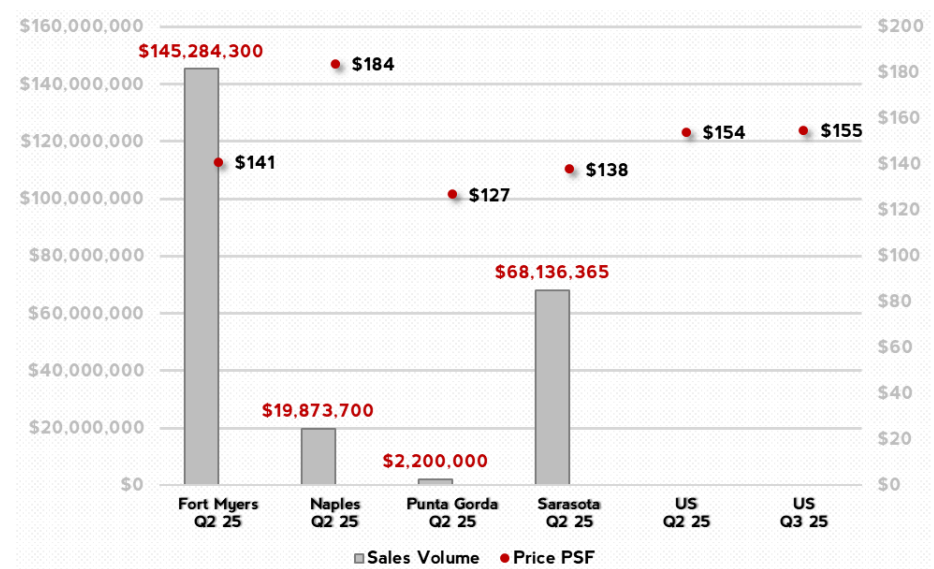
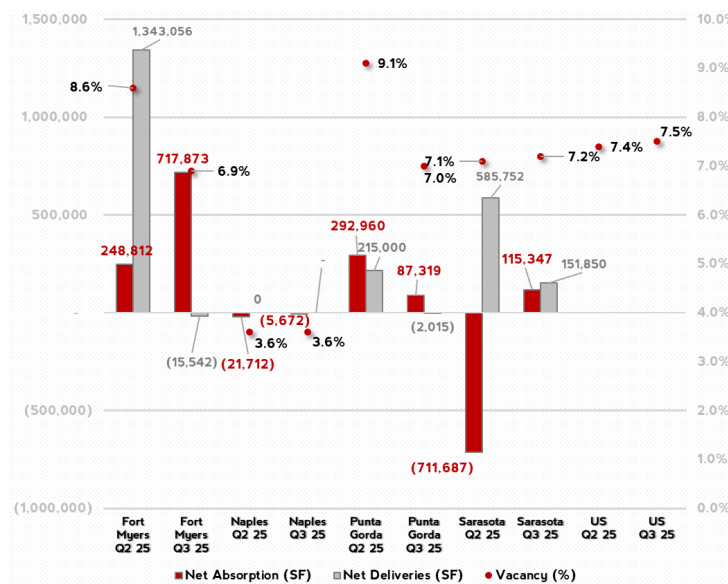




# SOUTHWEST, FL INDUSTRIAL

## FUNDAMENTALS REMAIN SOLID



The **Fort Myers** industrial market has seen elevated vacancy—now at 8.6%, its highest in a decade—following a surge of 1.9 million SF in new deliveries over the past year. Absorption totaled 700,000 SF, though Q1 marked the market's first negative quarter in six years. Construction has slowed to 480,000 SF, and leasing activity has tapered, but strong 2024 leasing volume (nearly 3 million SF) should support occupancy moving forward. Rents rose 2.9% year-over-year to \$13.60/SF, with steady growth projected. A bright spot in the investment market came in April, when Exeter Real Estate Income Trust acquired 16680 Oriole Road—a 250,000 SF facility built in 2023—for \$43.5 million (\$174/SF)—a strong indicator of ongoing institutional confidence in Fort Myers' long-term industrial fundamentals.

