

Miami-Dade 3Q15

Office Report

Source: CoStar Property

The Miami-Dade County Office market ended the third quarter with a vacancy rate of 10.6%, which was down over 2Q15. Net absorption totaled positive 506,085 square feet and vacant sublease space increased, ending the quarter at 196,457 square feet. Rental rates ended the third quarter at \$30.87 and one building was delivered to the market totaling 20,000 square feet, with 1,100,467 square feet still under construction at the end 3Q15.

Net absorption for the overall office market was positive 506,085 square feet in Miami-Dade County. That compares to positive 418,570 square feet in 2Q15, positive 41,918 square feet in 1Q15, and positive 265,905 square feet in the fourth quarter of 2014.

The office vacancy rate in the Miami-Dade County market area decreased to 10.6% from 11.0% at the end of the second quarter 2015, 11.5% at the end of the first quarter 2015, and 12.1% at the end of the fourth quarter 2014. The overall vacancy rate in Miami-Dade County's central business district at the end of the third quarter 2015 decreased to 15.7%. The vacancy rate was 15.9% at the end of the second quarter 2015, 16.2% at the end of the first quarter 2015, and 16.4% at the end of the fourth quarter 2014. The vacancy rate in the suburban markets decreased to 9.3% in the third quarter 2015. The vacancy rate was 9.9% at the end of the second quarter 2015, 10.4% at the end of the first quarter 2015, and 11.0% at the end of the fourth quarter 2014.

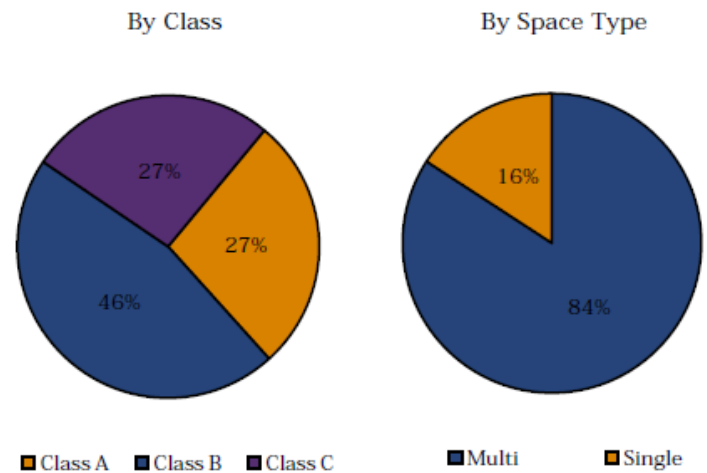
The average quoted asking rental rate for available office space, all classes, was \$30.87 per square foot per year in the Miami-Dade County market area. This represented a 1.0% increase in quoted rental rates from the end of 2Q15, when rents were reported at \$30.55 per square foot.

The average quoted rate within the Class-A sector was \$38.85 at the end of the third quarter 2015, while Class-B rates stood at \$26.98, and Class-C rates at \$23.96. The average quoted asking rental rate in Miami-Dade County's CBD was \$37.92 and \$27.87 in the suburban markets. In the second quarter 2015, quoted rates were \$37.28 in the CBD and \$27.76 in the suburbs.



Existing Inventory Comparison

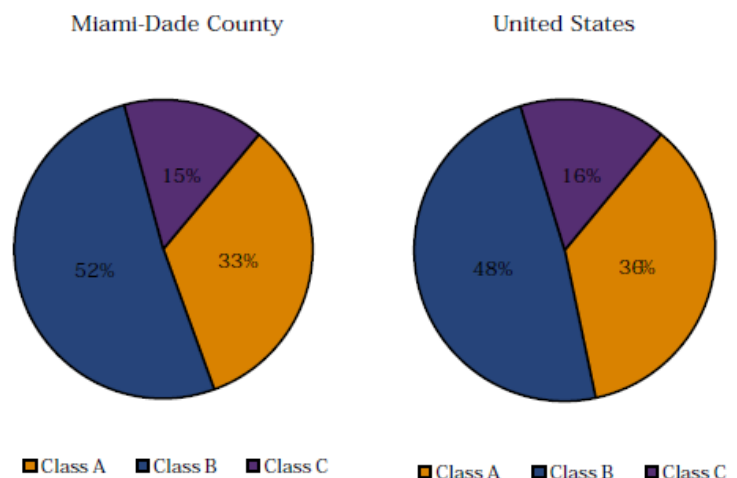
Based on Total RBA



Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space



Source: CoStar Property®

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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	2,233,841	137,076	146,100	6.5%	\$39.35	0
Biscayne Corridor	127	2,907,945	447,653	447,653	15.4%	\$36.08	0
Brickell	68	7,844,017	1,041,968	1,070,773	13.7%	\$42.04	382,228
Coconut Grove	101	2,072,777	133,077	141,977	6.8%	\$34.07	115,920
Coral Gables	440	10,701,947	957,757	985,400	9.2%	\$35.56	68,030
Coral Way	230	2,433,124	75,495	75,495	3.1%	\$25.22	0
Downtown Miami	81	11,208,616	1,902,470	1,918,400	17.1%	\$35.34	187,000
Kendall	526	11,755,690	1,033,127	1,038,326	8.8%	\$27.65	0
Medley/Hialeah	344	4,426,800	349,354	364,477	8.2%	\$23.97	0
Miami	562	6,870,192	443,132	475,736	6.9%	\$26.33	87,969
Miami Airport	414	18,141,818	1,772,529	1,768,683	9.7%	\$25.37	152,285
Miami Beach	162	4,793,238	323,061	323,461	6.7%	\$35.39	0
Miami Lakes	139	3,515,008	669,290	675,016	19.2%	\$22.97	0
Miami-Dade Central County	59	436,843	16,477	16,477	3.8%	\$20.99	0
Northeast Dade	506	6,449,997	857,482	857,898	13.3%	\$22.52	88,555
Outlying Miami-Dade County	7	194,314	0	0	0.0%	\$15.35	0
South Dade	218	2,229,821	196,109	196,109	8.8%	\$22.00	18,480
West Miami	307	1,902,310	60,222	60,222	3.2%	\$21.81	0
MIAMI-DADE	4,334	100,117,880	10,336,279	10,562,736	10.6%	\$30.87	1,100,467

550 Biltmore



Coral Gables

Price: \$50,200,000
 Price/SF: \$309.32
 Cap Rate: 5.2%
 RBA: 162,293
 Date: 12/4/2014
 Year Built: 1986

3225 Aviation Ave



Coconut Grove

Price: \$42,000,000
 Price/SF: \$305.38
 Cap Rate: N/A
 RBA: 137,535
 Date: 4/30/2015
 Year Built: 1987

Capital Lofts



Miami

Price: \$23,500,000
 Price/SF: \$447.17
 Cap Rate: N/A
 RBA: 52,553
 Date: 6/30/2015
 Year Built: 1926