



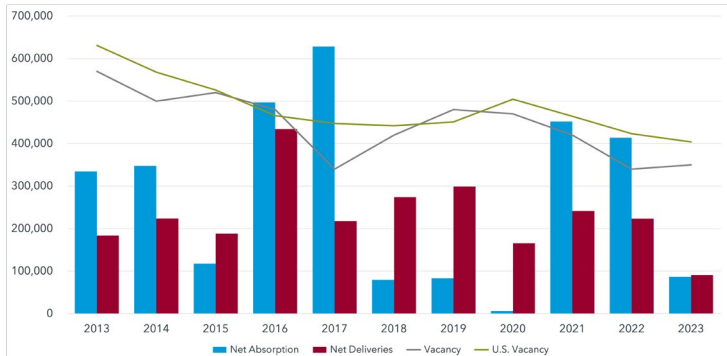
RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

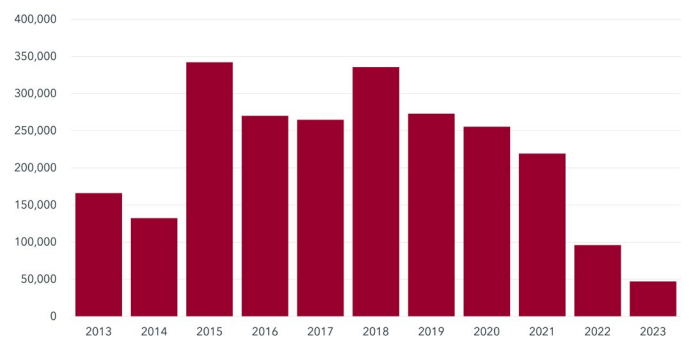
Overall vacancy held steady and asking rates remained elevated in the Naples retail market. Average asking rental rates grew 3.6% year-over-year to \$29.30 PSF NNN. The vacancy rate was 3.5% at year-end, which is 100 basis points (bps) lower than the ten-year historical average. Leasing activity increased in fourth quarter 2023, surpassing last year's volume by 20%. Demand moderated to 7,184 square feet, however, still ended the quarter in the black. There was a -1.3% YOY decline in retail trade employment for the Naples/Immokalee/Marco MSA, but we expect employment to bounce back in the beginning of 2024. Supply did surpass demand at the end of the year, however slightly.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ Qtrly Net Absorption SF	7,184	(33,655)	40,804	72,390	(9,734)
▲ Vacancy Rate	3.5%	3.4%	3.2%	3.2%	3.4%
▼ Avg NNN Asking Rate PSF	\$29.30	\$29.65	\$29.31	\$30.18	\$28.28
▼ SF Under Construction	47,216	71,300	60,300	90,628	96,010
▲ Inventory SF	24,092,248	24,052,348	24,042,348	24,008,520	24,001,138

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
5400 Tamiami Trail Naples, FL	23,419 SF	\$8,000,000 \$341.60 PSF	Gulf Coast Commercial Corporation Bowland-Beacon	Single-Tenant
294 9th Street S Naples, FL	9,940 SF	\$3,402,976 \$342.35 PSF	Gator Investments Faller Management	Single-Tenant
4444 Tamiami Trail N Naples, FL	6,980 SF	\$2,450,000 \$351.00 PSF	Paul Kaplan David LeCavlier	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4111-4343 Tamiami Trail N Naples, FL	35,080 SF	Brixmor	Barnes & Noble	Book Stores
5400 Tamiami Trail N Naples, FL	23,419 SF	Gulf Coast Commercial Corp.	Bowland-Beacon	Bowling Centers
3701-3755 Tamiami Trail E Naples, FL	21,009 SF	Buckingham Properties	Planet Fitness	Health Club

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