

Q2 Palm Beach Office Market Report



Vacancy Rate



Lease Rates



Net Absorption



"Palm Beach County has had an influx of corporate relocations, driving up office demand. Vacancy rates have been dropping and rents have been rising as a result. Strong demand in the CBD should push average rates even higher in the coming quarters."

-Michael Feuerman, CCIM, SIOR
Managing Director, Palm Beach County

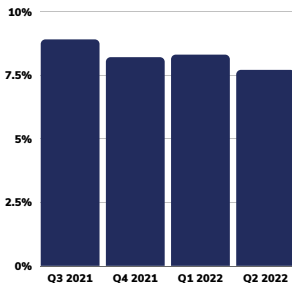
| Period | Total RBA | Vacancy % | Asking Rate | Net Absorption |
|---------|------------|-----------|-------------|----------------|
| Q2 2022 | 58,612,567 | 7.7% | \$38.99 | 477,342 |
| Q1 2022 | 58,452,029 | 8.3% | \$37.39 | 36,511 |
| Q4 2021 | 58,395,809 | 8.2% | \$36.98 | 381,835 |
| Q3 2021 | 58,389,809 | 8.9% | \$36.49 | 741,521 |

Significant Lease Activity

| Address | Size | Tenant | Type |
|--|-----------|-----------------------|---------|
| 327 Plaza Real, Boca Raton | 21,758 SF | Abitos | New |
| 11760 US Highway 1, Palm Beach Gardens | 21,231 SF | Otis Elevator Company | Renewal |
| 1675 N Military Trail, Boca Raton | 18,659 SF | Reveener | New |

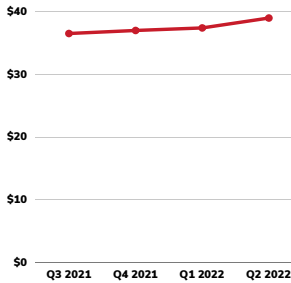
Significant Sales Activity

| Address | Size | Buyer | Sales Price |
|---------------------------------------|------------|-----------------------------------|------------------------|
| 1641 Worthington Rd., West Palm Beach | 100,525 SF | MHCommercial Real Estate Fund LLC | \$32.5M (\$323.30/SF) |
| 13321 US Highway 1, Juno Beach | 63,108 SF | NorthWest Healthcare Properties | \$25.42M (\$402.72/SF) |
| 551 SE 8th St., Delray Beach | 54,524 SF | CDS International Holdings | \$24.49M (\$449.15/SF) |



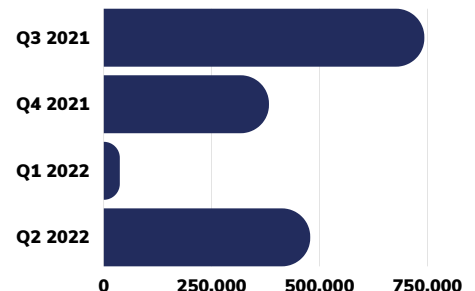
VACANCY %

From a survey of 2,930 Palm Beach County office properties, rental rates are up and vacancy is down. Vacancy rates ended the quarter at 7.7%, down 60 basis points from the previous quarter.



RENTAL RATES

Quoted asking rental rates increased \$1.60/SF from the previous quarter to \$38.99/SF



NET ABSORPTION

Net absorption is up 440,831 SF from the previous quarter.