



# Office Market Report

## Naples - FL

PREPARED BY

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**OFFICE MARKET REPORT**

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12 Mo Deliveries in SF

**26.2K**

12 Mo Net Absorption in SF

**162K**

Vacancy Rate

**5.5%**

12 Mo Rent Growth

**3.2%**

The Naples office market is one of the smallest in Southwest Florida, with approximately 10.1 million SF of office product. Demand for office space has remained elevated, and as of the second quarter of 2023, vacancy has dropped -1.4% year over year to 5.5%. New office construction has been limited in the market, with only 26,000 SF delivering in the past 12 months. In addition, the bulk of the 130,000 SF currently under construction is medical office related, and 35% is pre-leased.

Average asking rents in Naples are among the highest

on the western coast of Florida, averaging \$32.00/SF. In comparison, Tampa's market average is \$28.00/SF. Asking rate gains continue to beat the national average, up 3.2% year over year in Naples, while the rest of the U.S. is averaging just 1.0%.

Investment activity has slowed considerably, with just over \$3 million trading so far this year. In fact, annual sales activity has reached a five-year low, with \$52.0 million traded in the past year.

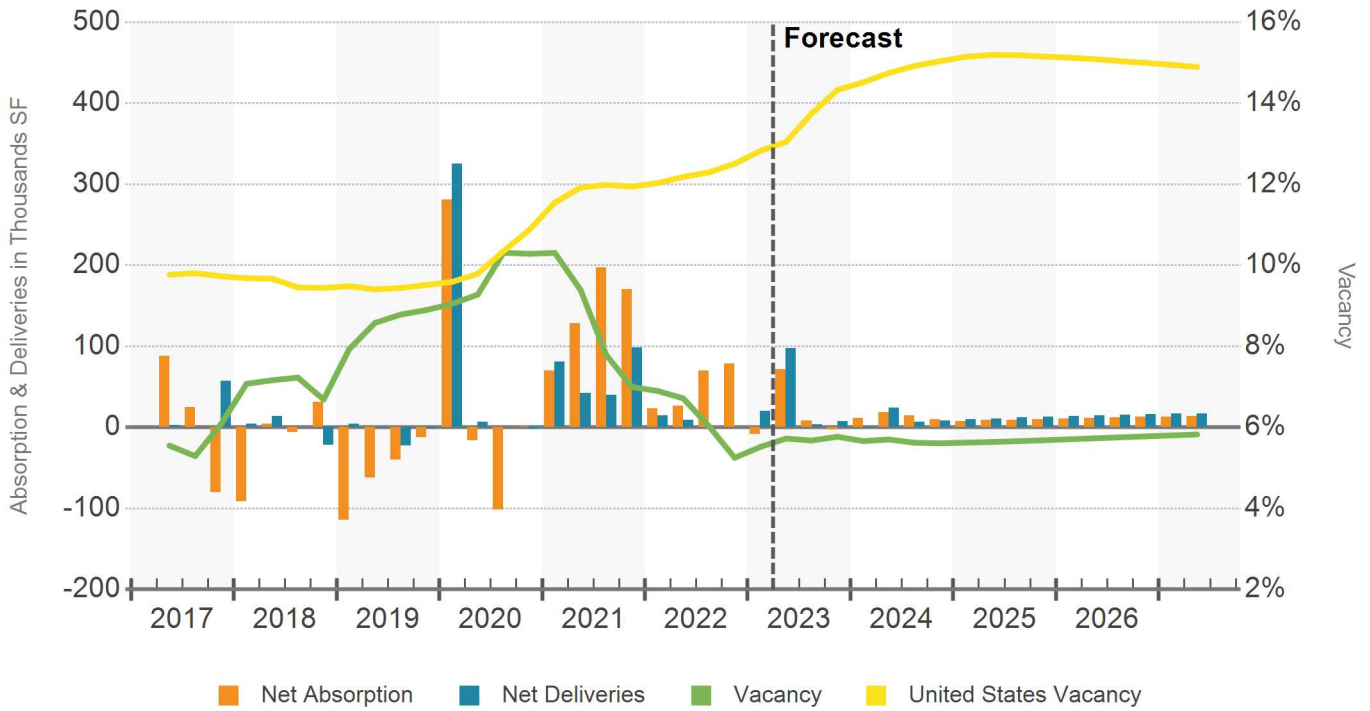
### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	1,925,172	7.6%	\$37.66	9.4%	(4,665)	0	64,398
3 Star	5,831,174	5.8%	\$31.25	7.7%	3,797	0	64,662
1 & 2 Star	2,372,884	3.0%	\$28.71	5.0%	4,698	0	0
<b>Market</b>	<b>10,129,230</b>	<b>5.5%</b>	<b>\$31.91</b>	<b>7.4%</b>	<b>3,830</b>	<b>0</b>	<b>129,060</b>

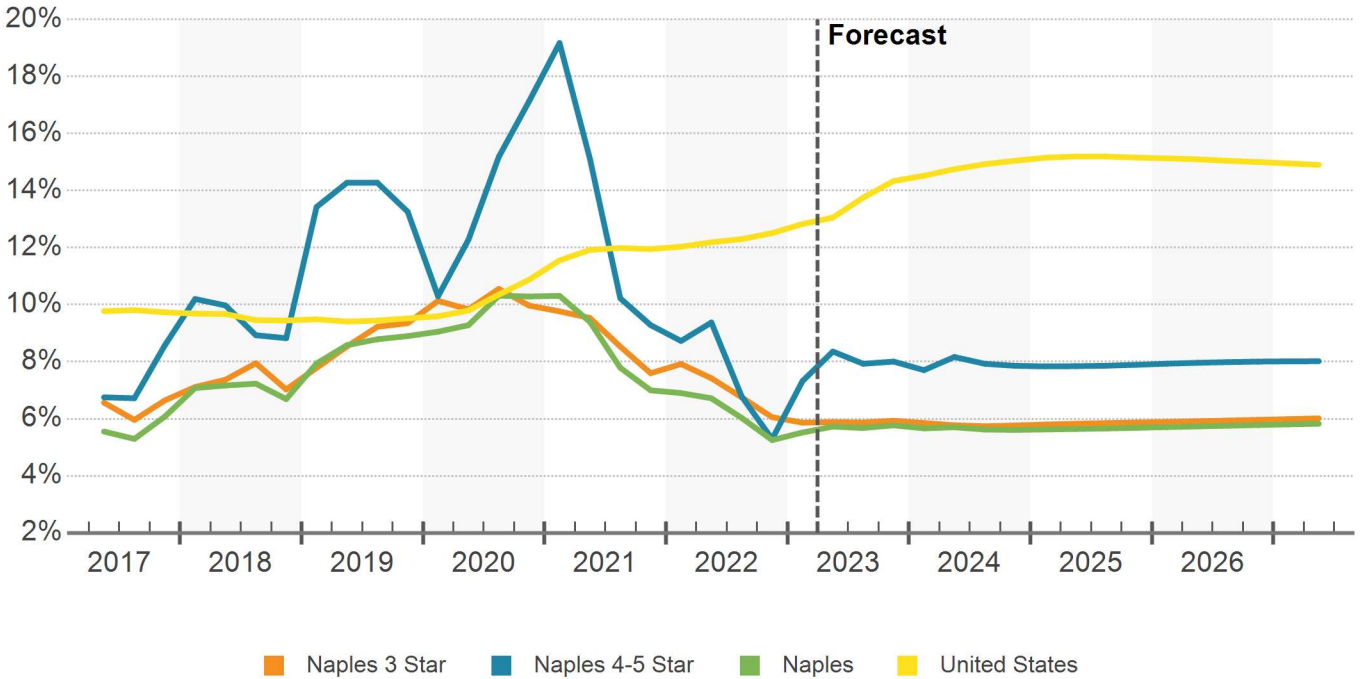
  

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.4%	9.4%	5.7%	15.0%	2011 Q3	3.8%	2006 Q1
Net Absorption SF	162K	114,568	62,615	565,575	2021 Q4	(228,503)	2019 Q4
Deliveries SF	26.2K	149,987	75,099	673,297	2007 Q3	0	2014 Q2
Rent Growth	3.2%	1.4%	0.6%	15.3%	2015 Q1	-10.5%	2009 Q1
Sales Volume	\$49.5M	\$84M	N/A	\$238.6M	2022 Q1	\$6.1M	2008 Q2

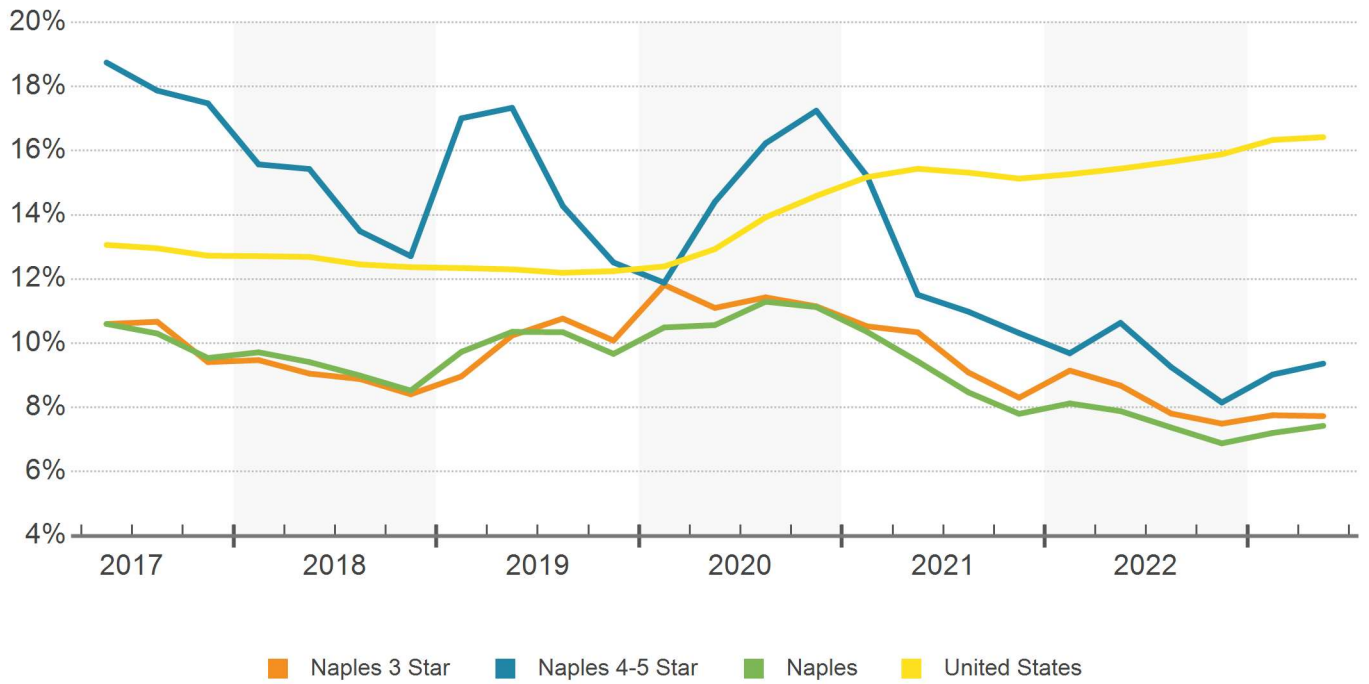
## NET ABSORPTION, NET DELIVERIES & VACANCY



