

Fourth Quarter 2019

Palm Beach Office

Berger Commercial Realty is dedicated to the consistent delivery and execution of commercial real estate services while continually embracing the clients' individual business goals. We are rewarded by powerful and enduring relationships due directly to the level of service and benefits we offer to each client.

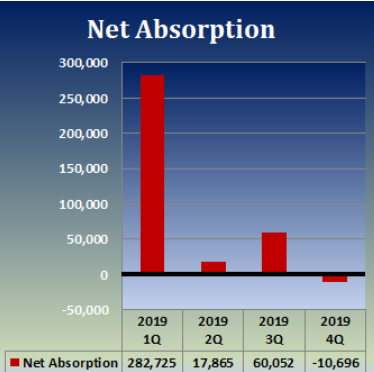
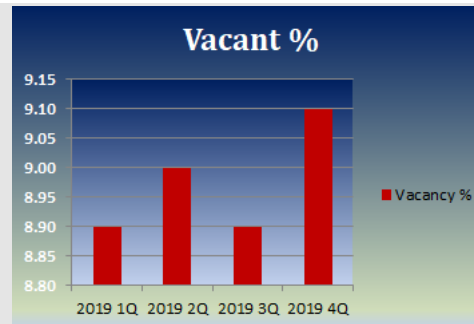
"The Palm Beach County office market vacancy has decreased or stayed flat every single quarter since 4Q 2013! Since that time, rents have risen nearly \$6.00 per s.f. New construction may help ease the burden on tenant, but for the time being, it remains a landlord's market."

Michael Feuerman
Managing Director

Period	Total RBA	Vacancy %	Asking Rates	Net Absorption
2019 4Q	55,974,990	9.10	\$ 31.73	-10,696
2019 3Q	55,859,918	8.90	\$ 31.35	60,052
2019 2Q	55,848,718	9.00	\$ 31.02	17,865
2019 1Q	55,807,139	8.90	\$ 30.05	282,725

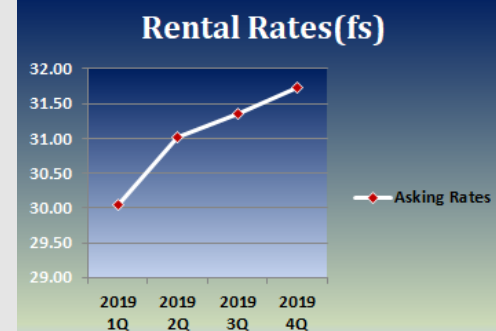
*2,889 Properties

From a survey taken of 2,889 Palm Beach County office properties, vacancy has increased 20 basis points from the previous quarter. Vacancy rates have hovered within a range from 8.9% to 9.7% for the past 10 quarter in Palm Beach County, and seem to have stabilized for the time being.



Absorption was slightly negative this quarter, but not significant enough to indicate a slowdown. Among the largest office lease signings in the fourth quarter were Mill Creek Residential Trust's 27,079 SF lease at 4855 Technology Way, Boca Raton; and Jupiter Medical Center's 22,500 SF lease at 1701 Military Trail, Jupiter FL. Among the largest sales in the 4rd quarter were C-III Capital Partners sale of the 143,966 square foot office building located at 1601 Forum Place in West Palm Beach, FL to Suffolk Advisors LLC for \$32.5 million, or approximately \$226 per square foot and a reported 7.3% cap rate. The building was 86% leased at the time of sale. In addition, L&B Realty Advisors, LLP sold the 98,300 square foot Glades Twin Plaza and 98,300 square foot Glades Plaza (77% leased at time of sale) to Sterling Organization together with Glades Plaza retail center, as part of a portfolio sale. The sales price for the full portfolio was in the low \$120 million range for a total of 164,519 s.f., or \$729.40/s.f.

Direct asking rental rates in Q4 are up \$0.38 from the previous quarter.



While information is believe true, no guaranty is made of accuracy. Data is subject to revision.

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Berger Commercial Realty, founded in 1998, is a full service commercial real estate firm. As a local, independent and privately owned firm, we can customize our services and quickly adapt to our clients' needs as well as the continually changing real estate markets. We invite you to experience the power of market knowledge.