The **Naples** submarket remains tight, with a 3.7% vacancy rate and minimal new development—under 25,000 SF is currently underway. Rents average \$18.00/SF, up 2.9% year-over-year, and small-bay space commands premium rates. While leasing activity has been muted, low inventory and consistent demand have helped sustain pricing. Sales volume dropped to \$71.6M, but local owner-users continue to drive stable deal flow.

**Punta Gorda's** vacancy rose to 8.9% due to 420,000 SF of new deliveries, outpacing 220,000 SF in absorption. Still, with 260,000 SF under construction and rents up 2.9% to \$14.10/SF, the market shows healthy fundamentals. Sales totaled \$8.5M, and pricing remains attractive relative to other SW Florida metros, drawing value-focused users and investors.

**Sarasota's** industrial market is adjusting after a construction wave and several large tenant exits. Vacancy climbed to 7.1%, with 1.2 million SF delivered and -740,000 SF in net absorption over the past year. However, leasing has remained steady—especially for spaces under 20,000 SF—and rents rose 2.8% to \$13.30/SF. With \$282M in annual sales volume, Sarasota continues to lead the region in investment activity.

Overall across Southwest Florida, fundamentals remain solid despite near-term vacancy pressure in Fort Myers and Sarasota. Naples and Punta Gorda benefit from constrained supply and resilient demand, while user-driven investment remains strong across all markets. As leasing stabilizes and construction moderates, the region is well-positioned for long-term industrial growth.

\*All data points sourced from CoStar 2025



**CHRIS DIBITTO**  
MANAGING BROKER

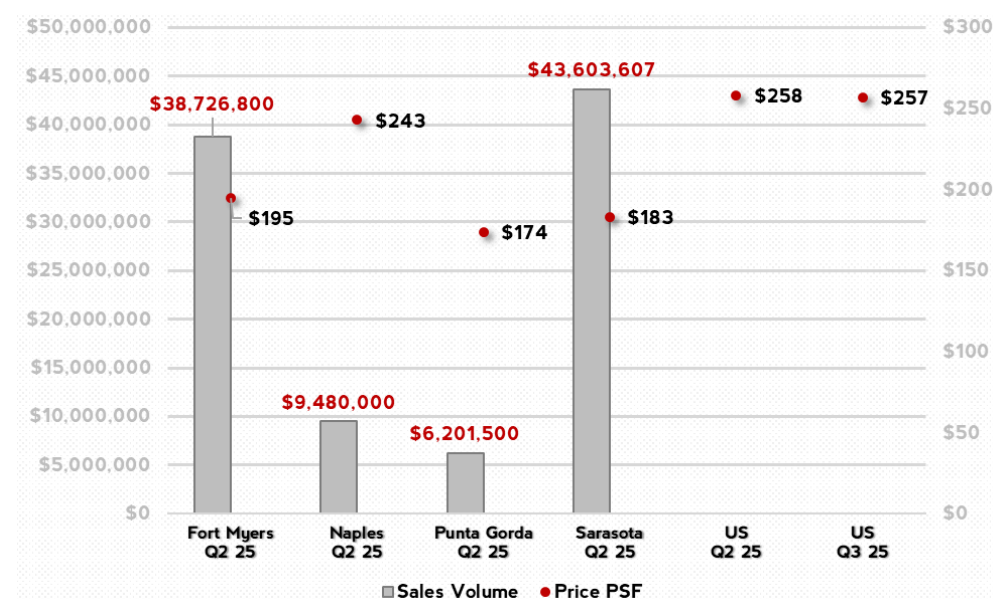
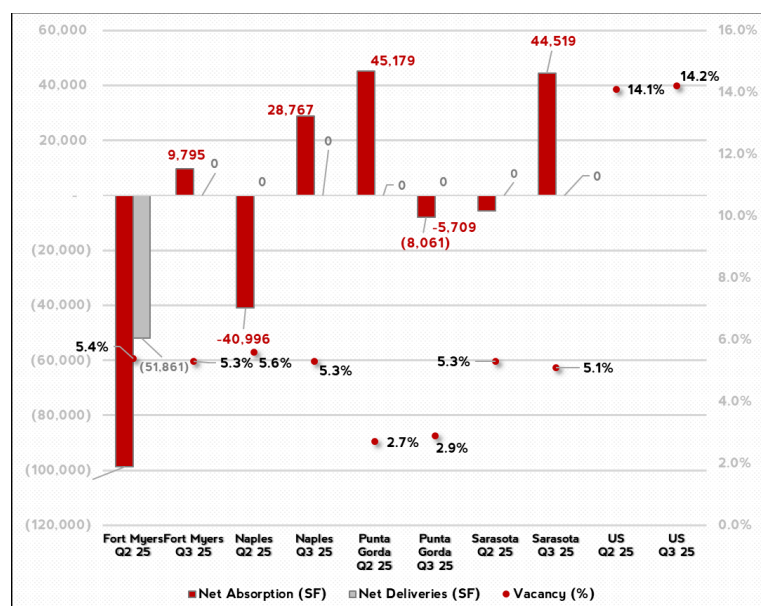
chris.dibitto@erescompanies.com  
 +1 941.724.7416  
 1819 Main Street | Suite 1000 | Sarasota, FL  
 www.erescompanies.com



