



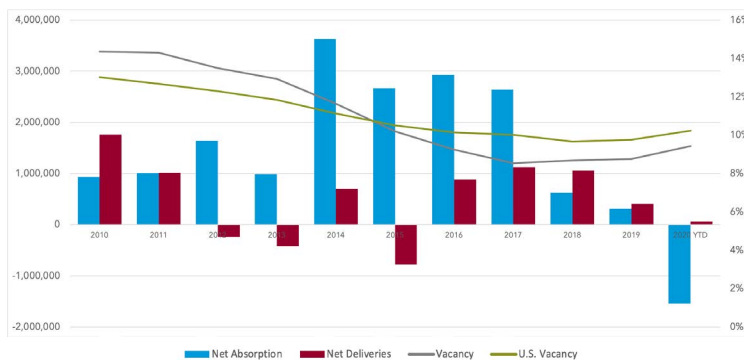
### OFFICE MARKET OVERVIEW

SCOTT STRICKLAND, *Principal*

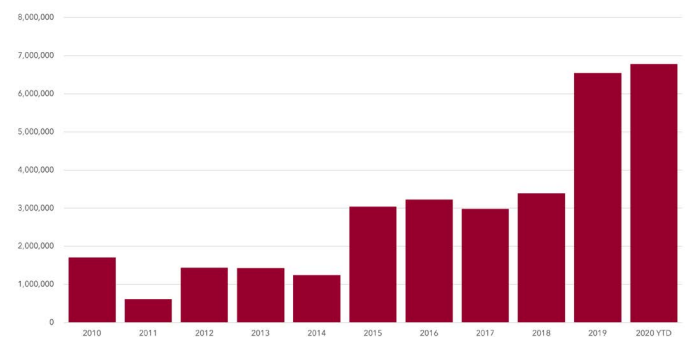
The South Florida Office Market vacancy rate increased slightly from 8.5% to 8.8% primarily due to the delivery of four new buildings totaling 131,315 SF. Additional pipeline includes 6,774,764 SF currently under construction. Banco Sabadell closed the largest lease transaction in the region renewing its 53,000 SF office at Sabadell Financial Center in the Brickell financial corridor. Consistent with the national trend, sales volume declined over 33% to a total volume of \$76.3 million with 330,503 SF trading in South Florida. The largest sale transaction was the Golden Bear project, 243,000 SF, in Palm Beach Gardens. The average price PSF was down 14.5% from Q1 2020 to \$213/SF with a weighted average cap rate of 6.4%.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	(763,763) SF	(335,253) SF	(367,459) SF	840,484 SF	(147,636) SF
▲ Vacancy Rate	8.80%	8.50%	8.40%	8.20%	8.60%
▲ Avg NNN Asking Rate	\$30.88 PSF	\$30.36 PSF	\$29.99 PSF	\$28.97 PSF	\$29.07 PSF
▲ Under Construction	6,774,764 SF	6,632,857 SF	6,543,968 SF	6,154,232 SF	5,111,414 SF
▼ Inventory	236,992,299 SF	237,060,863 SF	236,927,836 SF	236,680,367 SF	236,673,347 SF

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11780 US Hwy 1 Palm Beach Gardens, FL	243,274 SF	\$49,750,000 \$205.00 PSF	Waterfall Asset Mgmt JV Merin Alliance Partnership	Class A
580-600 Village Blvd West Palm Beach, FL	69,708 SF	\$13,775,000 \$198.00 PSF	King Apartments SF Partners	Class B
9600 Collins Ave Bal Harbour, FL	17,521 SF	\$12,750,000 \$728.00 PSF	BAL Harbour Village Bal Harbour Shops	-

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1111 Brickell Ave Miami, FL	53,000 SF	Parkway Property Investments	Banco Sabadell	Finance
3600 FAU Blvd Boca Raton, FL	25,558 SF	TIITF Lessor	Undisclosed	Undisclosed
6505 Blue Lagoon Dr Miami, FL	24,458 SF	MetLife, Inc	Undisclosed	Undisclosed