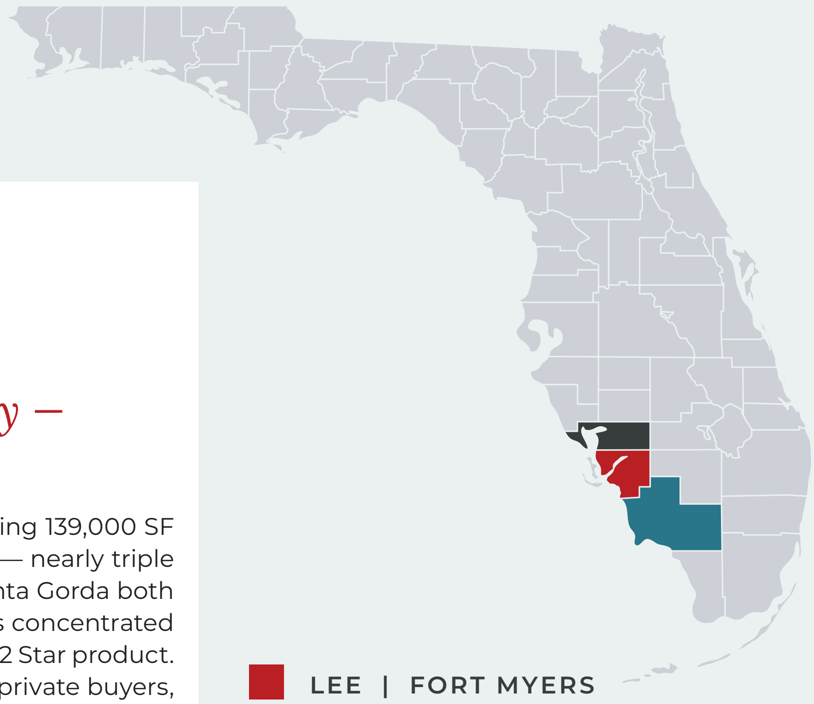
MAYHUGH
COMMERCIAL ADVISORS

SOUTHWEST FLORIDA OFFICE



LEE | FORT MYERS

COLLIER | NAPLES

CHARLOTTE | PUNTA GORDA

MARKET COMMENTARY

SCARCITY IS THE STORY: OFFICE DEFIES THE NATIONAL SCRIPT

While office markets nationally wrestle with elevated vacancy, Southwest Florida's constraint runs the other way — too little space, not too much.

All three county office markets ended Q3 2026 with vacancy below their long-run averages — Fort Myers at 6.0% against a 9.0% historical norm, Naples at 4.2% versus 7.9%, and Punta Gorda at 3.3% versus 7.1%. The reason is supply discipline: the region delivered just 88,000 SF of office space in the past twelve months, and only 109,000 SF is under construction across all three counties — a fraction of historical building levels. In a 37.2 million SF market, that pipeline amounts to a rounding error, and it keeps the floor under occupancy even in quarters when demand softens.

Demand told two different stories this year. Naples was the regional standout, posting 139,000 SF of positive absorption that cut vacancy 1.1 points and powered rent growth of 4.4% — nearly triple the 1.5% national pace — on the region's highest rents at $38/SF. Fort Myers and Punta Gorda both gave back space (-141,000 SF and -23,000 SF respectively), with Fort Myers' softness concentrated at the top of the market: 4 & 5 Star vacancy sits at 10.6% against 4.6% in workhorse 1 & 2 Star product. Capital markets stayed liquid, with $436.2 million trading across 242 deals — led by private buyers, owner-users, and medical office demand — and Naples pricing rose 11.1% year over year to $274/SF.

Our Outlook

FORT MYERS
This year's negative absorption looks cyclical, not structural — with only 93K SF underway, vacancy should hold near 6%. Watch the premium segment: at 10.6% vacancy, 4 & 5 Star space may see concessions before rents reset.

NAPLES
The region's strongest office market should stay that way. Wealth migration, medical, and professional-services demand against a 17K SF pipeline points to continued rent leadership and pricing power.

PUNTA GORDA
A stable, service-driven niche. With nothing under construction and a small base, expect vacancy to stay in the low single digits and small-building owner-user sales to remain the market's engine.

MARKET FUNDAMENTALS

FORT MYERS
Lee County · 22.0M SF

6.0% VACANCY	$28.24 ASKING RENT / SF
(141K) 12-MO NET ABSORPTION SF	93K SF UNDER CONSTRUCTION

The region's largest office base gave back 141K SF this year, nudging vacancy to 6.0%. The softness sits at the top: 4 & 5 Star vacancy is 10.6%, while 1 & 2 Star space remains tight at 4.6%.

