



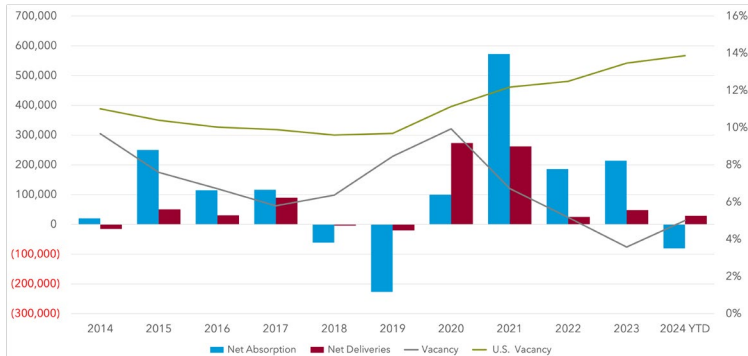
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

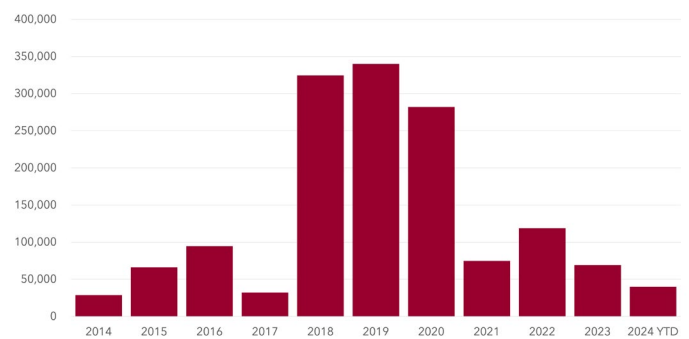
Annual job growth in the Financial Activities industry increased +1.0% as of May, and Professional and Business Services employment declined -1.8% YOY. Employment in the Information industry remained unchanged YOY. The vacancy rate was relatively tight at 4.4% with very little sublease space on the market and new construction starts dwindling. Spec professional office construction remained at a seven year low with most of the proposed projects in the pipeline consisting of medical office space. YOY asking rates continued to inch upward as owners' costs remained high, closing the quarter at an average \$26.00 PSF NNN.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▲ Qtrly Net Absorption SF	18,944	(99,658)	62,386	45,720	68,462
▼ Vacancy Rate	4.4%	4.6%	3.3%	3.7%	4.2%
▼ Avg NNN Asking Rate PSF	\$26.00	\$26.63	\$25.70	\$25.66	\$25.73
◀ ▶ SF Under Construction	40,000	40,000	69,125	92,950	92,950
◀ ▶ Inventory SF	10,587,378	10,587,378	10,558,253	10,534,428	10,534,428

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4532 Tamiami Trail E Naples, FL	9,739 SF	\$2,060,000 \$211.52 PSF	Gray Woods Management LLC New Solutions Diamond Fund	Class B
925-941 High Point Drive Naples, FL	5,984 SF	\$3,000,000 \$501.34 PSF	Sunshine Gasoline Distributors, Inc. Ling High Point LLC	Class C
3227 Horseshoe Drive S Naples, FL	5,425 SF	\$1,500,000 \$276.50 PSF	SR828 LLC 3227 Horseshoe LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6770 Immokalee Road-Bldg. 100 Naples, FL	20,000 SF	6750 Immokalee Medical LLC	NeuroScience and Spinal Associates	Healthcare
9132 Strada Place Naples, FL	11,869 SF	Prudential Real Estate Investors	Porter Wright Morris & Arthur LLP	Attorneys
2640 Golden Gate Parkway Naples, FL	5,640 SF	Halstatt	Kimley-Horn	Engineering Consultants

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com