

FIGURES | SOUTHWEST FLORIDA INDUSTRIAL | Q1 2026

# Industrial market rebalances as supply pressures begin to ease

▼ 11.4%	▲ 104,044	▼ 1,759,048	▼ 68,295	▼ \$15.02
Vacancy Rate	SF Q1 Net Absorption	SF Under Construction	SF Q1 Deliveries	Triple Net / Lease Rate

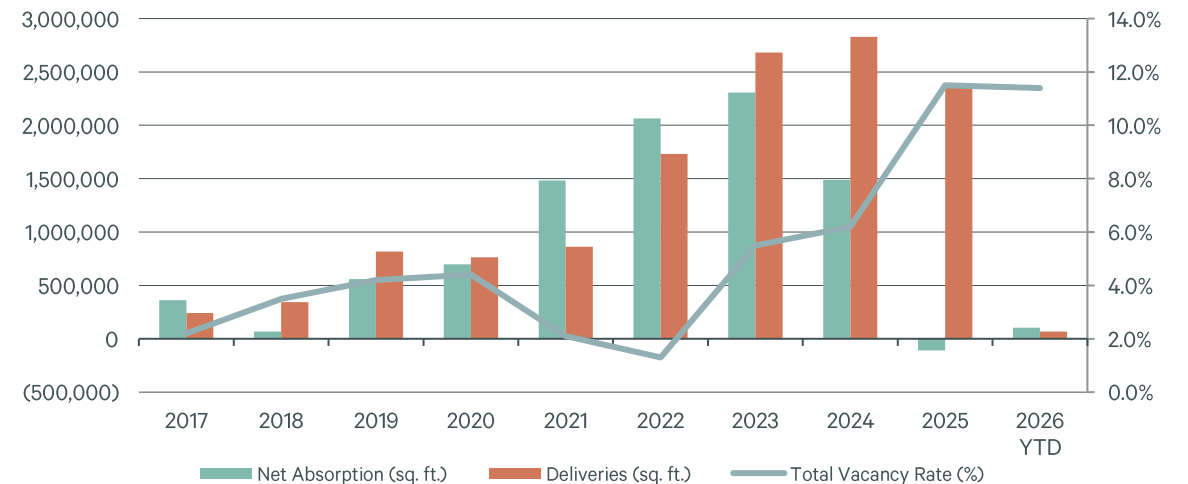
Note: Arrows indicate change from previous quarter.

## OVERVIEW

- The market recorded 104,000 sq. ft. of positive net absorption during the first quarter as recently delivered projects continue to perform lease-up
- Headline vacancy fell 10 basis points to 11.4% as shallow deliveries introduced little upward pressure
- The construction pipeline looks to mostly deliver by the end of the following quarter, positioning the second half of the year for more balanced supply-demand

The Southwest Florida industrial market showed early signs of stabilization in first-quarter 2026 as vacancy leveled off amid minimal construction completions which totaled just 68,000 sq. ft. A slowdown in construction starts, project timing shifts into early Q2, and additional leasing activity allowed net absorption to outpace deliveries, supporting overall market balance. While certain submarkets continue to experience higher vacancy tied to recent deliveries of first-generation space, the construction pipeline is shrinking, increasingly pre-leased, and set to clear by midyear. Asking rents remained flat as the market works through elevated supply, particularly at the top end of the quality spectrum.

FIGURE 1: Historical Absorption, Deliveries and Vacancy



Source: CBRE Research

## DEMAND

Industrial tenant demand remained steady but measured during Q1 2026. Net absorption totaled just over 100,000 sq. ft., sufficient to exceed limited new deliveries and support ongoing lease-up of recently completed projects. According to CBRE’s latest Industrial Occupier Survey, occupiers continue to express intentions to either maintain or expand their footprints over the coming years, with a strong preference for modern industrial facilities. Demand is increasingly concentrated on first-generation product offering higher clear heights, efficient loading configurations, and layouts conducive to contemporary distribution and warehousing operations.

## VACANCY

Market vacancy declined by 10 basis points quarter over quarter as deliveries slowed and absorption outpaced new supply. Submarkets such as the Airport Corridor in Lee County and Punta Gorda in Charlotte County remain the primary drivers of elevated vacancy, reflecting their outsized share of recent first-generation deliveries. The active construction pipeline stands at roughly 1.8 million sq. ft., down from the prior quarter and more than 50% pre-leased, leaving just 828,000 sq. ft. of marketed space available ahead of delivery. While most of this space is scheduled to deliver in Q2 2026—introducing near-term upward pressure on vacancy—the absence of additional deliveries in the second half of the year should allow fundamentals to tighten before heading into 2027.

