

# Woolbright Development Research

Retail Market Overview: Naples-Fort Myers

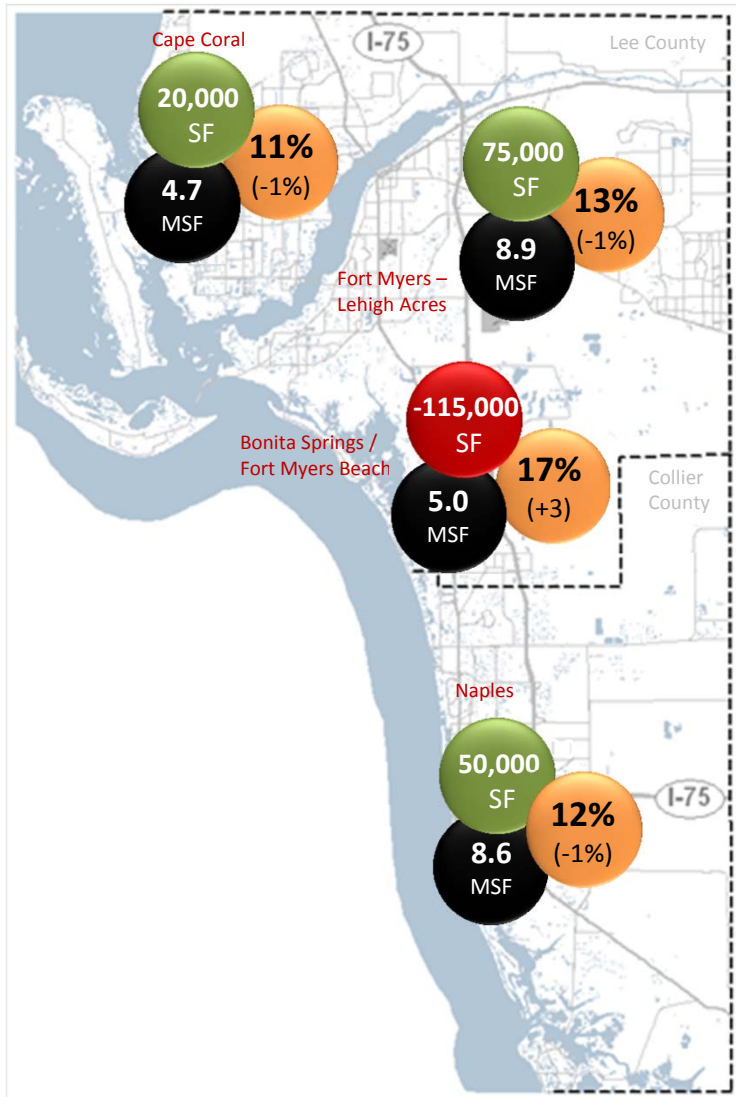
2014

First Quarter



*“The Naples-Fort Myers Retail Market has Begun a Slow Recovery; Average Occupancy Levels Remain Flat at 87% however Average Base Rental Rates at Publix-Anchored Centers Rose to \$18.45 NNN per Square Foot, a 2.5% Growth Rate.”*

