



Office Market Report

Sarasota - FL (USA)

PREPARED BY



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OFFICE MARKET REPORT

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12 Mo Deliveries in SF

238K

12 Mo Net Absorption in SF

(16K)

Vacancy Rate

4.4%

Market Asking Rent Growth

4.1%

The Sarasota office market is the largest of the Southwest Florida markets, with over 28 million SF of inventory. While the region has been somewhat insulated from many of the macro headwinds other U.S. office markets have been experiencing, this dynamic has begun shifting in recent quarters.

Vacancy has increased by 0.8% over in the trailing 12-month period as more office tenants have moved out of their spaces than have moved in. That being said, Sarasota still boasts one of the lowest office vacancy rates in Florida, with a vacancy rate of 4.4% as of the first quarter of 2024. The recent rise in vacancy is due to the market recording four consecutive quarters of negative absorption during 2023, bringing the trailing 12-month absorption rate to -16,000 SF, with some strengthening taking place during 24Q1.

New office construction plays a limited role in the Sarasota office market, with the bulk of new deliveries comprised of medical office space. Roughly 210,000 SF of new space has delivered over the past year and the current development pipeline is slight with only 57,000

SF is under construction. The near term pipeline is also likely to remain limited to medical office as it commands higher average asking rents that can support new speculative office construction.

Asking rent growth has decelerated over the past several quarters, down from a peak of 10% at the tail end of 2022 to 4.1% as of the first quarter of 2024. This is due to rising vacancy levels and the general softening of Sarasota's office market over the past year. Asking rent growth is forecast to continue to decline over the coming quarters, moving closer to 1% on an annual basis by the fourth quarter of this year.

Unlike other areas on the Gulf Coast of Florida, office investment has stayed relatively stable, with \$171 million in properties trading hands in the last year. The region itself has recorded a quarterly sales volume north of \$40 million for 11 consecutive quarters. This is likely due to the high concentration of private buyers, which typically are less impacted by interest rate volatility than institutional capital.

KEY INDICATORS

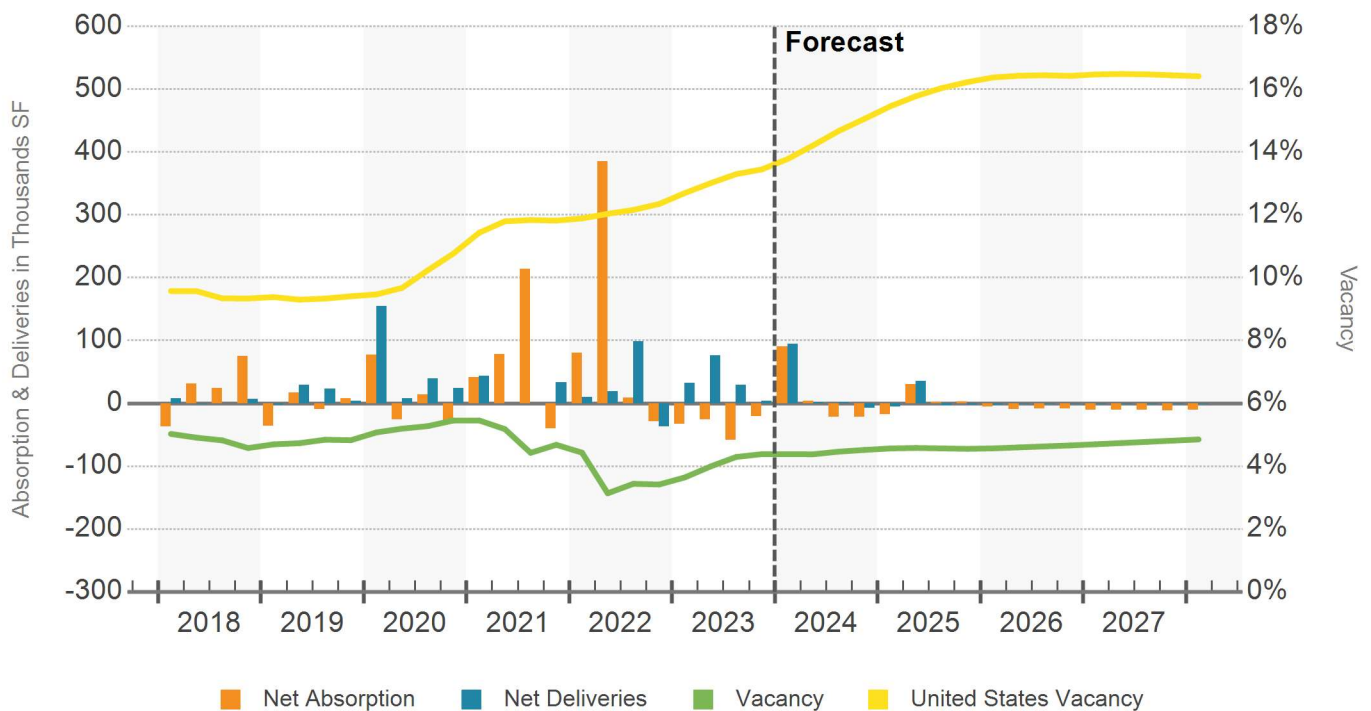
Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	4,073,495	7.4%	\$33.02	8.0%	27,394	42,480	40,000
3 Star	12,905,676	4.5%	\$29.77	6.0%	21,486	52,093	9,000
1 & 2 Star	11,636,171	3.2%	\$26.71	4.1%	47,896	0	8,370
Market	28,615,342	4.4%	\$28.99	5.5%	96,776	94,573	57,370
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.8%	6.9%	4.7%	11.7%	2011 Q4	2.7%	2000 Q2
Net Absorption SF	(16K)	348,315	(17,648)	1,805,902	2007 Q1	(353,704)	2010 Q1
Deliveries SF	238K	396,722	56,168	1,320,270	2006 Q3	4,500	2014 Q3
Market Asking Rent Growth	4.1%	2.1%	0.7%	11.4%	2007 Q2	-11.4%	2009 Q2
Sales Volume	\$160M	\$126.4M	N/A	\$363.5M	2021 Q4	\$0	2001 Q4

The Sarasota office market remains one of the tightest in Florida, with a vacancy rate of just 4.4% as of the first quarter of 2024. Vacancy has remained largely stable in the last 12 months, rising by only 0.8% as the amount of space occupied has largely held steady with the amount of space vacated in that period. Four consecutive quarters of negative absorption during 2023 have brought the 12-month net absorption rate to -16,000 SF, with some strengthening taking place during 24Q1. In fact, 2023 was the worst year for office demand in the

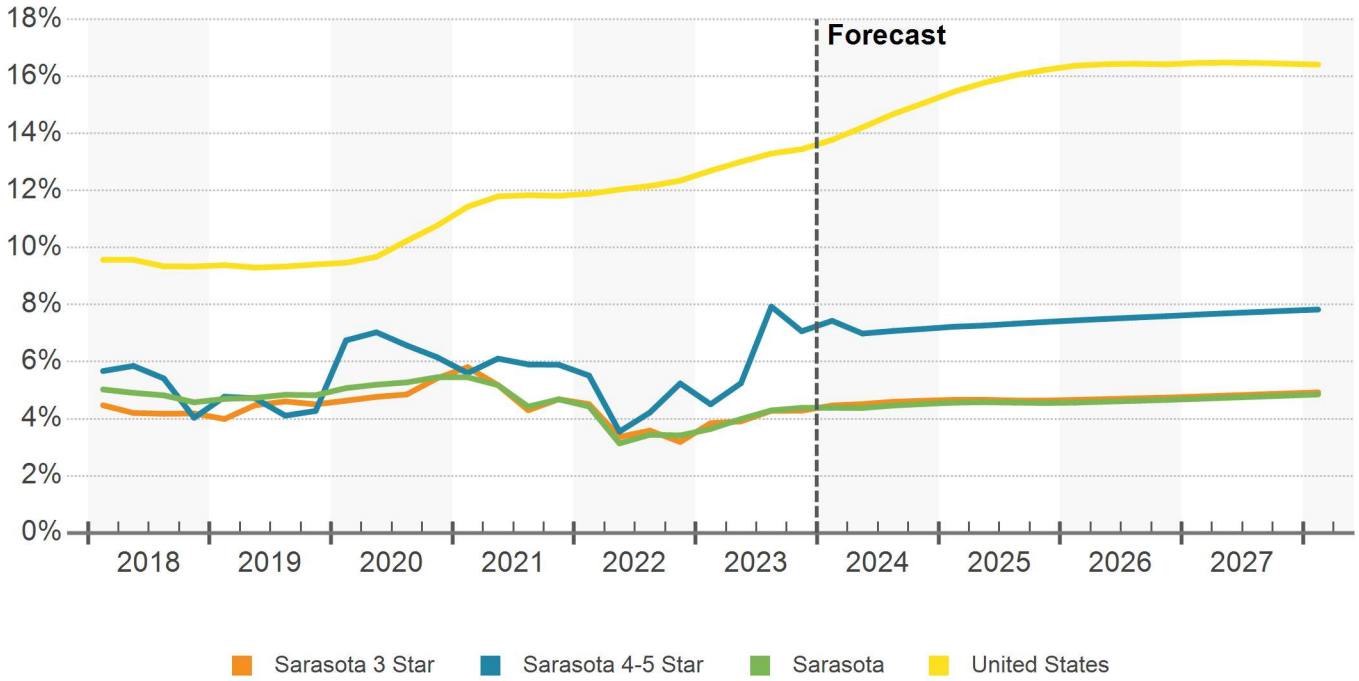
last decade.

In addition to negative absorption, office leasing activity has been slowing over the past year. The market recorded roughly 730,000 SF in leasing volume in 2023. In comparison, the market recorded roughly 1.1 million SF leasing activity in 2022. The average deal size has retreated as well, declining from 2,650 SF during 2022 to 1,890 SF during 2023.

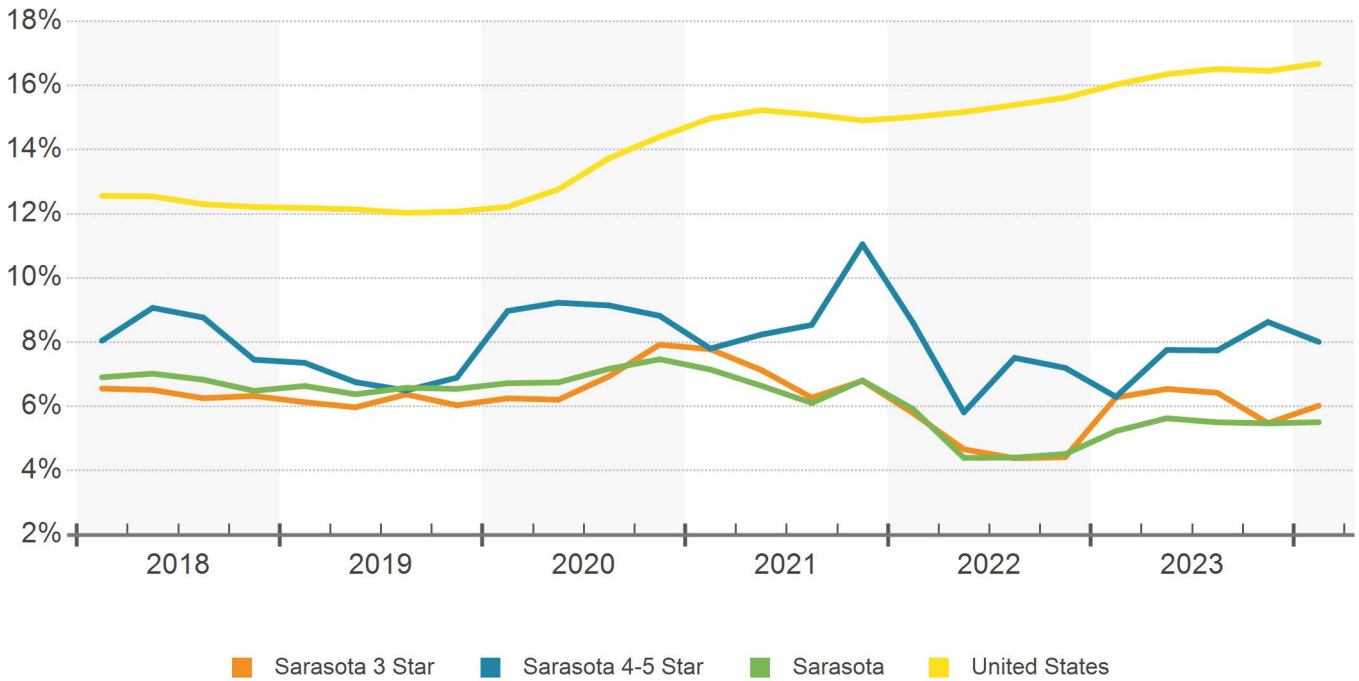
NET ABSORPTION, NET DELIVERIES & VACANCY



