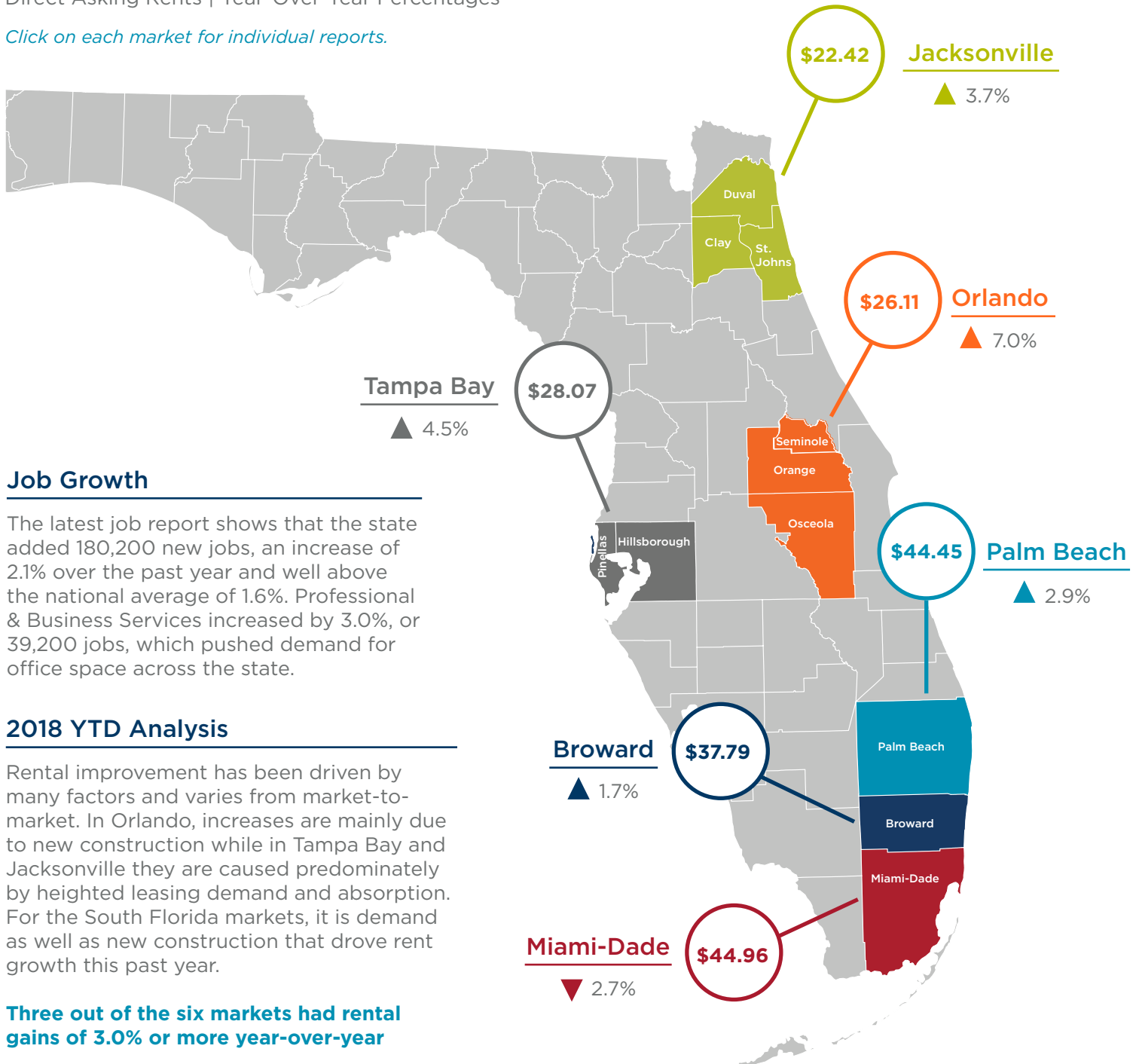


This report highlights office market fundamentals and compares the current quarter's rental rates to those at the height of the last real estate cycle (2008-2009). Rents are full-service and based solely on Class A properties in each market.

Major Florida Markets

Direct Asking Rents | Year-Over-Year Percentages

Click on each market for individual reports.



