

Commercial Quarterly



State of the Market

Sarasota, Manatee & Charlotte Counties

The tri-county commercial market posted strong market fundamentals through the third quarter of 2021 for all property types. In reviewing this past quarter, the largest commercial sales in the market involved both multi-family and office sales.

Multi-Family sales did not slow down in the third quarter. The Sarasota area is on pace for the market's first \$1 billion sales volume annual total. Office leasing activity has increased over the past three quarters, and there have been positive improvements in coworking spaces. Currently, there is 340,000 square feet of office space which is still under construction, and this increase in space falls in line with recent demand patterns.

Our market area has shown little impact from the pandemic in the retail sector. The annual rent growth increased to 2% annually in this quarter. This is the highest percentage since early 2019. Investment activity in the retail has drastically increased since the beginning of 2021.

MSC Commercial is committed to the goals of our clients and those of the commercial real estate industry. We will continue to monitor market movements as this situation evolves.

For questions concerning your specific sector or business, please reach out to one of our highly skilled advisors.

SIGNIFICANT TRANSACTIONS

MS&C COMMERCIAL

Location	Sale/Lease	SF/Acreage	Type
7020 Professional Parkway, Lakewood Ranch	Sale	37,933	Office
1361-1391 Blvd of the Arts, Sarasota	Sale	22,773 SF	Retail
8421 Main Street, Bokeelia	Sale	8.04 +/- Acres	Land
250 Carmalita Street, Punta Gorda	Sale	15,000 SF	Industrial
2595 Tamiami Trl, Port Charlotte	Sale	6,512 SF	Retail
438 St Armands Circle A, Sarasota	Lease	590 SF	Retail
2170 Main St, 104, Sarasota	Lease	942 SF	Office
2025 49th St S, Gulfport	Lease	2,133 SF	Retail
40 South Pineapple Ave, Suite 201, Sarasota	Lease	2,050 SF	Office

Manage your property with absolute confidence.

Our expert resources give you and your property the advantage

With leasing and management services provided by MS&C Commercial Property Management, you are assured a seamless process focusing heavily on tenant retention and aggressive marketing of vacant space. We utilize a variety of resources to retain your current tenants, fill vacant space and keep your properties operating in the black.

- Comprehensive sales and leasing program
- Active property feed to the most prominent search engines
- Experienced agents negotiating your sale or lease
- Monthly prospect and marketing reports

Please give Bob Smith at MSC Commercial Property Management a call today at 941.208.3965. You will be glad you did!



OFFICE

4.4% ↓

Overall vacancy rate

202,086 SF ↑

YTD net absorption

\$25.17 PSF ↑

Average asking rent (gross)

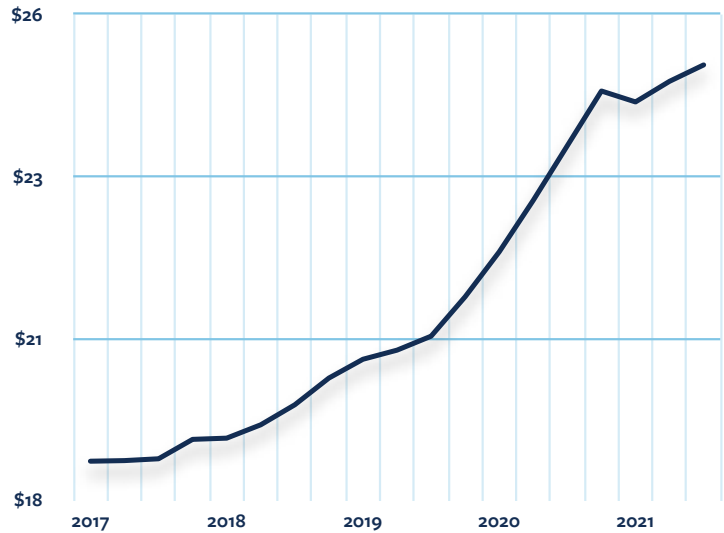
\$191 PSF **

Average sale price

RENTAL RATE TABLE

Average Asking Rent (Gross)	Q3 2020	Q3 2021	Year-Over-Year %
All Counties	\$24.03	\$25.17	4.74% ▲
Sarasota County	\$24.72	\$25.47	3.03% ▲
Manatee County	\$22.31	\$24.72	10.80% ▲
Charlotte County	\$16.51	\$15.16	8.18% ▼

OVERALL ASKING RENT, \$PSF (GROSS)



Arrows indicate changes from Q3 2020 ** Average Sale Price/SF was not reported on in Q3 2020

Overall Vacancy Rate: Expressed as a percentage—it identifies the amount of New/Relet/Sublet space vacant divided by the existing Rentable Building Area.

Net Absorption: For existing buildings, the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given period of time.