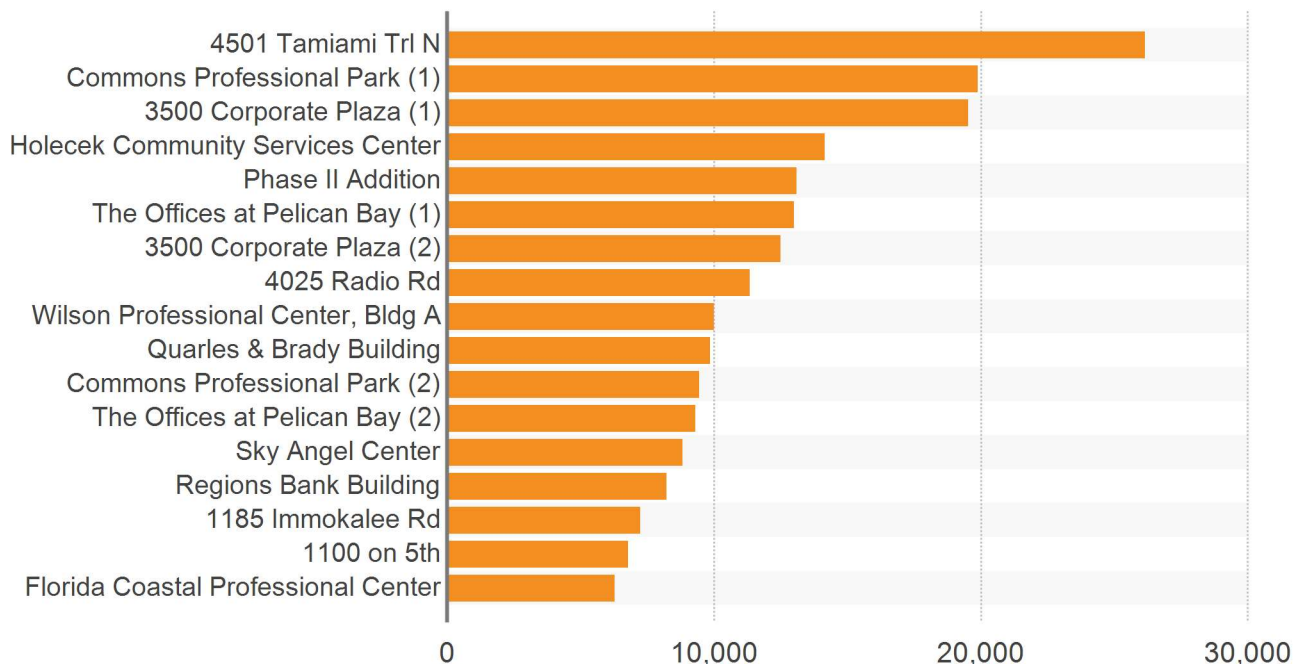
## VACANCY RATE



## AVAILABILITY RATE



### 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



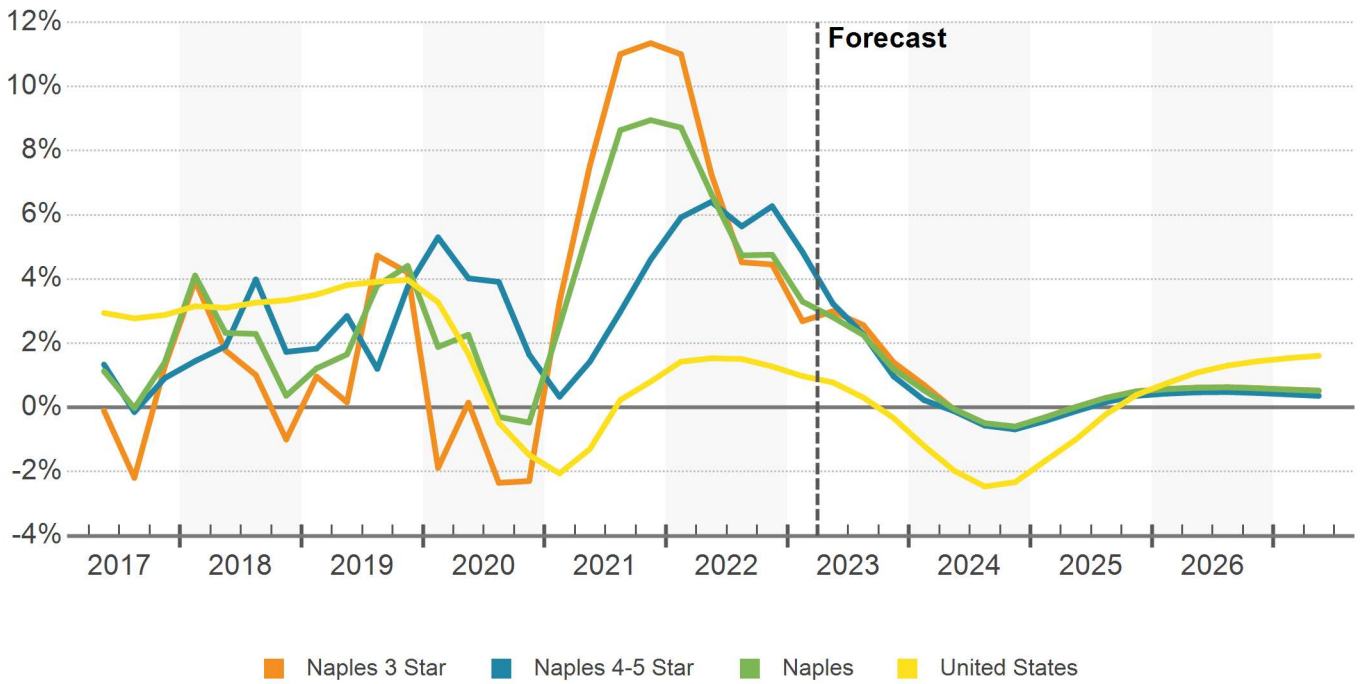
Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
4501 Tamiami Trl N	North Naples	81,956	23,709	(3,872)	0	0	0	26,160
Commons Professional Park (1)	East Naples	48,990	25,110	0	0	0	0	19,890
3500 Corporate Plaza (1)	North Naples	40,498	5,937	623	0	0	0	19,519
Holecek Community Services C...	East Naples	21,536	0	0	0	0	0	14,161
Phase II Addition	North Naples	27,249	0	9,257	0	0	0	13,094
The Offices at Pelican Bay (1)	North Naples	121,915	6,527	0	0	0	0	13,007
3500 Corporate Plaza (2)	North Naples	51,999	0	0	0	0	0	12,500
4025 Radio Rd	East Naples	11,340	0	0	0	0	0	11,340
Wilson Professional Center, Bld...	North Naples	83,580	706	0	0	0	0	9,990
Quarles & Brady Building	North Naples	43,910	12,167	0	3,941	0	0	9,856
Commons Professional Park (2)	East Naples	38,072	0	0	0	0	0	9,441
The Offices at Pelican Bay (2)	North Naples	79,627	17,689	0	0	0	0	9,294
Sky Angel Center	East Naples	38,892	12,551	0	0	0	0	8,827
Regions Bank Building	North Naples	51,250	8,435	0	0	0	0	8,223
1185 Immokalee Rd	North Naples	30,315	2,456	(2,456)	0	0	0	7,242
1100 on 5th	Naples	52,708	7,612	(3,809)	5,672	0	0	6,792
Florida Coastal Professional Ce...	North Naples	29,291	0	2,330	0	0	0	6,286
<b>Subtotal Primary Competitors</b>		<b>853,128</b>	<b>122,899</b>	<b>2,073</b>	<b>9,613</b>	<b>0</b>	<b>0</b>	<b>205,622</b>
Remaining Naples Market		9,276,102	432,206	(10,300)	(5,783)	0	0	(43,205)
<b>Total Naples Market</b>		<b>10,129,230</b>	<b>555,105</b>	<b>(8,227)</b>	<b>3,830</b>	<b>0</b>	<b>0</b>	<b>162,417</b>

### TOP OFFICE LEASES PAST 12 MONTHS

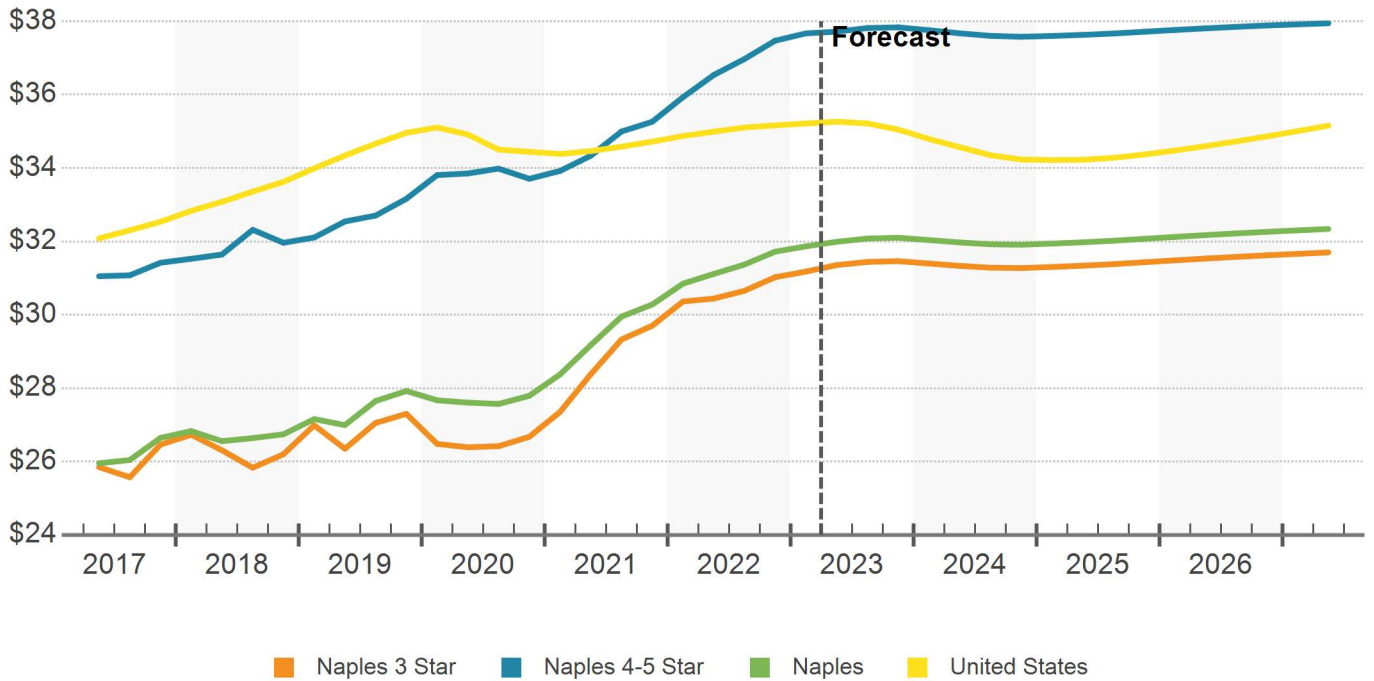
Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
Pelican Bay Financial *	North Naples	30,991	Q2 22	Morgan Stanley	JLL	CRE Consultants
Pelican Bay Financial	North Naples	27,203	Q4 22	Morgan Stanley	JLL	-
Wilson Professional Center, Bldg A	North Naples	14,861	Q3 22	-	-	Trinity Commercial Group
3500 Corporate Plaza *	North Naples	14,443	Q3 22	Florida Cancer Specialists...	-	LandQwest Commercial
Commons Professional Park	East Naples	13,883	Q2 23	Meliora Health, PLLC	-	Colliers
3500 Corporate Plaza	North Naples	12,696	Q2 22	Fischer Identity	Investment Propertie...	LandQwest Commercial
Castello Center	North Naples	12,494	Q1 23	NAMI Collier County	-	Commercial Managem...
Commons Professional Park	East Naples	12,241	Q2 22	Stepping Stone Kids Ther...	Colliers	Colliers
Northbrooke Professional Village *	North Naples	12,215	Q1 23	Social Security Administra...	-	Trinity Commercial Group
Poinciana Professional Park	East Naples	11,494	Q2 22	Oracle	Kova Commercial G...	Kova Commercial Group
Truist Building *	North Naples	10,027	Q1 23	BMO Harris Bank	Diversified Real Est...	Lee & Associates
4501 Tamiami Trl N	North Naples	9,630	Q3 22	Commerce Bank	NAI Skyway Florida...	Investment Properties...
Commons Professional Park	East Naples	9,508	Q4 22	-	-	Bayfront Realty Advisors
4501 Tamiami Trl N	North Naples	8,770	Q4 22	Equipment Enterprises, Inc.	-	Investment Properties...
Commons Professional Park	East Naples	7,742	Q3 22	SS Kids Academy	Colliers	Colliers
Circle K	East Naples	7,172	Q2 22	Anthony Voight, Jr.	-	LandQwest Commercial
Pavilion *	North Naples	6,995	Q3 22	Keller Williams Realty Na...	-	Regency Centers
Pelican Bay Financial *	North Naples	6,697	Q3 22	Henderson, Franklin, Star...	-	CRE Consultants
3500 Corporate Plaza	North Naples	5,922	Q2 22	-	-	LandQwest Commercial
Commons Professional Park	East Naples	5,774	Q2 23	-	-	Welsh Companies
Wilson Professional Center, Bldg A	North Naples	5,757	Q2 22	Aqualane Clinical Resear...	Cushman & Wakefie...	Cushman & Wakefield  ...
1100 on 5th	Naples	5,672	Q1 23	-	-	CRE Consultants
1185 Immokalee Rd	North Naples	5,634	Q4 22	Undisclosed law firm	Lee & Associates	LSI Companies, Inc.
Commons Professional Park	East Naples	5,550	Q1 23	Stepping Stone Kids Ther...	-	Colliers
Mission Square West	North Naples	5,381	Q4 22	Suite Leasing	Lee & Associates	-
The Offices at Pelican Bay	North Naples	5,124	Q1 23	Ameriprise Holdings, Inc.	Cushman & Wakefie...	Investment Properties...
Commons Professional Park	East Naples	4,758	Q3 22	-	-	Colliers
Regions Bank Building	North Naples	4,739	Q2 22	Tenant Undisclosed	-	Investment Properties...
Regions Bank Building	North Naples	4,739	Q2 22	River Bend Holdings, LLC	Premier Commercial...	Investment Properties...
4501 Tamiami Trl N	North Naples	4,200	Q3 22	The South Florida Group...	AJS Realty Group, Inc.	Investment Properties...
4501 Tamiami Trl N	North Naples	4,140	Q3 22	-	-	Investment Properties...
Everglades Professional Center	North Naples	4,116	Q4 22	-	-	Trinity Commercial Group
1185 Immokalee Rd	North Naples	4,064	Q4 22	Naples Daily News	BellCornerstone	LSI Companies, Inc.
Willow Park	North Naples	4,000	Q3 22	East West Sports Cards &...	Coldwell Banker Co...	CRE Consultants
4365 - 4375 Radio Rd	East Naples	4,000	Q4 22	Fairway Bible Church	Keller Williams Com...	CRE Consultants
Trianon Centre	North Naples	3,847	Q1 23	Wilmington Trust, N.A.	Cushman & Wakefie...	Trianon Co
Hole Montes Building	North Naples	3,798	Q2 22	Peacock & Lewis Architec...	CRE Consultants	CRE Consultants
Pelican Bay Financial	North Naples	3,789	Q2 22	Morgan Stanley Smith Fin...	JLL	CRE Consultants
Peacock Court	North Naples	3,600	Q2 22	-	-	Kova Commercial Group
928 N Collier Blvd	Marco Island	3,600	Q4 22	Morgan Stanley	-	-

