



The Miami-Dade County Office market ended the second quarter 2015 with a vacancy rate of 11.2%, which was down over the previous quarter, with net absorption totaling positive 358,985 square feet. Rental rates ended the second quarter at \$30.58, an increase over the previous quarter. A total of four buildings delivered to the market in the quarter totaling 76,250 square feet, with 922,550 square feet still under construction at the end of the quarter.

Net absorption for the overall Miami-Dade County office market was positive 358,985 square feet in the second quarter which compares to positive 56,854 square feet in the first quarter and positive 269,325 square feet in the fourth quarter 2014. Net absorption for the suburban markets was positive 286,328 square feet. That compares to positive 30,969 square feet in first quarter 2015 and positive 180,783 in the fourth quarter 2014.

The office vacancy rate in the Miami-Dade County market area decreased to 11.2% at the end of the second quarter 2015, from 11.7% at the end of the first quarter, and 12.2% at the end of the fourth quarter 2014. The overall vacancy rate in Miami-Dade County's central business district decreased to 15.9%, which was 16.3% at the end of the first quarter 2015.

The average quoted asking rental rate for available office space, all classes, was \$30.58 per square foot per year at the end of the second quarter in the Miami-Dade County market area. This represented a 1.8% increase in quoted rental rates from the end of the first quarter 2015, when rents were reported at \$30.04 per square foot.

The average quoted rate within the Class-A sector was \$38.43 at the end of the second quarter 2015, while Class-B rates stood at \$26.54, and Class-C rates at \$24.08. At the end of the first quarter 2015, Class-A rates were \$37.61 per square foot, Class-B rates were \$26.19, and Class-C rates were \$23.80.

The average quoted asking rental rate in Miami-Dade County's CBD was \$37.28 at the end of the second quarter 2015, and \$27.81 in the suburban markets. In the first quarter 2015, quoted rates were \$36.33 in the CBD and \$27.43 in the suburbs.

During the second quarter 2015, four buildings totaling 76,250 square feet were completed in the Miami-Dade County market area. This compares to two buildings totaling 56,942 square feet that were completed in the first quarter 2015, two buildings totaling 54,852 square feet completed in the fourth quarter 2014, and nothing completed in the third quarter 2014. There were 922,550 square feet of office space under construction at the end of the second quarter 2015.

Cap rates have been higher in 2015, averaging 6.69% compared to the same period in 2014 when they averaged 6.39%.

Featured Transaction:

**3225 Aviation Avenue
Coconut Grove, Florida**

Price:	\$42,000,000
Price/SF:	\$305.36
Cap Rate:	-
RBA:	137,535
Buyer:	Allegra Holding
Seller:	TA Realty



Miami-Dade 2Q15

Office Report

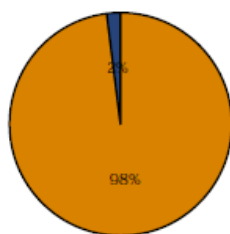
Source: CoStar Property

Market Overview:

SUBMARKET	# BLDGS.	TOTAL RBA (SF)	DIRECT AVAILABLE (SF)	TOTAL AVAILABLE (SF)	TOTAL AVAILABLE (%)	TOTAL AVERAGE RATE (\$/SF/YR)	UNDER CONSTRUCTION (SF)
Aventura	52	2,233,841	147,160	156,184	7.0%	\$39.07	0
Biscayne Corridor	127	2,903,746	459,338	462,350	15.9%	\$35.73	0
Brickell	68	7,838,707	1,092,222	1,119,727	14.3%	\$41.46	282,228
Coconut Grove	100	2,067,332	141,160	151,060	7.3%	\$32.89	0
Coral Gables	442	10,726,094	1,022,003	1,048,085	9.8%	\$35.40	181,183
Coral Way	230	2,425,844	92,644	95,689	3.9%	\$25.20	0
Downtown Miami	81	11,191,909	1,901,644	1,910,692	17.1%	\$34.70	152,000
Kendall	530	11,847,202	1,059,297	1,062,528	9.0%	\$27.48	0
Medley/Hialeah	344	4,427,924	366,850	381,973	8.6%	\$24.00	0
Miami	557	6,713,181	447,476	480,080	7.2%	\$26.04	79,299
Miami Airport	409	17,502,750	1,845,118	1,909,024	10.9%	\$25.38	127,285
Miami Beach	161	4,384,371	384,870	384,870	8.8%	\$34.17	0
Miami Lakes	139	3,520,056	684,651	690,377	19.6%	\$22.91	0
Miami-Dade Central County	58	414,015	16,477	16,477	4.0%	\$24.00	0
Northeast Dade	507	6,450,441	940,819	940,819	14.6%	\$22.72	88,555
Outlying Miami-Dade County	7	194,314	877	877	0.5%	\$15.35	0
South Dade	218	2,226,139	212,239	212,239	9.5%	\$21.31	12,000
West Miami	306	1,918,028	70,246	70,246	3.7%	\$23.81	0
MIAMI-DADE	4,336	98,985,894	10,885,111	11,093,297	11.2%	\$30.58	922,550

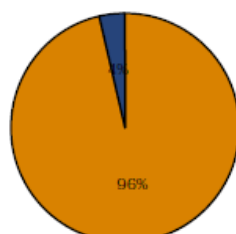
Vacancy by Available Space Type

Miami-Dade County



■ Direct ■ Sublet

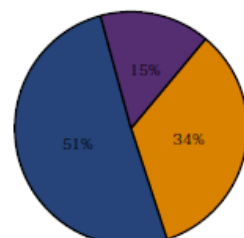
United States



■ Direct ■ Sublet

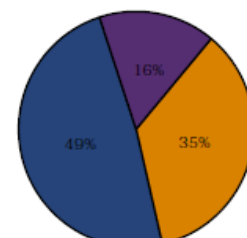
Vacancy by Class

Miami-Dade County



■ Class A ■ Class B ■ Class C

United States



■ Class A ■ Class B ■ Class C