# Q2 | 2025 MARKET SNAPSHOT

## SOUTHWEST, FL OFFICE

### REMARKABLE MARKET RESILIENCE, PARTICULARLY IN MEDICAL SECTOR



**Sarasota**, the largest office market in Southwest Florida with 28 million SF, has seen vacancy rise to 5.3% due to -120,000 SF in annual net absorption. Despite this, leasing activity remains consistent (840,000 SF over the past year), driven by smaller deals under 10,000 SF. High-quality office space under 7,500 SF remains scarce—particularly in Sarasota’s most desirable locations. ERES is proud to offer several premium listings that meet this demand in the heart of the downtown metro. Rent growth has slowed to 1.9% annually, with average asking rents at \$29.00/SF. Sales volume over the past year reached \$193 million, with strong activity from medical office buyers, including two major MOB trades over \$30 million combined.

**Fort Myers** remains one of the more affordable and stable office markets in the region, with a current vacancy rate of 5.4% across its 22 million SF inventory. While absorption has been minimal (-32,000 SF over the past year), leasing activity has held steady, though still below pre-pandemic levels. Construction is nearly nonexistent, with just 17,000 SF underway, most of it medical. Rents have grown 1.6% year-over-year to an average of \$26.00/SF, reflecting a cooling trend since the post-pandemic surge. Office sales volume reached \$158 million over the past year, driven largely by smaller transactions and user-driven medical office purchases.

**Naples** continues to outperform its size, boasting a low vacancy rate of 5.6% and the highest average asking rent in the region at \$36.00/SF. Despite negative net absorption (-98,000 SF), consistent quarterly leasing activity near 100,000 SF, mostly in smaller deals, has kept the market steady. New construction is rare and almost exclusively medical office. Sales volumes have been uneven, but 2024’s standout \$21.5M trade signals ongoing interest. Asking rents are up 2.2% year-over-year, supported by limited availability and strong medical demand.

The tightest submarket in the region, **Punta Gorda** posts a 2.8% vacancy rate, with no new deliveries or construction underway. Though absorption was slightly negative (-10,000 SF), limited supply and availability (just 3.4%) continue to support landlord pricing power. Rents average \$24.00/SF, with annual growth of 2.2%, outpacing national trends. Investment activity has been steady, with 15 properties sold totaling \$20 million in volume, and pricing remaining competitive at an estimated \$167/SF. Investor interest has centered on smaller medical and professional office buildings.