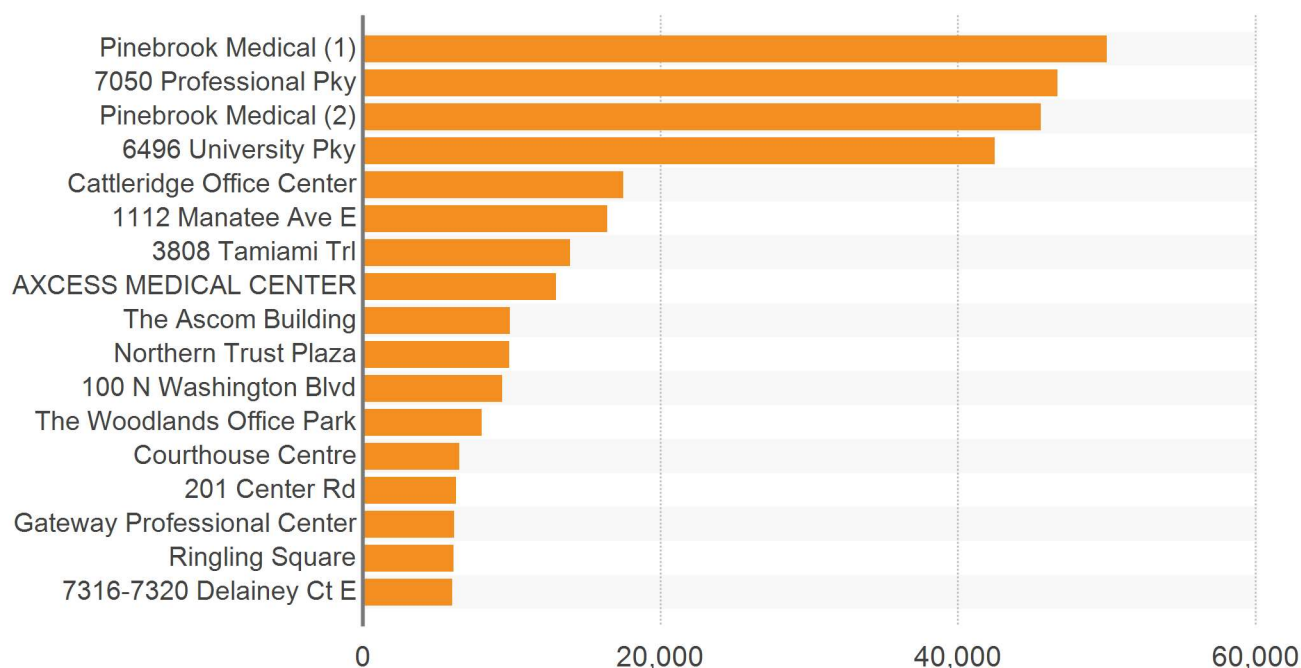
VACANCY RATE



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
Pinebrook Medical (1)	Sarasota	50,000	0	0	0	0	0	50,000
7050 Professional Pky	Sarasota	46,693	0	46,693	0	0	0	46,693
Pinebrook Medical (2)	Sarasota	50,000	4,418	0	0	0	0	45,582
6496 University Pky	Sarasota	42,480	0	42,480	0	0	0	42,480
Cattleridge Office Center	Sarasota	31,552	0	17,500	0	0	0	17,500
1112 Manatee Ave E	Manatee	27,084	10,660	16,424	0	0	0	16,424
3808 Tamiami Trl	Sarasota	13,942	0	0	0	0	0	13,942
AXCESS MEDICAL CENTER	Manatee	18,252	0	0	0	0	0	13,000
The Ascom Building	Manatee Outlying	18,524	4,771	0	0	0	0	9,885
Northern Trust Plaza	Sarasota	109,972	3,746	0	0	0	0	9,862
100 N Washington Blvd	Sarasota	9,357	0	0	0	0	0	9,357
The Woodlands Office Park	Sarasota Outlying	14,617	6,617	0	0	0	0	8,000
Courthouse Centre	Sarasota	303,808	0	1,277	0	0	0	6,510
201 Center Rd	Sarasota	15,774	0	0	0	0	0	6,268
Gateway Professional Center	Sarasota	66,110	4,459	(4,459)	0	0	0	6,170
Ringling Square	Sarasota	53,835	0	0	0	0	0	6,112
7316-7320 Delainey Ct E	Sarasota	6,000	0	0	0	0	0	6,000
Subtotal Primary Competitors		878,000	34,671	119,915	0	0	0	313,785
Remaining Sarasota Market		27,737,342	1,213,147	(23,139)	0	0	0	(329,737)
Total Sarasota Market		28,615,342	1,247,818	96,776	0	0	0	(15,952)

TOP OFFICE LEASES PAST 12 MONTHS

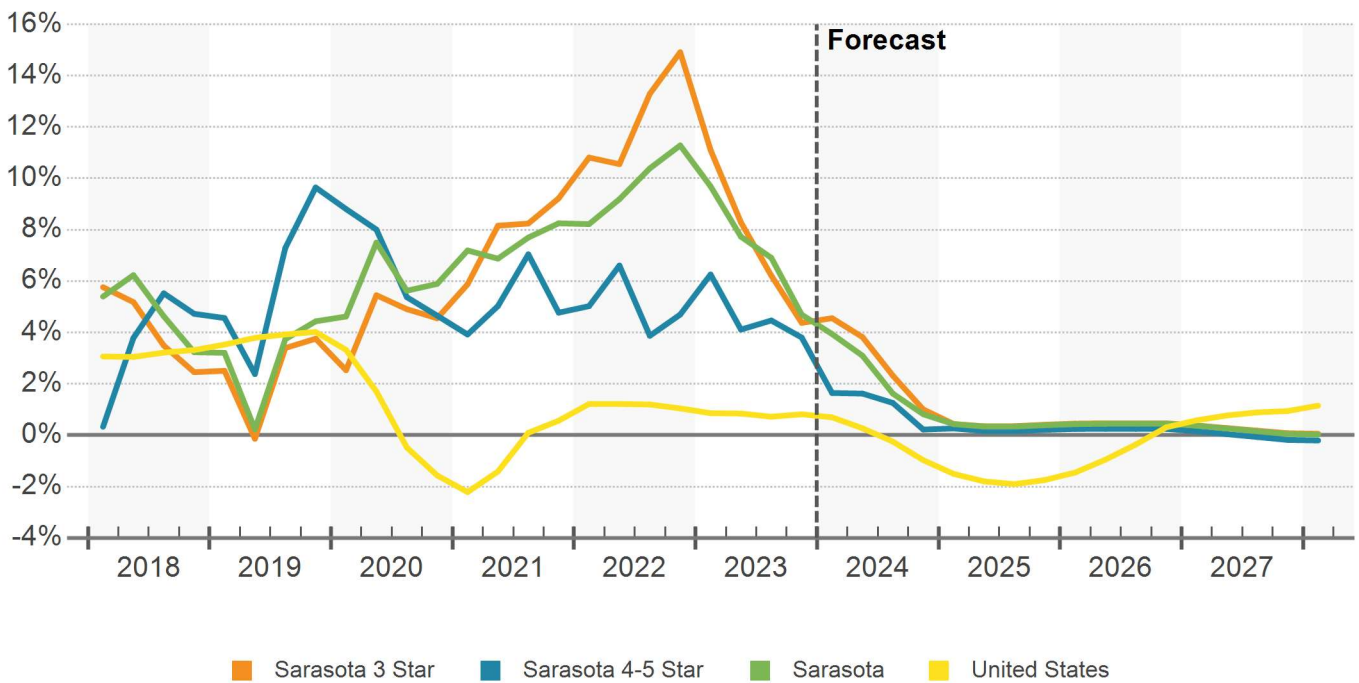
Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
7050 Professional Pky	Sarasota	46,693	Q1 24	CACI	JLL	Starling Realty, Inc.
Sarasota Commerce Center II *	Sarasota	28,390	Q3 23	Universal North America	JLL	Ian Black Real Estate
GulfCoast Corporate Park	Manatee	11,000	Q2 23	-	-	Clayton World LLC
Bradenton Financial Center	Manatee	10,443	Q3 23	Verisk Analytics	Savills	NDC Commercial Real...
Sarasota City Center - North Tower	Sarasota	10,348	Q1 24	-	-	Feldman Equities, LLC.
Pen West Park	Sarasota	10,110	Q2 23	-	-	Harry E. Robbins Asso...
Pen West Park	Sarasota	10,000	Q4 23	Pellegrino & McFarland P.A.	-	-
9040 Town Center Pky	Manatee Outlying	9,996	Q3 23	CAN Community Health	-	Michael Saunders & Co...
Northern Trust Plaza *	Sarasota	8,321	Q4 23	Spectrum	-	-
Center Pointe Bldg	Sarasota	7,263	Q3 23	-	-	Harry E. Robbins Asso...
KIWI	Sarasota	7,037	Q3 23	-	-	SVN Commercial Advi...
Sarasota City Center - North Tower	Sarasota	6,719	Q3 23	Wells Fargo	JLL	Feldman Equities, LLC.
2163 Main St	Sarasota	6,000	Q2 23	-	-	Preferred Shore Comm...
Sarasota Commerce Center II	Sarasota	5,908	Q4 23	-	-	Ian Black Real Estate
1570 Boulevard Of The Arts	Sarasota	5,116	Q4 23	-	-	Harry E. Robbins Asso...
Gateway Professional Center	Sarasota	5,000	Q2 23	Crown Castle, Inc	-	-
Bradenton Professional Center	Manatee	4,568	Q4 23	-	-	SVN Commercial Advi...
200 Nokomis Ave S	Sarasota	4,434	Q3 23	YMCS of Southwest Flori...	-	Michael Saunders & Co...
Plaza At Palmer Ranch *	Sarasota	4,374	Q3 23	Cadence Bank	Gulf Coast Commer...	-
3000 Bee Ridge Rd	Sarasota	4,341	Q4 23	One Extra Degree	-	Colliers
Cattleridge Office Center	Sarasota	4,190	Q1 23	-	-	SVN Commercial Advi...
Royal Palm Square	Manatee	3,900	Q2 23	-	-	Wyman, Green & Blalo...
6127-6145 26th St W	Manatee	3,845	Q1 24	-	-	SVN Commercial Advi...
The Spector Building	Sarasota	3,839	Q2 23	-	-	Harry E. Robbins Asso...
Energy Court Center	Sarasota	3,773	Q4 23	-	-	Michael Saunders & Co...
Waterside Place	Sarasota	3,500	Q2 23	Envision Plastic and Reco...	-	-
6561 Palmer Park Cir	Sarasota	3,500	Q3 23	-	-	Harshman & Company
1543-1547 Main St	Sarasota	3,386	Q2 23	Trusted Wellness LLC	Coldwell Banker Co...	-
Galleria Plaza	Sarasota Outlying	3,300	Q3 23	VIP Care	Colliers	Merritt Realty Corporation
Lakewood Ranch Medical Office Build	Manatee Outlying	3,298	Q4 23	Wright Spellman Plastic S...	-	-
Pen West Park	Sarasota	3,225	Q3 23	-	-	Harry E. Robbins Asso...
1222 36th Ave	Manatee	3,200	Q1 24	-	-	Sun Bay Properties, Inc
1371 Boulevard of the Arts	Sarasota	3,167	Q2 23	-	-	Ian Black Real Estate
Sunrise Office Park	Sarasota	3,152	Q4 23	-	-	Hembree & Associates,...
Sarasota City Center - North Tower	Sarasota	3,130	Q2 23	Community Foundation of...	-	Michael Saunders & Co...
4440 & 4442 5th St W	Manatee	3,109	Q2 23	-	-	Ian Black Real Estate
Center Pointe Bldg	Sarasota	3,106	Q3 23	-	-	Harry E. Robbins Asso...
Lakewood Ranch Corporate Park	Sarasota	3,072	Q4 23	-	-	Ian Black Real Estate
1303 Us-301	Manatee	3,065	Q3 23	-	-	American Property Gro...
PJ II Office Center	Sarasota	3,040	Q2 23	N/A	-	RE/MAX Alliance Group