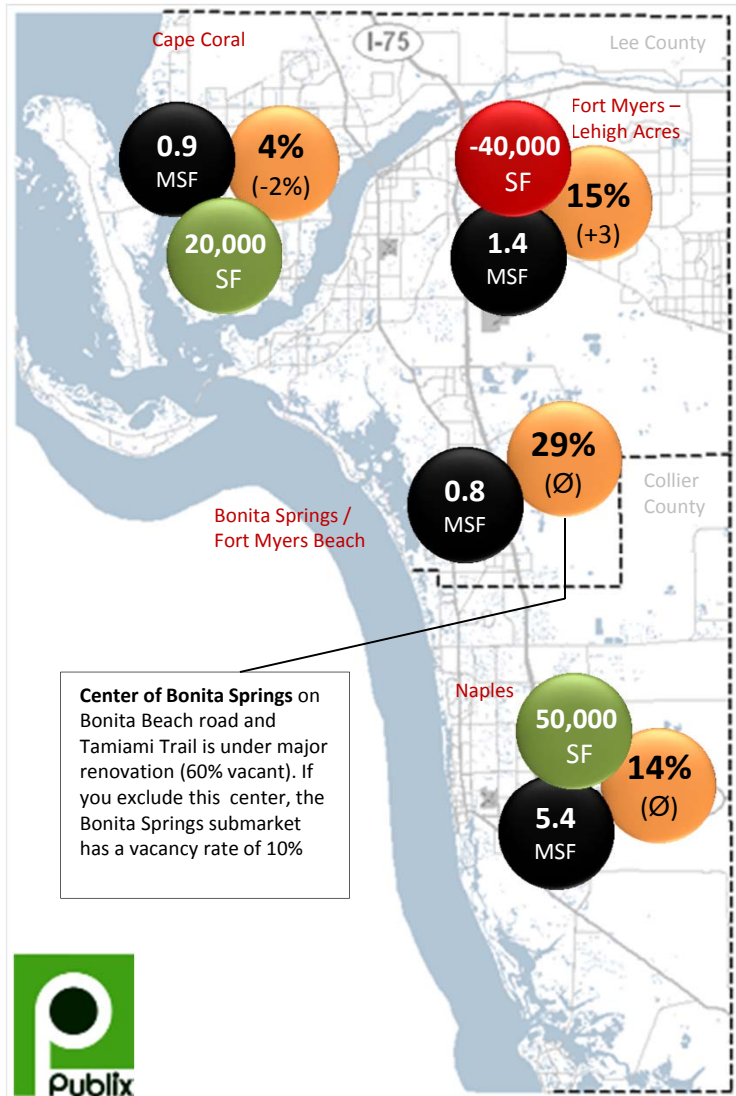




## Occupancy Levels Are Holding a Steady 87% in Naples-Fort Myers Market.

- Vacancy rates are essentially flat at 13% (improved from 13.1% in October 2012 to 13.0% in February 2014).
- From October 2012 to February 2014, the Naples-Fort Myers market absorbed 30,000 SF, down from pre-recession levels of 1.5 MSF.
- No new ground-up developments.

**Naples-Fort Myers Market:**  
 Inventory: 27.1 MSF (188 centers)  
 Vacancy : 13.0% (-0.1%)  
 Absorption: 30,000 SF  
 New GLA: None



## Occupancy Levels Solid at 86% for Publix-Anchored Centers.

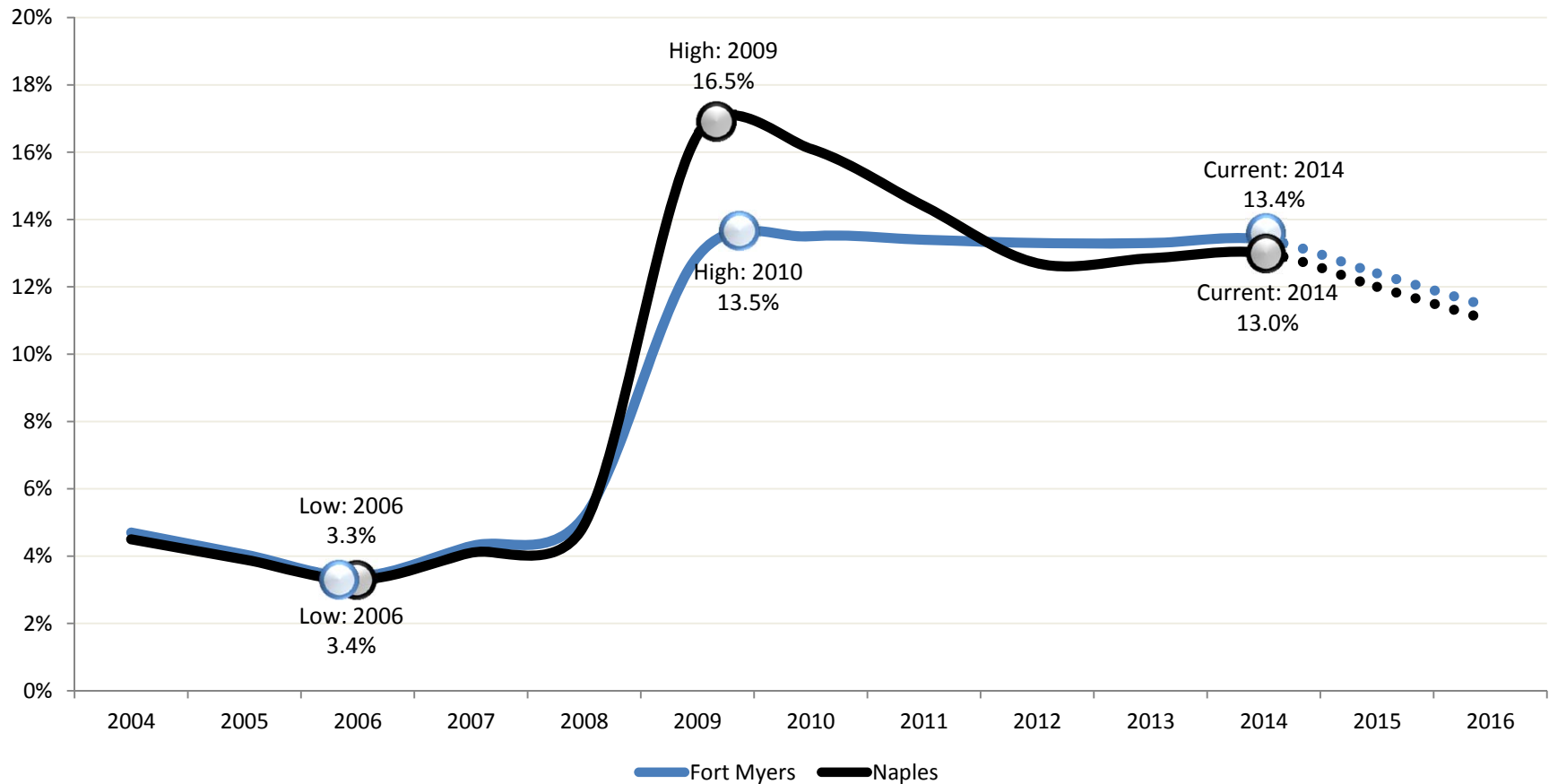
- Vacancy rate marginally contracted, down 50 bps from 14.2% in October 2012 to 13.8% in February 2014.
- From October 2012 to February 2014, the Naples-Fort Myers market absorbed 30,000 SF.
- No new ground-up developments.
- Rental Rates have started to retreat, growing 2.5% or \$0.45 to \$18.45 NNN per SF.

