



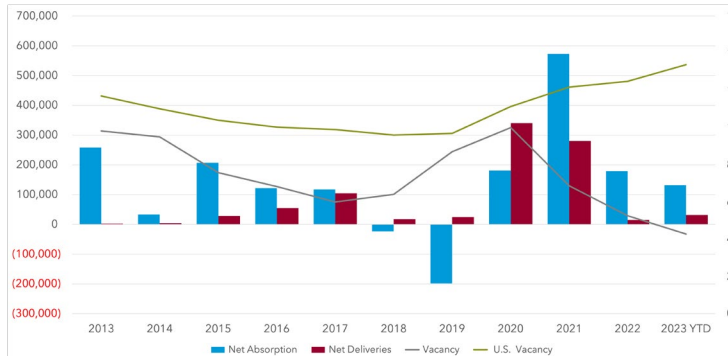
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

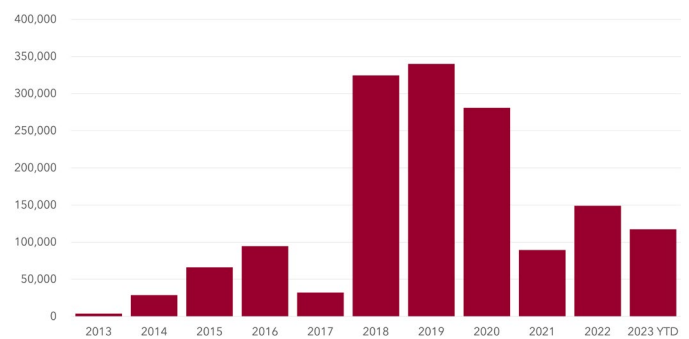
Office market fundamentals remained solid at the close of third quarter. Year-over-year (YOY) vacancy tightened by 170 basis points to 4.0%. Average asking rents remained elevated with an overall market average of \$25.55 PSF, NNN. The North Naples submarket edged out downtown Naples with the highest asking rent for the quarter at \$26.57 PSF. There has been little change in inventory with much of the current office pipeline including medical office space. Total net absorption remained relatively unchanged YOY, but ending the quarter in the black, nonetheless. One of the largest leases for the quarter was to banking and financial advisory firm, Charles Schwab.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	53,476	64,762	16,735	79,856	57,854
▼ Vacancy Rate	4.0%	4.6%	5.0%	4.9%	5.7%
▼ Avg NNN Asking Rate PSF	\$25.55	\$25.62	\$25.34	\$24.34	\$23.58
◀ ▶ SF Under Construction	117,348	117,348	123,204	149,060	149,060
◀ ▶ Inventory SF	10,300,673	10,300,673	10,294,817	10,268,961	10,268,961

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1845 Veterans Park Drive Naples, FL	14,905 SF	\$6,650,000 \$446.00 PSF	Collier Health Services, Inc. 1845 Veterans Park Drive LLC	Class B
125 Airport Pulling Road N Naples, FL	10,774 SF	\$3,800,000 \$353.00 PSF	Creighton Construction & Dev. The RED Group Trust	Class B
900 N. Collier Boulevard Naples, FL	10,454 SF	\$3,900,000 \$373.00 PSF	Collier 900 LLC 900 North Collier LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
600 5th Avenue Naples, FL	10,996 SF	Continental Realty Corporation	Charles Schwab	Finance and Insurance
4501 Tamiami Trail North Naples, FL	10,208 SF	Gregory Winter	Varnum LLP	Law Firm
6435 Naples Boulevard Naples, FL	6,876 SF	Snead Eye Group	Equity Realty	Real Estate

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