

## First Quarter 2021

### Palm Beach Office

Berger Commercial Realty is dedicated to the consistent delivery and execution of commercial real estate services while continually embracing the clients' individual business goals. We are rewarded by powerful and enduring relationships due directly to the level of service and benefits we offer to each client.

"Palm Beach County's office market was buoyed by an influx of tenants from outside the state, seeking lower taxes, better weather, and fewer restrictions. There were eight office leases signed in the 1st quarter alone that were over 20,000 s.f. This helped push up lease rates and absorption.

-Michael Feuerman  
Managing Director

Period	Total RBA	Vacancy %	Asking Rates	Net Absorption
2021 1Q	57,571,499	10.50	\$ 35.57	133,304
2020 4Q	57,276,505	10.30	\$ 34.87	-97,851
2020 3Q	57,265,105	10.10	\$ 34.21	-181,480
2020 2Q	57,156,319	9.60	\$ 33.88	6,581

\*2,929 Properties

From a survey taken of 2,929 Palm Beach County office properties, vacancy has increased 20 basis points from the previous quarter to 10.5%. Net absorption was back in the black at positive 133,302 s.f., after being negative for 4 out of the previous 5 quarters. Sublease space decreased for the 2nd straight quarter, and leasing activity outpaced the previous quarter by more than 30%.

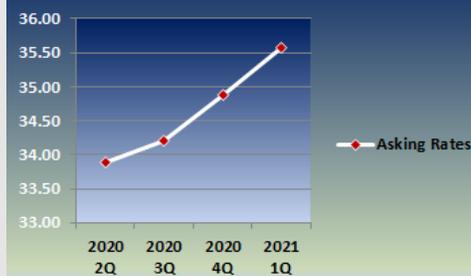


#### Net Absorption



Among the largest office lease signings in the first quarter were NewDay USA's 53,324 s.f. lease at 360 Rosemary Ave. in Downtown West Palm Beach; and National Dentex Labs' lease of 39,000 s.f. at 1701 Military Trail, Jupiter. Among the largest sales in the Palm Beach office market this quarter were AEW Capital Management's sale of the East and West towers totaling 451,858 located at 777 South Flagler Drive in West Palm Beach, FL to The Related Companies for \$281.85 million, or approximately \$624 per square foot. In addition, TJAC Development sold The Boardwalk at 18th St., 6853-6906 SW 18th Street Boca Raton, a 107,000 SF property for \$37.48 million (\$350.28/SF). The purchaser, Carlos Ulloa, bought this building as part of a portfolio sale.

#### Rental Rates(fs)



Direct asking rental rates rose \$0.70 from the previous quarter, ending at \$35.57 SF.

While information is believe true, no guaranty is made of accuracy. Data is subject to revision.

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Berger Commercial Realty, founded in 1998, is a full service commercial real estate firm. As a local, independent and privately owned firm, we can customize our services and quickly adapt to our clients' needs as well as the continually changing real estate markets. We invite you to experience the power of market knowledge.