Average Asking Rent: Represents the dollar amount the lessor is asking for in order to lease their building/space/land.

Average Sale Price: The sale price divided by the rentable square feet of the building.

INDUSTRIAL

1.5% ↓

Overall vacancy rate

68,655 SF ↓

YTD net absorption

\$8.74 PSF ↑

Average asking rent (NNN)

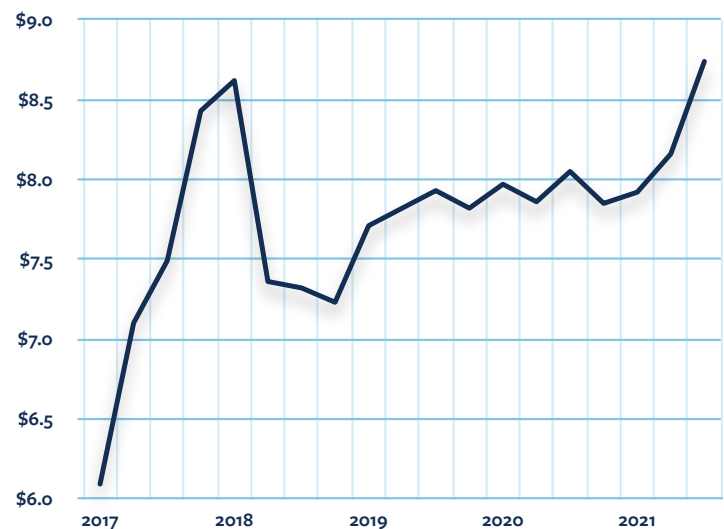
\$97 PSF **

Average sale price

RENTAL RATE TABLE

Average Asking Rent (NNN)	Q3 2020	Q3 2021	Year-Over-Year %
All Counties	\$8.05	\$8.74	9% ▲
Sarasota County	\$8.04	\$9.48	18% ▲
Manatee County	\$7.96	\$8.15	2% ▲
Charlotte County	\$9.59	\$7.97	17% ▼

OVERALL ASKING RENT, \$PSF (NNN)



RETAIL

4.46% ↓

Overall vacancy rate

429,356 SF ↑

YTD net absorption

\$18.90 PSF ↑

Average asking rent (NNN)

\$110 PSF**

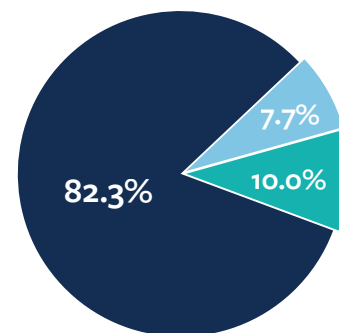
Average sale price

RENTAL RATE TABLE

Average Asking Rent (NNN)	Q3 2020	Q3 2021	Year-Over-Year %
All Counties	\$15.66	\$18.90	21% ▲
Sarasota County	\$14.31	\$19.02	33% ▲
Manatee County	\$18.98	\$20.54	8% ▲
Charlotte County	\$13.61	\$15.57	14% ▲

SPACE AVAILABILITY BY TYPE

- Neighborhood & Community
- Strip Center
- Power & Regional Mall



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Net Absorption: For existing buildings, the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given period of time.

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LAND

The median price per square foot/acre of sold parcels for commercial-, industrial-, and residential-zoned land for the past quarter below:

Commercial Land

\$5.50 Per Land SF/ \$239,752 Per Acre

Industrial Land

\$5.61 Per Land SF/ \$244.442 Per Acre

Residential Land

\$1.76 Per Land SF/ \$76,786 Per Acre

MULTI-FAMILY

Multifamily demand has drastically increased in the Sarasota area over the past year. Construction on new Multi-Family projects has slowed over the past two years, so currently there is not enough available space to meet the demands. For this quarter, the year over year rent growth for the area exceeded 20% for the first time.

Occupancy Rate

96.60%

YTD Net Absorption

3209 units

Average Effective Rent Per Unit

\$1,584

Michael Saunders & Company®

LICENSED REAL ESTATE BROKER



Our wide reach and deep knowledge in all areas of commercial real estate, as well as meaningful relationships across the US, lead to success in every space.

For all your commercial real estate needs — Think MS&C Commercial.



SALES | LEASING | PROPERTY MANAGEMENT | TENANT REPRESENTATION

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Scott Cietek

Director, Commercial Division

Scott Cietek oversees the day-to-day activities of his dedicated team of agents and staff, whose expertise in all classes of commercial properties and property management spans the Gulf Coast region.

Scott has over 30 years of experience in commercial and residential lending, real estate and economic and community development. A native of upstate New York, his experience includes running a mortgage division for Source One Mortgage/Citigroup and serving as VP of Economic Development for Schenectady Metroplex Development Authority.