Job Growth

The latest job report shows that the state added 180,200 new jobs, an increase of 2.1% over the past year and well above the national average of 1.6%. Professional & Business Services increased by 3.0%, or 39,200 jobs, which pushed demand for office space across the state.

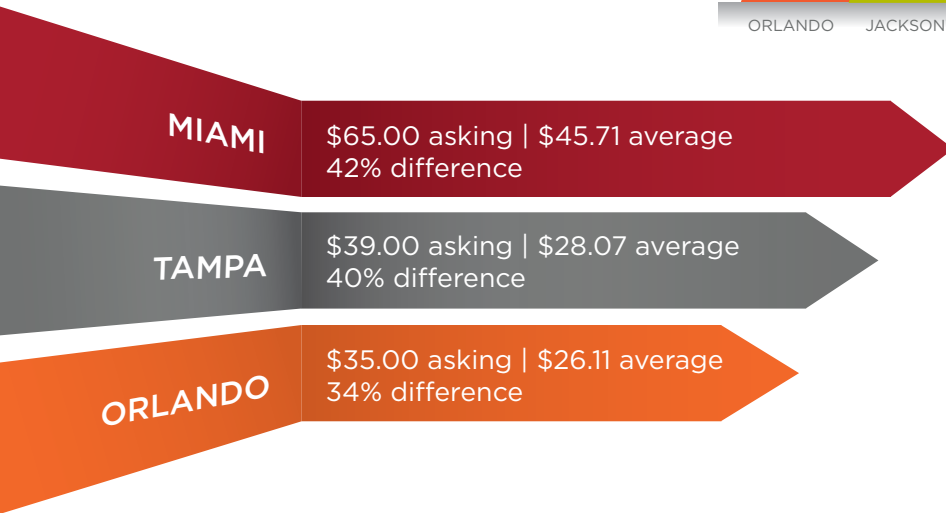
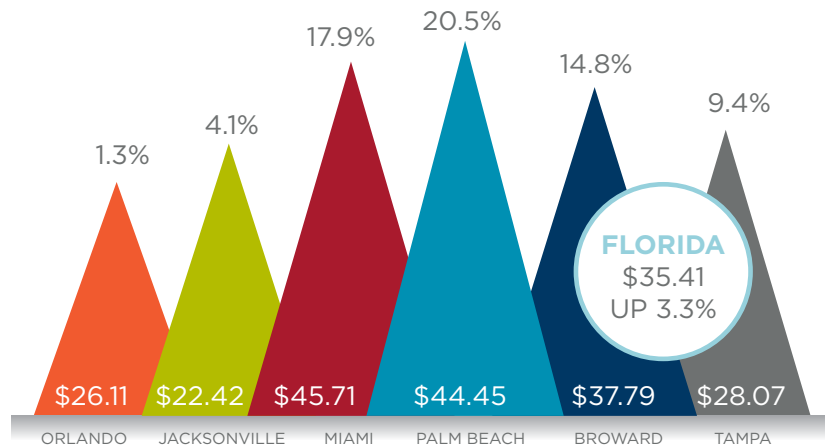
2018 YTD Analysis

Rental improvement has been driven by many factors and varies from market-to-market. In Orlando, increases are mainly due to new construction while in Tampa Bay and Jacksonville they are caused predominately by heightened leasing demand and absorption. For the South Florida markets, it is demand as well as new construction that drove rent growth this past year.

Three out of the six markets had rental gains of 3.0% or more year-over-year

Where are they now compared to peak rents last cycle?

On average, the Florida markets are 12.5% above peak rents with Palm Beach leading the state in rent growth. Palm Beach is predominantly a small office tenant market which allows landlords to push rates more aggressively with limited concession on declining availabilities.



Trophy Market Analysis

The unofficial “trophy” class of buildings are in the best locations and most exclusive. Rents in these buildings are generally 39% higher than the market’s overall Class A asking rent amounts.

New Construction

Market	TAMPA BAY	JACKSONVILLE	MIAMI	ORLANDO	BROWARD	PALM BEACH
Total Construction	250,000 SF	210,867 SF	1,059,026 SF	685,744 SF	255,340 SF	224,000 SF
Build-to-Suit	0 SF	0 SF	150,000 SF	215,028 SF	91,240 SF	0 SF
Speculative	250,000 SF	210,867 SF	909,026 SF	470,716 SF	164,100 SF	224,000 SF