### Naples-Fort Myers – Publix Centers:

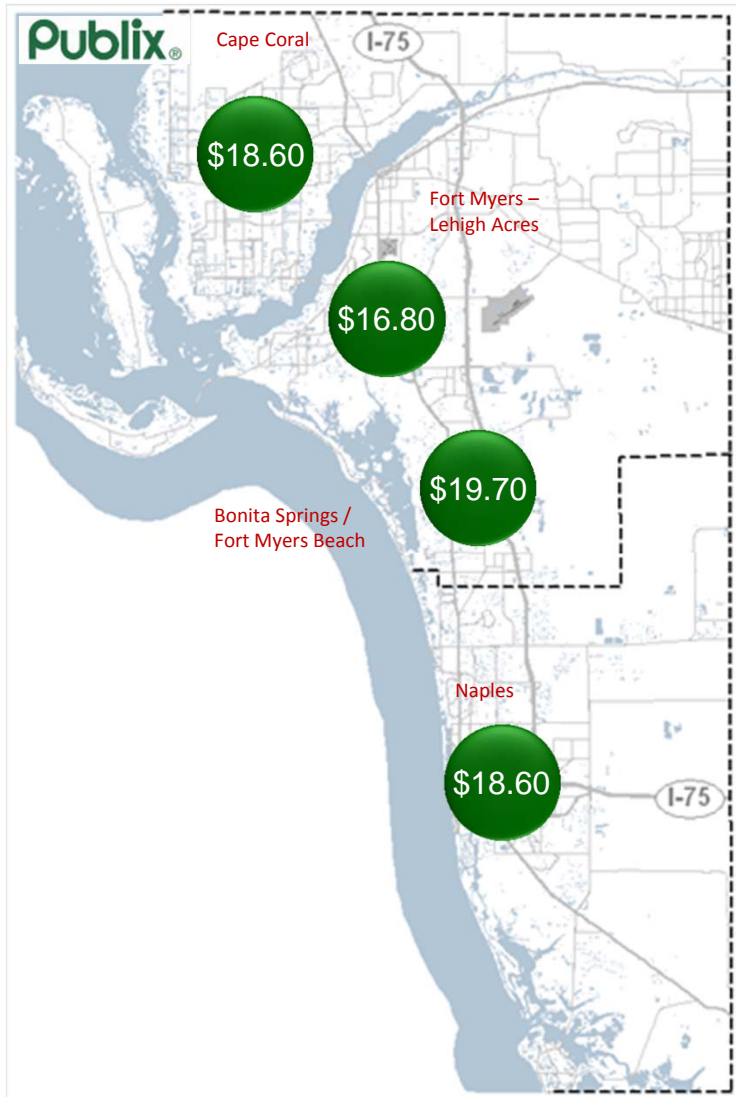
Inventory: 5.4 SF (74)  
 Vacancy : 13.8% (-0.5 bps)  
 Absorption: 30,000 SF  
 New GLA: None

