



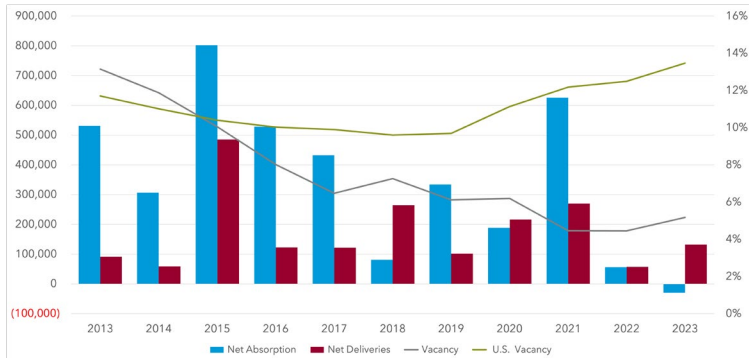
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

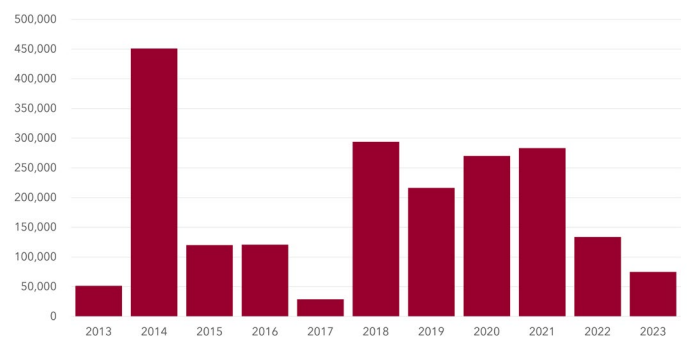
Office vacancy increased at the end of 2023 to finish the year at 5.2%. Leasing activity decreased significantly in the fourth quarter by 68.6%. Professional and Business Services employment increased 9.6% YOY and Financial Activities employment grew 5.1%. More space came on the market than was leased as hybrid-work may have impacted some leasing decisions. The construction pipeline condensed by more than half in 2023 when compared to 2022. There were only two office projects underway one being a 15,000-square-foot office building at Gulf Landing Logistics Center, a Butters Construction & Development site off Ben Hill Griffin Parkway and a 60,000-square-foot medical/office project in Bonita Springs.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ 12 Mo. Net Absorption SF	(29,452)	247,478	267,043	132,827	56,022
▲ Vacancy Rate	5.2%	4.3%	4.3%	4.3%	4.5%
▼ Avg NNN Asking Rate PSF	\$17.84	\$18.15	\$18.27	\$17.78	\$17.60
◀ ▶ SF Under Construction	75,000	75,000	75,000	118,820	133,865
◀ ▶ Inventory SF	21,749,211	21,749,211	21,751,111	21,632,291	21,617,246

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1685 Medical Lane Fort Myers, FL	42,570 SF	\$5,900,000 \$138.60 PSF	Lightpost Florida LLC Compass Rose Foundation, Inc.	Class B
9696 Bonita Beach Road Bonita Springs, FL	26,217 SF	\$4,600,000 \$175.46 PSF	9696 Bonita, LP Porter Group Partnership	Class B
1591 Hayley Lane Fort Myers, FL	18,124 SF	\$2,250,000 \$124.14 PSF	Harbor Properties G&M Estates USA, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
27598 Riverview Center Boulevard Bonita Springs, FL	7,276 SF	Brookwood	Curran Young Construction LLC	General Contractor
9021 Bonita Beach Road Bonita Springs, FL	5,627 SF	Fifth Third Bank	Undisclosed	Undisclosed
1565 Matthew Drive Fort Myers, FL	5,390 SF	South 4th Street Holdings LLC	Freedom Dental Partners	Healthcare

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