2Q 18

The Quarterly Report
South Florida Commercial Real Estate

Vizzda

Inflation Risk in Commercial Real Estate

Last quarter, we discussed interest rates in the context of rising rates in general and the Fed's decision to leave the Fed Funds Rate unchanged in particular. Absent from that discussion was consideration for why the Federal Reserve would raise or lower interest rates or leave them unchanged.

The Federal Funds Rate and, more broadly, monetary policy is the primary tool used by the Federal Reserve to influence the business cycle and satisfy its competing mandates — full employment and low, predictable inflation. The body charged with affecting the monetary policy objectives of the Federal Reserve is the previously discussed FOMC, which can compel its member banks to buy or sell liquid securities to increase or decrease the supply of money, respectively.

Inflation is the tendency of the price of a good or service to rise when the demand for that good or service is greater than its supply. The converse, called deflation, is the tendency of prices to fall when supply exceeds demand. There are other sources of inflation, including the formation of speculative bubbles and seigniorage — the issuance of new currency resulting in the dilution of the existing capital stock. Money itself is a good with demand and supply like any other, however as both a unit of account and a medium of exchange, changes in the value of money relative to other goods and services can have far reaching effects in the real economy.

Inflation presents unique risks to commercial real estate and each product type has advantages and disadvantages in dealing with rising prices. The general risk to commercial real estate arises from the fact that the asset class is subject to contractual pricing over extended time frames. At the short end of the time frame spectrum, rapid changes in asset prices can disrupt transactions between the under-contract date and the close of escrow.

Rapid increases in materials costs can cause projects to exceed their budgets and reduce or eliminate profits.

At the long end of the spectrum, the purchasing power of multi-year office or retail leases with typical escalations will be eroded if inflation outpaces those escalations. Industrial properties face these same risks, as well as second-order effects as either the cost of inputs or the price of the resulting product change relative to the rent owed under the contract. Multifamily is perhaps the most resilient product type with regards to inflation, as leases are typically no longer than 12 months and subject to renegotiation upon renewal.

Some jurisdictions impose rent control ordinances which are often pegged to inflation — expressed as the national or local MSA Consumer Price Index (CPI). Additionally, multifamily is not immune to second-order effects. As other living expenses rise, tenants at the margin will downsize or seek alternative accommodations in the face of rising rents — especially as it is usually one of the largest monthly expenses and small increases on a percentage basis can translate into significant increases in an absolute basis.

Inflation presents unique risks for commercial real estate owners and tenants. Some of these risks are systematic and cannot be mitigated. Other risks are asset or market specific and can be accounted for through competent legal counsel and professional advice. Reducing exposure to inflation risk is a necessary component to any sound investment strategy, especially illiquid and long-term investments like commercial real estate.

Kris Thompson
CEO

Vizzda

2Q18 Highlights

INDUSTRIAL

$129/SF

Average price per square foot for Miami settled above $129 per square foot in its third consecutive quarter of growth.

Palm Beach County realized a decline of roughly 40% in square footage and dollar volume transacted from the previous quarter.

Miami-Dade and Broward counties saw the highest transaction volume on a quarterly basis in more than a year.

MULTIFAMILY

29.4%

Miami-Dade rebounded from a 29.4% decline from 4Q17 to 1Q18 with a 6.4% increase on a quarterly basis.

The average number of units per transaction in Broward continued to slide, dropping to approximately **18 units per transaction**.

Palm Beach tallied the highest transaction count, units conveyed, and dollar volume in more than a year.

The total dollar spent on multifamily registered the **first billion-dollar quarter** dating back to 3Q17.

RETAIL

50%

Square footage transacted was down more than 50% in Broward County.

The total number of retail transactions in **Miami-Dade fell to 72** from the prior quarter's 83.

Palm Beach saw a $12 per square foot increase from last quarter.

OFFICE

50%

2Q18 spend was up nearly 50% on a quarterly basis in the tri-county area.

Palm Beach transaction volume dropped 25% yet square footage and dollar volume were up 20%.

Broward square footage declined 50% quarter-over-quarter, despite transaction increases.

Miami-Dade reversed multi-quarter declines in transaction volume, square footage and dollar volume.

Amendment 2 Could Save Florida Taxpayers $700 Million

● by Jennifer Wollmann, 2018 MIAMI Commercial President-Elect

Owners of Florida commercial or rental property, vacation or second homes or any other non-homestead property could face major property tax increases if Amendment 2 is not passed by at least 60%of Florida voters on November 6, 2018.

Amendment 2 will make permanent a 10% cap on annual valuation increases for non-homestead properties (any property that is not used as a primary residence). The 10% cap has been in place since it was passed by voters in January 2008 but expires in January 2019. The 10% cap is the only mechanism protecting 5.6 million Florida properties from rapid assessment increases.

All Floridians Would Be Impacted

It's not just commercial or rental property owners who would be impacted. Renters, shoppers, jobs and the Florida economy would be negatively impacted if Amendment 2 doesn't pass. Higher property taxes will be passed along to tenants in the form of higher rents and to consumers in the form of higher prices.

Expiration of the 10% cap on non-homesteaded properties would increase the cost of renting a home. It would increase the cost of owning property in Florida that is not homesteaded. It would increase the cost of doing business in Florida.

"Amendment 2 really is good for everybody because if the non-homestead tax cap expires in 2019, every Floridian will be negatively impacted in some way," says Florida Realtors Past-President Maria Wells in a statement.

2.2 Million Properties Face an Immediate Tax Increase

If Amendment 2 doesn't pass, there will no longer be a cap on future assessment growth and non-homestead properties will suddenly be assessed at full market value.

About 2.2 million properties are facing an immediate tax increase of up to $700 million in 2019 should Amendment 2 fail, according to study by the fiscal-research group Florida TaxWatch.

JENNIFER WOLLMANN

Current Non-Homestead Property Assessment Cap

- Annual assessment may not increase by more than 10%
- Reduction in assessed value does not apply to school taxes
- No portability, change of ownership results in loss of accumulated benefit
- Recapture provision applies

- Cap is currently worth over $700 million in taxes statewide
- Cap is repealed on January 1, 2019 if voters do not approve Amendment 2 by 60%

Impact on Business Owners

Owners of Florida homesteads have been protected by a 3% cap on annual increases in assessments, but the Save Our Homes amendment didn't address second homes, rental properties or commercial real estate.

Prior to the 2008 amendment's passage, non-homestead properties were subject to massive tax hikes. In 2006, 30% of non-homestead properties saw a property tax increase of 80% over the previous year. Studies have found that property tax increases have a negative impact on businesses, especially on jobs.

Local businesses are critical to the economic success of our state. Amendment 2 preserves their protection from large tax increases, allowing local businesses to thrive within their communities and keep prices low on the goods and services they sell.

Impact on Renters

Amendment 2 protects renters from unaffordable rent increases that would occur if landlords were to get hit with uncapped property tax assessments.

Stable rent provides renters with security and allows them to contribute to their community.

Amendment 2 has Bipartisan Support

To get on the 2018 ballot and be decided by Florida voters, Amendment 2 was first passed by the state legislature with overwhelming bipartisan support.
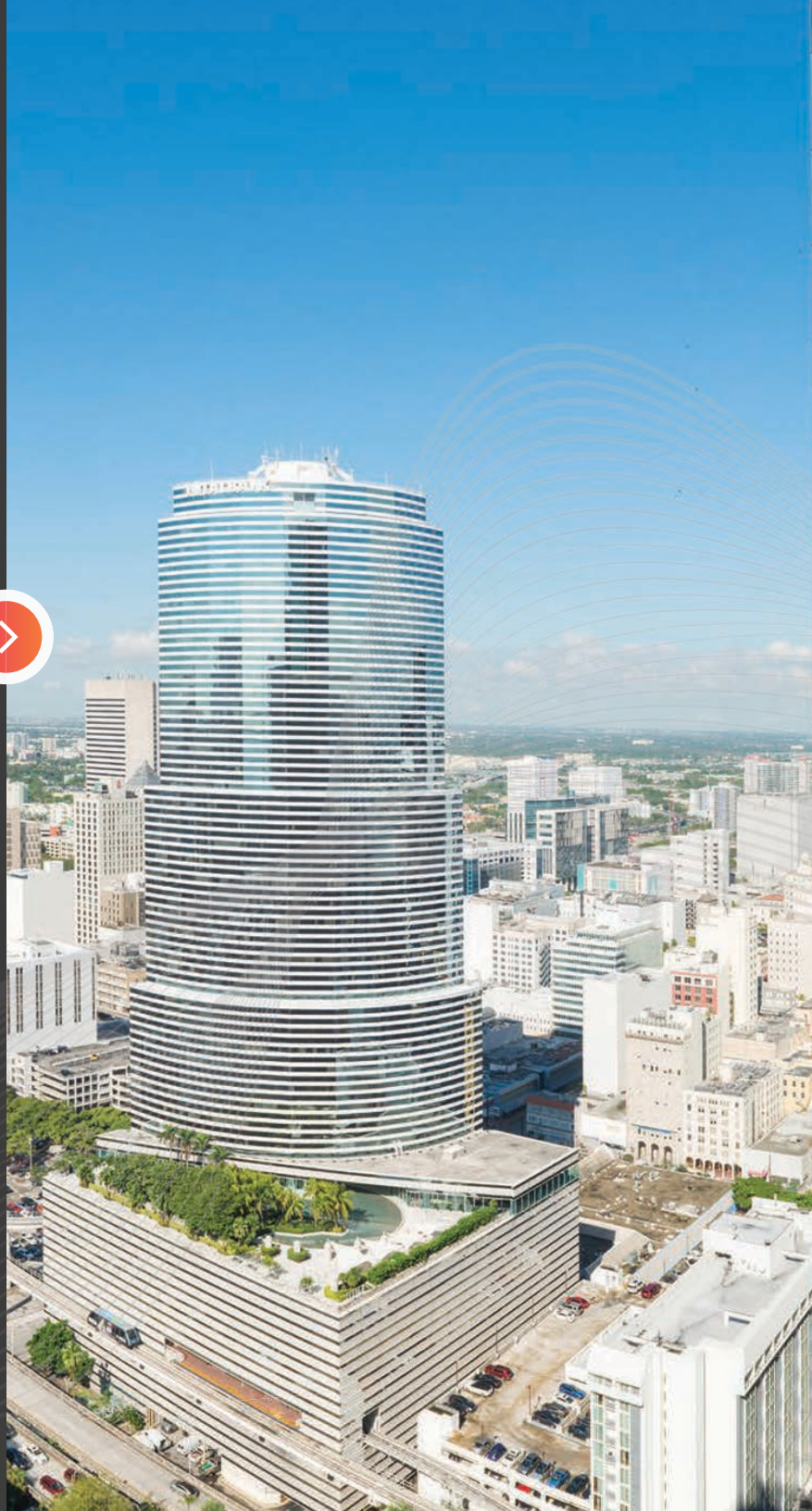
Florida Needs Amendment 2

For the past 10 years, the property tax cap has protected certain property owners from being hit with massive property tax hikes if the value of their property increases year to year.

The property tax cap is set to expire, leaving Florida's communities in jeopardy.

Vote Yes on Amendment 2 on November 6, 2018.

Office

Broward County

Despite an increase in office transaction volume in the second quarter, Broward County registered significant declines in both square footage and dollar volume transacted on both a quarterly and annual basis. Coral Springs and Fort Lauderdale — typically among the busiest submarkets for office sales both saw an increase over the previous quarter, while the Pompano Beach/Deerfield Beach submarket had uncharacteristically high volume at nine sales. Square footage and dollar volume are both down more than 50% quarter-over-quarter led by declines in the Fort Lauderdale and Plantation/Sunrise submarkets. Consistent transaction volume with decreases in square footage and dollar volume transacted implies a reduction in the average size of transactions which can lead to lower valuations, as is the case in the Broward County office market.

AT A GLANCE

59 TOTAL TRANSACTIONS

$133 million TOTAL DOLLAR VOLUME

$192 AVERAGE PRICE PER SQ. FT.

