



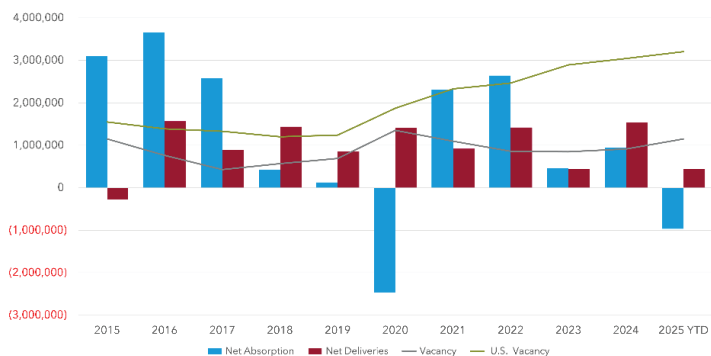
OFFICE MARKET OVERVIEW

C. TODD EVERETT, SIOR, *Principal*

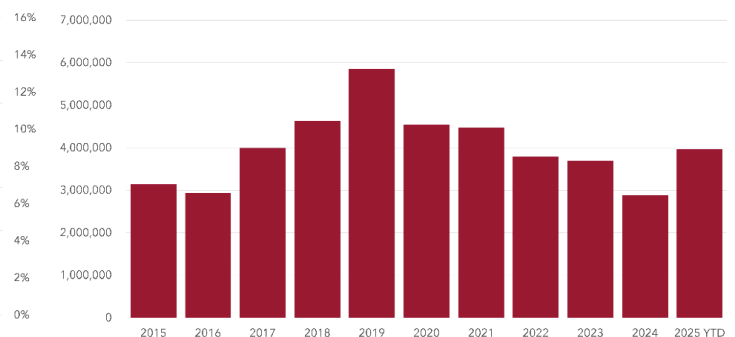
The South Florida Office Market remains resilient and continues to outpace much of the country in terms of new supply as well as vacancy rates that trail the national average. Downtown West Palm Beach in particular is seeing tremendous growth in its CBD office supply with nearly 2 million SF currently under construction with net rents in the low-to-mid \$100 per square foot range. Vacancy throughout the MSA has ticked up around 10 basis points from the prior quarter while sales price PSF has remained flat and cap rates have compressed slightly. The hyper land constraints of South Florida combined with population growth bodes well for the overall office market for the foreseeable future, despite rising rates, expenses and TI.

MARKET INDICATORS	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
▼ 12 Mo. Net Absorption SF	29,394	427,109	942,228	1,120,508	419,181
▲ Vacancy Rate	8.70%	8.60%	8.40%	8.30%	8.30%
▲ Avg NNN Asking Rent PSF	\$38.73	\$38.45	\$37.89	\$37.46	\$37.37
▼ Sale Price PSF	\$207.00	\$227.00	\$209.00	\$180.00	\$151.00
▼ Cap Rate	6.41%	6.83%	7.53%	6.90%	5.60%
▲ Under Construction	3,962,783	3,888,626	2,883,903	3,409,297	4,066,157
▲ Inventory	253,365,044	253,096,641	252,922,354	252,278,912	251,717,211

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
250 S Australian Avenue West Palm Beach, FL	221,661 SF	\$45,000,000 \$203.01 PSF	Bradford Allen Realty Services Tricera Capital	Class A
3511 NW 91st Avenue Miami, FL	158,268 SF	\$25,900,000 \$163.65 PSF	Ares Industrial R.E. Income Trust Inc. Panattoni	Class B
17100 NW 59th Avenue Hialeah, FL	116,486 SF	\$20,500,000 \$175.99 PSF	Ali Ahmed Link Logistics Real Estate	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
200 S. Biscayne Boulevard Miami, FL	45,000 SF	Ponte Gadea USA, Inc.	WeWork	Coworking Space
6451 N. Federal Highway Fort Lauderdale, FL	33,827 SF	Somerset Properties	MSC Cruises USA	Cruise/Transportation
2200 SW 45th Street Fort Lauderdale, FL	32,812 SF	Brookfield Properties	Undisclosed	Undisclosed