NAPLES
Collier County · 11.1M SF

4.2% VACANCY	$38.47 ASKING RENT / SF
139K 12-MO NET ABSORPTION SF	17K SF UNDER CONSTRUCTION

The regional standout: 139K SF of positive absorption cut vacancy to 4.2%, and rents grew 4.4% — nearly triple the national pace — on the region's highest pricing, driven by medical and professional users.

PUNTA GORDA
Charlotte County · 6.7M SF

3.3% VACANCY	$25.69 ASKING RENT / SF
(23.2K) 12-MO NET ABSORPTION SF	0 SF UNDER CONSTRUCTION

A small, stable, service-oriented market. Vacancy of 3.3% sits near historic lows, nothing is under construction, and medical and professional tenants along Tamiami Trail anchor steady demand.

TRI-COUNTY STATS

66.8M
SF TRI-COUNTY INVENTORY

9.1%
BLENDED VACANCY (SF-WEIGHTED)

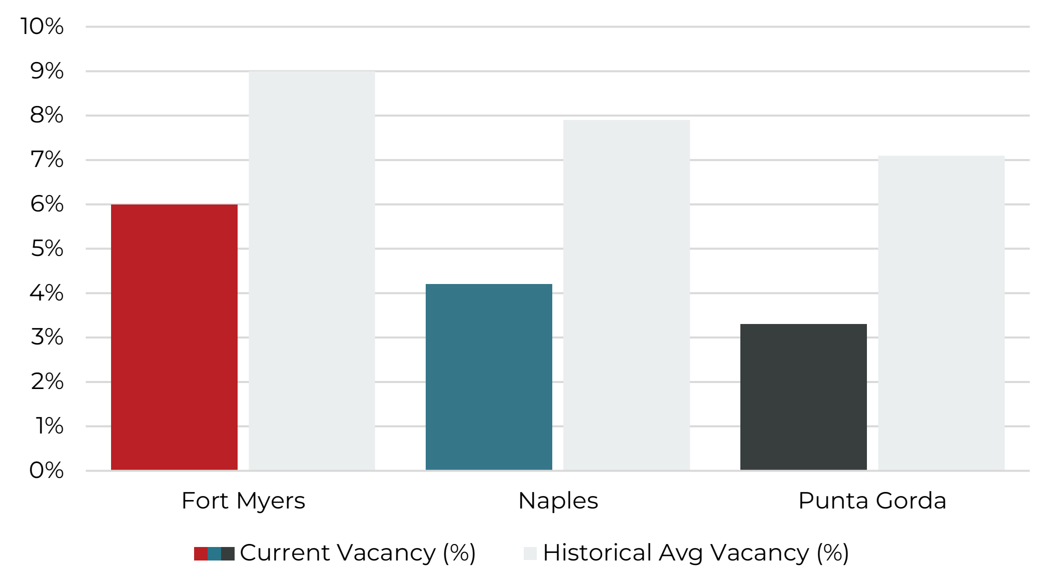
