01 / OUTLOOK / NEXT FOUR QUARTERS

Demographics Don't Do Recessions

By **Gary Tasman**, Executive Vice President, NAI Burns Scalo | Outlook for Q4 2026 to Q3 2027

WHAT'S NEXT

Medical office has the strongest fundamentals in our market, and they come from demographics, not the economic cycle. Lee County's population aged 75 and over grew nearly 30% in five years. Vacancy has fallen to 5.5% from 6.1% a year ago, and asking rents are at a 10-year high of $29.29/SF, although rent growth has cooled to 1.3%. I expect vacancy to hold between 5.0% and 5.75% and rents to keep growing 1%–2% over the next four quarters.

National data shows no medical office under construction. City and county records show about 375,000 SF underway or in approvals. That pipeline is healthy. About 40% of it is health systems adding capacity they will largely occupy themselves, and it arrives in phases, mostly from 2027 on. Health systems and specialist investors remain the most active buyers. For developers, the best openings are outpatient, specialty and physician-owned space the systems aren't building themselves.

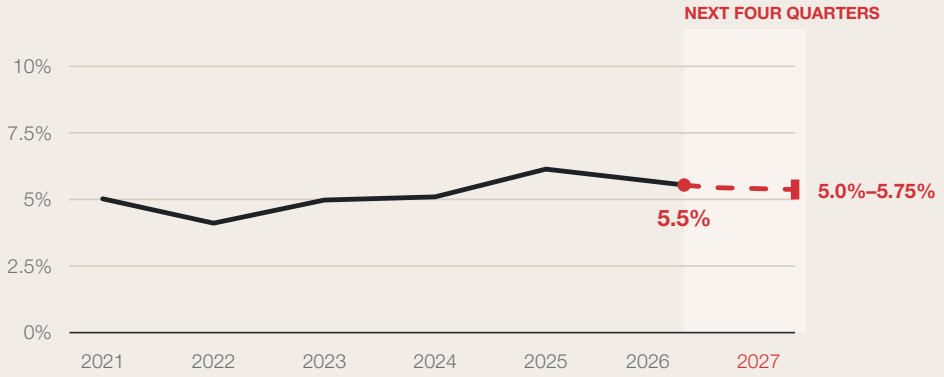
TASMAN'S CALLS FOR THE NEXT FOUR QUARTERS

	TODAY	CALL, Q4 2026	CALL, Q3 2027
Asking rent growth	1.3% 2.4% a year ago	1.0%–1.5%	1.0%–2.0%
Market cap rate	8.0% 8.1% a year ago	7.95%–8.1%	7.95%–8.2%

VACANCY RATE, 2021 TO Q3 2027

Tasman's Call for Q3 2027

CALL, Q4 2026 5.3%–5.6% CALL, Q3 2027 5.0%–5.75%



> "National data shows zero medical office under construction here. Our records show about 375,000 square feet, and the biggest projects are our health systems expanding to care for the people moving here. That's capacity catching up to demand, and it leaves real room for private developers who know where the gaps are.
>
> **GARY TASMAN**
> Executive Vice President
> NAI Burns Scalo

The forecasts on this page are Gary Tasman's views, based on NAI Burns Scalo Research.

02 / MARKET CONDITIONS

Vacancy Is 5.5%, Below Its 10-Year Average

INVENTORY	VACANCY	MARKET ASKING RENT	NET ABSORPTION	AVAILABILITY
8.1M SF	**5.5%**	$29.29	35.8K SF	7.0%
757 buildings	6.1% a year ago	$/SF/yr | Up 1.3% in 12 months	Past 12 months | 52.4K SF delivered	565K SF on the market

Occupancy & Demand

Tenants absorbed 35.8K SF over the past 12 months, after a 74K SF loss a year earlier. Vacancy is 5.5%, down from 6.1% a year ago. Space leases in 4.2 months on average, and 68.5% of expiring leases have renewed over the past two years. Availability is 7.0%, or 565K SF, and 52.4K SF was delivered over the past 12 months.

