

Florida

Statistical Summary by Metro Area

Market	Total Inventory (RSF)	Direct Vacant SF	Sublet Vacant SF	% Occupied	% Direct Vacant	% Sublet Vacant	% Overall Vacant	Under Construction (SF)	YTD Net Absorption (SF)	Average Asking Rate (\$/SF FS)
Jacksonville	24,923,355	2,966,090	178,132	88.10%	11.90%	0.71%	12.61%	428,710	573,094	\$19.82
CBD	7,413,219	984,352	52,084	87.40%	13.28%	0.70%	13.98%	0	(12,496)	\$20.93
Class A	5,653,814	766,356	52,084	86.66%	13.55%	0.92%	14.47%	0	5,001	\$21.61
Class B	1,759,405	217,996	0	89.77%	12.39%	0.00%	12.39%	0	(17,497)	\$18.55
Non-CBD/Suburban	17,510,136	1,981,738	126,048	88.68%	11.32%	0.72%	12.04%	428,710	585,590	\$19.27
Class A	6,137,755	568,892	61,298	89.65%	9.27%	1.00%	10.27%	428,710	179,600	\$23.22
Class B	11,372,381	1,412,846	64,750	86.19%	12.42%	0.57%	12.99%	0	405,990	\$17.68
Orlando	37,135,945	3,151,057	624,190	91.51%	8.49%	1.68%	10.17%	512,000	973,732	\$22.16
CBD	7,111,189	642,750	200,725	90.96%	9.05%	2.82%	11.86%	217,000	123,066	\$25.67
Class A	4,074,777	310,093	155,329	92.39%	7.61%	3.81%	11.42%	217,000	115,478	\$26.89
Class B	3,036,412	332,657	45,396	89.04%	10.96%	1.50%	12.45%	0	7,588	\$24.53
Non-CBD/Suburban	30,024,756	2,508,307	423,465	91.65%	8.35%	1.41%	9.76%	295,000	850,666	\$21.26
Class A	12,662,984	585,094	153,569	95.38%	4.62%	1.21%	5.83%	115,000	482,317	\$26.48
Class B	17,361,772	1,923,213	269,896	88.92%	11.08%	1.55%	12.63%	180,000	368,349	\$19.68
Tampa Bay	41,072,509	4,289,000	201,909	89.56%	10.44%	0.49%	10.93%	148,800	728,391	\$23.21
CBD	8,393,429	827,794	42,554	90.14%	9.86%	0.51%	10.37%	0	34,303	\$27.61
Class A	6,784,101	695,095	30,258	89.75%	10.25%	0.45%	10.69%	0	(77,293)	\$28.96
Class B	1,609,328	132,699	12,296	91.75%	8.25%	0.76%	9.01%	0	111,596	\$20.58
Non-CBD/Suburban	32,679,080	3,461,206	159,355	89.41%	10.59%	0.49%	11.08%	148,800	694,088	\$22.15
Class A	15,297,519	984,710	59,277	93.56%	6.44%	0.39%	6.82%	148,800	215,802	\$26.29
Class B	17,381,561	2,476,496	100,078	85.75%	14.25%	0.58%	14.82%	0	478,286	\$20.50
SOUTH FLORIDA										
Broward County	32,250,261	3,055,883	91,869	90.52%	9.48%	0.28%	9.76%	132,926	882,981	\$30.29
CBD	5,046,998	615,506	0	87.80%	12.20%	0.00%	12.20%	36,216	(71,397)	\$39.78
