



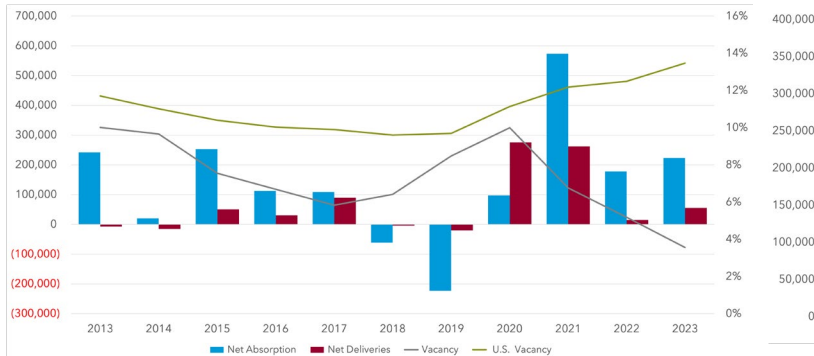
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

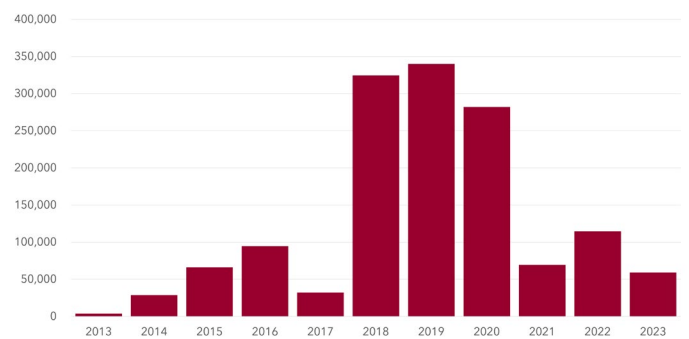
The fourth quarter closed with positive net absorption, showing steady demand despite a slight decrease in leasing activity. Asking rates continued to increase reaching an average of \$25.63 psf NNN, for a 5.3% increase since this time last year. Overall market vacancy significantly compressed year-over-year (YOY) to 3.6%. Professional office sublease inventory was minimal as economic uncertainty and other challenges did not seem to reach most office-using tenants in the Naples market. The largest project under construction is the Trail Professional Center off US-41 in Naples.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ 12 Mo. Net Absorption SF	223,159	236,629	241,907	188,750	178,040
▼ Vacancy Rate	3.6%	4.0%	4.5%	5.1%	5.2%
▲ Avg NNN Asking Rate PSF	\$25.63	\$25.59	\$25.66	\$25.37	\$24.34
▼ SF Under Construction	59,111	82,936	82,936	88,792	114,648
▲ Inventory SF	10,497,185	10,473,360	10,473,360	10,467,504	10,441,648

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1300 Goodlette-Frank Road N Naples, FL	12,551 SF	\$2,404,400 \$191.57 PSF	Bavel18 LLC Goodlette Holdings LLC	Class B
4060 Tamiami Trail N Naples, FL	4,786 SF	\$2,030,000 \$424.15 PSF	DeVoe Automotive Group 4060 Naples LLC	Class C
5380 Tamiami Trail N Naples, FL	3,600 SF	\$4,300,000 \$1,194.44 PSF	Waterside Hotel Development LLC Naples Veterinary Hospital & Clinic	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6750 Immokalee Road Naples, FL	10,949 SF	6750 Immokalee Medical LLC	Continuum Surgery Center	Medical and Surgical Center
75 Vineyards Boulevard Naples, FL	8,000 SF	Vineyards Corporation	Brown & Brown of Florida, Inc.	Insurance
4522 Executive Drive Naples, FL	5,500 SF	Encore Venture LLC	DeHope Daycare	Day Care Services

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