



## 2017 SWFL First Quarter Report

This month we will take a look at the first quarter of 2017 Lee County commercial sales as compared to the same time period in previous years. Our focus is solely on the “big three” (office, industrial, and retail).

### OFFICE

The office market continues to be the most challenged market type in SWFL and nationally. Technology and the “Uber” mentality for office users is changing the way we do business in an office environment. The office market in SWFL had a vacancy of 7.6% at 1Q2017 which is a slight improvement from 4Q2016 at 8.2%. However, with the exception of Charlotte County which experienced a year over year increase in average sale price (\$86.11 to \$118.23 psf), the SWFL market was rather tepid and is expected to remain stable.

**PROMINENT OFFICE SALE:**  
Jack Parker properties to company lead by Johan Santana \$17,500,000 or \$139.89 psf

### INDUSTRIAL

The industrial markets in SWFL continue to surge forward with little to no vacancy in Collier County (0.5%) and Charlotte County (1.1%) and very low vacancy in Lee County (2.6%). As illustrated, sale price increases

were the outcome in 1Q 2017 and are expected to continue until more supply is introduced in this market.

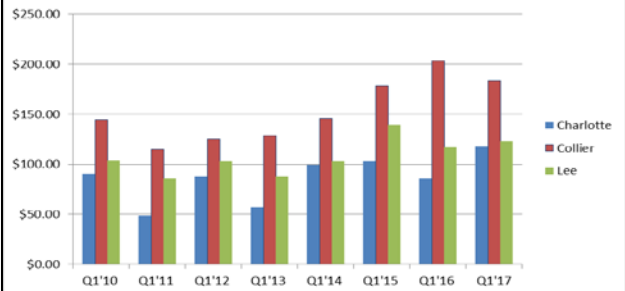
**PROMINENT INDUSTRIAL SALE:**  
19701 Old US 41, Fort Myers \$5,058,400 or \$256.77 psf Fully leased with extra land

### RETAIL

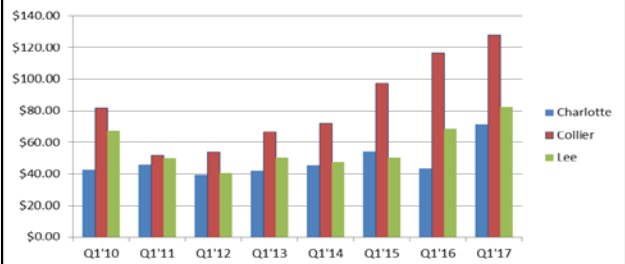
The retail market remains strong in Southwest Florida with the influx of national retailers continuing to enter the market. An example of this trend is the sale of a new Starbucks/Moes property in The Forum which traded above \$1,000 psf. The first quarter figures all illustrated year over year increases in the three counties. Collier County experienced the highest change. However, these figures are somewhat skewed by some significant net lease sales and Downtown Naples sales. In general, the National retail industry is in a downsizing mode. Retailers such as Sears, JCPenney, HHGregg and others are closing stores at a record pace. The major intersections and downtown nodes will continue to prosper while the secondary/interior locations will struggle.

**PROMINENT RETAIL SALE:**  
643-651 5<sup>th</sup> Avenue S, Naples \$11,500,000 or \$747.72 psf

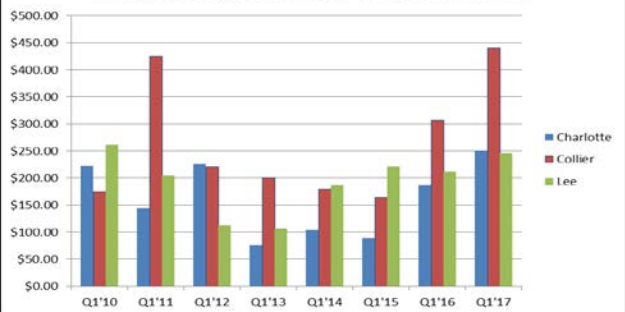
Office Average Price PSF - 1Q Comparison



Industrial/Flex Average Price PSF - 1Q Comparison



Retail Average Price PSF -1Q Comparison



Data Source: CoStar

