

# Market View

Collier County  
1st Quarter 2024



## SECTOR OVERVIEW

Results for the 1Q2024 Collier County office sector continued to demonstrate high demand and desirability in the face of continued national economic pressures.

Somewhat common to 1st quarter results, demonstrated in each of the past 3-years, vacancy saw a significant 1.2% increase to 4.8%. However it must be noted that this the lowest 1st quarter vacancy rate since 2006 and a far superior mark to the vast majority of MSAs nationwide. And, while net absorption turned negative for the first time in 3-years, leasing activity was up from Q4, increasing nearly 14% by contracts and up 7% by SF leased. Similarly, asking rents increased 3.6% over Q4 bringing YOY gains to 5% as healthy demand continues.

Sales activity was extremely limited, again somewhat common for Q1, as activity fell to the lowest point since the pandemic. Compared to 4Q2023, closings were off by 32% as dollar volume tumbled 72% and square footage transferred was down 33%. On the other hand, average & median PSF pricing, at \$451 & \$459 PSF, respectively, held strong at rates never before seen in the market.

## SUPPLY

SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
North Naples	380	6,238,540	4.8%
Naples	90	1,130,361	5.4%
East Naples	149	1,969,071	5.2%
Golden Gate	34	252,111	1.3%
Lely	17	129,294	1.0%
Marco Island	34	333,321	3.6%
Outlying Collier Co.	44	521,700	5.5%
<b>TOTAL</b>	<b>748</b>	<b>10,574,398</b>	<b>4.8%</b>

## DEMAND

SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
North Naples	35	81,744	-37,634
Naples	6	7,367	-23,628
East Naples	5	18,023	-5,193
Golden Gate	1	963	-2,240
Lely	2	2,305	0
Marco Island	1	1,600	-2,167
Outlying Collier Co.	0	0	-28,596
<b>TOTAL</b>	<b>50</b>	<b>112,002</b>	<b>-99,458</b>

## NEW & UNDER CONSTRUCTION

 **29,125**  
SF Delivered YTD

**39,986**  
SF Under Construction 

## TOP LEASES

	Description	Address	Built	SF Leased	Tenant
1	Class B Office	Commons Professional Park 708 Goodlette-Frank Rd N, Naples	2004	11,239	American Oncology Management Company
2	Class A Office	4501 Tamiami Trl N	1985	10,020	Commerce Trust Company
3	Class B Office	Coventry Square 850 111th Ave N, Naples	1997	8,635	Physicians Day Surgery Center

\* Excludes Renewals

## TOP SALES

	Description	Address	Built	Asset SF	Sales \$   PSF	Sale Type
1	Class B Medical Office	Trail Professional Center 6100 Trail Blvd #203-205, Naples	2024	4,490	\$1,868,200 \$416.08 PSF	Owner User
2	Class B Medical Office	Trail Professional Center 6100 Trail Blvd #206-207, Naples	2024	2,826	\$1,299,500 \$459.84 PSF	Owner User
3	Class C Office	Park Central 5395 Park Central Ct, Naples	1998	2,954	\$1,299,000 \$439.73 PSF	Owner User

\* Includes User and Investment Sales

# OFFICE

## Market Statistics

### LEASE ACTIVITY

### SALES 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	24	33,599	1,400	\$27.59
Naples	6	7,367	1,228	\$28.28
East Naples	3	3,829	1,276	\$24.33
Golden Gate	1	963	963	\$34.00
Lely	2	2,305	1,153	\$25.00
Marco Island	1	1,600	1,600	\$21.09
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>37</b>	<b>49,663</b>	<b>1,342</b>	<b>\$26.97</b>
<b>SPACES FROM 2,500 - 4,999 SF</b>				<b>BASE RENT</b>
North Naples	9	29,490	3,277	\$26.77
Naples	0	0	n/a	\$31.29
East Naples	1	2,955	2,955	\$24.25
Golden Gate	0	0	n/a	\$30.00
Lely	0	0	n/a	\$24.00
Marco Island	0	0	n/a	\$20.91
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>10</b>	<b>32,445</b>	<b>3,245</b>	<b>\$26.71</b>
<b>SPACES FROM 5,000 - 9,999 SF</b>				<b>BASE RENT</b>
North Naples	1	8,635	8,635	\$28.26
Naples	0	0	n/a	\$27.24
East Naples	0	0	n/a	\$21.00
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	\$24.00
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	0	0	n/a	n/a
<b>TOTAL</b>	<b>1</b>	<b>8,635</b>	<b>8,635</b>	<b>\$27.69</b>
<b>SPACES FROM 10,000 - 24,999 SF</b>				<b>BASE RENT</b>
North Naples	1	10,020	10,020	\$23.20
Naples	0	0	n/a	\$19.00
East Naples	1	11,239	11,239	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>2</b>	<b>21,259</b>	<b>n/a</b>	<b>\$21.85</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>

# Sold	Median Sold PSF	# Sold	Median Sold PSF
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
4	\$713	0	n/a
0	n/a	0	n/a
2	\$405	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>6</b>	<b>\$599</b>	<b>0</b>	<b>n/a</b>
<b>USER SALES</b>		<b>INVESTMENT SALES</b>	
3	\$440	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>3</b>	<b>\$440</b>	<b>0</b>	<b>n/a</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
<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</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
<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>

**7.0%**  
North Naples

**8.0%**  
Outlying Collier Co.

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

**6.0%**  
East Naples

**7.0%**  
Collier County

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