

First Quarter 2019

Palm Beach Industrial

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.

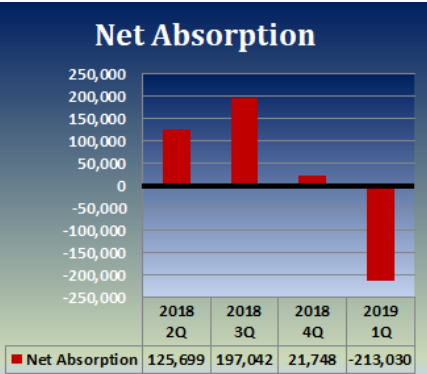
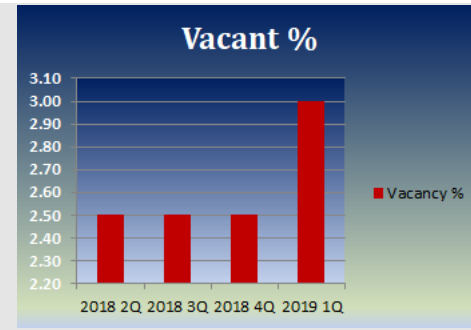
"Rent growth is slowing, as vacancy is up by 50 basis points and net absorption was negative 213,030 SF. Only one property of 56,160 SF was added to inventory this quarter. This may be indicative of a cooling off in the Palm Beach industrial market, although fundamentals remain extremely strong."

Michael Feuerman
Managing Director

Period	Total RBA	Vacancy %	Asking Rates	Net Absorption
2019 1Q	51,183,205	3.00	\$ 8.85	-213,030
2018 4Q	51,127,045	2.50	\$ 8.78	21,748
2018 3Q	51,127,045	2.50	\$ 8.88	197,042
2018 2Q	50,953,051	2.50	\$ 8.70	125,699

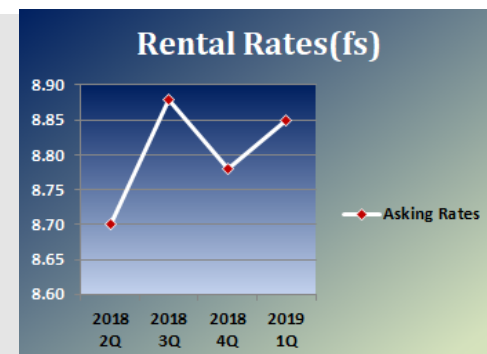
*2,681 Properties

From a survey taken of 2,681 Palm Beach County industrial properties, vacancy is up 50 basis points from the previous quarter.



Among the largest industrial lease signings in the first quarter were Quantachrome Instruments' 52,505 s.f. warehouse lease renewal at 1900-1920 Corporate Dr, Boynton Beach; and PILOT Freight Services 51,296 s.f. lease of warehouse space at 401 N Cleary Rd., West Palm Beach. Among the largest sales this quarter were Cox Media Group's sale of the 360,000 square foot distribution property located at 2751 South Dixie Highway in West Palm Beach, to Tricera Capital for \$24 million, or approximately \$67 per square foot. The sale was a redevelopment play, reflected in the low cost per square foot. In addition, McCraney Property Company sold the 353,835 square foot industrial property located at 377 - 563 North Cleary Road in West Palm Beach to Cabot Properties, Inc. for \$39,061,200, or approximately \$110 per square foot.

Quoted asking rates are up from the previous quarter by \$0.07 per square foot.



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.