Renewal

## MARKET RENT GROWTH (YOY)



## MARKET RENT PER SQUARE FEET





## 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Naples</b>	\$0.61	\$1.60	\$1.23	\$2.62	\$4.98	<b>\$11.04</b>
Collier County	\$0.61	\$1.60	\$1.23	\$2.62	\$4.98	<b>\$11.04</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Naples</b>	\$0.53	\$1.12	\$0.68	\$2.79	\$2.83	<b>\$7.95</b>
Collier County	\$0.53	\$1.12	\$0.68	\$2.79	\$2.83	<b>\$7.95</b>

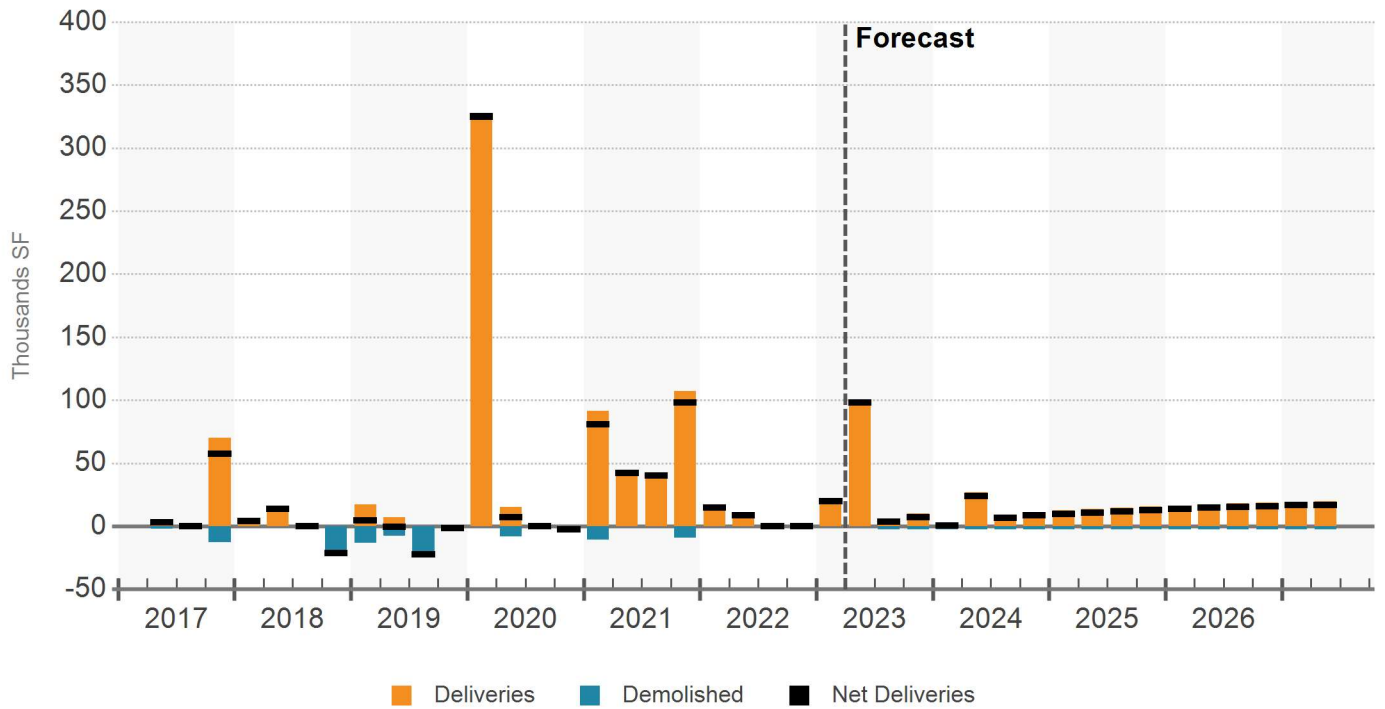
Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Naples</b>	\$0.52	\$0.59	\$0.64	\$2.21	\$3.46	<b>\$7.42</b>
Collier County	\$0.52	\$0.59	\$0.64	\$2.21	\$3.46	<b>\$7.42</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory				Average Building Size			
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	North Naples	3	54	8	14.4%	2	15,367	17,942	2
2	East Naples	3	41	0	0%	3	13,018	13,612	3
3	Naples	1	34	34	100%	1	12,967	34,398	1
4	Golden Gate	0	-	-	-	-	7,421	-	-
5	Lely	0	-	-	-	-	7,606	-	-
6	Marco Island	0	-	-	-	-	9,761	-	-
7	Outlying Collier County	0	-	-	-	-	11,779	-	-
<b>Totals</b>		<b>7</b>	<b>129</b>	<b>42</b>	<b>32.7%</b>		<b>13,615</b>	<b>18,437</b>	

