

Fourth Quarter 2017

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.

Industrial demand is at the highest we've seen in years. New construction is being absorbed at a rapid pace, pushing vacancy rates down further each quarter.

- Michael Feuerman
Managing Director

Period	Total RBA	Vacancy %	Asking Rate	Net Absorption
2017 1Q	49,729,499	3.60	\$ 8.57	239,629
2017 2Q	50,036,388	3.50	\$ 8.79	322,603
2017 3Q	50,048,785	2.80	\$ 8.71	376,299
2017 4Q	50,048,785	2.50	\$ 8.86	143,567

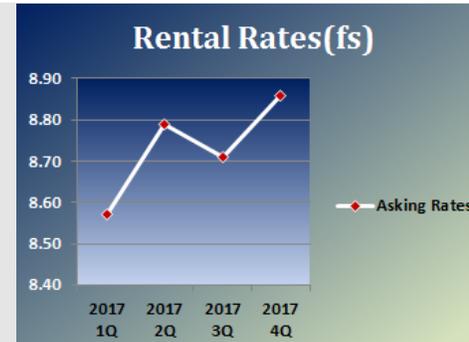
*2,667 Properties

From a survey taken of 2,667 Palm Beach County industrial properties, vacancy has dropped again, and is down 90 basis points since 1Q 2017. Fourth quarter vacancy ended at 2.5%, down 30 basis points from the previous quarter. This trend should continue with absorption still high, even as new space comes on the market.



Among the largest industrial lease signings in the third quarter were Dal-Tile's 60,641 s.f. lease at the Turnpike Crossing Park located at 1 Jog Road, West Palm Beach, and Oxygen Development's lease of 43,200 s.f. at 6017 Southern Blvd, West Palm Beach. Among the largest sales this quarter were L&J Schmier Management and Investment Co.'s sale of the 84,384 square foot industrial property at 1101 Clint Moore Road in Boca Raton, FL to Realterm US, Inc. for \$16 million, or approximately \$190 per square foot. The single-tenant building was 100% leased at the time of sale, for a reported 5.5% cap rate. Prologis sold the Delray Distribution Center, an 80,847 s.f. distribution property at 430 S Congress Ave in Delray beach for \$9,500,000 or approximately \$117.00 per s.f. The property was 81.4% leased, and was part of a portfolio sale.

Quoted asking rates are on the rise, up \$0.15 per s.f. from the previous quarter, at \$8.86/s.f. NNN.



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.