

Fourth Quarter 2017

Broward Industrial

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.

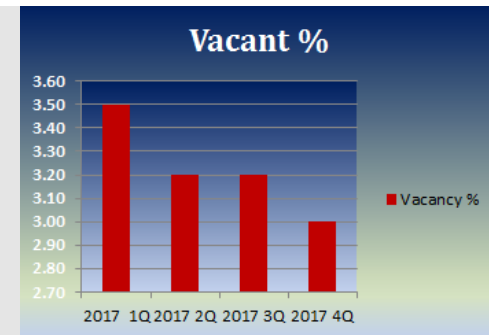
New industrial construction continues as demand is signalling developers to keep on building. We do not foresee a slowdown in construction for the next few quarters barring a recession or other outside event.

-Lloyd C. Berger

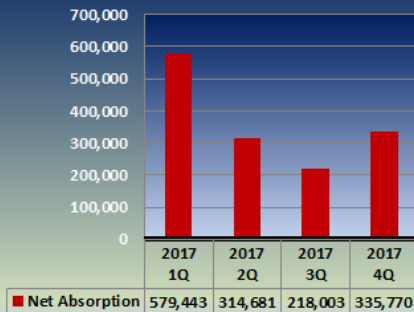
Period	Total RBA	Vacancy %	Asking Rate	Net Absorption
2017 1Q	108,361,534	3.50	\$ 8.46	579,443
2017 2Q	108,443,804	3.20	\$ 8.34	314,681
2017 3Q	108,610,174	3.20	\$ 8.47	218,003
2017 4Q	108,753,639	3.00	\$ 8.43	335,770

*5,200 Properties

From a survey taken of 5,200 Broward County industrial properties, vacancy has dropped, even with new construction coming to the market. Fourth quarter vacancy ended at 3.0%, down 20 basis points from the prior quarter.

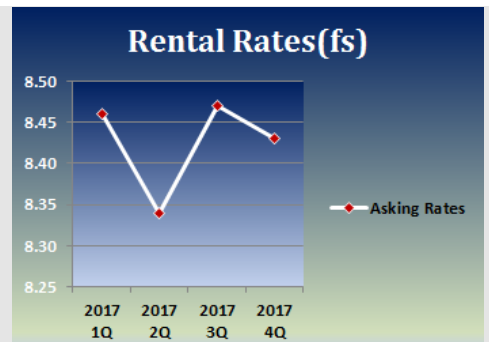


Net Absorption



Net absorption was up this quarter at positive 352,754 s.f. This is a strong showing, particularly with so much new construction on the market (Broward saw nearly 400,000 s.f. of new construction in 2017, with another 1 million s.f. so far in 2018). Among the largest industrial lease signings in the fourth quarter were Woodfield Distribution's (represented by Berger Commercial Realty) signing of over 80,000 s.f. in Prologis Centerport in Pompano Beach, and C&P Machine Company, Inc.'s 39,729 s.f. lease at 5250 NW 33rd Ave., Fort Lauderdale. Among the largest sales this quarter were Principal Global Investors LLC's sale of the 151,389 square foot Port 95 Industrial Center, 2800 SW 42nd Street in Fort Lauderdale, to TA Realty for \$21 million, or approximately \$139 per square foot. The property was reportedly 100% leased at the time of sale, and the reported cap rate was 4.7%.

Quoted asking rental rates decreased \$.03/SF from the previous quarter to \$8.43/SF NNN despite strong positive absorption and lower vacancy rates. We don't expect the dip in rates to be a continuing trend, and rates should climb again.



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

Broward Office

1600 SE 17th St. Causeway, Suite 200
Fort Lauderdale, FL 33316
Phone | 954.358.0900
Fax | 954.358.0901

Palm Beach Office

2240 Woolbright Road, Suite 300
Boynton Beach, FL 33426
Phone | 561.613.0900
Fax | 561.877.8363

Miramar Office

11350 Interchange Circle North
Miramar, FL 33025
Phone | 954.744.5015
Fax | 954.505.7578

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.