# Under Construction Properties

Naples Office

Properties

Square Feet

Percent of Inventory

Released

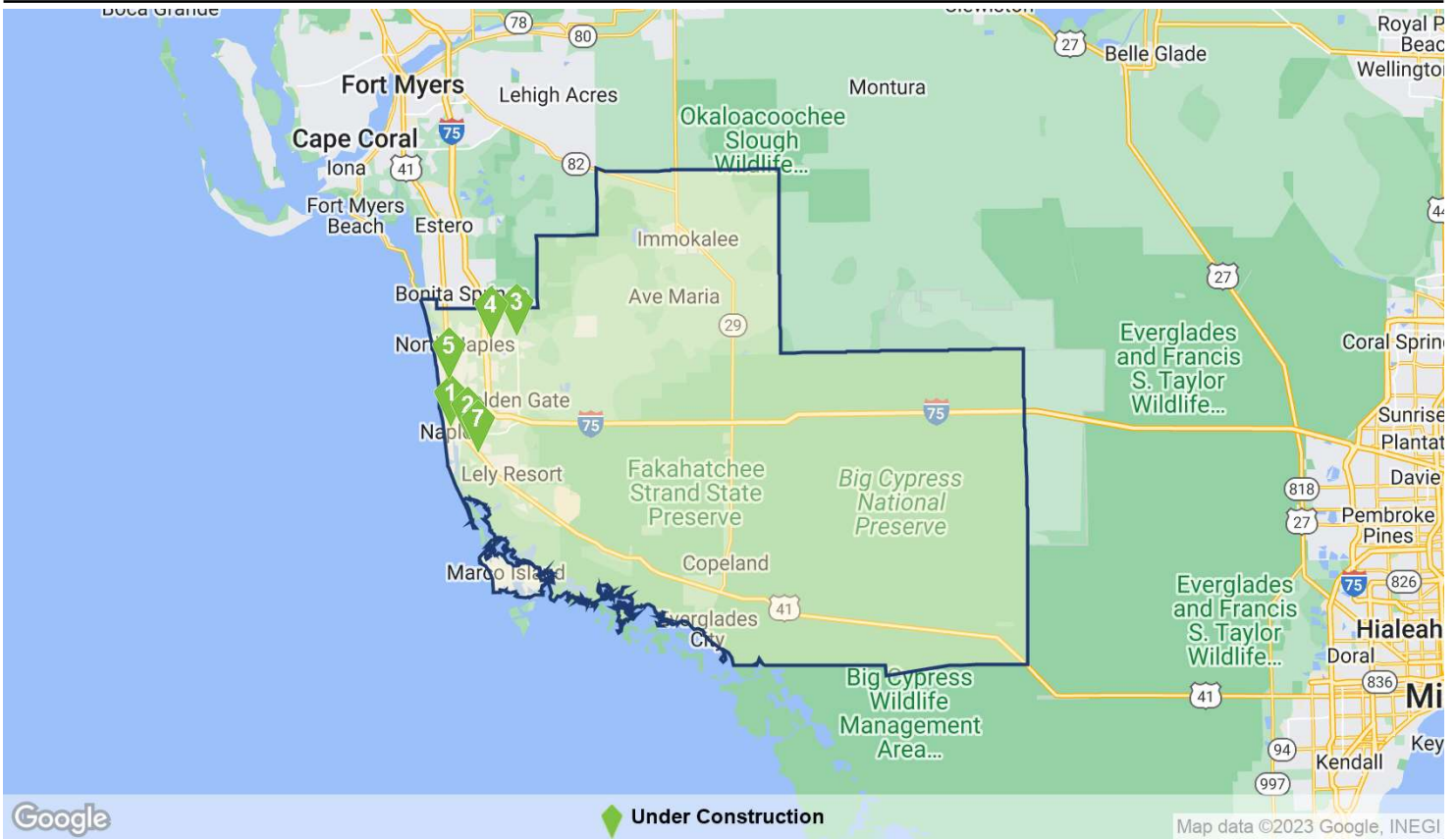
7

129,060

1.3%

32.7%

## UNDER CONSTRUCTION PROPERTIES



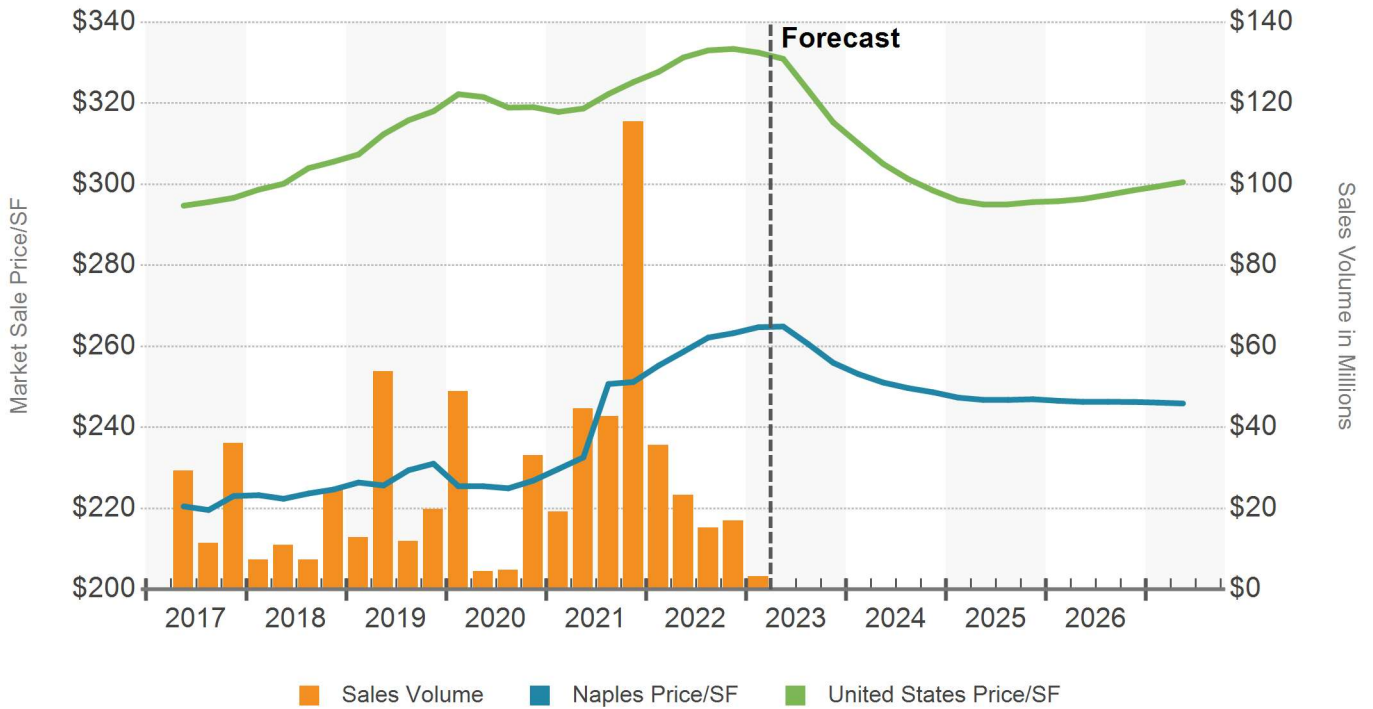
## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>Baker Center</b> 201 8th St S	★★★★☆	34,398	1	Apr 2022	May 2023	-
2 <b>3080 Tamiami Trl E</b>	★★★★☆	29,125	3	Nov 2021	May 2023	- Zampogna Flores
3 <b>LinTree Medical Arts Bui...</b> 15455 Collier Blvd	★★★★☆	23,825	1	Apr 2022	May 2023	- Legal Aid Society Collier Cnty
4 <b>Bldg 200</b> 6750 Immokalee Rd	★★★★☆	20,000	1	Jul 2021	May 2024	- Randy Johns
5 <b>Bay Pines Medical Center</b> 6100 Trail Blvd	★★★★☆	10,000	2	Jul 2022	Oct 2023	-
6 <b>Offices at Hammock Cov...</b> 4690 Cardinal Way	★★★★☆	5,856	1	Oct 2021	May 2023	- SK Holdings Real Estate, LLC
7 <b>Offices at Hammock Cov...</b> 4660 Cardinal Way	★★★★☆	5,856	1	Dec 2021	Jun 2023	- SK Holdings Real Estate, LLC

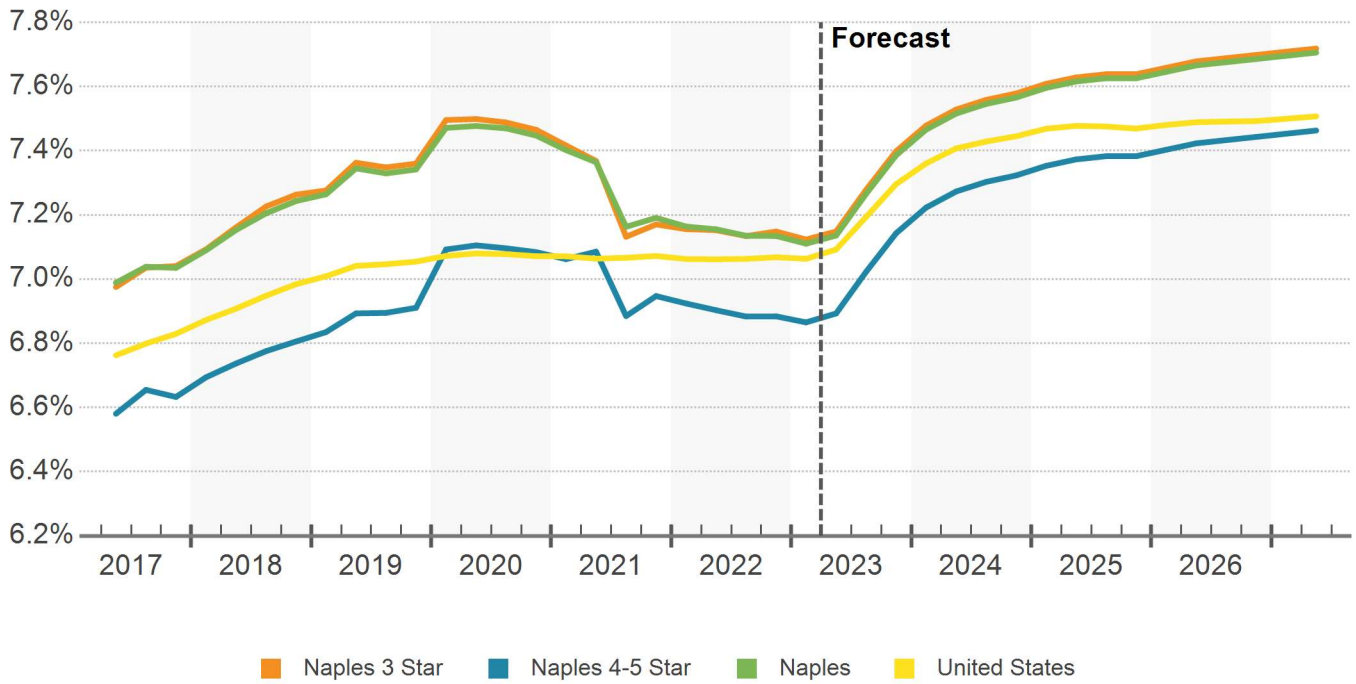
Office investment has reached a five-year low in Naples, with just \$52.0 million trading in the past 12 months. Activity has been extremely limited so far this year with less than \$5 million in total sales volume. Sales are typically on the smaller side in the market will only one

single-property sale over \$5 million in the past year. 4227 Progress Ave sold in a sale-leaseback between buyer Combined Warehouse and seller Jim Henderson for \$9.8 million (\$220/SF) in September 2022.

## SALES VOLUME & MARKET SALE PRICE PER SF



## MARKET CAP RATE



# Sales Past 12 Months

Naples Office

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

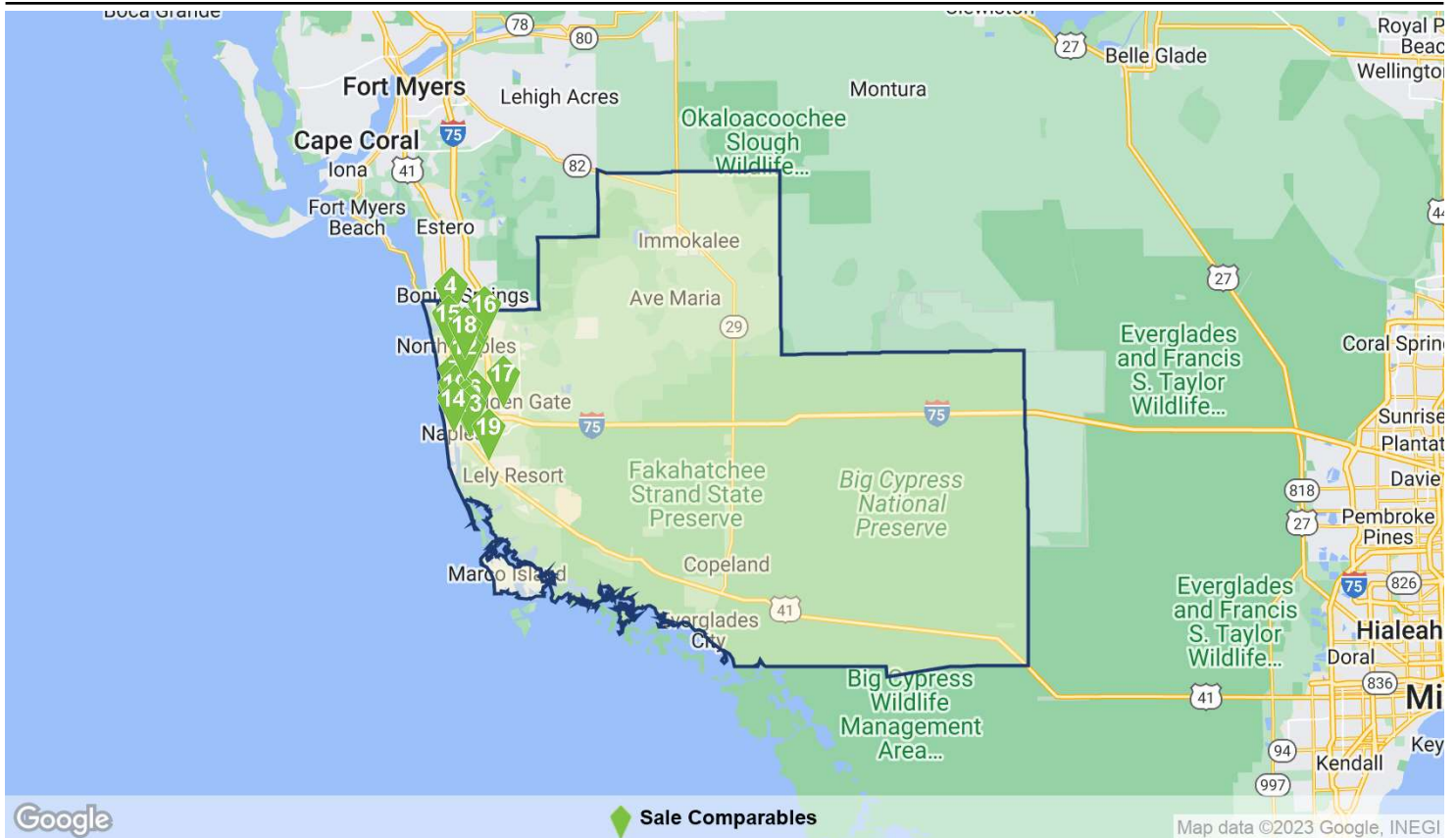
50

6.0%

\$161

9.6%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$228,500	\$2,302,336	\$2,050,000	\$7,040,902
Price/SF	\$4.24	\$161	\$290	\$474
Cap Rate	6.0%	6.0%	6.0%	6.0%
Time Since Sale in Months	1.2	7.3	7.2	12.0
Property Attributes	Low	Average	Median	High
Building SF	2,940	16,788	10,949	60,007
Stories	1	2	2	5
Typical Floor SF	2,940	7,928	7,391	20,002
Vacancy Rate At Sale	0%	9.6%	0%	100%
Year Built	1973	1995	1998	2021
Star Rating	★★★★★	★★★★★ 2.6	★★★★★	★★★★★