# Vacancy: Historical and Projection

Naples –  
Fort Myers



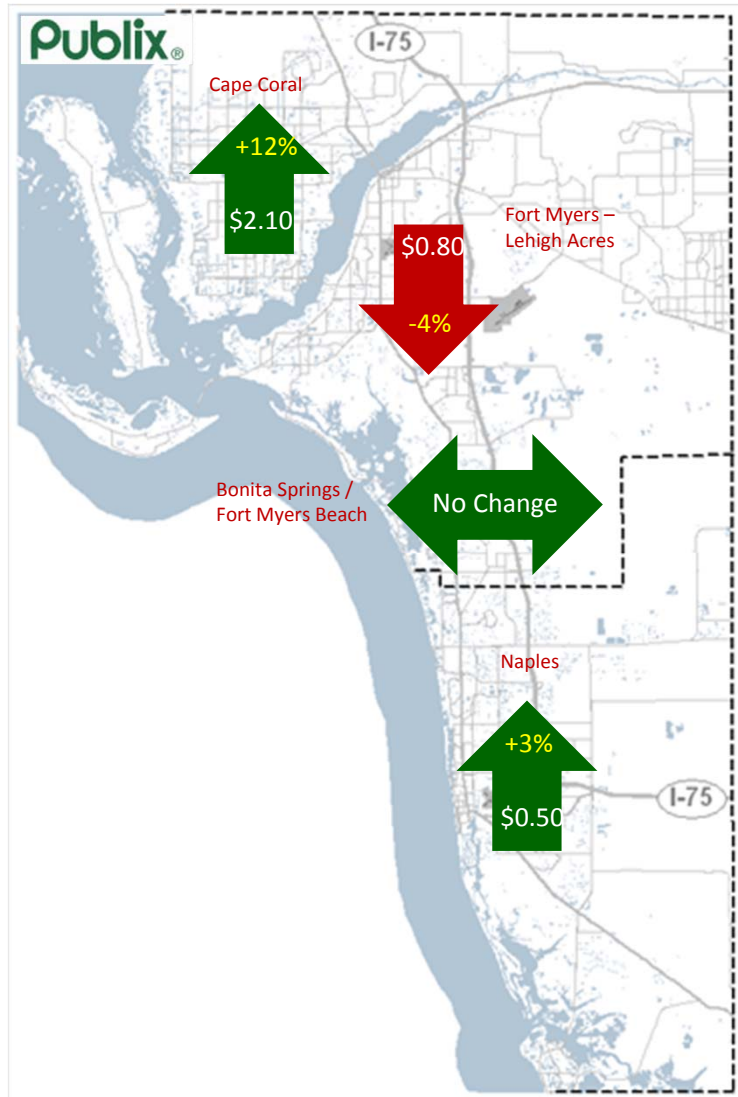
Vacancy rates in Naples-Fort Myers market are holding steady at 2008/2009 levels.



## *Average Rental Rate Stands At \$18.45 NNN.*

- Average base rental rates in Naples-Fort Myers market stand at \$18.45 NNN.
- Bonita Springs/Fort Myers continues to be the strongest performing submarket at \$19.70 NNN.



