



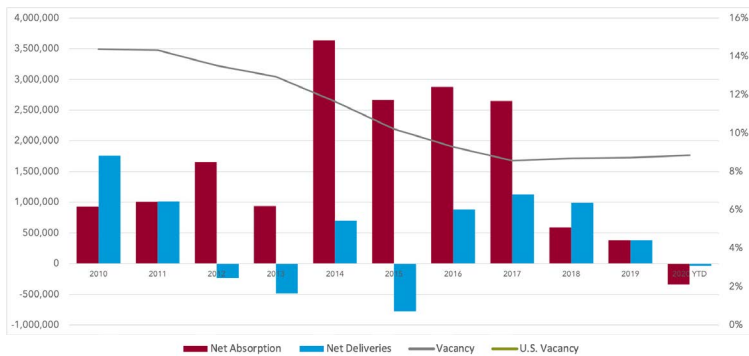
OFFICE MARKET OVERVIEW

MATTHEW ROTOLANTE, SIOR, CCIM, *President*

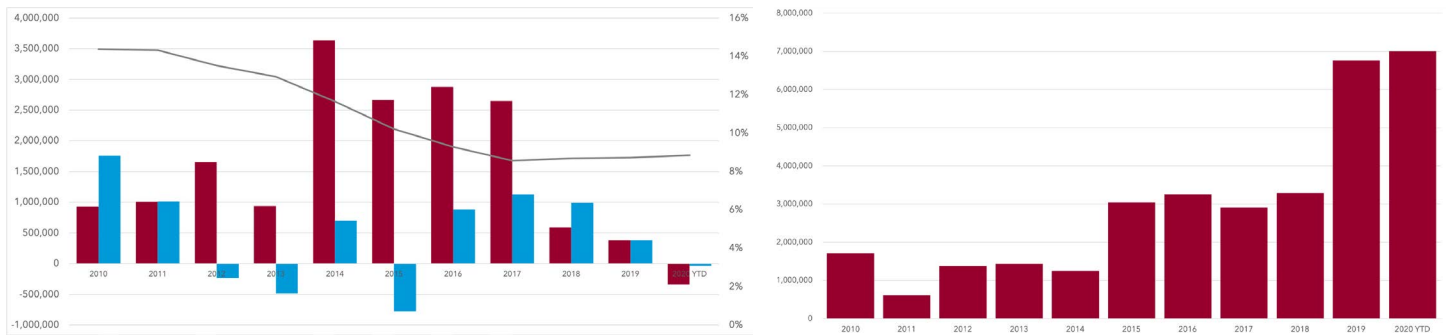
The South Florida Office Market remained fairly steady through Q1 2020. Vacancy averaged 8.5% with the largest lease signed for 111,100 SF at the iconic Southeast Financial Center building in Downtown Miami. Total average Base Rental Rates for South Florida increased to about \$30.45/SF/Yr up from \$30.07/SF/Yr in the previous quarter. New construction delivered approximately 192,716 SF in office space. Construction projects continue along with approximately 7,005,596 SF still in the pipeline. Sales volume in Q1 came in at over \$225.1M, with over 935,063 SF trading throughout South Florida. The average price per square foot for the last four quarters was about \$249/SF, and cap rates are averaging at 6.7%.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▲ Net Absorption	(264,497) SF	(298,127) SF	844,450 SF	(147,900) SF	(20,671) SF
▲ Vacancy Rate	8.50%	8.40%	8.20%	8.60%	8.50%
▲ Avg NNN Asking Rate	\$30.45/SF	\$30.07/SF	\$29.04/SF	\$29.17/SF	\$28.53/SF
▲ Under Construction	7,005,596 SF	6,761,349 SF	6,465,539 SF	5,709,597 SF	4,543,427 SF
▲ Inventory	236,024,423 SF	235,940,807 SF	235,693,338 SF	235,707,678 SF	235,496,489 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3700 Lakeside Dr Miramar, FL	145,755 SF	\$29,000,000 \$198.96/SF	Bankers Healthcare Group Aztec Grp, Mega Capital Corp	Class B
3401 PGA Blvd Palm Beach Gardens, FL	77,469 SF	\$24,300,000 \$313.67/SF	Anchor Health Properties AW Property Co.	Class A
440 & 450 Royal Palm Way Palm Beach, FL	67,389 SF	\$38,500,000 \$571.31/SF	Armata Holdings Tahl Propp Equities	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
200 S. Biscayne Blvd Miami, FL	111,100 SF	Ponte Gadea USA	Undisclosed	Undisclosed
1200 SW 145th Ave Pembroke Pines, FL	45,466 SF	TPA Group	Undisclosed	Undisclosed
1801 NW 66th Ave Plantation, FL	38,724 SF	Zaragon Holdings	Undisclosed	Undisclosed