

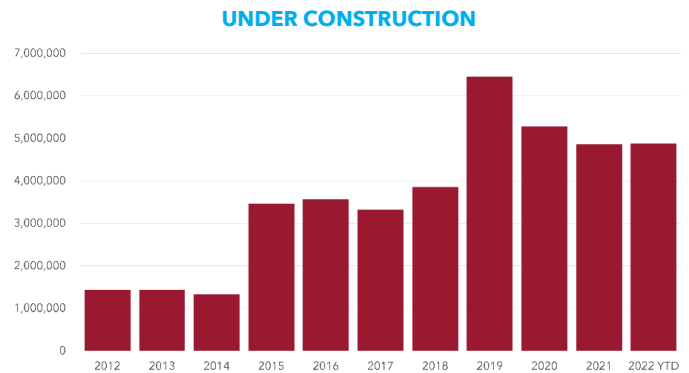
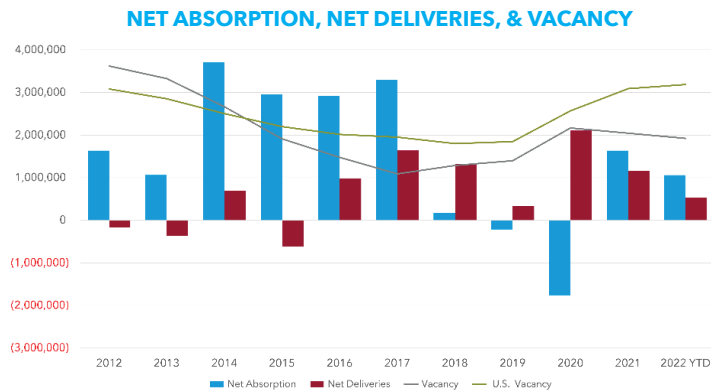


### OFFICE MARKET OVERVIEW

MATTHEW KATZEN, *Senior Vice President*

Florida's office sector led growth through the pandemic. However, while investment sentiment around real estate improved, it's not without a sense of caution. Geopolitics, inflation and rising interest rates are combining to now create uncertainty in the market. The vacancy rate continues its downward trend and the office market has been supported by robust job growth and low unemployment, with employees and companies eager to get back to the office amid the rise of hybrid working. The Industrious is set to open a 27,000 SF coworking operation in downtown West Palm Beach adding to an existing location in Brickell, and a number of national and global law firms are considering potential South Florida offices.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▲ Net Absorption SF	3,275,692	2,748,479	1,636,320	1,607,458	(1,025,898)
▼ Vacancy Rate	9.1%	9.3%	9.4%	9.5%	10.0%
▲ Avg NNN Asking Rate PSF	\$35.03	\$34.00	\$32.90	\$32.17	\$31.73
▼ SF Under Construction	4,854,397	4,864,088	4,856,789	4,900,982	5,120,668
▲ Inventory SF	240,878,417	240,446,564	240,342,629	240,099,176	239,810,189



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
100 SE 2nd Street Miami, FL	627,152 SF	\$162,500,000 \$259.11 PSF	CP Group Sumitomo Corporation of Americas	Class A
1221 Brickell Avenue Miami, FL	408,423 SF	\$286,500,000 \$701.48 PSF	Randall Davis Company Rockpoint	Class A
1750 NE 167th Street North Miami Beach, FL	164,589 SF	\$20,859,596 \$126.74 PSF	PPG Development Dezer Development LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12496 NW 25th Street Miami, FL	101,634 SF	Prologis, LP.	Withheld	Withheld
700 NW 107th Avenue Miami, FL	75,728 SF	Coast Capital Partners	Evolution Research Group	Medical Laboratories
1001 Brickell Bay Drive Miami, FL	55,866 SF	Aimco & Brickell Bay Tower LTD, Inc.	Undisclosed	Undisclosed