

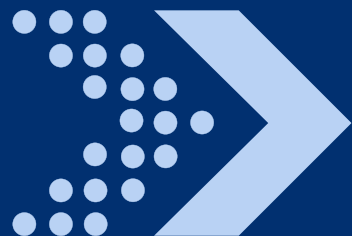
Downtown Mobile Office Market Overview

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Downtown Mobile Office Market Overview Year End 2022

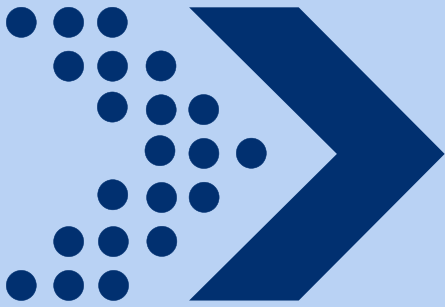


	2022	2021
DOWNTOWN OFFICE OCCUPANCY	85.73%	82.92%
AVERAGE RENTAL RATE	\$19.35	\$19.17
HIGH-RANGE OCCUPANCY	84.44%	85.03%
MID-RANGE OCCUPANCY	89.42%	82.67%
LOW-RANGE OCCUPANCY	92.03%	62.33%
2022 MARKET ABSORPTION	+ 25,779 SF	

OFFICE - Downtown (Hank Aaron Loop)

	2022	2021
Number of Buildings	26	26
Market Size Total (SF)	1,830,803	1,855,595
Total Rentable (SF)	1,590,129	1,612,842
Vacancy Rate (%)	14.27%	17.08%
Occupancy Rate (%)	85.73%	82.92%
Absorption (SF)	25,779	- 26,474
Weighted Avg. Asking Rental Rate	\$19.35	\$19.17
Percent of Asking Rates Full Service	81.22%	80.08%
Range - High -----	\$18 and up/SF	
# of buildings	14	13
Total Rentable SF	1,229,030	1,211,530
Occupancy Rate	84.44%	85.03%
Vacancy Rate	15.56%	14.97%
Range - Mid -----	\$15-\$17.99/SF	
# of buildings	9	10
Total Rentable SF	263,448	280,948
Occupancy Rate	89.42%	82.67%
Vacancy Rate	10.58%	17.33%
Range - Low -----	<\$15/SF	
# of buildings	3	3
Total Rentable SF	97,651	120,364
Occupancy Rate	92.03%	62.33%
Vacancy Rate	7.97%	37.67%

2022 at a glance



NOTABLE MOVES & OCCUPANCY CHANGES

2022 saw some anomalies in the downtown Mobile office sub-market. In major cities across the nation, employees have not yet fully returned to the office. Downtown Mobile however has seen a healthier return of office workers to the CBD than other cities. The 2022 Green Street Commercial Property Price Index saw a national reduction in office property values of 25%. However, the downtown Mobile sub-market saw an increase in occupancy from 82.02% to 85.74%, a decrease in vacancy from 17.08% to 14.26%, and positive absorption of 25,779 SF. Additionally, an optimistic outlook led to the announcement and groundbreaking of the redevelopment of the Title Insurance building. The building is 80% pre-leased and will be home to Synovus branch and lending operations and CRE Mobile, 20% is still available for lease. Renovations are expected to be complete by the summer/fall of 2023. The continued adaptive reuse and conversion from office to apartments has positively impacted the office market. Developers of 100 St. Joseph Street have committed to a restoration plan that will convert the building's upper floors into apartments. This announcement is what led to the shrinkage of the tracked market from 1,855,595 SF to 1,830,803 SF. The reduction of vacant office space helped to reduce competition in the lower rent, C space. The final interesting trend is that most of the smaller buildings that we track, i.e. under 50,000 SF, saw a slight increase in occupancy providing a positive, significant, aggregate bump in occupancy.



Renovations at Title Insurance | 164 St. Francis Street

LISTING OF MULTI-TENANT BUILDINGS TRACKED



RSA BATTLE HOUSE TOWER.....	11 N. Water Street
RSA TRUSTMARK BANK BUILDING.....	107 St. Francis Street
RIVERVIEW PLAZA OFFICE BUILDING...	63 S. Royal Street
ONE ST. LOUIS CENTRE.....	1 St. Louis Street
COMMERCE BUILDING.....	118 N. Royal Street
MERCHANTS PLAZA (8-STORY).....	104 St. Francis Street
WATERMAN-SMITH BUILDING.....	61 St. Joseph Street
GM&O BUILDING.....	110 Beauregard Street
RSA VAN ANTWERP BUILDING.....	101 Dauphin Street
BUICK BUILDING.....	451 St. Louis Street
LACLEDE HOTEL.....	150 Government Street
GREYSTONE BUILDING.....	100 St. Joseph Street
LANDMARK SQUARE.....	169 Dauphin Street
ROYAL PLACE.....	150 N. Royal Street
CENTRAL OPTICAL.....	54 St. Emanuel Street
KRESS/HARGROVE.....	18 S. Royal Street
TITLE INSURANCE BUILDING.....	164 St. Francis Street
PARKVIEW PLAZA.....	182 St. Francis Street
BAYPORT BUILDING.....	5 Dauphin Street
ELGIN BUILDING.....	2 S. Water Street
PARK BUILDING.....	200 Dauphin Street
MEYER BUILDING.....	9 Dauphin Street
TOUART BUILDING.....	300 Dauphin Street
	3 Dauphin Street
KRESS/HARGROVE.....	115 Dauphin Street
THREE SISTERS BUILDING.....	1 S. Royal Street

The Office Market Report information is based on DMA survey responses from building owners, managers and leasing professionals of the largest multi-tenant office buildings.