Total Square Feet Sold Countywide
2Q17–2Q18

2Q17	776,060
3Q17	621,567
4Q17	979,381
1Q18	1,780,042
2Q18	689,981

Number of Transactions by Submarket 2Q18

- Coral Springs — 12
- Fort Lauderdale — 13
- Hollywood/Dania/Hallandale — 8
- Oakland Park/Lauderhill — 1
- Pembroke Pines/West Miramar — 1
- Plantation/Sunrise — 8
- Pompano Beach/Deerfield Beach — 9
- Weston/Davie — 7

Total Dollar Volume by Submarket 2Q18

- Coral Springs — $27,618,500
- Fort Lauderdale — $24,115,500
- Hollywood/Dania/Hallandale — $8,965,000
- Oakland Park/Lauderhill — $3,250,000
- Pembroke Pines/West Miramar — $3,635,000
- Plantation/Sunrise — $36,550,250
- Pompano Beach/Deerfield Beach — $19,642,900
- Weston/Davie — $9,217,000
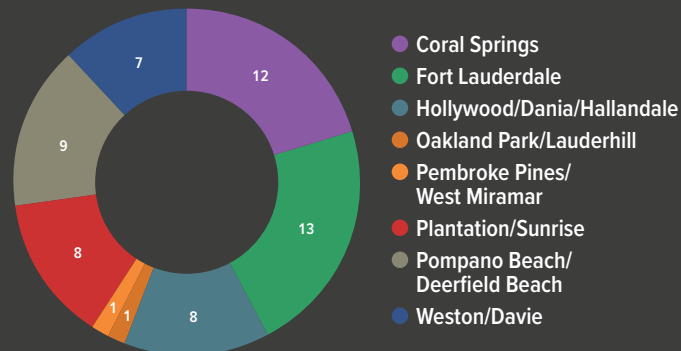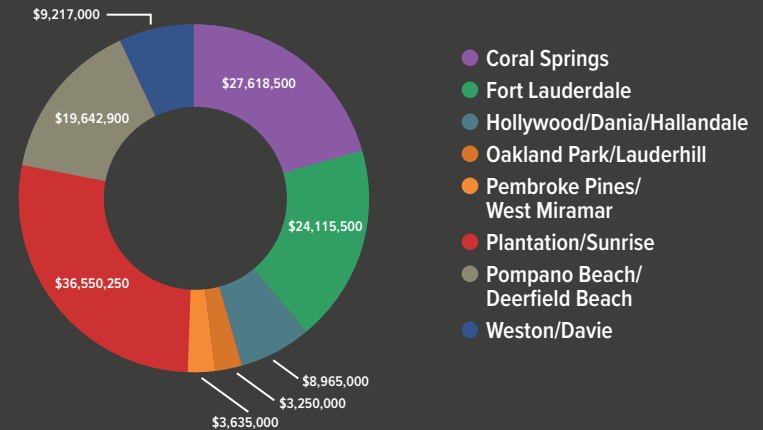
Average Price per Square Foot by Submarket 2Q17–2Q18

Miami-Dade County

The Miami-Dade office market in the second quarter was characterized by a reversal of the multi-quarter declines in transaction volume, square footage and dollar volume transacted. The second quarter registered the highest square footage transacted and the second highest dollar and transaction volume on a quarterly basis in more than a year. The East Side submarket saw the highest number of deals and was the first submarket in more than a year to realize more than 1 million square feet transacted on nearly $400 million of office property transacted. The increase in transaction volume gave rise to a reduction in per square foot valuations but the decline is not as pronounced as in other property types tracked by Vizzda in Miami-Dade. Average per square foot value of $355 is also down nearly 15% from the same period last year, which is also the only period in which more office property was transacted on a dollar basis.
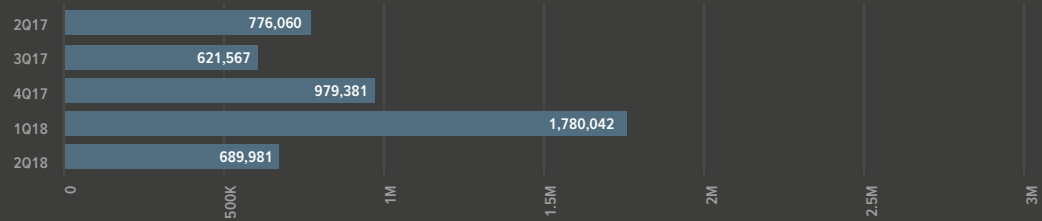
AT A GLANCE

62 TOTAL TRANSACTIONS

$533 million TOTAL DOLLAR VOLUME

$355 AVERAGE PRICE PER SQ. FT.
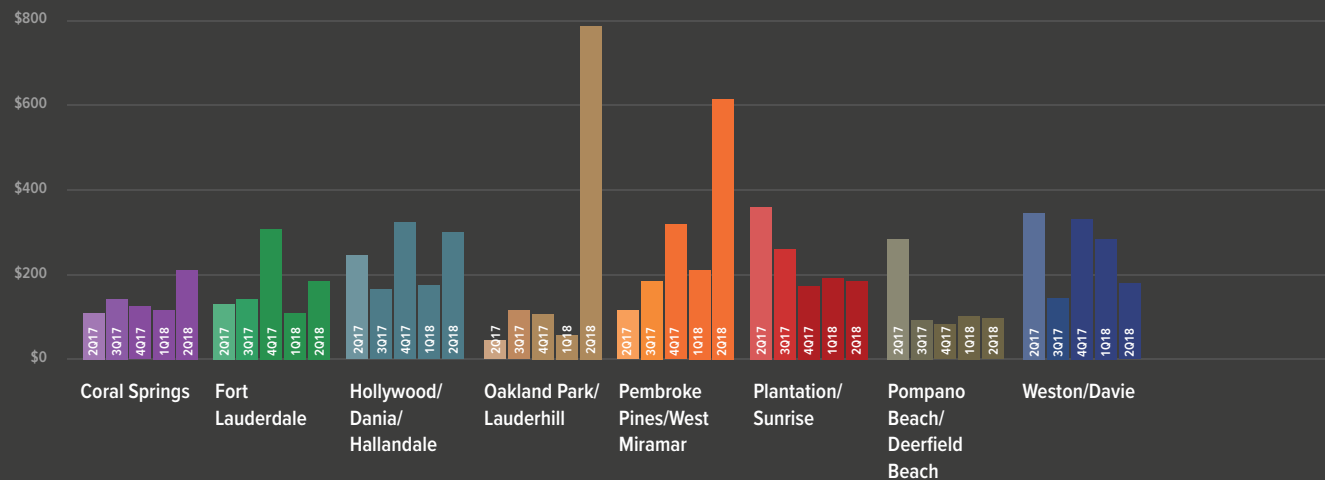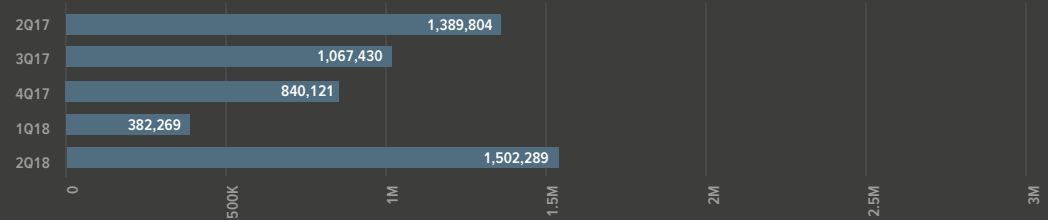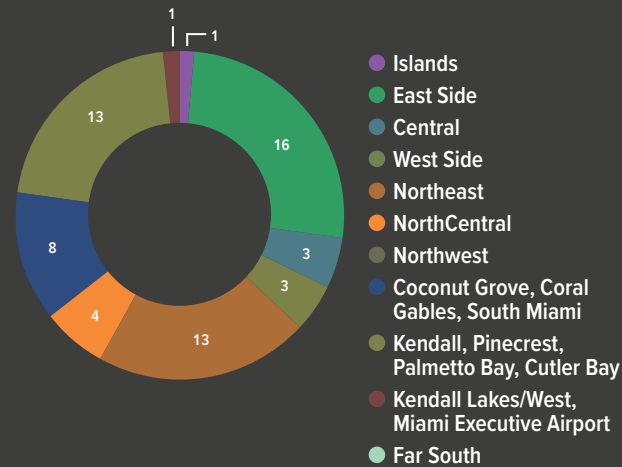
Total Square Feet Sold Countywide
2Q17–2Q18

Period	Square Feet
2Q17	1,389,804
3Q17	1,067,430
4Q17	840,121
1Q18	382,269
2Q18	1,502,289

Number of Transactions by Submarket 2Q18

- Islands — 1
- East Side — 16
- Central — 3
- West Side — 13
- Northeast — 13
- NorthCentral — 4
- Northwest
- Coconut Grove, Coral Gables, South Miami — 8
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay
- Kendall Lakes/West, Miami Executive Airport — 1
- Far South

Total Dollar Volume by Submarket 2Q18

- Islands — $2,200,00
- East Side — $398,480,000
- Central — $4,250,000
- West Side — $51,139,750
- Northeast — $26,209,250
- NorthCentral — $2,890,517
- Northwest — $25,115,891
- Coconut Grove, Coral Gables, South Miami — $19,840,000
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — $3,735,000
- Kendall Lakes/West, Miami Executive Airport
- Far South

Average Price per Square Foot by Submarket 2Q17–2Q18

Islands, East Side, Central, West Side, Northeast, North Central, Northwest, Coconut Grove, Coral Gables, So. Miami, Kendall, Pinecrest, Palmetto Bay, Cutler Bay, Kendall Lakes/West, Miami Executive Airport, Far South

OFFICE

Palm Beach County

The market for office property in Palm Beach County was more of a mixed bag than the other two counties that comprise Greater Miami. Transaction volume is down by nearly a quarter from the first quarter of 2018, however both square footage and dollar volume were up by more than 20%, suggesting fewer deals at higher valuations. This is borne out in a $12 per square foot increase in per square foot valuations quarter-over-quarter. The Boca Raton East sub-market was not a mixed bag, increasing by more than 400% in both dollar and square footage transacted on a 50% increase in transactions. The Boca Raton East sub-market registered the highest values for each of these metrics in the second quarter followed by the West Palm Beach/Riviera Beach sub-market.

AT A GLANCE

37 TOTAL TRANSACTIONS

$132 million TOTAL DOLLAR VOLUME

$227 AVERAGE PRICE PER SQ. FT.

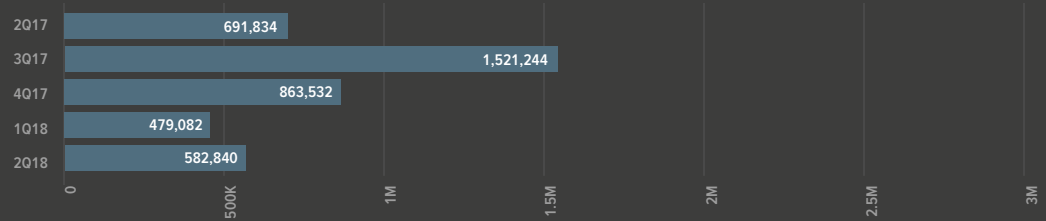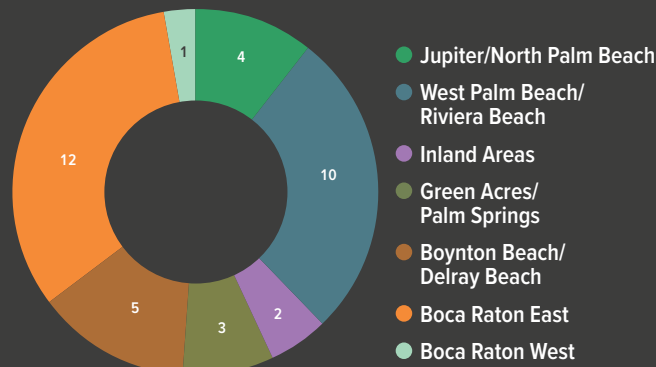## Total Square Feet Sold Countywide
2Q17–2Q18

Quarter	Value
2Q17	691,834
3Q17	1,521,244
4Q17	863,532
1Q18	479,082
2Q18	582,840

Number of Transactions by Submarket 2Q18

- Jupiter/North Palm Beach — 4
- West Palm Beach/Riviera Beach — 10
- Inland Areas — 2
- Green Acres/Palm Springs — 3
- Boynton Beach/Delray Beach — 5
- Boca Raton East — 12
- Boca Raton West — 1

Total Dollar Volume by Submarket 2Q18

- Jupiter/North Palm Beach — $905,000 / $2,555,640
- West Palm Beach/Riviera Beach — $50,302,500
- Inland Areas — $1,580,000
- Green Acres/Palm Springs — $3,843,600
- Boynton Beach/Delray Beach — $2,335,000
- Boca Raton East — $71,040,000
- Boca Raton West
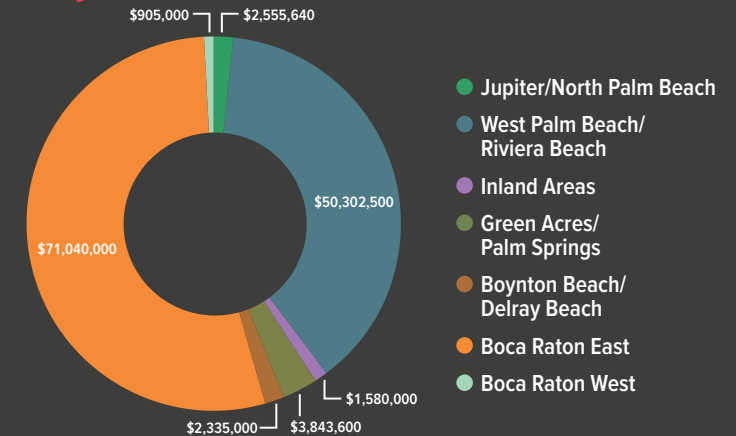
Average Price per Square Foot by Submarket 2Q17–2Q18
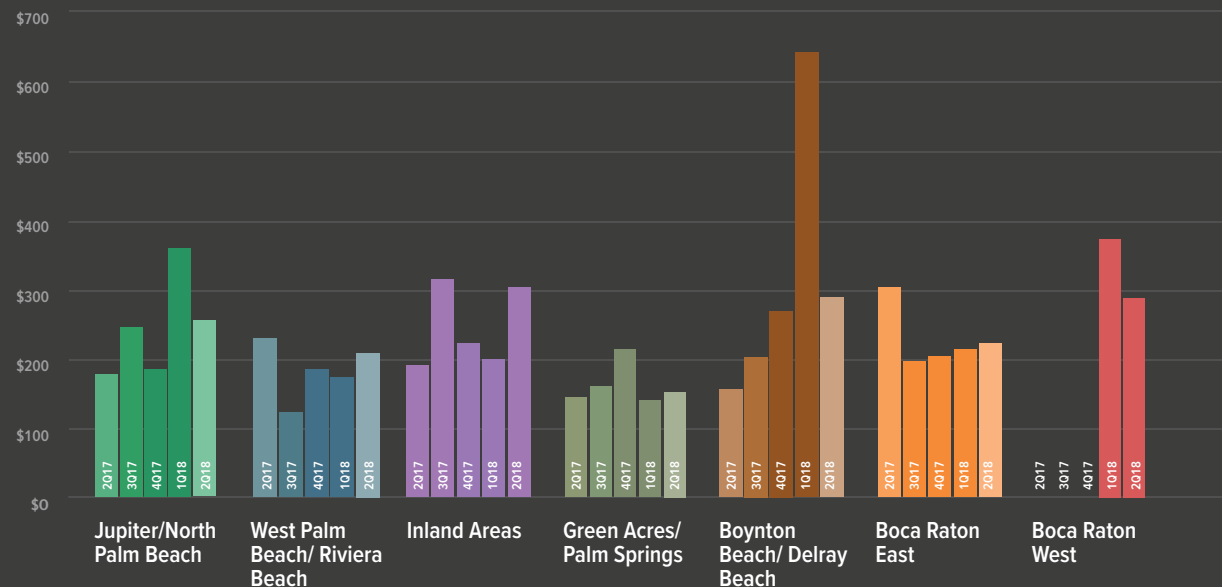
Tri-County Comparison

Transaction Volume

● Broward County ● Miami-Dade County ● Palm Beach County

Office transactions continued a downward trend in the second quarter, led by a nearly 25% decline in transaction volume in Palm Beach County. Transaction volume was up slightly in Broward and Miami-Dade County, as well as Greater Miami, when compared w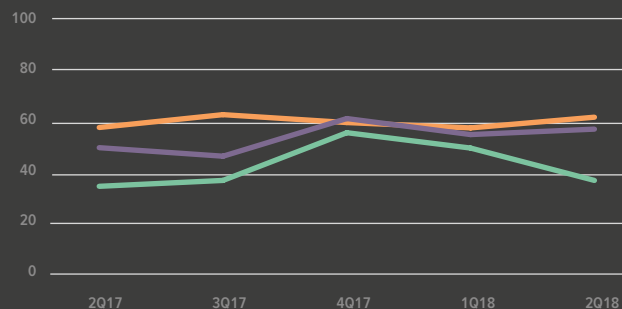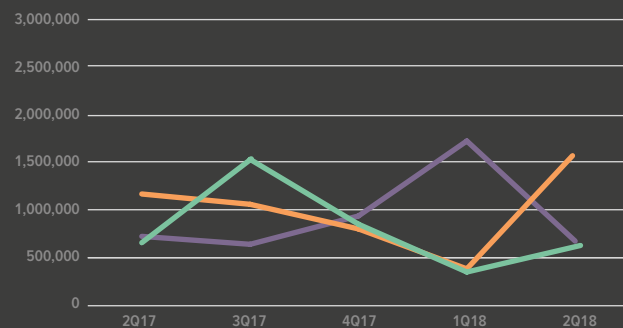ith the same period last year. Broward and Miami-Dade counties had similar transaction volume, in keeping with prior quarters, while Palm Beach County fell to its second lowest value in more than a year. Broward and Miami-Dade counties posted their second highest number of transactions for more than a year in the second quarter.

