

## Miami-Dade 4Q16 Retail Market Overview

Source: CoStar Property

The Miami-Dade County retail market did not experience much change in market conditions in 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 third quarter 2016, ending 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 fourth quarter 2015, to 3.2% at the end of first quarter 2016, 3.1% at the end of second quarter 2016, to 2.9% in 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 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, and up from four quarters ago. Quoted rents ended third quarter 2016 at \$34.18 per square foot per year. That compares to \$32.10 per square foot in second quarter 2016, and



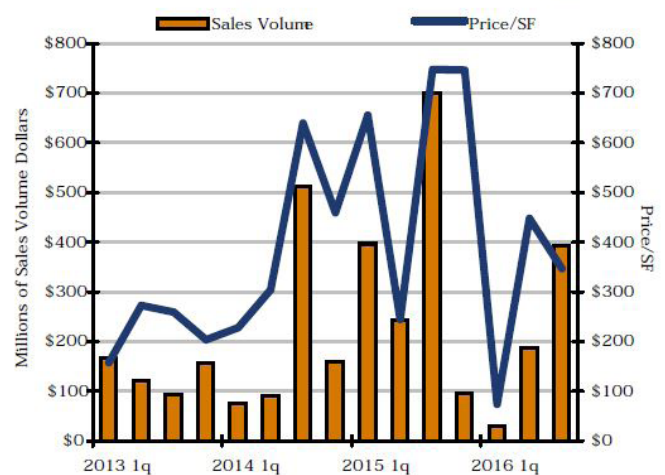
\$33.69 per square foot at the end of fourth quarter 2015. This represents a 6.5% increase in rental rates in the current quarter and a 1.43% increase from four quarters ago.

Tallying retail building sales of 15,000 square feet or larger, Miami-Dade County sales figures rose during 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®

# Miami-Dade 4Q16

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	129	6,467,613	80,653	80,653	1.2%	\$34.49	20,483
Biscayne Corridor	222	2,295,477	107,765	107,765	4.7%	\$45.99	42,075
Brickell	66	1,508,280	319,364	319,364	21.2%	\$100.06	50,000
Coconut Grove	149	1,648,028	66,408	66,408	4.0%	\$44.32	6,626
Coral Gables	380	3,625,784	36,146	36,146	1.0%	\$40.91	15,000
Coral Way	339	2,423,375	47,197	47,197	1.9%	\$31.75	38,322
Downtown Miami	141	2,744,929	289,869	289,869	10.6%	\$27.37	599,064
Kendall	862	19,067,752	497,020	508,537	2.7%	\$33.07	58,769
Medley/Hialeah	951	12,853,999	274,298	274,298	2.1%	\$38.46	365,158
Miami	2,424	14,572,582	843,974	847,474	5.8%	\$35.28	173,838
Miami Airport	727	15,706,412	193,989	289,211	1.8%	\$30.70	407,495
Miami Beach	607	7,393,373	323,665	338,121	4.6%	\$67.16	133,454
Miami Lakes	182	4,718,784	97,596	103,287	2.2%	\$22.63	46,911
Miami-Dade Central County	448	3,303,416	75,673	94,433	2.9%	\$17.88	18,517
Northeast Dade	1,153	11,983,544	319,623	327,933	2.7%	\$29.55	323,587
Outlying Miami-Dade County	25	306,066	15,153	15,153	5.0%	\$23.89	0
South Dade	827	11,364,128	275,367	279,867	2.5%	\$20.14	80,950
West Miami	616	6,733,803	143,616	149,493	2.2%	\$29.20	24,483
<b>MIAMI-DADE</b>	<b>10,248</b>	<b>128,717,345</b>	<b>4,007,376</b>	<b>4,175,209</b>	<b>3.2%</b>	<b>\$34.87</b>	<b>2,404,732</b>

## Vacancy Rates by Building Type

2006-2016