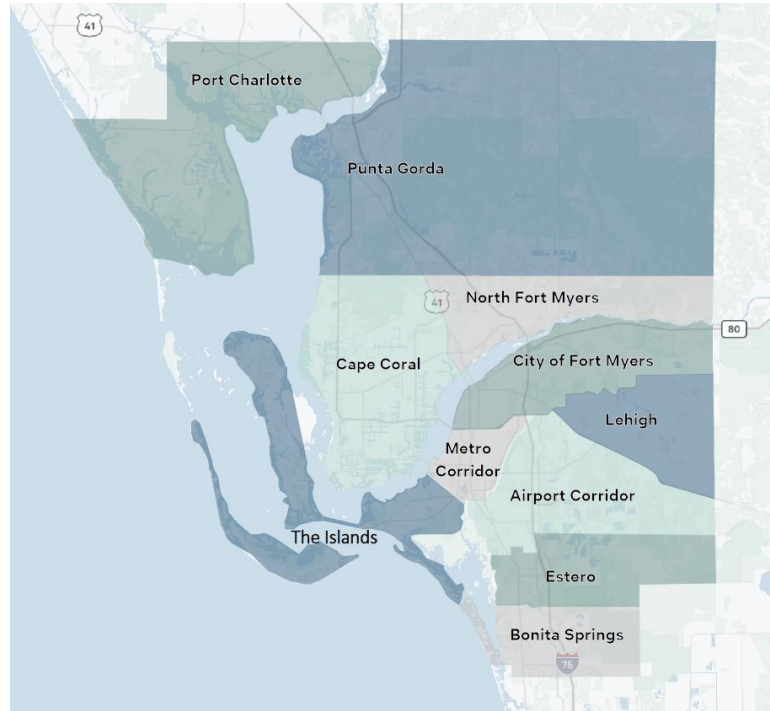
## PRICING

Average asking rents were essentially flat both quarter over quarter and year over year as the market continues to absorb a sizable wave of newly delivered first-generation space. With much of the highest-priced, top-tier product currently being leased, average asking rents could see slight downward movement as these assets are removed from the available inventory pool. Overall, landlords remain focused on maintaining rent levels while prioritizing lease-up and occupancy gains amid a gradually normalizing supply-demand environment.

FIGURE 2: Statistical Snapshot Q1 2026

Submarket	Total Inventory (Sq. Ft.)	Direct Vacancy (%)	Total Vacancy (%)	Q1 2026 Net Absorption (Sq. Ft.)	2026 Net Absorption (Sq. Ft.)	Under Construction (Sq. Ft.)	Avg. Asking Lease Rate (\$/SF/NNN)
Port Charlotte	482,681	2.3%	2.3%	(2,500)	(2,500)	0	\$14.30
Punta Gorda	2,135,120	22.5%	22.5%	52,684	52,684	363,000	\$16.47
<b>Charlotte County</b>	<b>2,617,801</b>	<b>18.8%</b>	<b>18.8%</b>	<b>50,184</b>	<b>50,184</b>	<b>363,000</b>	<b>\$16.37</b>
Cape Coral	1,447,635	5.5%	5.5%	(1,706)	(1,706)	0	\$15.48
North Fort Myers	866,196	0.8%	0.8%	25,000	25,000	0	\$12.11
City of Fort Myers	7,844,471	7.3%	8.6%	10,987	10,987	750,000	\$13.62
Lehigh	648,139	3.4%	3.4%	(15,197)	(15,197)	0	\$13.55
Metro Corridor	4,066,884	4.5%	4.7%	(28,266)	(28,266)	0	\$13.69
Airport Corridor	10,766,463	19.4%	20.4%	103,799	103,799	646,048	\$15.27
The Islands	304,604	22.0%	22.0%	0	0	0	\$18.40
Bonita Springs	996,200	2.9%	3.2%	14,038	14,038	0	\$18.63
<b>Lee County</b>	<b>26,940,592</b>	<b>11.3%</b>	<b>12.1%</b>	<b>108,655</b>	<b>108,655</b>	<b>1,396,048</b>	<b>\$14.51</b>
North Naples	1,487,393	6.9%	6.9%	(17,106)	(17,106)	0	\$17.49
Golden Gate	1,717,658	2.3%	2.5%	0	0	0	\$21.37
Naples	2,422,135	9.9%	9.9%	(37,689)	(37,689)	0	\$18.76
Outlying Collier	1,320,799	0.6%	0.6%	0	0	0	N/A
<b>Collier County</b>	<b>6,947,985</b>	<b>5.8%</b>	<b>5.9%</b>	<b>(54,795)</b>	<b>(54,795)</b>	<b>0</b>	<b>\$18.30</b>
<b>Southwest Florida Total</b>	<b>36,506,378</b>	<b>10.8%</b>	<b>11.4%</b>	<b>104,044</b>	<b>104,044</b>	<b>1,759,048</b>	<b>\$15.02</b>
Manufacturing	3,716,881	2.1%	2.9%	5,959	5,959	0	\$18.76
R&D/Flex	6,205,642	10.3%	11.7%	(1,173)	(1,173)	255,000	\$18.07
Warehouse/Distribution	26,583,855	12.1%	12.5%	99,258	99,258	1,504,048	\$13.86

## Market Area Overview



## ECONOMIC OUTLOOK

The current business cycle may be five years old, but U.S. growth appears resilient, despite clear risks on the horizon. GDP growth should average 2.1%, matching 2025 and exceeding peer economies. America’s aggressive build-out of AI infrastructure is a unique edge. Hyperscaler capex is nearing 3% of GDP—just below residential investment. Concerns about the sustainability of this growth and its broader impact are rattling both credit and equity markets.

Operation Epic Fury and global energy prices are also a concern. Assuming the conflict is resolved quickly, and U.S. oil prices stay in the \$80/bbl range, the impact on U.S. growth should be minimal. The impact on headline inflation, which is forecast to average 3.2% this year, up from the mid-2% range in February, will be material. Should the conflict escalate, this would elevate inflation and long-term yields and would likely impact the commercial real estate market.

Survey Criteria: Includes all competitive industrial buildings 20,000 sq. ft. and greater in size in Charlotte, Lee and Collier counties.

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