Renewal

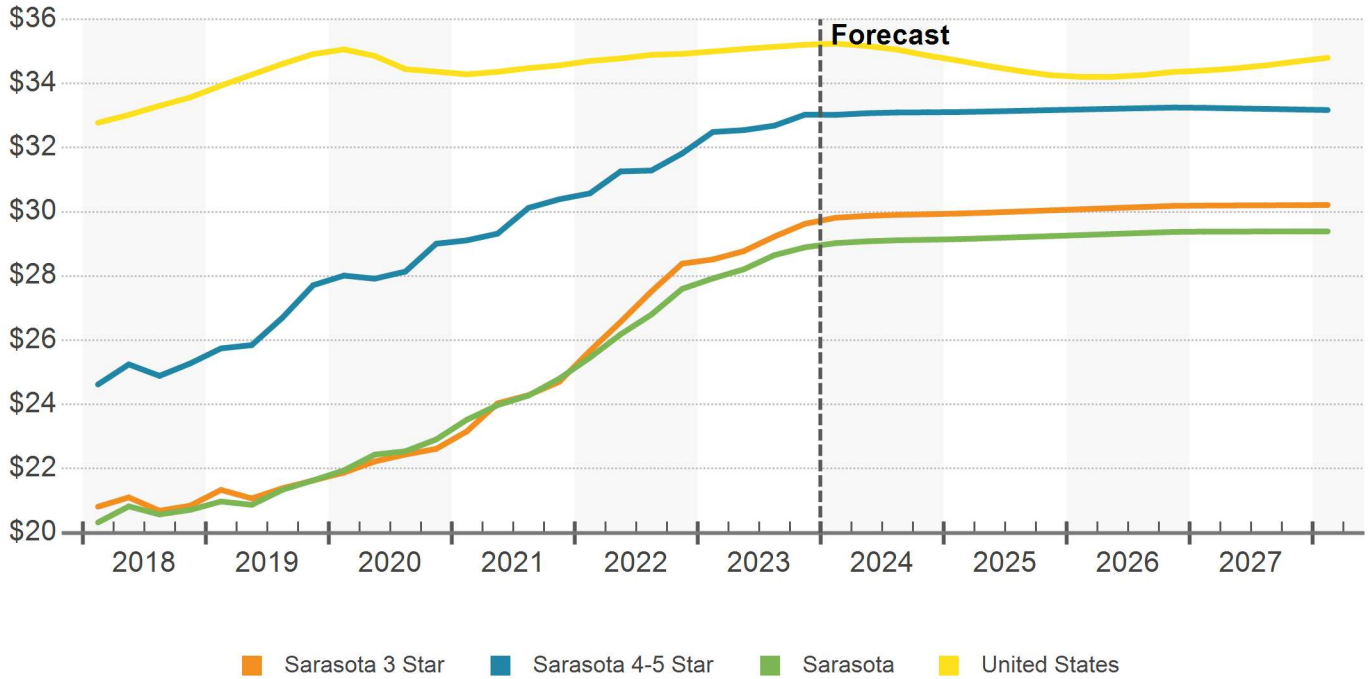
Asking rent growth has been steadily decelerating over the past year, down more than 500 basis points in that time to an annual pace of 4.1% as of the first quarter of 2024. Sarasota is one of the more affordable and desirable office markets in the southern half Florida, with an average asking rent of \$29.00/SF compared to more than \$33.00/SF in Naples and nearly \$50.00/SF in Miami. Overall, asking rents here are in line with those in Tampa and Orlando, but notably higher than in nearby Fort Myers where asking rents are closer to \$25.00/SF.

Looking ahead, the pace of rent growth is expected to continue moving downward over the course of 2024, declining to closer to 1% on annual basis by the end of the year with very limited opportunity to push rents in the near term given very mild expected levels of demand. While rent growth may well plateau beginning in 2025, longer-term leasing fundamentals in Sarasota remain sound with office medical space expected to garner the lion's share of deal activity in the next year.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Sarasota	\$0.55	\$1.68	\$1	\$2.66	\$5.28	\$11.17
Sarasota/Bradenton	\$0.55	\$1.68	\$1	\$2.66	\$5.28	\$11.17

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
Sarasota	\$0.51	\$1.15	\$0.90	\$2.81	\$4.60	\$9.97
Sarasota/Bradenton	\$0.51	\$1.15	\$0.90	\$2.81	\$4.60	\$9.97

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
Sarasota	\$0.49	\$0.89	\$0.68	\$2.72	\$3.05	\$7.83
Sarasota/Bradenton	\$0.49	\$0.89	\$0.68	\$2.72	\$3.05	\$7.83

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

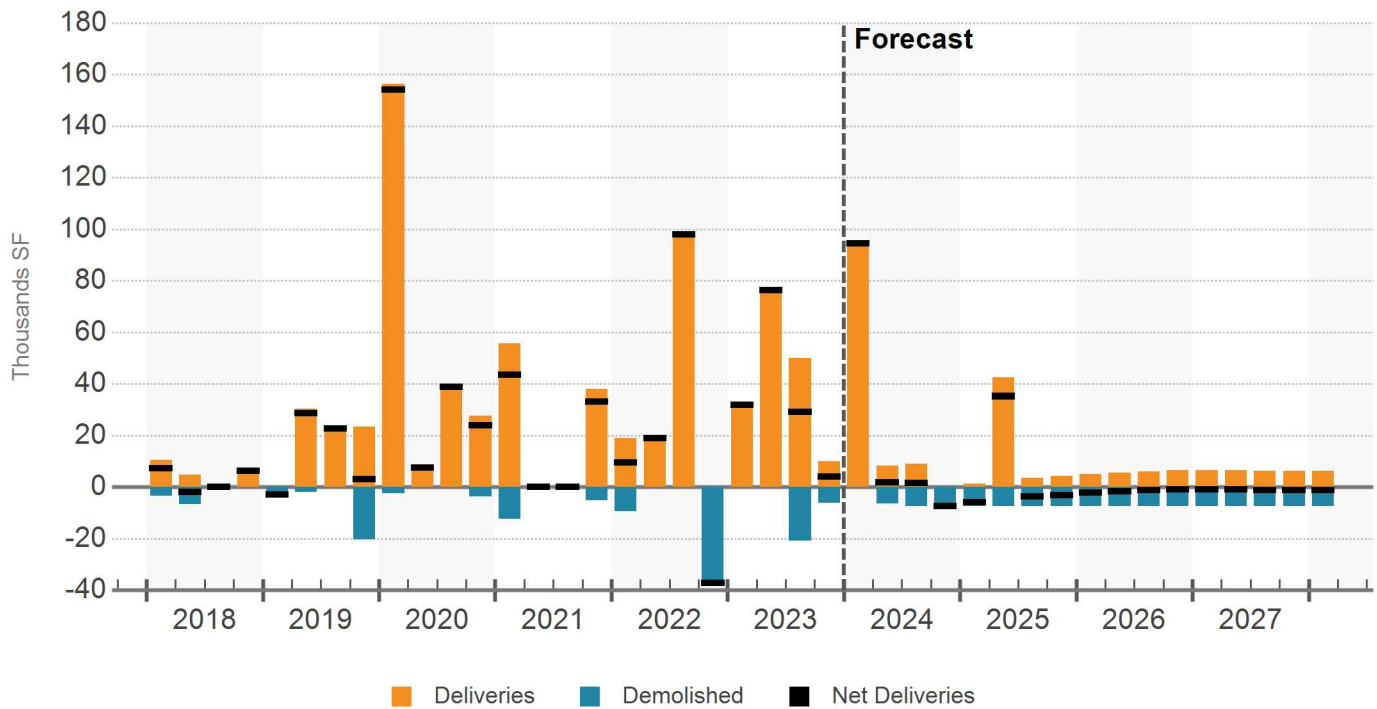
While new office construction has been a consistent factor in the Sarasota market for much of the past five years, traditional office construction plays a limited role here. Of the roughly 210,000 SF that has delivered in the trailing 12-month period, approximately 70% was comprised of medical office buildings with significant preleasing. Construction starts picked up in 2023, rising significantly over the previous year but still restricted to less than 100,000 SF in total.

Two new buildings completed in May 2023 in Sarasota's Pinebrook Medical development represent the largest

new space deliveries in the last year. While together they total 100,000 SF, collectively they have only 4,400 SF of office space still available as leasing efforts began securing tenants in July 2021. Also noteworthy was CACI's January 2024 lease of a 46,693-SF office building in Lakewood Ranch.

The near term development pipeline for traditional office space is likely to remain very limited given the current cost of construction and limited opportunity to grow rents in the next couple of years.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

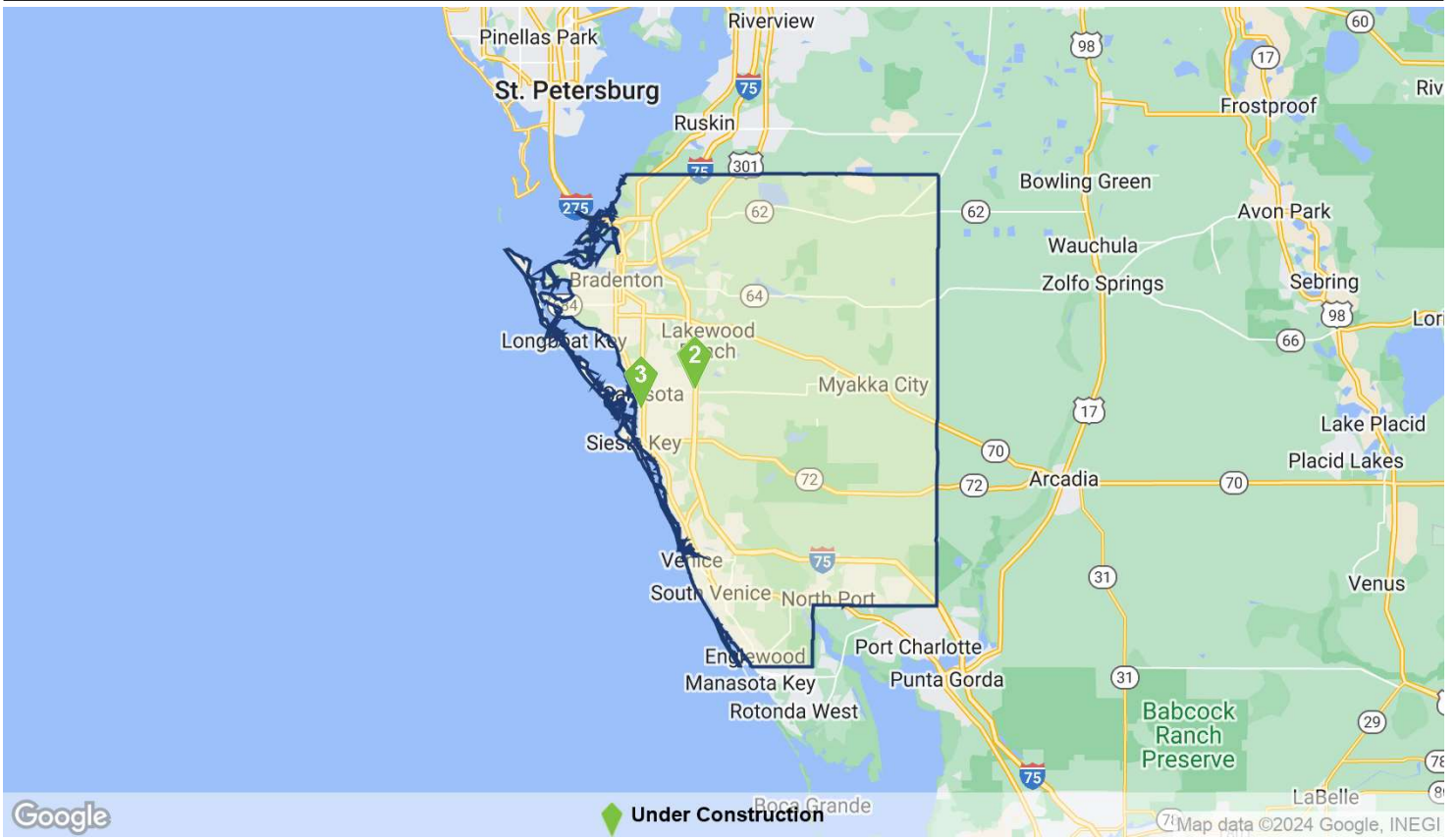
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Sarasota	3	57	57	100%	1	11,645	19,123	1
2	Manatee	0	-	-	-	-	8,601	-	-
3	Manatee Outlying	0	-	-	-	-	13,691	-	-
4	Sarasota Outlying	0	-	-	-	-	5,751	-	-
Totals		3	57	57	100%		10,194	19,123	

Under Construction Properties

Sarasota Office

Properties	Square Feet	Percent of Inventory	Released
3	57,370	0.2%	100%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