Dollar Volume Millions

● Broward County ● Miami-Dade County ● Palm Beach County

Despite falling transaction volume, dollars spent on office product in 2Q18 was up nearly 50% on a quarterly basis — with Miami-Dade more than tripling to over half a billion dollars. Broward and Palm Beach counties had remarkably similar dollar volume of transactions, however that volume represents a 55% decline for Broward County compared to a nearly 30% increase for Palm Beach, quarter-over-quarter. Dollar volume for office property was slightly lower than 2Q17 but represents the highest value in the past three quarters.
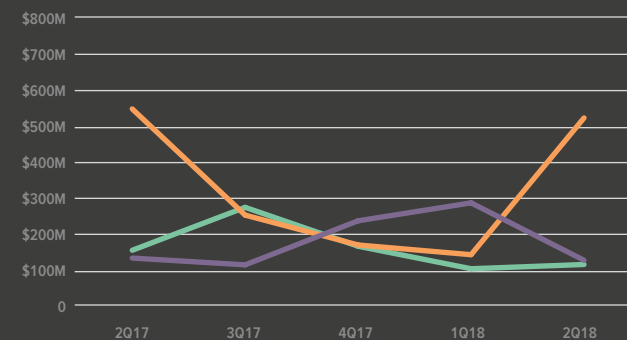
Square Footage Volume Total Feet

● Broward County ● Miami-Dade County ● Palm Beach County

While less pronounced than the increase in dollar volume, total square footage of office property transacted in 2Q18 also increased on the strength of Miami-Dade's submarket. Office space changing hands in Miami-Dade nearly quadrupled to its highest level in over a year. This is only the second time quarterly square footage transacted exceeded 1.5 million square feet. Despite the Miami-Dade County office market's strength, total square footage transacted is down slightly from 2Q17.

Average Price Per Square Foot

● Broward County ● Miami-Dade County ● Palm Beach County

Broward and Palm Beach counties saw per square foot valuations rise quarterly and annually, while Miami-Dade saw valuations decline over the same periods. Though Miami-Dade County had the most activity, declining values in the submarket weren't enough to offset growth quarterly. However, they did reduce average per square foot valuations below the level realized over the same period last year.

Quarterly Totals

Broward County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$143,506,188	$119,931,101	$240,764,560	$297,855,564	$132,994,150
Product Volume (SF)	776,060	621,567	979,381	1,780,042	689,961
Average Price ($/SF)	$185	$193	$246	$167	$193
Number of Sales	50	45	61	55	59

Miami-Dade County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$577,907,590	$287,013,488	$173,859,322	$143,954,237	$533,860,408
Product Volume (SF)	1,389,804	1,067,430	840,121	382,269	1,502,289
Average Price ($/SF)	$416	$269	$207	$377	$355
Number of Sales	59	64	60	58	62

Palm Beach County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$155,020,735	$297,374,130	$187,358,260	$103,210,362	$132,561,740
Product Volume (SF)	691,834	1,521,244	863,532	479,082	582,840
Average Price ($/SF)	$224	$195	$217	$215	$227
Number of Sales	36	39	56	49	37

Five Largest Transactions

Broward County

	DATE	SALE PRICE	TOTAL SF	$/SF
Sawgrass International Corporate Park - 2 Buildings	5/23/18	$27,625,000	156,342	$177
One Charter Place	4/11/18	$21,150,000	100,000	$212
Andrew Square Professional & Medical Building	5/2/18	$4,850,000	50,535	$96
604 & 614 S Federal Hwy	4/18/18	$4,525,000	26,300	$172
108 SE 8 Ave	4/26/18	$3,887,500	4,893	$795

Miami-Dade County

	DATE	SALE PRICE	TOTAL SF	$/SF
Sabadell Financial Center	6/19/18	$249,000,000	522,892	$476
SunTrust International Center	5/21/18	$127,000,000	420,857	$302
Kendall Summit Office Park	6/29/18	$34,750,000	173,661	$200
255 Aragon Ave	5/4/18	$15,000,000	38,418	$390
1900 NW 89th Pl	6/22/18	$9,500,000	79,974	$119

Palm Beach County

	DATE	SALE PRICE	TOTAL SF	$/SF
1501 W Yamato Rd	6/15/18	$42,050,000	171,314	$245
Courthouse Commons	5/14/18	$22,750,000	92,585	$246
1750 Clint Moore Rd	6/20/18	$12,999,000	50,671	$257
Columbia Professional Center	4/12/18	$9,500,000	69,178	$137
5500 Village Blvd	6/4/18	$7,500,000	37,276	$201

Industrial

Broward County

The market for industrial property in Broward County came roaring back in 2Q18, reversing two consecutive quarters of decline in square footage transacted, number of transactions and dollar volume transacted. Broward County also registered the highest values for two of those three metrics, square footage transacted and number of transactions, in more than a year. Meanwhile, dollar volume transacted is off by only 12% from the previous high-water mark in the third quarter of 2017. The Hollywood/Dania/Hallandale, Pompano Beach/Deerfield Beach and Weston/Davie submarkets realized at least a doubling on both a quarterly and annual basis for square footage transacted and dollar volume transacted. Plantation/Sunrise also saw strong quarterly gains but was down from a particularly strong second quarter of 2017. Increased sales activity caused per square foot valuations to fall on both an annual and a quarterly basis.
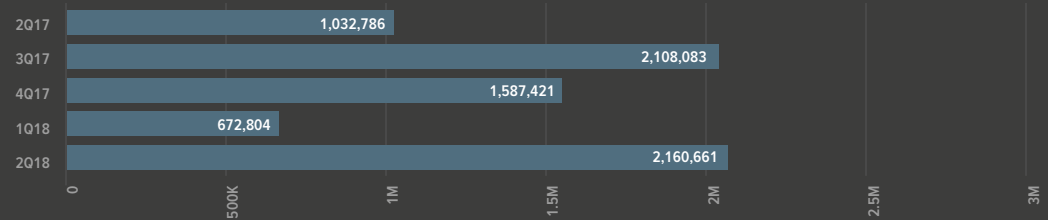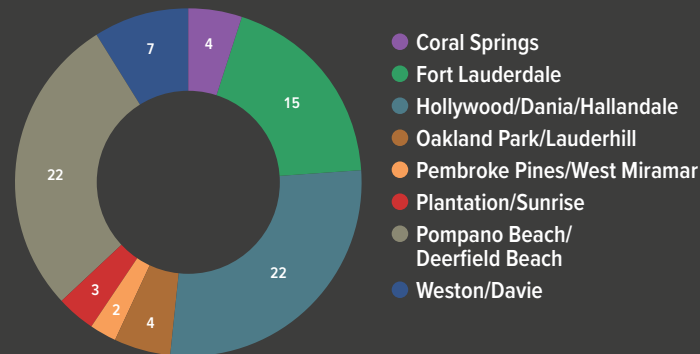
AT A GLANCE

79 TOTAL TRANSACTIONS

$111 AVERAGE PRICE PER SQ. FT.

2 million TOTAL SQUARE FEET SOLD

Total Square Feet Sold Countywide
2Q17–2Q18

2Q17	1,032,786
3Q17	2,108,083
4Q17	1,587,421
1Q18	672,804
2Q18	2,160,661

Number of Transactions by Submarket 2Q18

- Coral Springs — 4
- Fort Lauderdale — 15
- Hollywood/Dania/Hallandale — 22
- Oakland Park/Lauderhill — 4
- Pembroke Pines/West Miramar — 2
- Plantation/Sunrise — 3
- Pompano Beach/Deerfield Beach — 22
- Weston/Davie — 7

Total Dollar Volume by Submarket 2Q18

- Coral Springs — $32,498,000
- Fort Lauderdale — $24,720,714
- Hollywood/Dania/Hallandale — $24,530,530
- Oakland Park/Lauderhill — $9,635,000
- Pembroke Pines/West Miramar — $1,260,000
- Plantation/Sunrise — $4,405,000
- Pompano Beach/Deerfield Beach — $100,256,500
- Weston/Davie — $43,040,000

Average Price per Square Foot by Submarket 2Q17–2Q18

Submarkets (2Q17, 3Q17, 4Q17, 1Q18, 2Q18): Coral Springs, Fort Lauderdale, Hollywood/Dania/Hallandale, Oakland Park/Lauderhill, Pembroke Pines/West Miramar, Plantation/Sunrise, Pompano Beach/Deerfield Beach, Weston/Davie

Miami-Dade County

Miami-Dade County saw a resurgence in industrial property transaction activity in 2Q18 as compared to the previous quarter and the same period last year. However, unlike Broward County, this uptick did not translate into a reduction in per square foot valuations, which have grown every quarter for the past year and are currently at their highest level in at least 15 months. As mentioned, square footage transacted improved by nearly a third over the first quarter, while transaction volume grew by approximately 15% and dollar volume transacted increased by more than 50%. As with per square foot valuations, these metrics are currently at their highest levels since at least 2Q17. The Central submarket had the highest number of transactions and the second highest square footage and dollar volume transacted. The Northwest submarket registered the highest values for the latter two metrics on a relatively sparse 19 transactions.

AT A GLANCE

131 TOTAL TRANSACTIONS

$142 AVERAGE PRICE PER SQ. FT.

