

First Quarter 2018

Palm Beach 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.

The Palm Beach County office market is holding steady near 10% vacancy for several quarters in a row now. Rental rates are climbing slowly, but two quarters of negative net absorption could bring rates down in the near future.

- Michael Feuerman
Managing Director

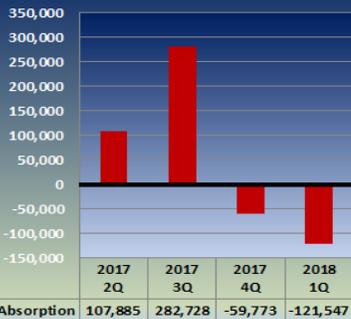
Period	Total RBA	Vacancy %	Asking Rate	Net Absorption
2017 2Q	55,514,757	10.00	28.35	107,885
2017 3Q	55,585,657	9.60	28.67	282,728
2017 4Q	55,596,506	9.70	29.11	-59,773
2018 1Q	55,617,461	10.00	29.27	-121,547

*2,858 Properties

From a survey taken of 2,858 Palm Beach County office properties, vacancy has risen 30 basis points from the previous quarter, to reach 10%. Vacancy has hovered at or near 10% for the past 7 quarters, and appears to be in equilibrium for now with very little new construction delivered recently.



Net Absorption



Net absorption was negative for the second straight quarter, at -121,547 s.f. Among the largest office lease signings in the 1st quarter were BB&T Bank's lease of 14,196 s.f. at 120-122 E. Palmetto Park Rd, Boca Raton Among the largest sales in the Palm Beach office market in the first quarter were Crocker Partners' sale of 400 Royal Palm Way, Palm Beach, a 27,628 s.f. office building which sold for \$14,750,000 (\$533.88/s.f.). In addition, a joint venture between Crimson Peak, LLC and Panther Real Estate Partners LLC sold 1655 & 1675 Palm Beach Lakes Blvd., Palm Beach Gardens, totaling 185,273 s.f., to Triarch Capital Group, LLC for \$22.5 million, or approximately \$121 per s.f.

Direct asking rental rates increased \$0.16/SF from the previous quarter to \$29.27s.f.

Rental Rates(fs)



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.