



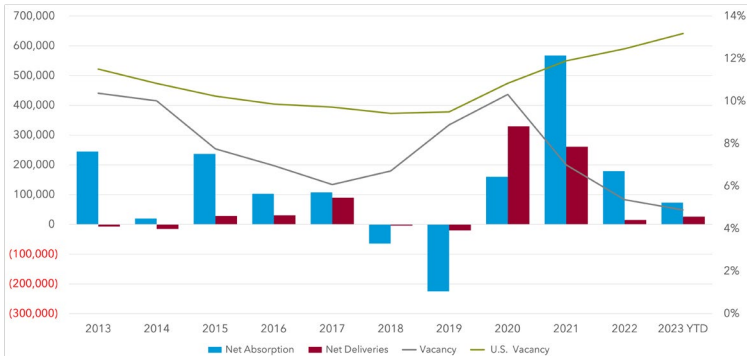
## OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

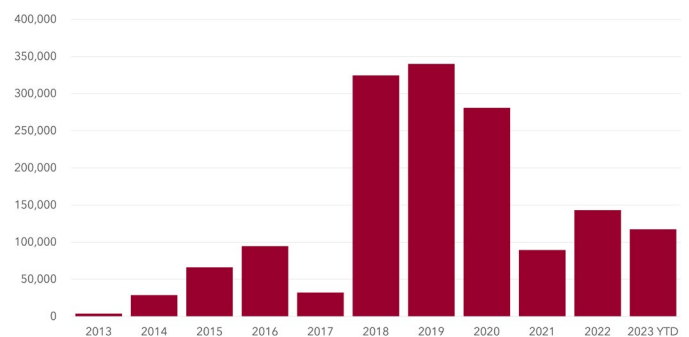
Overall vacancy compressed to 4.7% and asking rent increased to an average of \$25.62 PSF, NNN. Strong demand continued with solid leasing activity and positive net absorption. One of the largest new office leases for the quarter was signed to Meliora Health, PLLC for 14,139 SF. Most of the construction pipeline includes medical office space. Demand for Class A product rebounded at mid-year, registering 26,299 SF of positive absorption and 85,572 SF of leasing activity. Asking rent increased YOY and overall vacancy tightened 380 basis points down to 9.8%. There was very little sublease space available in Class A buildings.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	213,351	166,494	178,897	269,043	407,962
▼ Vacancy Rate	4.7%	5.1%	5.4%	6.2%	6.7%
▲ Avg NNN Asking Rate PSF	\$25.62	\$25.34	\$24.34	\$23.58	\$23.07
▼ SF Under Construction	117,348	123,204	143,204	143,204	133,204
▲ Inventory SF	10,118,432	10,112,576	10,092,576	10,092,576	10,092,576

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5101 Tamiami Trail E Naples, FL	11,800 SF	\$2,200,000 \$186.00 PSF	Farley White Tamiami LLC Med-Life Enterprise, Inc.	Class B
5692 Strand Court Naples, FL	5,878 SF	\$1,880,000 \$320.00 PSF	L & A Strand LLC 5692 Strand LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9128 Strada Place Naples, FL	21,364 SF	PR Mercato LLC	Merrill	Wealth Management
704 Goodlette-Frank Road Naples, FL	14,139 SF	OM Holdings 704 & 708 LLC	Meliora Health	Mental Health Provider
9110 Strada Place Naples, FL	12,604 SF	PR Mercato LLC	Dentons Cohen & Grigsby's	Attorneys

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