



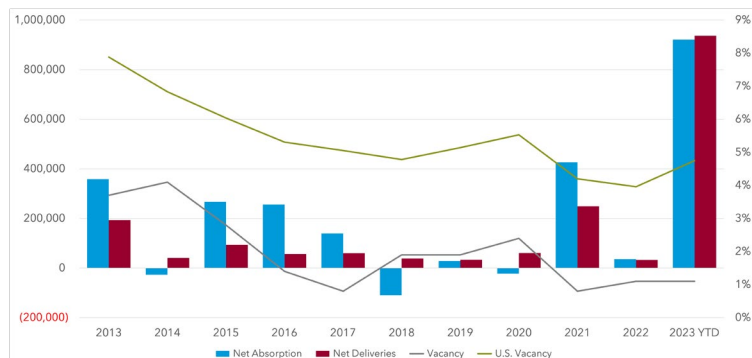
INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

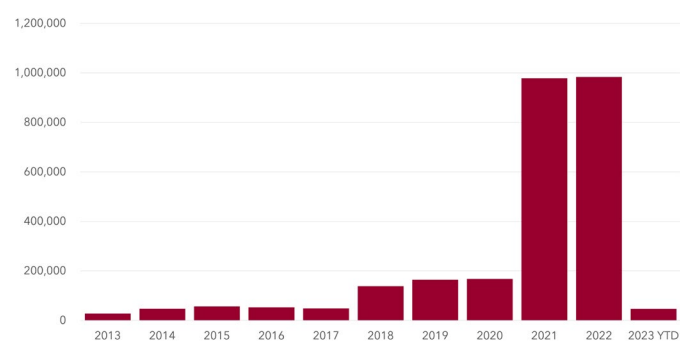
Demand remained elevated in a tight Naples market at midyear. The Uline distribution center accounted for most of the total net absorption for the quarter at the new build-to-suit facility in outlying Collier County, just northeast of I-75 and Collier Boulevard. Construction and Manufacturing industries both saw continued year-over-year (YOY) growth. Manufacturing jobs increased 7.5% YOY and construction jobs increased 5.2%. Vacancy closed the quarter at 0.8% indicating there are few options available for occupiers. Asking rents surged 34% YOY to an average \$19.21 PSF, NNN, potentially squeezing some tenants out of the Naples market. There is little speculative construction to alleviate any pent-up demand or provide additional opportunities for space.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Qtrly Net Absorption SF	947,965	16,886	(17,091)	31,801	55,930
▼ Vacancy Rate	0.8%	1.0%	1.1%	1.1%	1.2%
▲ Avg NNN Asking Rate PSF	\$19.21	\$18.50	\$15.03	\$14.42	\$14.30
▼ SF Under Construction	46,718	983,718	983,718	983,718	968,550
▲ Inventory SF	14,531,642	13,594,642	13,594,642	13,594,642	13,594,642

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1485 Rail Head Boulevard Naples, FL	102,875 SF	\$16,000,000 \$156.00 PSF	Redfearn Capital MDSC Partners LLP	Class C
1892 Trade Center Way Naples, FL	10,100 SF	\$2,000,000 \$198.00 PSF	Kolonial Holdings LLC 1892 TCW LLC	Class B
1498 Rail Head Boulevard Naples, FL	8,501 SF	\$2,150,000 \$253.00 PSF	KB Patio Furniture Rail Head Blvd. LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
371 Production Boulevard Naples, FL	6,312 SF	DarwinPW Realty	Coastal Water Filters	Water Purification Equipment
4755 Mercantile Avenue Naples, FL	4,400 SF	Forager Real Estate Partners	Undisclosed	Undisclosed
1040 Collier Center Way Naples, FL	3,030 SF	Forefront Properties LLC	Collier Water Systems, Inc.	Lake Fountain & Irrigation Company

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