Class A	3,982,367	547,880	0	86.24%	13.76%	0.00%	13.76%	0	(52,821)	\$41.37
Class B	1,064,631	67,626	0	93.65%	6.35%	0.00%	6.35%	36,216	(18,576)	\$26.87
Non-CBD/Suburban	27,203,263	2,440,377	91,869	91.03%	8.97%	0.34%	9.31%	96,710	954,378	\$27.90
Class A	9,494,072	978,829	47,440	89.69%	10.31%	0.50%	10.81%	56,710	85,169	\$30.85
Class B	17,709,191	1,461,548	44,429	91.75%	8.25%	0.25%	8.50%	40,000	869,209	\$25.92
Miami-Dade County	56,093,844	5,366,949	296,487	90.43%	9.57%	0.53%	10.10%	652,869	1,469,919	\$37.09
	16,506,699	2,043,925	118,293	87.62%	12.38%	0.72%	13.10%	194,352	453,158	\$42.55
Class A	9,891,325	1,151,381	94,556	88.36%	11.64%	0.96%	12.60%	194,352	338,459	\$51.31
Class B	6,615,374	892,544	23,737	86.51%	13.49%	0.36%	13.85%	0	114,699	\$31.24
Non-CBD/Suburban	39,587,145	3,323,024	178,194	91.61%	8.39%	0.45%	8.84%	458,517	1,016,761	\$33.74
Class A	15,808,218	1,302,530	157,541	91.76%	8.24%	1.00%	9.24%	382,517	362,802	\$39.60
Class B	23,778,927	2,020,494	20,653	91.50%	8.50%	0.09%	8.58%	76,000	653,959	\$29.90
Palm Beach County	27,588,610	3,075,516	74,315	88.85%	11.15%	0.27%	11.42%	0	793,146	\$33.43
CBD	3,387,879	367,335	0	89.16%	10.84%	0.00%	10.84%	0	113,119	\$46.49
Class A	1,640,967	155,774	0	90.51%	9.49%	0.00%	9.49%	0	(13,240)	\$57.11
Class B	1,746,912	211,561	0	87.89%	12.11%	0.00%	12.11%	0	126,359	\$38.67
Non-CBD/Suburban	24,200,731	2,708,181	74,315	88.81%	11.19%	0.31%	11.50%	0	680,027	\$31.66
Class A	5,937,404	623,995	19,873	89.49%	10.51%	0.33%	10.84%	0	99,519	\$39.93
Class B	18,263,327	2,084,186	54,442	88.59%	11.41%	0.30%	11.71%	0	580,508	\$29.18
FLORIDA	219,064,524	21,904,495	1,466,902	90.00%	10.00%	0.67%	10.67%	1,875,305	5,421,263	\$28.42
CBD	47,859,413	5,481,662	413,656	88.55%	11.45%	0.86%	12.32%	447,568	639,753	\$34.39
Class A	32,027,351	3,626,579	332,227	88.68%	11.32%	1.04%	12.36%	411,352	315,584	\$37.41
Class B	15,832,062	1,855,083	81,429	88.28%	11.72%	0.51%	12.23%	36,216	324,169	\$28.47
Non-CBD/Suburban	171,205,111	16,422,833	1,053,246	90.41%	9.59%	0.62%	10.21%	1,427,737	4,781,510	\$26.43
Class A	65,337,952	5,044,050	498,998	92.28%	7.72%	0.76%	8.48%	1,131,737	1,425,209	\$31.98
Class B	105,867,159	11,378,783	554,248	89.25%	10.75%	0.52%	11.27%	296,000	3,356,301	\$23.97