\*All data points sourced from CoStar 2025



**CHRIS DIBITETTO**  
MANAGING BROKER

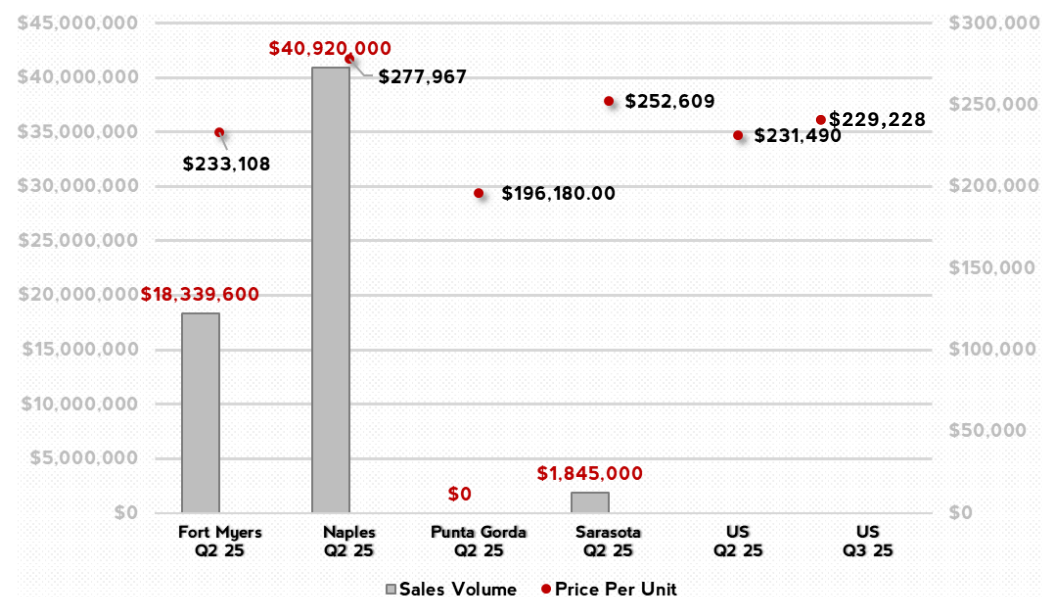
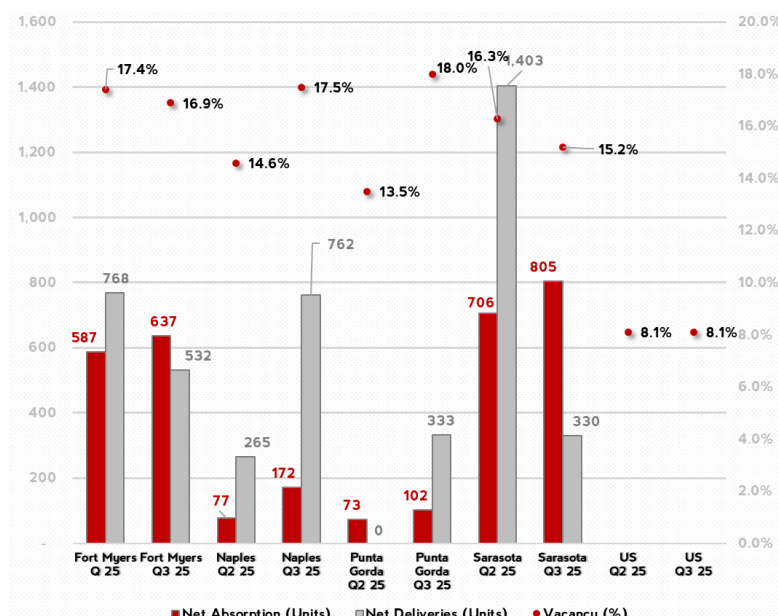
✉ [chris.dibitto@erescompanies.com](mailto:chris.dibitto@erescompanies.com)  
☎ +1 941.724.7416  
📍 1819 Main Street | Suite 1000 | Sarasota, FL  
🌐 [www.erescompanies.com](http://www.erescompanies.com)



