

Market View

Collier County
1st Quarter 2024



RETAIL

SECTOR OVERVIEW

A slow start to the year could be a sign that the Collier County retail sector may be seeking some equilibrium after years of unrelenting growth as results were mostly suppressed in 1Q2024.

Vacancy ticked back down by 10-bps to extend the streak of 4% or less vacancy that has been in place for 8-straight quarters. Net absorption remained moderately positive as it has been in 11 of the past 13-quarters while average asking rates reflected a decline of ~4% from Q4 knocking YOY results into negative range for the first time in 3-years; contracting by 7.5% YOY. Leasing activity was mixed with the number of deals flat but square footage leased shrinking by 57% from Q4.

Unsurprisingly, given the challenges of the national economic climate, sales activity was down significantly with closings dropping 32%, dollar volume off 62%, and SF transferred down 24% marking the slowest Q1 in 10-years. Despite that, average & median PSF pricing remained steady near \$225 PSF.

SUPPLY

SUBMARKET	# BLDGS	TOTAL SF	VACANCY RATE
North Naples	573	11,020,209	3.8%
Naples	230	3,030,656	1.0%
East Naples	374	4,017,069	2.8%
Golden Gate	111	1,029,633	11.5%
Lely	84	1,110,285	4.4%
Marco Island	124	1,356,336	0.9%
Outlying Collier Co.	233	2,380,974	7.6%
TOTAL	1,729	23,945,162	3.9%

DEMAND

SUBMARKET	LEASES	LEASED SF	NET ABSORPTION
North Naples	24	42,895	41,006
Naples	2	7,500	6,408
East Naples	7	14,737	-7,205
Golden Gate	0	0	-473
Lely	2	3,250	-6,534
Marco Island	0	0	1,213
Outlying Collier Co.	6	12,958	-328
TOTAL	41	81,340	34,087

NEW & UNDER CONSTRUCTION

 **7,609**
SF Delivered YTD

104,690 
SF Under Construction

TOP LEASES

	DESCRIPTION	ADDRESS	BUILT	SF LEASED	TENANT
1	Freestanding Retail	90 9th St, Naples	2017	6,088	Just Fred
2	Storefront Retail	The Shoppes at Naples Bay 1444-1490 5th Ave S, Naples	2008	5,425	Blackbird Modern Asian
3	Outlet Center	Naples Coastal Shoppes 6060 Collier Blvd, Naples	1991 1998	3,572	Guardian Pharmacy

* Excludes Renewals

TOP SALES

	DESCRIPTION	ADDRESS	BUILT	ASSET SF	SALE \$ PSF	SALE TYPE
1	Class B Health Club	Former LA Fitness 6800 Golden Gate Pky, Naples	1975 2004	30,160	\$12,150,000 \$402.85 PSF	Investment
2	Class C Auto Repair	170 10th St N, Naples	1976	8,960	\$4,900,000 \$546.88 PSF	Owner User
3	Class A Freestanding Retail	959 1st Ave S, Naples	1954 2015	7,589	\$4,526,700 \$596.48 PSF	Tenant Purchase

* Includes User and Investment Sales

RETAIL

Market Statistics

LEASE ACTIVITY

SALES ACTIVITY

	# Executed Leases	Total SF Leased	Avg Deal Size	Current Avg. Asking Rate
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# Sold	Median Sold PSF	# Sold	Median Sold PSF
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SPACES UNDER 2,500 SF

BASE RENT

USER SALES

INVESTMENT SALES

North Naples	21	29,277	1,394	\$28.40
Naples	1	1,412	1,412	\$57.70
East Naples	5	6,162	1,232	\$25.51
Golden Gate	0	0	n/a	\$30.16
Lely	2	3,250	1,625	\$40.00
Marco Island	0	0	n/a	\$22.71
Outlying Collier Co.	5	9,386	1,877	\$18.00
TOTAL	34	49,487	1,456	\$26.75

0	n/a	1	\$979
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	0	n/a
0	n/a	1	\$390
0	n/a	1	\$700
0	n/a	0	n/a
0	n/a	3	\$700

SPACES FROM 2,500 - 4,999 SF

BASE RENT

USER SALES

INVESTMENT SALES

North Naples	2	5,669	2,835	\$32.85
Naples	0	0	n/a	\$59.00
East Naples	1	3,150	3,150	n/a
Golden Gate	0	0	n/a	n/a
Lely	0	0	n/a	n/a
Marco Island	0	0	n/a	\$21.48
Outlying Collier Co.	1	3,572	3,572	\$18.00
TOTAL	4	12,391	3,098	\$25.04

1	\$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
0	n/a	0	n/a
0	n/a	0	n/a
1	\$405	0	n/a

SPACES FROM 5,000 - 9,999 SF

BASE RENT

USER SALES

INVESTMENT SALES

North Naples	1	7,949	7,949	\$32.00
Naples	1	6,088	6,088	\$69.98
East Naples	1	5,425	5,425	\$28.00
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	\$15.75
TOTAL	3	19,462	6,487	\$24.35

0	n/a	0	n/a
1	\$547	1	\$596
0	n/a	2	\$319
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	\$547	3	\$415

SPACES FROM 10,000 - 24,999 SF

BASE RENT

USER SALES

INVESTMENT SALES

North Naples	0	0	n/a	\$38.00
Naples	0	0	n/a	\$45.00
East Naples	0	0	n/a	n/a
Golden Gate	0	0	n/a	\$13.75
Lely	0	0	n/a	\$15.00
Marco Island	0	0	n/a	n/a
Outlying Collier Co.	0	0	n/a	\$8.61
TOTAL	0	0	#DIV/0!	\$20.76

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

SPACES FROM 25,000 SF+

BASE RENT

USER SALES

INVESTMENT SALES

North Naples	0	0	n/a	\$35.21
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
TOTAL	0	0	n/a	\$35.21

0	n/a	0	n/a
0	n/a	1	\$403
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	1	\$403

6.0%
Collier County

7.4%
North Naples

CAP RATES

Reflect the average of advertised rates as reported to Costar over past 4-quarters (10 Total Sales)

5.6%
Naples

5.6%
East Naples

5.3%
Outlying Collier Co.

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