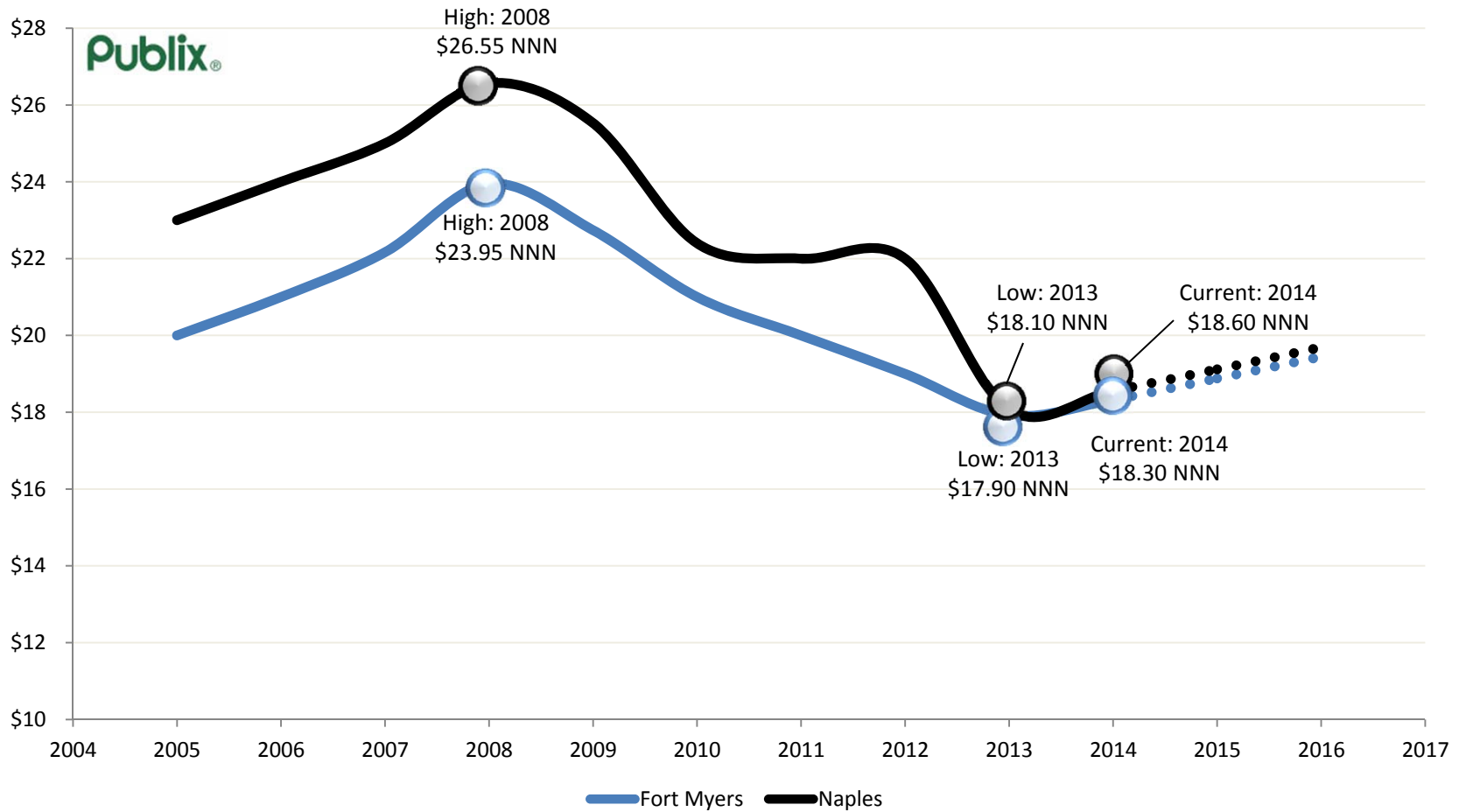


## 2.5% Rent Growth in Naples-Fort Myers:

- Base rents increased by \$0.45 or 250 basis points to \$18.45 NNN in February 2014, from \$18.00 NNN in January 2013.
- The Cape Coral submarket was the most improved, increasing \$2.10 (12%) to \$18.60 NNN.

# Base Rental Rate: Historical and Projection

Naples –  
Fort Myers



In 2014, rental rates turned the corner in Naples and Fort Myers markets.





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### **About this study**

*Data was collected in October 2013 and February 2014 through on-site inspection by Woolbright Development and includes all retail centers in the Naples-Fort Myers market greater than 45,000 SF, and is the exclusive property of Woolbright Development, Inc. For more information about Woolbright's research please send an email to [lhoyer@woolbright.net](mailto:lhoyer@woolbright.net) or call Liz Hoyer, Research Director at 561-989-2247.*

### **Woolbright Development**

*Woolbright Development Inc., a real estate investment firm based in Boca Raton, Florida, acquires and develops retail grocery and basic needs shopping centers throughout the state of Florida. Founded 22 years ago, Woolbright is now one of Florida's largest investors in Florida shopping centers and is partnered with some of the US's largest real estate investors. The keys to our success are extensive area research, industry knowledge, client commitment, and vision. Woolbright currently maintains a retail portfolio of 3.5 MSF all of which is located in Florida's major metropolitan areas. Information about the firm, recent research studies and a complete listing of our portfolio can be found on our website [www.woolbright.net](http://www.woolbright.net).*