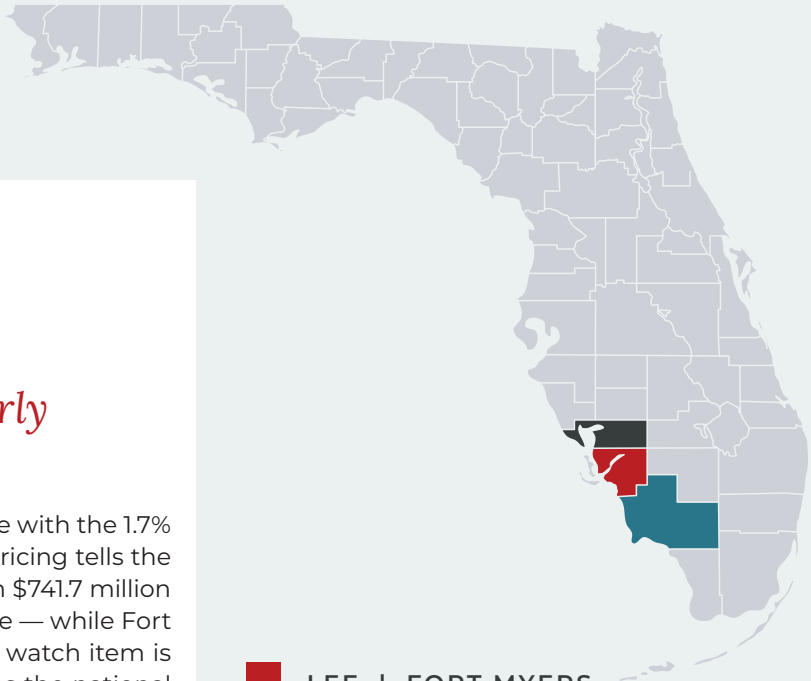


SOUTHWEST FLORIDA RETAIL



MARKET COMMENTARY

RETAIL FOLLOWS THE ROOFTOPS — AND STAYS IN BALANCE

The tightest of the region’s three property sectors: vacancy barely moved this year because demand absorbed nearly everything that was built.

Southwest Florida retail ended Q3 2026 in near-perfect equilibrium. Vacancy sits between 3.1% and 4.1% in all three counties — at or below the 4.4% national rate and below each market’s own historical average — and moved just a tenth of a point year over year in each. The reason is that supply and demand ran side by side: the region delivered roughly 859,000 SF of retail over the past twelve months and absorbed about 743,000 SF of it. Behind that demand is the same force driving everything in this region — rooftops. Punta Gorda’s population grew 10.1% over five years (triple the national pace), with employment up 16.8%, and similar household formation across Cape Coral, Estero, and inland Collier keeps tenants competing for space.

Rent growth has settled into a modest 1.4% to 1.6% across the region — roughly in line with the 1.7% national pace, and a normalization after five-year average annual growth near 4%. Pricing tells the sector’s real story: retail commands the region’s richest capital-markets metrics, with \$741.7 million trading across 304 deals. Naples leads on quality — \$353/SF at a 5.9% market cap rate — while Fort Myers led on volume at \$453.2 million with pricing up 5.6% year over year. The one watch item is Punta Gorda’s pipeline: 298,000 SF underway equals 2.6% of its inventory, five times the national rate, concentrated in general retail along the U.S. 41 corridor.

Our Outlook

FORT MYERS | Expect the balance to hold. The 263K SF pipeline is just 0.5% of stock against deep household growth in Cape Coral and Estero; vacancy should stay near 3.5%, with grocery-anchored centers and pad sites the most contested space.

NAPLES | Scarcity plus affluence should keep Naples the region’s premium retail market — expect \$30+/SF rents and sub-6% cap rates to persist. The subtype to watch is power centers, where vacancy sits at 9.1%.

PUNTA GORDA | Demand is genuine, but 298K SF underway (2.6% of inventory) will likely push vacancy up as space delivers through 2027 before new rooftops fill it back in. Strip centers, already at 7.4% vacancy, bear watching.