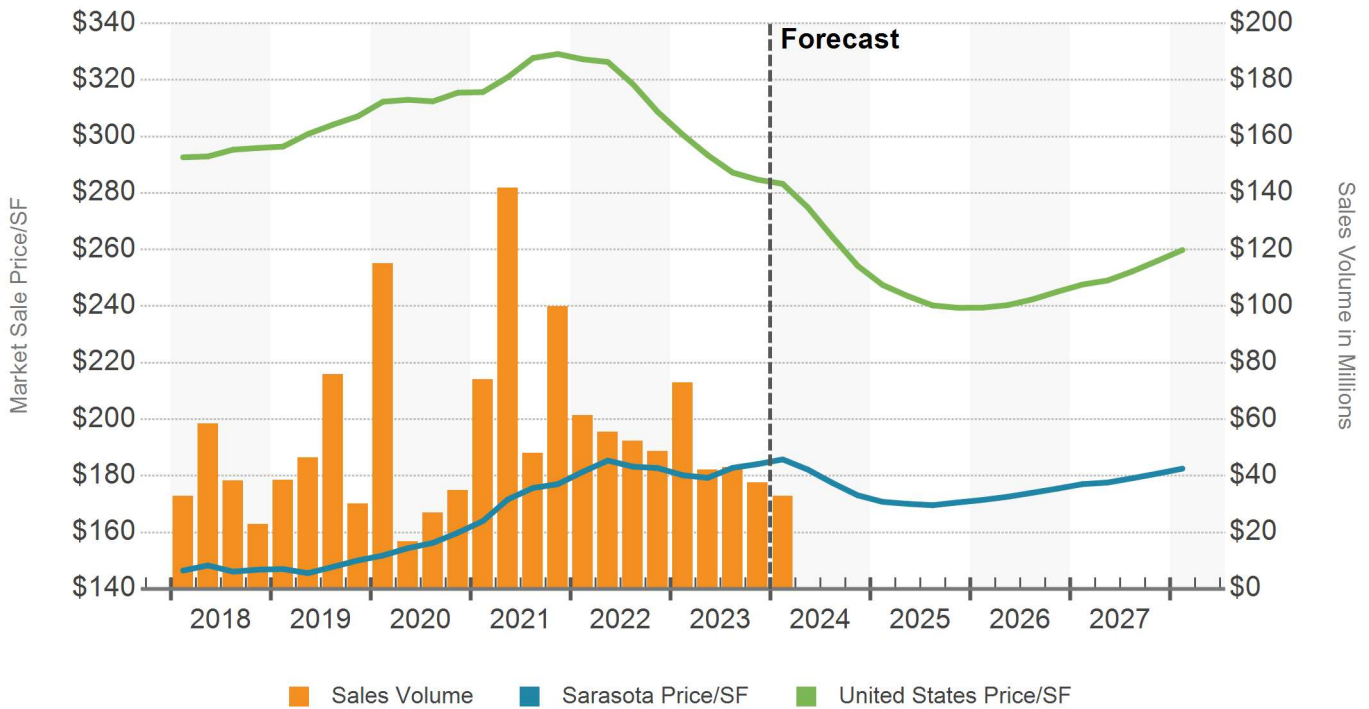
Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Office Building 1 Fruitville Rd	★★★★☆	40,000	-	Jan 2024	Mar 2025	- Bisaha Homes and Development
2 Building I 3075 Fruitville Commons...	★★★★☆	9,000	1	Feb 2024	Aug 2024	- Levine Veterinary Neurology
3 2365-2375 S Tamiami Trl	★★★☆☆	8,370	3	Mar 2023	Apr 2024	- -

Investor appetite for office space has remained consistent over the past few years, with the market maintaining over \$40 million in quarterly sales volume for 12 straight quarters. There has been \$171 million in total sales volume over the trailing 12-month period derived from 160 transactions, with the average property trading for \$1.2 million. Looking over a longer time horizon, private buyers have comprised 65% of sales volume and 70% of all office sales in the last five years. While this investor pool is not completely immune to interest rate volatility, they are certainly less impacted than institutional capital.

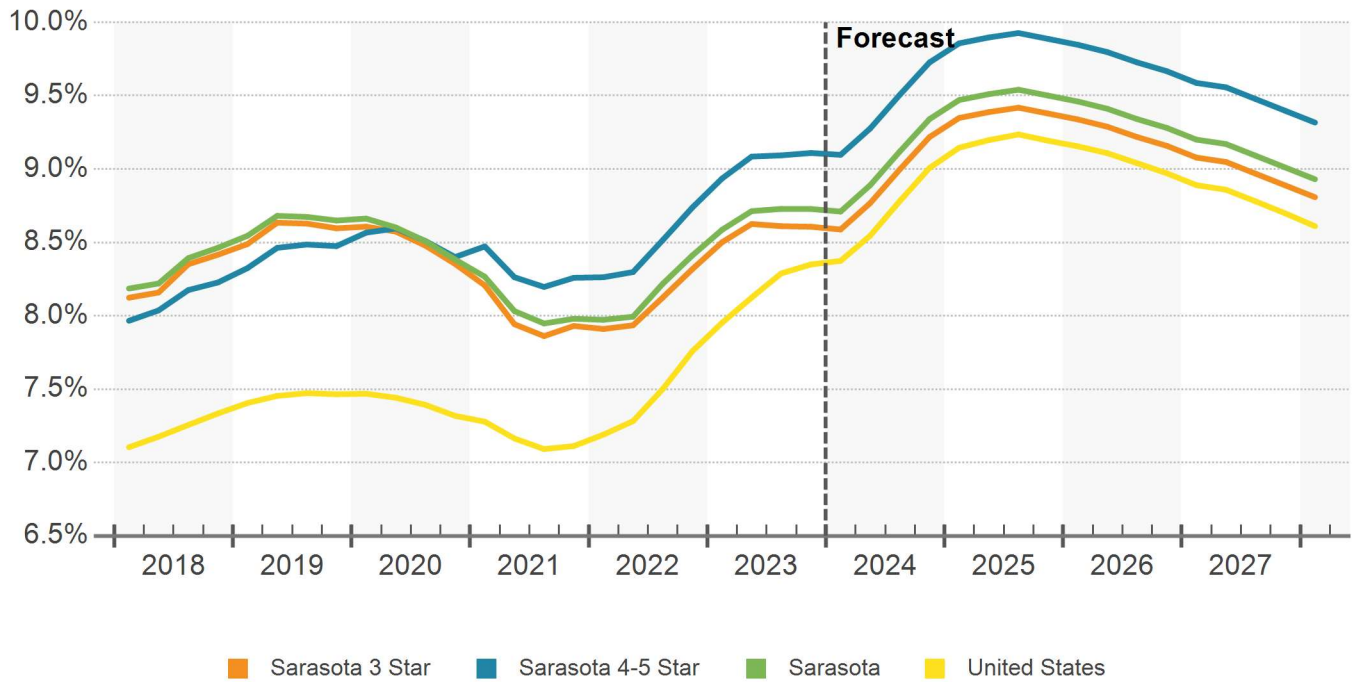
Sales volume in the last year is down more than 40%

over the year prior due in large part to a 25% decline in the number of transactions, but both the average sale price and the market price/SF have risen. The bid-ask spread also mirrors Sarasota's multifamily sector, with sales closing for approximately 7% less than their asking price. In the largest single transaction in the past year, private buyer D.R. Horton closed on the acquisition of the 44,000-SF East Building in Sarasota's University Professional Park in July 2023 for \$15.5 million. The seller was locally based user Prologix, which had marketed the property for \$16.9 million. D.R. Horton had been occupying roughly half of the building, and closed on the building with a bid-ask spread of about 8%.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Sarasota Office