3 million TOTAL SQUARE FEET SOLD

Total Square Feet Sold Countywide
2Q17–2Q18

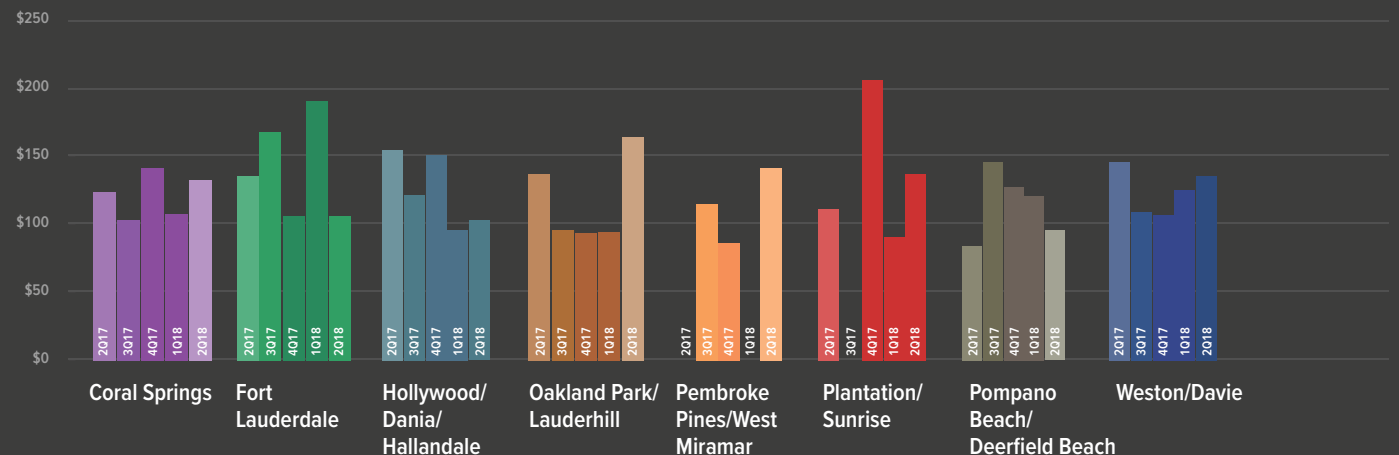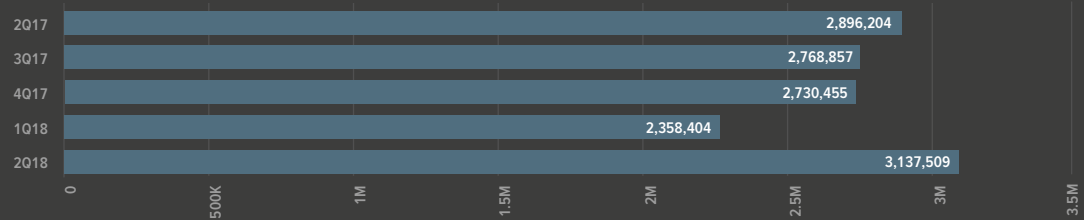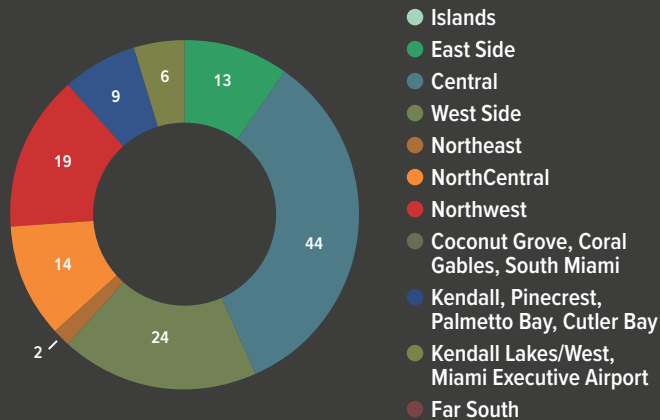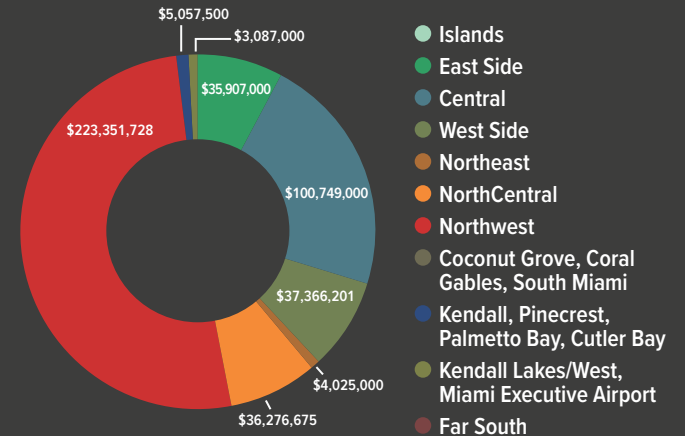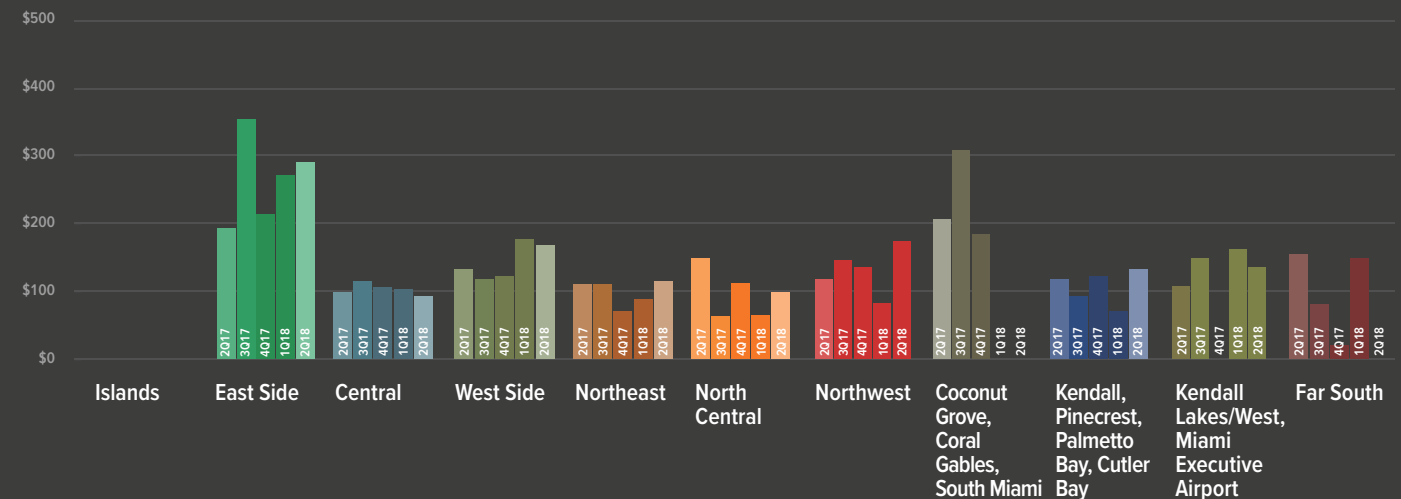|	
2Q17	2,896,204
3Q17	2,768,857
4Q17	2,730,455
1Q18	2,358,404
2Q18	3,137,509

Number of Transactions by Submarket 2Q18

- Islands
- East Side — 13
- Central — 44
- West Side — 24
- Northeast — 2
- NorthCentral — 14
- Northwest — 19
- Coconut Grove, Coral Gables, South Miami
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — 9
- Kendall Lakes/West, Miami Executive Airport — 6
- Far South

Total Dollar Volume by Submarket 2Q18

- Islands
- East Side — $35,907,000
- Central — $100,749,000
- West Side — $37,366,201
- Northeast — $4,025,000
- NorthCentral — $36,276,675
- Northwest — $223,351,728
- Coconut Grove, Coral Gables, South Miami — $5,057,500
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — $3,087,000
- Kendall Lakes/West, Miami Executive Airport
- Far South

Average Price per Square Foot by Submarket 2Q17–2Q18

(Bar chart showing values from $0 to $500 for each submarket across quarters 2Q17, 3Q17, 4Q17, 1Q18, 2Q18: Islands, East Side, Central, West Side, Northeast, North Central, Northwest, Coconut Grove/Coral Gables/South Miami, Kendall/Pinecrest/Palmetto Bay/Cutler Bay, Kendall Lakes/West/Miami Executive Airport, Far South)

INDUSTRIAL

Palm Beach County

Palm Beach County bucks the trend of annual increases in industrial sales activity, realizing declines of roughly 40% in square footage and dollar volume transacted and roughly a 25% reduction in transaction volume from an uncharacteristically strong second quarter of 2018. With that said, the performance of industrial property in the county improved quarter-over-quarter, nearly doubling in dollar volume and increasing by more than 50% in square footage transacted — only transaction volume fell on a quarterly basis. Similar to the other metrics in Palm Beach, per square foot valuations were up from the first quarter but down slightly from the same period last year. The Green Acres/Palm Springs and Boca Raton East sub-markets were the only sub-markets to see a decline in per square foot valuations quarter-over-quarter, however Boca Raton East was the best performing sub-market for the remaining three metrics on a quarterly basis.

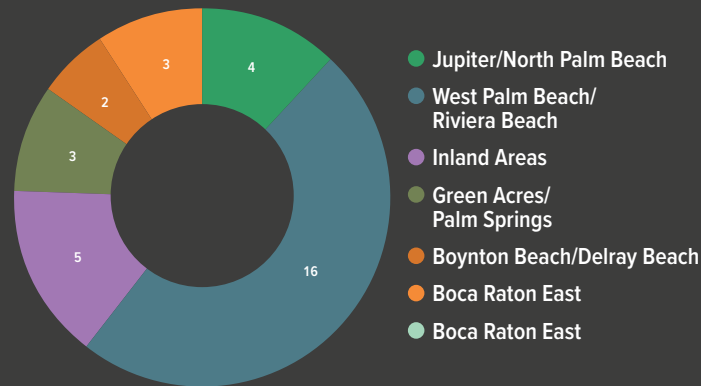**AT A GLANCE**

33 TOTAL TRANSACTIONS

689 TOTAL SQUARE FEET SOLD
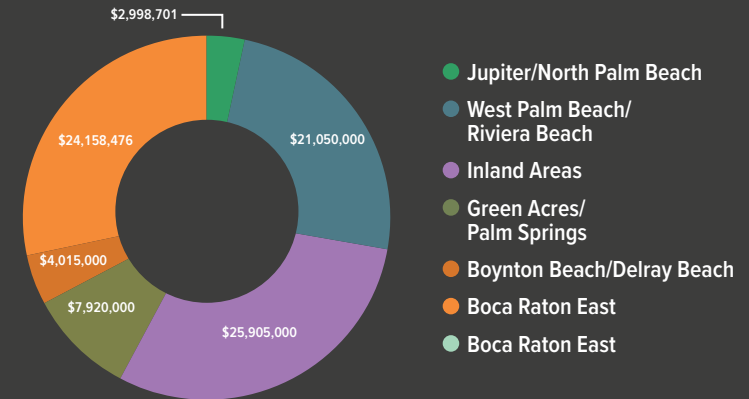
$125 AVERAGE PRICE PER SQ. FT.

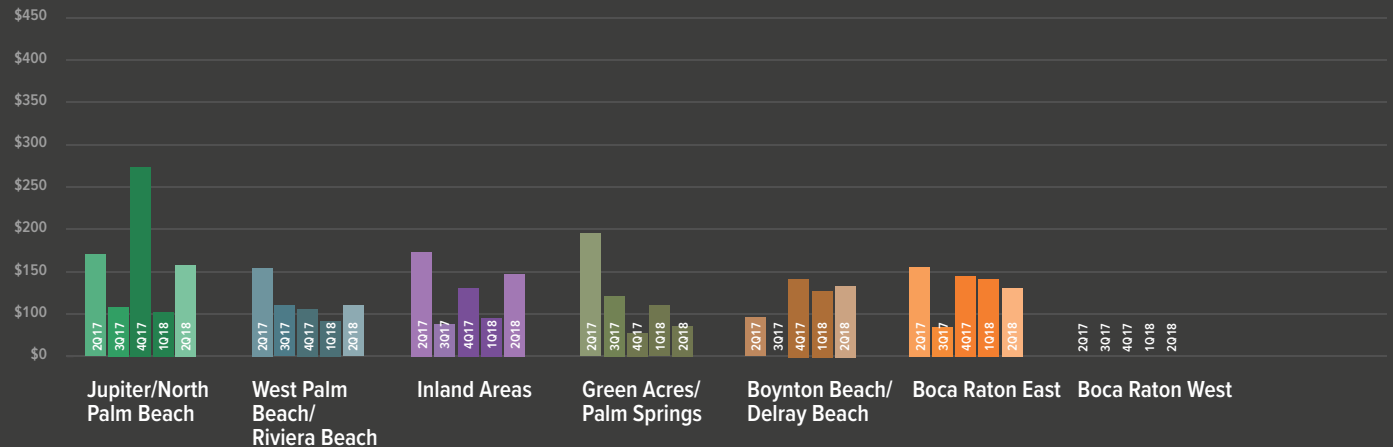## Total Square Feet Sold Countywide
2Q17–2Q18

2Q17	1,129,295
3Q17	686,675
4Q17	751,725
1Q18	452,699
2Q18	689,629

Number of Transactions by Submarket 2Q18

- Jupiter/North Palm Beach — 4
- West Palm Beach/Riviera Beach — 16
- Inland Areas — 5
- Green Acres/Palm Springs — 3
- Boynton Beach/Delray Beach — 2
- Boca Raton East — 3
- Boca Raton East

Total Dollar Volume by Submarket 2Q18

- Jupiter/North Palm Beach — $2,998,701
- West Palm Beach/Riviera Beach — $21,050,000
- Inland Areas — $25,905,000
- Green Acres/Palm Springs — $7,920,000
- Boynton Beach/Delray Beach — $4,015,000
- Boca Raton East — $24,158,476
- Boca Raton East

Average Price per Square Foot by Submarket 2Q17–2Q18

Bar chart with submarkets: Jupiter/North Palm Beach, West Palm Beach/Riviera Beach, Inland Areas, Green Acres/Palm Springs, Boynton Beach/Delray Beach, Boca Raton East, Boca Raton West — each by year 2017, 3Q17, 4Q17, 1Q18, 2Q18.
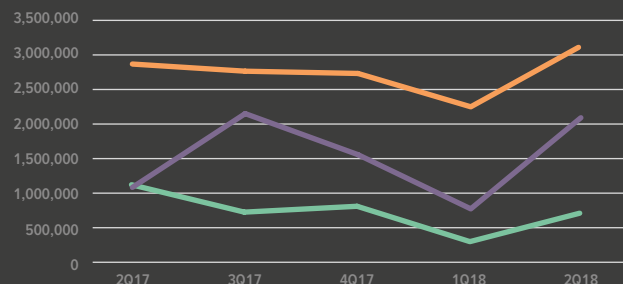
Tri-County Comparison

Transaction Volume
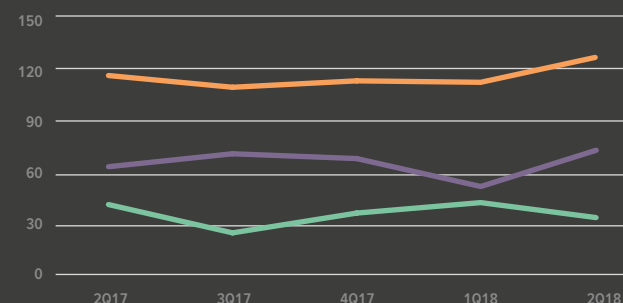
● Broward County   ● Miami-Dade County   ● Palm Beach County

As mentioned elsewhere, the market for industrial property in Broward and Miami-Dade counties saw the highest transaction volume on a quarterly basis in more than a year in 2Q18. Indeed, Broward County registered a higher number of transactions in the previous three months than any other sub-market going back to the first quarter of last year. Palm Beach County was the only county to decline in transaction volume on both a quarterly and annual basis, falling by nearly 30% to 33 transactions for the quarter.

