



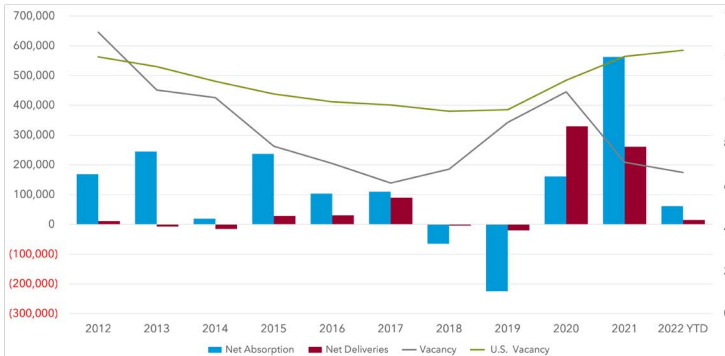
### OFFICE MARKET OVERVIEW

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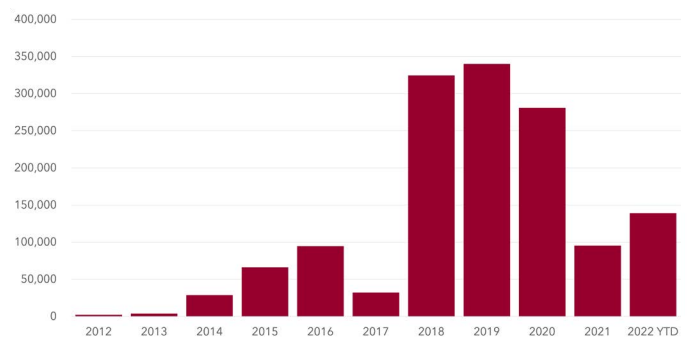
The Naples office market showed another quarter of rent growth and increased occupancy. The overall vacancy rate closed second quarter at 6.8% being 270-basis points (bps) lower than this time last year. The push in occupancy increased asking rents to an average \$23.02 psf NNN. One of the largest leases for the quarter was a renewal with Morgan Stanley in the Class A office building in the North Naples submarket. Demand for Class A office space seemed to have tapered at mid-year with absorption and leasing volume slowed and average rent \$1.46 psf higher than the overall market average.

| MARKET INDICATORS          | Q2 2022   | Q1 2022   | Q4 2021   | Q3 2021   | Q2 2021   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| ▼ 12 Mo. Net Absorption SF | 412,645   | 518,674   | 562,703   | 393,167   | 95,220    |
| ▼ Vacancy Rate             | 6.8%      | 7.0%      | 7.1%      | 7.9%      | 9.5%      |
| ▲ Avg NNN Asking Rate PSF  | \$23.02   | \$22.38   | \$22.09   | \$22.33   | \$21.84   |
| ▲ SF Under Construction    | 139,060   | 80,837    | 95,360    | 161,935   | 161,935   |
| ◀▶ Inventory SF            | 9,957,036 | 9,957,036 | 9,942,513 | 9,844,424 | 9,804,424 |

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE      | SALE PRICE                  | BUYER / SELLER                                                 | BUILDING CLASS |
|--------------------------------------|-----------|-----------------------------|----------------------------------------------------------------|----------------|
| 4025 Radio Road<br>Naples, FL        | 11,340 SF | \$2,850,000<br>\$251.00 PSF | Regnum SWFL<br>Gulf Coast Commercial Corp.                     | Class B        |
| 6645 Willow Park Drive<br>Naples, FL | 7,995 SF  | \$2,300,000<br>\$288.00 PSF | Collier Health Services, Inc.<br>Grace Romanian Baptist Church | Class C        |

| TOP LEASE TRANSACTIONS BY SF                  | SIZE      | LANDLORD                             | TENANT                           | TENANT INDUSTRY           |
|-----------------------------------------------|-----------|--------------------------------------|----------------------------------|---------------------------|
| 8889 Pelican Bay Boulevard<br>Naples, FL      | 30,991 SF | Pelican Bay Financial<br>Center, LLC | Morgan Stanley                   | Financial Services        |
| 3520 Kraft Road<br>Naples, FL                 | 12,696 SF | Kraft Office Center, LLC             | Fischler Identity                | Information               |
| 704-708 Goodlette-Frank Road, N<br>Naples, FL | 12,241 SF | OM Holdings<br>704 & 708 LLC         | Stepping Stone Kids Therapy, LLC | Mental Health<br>Services |

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