

# Miami-Dade 3Q16

## Retail Market Overview

Source: CoStar Property

The Miami-Dade County retail market did not experience much change in market conditions in the third quarter 2016. The vacancy rate went from 3.1% in the previous quarter to 2.9% in the current quarter. Net absorption was positive 296,571 square feet, and vacant sublease space decreased by (21,771) square feet. Quoted rental rates increased from second quarter 2016 levels, ending at \$34.18 per square foot per year. A total of 10 retail buildings with 104,815 square feet of retail space were delivered to the market in the quarter, with 2,454,946 square feet still under construction at the end of the quarter.

Retail net absorption was moderate in Miami-Dade County third quarter 2016, with positive 296,571 square feet absorbed in the quarter. In second quarter 2016, net absorption was positive 263,771 square feet, while in first quarter 2016, absorption came in at positive 113,141 square feet. In fourth quarter 2015, positive 345,271 square feet was absorbed in the market.

Miami-Dade County's retail vacancy rate decreased in the third quarter 2016, ending the quarter at 2.9%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 3.2% in the fourth quarter 2015, to 3.2% at the end of the first quarter 2016, 3.1% at the end of the second quarter 2016, to 2.9% in the current quarter.

The amount of vacant sublease space in the Miami-Dade County market has trended up over the past four quarters. At the end of the fourth quarter 2015, there were 84,212 square feet of vacant sublease space. Currently, there are 137,535 square feet vacant in the market.

Average quoted asking rental rates in the Miami-Dade County retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the third quarter 2016 at \$34.18 per square foot



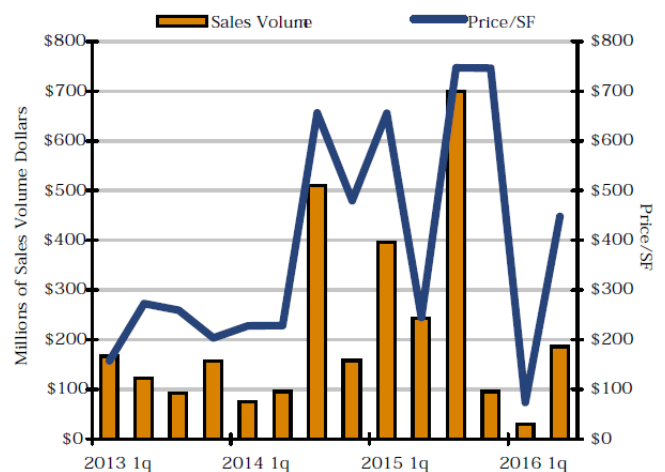
per year. That compares to \$32.10 per square foot in the second quarter 2016, and \$33.69 per square foot at the end of the fourth quarter 2015. This represents a 6.5% increase in rental rates in the current quarter, and a 1.43% increase from four quarters ago.

Tallying retail building sales of 15,000 square feet or larger, Miami-Dade County retail sales figures rose during the second quarter 2016 in terms of dollar volume compared to the first quarter of 2016.

Cap rates have been higher in 2016, averaging 6.12% compared to the same period in 2015 when they averaged 5.92%.

## Sales Volume & Price

Based on Retail Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

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## Total Retail Market Statistics Source: CoStar Property

SUBMARKET	# BLDGS.	TOTAL GLA (SF)	DIRECT AVAILABLE (SF)	TOTAL AVAILABLE (SF)	TOTAL AVAILABLE (%)	TOTAL AVERAGE RATE (\$/SF/YR)	UNDER CONSTRUCTION (SF)
Aventura	128	6,444,513	71,576	71,576	1.1%	\$31.13	20,483
Biscayne Corridor	220	2,278,227	99,345	99,345	4.4%	\$47.41	42,075
Brickell	65	1,002,583	17,270	17,270	1.7%	\$101.85	548,042
Coconut Grove	149	1,646,056	66,362	68,692	4.2%	\$44.23	6,626
Coral Gables	380	3,632,061	41,603	41,603	1.1%	\$40.65	0
Coral Way	339	2,423,419	46,484	46,484	1.9%	\$32.58	38,322
Downtown Miami	141	2,744,929	143,072	143,072	5.2%	\$26.92	599,064
Kendall	860	19,035,340	492,923	492,923	2.6%	\$33.56	57,448
Medley/Hialeah	941	12,803,764	257,819	257,819	2.0%	\$38.34	365,158
Miami	2,411	14,500,371	750,300	761,633	5.3%	\$37.44	97,782
Miami Airport	719	15,658,978	191,109	286,411	1.8%	\$31.14	374,995
Miami Beach	604	7,361,074	332,581	340,687	4.6%	\$64.49	133,454
Miami Lakes	183	4,722,407	117,804	117,804	2.5%	\$24.26	37,666
Miami-Dade Central County	438	3,264,106	79,708	98,468	3.0%	\$16.18	25,294
Northeast Dade	1,149	11,945,769	360,039	361,743	3.0%	\$30.42	6,787
Outlying Miami-Dade County	25	302,090	28,351	28,351	9.4%	\$22.08	0
South Dade	825	11,342,616	307,391	307,391	2.7%	\$18.88	75,041
West Miami	614	6,405,462	129,049	129,049	2.0%	\$30.67	26,709
<b>MIAMI-DADE</b>	<b>10,191</b>	<b>127,513,765</b>	<b>3,532,786</b>	<b>3,670,321</b>	<b>2.9%</b>	<b>\$34.18</b>	<b>2,454,946</b>

### Vacancy Rates by Building Type

2006-2016