MARKET FUNDAMENTALS

FORT MYERS

Lee County • 49.7M SF

3.4%

VACANCY

\$23.12

ASKING RENT / SF

516K

12-MO NET ABSORPTION SF

263K

SF UNDER CONSTRUCTION

The region’s retail engine: 516K SF absorbed against 584K delivered kept vacancy at 3.4%. Household growth in Cape Coral and Estero keeps grocery-anchored and pad-site demand deep.

NAPLES

Collier County • 23.7M SF

4.1%

VACANCY

\$30.21

ASKING RENT / SF

194K

12-MO NET ABSORPTION SF

68K

SF UNDER CONSTRUCTION

Tight, affluent, and expensive: 194K SF of absorption held vacancy at 4.1% while pricing reached \$353/SF at a 5.9% market cap rate — the region’s premium retail market.

PUNTA GORDA

Charlotte County • 11.6M SF

3.1%

VACANCY

\$20.27

ASKING RENT / SF

32.8K

12-MO NET ABSORPTION SF

298K

SF UNDER CONSTRUCTION

Small but growing fast — 10.1% five-year population growth underpins demand. The watch item: 298K SF underway equals 2.6% of inventory, five times the national pace.

TRI-COUNTY STATS

84.9M

SF TRI-COUNTY INVENTORY

3.6%

BLENDED VACANCY (SF-WEIGHTED)

