



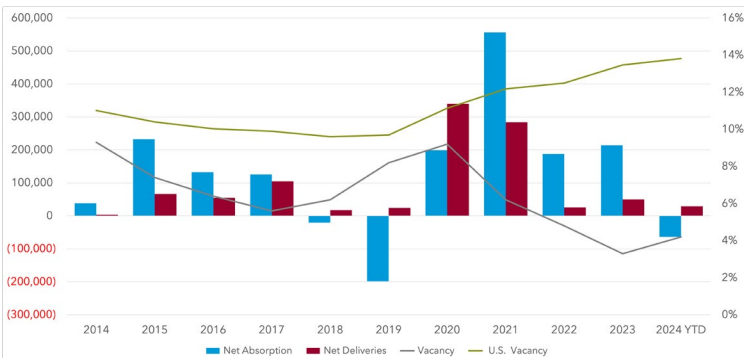
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

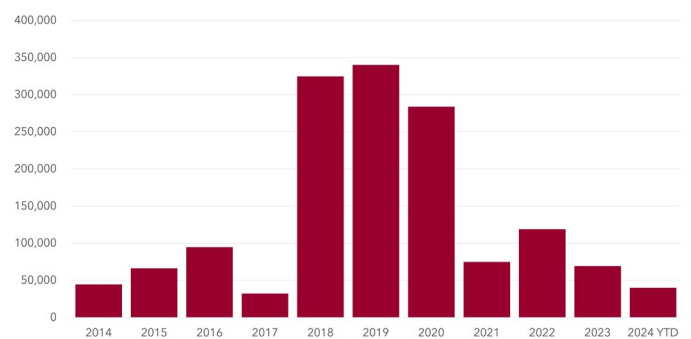
The office market remained relatively tight at the close of third quarter 2024. The vacancy rate rose to 3.9%, a marginal +20 basis point (bps) increase from this time last year. Overall asking rents increased to an average of \$26.17 per square foot NNN, registering a \$0.50 increase year-over-year (YOY). The construction pipeline was the smallest it has ever been in seven years. Available sublease space was minimal. Office-using employment declined across all industries, down 500 jobs YOY. Although overall market fundamentals have softened, the Naples office market ended another quarter with positive absorption and steady leasing activity.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ Qtrly Net Absorption SF	44,604	18,944	(99,658)	62,386	45,720
▼ Vacancy Rate	3.9%	4.4%	4.6%	3.3%	3.7%
▲ Avg NNN Asking Rate PSF	\$26.17	\$26.00	\$26.63	\$25.72	\$25.67
▲ Sale Price PSF	\$336.39	\$320.41	\$435.46	\$415.01	\$328.82
▲ Cap Rate	7.8%	5.3%	-	7.0%	-
◀ ▶ Under Construction SF	40,000	40,000	40,000	69,125	92,950
◀ ▶ Inventory SF	10,568,949	10,568,949	10,568,949	10,539,824	10,515,999

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
801 Laurel Oak Drive Naples, FL	68,003 SF	\$21,250,000 \$312.49 PSF	Egan Group American National Insurance Co.	Class A
5644 Tavilla Circle Naples, FL	18,122 SF	\$5,100,000 \$281.43 PSF	Blue Print Asset Management Napoli Property of Naples LLC	Class B
4522 Executive Drive Naples, FL	5,354 SF	\$1,700,000 \$317.52 PSF	Collier Cnty Child Advocacy Council Encore Venture LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3200 Bailey Lane Naples, FL	10,282 SF	South Florida Growers Association, Inc.	Aqualane Clinical Research	Research & Life Sciences
3560 Kraft Road Naples, FL	5,644 SF	First Florida Integrity Bank	Providia Home Care	Health Care
1400 Gulfshore Boulevard Naples, FL	3,600 SF	Stephen J. Lockwood & Company LLC	Youngquist Brothers, Inc.	Investors

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