



Downtown Office Space

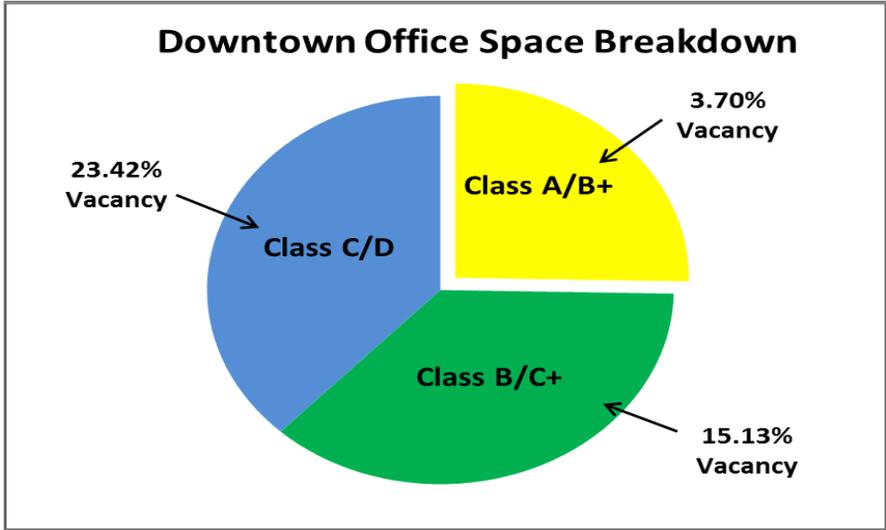
QUICK STATS

Downtown Office Space:

Total Office Space	757,142 sqft
Vacant Office Space	116,505 sqft
Actual Vacancy	15.39%
Effective Vacancy	8.67%
Class A/B+ Vacant Space	7,082 sqft
Class A/B+ Vacancy Rate	3.7%

Just over a year ago, our Market Snapshot (December 2014) discussed the Downtown Market or River District and we concluded with the quote "Downtown is not just a fossil of our Fort Myers history but more like a fine wine that is getting better with age!". Another year of fermentation has further improved this "fine wine". After years of urban planning and foresight, Don Paight and crew are reaping the benefits of a well orchestrated plan. This month we will focus on the Downtown office market and trends we are experiencing.

The River District is and will remain the core of legal and municipal activity with the Federal and State Courthouse, as well as, the base for the City of Fort Myers and Lee County governmental operations. The legal



community and ancillary users are continuing to demand office space in this market. Although overall studies will show that the market, with 757,142 square feet of privately owned office space, has a current vacancy of 15.39%, further analysis will show the undersupply of quality office space. Lets delve into the facts...55,725 square feet or 7.36% of the total space is represented by a functionally obsolete office building built in 1948 for the phone company. This space is not reflective of the office space desired in this market and will most likely remain vacant with the exception of the ghost spirits rumored to be Downtown. Eliminate this

obsolete space and the effective office vacancy is 8.67% or 60,780 square feet. A further breakdown of the data shows that 88%, or 53,698 square feet of the vacant space, is represented by Class B or lower space. Once again, this vacant space consists of a significant amount of space plagued with obsolescence and not meeting the market demands. This all sounds dreary but there is a happy ending...

The study revealed only 7,082 square feet of Class A/B+ vacant space, or less than 1% of total office space in the River District. Although this market may not be ready for a new, standalone office space, it is poised for a mixed use development with a significant office component. We are experiencing an influx of professionals renting and owning in the River District. These professionals will continue demanding quality, Class A/B+ office space to experience the live, work and play lifestyle. Watch for this "fine wine" to continue getting better with age.



- ◆ Commercial and Residential
- ◆ Litigation Support/Eminent Domain
- ◆ Subdivision/Development Analysis
- ◆ Insurable Value
- ◆ Estate/Taxation Appraisals
- ◆ Ad Valorem Issues
- ◆ Rental Studies/Lease Analysis
- ◆ General Consulting