# Sales Past 12 Months

Naples Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Fountain Park Office Bui... 7955 Airport Pulling Rd	★★★★★	2003	19,031	0%	8/22/2022	\$7,040,902	\$370	-
2 671 Goodlette Rd N	★★★★★	1992	22,998	6.0%	10/25/2022	\$5,300,000	\$230	-
3 Building I 1004 Collier Center Way	★★★★★	2001	19,403	0%	12/21/2022	\$3,698,774	\$191	-
4 Building II 1016 Collier Center Way	★★★★★	2001	19,391	0%	12/21/2022	\$3,551,226	\$183	-
5 Pine Ridge Industrial Park 6201 Lee Ann Ln	★★★★★	1997	10,949	0%	11/3/2022	\$3,175,000	\$290	-
6 4025 Radio Rd	★★★★★	1998	11,340	100%	5/26/2022	\$2,850,000	\$251	-
7 Linde Professional Build... 2900 14th St N	★★★★★	1985	12,000	0%	9/21/2022	\$2,825,000	\$235	-
8 2240 Venetian Ct	★★★★★	2004	5,699	0%	2/24/2023	\$2,325,000	\$408	-
9 6645 Willow Park Dr	★★★★★	2000	7,995	0%	5/19/2022	\$2,300,000	\$288	6.0%
10 1140 Goodlette Rd N	★★★★★	2001	4,400	0%	9/8/2022	\$1,800,000	\$409	-
11 Naples Plastic Surgery C... 1351 Pine St	★★★★★	1983	5,596	0%	7/29/2022	\$1,697,440	\$303	-
12 5655-5659 Naples Blvd	★★★★★	2000	3,120	100%	6/27/2022	\$1,480,000	\$474	-
13 2340 Stanford Ct	★★★★★	2002	4,280	0%	7/25/2022	\$1,400,000	\$327	-
14 791 10th St S	★★★★★	2007	5,400	0%	4/28/2022	\$1,250,000	\$231	-
15 9955 North Park Center 9955 Tamiami Trl N	★★★★★	1996	3,000	0%	6/9/2022	\$1,244,500	\$415	-
16 Windsor in Naples 5660 Strand Ct	★★★★★	2000	2,940	0%	5/11/2022	\$990,000	\$337	-
17 5290 Golden Gate Pky	★★★★★	2004	2,948	0%	6/30/2022	\$975,000	\$331	-
17 5290 Golden Gate Pky	★★★★★	2004	2,948	0%	5/10/2022	\$950,000	\$322	-
18 Vanderbilt Financial Cen... 9045 Strada Stell Ct	★★★★★	2008	1,972	46.7%	3/23/2023	\$805,000	\$408	-
19 101 Saint Andrews Blvd	★★★★★	1973	3,534	0%	6/6/2022	\$750,000	\$212	-

Naples is the southernmost market in Southwest Florida. Population growth has been a main driver for the region with its population increasing by over 22,000 new residents from April 2020 to July 2022, an increase of 5.9%. In addition, the region is one of the most affluent in Florida, with a median household income of approximately \$79,000. One-third of the area's population is aged over 65 fueling a robust healthcare industry. While the region has historically been a retirement destination, population growth for person's aged 20-29 and 30-39 has led the region over the past five years, up over 18% and 16%, respectively.

The consistent flow of new residents has helped fuel a growing job market in recent years. Naples was able to recoup all the jobs lost due to the pandemic by October 2021 but has lagged its fellow Southwest Florida markets in recent months. According to Florida Jobs, Naples added approximately 1,900 jobs over the past year as of February 2023. In comparison, the Fort Myers job market increased by nearly 12,000. Nearly every industry sector recorded year-over-year job gains, with education and health services, wholesale trade, and construction leading the region.

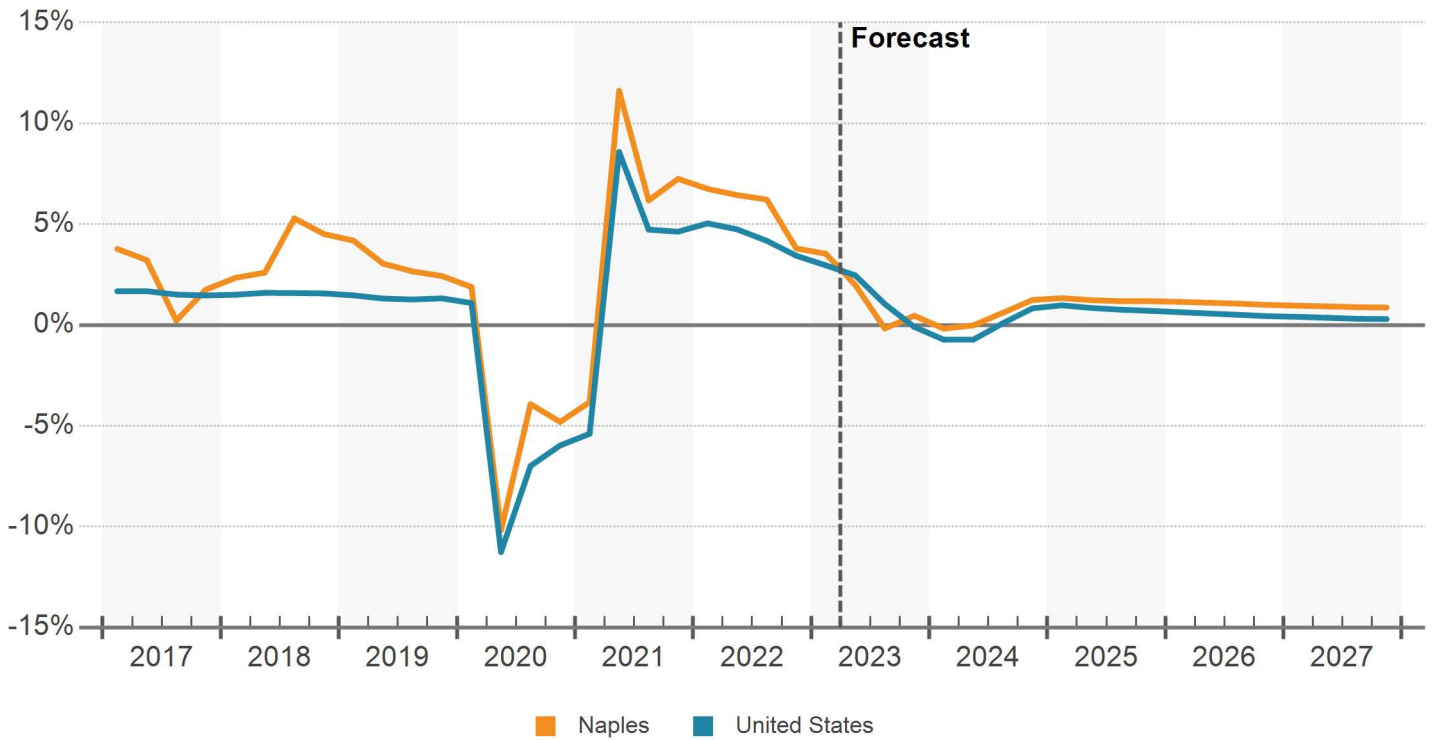
## NAPLES EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	6	0.4	3.87%	2.28%	6.41%	0.80%	0.68%	-0.10%
Trade, Transportation and Utilities	31	1.0	1.83%	1.20%	2.86%	1.22%	0.17%	0.00%
Retail Trade	23	1.3	0.43%	0.43%	1.93%	0.42%	0.16%	0.01%
Financial Activities	10	1.0	1.47%	1.36%	4.12%	1.50%	0.44%	0.00%
Government	14	0.6	0.68%	1.84%	0.67%	0.28%	1.18%	0.44%
Natural Resources, Mining and Construction	20	2.2	5.93%	3.56%	7.21%	2.55%	1.59%	0.13%
Education and Health Services	26	1.0	6.78%	4.12%	3.78%	1.77%	1.08%	0.56%
Professional and Business Services	21	0.9	6.15%	2.56%	4.83%	2.20%	1.11%	0.25%
Information	1	0.4	5.70%	1.43%	-0.74%	1.29%	-1.03%	-0.05%
Leisure and Hospitality	29	1.6	-0.28%	6.42%	1.90%	1.61%	0.69%	0.93%
Other Services	9	1.5	-0.36%	3.27%	1.80%	0.67%	0.48%	0.22%
<b>Total Employment</b>	<b>168</b>	<b>1.0</b>	<b>3.06%</b>	<b>2.81%</b>	<b>3.35%</b>	<b>1.37%</b>	<b>0.82%</b>	<b>0.30%</b>