\$741.7M

12-MO SALES VOLUME • 300 DEALS

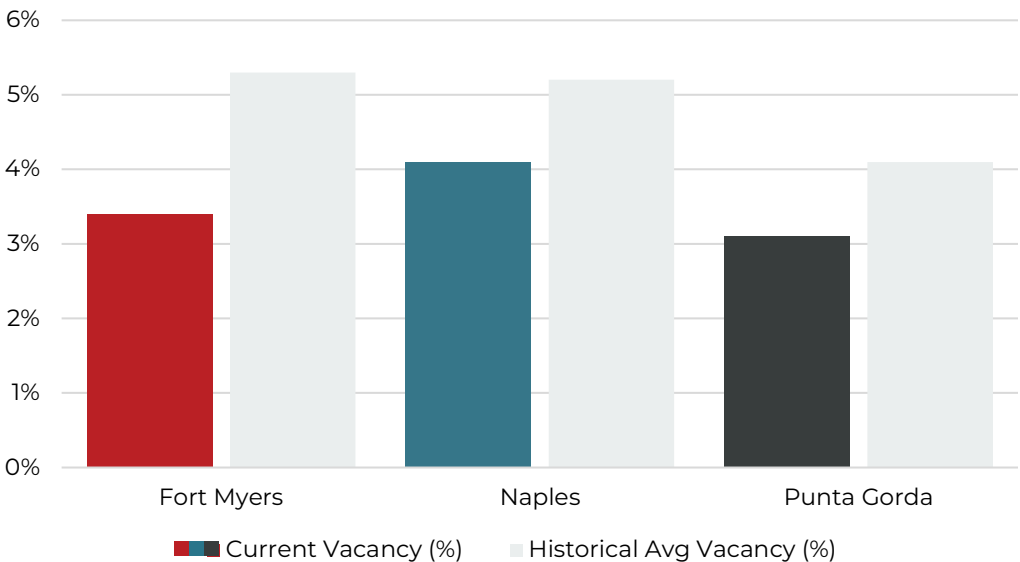
629K

SF UNDER CONSTRUCTION

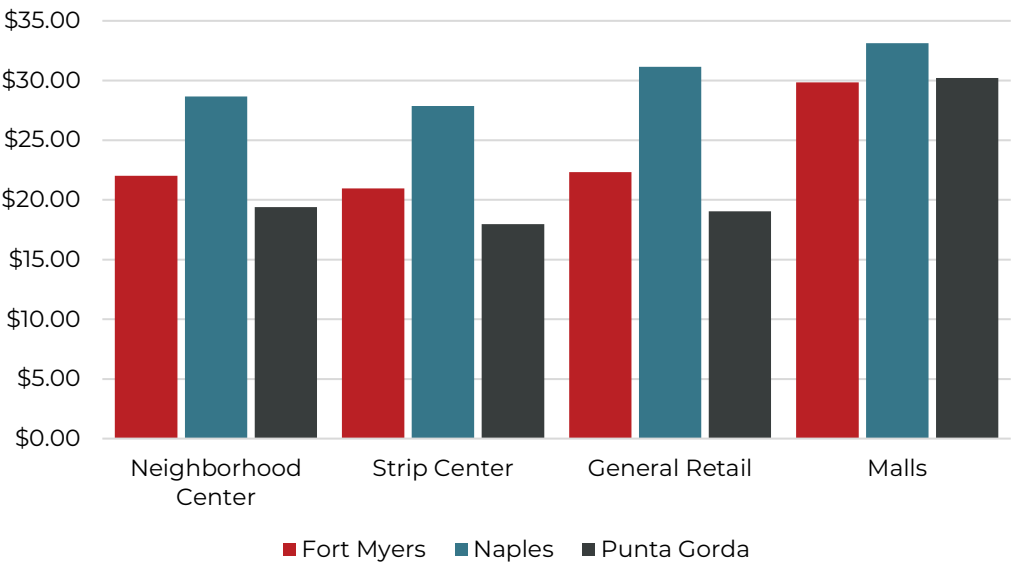
SUPPLY, DEMAND & PRICING

HOW THE MARKETS COMPARE

VACANCY VS. HISTORICAL AVERAGE



ASKING RENT BY PROPERTY TYPE



12-MONTH TRAILING SALES ACTIVITY

TRANSACTION DETAIL

LEE

SALES VOLUME	\$279.2M
TRANSACTIONS	142
TRANSACTIONED SF	1.6M
MARKET PRICE / SF	\$207
TOTAL ASSET VALUE	\$4.6B

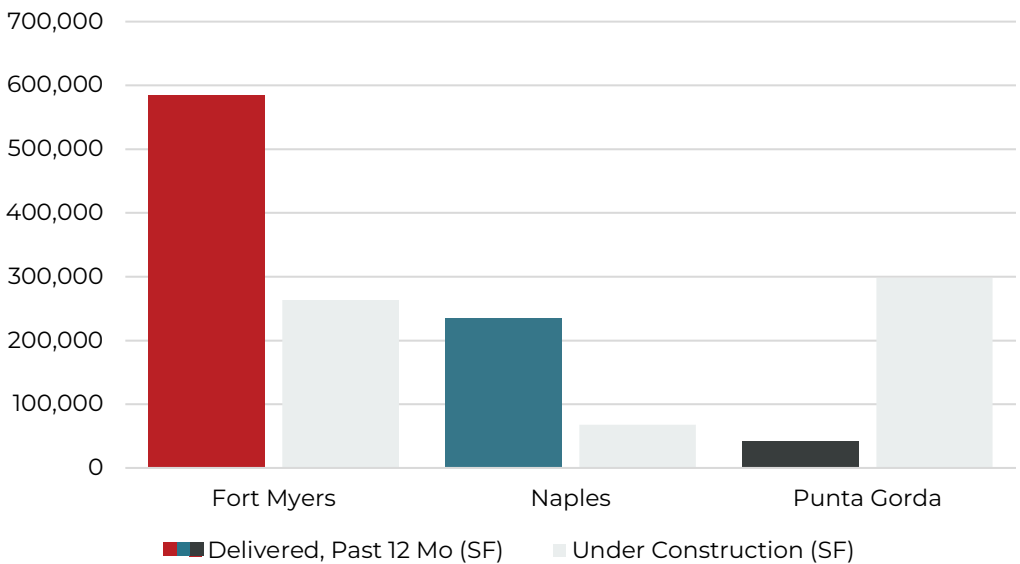
COLLIER

SALES VOLUME	\$139.8M
TRANSACTIONS	75
TRANSACTIONED SF	594K
MARKET PRICE / SF	\$274
TOTAL ASSET VALUE	\$3.0B

CHARLOTTE

SALES VOLUME	\$17.2M
TRANSACTIONS	25
TRANSACTIONED SF	107K
MARKET PRICE / SF	\$186
TOTAL ASSET VALUE	\$773M

CONSTRUCTION PIPELINE



INVESTMENT SALES VOLUME