Dollar Volume Millions

● Broward County   ● Miami-Dade County   ● Palm Beach County

As with transaction volume, Broward and Miami-Dade Counties led the way, notching nearly $700 million in industrial sales dollars for the quarter between them. Similarly, Miami-Dade had the highest dollar volume of industrial sales across all three counties going back 1Q17. The first quarter of 2018 was the weakest quarter for industrial sales as measured by dollars transacted, so it is not surprising that all three counties registered strong gains from that lull. While not necessarily surprising, the increase in dollar volume transacted from the same period last year for Broward and Miami-Dade counties is impressive.
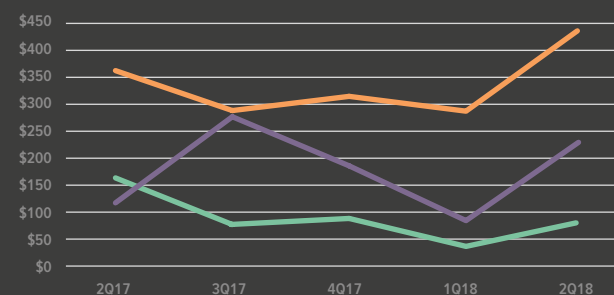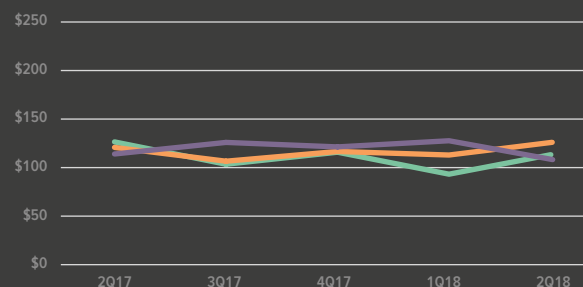
Square Footage Volume Total Feet

● Broward County   ● Miami-Dade County   ● Palm Beach County

The rebound from 1Q18 is also evident in square footage transacted, with quarter-over-quarter increases in the three counties for the metric. Broward County in particular saw a more than 200% increase from 1Q18, while Palm Beach County increased by half again and Miami-Dade increased by a third. Palm Beach county fell by nearly half from 2Q17, but as with other metrics, Broward and Miami-Dade enjoyed strong year-over-year growth. 2Q17 was the first quarter in over a year in which all three counties saw increases in square footage transacted.

Average Price Per Square Foot

● Broward County   ● Miami-Dade County   ● Palm Beach County

Per square foot valuation continued its rise — settling at a value of $129 per square foot for a third consecutive quarter of growth. Miami-Dade County had the highest at $142 per square foot. Broward County enjoyed the second highest valuations despite having the fewest transactions and lowest dollar and square footage transacted. Conversely, the high square footage transacted relative to dollar volume in Broward County caused per square foot valuations to fall on a quarterly and annual basis.

Quarterly Totals

Broward County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$122,569,606	$272,224,643	$196,324,549	$88,102,250	$240,345,744
Product Volume (SF)	1,032,786	2,108,083	1,587,421	672,804	2,160,661
Average Price ($/SF)	$119	$129	$124	$131	$111
Number of Sales	62	75	68	53	79

Miami-Dade County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$354,423,878	$292,183,627	$322,137,428	$288,694,547	$445,820,104
Product Volume (SF)	2,896,204	2,768,857	2,730,455	2,358,404	3,137,509
Average Price ($/SF)	$122	$106	$118	$122	$142
Number of Sales	111	107	114	114	131

Palm Beach County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$155,906,675	$70,787,962	$92,076,207	$44,931,485	$86,047,177
Product Volume (SF)	1,129,295	692,955	751,725	452,699	689,629
Average Price ($/SF)	$138	$102	$122	$99	$125
Number of Sales	43	27	37	46	33

Five Largest Transactions

Broward County

	DATE	SALE PRICE	TOTAL SF	$/SF
Grocery Distribution Center	5/11/18	$66,410,000	769,391	$86
1600 N Park Dr	6/13/18	$30,350,000	226,038	$134
Tamarac Business Park	4/30/18	$15,400,000	117,172	$131
Tamarac Business Park	4/30/18	$14,200,000	101,505	$140
1700 N Commerce Pkwy	4/30/18	$7,700,000	46,800	$165

Miami-Dade County

	DATE	SALE PRICE	TOTAL SF	$/SF
Countyline Corporate Park Building #3	6/20/18	$97,561,100	525,000	$186
Countyline Corporate Park Building #2	6/20/18	$48,942,285	325,702	$150
Countyline Corporate Park Building #1	6/20/18	$33,566,615	197,427	$170
213 SE 10th Ave	6/28/18	$24,300,000	310,530	$78
3500 NW 24 St	6/18/18	$16,152,500	128,910	$125

Palm Beach County

	DATE	SALE PRICE	TOTAL SF	$/SF
700 103rd Ave N	5/1/18	$22,600,000	152,387	$148
6500 Park of Commerce Blvd	4/30/18	$19,100,000	138,781	$138
Flamingo Commerce Center	5/7/18	$6,900,000	35,000	$197
2201 4th Ave N	4/3/18	$5,350,000	72,000	$74
6403 W Rogers Cir	5/21/18	$4,250,000	40,828	$104

Multifamily

Broward County

Despite continued acceleration in the number of multifamily properties conveyed in Broward County in the second quarter, both unit and dollar volume transacted are down on a quarterly and annual basis. The Fort Lauderdale, Coral Springs and Oakland Park/Lauderhill sub-markets registered the largest declines for both of those metrics on an absolute basis. Conversely, the Pompano Beach/Deerfield Beach sub-market realized an uncharacteristically high 289 units over three transactions totaling $58.5 million. The average size of multifamily deals in Broward County continued its long-term downward trend, falling to an average of approximately 18 units per transaction. This trend belies the increased transaction volume noted above, resulting in $149.8 million in sales for the quarter — by far the lowest total for the year.
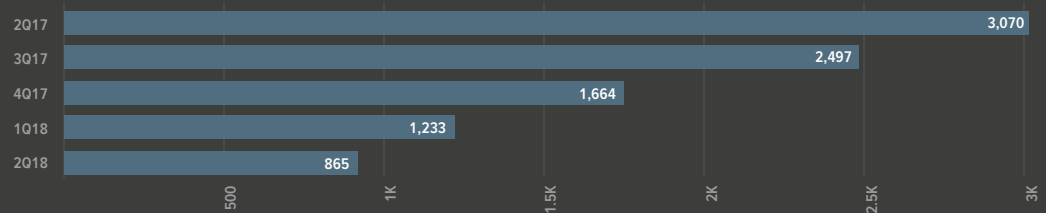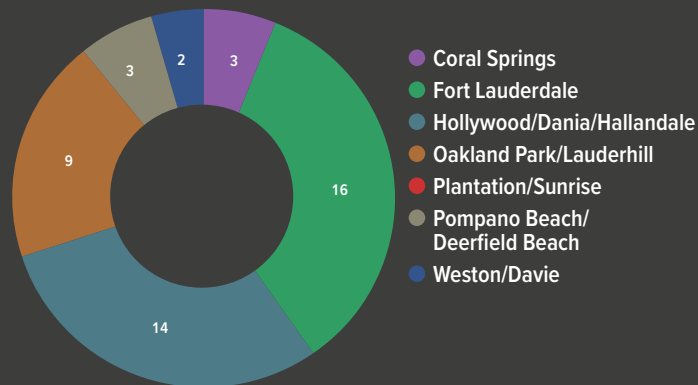
AT A GLANCE

47 TOTAL TRANSACTIONS

$149 million TOTAL DOLLAR VOLUME
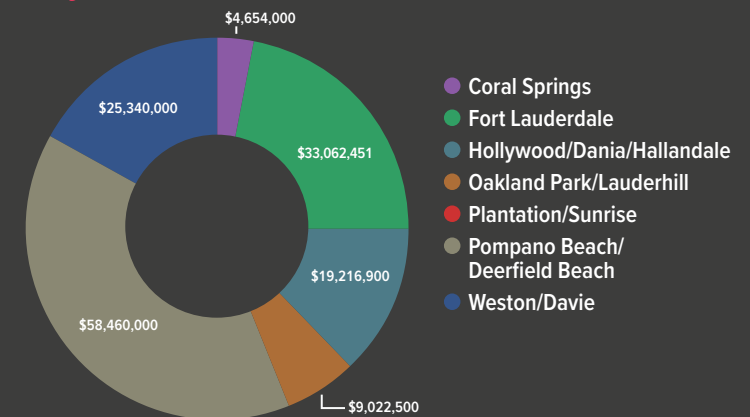
$173,128 AVERAGE PRICE PER UNIT
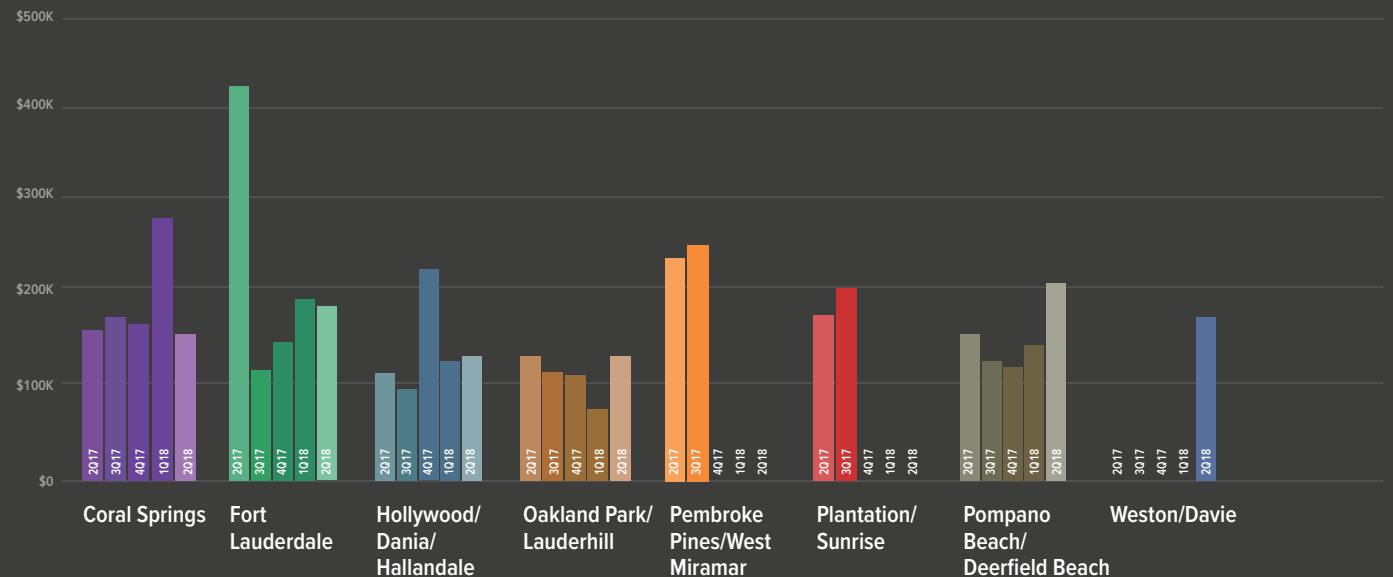
Total Units Sold Countywide
2Q17–2Q18

2Q17	3,070
3Q17	2,497
4Q17	1,664
1Q18	1,233
2Q18	865

Number of Transactions by Submarket 2Q18

- Coral Springs — 3
- Fort Lauderdale — 16
- Hollywood/Dania/Hallandale — 14
- Oakland Park/Lauderhill — 9
- Plantation/Sunrise
- Pompano Beach/Deerfield Beach — 3
- Weston/Davie — 2

Total Dollar Volume by Submarket 2Q18

- Coral Springs — $4,654,000
- Fort Lauderdale — $33,062,451
- Hollywood/Dania/Hallandale — $19,216,900
- Oakland Park/Lauderhill — $9,022,500
- Plantation/Sunrise
- Pompano Beach/Deerfield Beach — $58,460,000
- Weston/Davie — $25,340,000

Average Price per Unit by Submarket 2Q17–2Q18

Submarkets: Coral Springs, Fort Lauderdale, Hollywood/Dania/Hallandale, Oakland Park/Lauderhill, Pembroke Pines/West Miramar, Plantation/Sunrise, Pompano Beach/Deerfield Beach, Weston/Davie

Quarters: 2Q17, 3Q17, 4Q17, 1Q18, 2Q18

Miami-Dade County

The Miami-Dade multifamily market arrested the decline seen in 1Q18 in transaction volume, units conveyed and dollar volume. However, those metrics remain below the values they realized in both 4Q17 and the same period last year. The Northeast sub-market had the highest number of units conveyed, followed by the West Side sub-market at 558 and 336 units, respectively. This is notable due to the 21 transactions closed in the Northeast sub-market contrasted with the two transactions closed in the West Side sub-market. As with sales activity, per unit valuations have rebounded from a 29.4% decline from 4Q17 to 1Q18 — notching a 6.4% increase on a quarterly basis. As with the other metrics tracked by Vizzda, per unit valuation for multifamily in Miami-Dade County has not recovered to levels seen prior to the first quarter.
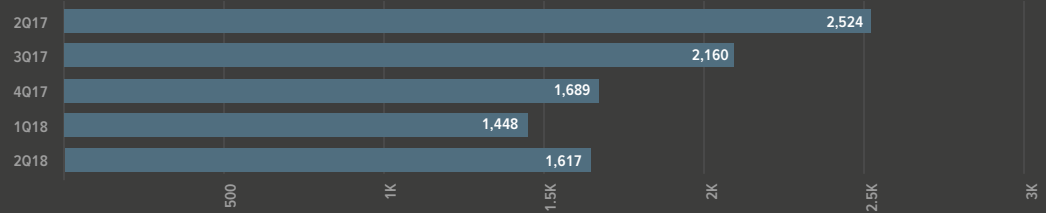
AT A GLANCE

