Distributors LLC
2	Class C Manufacturing	Pine Ridge Industrial Park 1876 Trade Center Way, Naples	1991	8,659	Skyline Moving & Delivery Inc.
3	Class C Warehouse	3927 Exchange Ave, Naples	1989	7,200	CMR Construction & Roofing, LLC

\* Excludes Renewals

### TOP SALES

	DESCRIPTION	ADDRESS	BUILT	ASSET SF	SALE \$   PSF	SALE TYPE
1	Class B Manufacturing	Naples Industrial Estates 4120 Enterprise Ave, Naples	2000	83,500	\$17,000,000 \$203.59 PSF	Investment
2	Class C Warehouse	4555 Radio Rd, Naples	1979	8,160	\$7,000,000 \$857.84 PSF	Owner User
3	Class B Distribution	Mangrove Business Center 3940 Prospect Ave, Naples	2000	28,466	\$6,800,000 \$238.88 PSF	Investment

\* Includes User and Investment Sales

# INDUSTRIAL

## Market Statistics

### LEASE ACTIVITY

	# Executed Leases	Total SF Leased	Avg Deal Size	Current Avg. Asking Rate
<b>SPACES UNDER 2,500 SF</b>				<b>BASE RENT</b>
North Naples	8	13,265	1,658	\$22.30
Naples	0	0	n/a	n/a
East Naples	12	16,073	1,339	\$22.03
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	2	3,000	1,500	n/a
<b>TOTAL</b>	<b>22</b>	<b>32,338</b>	<b>1,470</b>	<b>\$22.23</b>
<b>SPACES FROM 2,500 - 4,999 SF</b>				<b>BASE RENT</b>
North Naples	2	6,545	3,273	\$23.70
Naples	0	0	n/a	n/a
East Naples	3	10,534	3,511	\$20.62
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	1	2,578	2,578	n/a
<b>TOTAL</b>	<b>6</b>	<b>19,657</b>	<b>3,275</b>	<b>\$22.32</b>
<b>SPACES FROM 5,000 - 9,999 SF</b>				<b>BASE RENT</b>
North Naples	1	8,659	8,659	n/a
Naples	0	0	n/a	n/a
East Naples	1	7,200	7,200	\$18.47
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	0	0	n/a	\$15.00
<b>TOTAL</b>	<b>2</b>	<b>15,859</b>	<b>7,930</b>	<b>\$17.47</b>
<b>SPACES FROM 10,000 - 24,999 SF</b>				<b>BASE RENT</b>
North Naples	0	0	n/a	n/a
Naples	0	0	n/a	n/a
East Naples	1	11,000	11,000	\$16.00
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>1</b>	<b>11,000</b>	<b>n/a</b>	<b>\$16.00</b>
<b>SPACES FROM 25,000 SF+</b>				<b>BASE RENT</b>
North Naples	0	0	n/a	n/a
Naples	0	0	n/a	n/a
East Naples	0	0	n/a	n/a
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	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
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	1	\$369
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
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>1</b>	<b>\$369</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
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>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
2	\$518	0	n/a
0	n/a	0	n/a
1	\$858	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
<b>3</b>	<b>\$555</b>	<b>0</b>	<b>n/a</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
1	\$321	0	n/a
0	n/a	0	n/a
1	\$125	2	\$227
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
1	\$345	0	n/a
<b>3</b>	<b>\$321</b>	<b>2</b>	<b>\$227</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	2	\$221
0	n/a	0	n/a
0	n/a	0	n/a
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>2</b>	<b>\$221</b>

**5.3%**  
North Naples

**6.6%**  
East Naples

**CAP RATES**

Reflect the average of advertised rates as reported to Costar over past 4-quarters (8 Sales)

**6.0%**  
Outlying Collier Co.

**6.1%**  
Collier County

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

**CRE**  
CONSULTANTS  
Commercial Real Estate Consultants, LLC  
Florida Licensed Real Estate Broker  
**CRECONSULTANTS.com**

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