Sale Comparables

160

Avg. Cap Rate

7.3%

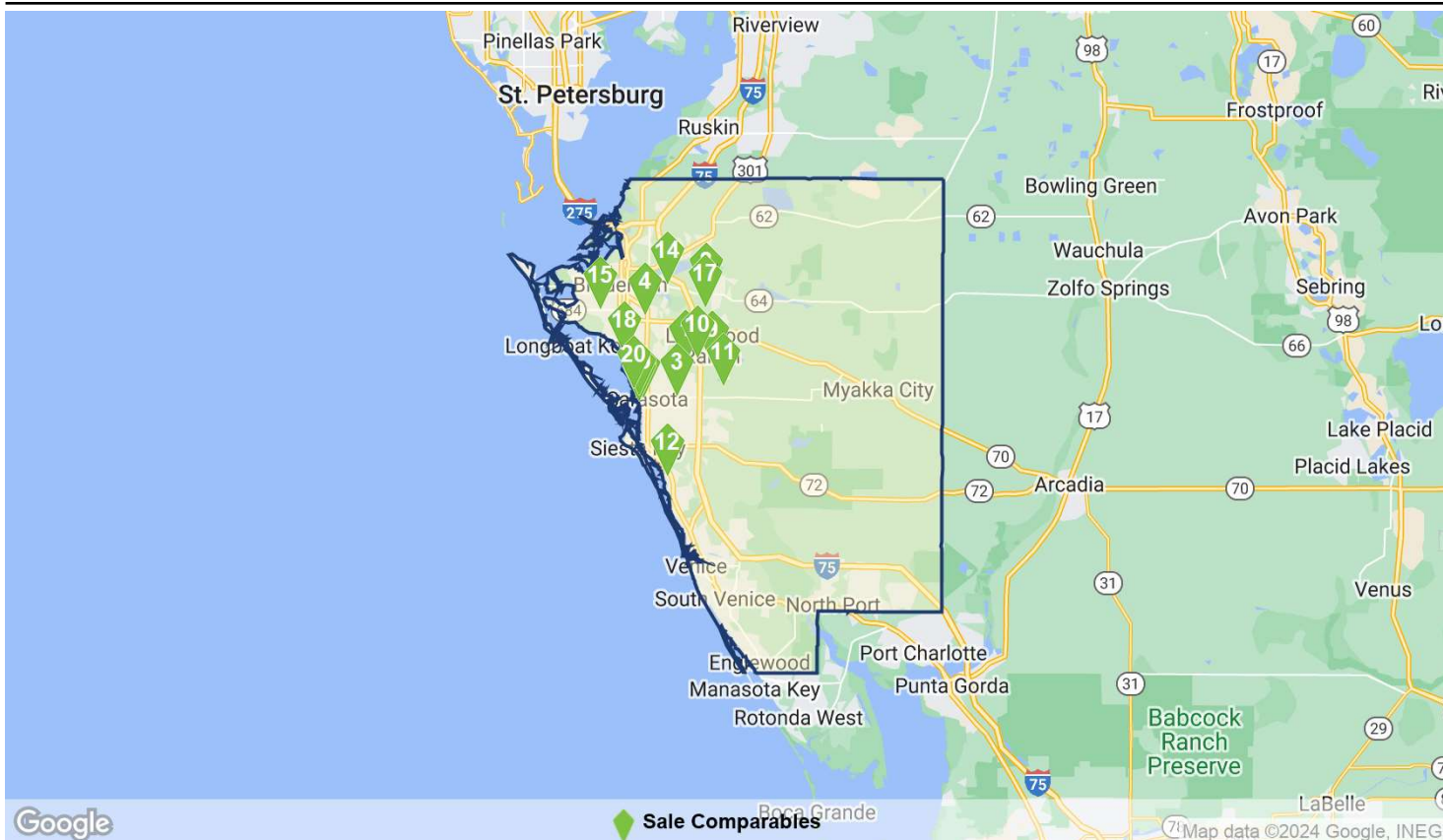
Avg. Price/SF

\$234

Avg. Vacancy At Sale

5.1%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$75,600	\$2,009,663	\$740,000	\$15,500,000
Price/SF	\$14	\$234	\$238	\$1,387
Cap Rate	6.3%	7.3%	7.3%	8.2%
Time Since Sale in Months	0.1	6.6	6.8	12.0
Property Attributes	Low	Average	Median	High
Building SF	832	9,564	3,892	61,650
Stories	1	1	1	3
Typical Floor SF	563	6,353	3,500	46,026
Vacancy Rate At Sale	0%	5.1%	0%	100%
Year Built	1880	1977	1978	2014
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.3	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Sarasota Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 East Building 5901 N Honore Ave	★★★★★	2008	44,000	0%	7/31/2023	\$15,500,000	\$352	-
2 200 Orange Ave	★★★★★	1973	46,407	0%	5/24/2023	\$14,389,480	\$310	-
3 4440 Fruitville Rd	★★★★★	2003	23,192	0%	3/8/2024	\$12,000,000	\$517	-
4 Goodwill Corporate Offic... 2703 51st Ave E	★★★★★	2014	28,797	0%	12/27/2023	\$6,110,575	\$212	-
5 100 S Washington Blvd	★★★★★	1955	11,035	0%	12/21/2023	\$6,000,000	\$544	-
6 300 S Orange Ave	★★★★★	1955	4,308	0%	5/24/2023	\$5,974,045	\$1,387	-
7 5413 Sr-64 E	★★★★★	2003	46,026	0%	1/19/2024	\$5,535,219	\$120	-
8 1917 Worth Ct	★★★★★	2008	11,220	0%	11/24/2023	\$5,500,000	\$490	-
9 7349 Merchant Ct	★★★★★	2001	12,187	0%	4/25/2023	\$4,650,000	\$382	-
10 6015 Resource Ln	★★★★★	1999	21,212	0%	7/14/2023	\$4,410,000	\$208	7.3%
11 1301 Sarasota Center Blvd	★★★★★	2008	16,061	100%	3/31/2023	\$3,800,000	\$237	-
12 8660 S Tamiami Trl	★★★★★	1972	14,200	0%	1/5/2024	\$3,500,000	\$246	-
13 Swift Center 630 S Orange Ave	★★★★★	1977	15,000	0%	8/1/2023	\$3,400,000	\$227	-
14 5413 E State Road 64	★★★★★	-	39,000	0%	1/19/2024	\$3,264,781	\$84	-
15 3647 Cortez Rd	★★★★★	1986	20,806	0%	10/2/2023	\$3,250,000	\$156	7.7%
16 Bldg B 10920 Technology Ter	★★★★★	2008	7,600	0%	8/18/2023	\$2,880,017	\$379	-
17 Bldg A 10910 Technology Ter	★★★★★	2008	9,100	0%	8/18/2023	\$2,619,983	\$288	-
18 Atrium Office Complex 8051 N Tamiami Trl	★★★★★	1985	17,446	0%	11/30/2023	\$2,425,000	\$139	-
19 1551 2nd St	★★★★★	1969	5,190	0%	7/7/2023	\$2,150,000	\$414	-
20 1161 Tamiami Trl	★★★★★	1985	3,141	0%	1/16/2024	\$1,900,000	\$605	-

The Sarasota metro area economy, which encompasses Sarasota and Manatee Counties, is the largest of the Southwest Florida markets. Gains in jobs, population, and home values are among the highest in the nation. At the same time, quality-of-life draws — warm weather and no income tax — carry more weight in an increasingly mobile workforce. Oxford Economics projects that the area's economy will grow by an average of roughly 2.1% between 2024 and 2028, representing a stronger growth outlook than that for the U.S. at large during the same period. In the meantime, the metro economy generated GDP of nearly \$50 billion during 2022, largely driven by the finance & real estate and wholesale & retail sectors.

The surge in new residents after the onset of the recent pandemic helped fuel the region's job market, although the rate of population growth is slowing from earlier record highs. The rate of employment growth has also been declining over the last few years, moving from 4.9% during 2021 to 2.7% during 2023, however the unemployment rate also declined by approximately 100 basis points over the same period. For the period between 2024 and 2028, forecasted employment growth

is in the neighborhood of 0.7% annually, with the education & health services and professional services sectors expected to be the main sources of job creation.

The flood of new residents has also fueled an acceleration in home prices. According to the Federal Housing Finance Agency, the Sarasota area is also ranked in the top U.S. markets for total house price growth since 2019, coming in second behind Knoxville and one spot ahead of Tampa.

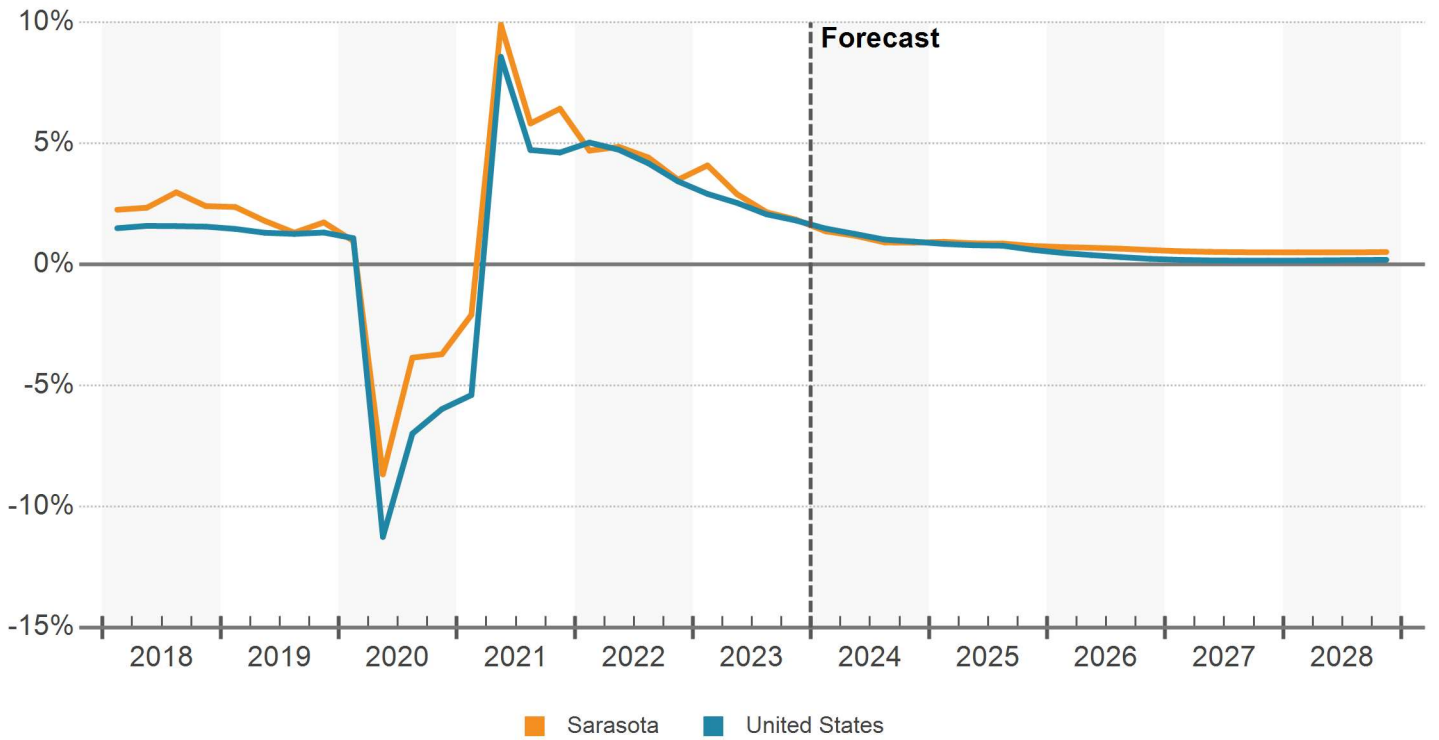
The Sarasota metro area has long been a tourist destination on Florida's Gulf Coast with award winning beaches, golf courses, museums, and ample shopping hot spots. There are several large private and public headquarters and employers located in the Sarasota metro area, including the corporate headquarters of Bealls, Tropicana, which was founded in Sarasota, and PGT Industries, a manufacturer of windows and doors. There is also a large focus on medical office and healthcare in the region due to over 30% of the metropolitan area's population aged 65 and above, which provides ample opportunities for a strong healthcare sector.

SARASOTA 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	19	0.7	1.66%	0.04%	2.48%	0.71%	0.31%	0.14%
Trade, Transportation and Utilities	65	1.0	0.81%	0.11%	2.26%	1.05%	0.27%	0.15%
Retail Trade	46	1.4	0.64%	-0.09%	1.59%	0.20%	0.19%	0.13%
Financial Activities	18	0.9	-0.17%	0.62%	2.31%	1.45%	0.18%	0.18%
Government	27	0.5	4.08%	2.50%	0.20%	0.54%	0.45%	0.35%
Natural Resources, Mining and Construction	31	1.7	5.26%	2.30%	5.75%	2.40%	0.77%	0.27%
Education and Health Services	63	1.1	3.17%	3.62%	2.99%	1.98%	0.71%	0.65%
Professional and Business Services	46	0.9	0.48%	0.76%	2.92%	1.99%	1.50%	0.49%
Information	4	0.6	-2.52%	-2.08%	2.27%	1.09%	0.32%	0.24%
Leisure and Hospitality	49	1.4	-1.22%	2.72%	2.55%	1.52%	0.69%	0.73%
Other Services	15	1.2	0.27%	1.62%	2.39%	0.66%	0.39%	0.28%
Total Employment	338	1.0	1.47%	1.55%	2.64%	1.35%	0.65%	0.39%

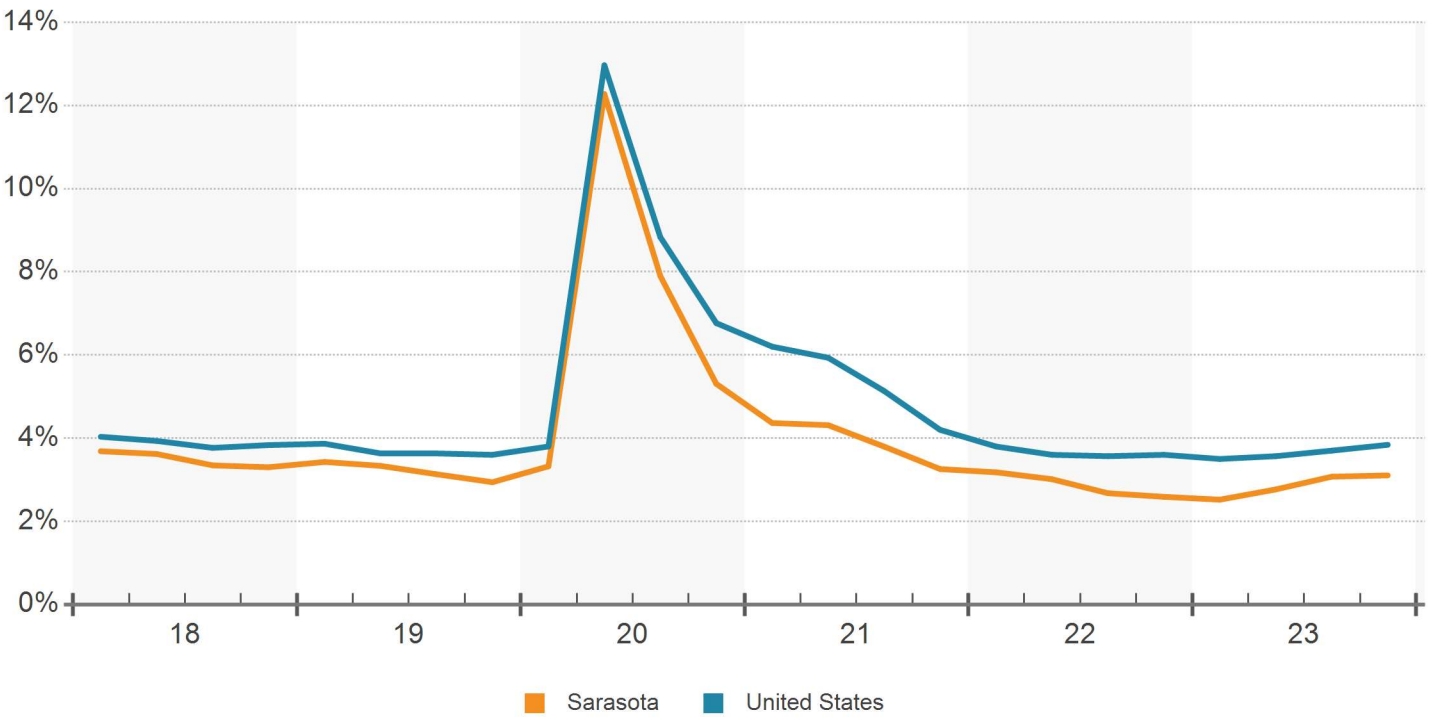
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