72 TOTAL TRANSACTIONS
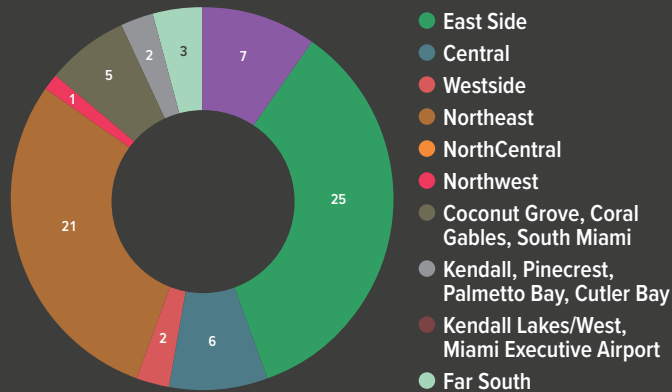
$232 million TOTAL DOLLAR VOLUME
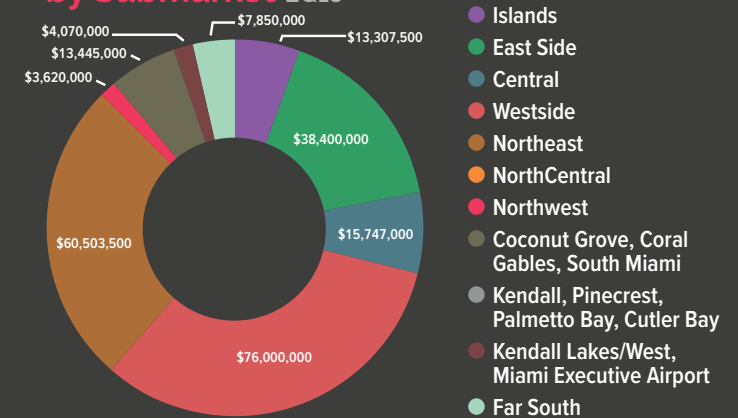
$144,058 AVERAGE PRICE PER UNIT

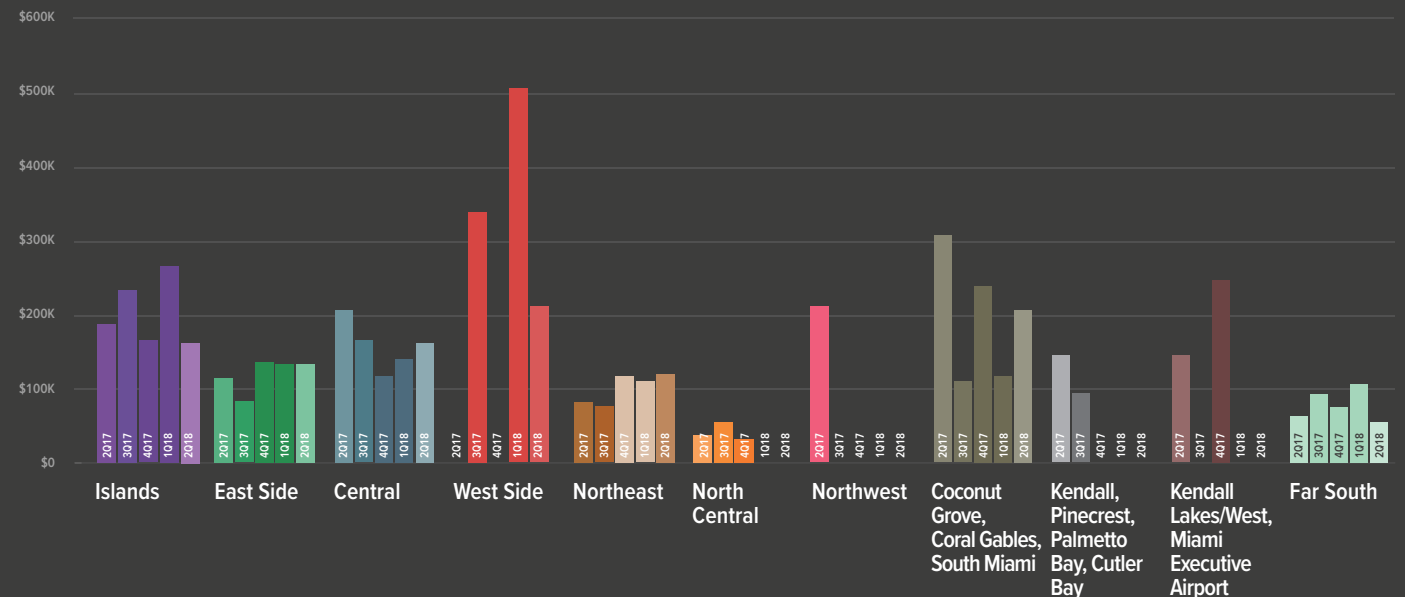## Total Units Sold Countywide
2Q17–2Q18

2Q17	2,524
3Q17	2,160
4Q17	1,689
1Q18	1,448
2Q18	1,617

Number of Transactions by Submarket 2Q18

- Islands — 7
- East Side — 25
- Central — 6
- Westside — 2
- Northeast — 21
- NorthCentral
- Northwest — 1
- Coconut Grove, Coral Gables, South Miami — 5
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — 2
- Kendall Lakes/West, Miami Executive Airport
- Far South — 3

Total Dollar Volume by Submarket 2Q18

- Islands — $7,850,000
- East Side — $38,400,000 / $13,307,500
- Central — $15,747,000
- Westside — $76,000,000
- Northeast — $60,503,500
- NorthCentral
- Northwest — $3,620,000
- Coconut Grove, Coral Gables, South Miami — $13,445,000
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — $4,070,000
- Kendall Lakes/West, Miami Executive Airport
- Far South

Average Price per Unit by Submarket 2Q16–2Q18

Palm Beach County

Palm Beach County multifamily had a banner quarter in the second quarter of 2017 — tallying the highest transaction count, units conveyed and dollar volume in more than a year. The Boynton Beach/Delray Beach sub-market had the strongest quarter for multifamily sales activity, with more than 1,000 units conveyed over six transactions totaling more than $207.8 million. Increased sales activity does not necessarily imply increased valuations; however, Palm Beach also registered the highest per unit valuation of the last five quarters, a 54.6% increase over the previous quarter and more than doubling from the same period last year. The Boca Raton East and Inland Areas sub-markets command the highest per unit valuations and are the only sub-markets in Palm Beach County to realize average per unit valuations greater than $300 on a quarterly basis.
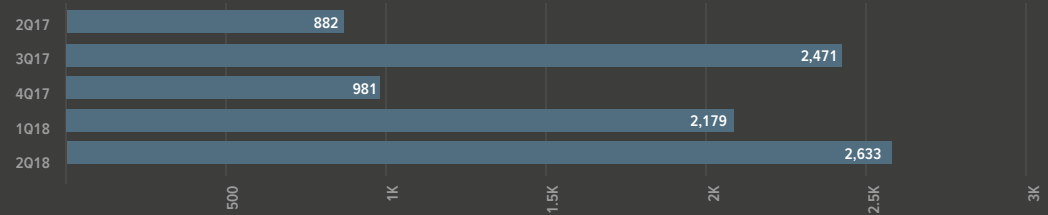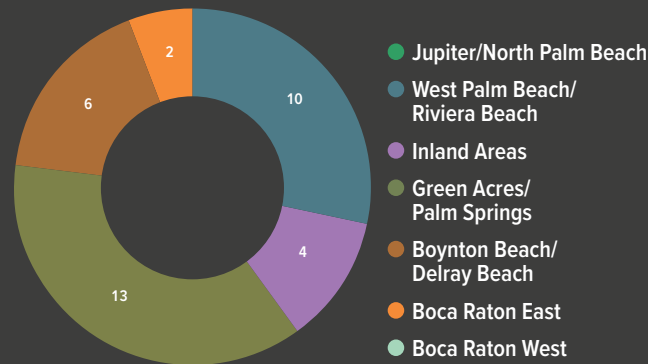
AT A GLANCE

35
TOTAL TRANSACTIONS

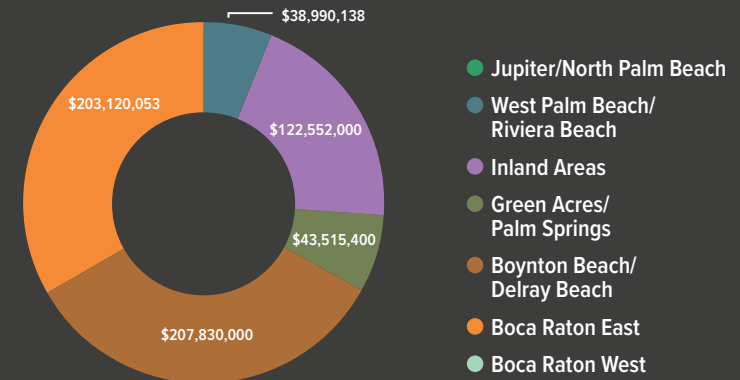**$617**
million
TOTAL DOLLAR VOLUME

$234,336
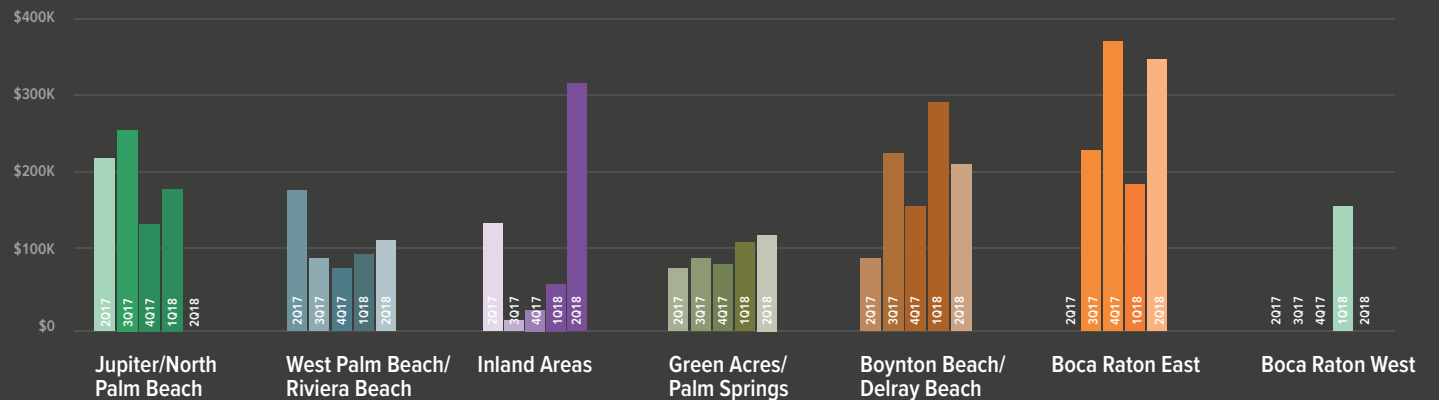AVERAGE PRICE PER UNIT

Total Units Sold Countywide
2Q17–2Q18

Quarter	Units
2Q17	882
3Q17	2,471
4Q17	981
1Q18	2,179
2Q18	2,633

Number of Transactions by Submarket 2Q18

- Jupiter/North Palm Beach
- West Palm Beach/Riviera Beach — 10
- Inland Areas — 4
- Green Acres/Palm Springs — 13
- Boynton Beach/Delray Beach — 6
- Boca Raton East — 2
- Boca Raton West

Total Dollar Volume by Submarket 2Q18

- Jupiter/North Palm Beach
- West Palm Beach/Riviera Beach — $38,990,138
- Inland Areas — $122,552,000
- Green Acres/Palm Springs — $43,515,400
- Boynton Beach/Delray Beach — $207,830,000
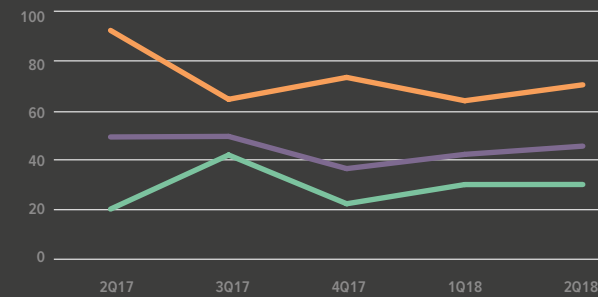- Boca Raton East — $203,120,053
- Boca Raton West

Average Price per Unit by Submarket 2Q17–2Q18
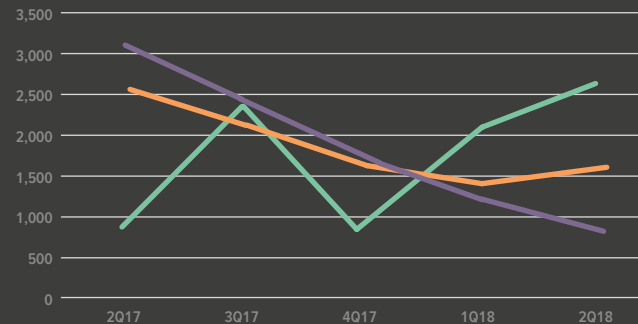
Tri-County Comparison

Transaction Volume

● Broward County ● Miami-Dade County ● Palm Beach County

Multifamily transactions rose for the second consecutive quarter to 154 — a 10% increase over 1Q18. Each of the three counties saw increases in transaction volume from 1Q18. Broward County had the second highest transaction volume but the highest growth rate at nearly 15% quarter-over-quarter. Miami-Dade County made up nearly half the transactions closed in 2Q18 at 72 transactions, which represents a 10.8% increase on a quarterly basis.

Dollar Volume Millions

● Broward County ● Miami-Dade County ● Palm Beach County

Total dollar amount spent rose from 1Q18, registering the first $1 billion quarter dating back to 3Q17. The bulk was realized in Palm Beach County, which had over $600 million in multifamily sales. It saw a nearly 90% increase over 1Q18 — a period during which it also had the highest dollar volume transacted. Multifamily dollar volume has yet to recover to the activity levels in 2Q17 and 3Q17, in which over $1.2 billion in multifamily property changed hands.
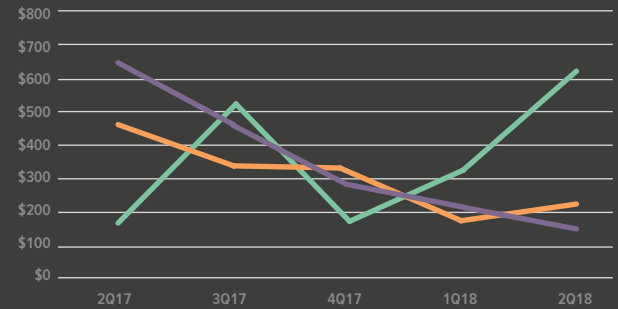
Unit Volume

● Broward County ● Miami-Dade County ● Palm Beach County

Unit Volume for multifamily properties enjoyed its second consecutive quarter of growth, however the rate of growth has slowed to 5.2% from last quarter's 12.1% growth rate. Miami-Dade and Palm Beach Counties both registered double-digit increases from the first quarter, and while Miami-Dade County has fallen more than a third from the same period last year, Palm Beach nearly doubled from the same period. Palm Beach County had the highest unit volume on a quarterly basis with the exception of Broward County in 2Q17.
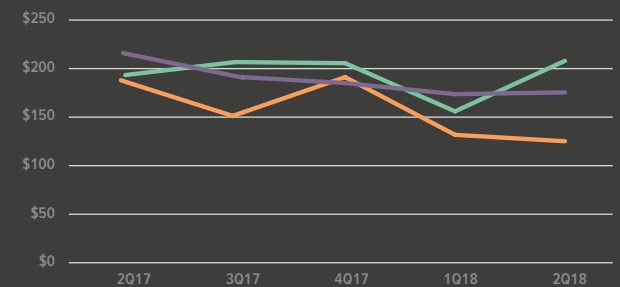
Average Price Per Square Unit Thousands

● Broward County ● Miami-Dade County ● Palm Beach County

All three counties, and the Miami multifamily market, realized increases in per unit valuation on a quarterly basis at an average of $195.4, which is in-line with the average seen over the 2Q17. Again, Palm Beach County had the highest per unit valuation this quarter as well as the highest valuation realized on a quarterly basis for more than a year. Palm Beach also had the largest increase quarter-over-quarter and was the only quarter that saw appreciation over the second quarter of 2017. Broward and Palm Beach saw declines in per unit valuation of 17.7% and 21.4%, respectively.

