



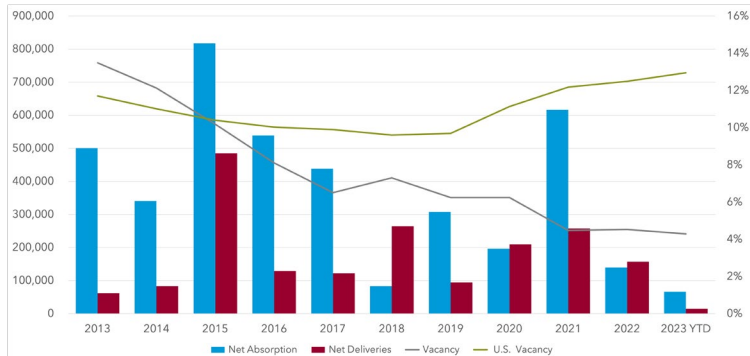
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

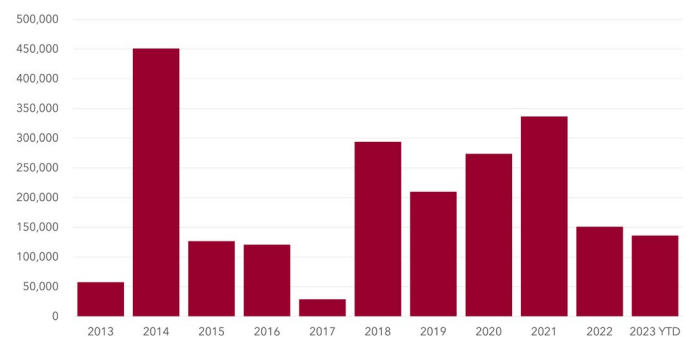
Overall net absorption was positive at the end of first quarter 2023. The vacancy rate remained relatively low. However, demand for office space in Fort Myers has tapered. Year-over-year (YOY) leasing activity declined across all asset classes at the start of 2023. Rent growth stabilized, remaining relatively unchanged at an average of \$17.75 psf NNN. The volume of total available sublease space on the market increased YOY with the biggest jump being in Class A buildings. The construction pipeline and recent deliveries declined. Current under construction square footage is the lowest it has been since fourth quarter of 2017.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	212,721	139,478	307,747	425,003	587,000
▼ Vacancy Rate	4.3%	4.5%	4.9%	5.2%	4.6%
▲ Avg NNN Asking Rate PSF	\$17.75	\$17.59	\$16.66	\$16.08	\$15.67
▼ SF Under Construction	136,070	151,115	169,537	304,807	389,598
▲ Inventory SF	21,419,329	21,404,284	21,385,862	21,373,363	21,263,977

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2180 W. 1st Street Fort Myers, FL	36,028 SF	\$4,750,000 \$131.84 PSF	Edwards Companies 2180 West First Street, LLC	Class B
3620 Colonial Boulevard Fort Myers, FL	9,692 SF	\$1,700,000 \$175.40 PSF	Gulf Coast Commercial Investments LH Trade Corp Inc.	Class B
727 Cape Coral Parkway W Cape Coral, FL	8,312 SF	\$1,500,000 \$180.46 PSF	BLDG Management LLC Barbara Watt & Andrew Barnette	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12751 Westlinks Drive Fort Myers, FL	16,015 SF	McGarvey Development Company	Vitas Healthcare	Home Health Care Services
5220 Summerlin Commons Blvd Fort Myers, FL	10,940 SF	Evan N. Berlin	The North Law Firm, P.A.	Accident and Injury Law Firm
12381 S. Cleveland Avenue Fort Myers, FL	5,591 SF	Mark Gorovoy M.D.	Lee Memorial Health	Offices of Physicians

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