$665.9M
12-MO SALES VOLUME · 300 DEALS

1.79M
SF UNDER CONSTRUCTION

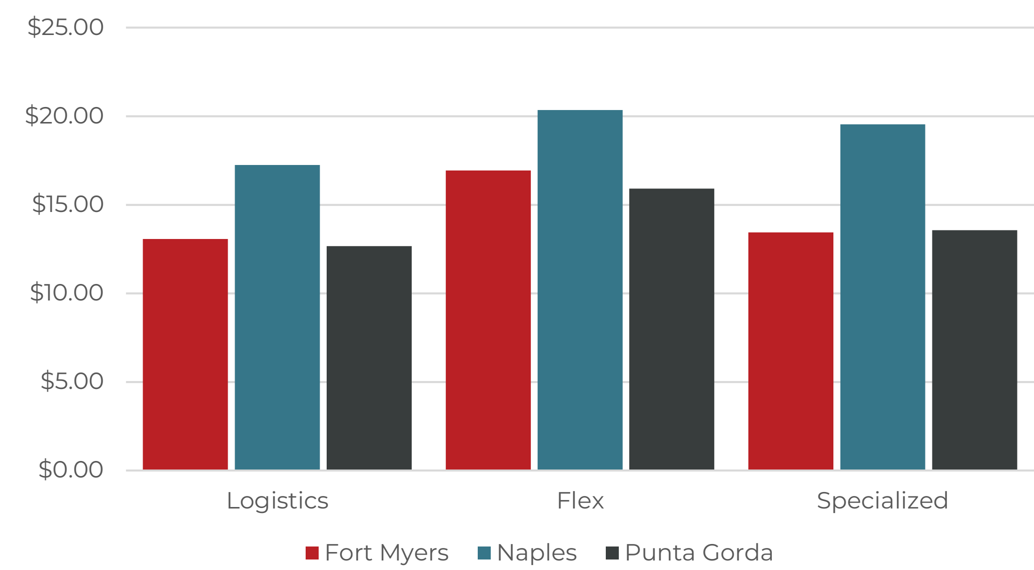
SUPPLY, DEMAND & PRICING

HOW THE MARKETS COMPARE

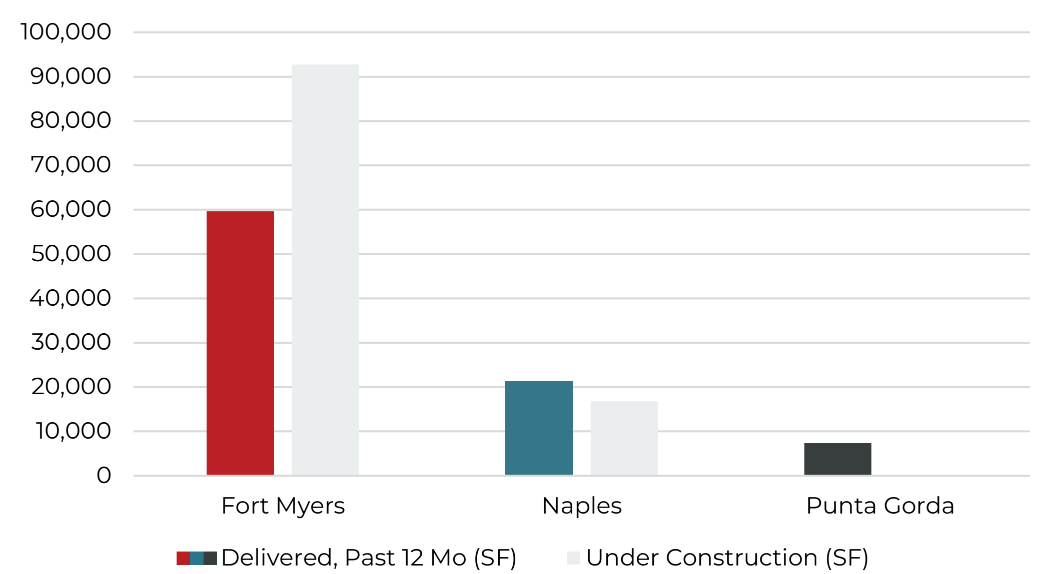
VACANCY VS. HISTORICAL AVERAGE



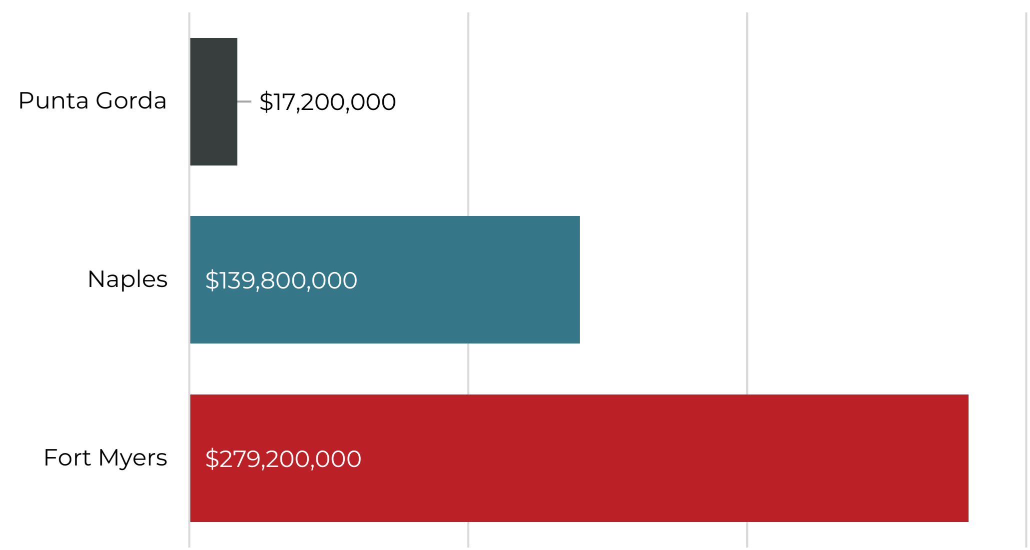
ASKING RENT BY PROPERTY TYPE



CONSTRUCTION PIPELINE



INVESTMENT SALES VOLUME



12-MONTH TRAILING SALES ACTIVITY

TRANSACTION DETAIL

LEE

SALES VOLUME	$279.2M
TRANSACTIONS	142
TRANSACTED SF	1.6M
MARKET PRICE / SF	$207
TOTAL ASSET VALUE	$4.6B

COLLIER

SALES VOLUME	$139.8M
TRANSACTIONS	75
TRANSACTED SF	594K
MARKET PRICE / SF	$274
TOTAL ASSET VALUE	$3.0B

CHARLOTTE

SALES VOLUME	$17.2M
TRANSACTIONS	25
TRANSACTED SF	107K
MARKET PRICE / SF	$186
TOTAL ASSET VALUE	$773M