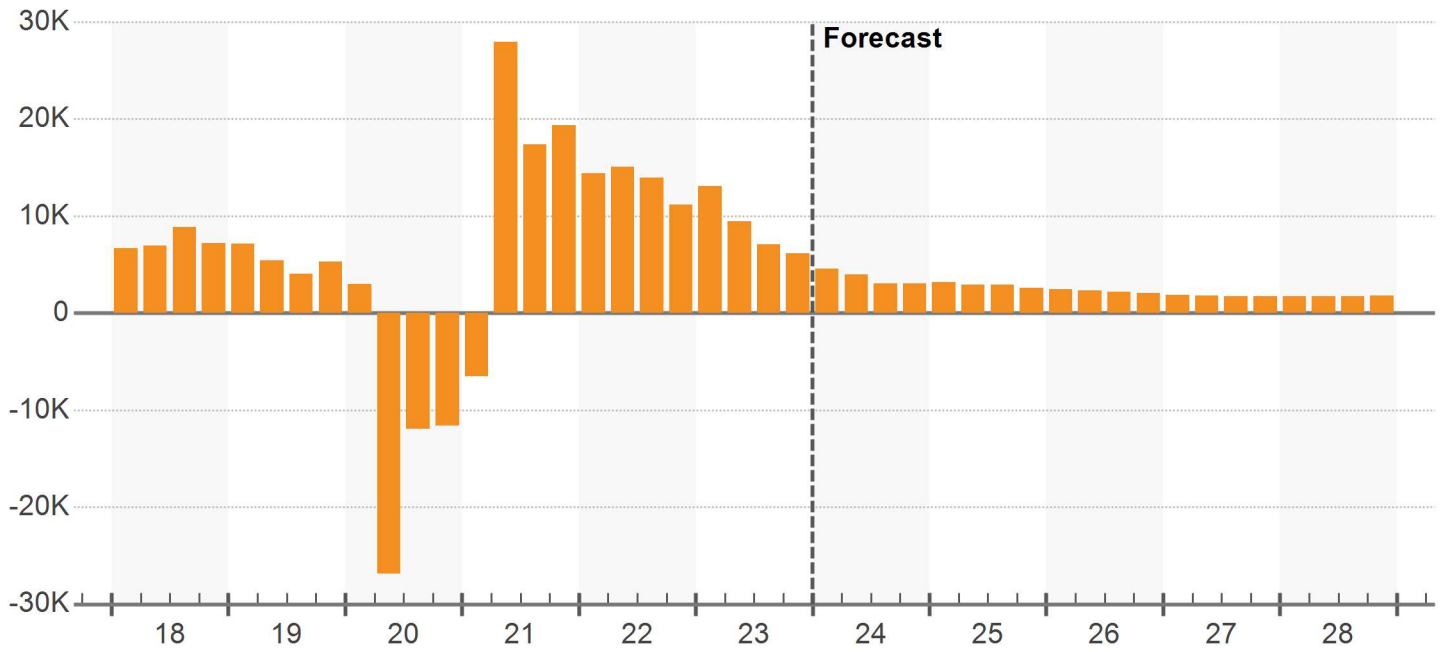


Source: Oxford Economics

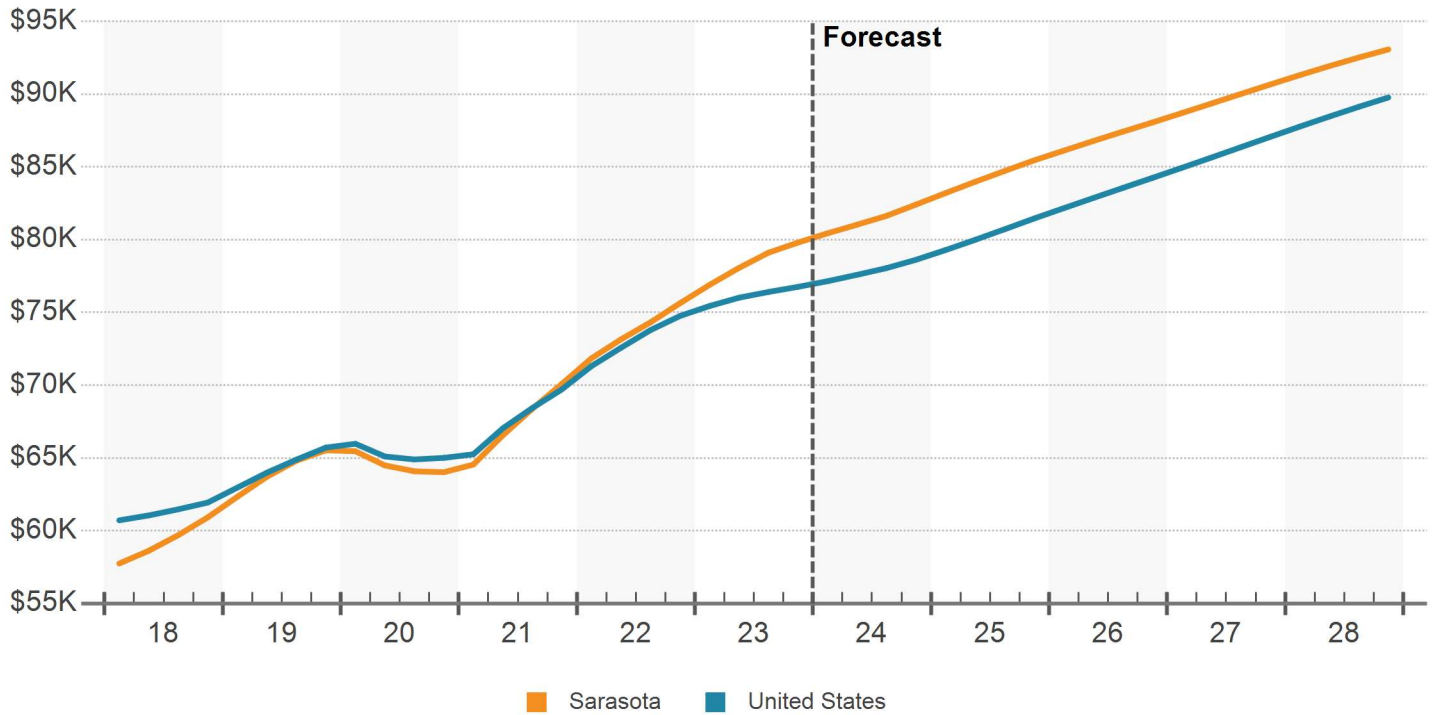
UNEMPLOYMENT RATE (%)



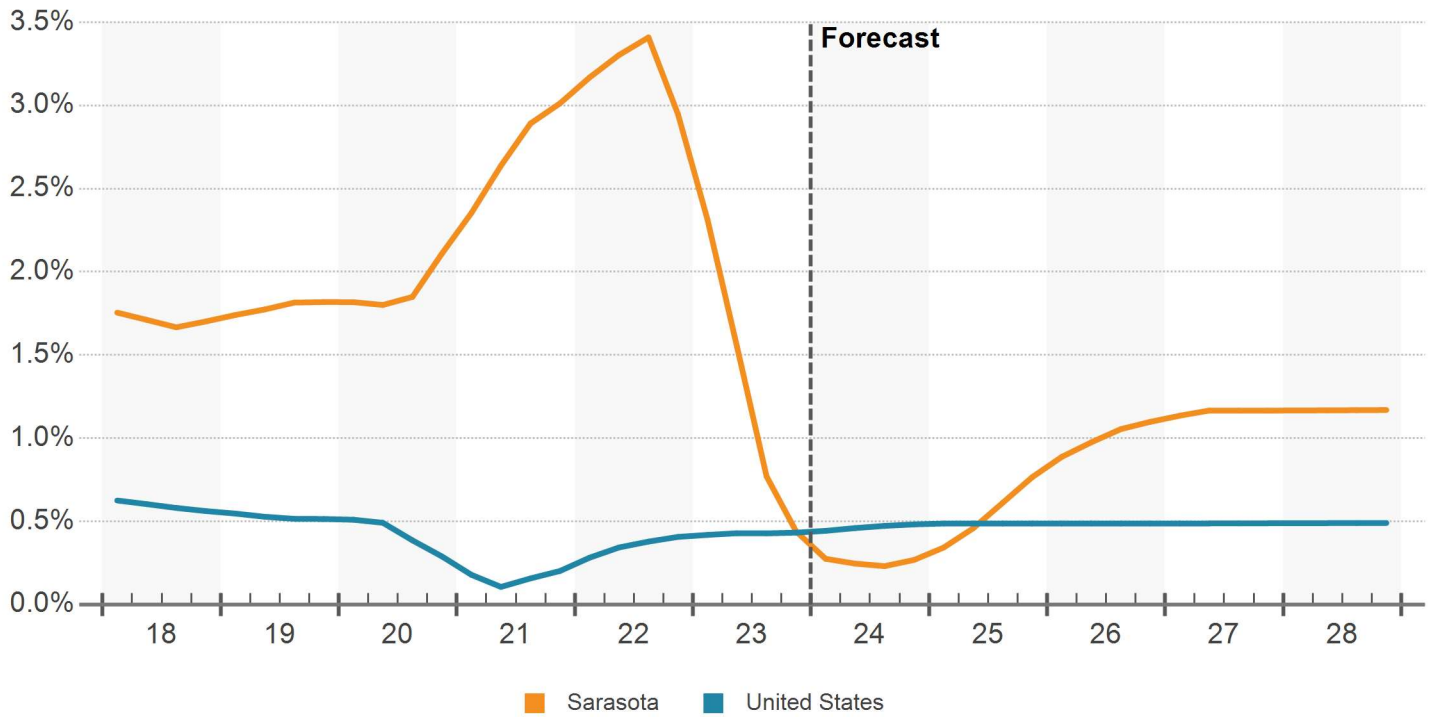
NET EMPLOYMENT CHANGE (YOY)



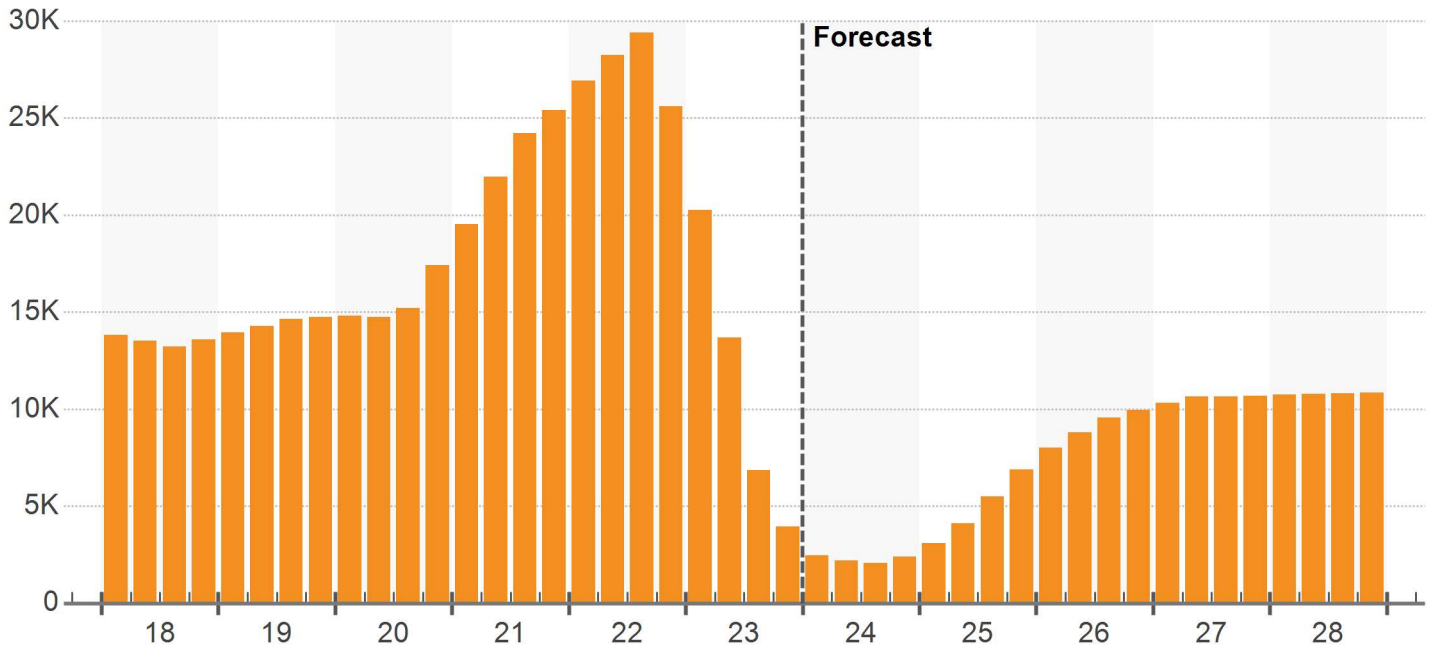
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