Source: Oxford Economics  
LQ = Location Quotient

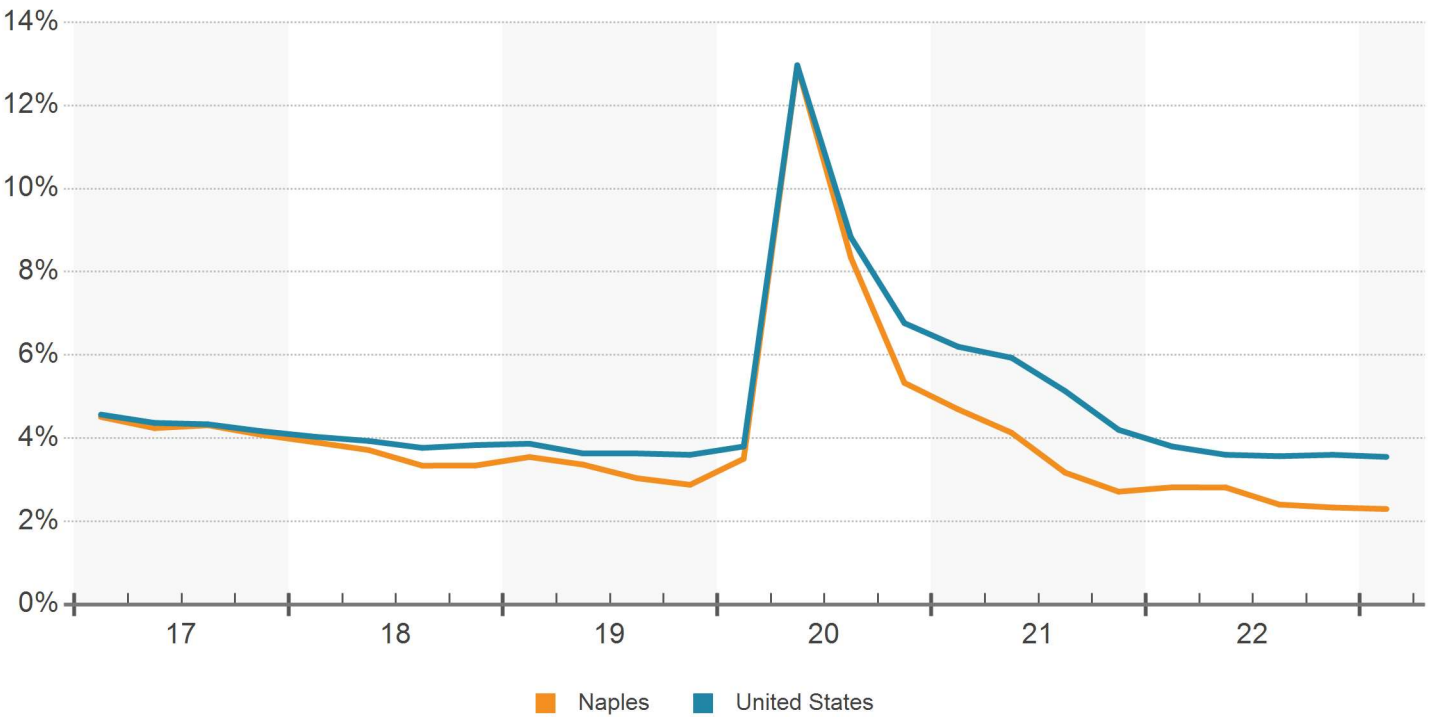


## JOB GROWTH (YOY)

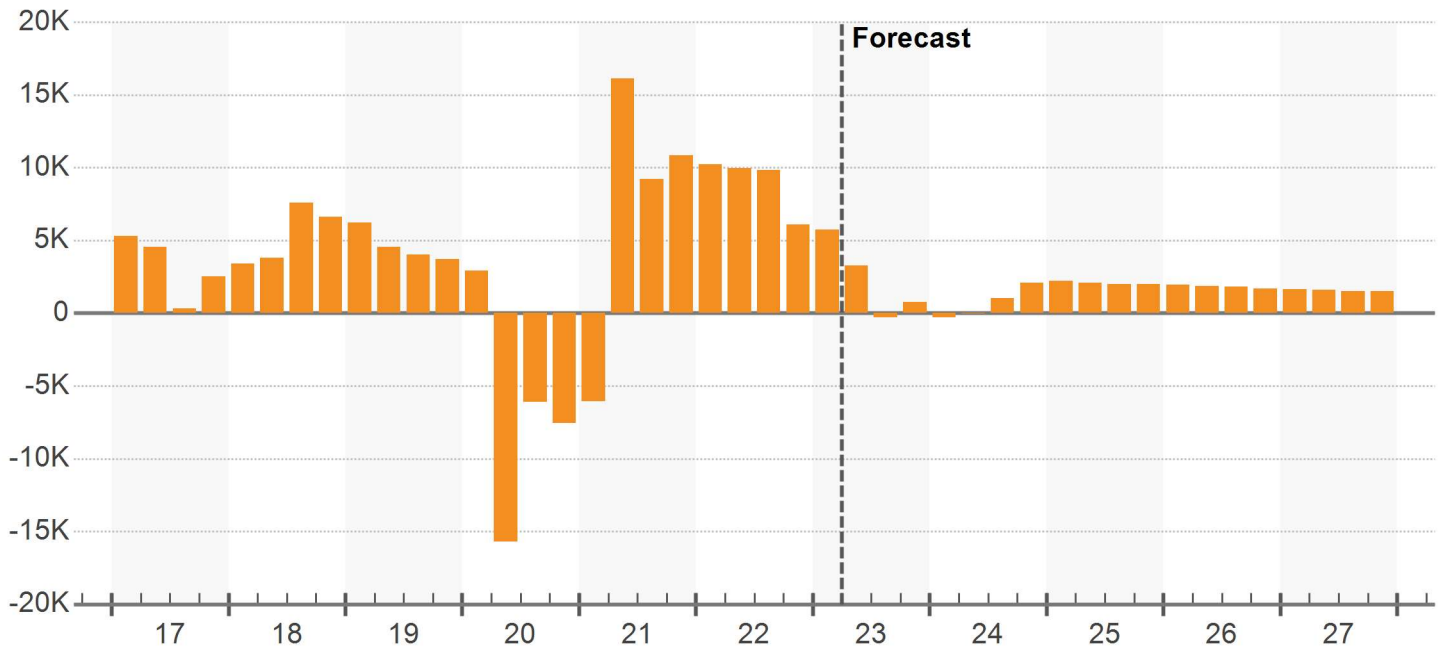


Source: Oxford Economics

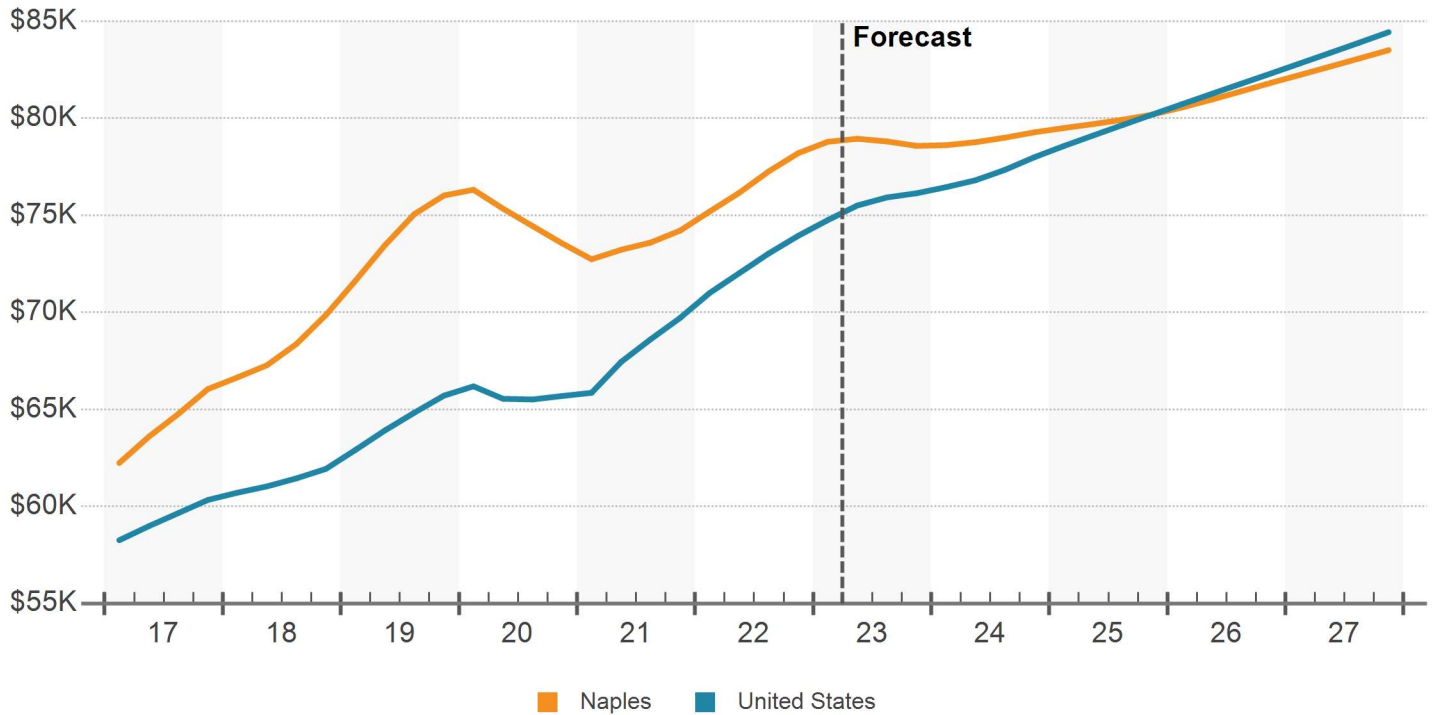
## UNEMPLOYMENT RATE (%)



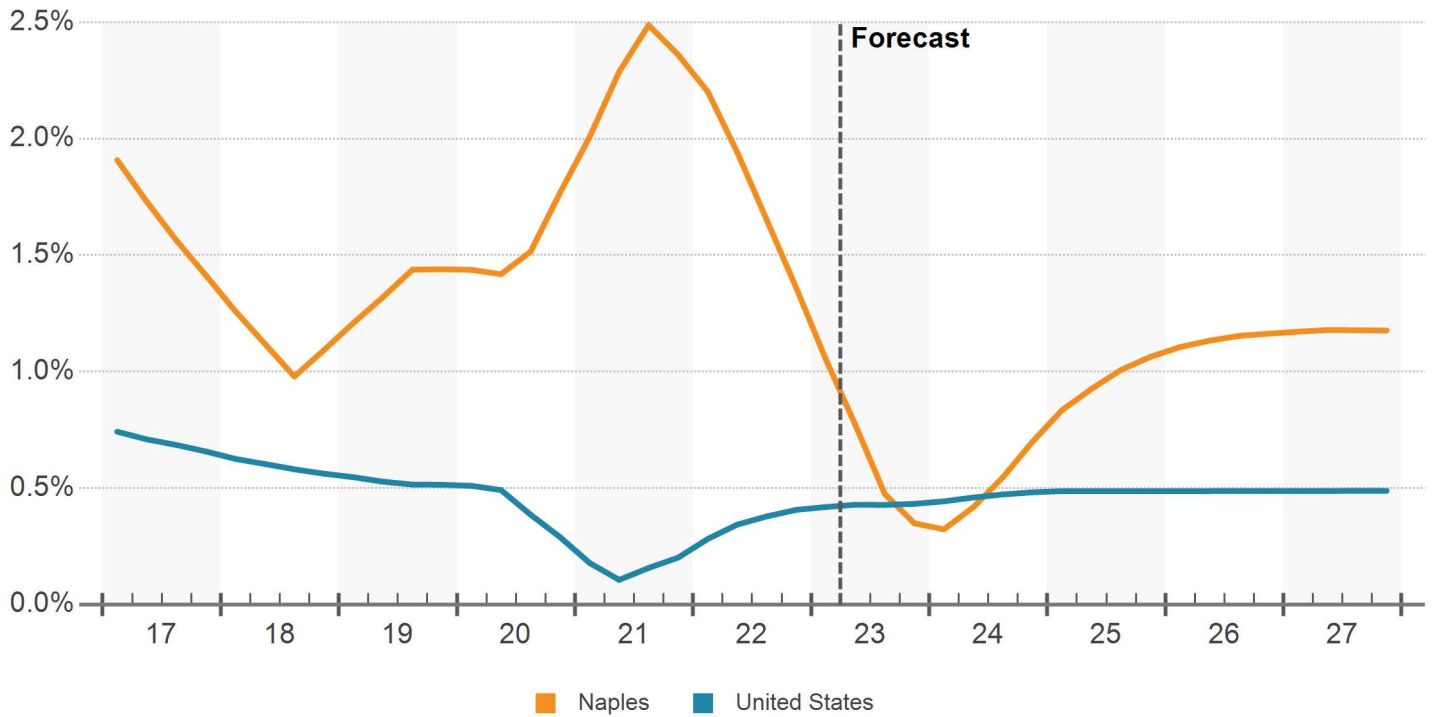
## NET EMPLOYMENT CHANGE (YOY)



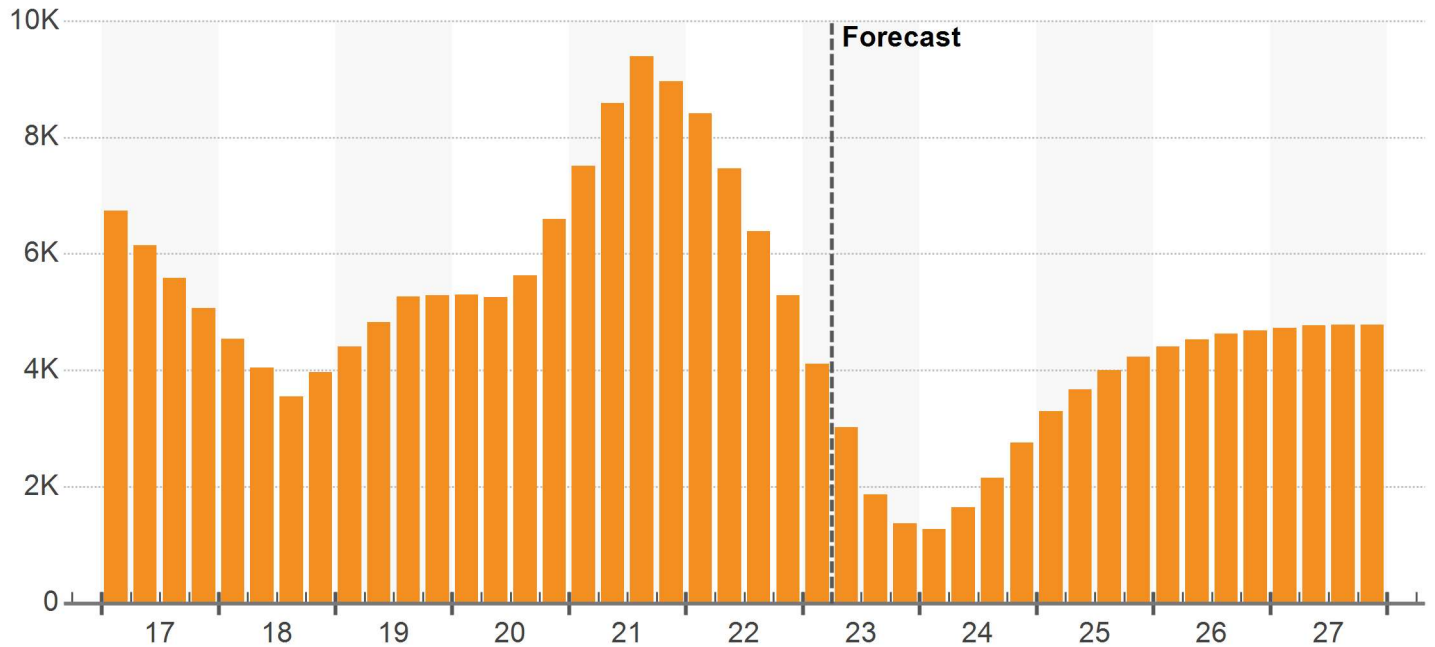
## MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

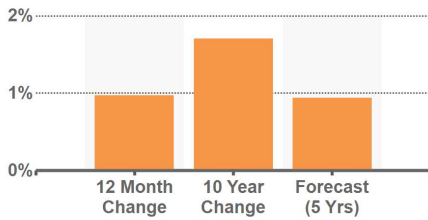


## DEMOGRAPHIC TRENDS

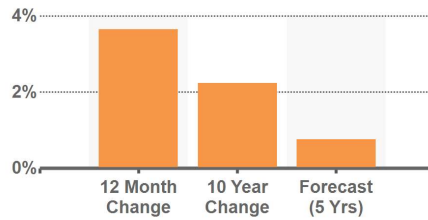
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	394,636	334,119,813	1.0%	0.4%	1.7%	0.6%	0.9%	0.5%
Households	169,297	129,669,047	1.5%	0.9%	1.7%	0.9%	1.1%	0.6%
Median Household Income	\$78,838	\$74,981	4.4%	5.2%	3.8%	3.8%	1.3%	2.6%
Labor Force	190,346	165,213,141	3.6%	0.8%	2.2%	0.6%	0.8%	0.4%
Unemployment	2.3%	3.5%	-0.5%	-0.2%	-0.6%	-0.4%	-	-

