

First Quarter 2018

Broward 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.

"Broward industrial fundamentals are showing signs of a slow down. Vacancy rates increased for the first time in 8 quarters. Rental rates are down. Absorption is significantly lower than in previous quarters. Whether this is a plateau, a pause or a backslide in the market remains to be seen. But it merits close observation."

-Lloyd C. Berger

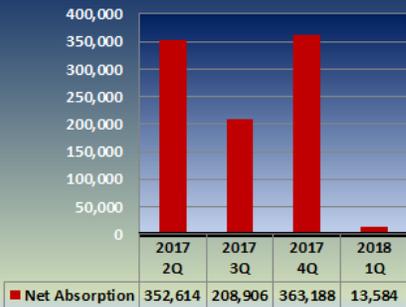
Period	Total RBA	Vacancy %	Asking Rate	Net Absorption
2017 2Q	108,829,612	3.10	\$ 8.51	352,614
2017 3Q	108,995,982	3.00	\$ 8.62	208,906
2017 4Q	109,148,077	2.80	\$ 8.53	363,188
2018 1Q	109,930,056	3.50	\$ 8.43	13,584

*5,212 Properties

From a survey taken of 5,212 Broward County industrial properties, vacancy is up 70 basis points from the previous quarter. Fourth quarter vacancy ended at 3.5%, higher than the previous quarter for the first time in the past 8 quarters.

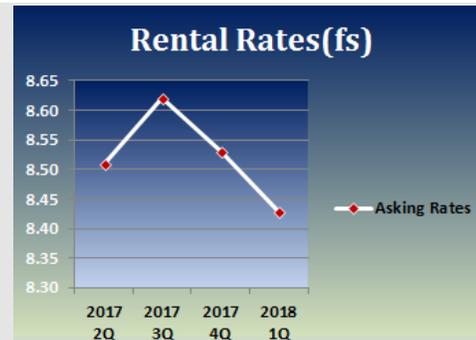


Net Absorption



Net absorption was also a fraction of the previous quarters, at positive 13,584 s.f. Among the largest industrial lease signings in the fourth quarter were Feeding South Florida's 72,199 s.f. lease at Seneca Industrial Park located at 22501 SW 32nd Ter Pembroke Park, and Comcast's 43,066 s.f. lease at the I-75 Distribution Center located at 2701 SW 145th Ave, Miramar. Among the largest sales this quarter were Principal Global Investors LLC's sale of the 36,420 square foot industrial property located at 1800 N Commerce Pky, Weston, to Elion Partners for \$9 million, or approximately \$247.12 per s.f.; and University of Miami's purchase of 1300 E. Newport Center Dr., Deerfield Beach, a 55,000 s.f. warehouse building, which traded for \$8,200,000, or \$149.09 per s.f.

Quoted asking rental rates decreased \$.10/SF from the previous quarter to \$8.43/SF NNN, further signs of a slow down in the industrial market.



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.