MULTIFAMILY
Quarterly Totals

Broward County	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$645,877,360	$454,516,550	$299,649,546	$212,548,179	$149,755,851
Product Volume (Units)	3,070	2,497	1,664	1,233	865
Average Price ($/Unit)	$210,384	$182,025	$180,078	$172,383	$173,128
Number of Sales	51	51	37	41	47

Miami-Dade County	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$462,372,302	$325,065,689	$323,928,415	$196,115,503	$232,943,000
Product Volume (Units)	2,524	2,160	1,689	1,448	1,617
Average Price ($/Unit)	$183,190	$150,493	$191,787	$135,439	$144,058
Number of Sales	95	65	75	65	72

Palm Beach County	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$172,719,554	$514,277,825	$197,560,500	$330,366,915	$617,007,591
Product Volume (Units)	882	2,471	981	2,179	2,633
Average Price ($/Unit)	$195,827	$208,125	$201,387	$151,614	$234,336
Number of Sales	20	42	21	34	35

MULTIFAMILY
Five Largest Transactions

Broward County

	DATE	SALE PRICE	# UNITS	$/UNIT
Jefferson Lighthouse Place	6/19/18	$55,000,000	243	$226,337
The Gardens at Nova	5/29/18	$24,400,000	140	$174,286
905-916 NE 18 Ave	4/12/18	$5,900,000	54	$109,259
The Harbour Condominium	5/24/18	$5,750,000	4	$1,437,500
Coral Ridge Isles Apartments	5/1/18	$5,575,000	33	$168,939

Miami-Dade County

	DATE	SALE PRICE	# UNITS	$/UNIT
Sundance Village Apartments	6/12/18	$65,600,000	304	$215,789
Ocean King Apartments / Haitian Youth and Community Center of Florida	6/28/18	$13,000,000	82	$158,537
2110 SW 3 Ave	6/30/18	$12,825,000	88	$145,739
10912-10942 SW 6th St / 10911-10941 SW 7th St	4/10/18	$10,400,000	32	$325,000
1550 W 7 Ct	4/25/18	$9,670,000	41	$235,854

Palm Beach County

	DATE	SALE PRICE	# UNITS	$/UNIT
The Quaye at Wellington	5/11/18	$120,000,000	350	$342,857
Gables Marbella	5/18/18	$112,000,000	297	$377,104
Allure Boca Raton	6/15/18	$92,120,053	282	$326,667
IMT Florida Club	5/25/18	$54,500,000	264	$206,439
Santorini at Renaissance Commons	6/19/18	$48,500,000	226	$214,602

Retail

Broward County

Broward County recovered from weakness in 1Q18, posting transactions gains as well as square footage and dollar volume transacted quarter-over-quarter. Square footage transacted more than doubled from 1Q18 with five of eight sub-markets seeing increases over 100%. Transactions consummated in 2Q18 grew by over 30% from 1Q18 to 63 transactions, however this represents the second fewest transactions on a quarterly basis going back to 2Q17. The dollar volume of retail property also increased on a quarterly basis but declined by nearly a third year-over-year. The increased sales activity did not translate into an increase in valuations, which fell annually and quarterly. Per square foot valuations fell below $200 for the second time in over a year — the rising valuations in the Fort Lauderdale, Hollywood/ Dania/Hallandale and Plantation/ Sunrise sub-markets defy this trend.
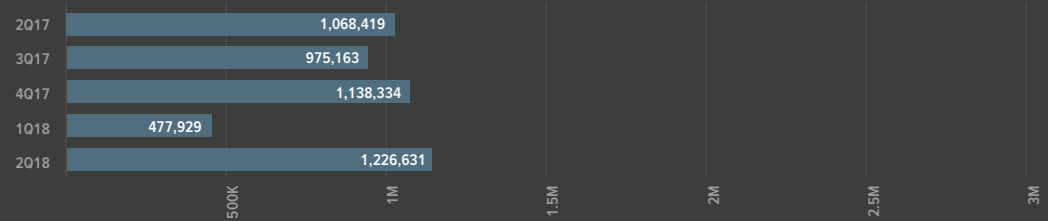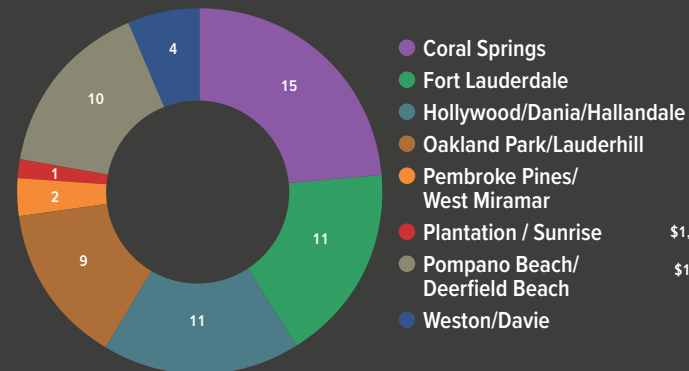
AT A GLANCE

63 TOTAL TRANSACTIONS

$237 million TOTAL DOLLAR VOLUME
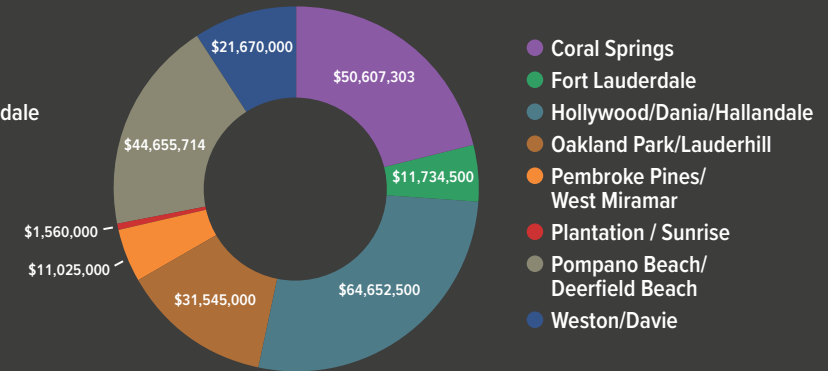
$194 AVERAGE PRICE PER SQ. FT.
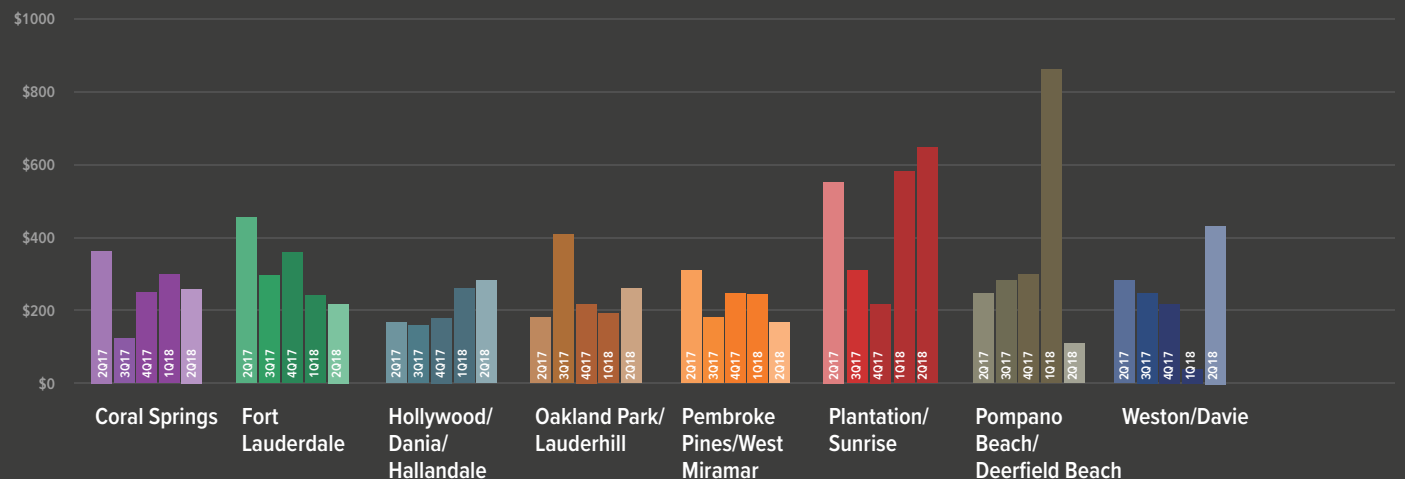
Total Square Feet Sold Countywide
2Q17–2Q18

Quarter	Square Feet
2Q17	1,068,419
3Q17	975,163
4Q17	1,138,334
1Q18	477,929
2Q18	1,226,631

Number of Transactions by Submarket 2Q18

- Coral Springs — 15
- Fort Lauderdale — 11
- Hollywood/Dania/Hallandale — 11
- Oakland Park/Lauderhill — 9
- Pembroke Pines/West Miramar — 2
- Plantation / Sunrise — 1
- Pompano Beach/Deerfield Beach — 10
- Weston/Davie — 4

Total Dollar Volume by Submarket 2Q18

- Coral Springs — $50,607,303
- Fort Lauderdale — $11,734,500
- Hollywood/Dania/Hallandale — $64,652,500
- Oakland Park/Lauderhill — $31,545,000
- Pembroke Pines/West Miramar — $11,025,000
- Plantation / Sunrise — $1,560,000
- Pompano Beach/Deerfield Beach — $44,655,714
- Weston/Davie — $21,670,000

Average Price per Square Foot by Submarket 2Q17–2Q18

Miami-Dade County

Coming off a strong 1Q18, retail property fell across all metrics but remains ahead of, or in-line with, previous quarters. Sales fell to 72 from 83 in 1Q18. A reduction in transaction volume will give rise to declines in square footage and dollar volume transacted. Square footage transacted fell by almost 30% to the second highest quarterly level realized in a year — lead by a nearly 50% decline in the East Side sub-market. Dollar volume also fell, although $203.8 million for the quarter is roughly in line with prior quarters. Per square foot valuations can and do rise when transactions, square footage and dollars transacted fall. This is not the case for Miami-Dade County in 2Q18, as valuations fell 16.9% — registering below $300 for the second time in five quarters. The Kendall Lakes/ West, Miami Executive Airport sub-market continued to see appreciation in a trend going back to 4Q18.
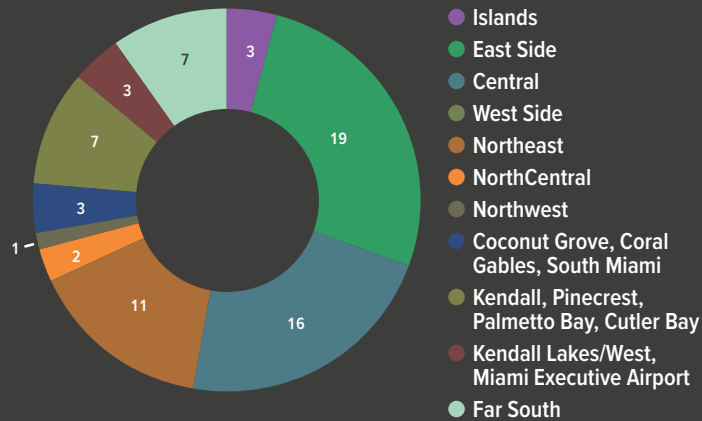
AT A GLANCE

72 TOTAL TRANSACTIONS

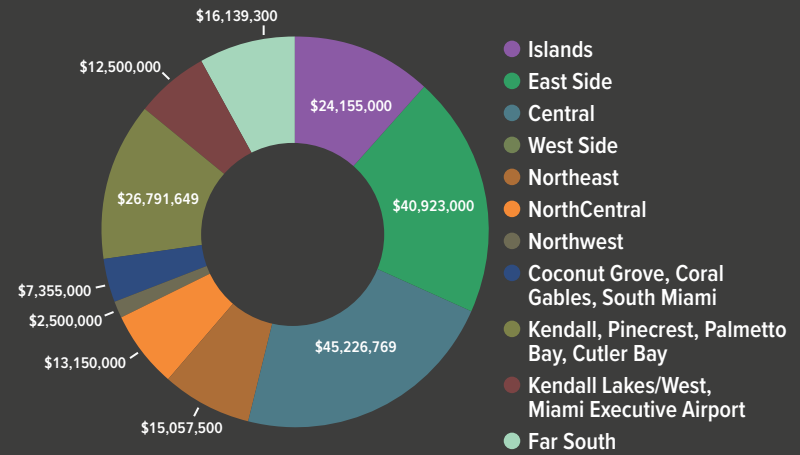**$203** million TOTAL DOLLAR VOLUME

$291 AVERAGE PRICE PER SQ. FT.

