

## Fourth 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.

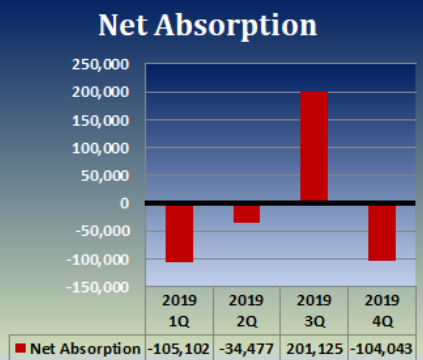
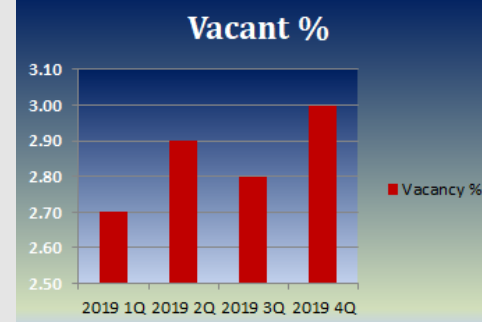
*"Palm Beach County's industrial market is giving mixed signals. Vacancy is up slightly, with rates finally at 3% after 9 straight quarters between 2.3 - 2.9%. Absorption was negative (104,043 s.f.), but the low vacancy rates are still pushing rental rates higher."*

**-Michael Feuerman**  
Managing Director

Period	Total RBA	Vacancy %	Asking Rates	Net Absorption
2019 4Q	52,020,283	3.00	\$ 9.06	-104,043
2019 3Q	52,001,143	2.80	\$ 8.94	201,125
2019 2Q	51,862,984	2.90	\$ 8.85	-34,477
2019 1Q	51,785,114	2.70	\$ 8.79	-105,102

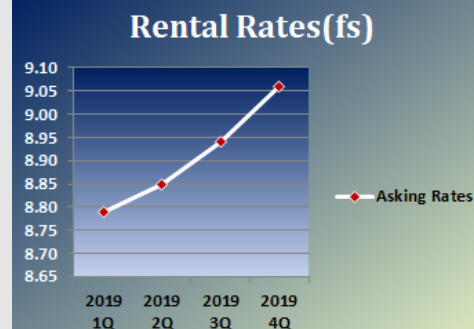
\*2,687 Properties

From a survey taken of 2,687 Palm Beach County industrial properties, vacancy is up 20 basis points from the previous quarter, the fifth consecutive quarter of rising vacancy rates. Still, 3% vacancy reflects a strong landlord-friendly market, and supports rising rental rates.



Absorption was down, with 4 of the last 5 quarters showing negative absorption. Q4 saw negative 104,043 s.f., despite a low yield of only 20,000 s.f. of new construction. Among the largest industrial lease signings in the fourth quarter were Amazon's 18,433 SF lease, and FIW Solutions 15,297 SF lease, both at the Turnpike Crossing Industrial Park, 6729 Belvedere Rd, West Palm Beach. Among the largest sales this quarter were South Florida Real Estate Advisors I LLC's sale of the 40,000 SF warehouse located at 7700 High Ridge Rd Boynton Beach. The property sold for \$6,500,000 or \$162.50/sf. JS Eade Family Limited Partnership sold the 47,892 SF industrial building at 6600 High Ridge Road Boynton Beach for \$5,325,000 or \$111.19/SF. Both properties were purchased by High Ridge Road Investors, LLC, and both were 100% leased at the time of sale.

Quoted asking rates are up from the previous quarter by \$0.12 per square foot, at \$9.06/s.f. NNN base rent.



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.