

First Quarter 2018

Broward 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.

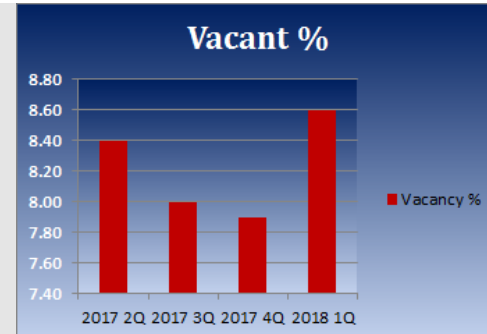
"Office transactions were down in the first quarter of the year. With significant negative absorption and an increase in vacancy rates, we can expect to see rental rates dip, at least in the short term."

-Lloyd C. Berger

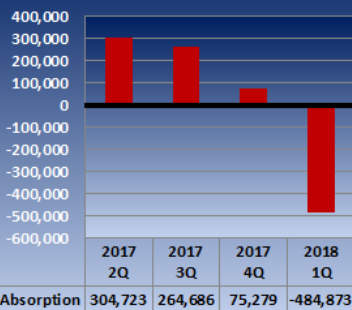
Period	Total RBA	Vacancy %	Asking Rate	Net Absorption
2017 2Q	70,278,553	8.40	\$26.56	304,723
2017 3Q	70,278,553	8.00	\$26.79	264,686
2017 4Q	70,278,553	7.90	\$26.67	75,279
2018 1Q	70,318,297	8.60	\$27.18	-484,873

4,081 Properties

From a survey taken of 4,081 Broward County office properties, vacancy rates are up 70 basis points since 4Q 2017, at 8.6%. This follows 19 straight quarters of decreasing vacancy - the first vacancy rate increase in nearly 5 years!

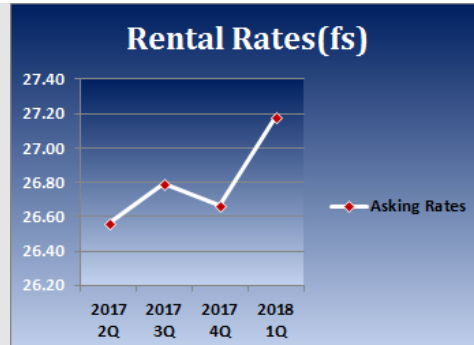


Net Absorption



Net absorption dipped significantly into negative territory, at -484,873 s.f. for the quarter, after 19 straight quarters of positive net absorption. Among the largest office lease signings in the fourth quarter were Wound Technology Network's lease of 21,697 s.f. at 200 S Park Road, Hollywood; and American Express's 10,795 s.f. lease at 1801 NW 66th Ave, Plantation. Among the largest sales in the Broward office market this quarter were CCRE SEF Sawgrass, LLC's sale of 13450 W Sunrise Blvd, Sunrise a 239,373 s.f. Class "A" suburban office building, for \$57,400,000.00 (\$239.79/SF); and SVT Sawgrass Point I LP's sale of the 232,623 s.f. Class "A-" suburban office building at 1000 Sawgrass Corporate Pky, Sunrise, for \$51,100,000 (\$219.67/SF).

Quoted asking rental rates increased \$0.51/SF from the previous quarter to \$27.18/SF. We expect asking rental rates to fall if vacancy continues to rise, and net absorption stays "in the red."



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

Broward Office

1600 SE 17th St. Causeway, Suite 200
Fort Lauderdale, FL 33316
Phone | 954.358.0900
Fax | 954.358.0901

Palm Beach Office

2240 Woolbright Road, Suite 300
Boynton Beach, FL 33426
Phone | 561.613.0900
Fax | 561.877.8363

Miramar Office

11350 Interchange Circle North
Miramar, FL 33025
Phone | 954.744.5015
Fax | 954.505.7578

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.