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COMMERCIAL BROKERAGE AND PROPERTY MANAGEMENT

First Quarter 2016

Industrial Market Report

1Q Palm Beach Industrial Shows Positive Outlook For 2016

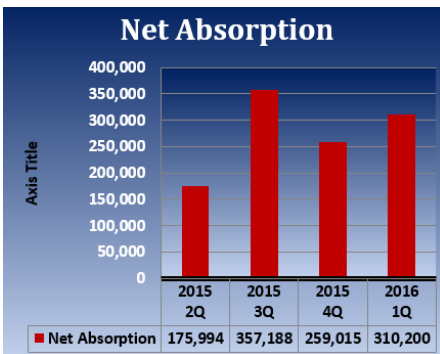
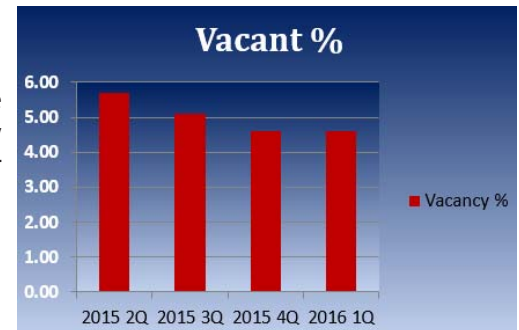
Berger Commercial Realty is dedicated to the consistent delivery and execution of commercial real estate services while continually embracing the clients' individual business goals. We are rewarded by powerful and enduring relationships due directly to the level of service and benefits we offer to each client.

"Vacancy rates in the Palm Beach Industrial Market appear to be levelling off as new supply is meeting tenant demand. This may signal new construction if the trend continues."
-Michael Feuerman, Esq., CCIM

Period	Total RBA	Vacancy %	Asking Rates	Net Absorption
2015 2Q	59,292,954	5.70	9.19	175,994
2015 3Q	59,292,954	5.10	9.11	357,188
2015 4Q	59,286,864	4.60	9.40	259,015
2016 1Q	59,640,004	4.60	9.65	310,200

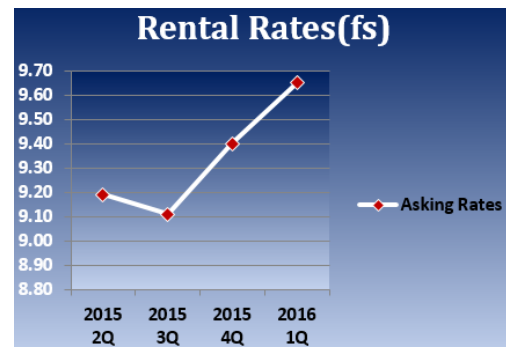
*3,218 Properties

Based on a Survey of 3,218 Palm Beach Industrial properties, vacancy has decreased and is down overall from the start of 2Q 2015. 1Q vacancy was 4.6%, remaining the same from the previous quarter and down 1.1% from the 2nd quarter of 2015. New construction may be bringing equilibrium to the industrial sector, even if only for the short term.



The largest lease signing was Southern Wine & Spirits, occupying 28,325 SF of space at 6800 Belvedere Road in West Palm Beach. Another notable transaction include a 25,600 SF lease signed by Coastal Screens at 1127 Poinsettia Drive in Delray Beach. The largest sales in the Palm beach County Industrial market in the first quarter were the sale of 420 South Congress in Delray Beach, to PetMeds Express, Inc. for \$18,500,000 or \$99.66/SF; and Cabot Properties Inc.'s purchase of 601 103rd Ave North in Royal Palm Beach for \$15,725,000 or \$126.81SF.

Quoted asking rates increased \$0.25/SF from the previous quarter to \$9.65/SF. During the 1st Quarter of 2016, rental rates continue to climb. Expect rates to continue on an upward trend through 2016.



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.

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