Source: Oxford Economics

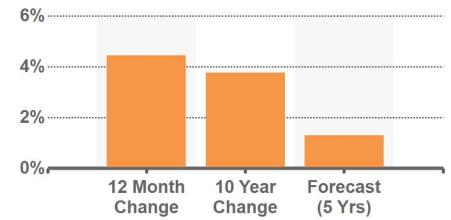
### POPULATION GROWTH



### LABOR FORCE GROWTH

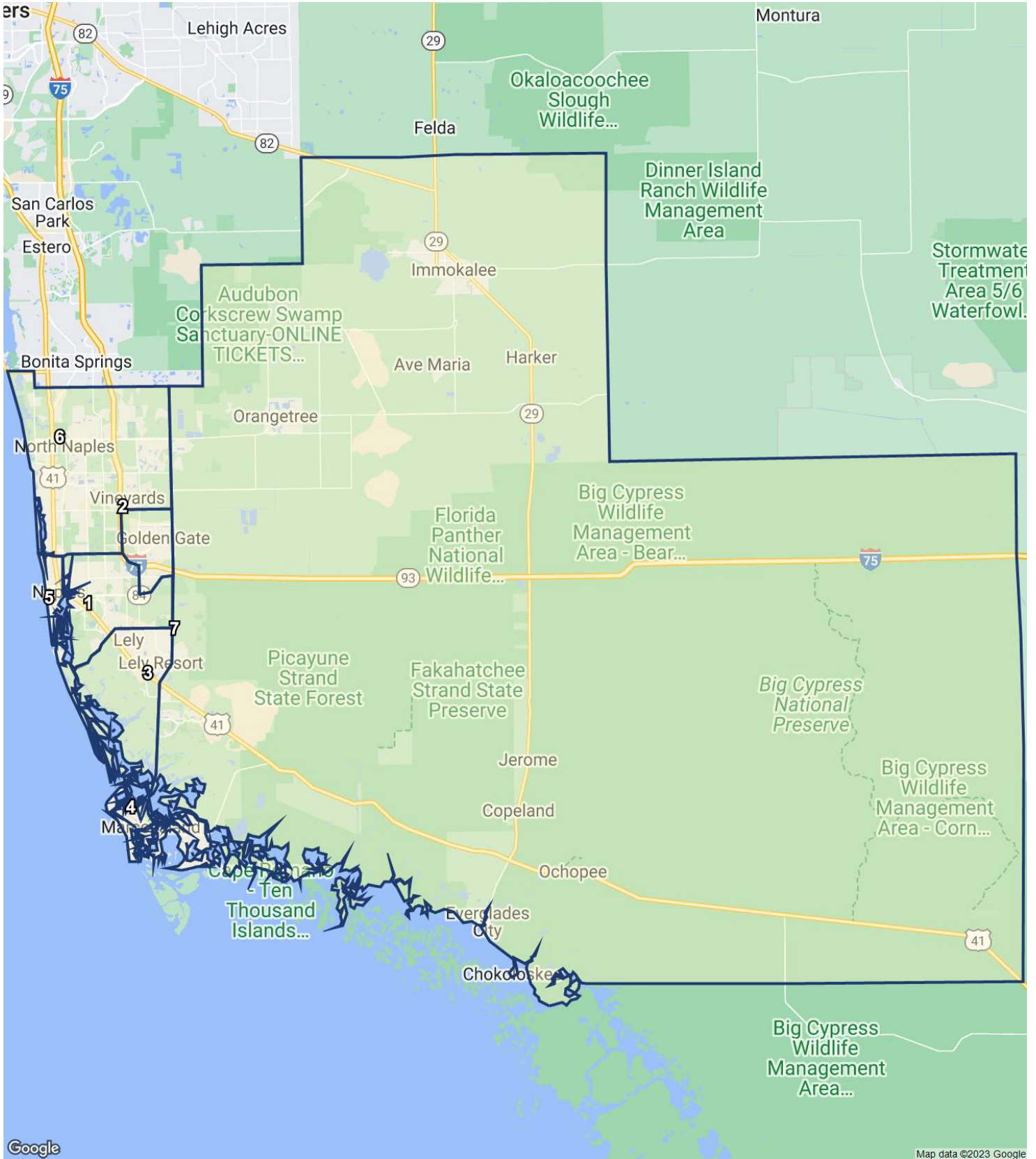


### INCOME GROWTH



Source: Oxford Economics

## NAPLES SUBMARKETS



## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	East Naples	145	1,888	18.6%	2	0	0	0%	-	3	41	2.2%	2
2	Golden Gate	34	252	2.5%	6	0	0	0%	-	0	-	-	-
3	Lely	17	129	1.3%	7	0	0	0%	-	0	-	-	-
4	Marco Island	33	322	3.2%	5	0	0	0%	-	0	-	-	-
5	Naples	91	1,180	11.6%	3	0	0	0%	-	1	34	2.9%	3
6	North Naples	380	5,840	57.7%	1	2	26	0.4%	1	3	54	0.9%	1
7	Outlying Collier County	44	518	5.1%	4	0	0	0%	-	0	-	-	-

## SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	East Naples	\$27.94	7	3.2%	3	2.8%	1
2	Golden Gate	\$32.20	3	3.6%	1	-0.3%	6
3	Lely	\$29.16	4	2.6%	6	1.8%	2
4	Marco Island	\$28.41	5	2.4%	7	-0.5%	7
5	Naples	\$32.72	2	3.0%	4	1.6%	3
6	North Naples	\$33.62	1	3.2%	2	1.5%	4
7	Outlying Collier County	\$27.99	6	2.8%	5	1.4%	5

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	East Naples	113,215	6.0%	3	24,033	1.3%	2	-
2	Golden Gate	4,100	1.6%	1	(4,100)	-1.6%	7	-
3	Lely	9,404	7.3%	6	4,396	3.4%	5	-
4	Marco Island	20,707	6.4%	5	6,680	2.1%	4	-
5	Naples	44,953	3.8%	2	16,012	1.4%	3	-
6	North Naples	362,726	6.2%	4	115,396	2.0%	1	0.2
7	Outlying Collier County	-	-	-	0	0%	-	-

# Supply & Demand Trends

Naples Office

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	10,446,200	68,358	0.7%	55,567	0.5%	1.2
2026	10,377,842	59,690	0.6%	46,711	0.5%	1.3
2025	10,318,152	45,520	0.4%	35,863	0.3%	1.3
2024	10,272,632	39,608	0.4%	54,403	0.5%	0.7
2023	10,233,024	128,492	1.3%	68,955	0.7%	1.9
YTD	10,129,230	24,698	0.2%	(4,397)	0%	-
2022	10,104,532	23,267	0.2%	198,003	2.0%	0.1
2021	10,081,265	260,886	2.7%	565,575	5.6%	0.5
2020	9,820,379	329,569	3.5%	163,929	1.7%	2.0
2019	9,490,810	(20,212)	-0.2%	(228,503)	-2.4%	-
2018	9,511,022	(3,874)	0%	(62,037)	-0.7%	-
2017	9,514,896	89,725	1.0%	107,802	1.1%	0.8
2016	9,425,171	30,697	0.3%	103,773	1.1%	0.3
2015	9,394,474	28,790	0.3%	237,221	2.5%	0.1
2014	9,365,684	(15,427)	-0.2%	19,457	0.2%	-
2013	9,381,111	(7,091)	-0.1%	244,639	2.6%	-
2012	9,388,202	11,058	0.1%	163,393	1.7%	0.1
2011	9,377,144	39,244	0.4%	(64,378)	-0.7%	-

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	2,203,612	71,691	3.4%	65,848	3.0%	1.1
2026	2,131,921	63,824	3.1%	56,357	2.6%	1.1
2025	2,068,097	50,980	2.5%	46,150	2.2%	1.1
2024	2,017,117	47,547	2.4%	46,666	2.3%	1.0
2023	1,969,570	64,398	3.4%	7,513	0.4%	8.6
YTD	1,925,172	20,000	1.0%	(24,849)	-1.3%	-
2022	1,905,172	0	0%	76,077	4.0%	0
2021	1,905,172	136,428	7.7%	262,607	13.8%	0.5
2020	1,768,744	315,000	21.7%	204,682	11.6%	1.5
2019	1,453,744	7,039	0.5%	(58,006)	-4.0%	-
2018	1,446,705	0	0%	(3,675)	-0.3%	-
2017	1,446,705	69,950	5.1%	21,188	1.5%	3.3
2016	1,376,755	11,600	0.8%	(23,737)	-1.7%	-
2015	1,365,155	28,790	2.2%	8,252	0.6%	3.5
2014	1,336,365	0	0%	(30,829)	-2.3%	-
2013	1,336,365	0	0%	71,236	5.3%	0
2012	1,336,365	0	0%	28,145	2.1%	0
2011	1,336,365	18,051	1.4%	9,855	0.7%	1.8

# Supply & Demand Trends

Naples Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	5,918,564	7,614	0.1%	1,211	0%	6.3
2026	5,910,950	6,778	0.1%	844	0%	8.0
2025	5,904,172	5,414	0.1%	(1,162)	0%	-
2024	5,898,758	2,922	0%	12,535	0.2%	0.2
2023	5,895,836	64,662	1.1%	68,076	1.2%	0.9
YTD	5,831,174	0	0%	14,969	0.3%	0
2022	5,831,174	23,267	0.4%	111,445	1.9%	0.2
2021	5,807,907	135,058	2.4%	259,145	4.5%	0.5
2020	5,672,849	25,000	0.4%	(12,149)	-0.2%	-
2019	5,647,849	17,522	0.3%	(114,988)	-2.0%	-
2018	5,630,327	(3,874)	-0.1%	(25,272)	-0.4%	-
2017	5,634,201	34,675	0.6%	83,044	1.5%	0.4
2016	5,599,526	40,845	0.7%	113,475	2.0%	0.4
2015	5,558,681	0	0%	131,286	2.4%	0
2014	5,558,681	(8,668)	-0.2%	27,874	0.5%	-
2013	5,567,349	(6,716)	-0.1%	153,683	2.8%	-
2012	5,574,065	17,791	0.3%	125,190	2.2%	0.1
2011	5,556,274	24,572	0.4%	(64,523)	-1.2%	-

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	2,324,024	(10,947)	-0.5%	(11,492)	-0.5%	-
2026	2,334,971	(10,912)	-0.5%	(10,490)	-0.4%	-
2025	2,345,883	(10,874)	-0.5%	(9,125)	-0.4%	-
2024	2,356,757	(10,861)	-0.5%	(4,798)	-0.2%	-
2023	2,367,618	(568)	0%	(6,634)	-0.3%	-
YTD	2,372,884	4,698	0.2%	5,483	0.2%	0.9
2022	2,368,186	0	0%	10,481	0.4%	0
2021	2,368,186	(10,600)	-0.4%	43,823	1.9%	-
2020	2,378,786	(10,431)	-0.4%	(28,604)	-1.2%	-
2019	2,389,217	(44,773)	-1.8%	(55,509)	-2.3%	-
2018	2,433,990	0	0%	(33,090)	-1.4%	-
2017	2,433,990	(14,900)	-0.6%	3,570	0.1%	-
2016	2,448,890	(21,748)	-0.9%	14,035	0.6%	-
2015	2,470,638	0	0%	97,683	4.0%	0
2014	2,470,638	(6,759)	-0.3%	22,412	0.9%	-
2013	2,477,397	(375)	0%	19,720	0.8%	-
2012	2,477,772	(6,733)	-0.3%	10,058	0.4%	-
2011	2,484,505	(3,379)	-0.1%	(9,710)	-0.4%	-



## OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$32.41	126	0.4%	2.2%	613,129	5.9%	0.1%
2026	\$32.26	126	0.6%	1.7%	599,830	5.8%	0.1%
2025	\$32.07	125	0.5%	1.1%	586,425	5.7%	0.1%
2024	\$31.91	124	-0.6%	0.6%	576,262	5.6%	-0.2%
2023	\$32.10	125	1.2%	1.2%	590,504	5.8%	0.5%
YTD	\$31.91	124	3.2%	0.6%	555,105	5.5%	0.2%
2022	\$31.72	123	4.8%	0%	530,708	5.3%	-1.7%
2021	\$30.28	118	9.0%	-4.5%	705,444	7.0%	-3.3%
2020	\$27.79	108	-0.5%	-12.4%	1,010,133	10.3%	1.4%
2019	\$27.92	109	4.4%	-12.0%	844,493	8.9%	2.2%
2018	\$26.74	104	0.4%	-15.7%	636,202	6.7%	0.6%
2017	\$26.65	104	1.4%	-16.0%	578,039	6.1%	-0.9%
2016	\$26.28	102	6.7%	-17.2%	656,116	7.0%	-0.8%
2015	\$24.62	96	9.3%	-22.4%	729,192	7.8%	-2.2%
2014	\$22.53	88	10.5%	-29.0%	937,623	10.0%	-0.4%
2013	\$20.39	79	-0.2%	-35.7%	972,507	10.4%	-2.7%
2012	\$20.43	79	-1.9%	-35.6%	1,224,237	13.0%	-1.6%
2011	\$20.83	81	-5.3%	-34.3%	1,376,288	14.7%	1.0%

## 4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$38	131	0.3%	1.4%	176,393	8.0%	0%
2026	\$37.89	131	0.5%	1.1%	170,615	8.0%	0.1%
2025	\$37.71	130	0.4%	0.6%	163,212	7.9%	0%
2024	\$37.58	130	-0.7%	0.3%	158,464	7.9%	-0.1%
2023	\$37.84	131	1.0%	1.0%	157,648	8.0%	2.7%
YTD	\$37.66	130	4.3%	0.5%	145,613	7.6%	2.3%
2022	\$37.47	130	6.3%	0%	100,764	5.3%	-4.0%
2021	\$35.26	122	4.6%	-5.9%	176,841	9.3%	-7.8%
2020	\$33.71	117	1.6%	-10.0%	303,020	17.1%	3.9%
2019	\$33.16	115	3.7%	-11.5%	192,702	13.3%	4.4%
2018	\$31.96	110	1.7%	-14.7%	127,657	8.8%	0.3%
2017	\$31.42	109	0.9%	-16.2%	123,982	8.6%	-1.3%
2016	\$31.13	108	4.6%	-16.9%	135,220	9.8%	2.5%
2015	\$29.77	103	6.0%	-20.5%	99,883	7.3%	1.4%
2014	\$28.09	97	4.4%	-25.0%	79,345	5.9%	2.3%
2013	\$26.91	93	-0.6%	-28.2%	48,516	3.6%	-5.3%
2012	\$27.07	94	3.6%	-27.8%	119,752	9.0%	-2.1%
2011	\$26.13	90	-2.5%	-30.3%	147,897	11.1%	0.5%

## 3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$31.77	118	0.5%	2.4%	358,850	6.1%	0.1%
2026	\$31.62	118	0.6%	1.9%	352,474	6.0%	0.1%
2025	\$31.43	117	0.5%	1.3%	346,567	5.9%	0.1%
2024	\$31.27	117	-0.6%	0.8%	340,020	5.8%	-0.2%
2023	\$31.46	117	1.4%	1.4%	349,664	5.9%	-0.1%
YTD	\$31.25	116	2.8%	0.7%	338,107	5.8%	-0.3%
2022	\$31.02	116	4.5%	0%	353,076	6.1%	-1.5%
2021	\$29.70	111	11.3%	-4.3%	441,254	7.6%	-2.4%
2020	\$26.67	99	-2.3%	-14.0%	565,341	10.0%	0.6%
2019	\$27.30	102	4.2%	-12.0%	528,192	9.4%	2.3%
2018	\$26.20	98	-1.0%	-15.6%	395,682	7.0%	0.4%
2017	\$26.46	99	1.3%	-14.7%	374,284	6.6%	-0.9%
2016	\$26.13	97	6.2%	-15.8%	422,653	7.5%	-1.4%
2015	\$24.61	92	8.5%	-20.7%	495,283	8.9%	-2.4%
2014	\$22.69	85	12.4%	-26.9%	626,569	11.3%	-0.6%
2013	\$20.18	75	-0.1%	-35.0%	663,111	11.9%	-2.9%
2012	\$20.20	75	-5.1%	-34.9%	823,510	14.8%	-2.0%
2011	\$21.28	79	-7.3%	-31.4%	930,625	16.7%	1.5%

## 1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$29.31	145	0.6%	2.4%	77,886	3.4%	0.1%
2026	\$29.14	144	0.7%	1.8%	76,741	3.3%	0%
2025	\$28.92	143	0.6%	1.0%	76,646	3.3%	0%
2024	\$28.74	142	-0.5%	0.4%	77,778	3.3%	-0.2%
2023	\$28.88	143	0.9%	0.9%	83,192	3.5%	0.3%
YTD	\$28.71	142	2.8%	0.3%	71,385	3.0%	-0.2%
2022	\$28.63	142	4.0%	0%	76,868	3.2%	-0.4%
2021	\$27.54	137	7.5%	-3.8%	87,349	3.7%	-2.3%
2020	\$25.61	127	2.1%	-10.6%	141,772	6.0%	0.8%
2019	\$25.08	124	5.7%	-12.4%	123,599	5.2%	0.5%
2018	\$23.72	118	2.7%	-17.2%	112,863	4.6%	1.4%
2017	\$23.10	115	2.4%	-19.3%	79,773	3.3%	-0.7%
2016	\$22.57	112	11.1%	-21.2%	98,243	4.0%	-1.4%
2015	\$20.32	101	16.3%	-29.0%	134,026	5.4%	-4.0%
2014	\$17.47	87	12.9%	-39.0%	231,709	9.4%	-1.2%
2013	\$15.47	77	0.3%	-46.0%	260,880	10.5%	-0.8%
2012	\$15.43	76	1.0%	-46.1%	280,975	11.3%	-0.6%
2011	\$15.27	76	-1.8%	-46.6%	297,766	12.0%	0.3%

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$245.41	154	7.7%
2026	-	-	-	-	-	-	\$246.31	155	7.7%
2025	-	-	-	-	-	-	\$246.96	155	7.6%
2024	-	-	-	-	-	-	\$248.68	156	7.6%
2023	-	-	-	-	-	-	\$255.96	161	7.4%
YTD	11	\$3.3M	0.4%	\$1,095,300	\$397.28	-	\$266.03	167	7.1%
2022	60	\$91.2M	6.0%	\$2,027,397	\$171.77	6.0%	\$263.26	165	7.1%
2021	103	\$222.2M	8.3%	\$2,677,322	\$282.43	7.3%	\$251.21	158	7.2%
2020	62	\$91.2M	4.3%	\$1,982,480	\$235.27	6.7%	\$226.89	143	7.4%
2019	66	\$98.4M	4.3%	\$1,757,096	\$251.98	7.6%	\$231.06	145	7.3%
2018	61	\$50.5M	3.7%	\$1,122,508	\$162.05	8.6%	\$224.68	141	7.2%
2017	73	\$101.5M	6.2%	\$2,256,210	\$186.78	6.6%	\$223.08	140	7.0%
2016	99	\$127.9M	6.7%	\$2,722,064	\$220.65	6.6%	\$219.68	138	6.9%
2015	93	\$219.8M	8.9%	\$2,892,748	\$274.10	6.1%	\$205.41	129	7.1%
2014	55	\$82.1M	5.9%	\$2,105,660	\$157.42	7.9%	\$184.64	116	7.3%
2013	102	\$69.4M	5.5%	\$1,335,298	\$177.68	8.0%	\$163.78	103	7.7%
2012	60	\$119.3M	7.0%	\$2,434,357	\$191.92	8.1%	\$157.62	99	7.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$279.99	148	7.5%
2026	-	-	-	-	-	-	\$281.43	148	7.4%
2025	-	-	-	-	-	-	\$282.56	149	7.4%
2024	-	-	-	-	-	-	\$284.90	150	7.3%
2023	-	-	-	-	-	-	\$293.52	155	7.1%
YTD	-	-	-	-	-	-	\$305.65	161	6.9%
2022	4	\$4.6M	3.8%	\$2,280,000	\$64.63	-	\$303.15	160	6.9%
2021	14	\$77.5M	15.6%	\$7,752,411	\$273.68	-	\$289.04	152	6.9%
2020	5	\$7.9M	2.9%	\$1,577,150	\$152.99	-	\$270.58	143	7.1%
2019	5	\$26.2M	5.7%	\$5,245,808	\$317.69	-	\$281.27	148	6.9%
2018	8	\$8M	4.0%	\$1,334,315	\$149.69	-	\$274.78	145	6.8%
2017	6	\$18.6M	10.4%	\$9,280,000	\$130.14	-	\$271.29	143	6.6%
2016	-	-	-	-	-	-	\$267.29	141	6.5%
2015	6	\$57.3M	14.3%	\$9,554,690	\$293.07	4.5%	\$255.24	135	6.6%
2014	6	\$34.5M	20.8%	\$5,750,000	\$124	-	\$230.26	121	6.8%
2013	3	\$17M	5.0%	\$5,650,000	\$251.28	-	\$206.07	109	7.1%
2012	4	\$50.2M	13.1%	\$25,089,000	\$302.73	7.3%	\$198.50	105	7.3%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$251.97	153	7.7%
2026	-	-	-	-	-	-	\$252.87	154	7.7%
2025	-	-	-	-	-	-	\$253.54	154	7.6%
2024	-	-	-	-	-	-	\$255.30	155	7.6%
2023	-	-	-	-	-	-	\$262.77	160	7.4%
YTD	7	\$805K	0.6%	\$805,000	\$408.22	-	\$272.90	166	7.1%
2022	31	\$59.7M	4.9%	\$2,712,875	\$271.65	6.0%	\$269.90	164	7.1%
2021	52	\$106M	6.8%	\$2,409,265	\$283.90	7.5%	\$259.64	158	7.2%
2020	34	\$65.4M	5.0%	\$2,514,536	\$243.58	6.4%	\$231.49	141	7.5%
2019	37	\$39M	3.0%	\$1,299,420	\$252.77	7.5%	\$235.40	143	7.4%
2018	30	\$32.9M	3.7%	\$1,314,562	\$166.93	-	\$228.81	139	7.3%
2017	46	\$71.6M	5.7%	\$2,558,803	\$243.22	6.2%	\$228.11	139	7.0%
2016	77	\$110.6M	9.2%	\$3,456,556	\$233.26	6.6%	\$225.52	137	6.9%
2015	57	\$132.3M	9.1%	\$2,875,754	\$276.39	6.2%	\$210.35	128	7.0%
2014	35	\$45.9M	4.6%	\$1,836,614	\$198.39	7.9%	\$189.21	115	7.3%
2013	83	\$40.9M	6.2%	\$1,135,326	\$171.50	8.0%	\$166.96	102	7.7%
2012	31	\$51.8M	6.6%	\$1,727,127	\$146.03	8.9%	\$160.64	98	7.9%

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## 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$200.11	165	7.9%
2026	-	-	-	-	-	-	\$200.54	166	7.9%
2025	-	-	-	-	-	-	\$200.78	166	7.8%
2024	-	-	-	-	-	-	\$201.89	167	7.7%
2023	-	-	-	-	-	-	\$207.55	172	7.6%
YTD	4	\$2.5M	0.5%	\$1,240,450	\$393.86	-	\$215.74	178	7.3%
2022	25	\$27M	10.5%	\$1,285,219	\$112.05	-	\$213.35	176	7.3%
2021	37	\$38.7M	6.2%	\$1,334,000	\$297.26	6.0%	\$198.55	164	7.4%
2020	23	\$17.9M	3.6%	\$1,195,360	\$264.95	7.1%	\$178.80	148	7.7%
2019	24	\$33.2M	6.6%	\$1,580,272	\$215.89	7.6%	\$178.19	147	7.7%
2018	23	\$9.6M	3.5%	\$688,780	\$157.14	8.6%	\$172.42	143	7.6%
2017	21	\$11.3M	5.0%	\$754,863	\$106.41	7.7%	\$170.17	141	7.4%
2016	22	\$17.3M	4.9%	\$1,155,148	\$164.07	-	\$165.24	137	7.3%
2015	30	\$30.2M	5.6%	\$1,259,833	\$236.52	6.7%	\$151.35	125	7.5%
2014	14	\$1.7M	1.0%	\$213,175	\$142.25	-	\$135.04	112	7.7%
2013	16	\$11.6M	4.1%	\$893,366	\$136.63	-	\$120.43	100	8.2%
2012	25	\$17.3M	4.4%	\$1,017,158	\$171.28	7.1%	\$115.83	96	8.4%

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