
SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
5505 Blue Lagoon Dr	Miami	156,023	Lennar Corp
1700 N University Dr	Plantation	145,322	Magic Leap
3011 Ponce de Leon Blv	Coral Gables	63,009	Unavailable

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
1001 Brickell Bay Dr Miami	\$165,300,000 Investment	\$319.00 -	517,450 Class A	Aimco AFA Asset Services
800 Brickell Ave Miami	\$125,500,000 Renovation	\$603.00 -	208,000 Class B	Gatsby Enterprises RREEF America
3801 PGA Blvd Palm Beach Gardens	\$70,700,000 Investment	\$374.00 -	189,000 Class A	New York Life KBS Realty Advisors

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
1200 SW 145th Ave	Pembroke Pines	165,000	TPA Group
3310 Mary St	Coconut Grove	95,000	Terra Group
3480-3484 Main Highway	Coconut Grove	44,293	Optimum Dev USA


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
830 Brickell Plaza	Miami	552,301	Q1 2022
100 Jim Moran Blvd	Deerfield Beach	405,000	Q4 2021
5050 N. Quadrille Blvd	West Palm Beach	371,880	Q4 2020

TOTAL OFFICE MARKET STATISTICS


	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q3 2019	8.6%	\$34.19	556,932	234,815,248	5,933,314
Q2 2019	8.8%	\$34.00	205,255	234,654,146	5,212,765
Q1 2019	8.8%	\$33.79	123,672	234,293,714	4,495,409
Q4 2018	8.7%	\$32.78	171,887	234,023,573	3,672,915
Q3 2018	8.8%	\$31.90	254,100	234,143,879	3,234,384


556,932 **NET ABSORPTION**
SF


8.6% **VACANCY**
19,560,933 SF


\$34.19 **AVG. ASKING RATE**
PSF GROSS


175,681 **DELIVERIES**
4 Buildings


5,933,314 **UNDER CONSTRUCTION**
52 Buildings

GREGORY LASKODY, CCIM,
Principal

The South Florida office market totals almost 235MM square feet of office space between Class A, B, and C product. Collectively, the vacancy averaged 8.6%, with average rents at \$34.19/SF. Rental rate gaps between the classes of office space are narrowing, as vacancy rates continue to decrease, combined with available space being rapidly absorbed; this, in turn, is reflected in increasing average sale prices at around \$260/SF. Average cap rates have also decreased to 6.3%. The fact that yield rates are slightly down should be no surprise, given that borrowing costs (i.e., interest rates) have been trending down since the beginning of the calendar year.