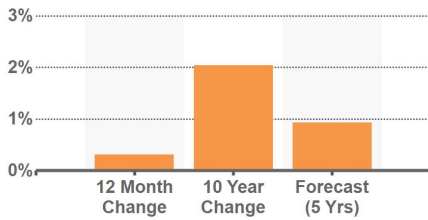


DEMOGRAPHIC TRENDS

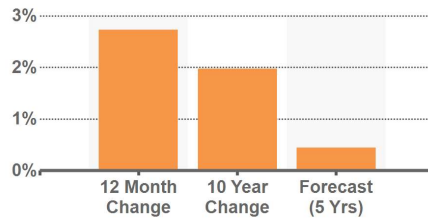
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	899,256	335,415,969	0.3%	0.4%	2.0%	0.5%	0.9%	0.5%
Households	396,264	130,990,344	0.5%	0.6%	1.8%	0.9%	1.0%	0.6%
Median Household Income	\$80,309	\$77,067	4.8%	2.3%	5.1%	3.9%	3.1%	3.2%
Labor Force	398,582	168,857,563	2.7%	1.7%	2.0%	0.8%	0.4%	0.1%
Unemployment	3.1%	3.8%	0.6%	0.3%	-0.3%	-0.3%	-	-

Source: Oxford Economics

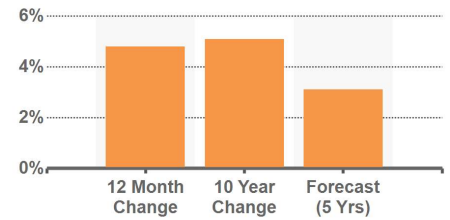
POPULATION GROWTH



LABOR FORCE GROWTH

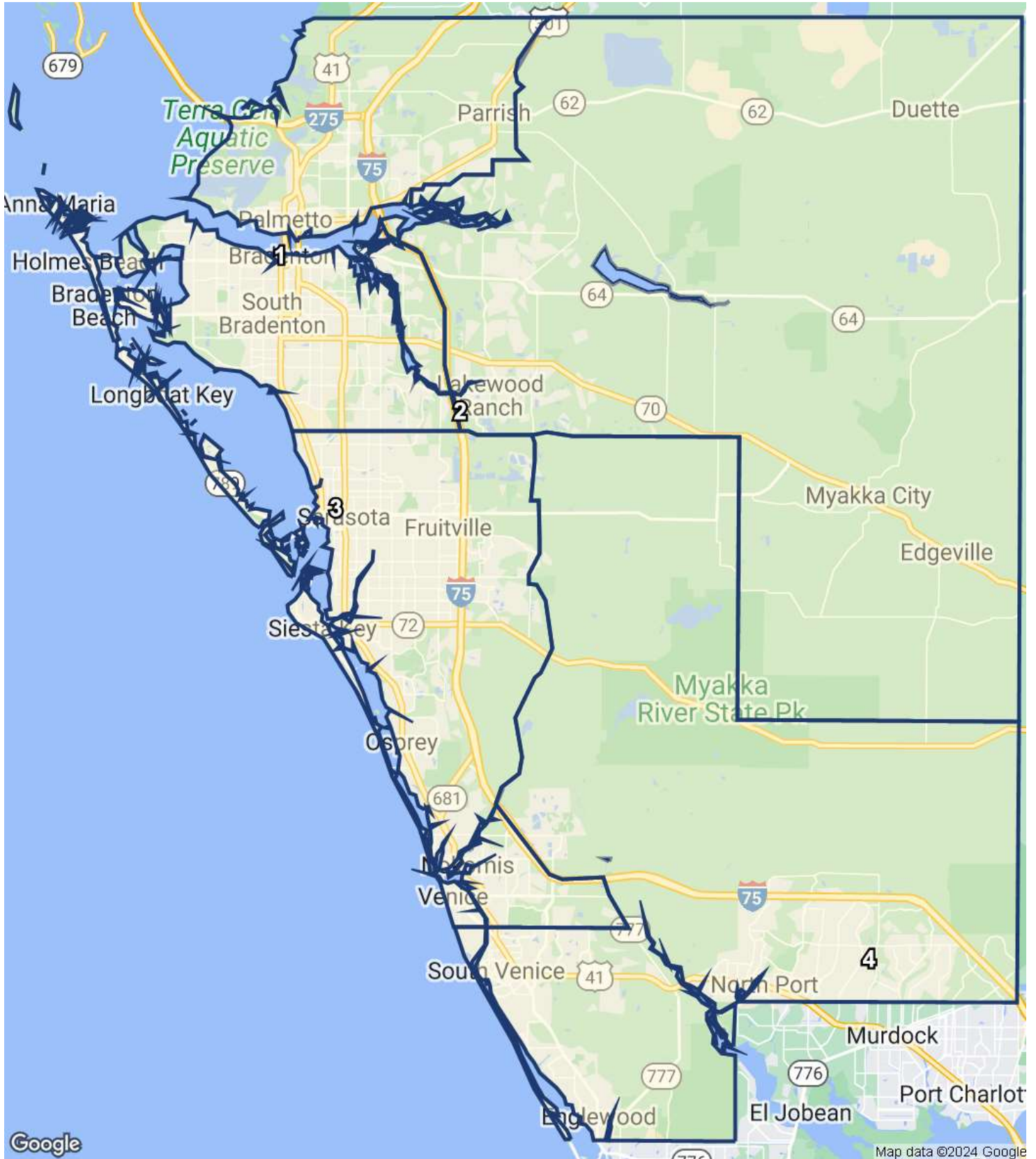


INCOME GROWTH



Source: Oxford Economics

SARASOTA 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	Manatee	980	8,429	29.5%	2	2	15	0.2%	2	0	-	-	-
2	Manatee Outlying	119	1,629	5.7%	3	1	5	0.3%	4	0	-	-	-
3	Sarasota	1,482	17,257	60.3%	1	6	203	1.2%	1	3	57	0.3%	1
4	Sarasota Outlying	226	1,300	4.5%	4	1	15	1.1%	3	0	-	-	-

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Manatee	\$27.26	3	4.4%	2	1.9%	1
2	Manatee Outlying	\$31.46	1	4.1%	3	1.8%	2
3	Sarasota	\$29.79	2	3.9%	4	1.5%	4
4	Sarasota Outlying	\$26.46	4	4.5%	1	1.7%	3

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Manatee	299,281	3.6%	2	(57,916)	-0.7%	4	-
2	Manatee Outlying	35,506	2.2%	1	13,903	0.9%	2	0.4
3	Sarasota	866,136	5.0%	4	34,267	0.2%	1	5.5
4	Sarasota Outlying	46,895	3.6%	3	(6,207)	-0.5%	3	-

Supply & Demand Trends

Sarasota Office

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	28,619,593	(4,470)	0%	(40,685)	-0.1%	-
2027	28,624,063	(3,900)	0%	(43,942)	-0.2%	-
2026	28,627,963	(6,079)	0%	(32,622)	-0.1%	-
2025	28,634,042	22,530	0.1%	15,637	0.1%	1.4
2024	28,611,512	90,743	0.3%	50,699	0.2%	1.8
YTD	28,615,342	94,573	0.3%	96,776	0.3%	1.0
2023	28,520,769	141,315	0.5%	(138,994)	-0.5%	-
2022	28,379,454	89,398	0.3%	443,927	1.6%	0.2
2021	28,290,056	76,646	0.3%	291,303	1.0%	0.3
2020	28,213,410	224,471	0.8%	36,506	0.1%	6.1
2019	27,988,939	51,363	0.2%	(20,906)	-0.1%	-
2018	27,937,576	11,651	0%	92,321	0.3%	0.1
2017	27,925,925	160,885	0.6%	158,805	0.6%	1.0
2016	27,765,040	36,403	0.1%	577,780	2.1%	0.1
2015	27,728,637	111,018	0.4%	398,621	1.4%	0.3
2014	27,617,619	53,762	0.2%	395,333	1.4%	0.1
2013	27,563,857	24,046	0.1%	455,790	1.7%	0.1
2012	27,539,811	(46,068)	-0.2%	168,158	0.6%	-

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	4,200,367	25,348	0.6%	16,725	0.4%	1.5
2027	4,175,019	25,769	0.6%	15,792	0.4%	1.6
2026	4,149,250	23,564	0.6%	13,242	0.3%	1.8
2025	4,125,686	52,182	1.3%	38,332	0.9%	1.4
2024	4,073,504	42,489	1.1%	36,206	0.9%	1.2
YTD	4,073,495	42,480	1.1%	27,394	0.7%	1.6
2023	4,031,015	104,890	2.7%	25,632	0.6%	4.1
2022	3,926,125	9,854	0.3%	35,047	0.9%	0.3
2021	3,916,271	0	0%	10,252	0.3%	0
2020	3,916,271	146,495	3.9%	66,557	1.7%	2.2
2019	3,769,776	7,000	0.2%	(2,332)	-0.1%	-
2018	3,762,776	4,800	0.1%	46,374	1.2%	0.1
2017	3,757,976	0	0%	(47,564)	-1.3%	-
2016	3,757,976	37,650	1.0%	104,089	2.8%	0.4
2015	3,720,326	0	0%	33,063	0.9%	0
2014	3,720,326	50,946	1.4%	89,026	2.4%	0.6
2013	3,669,380	0	0%	40,730	1.1%	0
2012	3,669,380	0	0%	(10,248)	-0.3%	-

Supply & Demand Trends

Sarasota Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	12,914,562	(24)	0%	(17,610)	-0.1%	-
2027	12,914,586	(25)	0%	(18,982)	-0.1%	-
2026	12,914,611	(24)	0%	(13,748)	-0.1%	-
2025	12,914,635	(24)	0%	(552)	0%	-
2024	12,914,659	61,076	0.5%	13,634	0.1%	4.5
YTD	12,905,676	52,093	0.4%	21,486	0.2%	2.4
2023	12,853,583	57,317	0.4%	(85,111)	-0.7%	-
2022	12,796,266	79,783	0.6%	267,380	2.1%	0.3
2021	12,716,483	93,850	0.7%	182,422	1.4%	0.5
2020	12,622,633	83,893	0.7%	(35,404)	-0.3%	-
2019	12,538,740	64,431	0.5%	21,493	0.2%	3.0
2018	12,474,309	6,293	0.1%	59,262	0.5%	0.1
2017	12,468,016	121,162	1.0%	187,639	1.5%	0.6
2016	12,346,854	18,045	0.1%	290,314	2.4%	0.1
2015	12,328,809	125,520	1.0%	175,913	1.4%	0.7
2014	12,203,289	4,000	0%	39,994	0.3%	0.1
2013	12,199,289	27,686	0.2%	275,498	2.3%	0.1
2012	12,171,603	(29,017)	-0.2%	142,406	1.2%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	11,504,664	(29,794)	-0.3%	(39,800)	-0.3%	-
2027	11,534,458	(29,644)	-0.3%	(40,752)	-0.4%	-
2026	11,564,102	(29,619)	-0.3%	(32,116)	-0.3%	-
2025	11,593,721	(29,628)	-0.3%	(22,143)	-0.2%	-
2024	11,623,349	(12,822)	-0.1%	859	0%	-
YTD	11,636,171	0	0%	47,896	0.4%	0
2023	11,636,171	(20,892)	-0.2%	(79,515)	-0.7%	-
2022	11,657,063	(239)	0%	141,500	1.2%	-
2021	11,657,302	(17,204)	-0.1%	98,629	0.8%	-
2020	11,674,506	(5,917)	-0.1%	5,353	0%	-
2019	11,680,423	(20,068)	-0.2%	(40,067)	-0.3%	-
2018	11,700,491	558	0%	(13,315)	-0.1%	-
2017	11,699,933	39,723	0.3%	18,730	0.2%	2.1
2016	11,660,210	(19,292)	-0.2%	183,377	1.6%	-
2015	11,679,502	(14,502)	-0.1%	189,645	1.6%	-
2014	11,694,004	(1,184)	0%	266,313	2.3%	-
2013	11,695,188	(3,640)	0%	139,562	1.2%	-
2012	11,698,828	(17,051)	-0.1%	36,000	0.3%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$29.41	145	0.1%	1.8%	1,417,729	5.0%	0.1%
2027	\$29.39	145	0%	1.7%	1,377,818	4.8%	0.2%
2026	\$29.38	145	0.5%	1.7%	1,334,032	4.7%	0.1%
2025	\$29.25	144	0.4%	1.2%	1,303,591	4.6%	0%
2024	\$29.13	144	0.8%	0.8%	1,292,548	4.5%	0.1%
YTD	\$28.99	143	4.1%	0.3%	1,247,818	4.4%	0%
2023	\$28.90	142	4.7%	0%	1,250,021	4.4%	1.0%
2022	\$27.60	136	11.3%	-4.5%	969,712	3.4%	-1.3%
2021	\$24.80	122	8.3%	-14.2%	1,324,241	4.7%	-0.8%
2020	\$22.91	113	5.9%	-20.7%	1,538,898	5.5%	0.6%
2019	\$21.64	107	4.4%	-25.1%	1,350,933	4.8%	0.2%
2018	\$20.72	102	3.2%	-28.3%	1,278,664	4.6%	-0.3%
2017	\$20.07	99	5.0%	-30.5%	1,359,334	4.9%	-0.2%
2016	\$19.12	94	4.5%	-33.8%	1,403,254	5.1%	-2.0%
2015	\$18.29	90	6.3%	-36.7%	1,944,631	7.0%	-1.1%
2014	\$17.20	85	3.1%	-40.5%	2,232,234	8.1%	-1.3%
2013	\$16.68	82	-0.1%	-42.3%	2,573,805	9.3%	-1.6%
2012	\$16.70	82	1.3%	-42.2%	3,005,549	10.9%	-0.8%

