

Miami-Dade 3Q14

Office Report

Source: CoStar Property

The office vacancy rate in the Miami-Dade County market area decreased to 11.6% at the end of the third quarter 2014. The vacancy rate was 11.9% at the end of the second quarter 2014, and 12.4% at the end of the fourth quarter 2013. The overall vacancy rate in Miami-Dade County's central business district at the end of the third quarter 2014 decreased to 16.8%. The vacancy rate was 17.3% at the end of the second quarter 2014, and 17.8% at the end of the fourth quarter 2013. The vacancy rate in the suburban markets decreased to 10.4% in the third quarter 2014. The vacancy rate was 10.6% at the end of the second quarter 2014 and 11.2% at the end of the fourth quarter 2013.

The average quoted asking rental rate for available office space, all classes, was \$29.67 per square foot per year at the end of the third quarter 2014 in the Miami-Dade County market area. This represented a 0.0% decrease in quoted rental rates from the end of the second quarter 2014, when rents were reported at \$29.68 per square foot.

Total office building sales activity in 2014 was up compared to 2013. Cap rates have been lower in 2014, averaging 5.80% compared to the same period in 2013 when they averaged 6.91%. One of the largest transactions that has occurred within the last four quarters in the Miami-Dade County market is the sale of 1601 Washington Ave in Miami. This 139,887-square foot office building sold for \$65,382,000, or \$467.39 per square foot. The property sold on 12/6/2013, at a 6.8% cap rate.

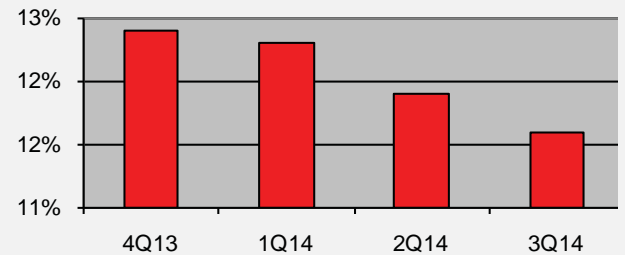


1500-1554 San Remo Avenue

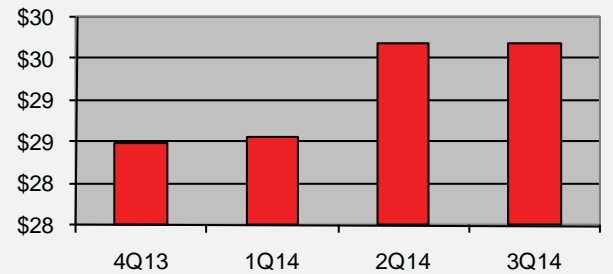
Purchase Price: \$43,750,000 (\$273.31/SF)

RBA: 160,076

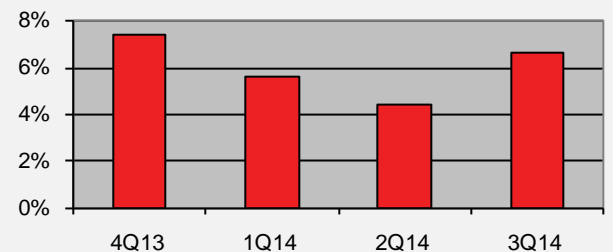
Vacancy Rates



Rental Rates



CAP Rates



Trends for 3Q14



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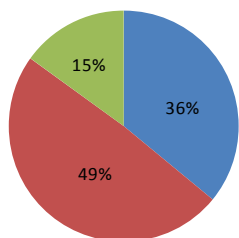
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Market Overview:

SUBMARKET	# BLDGS.	TOTAL RBA (SF)	DIRECT AVAILABLE (SF)	TOTAL AVAILABLE (SF)	TOTAL AVAILABLE (%)	TOTAL AVERAGE RATE (\$/SF/YR)	UNDER CONSTRUCTION (SF)
Aventura	52	2,194,259	169,545	174,233	7.9%	\$39.33	40,724
Biscayne Corridor	131	3,722,606	706,721	709,021	19.0%	\$31.12	0
Brickell	67	7,830,615	1,142,231	1,168,978	14.9%	\$39.44	150,830
Coconut Grove	97	1,996,132	198,838	205,538	10.3%	\$31.32	0
Coral Gables	440	10,703,939	1,156,537	1,183,604	11.1%	\$34.32	68,030
Coral Way	229	2,424,871	90,945	93,970	3.9%	\$23.76	0
Downtown Miami	79	11,054,081	1,976,098	2,003,579	18.1%	\$33.66	0
Kendall	531	11,724,566	1,055,064	1,055,408	9.0%	\$27.83	60,000
Medley/Hialeah	341	4,379,539	357,033	360,809	8.2%	\$22.52	36,942
Miami	562	6,949,511	453,995	486,599	7.0%	\$25.89	92,589
Miami Airport	349	16,122,850	1,836,040	1,873,027	11.6%	\$24.15	60,000
Miami Beach	157	4,332,550	408,095	408,095	9.4%	\$33.67	0
Miami Lakes	137	3,509,595	753,259	753,569	21.5%	\$22.12	0
Miami-Dade Central County	57	408,430	16,477	16,477	4.0%	\$21.50	0
Northeast Dade	505	6,391,324	735,007	735,007	11.5%	\$22.38	0
Outlying Miami-Dade County	7	194,314	1,854	1,854	1.0%	\$17.96	0
South Dade	216	2,199,101	210,850	212,350	9.7%	\$20.91	0
West Miami	358	3,338,980	100,202	100,202	3.0%	\$22.84	0
MIAMI-DADE	4,315	99,477,263	11,368,791	2.2%	11.6%	\$29.67	509,115

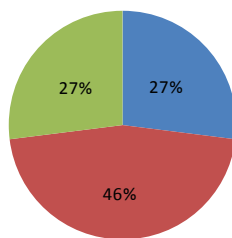
Vacancy by Class

■ Class A ■ Class B ■ Class C



Existing Inventory Comparison

■ Class A ■ Class B ■ Class C



Development by Tenancy

■ Single ■ Multi

