

MARKET HIGHLIGHTS

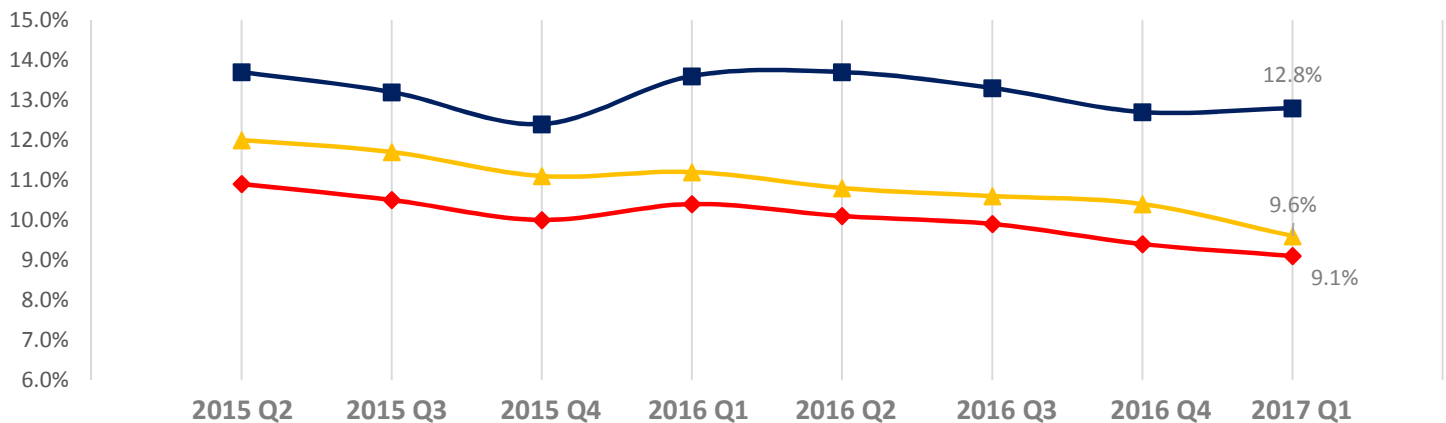
Categories	Overall	Class A	Class B
Asking Rates	▲	▲	▲
Vacancy Rates	▼	—	▼
Net Absorption	▲	▲	▲

VACANCY RATE

Miami-Dade office market continues to demonstrate healthy trends with an overall vacancy rate of 9.1%, down from 9.4% in Q4 of 2016. With almost 930,000 SF expected for delivery in 2017, vacancy is expected to rise slightly, however, net absorption is widely expected to remain positive through 2018.

MIAMI DADE YTD OFFICE VACANCY

◆ Overall Vacancy ■ Class A ▲ Class B

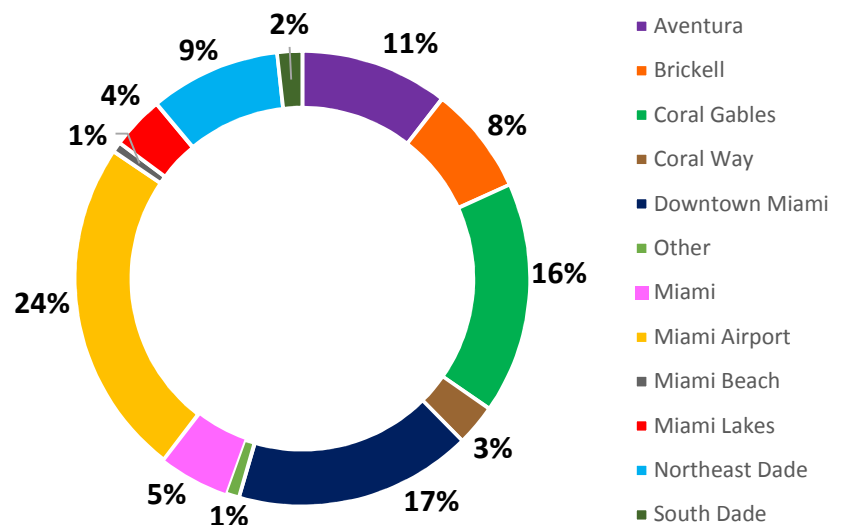


NEW CONSTRUCTION & DELIVERIES

Over 550,000 SF of office space has been delivered in the past year, and over 1.8MM RSF of Office space remains under construction. Significant projects scheduled for delivery in 2017 include 800 Waterford (246,000 SF), Two and Three Miami Central (318,000 SF), Offizina (96,400 SF), Giralda Place (71,000 SF) and Design 41 (61,900 SF).

New office projects announced in 2017 include Cube Wynwood (80,000 SF), 2850 Oak Ave. in Coconut Grove (75,000 SF), and Gateway at Wynwood (184,000 SF).

