

## Third 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.

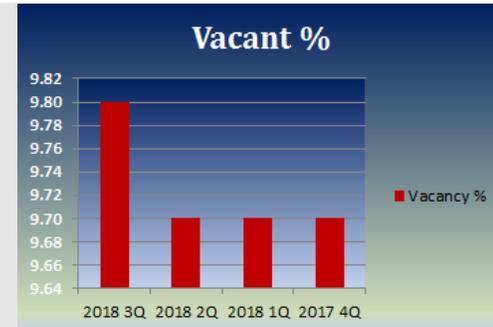
*"The Palm Beach office market has reversed direction, as vacancy rates dropped and net absorption was once again positive. This is a good sign that the market continues to gain strength, with strong demand for office space."*

- Michael Feuerman  
Managing Director

Period	Total RBA	Vacancy %	Asking Rate	Net Absorption
2018 3Q	55,629,971	9.80	29.49	-3,445
2018 2Q	55,582,116	9.70	29.49	56,447
2018 1Q	55,565,649	9.70	29.24	-13,194
2017 4Q	55,553,494	9.70	29.06	50,430

\*2,870 Properties

From a survey taken of 2,870 Palm Beach County office properties, vacancy has increased 10 basis points to 9.80%. Net absorption is negative for the first time since Q1 2018.

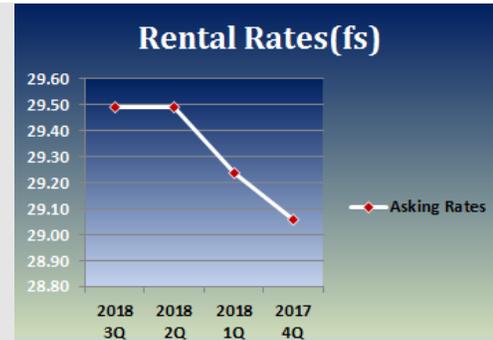


#### Net Absorption



Among the largest office lease signings in the 3rd quarter were Intech's lease of 25,678 s.f at 250 S. Australian Ave., West Palm Beach; and Merrill Lynch's 21,769 s.f. lease at 609 E. Atlantic Ave., Delray Beach. Among the largest sales in the Palm Beach office market this quarter were Catalfumo Management & Investment/Tambone Co.'s sale of the 66,770 square foot, single tenant net-leased office building at 2410 Metrocentre Boulevard East, West Palm Beach. The building was fully leased to Balcan Engineering, with 12 years left on the lease, and was sold to ICP Capital Partners at \$22,300,000 (\$333.98/SF, a reported 5.75% cap rate). In addition ICM - Realty Group LTD sold the 54,805 square foot office building located at 220 Congress Park Drive in Delray Beach, FL to TMT Properties, Inc. for \$11.4 million, or approximately \$208 per square foot.

Direct asking rental rates in Q3 did not change from the previous quarter holding at \$29.49 per square foot.



While information is believe true, no guaranty is made of accuracy. Data is subject to revision.

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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.