



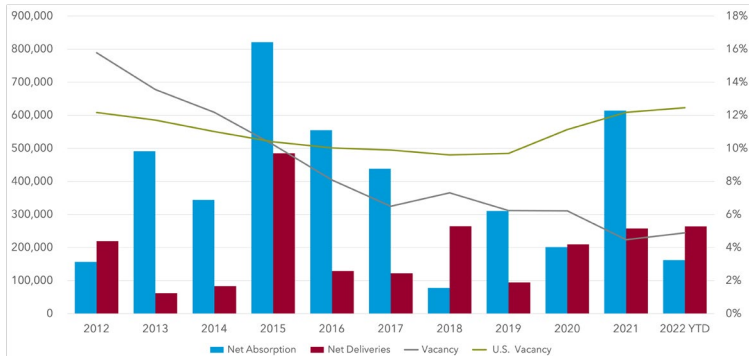
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

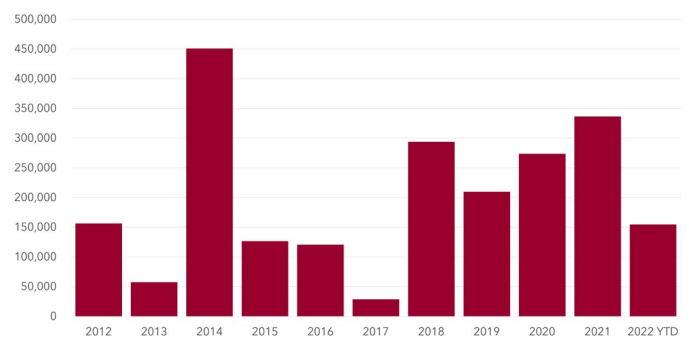
Asking rents increased YOY, ending third quarter 2022 at an average of \$16.65 per SF NNN. The most substantial increase occurred in Class C assets where the average base rent rose 18.8% to \$14.91 per SF. Overall vacancy for Class C buildings was 2.0%, where Class A buildings saw a significant give back of space. There was a slowdown in leasing activity with the largest lease for the quarter being an office sublease to data management company, Kingland Systems for nearly 20,000 SF. Total net absorption recorded 70,000 SF for the third quarter, which was a dramatic decrease from this time last year. Medical office deals dominated the largest sales for the quarter.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▼ 12 Mo. Net Absorption SF	443,904	566,877	583,639	613,990	466,569
▲ Vacancy Rate	4.9%	4.6%	4.6%	4.5%	5.1%
▲ Avg NNN Asking Rate PSF	\$16.65	\$16.06	\$15.58	\$15.28	\$15.10
▼ SF Under Construction	154,942	290,212	389,598	336,686	441,430
▲ Inventory SF	21,627,928	21,490,408	21,381,022	21,364,022	21,214,978

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
16261 Bass Road Fort Myers, FL	24,662 SF	\$8,500,000 \$345.00 PSF	Lee Memorial Health Bondville Associates, LLC	Class B
12670 Whitehall Drive Fort Myers, FL	7,633 SF	\$2,925,000 \$383.00 PSF	Whitehall MOB, LLC SWFN, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12600 Corporate Lakes Drive Fort Myers, FL	19,989 SF	Tamiami Investments 2, LLC	Kingland Systems	Data Management
4150 Ford Street Ext. Fort Myers, FL	13,643 SF	Ford Building, LLC	Children's Network of Southwest Florida, LLC	Health Care and Social Assistance
2830 Winkler Avenue Fort Myers, FL	5,378 SF	Metro Gardens Office Partners	Undisclosed	Undisclosed