PERCENT (%) SF UNDER CONSTRUCTION

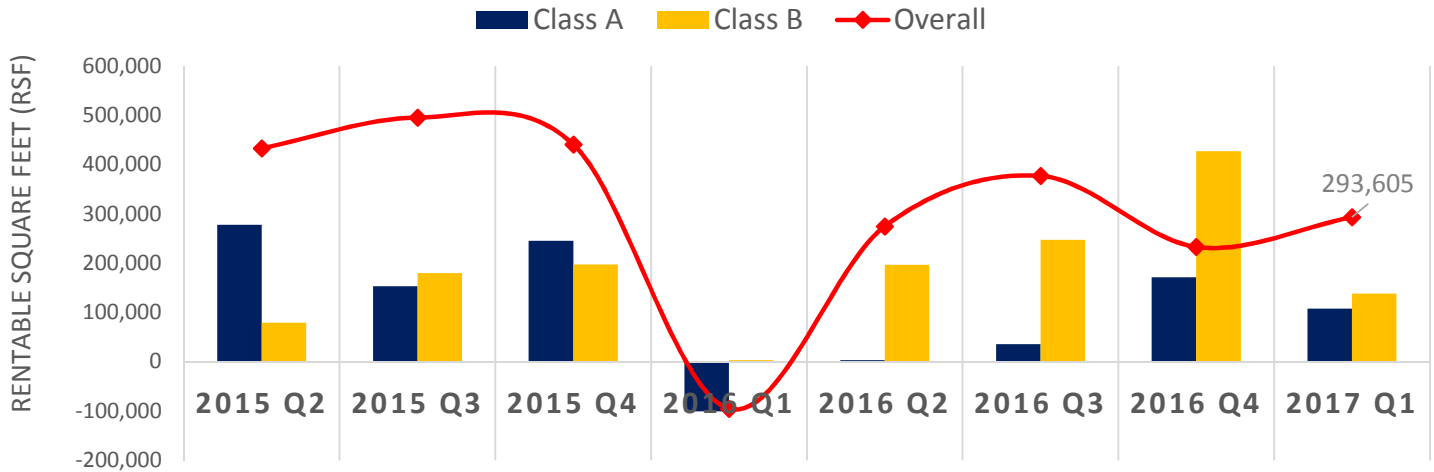


Data provided by CoStar Property®

ABSORPTION

Net absorption in Miami has been strong in recent years. Until the completion of Brickell City Centre, there had not been any new office developments in the CBD in over 5 years. Recent office leases included new to market companies such as Pillsbury Winthrop Shaw Pittman at 600 Brickell Ave (10,566 RSF), Cosentino North America (23, 923 RSF) and Kimley Horn (15,677 RSF) at 355 Alhambra, as well as JBS USA Food Company (10,290 RSF) at 8200 Doral.