4 & 5 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$33.13	139	-0.2%	0.3%	333,541	7.9%	0.2%
2027	\$33.19	139	-0.2%	0.5%	325,021	7.8%	0.2%
2026	\$33.25	139	0.2%	0.7%	315,146	7.6%	0.2%
2025	\$33.17	139	0.2%	0.4%	304,915	7.4%	0.2%
2024	\$33.10	138	0.2%	0.2%	291,153	7.1%	0.1%
YTD	\$33.02	138	2.1%	0%	299,960	7.4%	0.3%
2023	\$33.03	138	3.8%	0%	284,874	7.1%	1.8%
2022	\$31.82	133	4.7%	-3.7%	205,616	5.2%	-0.7%
2021	\$30.39	127	4.8%	-8.0%	230,809	5.9%	-0.3%
2020	\$29.01	121	4.7%	-12.2%	241,061	6.2%	1.9%
2019	\$27.72	116	9.6%	-16.1%	161,123	4.3%	0.2%
2018	\$25.28	106	4.7%	-23.5%	151,791	4.0%	-1.1%
2017	\$24.14	101	0.3%	-26.9%	193,365	5.1%	1.3%
2016	\$24.08	101	6.7%	-27.1%	145,801	3.9%	-1.8%
2015	\$22.57	94	-1.0%	-31.7%	212,240	5.7%	-0.9%
2014	\$22.79	95	2.1%	-31.0%	245,303	6.6%	-1.1%
2013	\$22.33	93	2.1%	-32.4%	283,383	7.7%	-1.1%
2012	\$21.87	91	-0.8%	-33.8%	324,113	8.8%	0.3%

3 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$30.24	151	0.1%	2.0%	648,815	5.0%	0.1%
2027	\$30.21	150	0.1%	2.0%	631,229	4.9%	0.1%
2026	\$30.19	150	0.5%	1.9%	612,271	4.7%	0.1%
2025	\$30.05	150	0.4%	1.4%	598,546	4.6%	0%
2024	\$29.93	149	1.0%	1.0%	598,014	4.6%	0.3%
YTD	\$29.77	148	4.5%	0.5%	581,170	4.5%	0.2%
2023	\$29.63	147	4.4%	0%	550,563	4.3%	1.1%
2022	\$28.39	141	14.9%	-4.2%	408,135	3.2%	-1.5%
2021	\$24.70	123	9.2%	-16.6%	595,732	4.7%	-0.7%
2020	\$22.62	113	4.6%	-23.7%	684,304	5.4%	0.9%
2019	\$21.63	108	3.8%	-27.0%	565,007	4.5%	0.3%
2018	\$20.85	104	2.5%	-29.6%	522,069	4.2%	-0.4%
2017	\$20.35	101	5.4%	-31.3%	575,038	4.6%	-0.6%
2016	\$19.30	96	3.6%	-34.9%	641,515	5.2%	-2.2%
2015	\$18.64	93	9.3%	-37.1%	913,784	7.4%	-0.5%
2014	\$17.05	85	3.0%	-42.5%	964,177	7.9%	-0.3%
2013	\$16.55	82	-2.9%	-44.1%	1,000,171	8.2%	-2.1%
2012	\$17.05	85	0.7%	-42.4%	1,247,983	10.3%	-1.4%

1 & 2 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$27.17	141	0.1%	2.1%	435,373	3.8%	0.1%
2027	\$27.14	141	0.1%	1.9%	421,568	3.7%	0.1%
2026	\$27.11	141	0.5%	1.8%	406,615	3.5%	0.1%
2025	\$26.97	140	0.4%	1.3%	400,130	3.5%	0%
2024	\$26.85	140	0.8%	0.8%	403,381	3.5%	-0.1%
YTD	\$26.71	139	4.4%	0.3%	366,688	3.2%	-0.4%
2023	\$26.62	138	5.5%	0%	414,584	3.6%	0.5%
2022	\$25.24	131	10.0%	-5.2%	355,961	3.1%	-1.2%
2021	\$22.94	119	8.8%	-13.9%	497,700	4.3%	-1.0%
2020	\$21.08	110	8.2%	-20.8%	613,533	5.3%	-0.1%
2019	\$19.49	101	2.8%	-26.8%	624,803	5.3%	0.2%
2018	\$18.96	99	3.5%	-28.8%	604,804	5.2%	0.1%
2017	\$18.32	95	6.7%	-31.2%	590,931	5.1%	-0.2%
2016	\$17.16	89	4.7%	-35.5%	615,938	5.3%	-1.7%
2015	\$16.39	85	6.5%	-38.4%	818,607	7.0%	-1.7%
2014	\$15.39	80	3.8%	-42.2%	1,022,754	8.7%	-2.3%
2013	\$14.83	77	2.4%	-44.3%	1,290,251	11.0%	-1.2%
2012	\$14.48	75	3.3%	-45.6%	1,433,453	12.3%	-0.4%

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
2028	-	-	-	-	-	-	\$185.68	150	8.8%
2027	-	-	-	-	-	-	\$180.77	146	9.0%
2026	-	-	-	-	-	-	\$175.46	142	9.3%
2025	-	-	-	-	-	-	\$170.56	138	9.5%
2024	-	-	-	-	-	-	\$173.09	140	9.3%
YTD	21	\$32.8M	0.6%	\$1,823,694	\$216.64	6.8%	\$186.18	150	8.7%
2023	158	\$195.7M	3.9%	\$1,795,206	\$263.18	7.5%	\$184.13	149	8.7%
2022	237	\$217.7M	5.7%	\$1,216,390	\$172.99	7.0%	\$182.72	147	8.4%
2021	284	\$363.5M	9.1%	\$1,615,550	\$154.27	6.9%	\$177.04	143	8.0%
2020	189	\$193.6M	6.0%	\$1,466,829	\$133.38	8.3%	\$159.87	129	8.4%
2019	178	\$190.7M	5.1%	\$1,324,138	\$151.26	7.8%	\$150.07	121	8.6%
2018	203	\$152.3M	5.2%	\$1,050,455	\$132.81	7.4%	\$146.80	118	8.5%
2017	154	\$184.7M	5.9%	\$1,943,940	\$130.28	8.0%	\$145.53	117	8.2%
2016	164	\$153.6M	4.2%	\$1,129,261	\$143.47	7.2%	\$150.82	122	7.7%
2015	172	\$166.6M	5.1%	\$1,262,098	\$140.97	8.2%	\$144.22	116	7.7%
2014	175	\$140.7M	4.3%	\$1,107,506	\$151.29	10.8%	\$134.88	109	7.8%
2013	210	\$88.7M	4.0%	\$682,106	\$108.13	8.3%	\$127.68	103	8.1%

(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
2028	-	-	-	-	-	-	\$171.56	124	9.2%
2027	-	-	-	-	-	-	\$167.70	121	9.4%
2026	-	-	-	-	-	-	\$163.45	118	9.7%
2025	-	-	-	-	-	-	\$159.41	115	9.9%
2024	-	-	-	-	-	-	\$161.77	117	9.7%
YTD	-	-	-	-	-	-	\$173.24	125	9.1%
2023	10	\$64M	7.8%	\$10,668,263	\$306.58	7.3%	\$171.90	124	9.1%
2022	4	\$3.2M	2.0%	\$3,202,143	\$114.85	-	\$172.40	125	8.7%
2021	8	\$41.7M	14.2%	\$8,332,609	\$75.48	-	\$170.45	123	8.3%
2020	2	\$50.7M	12.0%	\$25,349,700	\$108.25	7.7%	\$164.16	119	8.4%
2019	4	\$26.5M	5.2%	\$6,625,075	\$136.15	7.8%	\$160.60	116	8.5%
2018	7	\$25.5M	3.5%	\$5,091,000	\$195.82	7.3%	\$159.97	116	8.2%
2017	6	\$54.4M	15.1%	\$13,593,486	\$96.34	7.8%	\$160.19	116	7.9%
2016	5	\$21.1M	1.8%	\$4,217,767	\$313.98	-	\$178.94	129	7.3%
2015	1	\$16.3M	3.1%	\$16,340,000	\$140.61	4.6%	\$175.28	127	7.2%
2014	6	\$29.9M	5.3%	\$5,982,274	\$193.88	9.4%	\$165.65	120	7.3%
2013	4	\$4.7M	2.9%	\$1,178,675	\$44.07	-	\$156.91	113	7.4%

(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
2028	-	-	-	-	-	-	\$198.11	153	8.7%
2027	-	-	-	-	-	-	\$192.83	149	8.9%
2026	-	-	-	-	-	-	\$187.12	144	9.2%
2025	-	-	-	-	-	-	\$181.89	140	9.4%
2024	-	-	-	-	-	-	\$184.62	143	9.2%
YTD	6	\$18.1M	0.6%	\$4,534,555	\$255	-	\$198.60	153	8.6%
2023	42	\$80.4M	3.1%	\$2,512,650	\$259.73	8.1%	\$196.19	151	8.6%
2022	81	\$116.2M	6.2%	\$1,905,515	\$174.60	6.7%	\$194.18	150	8.3%
2021	110	\$195.9M	8.5%	\$2,040,188	\$187.12	6.5%	\$186.34	144	7.9%
2020	60	\$73.1M	5.1%	\$1,699,000	\$136.89	8.1%	\$167.90	130	8.4%
2019	54	\$92.9M	4.7%	\$2,064,687	\$169.51	7.1%	\$158.36	122	8.6%
2018	68	\$54.2M	4.8%	\$1,062,686	\$114.90	7.6%	\$154.90	120	8.4%
2017	53	\$90.2M	5.4%	\$3,110,884	\$157.27	8.6%	\$154.34	119	8.1%
2016	60	\$91M	6.0%	\$1,895,842	\$134.59	7.3%	\$160.61	124	7.6%
2015	53	\$105.2M	5.9%	\$2,286,520	\$161.16	8.4%	\$152.07	117	7.7%
2014	57	\$58.8M	3.4%	\$1,471,029	\$178.24	9.2%	\$142.41	110	7.8%
2013	88	\$49.9M	4.1%	\$890,818	\$127.21	8.0%	\$134.92	104	8.0%

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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
2028	-	-	-	-	-	-	\$176.89	157	8.8%
2027	-	-	-	-	-	-	\$172.02	153	9.0%
2026	-	-	-	-	-	-	\$166.77	148	9.3%
2025	-	-	-	-	-	-	\$161.92	144	9.5%
2024	-	-	-	-	-	-	\$164.31	146	9.3%
YTD	15	\$14.7M	0.7%	\$1,049,163	\$182.70	6.8%	\$176.97	157	8.7%
2023	106	\$51.3M	3.4%	\$722,015	\$227.68	7.2%	\$175.08	155	8.7%
2022	152	\$98.3M	6.4%	\$840,131	\$173.96	7.2%	\$173.66	154	8.4%
2021	166	\$126M	8.1%	\$1,015,949	\$166.29	7.3%	\$169.04	150	7.9%
2020	127	\$69.9M	4.9%	\$803,046	\$155.40	8.7%	\$149.44	133	8.4%
2019	120	\$71.3M	5.4%	\$750,155	\$137.62	8.3%	\$137.14	122	8.8%
2018	128	\$72.7M	6.1%	\$816,450	\$133.28	7.4%	\$133.15	118	8.6%
2017	95	\$40.1M	3.5%	\$646,527	\$143.44	7.2%	\$130.59	116	8.3%
2016	99	\$41.5M	3.2%	\$499,883	\$126.83	7.0%	\$130.02	115	8.0%
2015	118	\$45.1M	5.0%	\$530,317	\$109.16	10.7%	\$124.55	111	8.0%
2014	112	\$51.9M	4.9%	\$632,936	\$116.56	12.3%	\$115.67	103	8.1%
2013	118	\$34.1M	4.3%	\$486,761	\$106.17	9.0%	\$109.32	97	8.4%

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