# Q2 | 2025 MARKET SNAPSHOT

## SOUTHWEST, FL MULTIFAMILY

### OVERSUPPLY CONTINUES TO CREATE CHALLENGES FOR OWNERS



**Sarasota** continues to see the effects of one of Florida's most aggressive development cycles, with 4,100 units still in the pipeline after a year of near-record completions. Vacancy stands at a 16.1%, and rents have dropped -4.3% year-over-year to \$1,960/month. The majority of absorption—2,900 units over the past year—has occurred in 4 & 5 Star properties, yet these assets still face oversupply, prompting concessions at nearly half of properties. Sales activity has slowed sharply, with \$167 million in volume, including a single \$81.8 million trade that made up nearly half of the total.

**Fort Myers** continues to grapple with an ongoing supply-demand imbalance, with 3,800 new units delivered over the past year and 4,900 units still under construction. Despite a rebound in renter demand, marked by 2,500 units absorbed, vacancy has surged to a decade-high 17.3%. Rents have dropped -4.7% year-over-year to \$1,800/month, with 4 & 5 Star properties hit hardest. Developers remain active—800 units broke ground this year alone—but the wave of new product has driven widespread concessions and stalled rent growth. Sales volume has slowed significantly, with only \$92.9 million recorded over the past 12 months, a dramatic change from the market's 2022 peak.

In **Naples**, a three-year run of supply outpacing demand has culminated in rising vacancy and declining rents. The vacancy rate has increased to 14.6%, and with 1,400 units in the pipeline, it's projected to climb further. Asking rents have fallen -5.1%, with luxury properties seeing the sharpest declines and widespread concessions becoming standard. The market is small, with just 15,000 units total, meaning even a handful of new completions can distort fundamentals. Investor activity remains selective, with \$194 million in sales volume recorded over the past year - 60% of which came from just two deals. Among them, the June sale of Oasis at Naples, a 216-unit property on 18.5± acres, stood out as a benchmark transaction, trading for \$40.92M (\$189,444/unit) and reflecting continued interest in well-located assets, despite broader headwinds.

**Punta Gorda** is beginning to stabilize after a dramatic spike in vacancy. With no new deliveries in three quarters and 670 units absorbed over the past year, the vacancy rate has dropped from 33% to 13.4%. Rents remain under pressure, down -4.5% year-over-year to \$1,830/month, though that marks an improvement over 2024 trends. The construction pipeline is modest at 650 units, and if absorption continues, landlords may begin regaining pricing power in late 2025. Sales activity has been limited, with the last major deal closing in early 2024 for \$66.5 million.