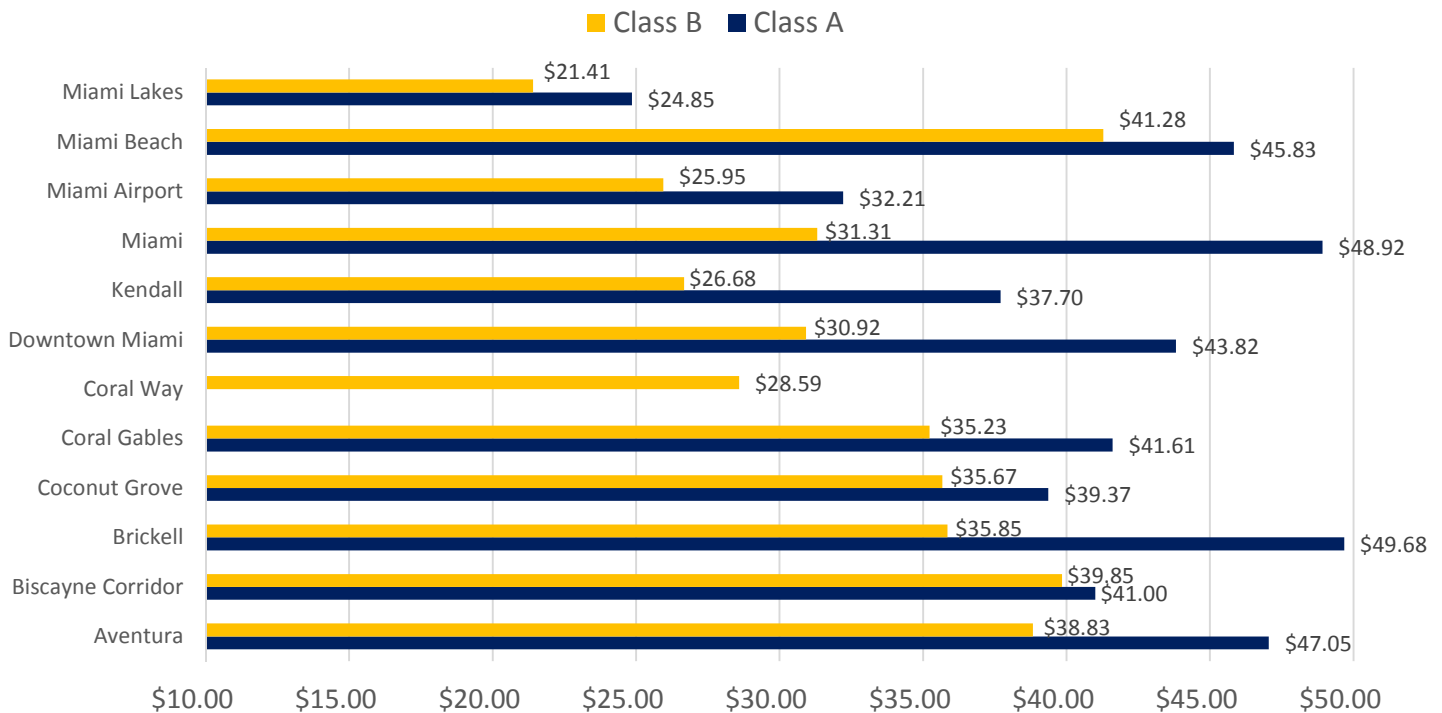
MIAMI-DADE NET ABSORPTION



LEASING RATES

Increase in lease rates have continued to increase over the past three years. Class A office rates stand at around \$41.09/RSF, while Class B rates average around \$29.46/RSF.

SUBMARKET AVG. LEASE RATES (\$/SF)



OFFICE MARKET REPORT

MIAMI, FL | Q1 2017



Class A Submarket Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aventura	10	943,517	92,466	92,466	9.8%	(4,459)	0	136,394	\$47.05
Biscayne Corridor	3	699,000	192,528	192,528	27.5%	0	0	0	\$41.00
Brickell	15	4,947,867	504,672	577,947	11.7%	70,547	0	100,000	\$49.68
Coconut Grove	5	653,332	142,505	145,396	22.3%	6,615	106,000	0	\$39.37
Coral Gables	29	4,524,368	501,825	517,038	11.4%	(9,422)	0	213,543	\$41.61
Coral Way	1	84,248	0	0	0.0%	0	0	41,117	\$0.00
Downtown Miami	10	5,247,388	911,656	923,070	17.6%	(25,975)	0	318,000	\$43.82
Kendall	16	1,826,000	322,520	340,624	18.7%	(12,141)	0	0	\$37.70
Medley/Hialeah	6	793,962	97,167	97,167	12.2%	13,494	0	0	\$26.45
Miami	9	1,115,197	17,092	17,092	1.5%	87,028	0	61,906	\$48.92
Miami Airport	36	5,334,524	448,540	463,804	8.7%	(21,013)	0	452,492	\$32.21
Miami Beach	7	873,925	45,880	58,392	6.7%	(9,957)	0	0	\$45.83
Miami Lakes	7	417,048	89,625	89,625	21.5%	14,407	0	0	\$24.85
Northeast Dade	2	188,750	22,342	27,332	14.5%	0	0	58,747	\$30.26
Totals	157	27,695,244	3,389,942	3,543,605	12.8%	108,000	106,000	1,382,199	\$41.09

Class B Submarket Statistics

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aventura	23	785,122	14,280	16,180	2.1%	463	0	61,608	\$38.83
Biscayne Corridor	28	1,068,034	59,842	62,442	5.8%	11,202	0	8,643	\$39.85
Brickell	34	4,209,636	500,354	511,675	12.2%	2,316	0	45,000	\$35.85
Coconut Grove	27	1,098,862	52,806	52,806	4.8%	13,355	0	0	\$35.67
Coral Gables	117	4,367,571	296,684	298,035	6.8%	(1,632)	0	96,427	\$35.23
Coral Way	33	1,079,619	49,189	50,539	4.7%	(13,820)	0	13,795	\$28.59
Downtown Miami	37	5,186,122	886,844	892,544	17.2%	(25,697)	0	0	\$30.92
Kendall	226	6,213,440	429,126	433,775	7.0%	38,760	45,614	8,000	\$26.68
Medley/Hialeah	64	1,761,149	104,589	104,589	5.9%	12,176	0	2,136	\$26.75
Miami	56	2,377,595	103,812	103,812	4.4%	71,733	0	30,665	\$31.31
Miami Airport	186	10,352,522	984,053	1,004,782	9.7%	29,042	0	0	\$25.95
Miami Beach	68	2,452,910	149,393	149,393	6.1%	(19,402)	0	13,800	\$41.28
Miami Lakes	93	2,655,098	445,791	445,946	16.8%	775	0	70,920	\$21.41
Northeast Dade	78	2,431,384	383,711	383,811	15.8%	14,204	0	116,000	\$26.30
Totals	1,169	48,367,976	4,588,704	4,638,559	9.6%	138,651	45,614	500,474	\$29.46