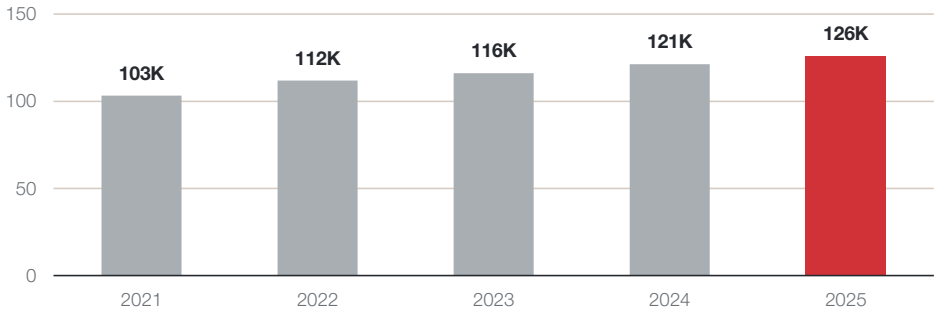
Pricing

Market asking rent is $29.29/SF, the highest in 10 years, but growth has slowed to 1.3% from 2.4% a year ago. Buildings are priced at about $235/SF, also a 10-year high. Space on the market asks $30.34/SF. The market cap rate is 8.0%, against 8.1% a year ago, and buildings take 9.8 months to sell on average.

Today Against a Year Ago and the 10-Year Average

Metric	Today	Year ago	10-yr average
Vacancy rate	**5.5%**	6.1%	6.4%
Net absorption, 12 mo (SF)	**35,802**	-73,971	106,342
Net deliveries, 12 mo (SF)	**52,427**	9,860	77,097
Asking-rent growth	**1.3%**	2.4%	3.3%
Market asking rent ($/SF)	**$29.29**	$29.01	$25.20
Market sale price ($/SF)	**$235**	$231	$174
Sales volume, 12 mo	**$110M**	$126M	$101M

Lee County Residents Aged 75 and Over



MEDICAL OFFICE PROJECTS IN THE PIPELINE: THE SIX LARGEST OF 11

Project	Area	Stage	Stated size, SF
Hope Preserve Medical Park	Lee County, Daniels Parkway	Construction	97,750
Alico Medical Center	Lee County, Gateway/Airport	Permitting	72,800
14230 Metropolis Avenue - Medical Center	Lee County, South Fort Myers	Permitting	11,187
Lee Health GME Medical Office Building	Lee County, South Fort Myers	Development Order	79,400
HealthPark Lot 15 MOB	Lee County	Development Order	61,300
9710 Commerce Center Office Complex	Lee County, Iona/McGregor	Development Order	15,500
Total, all 11 projects			**364,193**

Sources: CoStar; US Census Bureau; Lee County and City of Fort Myers

03 / TRANSACTIONS

Where Capital and Occupiers Committed

$16.2M	19	$2.67M
SALES VOLUME, Q3 2026	SALES, Q3 2026	LARGEST SALE

15	35.6K SF	6,324 SF
LEASES SIGNED, Q3 2026	LEASED, Q3 2026	LARGEST LEASE

Largest Medical Office Sales, Q3 2026

FEATURED

Bonita Springs Healthcare Facility, 8991 Brighton Ln

$2.67M | 9,800 SF | $272/SF

Sold Jul 1 | Bonita Springs | Investment
Buyer: Blue Owl Capital | part of a portfolio

2531 S Cleveland Ave

$2.25M | 37,960 SF | $59/SF

Sold Aug 7 | Fort Myers | Investment
Buyer: private investor

1516 Royal Palm Square Blvd

$1.70M | 6,618 SF | $257/SF

Sold Sep 9 | Fort Myers | Investment
Buyer: Martina Audiology

Lehigh Acres Healthcare Facility, 1120 Lee Blvd

$1.54M | 5,746 SF | $268/SF

Sold Jul 1 | Lehigh Acres | Investment
Buyer: Blue Owl Capital | part of a portfolio

331 Cape Coral Pky W

$1.30M | 4,636 SF | $280/SF

Sold Jul 24 | Cape Coral | Investment
Buyer: private investor

Largest Medical Leases, Q3 2026

FEATURED

Summerlin Bend Surgery Center, 5238 Mason Corbin Ct

6,324 SF | New lease

Signed Jul 8 | Starts Jul 8, 2026
Fort Myers

The Plaza at Gladiolus Preserve, 9671 Gladiolus Dr

6,155 SF | New lease

Signed Jul 1 | Starts Jul 1, 2026
Fort Myers | Tenant: Lee Health

3515 Del Prado Blvd S

3,377 SF | New lease

Signed Jul 7 | Starts Aug 6, 2026
Cape Coral

Sunrise Office Center, 12381 S Cleveland Ave

2,415 SF | New lease

Signed Aug 20
Fort Myers | Tenant: Island Coast Behavioral Health and Therapy, LLC

16960-16980 S Tamiami Trl

2,352 SF | New lease

Signed Aug 1 | Starts Nov 1, 2026
Fort Myers | Tenant: Relive Health

Source: CoStar

04 / OUR TEAM

Our Southwest Florida Brokerage Team

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