\*All data points sourced from CoStar 2025



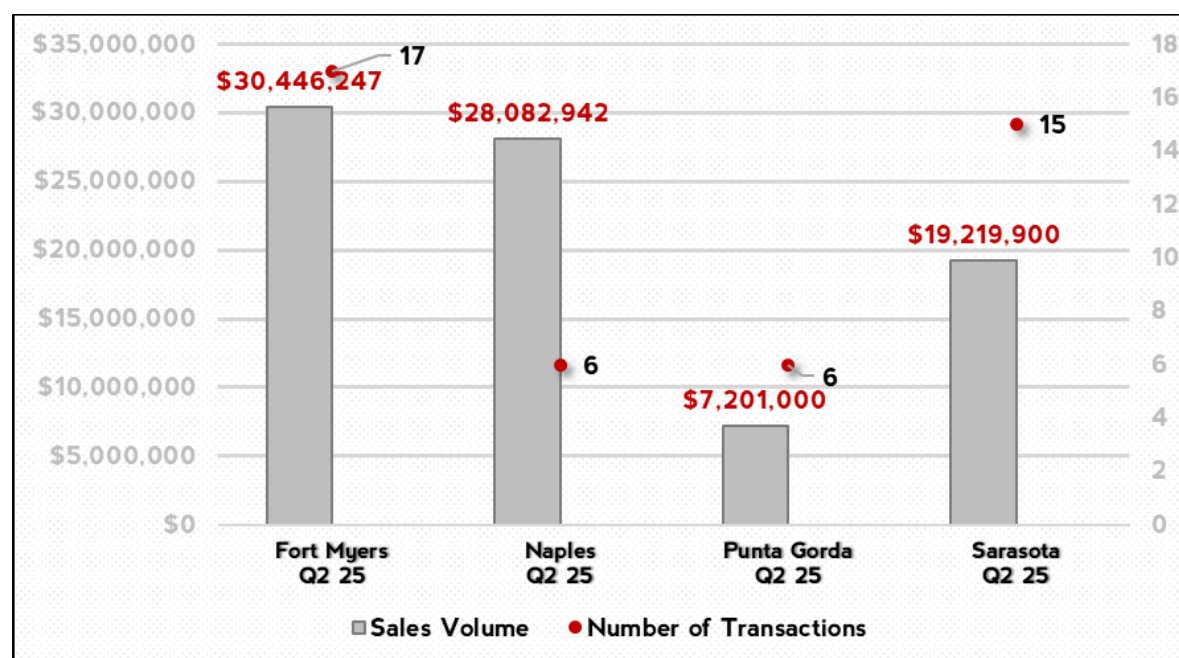
**CHRIS DIBITTO**  
MANAGING BROKER

✉ [chris.dibitto@erescompanies.com](mailto:chris.dibitto@erescompanies.com)  
☎ +1 941.724.7416  
📍 1819 Main Street | Suite 1000 | Sarasota, FL  
🌐 [www.erescompanies.com](http://www.erescompanies.com)



# SOUTHWEST, FL LAND

## LAND SALE ACTIVITY REMAINS STRONG



As of the start of Q3 2025, the land market in Southwest Florida remains robust, with notable activity across all major submarkets.

**Fort Myers** led the region in Q2 land sales with \$30.45 million in total volume across 17 transactions, reflecting continued confidence in the area’s development potential. **Naples** followed closely with \$28.08 million in volume from just six sales, underscoring the premium nature of its land deals. A standout transaction in Naples was the sale of 1624 Gulf Shore Blvd N in June—a 1.41± acre redevelopment parcel zoned for Co-Op use, which sold to Blizzard Asset Management for \$17.5 million, or an impressive \$12.4 million per acre. This deal not only highlights ongoing investor appetite for high-value coastal parcels but also signals confidence in future luxury redevelopment opportunities along Naples’ prestigious Gulf Shore corridor.

**Sarasota** recorded 15 land transactions totaling \$19.22 million, while **Punta Gorda** posted six sales for \$7.2 million, demonstrating consistent, region-wide demand. Although transaction volume varied, all four markets saw active buyer interest—especially in areas with zoning flexibility, infill potential, or mixed-use development appeal.

With total land sales volume across the four markets exceeding \$85 million in Q2, Southwest Florida’s land market continues to prove its strength amid broader economic shifts. Investors are zeroing in on strategic parcels with long-term value, positioning the region for sustained momentum into the second half of 2025.

\*All data points sourced from CoStar 2025



**CHRIS DIBITETTO**  
MANAGING BROKER

[chris.dibitto@erescompanies.com](mailto:chris.dibitto@erescompanies.com)  
 +1 941.724.7416  
 1819 Main Street | Suite 1000 | Sarasota, FL  
 [www.erescompanies.com](http://www.erescompanies.com)