Class C Market Statistics

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aventura	13	135,804	12,984	12,984	9.6%	0	0	0	\$34.25
Biscayne Corridor	90	1,032,145	88,302	88,302	8.6%	(22,849)	0	0	\$33.70
Brickell	22	330,665	4,800	4,800	1.5%	1,830	0	0	\$22.09
Coconut Grove	67	397,919	7,860	8,960	2.3%	7,968	0	0	\$46.19
Coral Gables	294	2,067,678	58,181	59,156	2.9%	4,581	0	0	\$29.35
Coral Way	191	1,189,850	24,249	24,999	2.1%	(14,865)	0	0	\$23.34
Downtown Miami	34	1,239,370	136,169	136,169	11.0%	560	0	0	\$24.04
Kendall	289	3,663,543	148,096	148,096	4.0%	708	0	0	\$27.77
Medley/Hialeah	266	1,690,920	39,841	39,841	2.4%	15,149	0	0	\$24.75
Miami	496	3,188,797	105,570	105,570	3.3%	2,658	0	0	\$28.82
Miami Airport	195	3,032,237	87,936	89,816	3.0%	(3,664)	0	0	\$26.37
Miami Beach	84	1,140,600	36,880	36,880	3.2%	2,122	0	0	\$34.77
Miami Lakes	40	469,945	28,274	28,274	6.0%	3,777	0	0	\$21.09
Northeast Dade	430	3,743,633	205,961	207,461	5.5%	46,394	0	0	\$22.09
Totals	3,007	25,671,656	1,030,493	1,036,698	4.0%	46,954	0	0	\$26.64

Total Office Market Statistics

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Aventura	46	1,864,443	119,730	121,630	6.5%	(3,996)	0	198,002	\$43.60
Biscayne Corridor	121	2,799,179	340,672	343,272	12.3%	(11,647)	0	8,643	\$37.97
Brickell	71	9,488,168	1,009,826	1,094,422	11.5%	74,693	0	145,000	\$43.35
Coconut Grove	99	2,150,113	203,171	207,162	9.6%	27,938	106,000	0	\$37.65
Coral Gables	440	10,959,617	856,690	874,229	8.0%	(6,473)	0	309,970	\$38.68
Coral Way	225	2,353,717	73,438	75,538	3.2%	(28,685)	0	54,912	\$25.77
Downtown Miami	81	11,672,880	1,934,669	1,951,783	16.7%	(51,112)	0	318,000	\$37.91
Kendall	531	11,702,983	899,742	922,495	7.9%	27,327	45,614	8,000	\$29.97
Medley/Hialeah	336	4,246,031	241,597	241,597	5.7%	40,819	0	2,136	\$26.10
Miami	561	6,681,589	226,474	226,474	3.4%	161,419	0	92,571	\$31.09
Miami Airport	417	18,719,283	1,520,529	1,558,402	8.3%	4,365	0	452,492	\$28.14
Miami Beach	159	4,467,435	232,153	244,665	5.5%	(27,237)	0	13,800	\$41.53
Miami Lakes	140	3,542,091	563,690	563,845	15.9%	18,959	0	70,920	\$21.92
Northeast Dade	510	6,363,767	612,014	618,604	9.7%	60,598	0	174,747	\$24.48
Totals	4,333	101,734,876	9,009,139	9,218,862	9.1%	293,605	151,614	1,882,673	\$33.73

Source: CoStar Property®

For more information and a **FREE Confidential Lease Consultation** please contact Natalia East at natalia@allenmorris.com
 The Allen Morris Company | 121 Alhambra Plaza, Suite #1600 | Coral Gables, FL | (305) 476-2613

With almost 60 years of experience in South Florida's commercial real estate market, **The Allen Morris Company** consistently provides clients with world-class personalized services from inception to completion. We assist major international and regional corporations with a full range of real estate needs including tenant and landlord representation as well as investment sales, analysis and strategy.



TENANT REPRESENTATION SERVICES:

- Market Analysis: Existing Location
- Space Utilization Analysis
- Space Options and Visits
- Financial Analysis
- Strategic & Implementation Recommendations
- Negotiation and Contract Development
- Implementation Plan

LANDLORD REPRESENTATION SERVICES:

- Market Analysis: Property and Submarket
- Effective Marketing and Leasing Strategy
- Tenant Prospecting
- Negotiation and Contract Development
- Implementation Plan