Reporting Methodology: This report includes all class 'A' and 'B' office buildings and parks 20,000 SF and greater in Florida's major markets that are not owner occupied, office medical, or government owned. All rents are reported on a full-service gross basis. The information in this report has been collected by the Avison Young research team via sources that are deemed reliable but is not guaranteed.

Florida

Florida's Real Gross State Product will expand from 2017-2021 at an average rate of 3.4%, 60 basis points higher than the forecasted average for U.S. Real GDP growth during the same period.

Leading Indicators (Y-O-Y 4Q-2016 to 4Q-2017)

Overall Vacancy Rate	YTD Net Absorption	Under Construction	Unemployment Rate (Proj. Dec-2017)	Total Employment
10.67%	5,421,263 SF	1,875,305 SF	3.7%	10.13 MM

Significant 2017 Lease Transactions

Tenant	Property	Type	SF	Qtr Leased	Submarket	Market
Web.com	Town Center Two	New Lease	218,700	4Q17	Deerwood Park	Jacksonville
Kaplan, Inc.	Kaplan University I/II	Renewal	195,422	3Q17	Cypress Creek	Broward
PricewaterhouseCoopers	MetWest III	New Lease	150,000	4Q17	Westshore	Tampa
AAA	Renaissance Center IV	New Lease	148,800	4Q17	Northwest Tampa	Tampa
Amgen	Corporate Center I	New Lease	124,715	1Q17	Westshore	Tampa
Amadeus North America	One Park Square at Doral	Renewal/Expansion	115,000	3Q17	Airport/Doral	Miami-Dade
Bankers Insurance	Roosevelt III Building	Renewal	109,649	3Q17	Gateway	Tampa
Merrill Lynch	Bank of America Tower	Renewal	105,738	4Q17	Brickell	Miami-Dade
Availity, LLC*	Town Center One	New Lease	100,000	2Q17	Deerwood Park	Jacksonville
General Dynamics	3020 US Hwy 301 S	Renewal	99,039	2Q17	I-75 Corridor	Tampa

*Avison Young handled this transaction

Significant 2017 Sales Transactions

Property	SF	Sale Price	Price/SF	Cap Rate	Buyer	Qtr Sold	Submarket	Market
Cousins Properties Portfolio (3 bldgs)	1,037,603	\$208,100,000	\$201		Southwest Value Partners	4Q17	Downtown Orlando	Orlando
1221 Brickell	408,000	\$155,000,000	\$380	N/A	Rockpoint Group	2Q17	Brickell	Miami-Dade
DRA Portfolio Lake Mary (6 bldgs)	795,694	\$151,100,000	\$190		Starwood Capital	3Q17	Lake Mary/Heathrow	Orlando
Colonial TownPark (4 bldgs)	657,844	\$136,100,000	\$207	N/A	Brookdale Group	2Q17	Lake Mary/Heathrow	Orlando
Office Depot Headquarters	630,000	\$132,050,000	\$210		Office Depot, Inc.	3Q17	Boca Raton	Palm Beach
Gramercy Woods (5 bldgs)	862,000	\$115,000,000	\$133	N/A	Ladder Capital Corp	2Q17	I-95/9A Corridor	Jacksonville
Park Square at Doral	281,623	\$96,100,000	\$341		TA Realty	3Q17	Airport/Doral	Miami-Dade
One Financial Plaza	300,046	\$86,740,000	\$289	N/A	Walton Street Capital	1Q17	Downtown Fort Lauderdale	Broward
200 East Broward	226,000	\$81,500,000	\$361		Banyan Street Capital/Oaktree	4Q17	Downtown Fort Lauderdale	Broward
Dilweg Portfolio (5 bldgs)	597,994	\$78,900,000	\$132	7.80%	The Dilweg Companies	2Q17	I-75 Corridor	Tampa
Priatek Plaza*	295,200	\$65,750,000	\$223	6.15%	Third Lake Capital	2Q17	St. Petersburg CBD	Tampa

*Avison Young handled this transaction

Florida Market Leaders

BOCA RATON
Keith O'Donnell, Principal
561.893.7011

FORT LAUDERDALE
Greg Martin, Principal
954.903.1815

JACKSONVILLE
Mark Montgomery, Senior VP
904.512.0540

MIAMI
Donna Abood, Principal, MD
Michael Fay, Principal, MD
305.446.0011

ORLANDO
Greg Morrison, Principal, MD
407.219.3500

TAMPA
Ken Lane, Principal, MD
Clay Witherspoon, Principal, MD
813.288.1800

WEST PALM BEACH
Jonathan Satter, RPA, SIOR
Principal, MD
561.721.7031

Florida Research Team

Lisa McNatt
Director of Research
813.444.0606
lisa.mcnett@avisonyoung.com

Ryan Sharpe
Research Analyst
954.903.3705
ryan.sharpe@avisonyoung.com