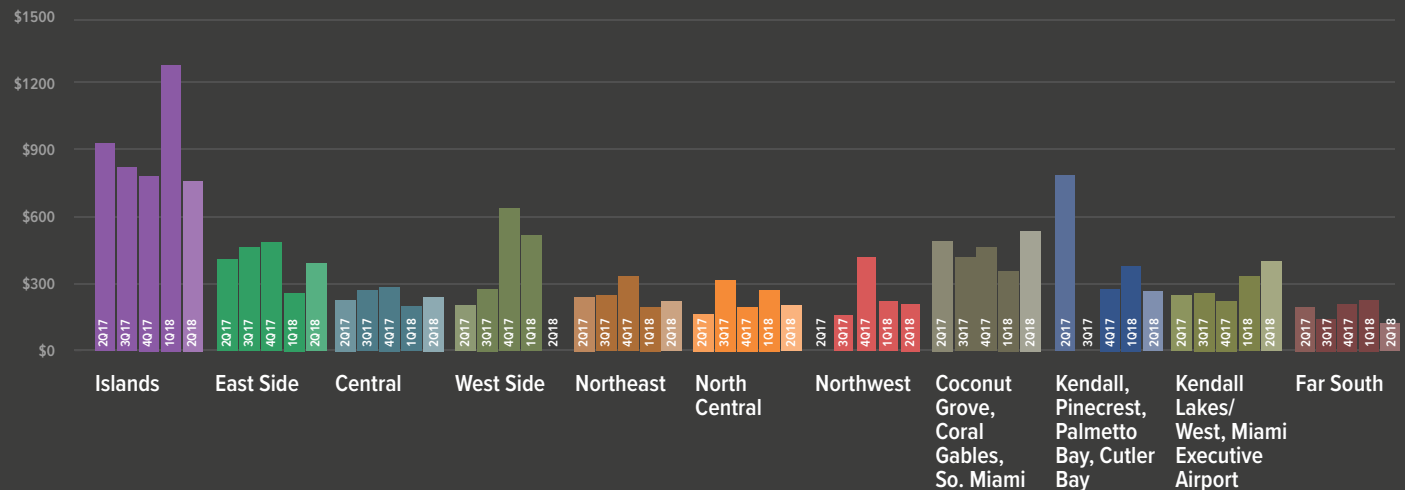## Total Square Feet Sold Countywide
2Q17–2Q18

2Q17	614,534
3Q17	550,395
4Q17	622,027
1Q18	994,670
2Q18	700,090

Number of Transactions by Submarket 2Q18

- Islands — 3
- East Side — 19
- Central — 16
- West Side — 7
- Northeast — 11
- NorthCentral — 2
- Northwest — 1
- Coconut Grove, Coral Gables, South Miami — 3
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — 7
- Kendall Lakes/West, Miami Executive Airport — 3
- Far South — 7

Total Dollar Volume by Submarket 2Q18

- Islands — $24,155,000
- East Side — $40,923,000
- Central — $45,226,769
- West Side — $26,791,649
- Northeast — $15,057,500
- NorthCentral — $13,150,000
- Northwest — $2,500,000
- Coconut Grove, Coral Gables, South Miami — $7,355,000
- Kendall, Pinecrest, Palmetto Bay, Cutler Bay — $12,500,000
- Kendall Lakes/West, Miami Executive Airport — $16,139,300
- Far South

Average Price per Square Foot by Submarket 2Q17–2Q18

Palm Beach County

Like Broward County, Palm Beach County's sales volume rose, with attendant increases in dollar volume and square footage transacted. Unlike Broward County, this resulted in an increase in per square foot valuations to the highest point in over a year. Total square footage transacted in the Jupiter/North Palm Beach sub-market returned to normal, leading a market-wide increase of 20% quarter-over-quarter, year-over-year. Transactions continued its upward trend over the past two quarters, however it may be decelerating. Dollar volume grew nearly 50%, to $273.9 million — the highest for retail property realized in greater Miami in the past year. This growth outpaced the square footage rise in 2Q18, with in a 22.8% increase in per square foot valuations quarterly and 16.7% annually. The increase was again led by a return to normally high valuations in the Jupiter/North Palm Beach sub-market.
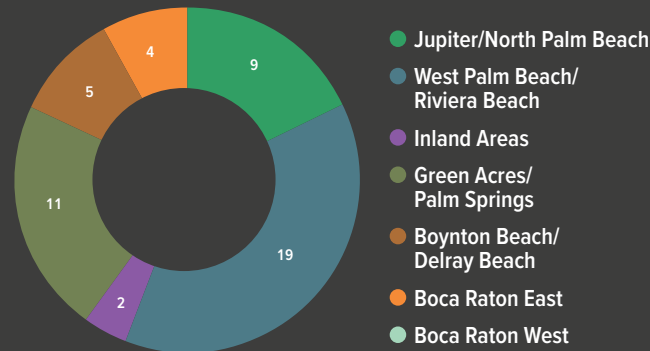
AT A GLANCE

50 TOTAL TRANSACTIONS

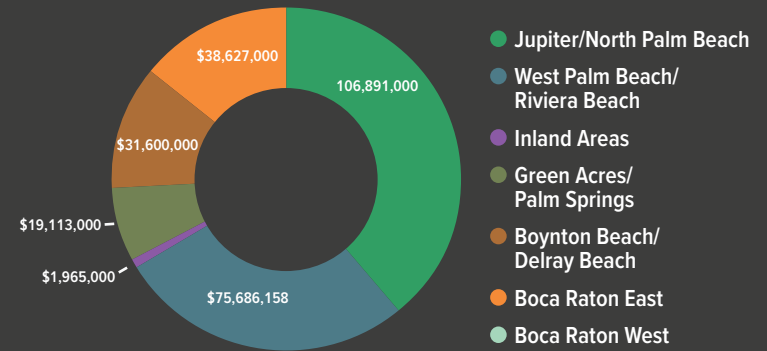**$273** million TOTAL DOLLAR VOLUME

$334 AVERAGE PRICE PER SQ. FT.

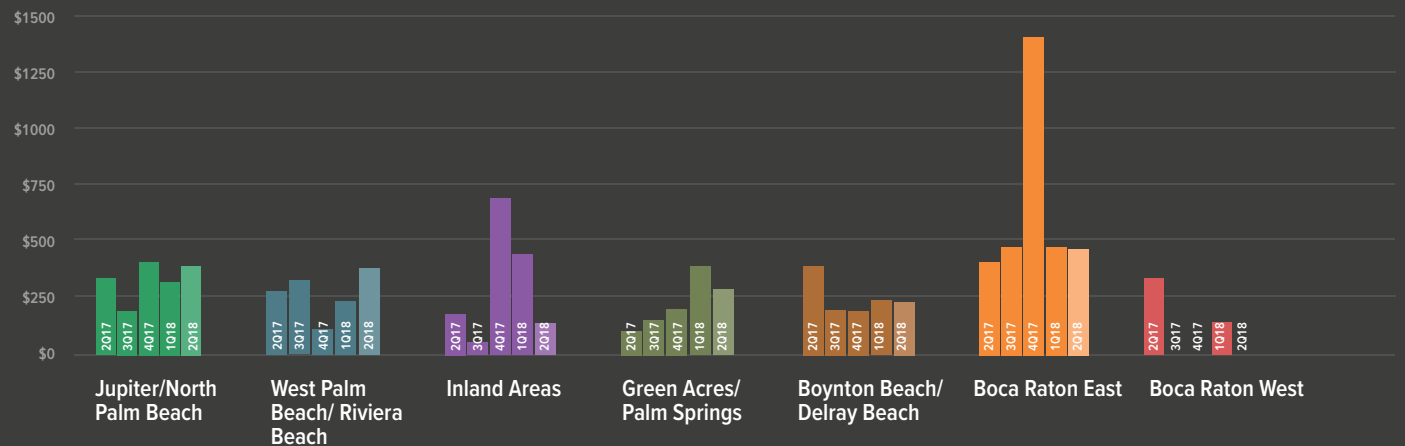## Total Square Feet Sold Countywide
2Q17–2Q18

2Q17	675,865
3Q17	395,509
4Q17	720,514
1Q18	680,412
2Q18	819,445

500K 1M 1.5M 2M 2.5M 3M

Number of Transactions by Submarket 2Q18

- Jupiter/North Palm Beach — 9
- West Palm Beach/ Riviera Beach — 19
- Inland Areas — 2
- Green Acres/ Palm Springs — 11
- Boynton Beach/ Delray Beach — 5
- Boca Raton East — 4
- Boca Raton West

Total Dollar Volume by Submarket 2Q18

- Jupiter/North Palm Beach — 106,891,000
- West Palm Beach/ Riviera Beach — $75,686,158
- Inland Areas — $1,965,000
- Green Acres/ Palm Springs — $19,113,000
- Boynton Beach/ Delray Beach — $31,600,000
- Boca Raton East — $38,627,000
- Boca Raton West

Average Price per Square Foot by Submarket 2Q17–2Q18

$1500 $1250 $1000 $750 $500 $250 $0

Jupiter/North Palm Beach | West Palm Beach/ Riviera Beach | Inland Areas | Green Acres/ Palm Springs | Boynton Beach/ Delray Beach | Boca Raton East | Boca Raton West
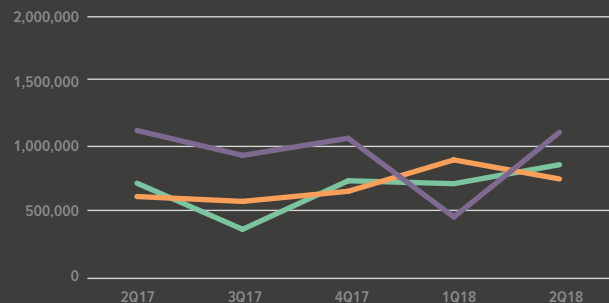
Tri-County Comparison

Transaction Volume
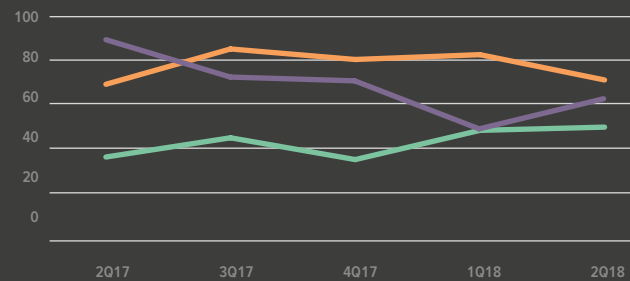
● Broward County　● Miami-Dade County　● Palm Beach County

Miami-Dade saw the highest retail transaction volume, although the gap is narrowing as Miami-Dade declined on a quarterly basis and Broward and Palm Beach counties have seen recent growth. With Broward County, this increase represents a reversal of several quarters of declining sales activity, whereas Palm Beach County enjoyed its second consecutive quarter of transaction volume growth. This is the first quarter in a year Miami-Dade registered less than 80 transactions, a decline of nine sales from 1Q18.

Dollar Volume Millions

● Broward County　● Miami-Dade County　● Palm Beach County

Relatively high transaction volume did not translate into correspondingly high dollar volume for Miami-Dade County, which trailed both Broward and Palm Beach counties. This may reflect a minor correction from 1Q18 as Miami-Dade saw the second highest dollar volume of any county on a quarterly basis in over a year. Broward and Palm Beach counties saw strong gains from 1Q18. In total, dollar volume transacted grew by nearly 10% to $715.1 million from the prior quarter but remains slightly below the $721.9 million transacted during the same period last year.
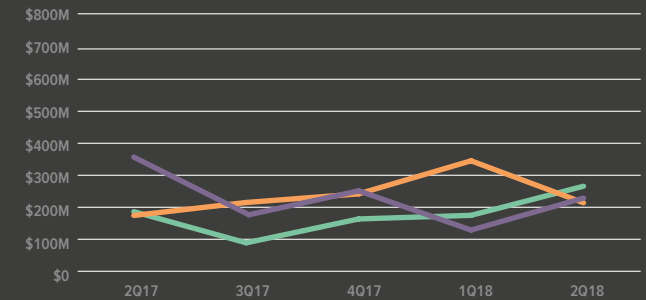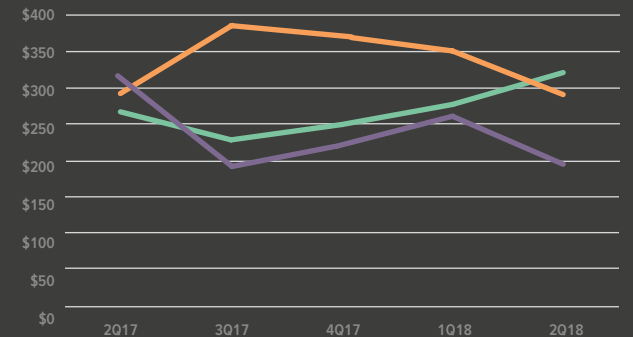
Square Footage Volume

● Broward County　● Miami-Dade County　● Palm Beach County

Square footage volume registered the highest value on a quarterly basis for the past year, led by a 156.7% increase in Broward County over 1Q18. Both Greater Miami and each of the three counties saw increases in square footage transacted over the same period last year. Broward and Palm Beach counties saw their highest square footage totals dating back to the second quarter of 2017, while Miami-Dade was off by less than a third from the highest value that county has realized in more than a year.

Average Price Per Square Foot

● Broward County　● Miami-Dade County　● Palm Beach County

This valuation decreased by 14.4% to $260 market-wide. This reverses what was an accelerating growth trend over the previous three quarters. Palm Beach County bucks the trend of falling valuations — rising 22.8% quarterly and 16.7% annually — on relatively few transactions of relatively high value. Broward County fell nearly a quarter and is down over 40% from 2Q17, while Miami-Dade valuations continue to slide from a local maximum in 3Q17.

Quarterly Totals

Broward County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$354,687,742	$194,361,652	$267,976,885	$121,142,794	$237,450,017
Product Volume (SF)	1,068,419	975,163	1,138,334	477,929	1,226,631
Average Price ($/SF)	$332	$199	$235	$253	$194
Number of Sales	90	70	66	48	63

Miami-Dade County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$180,784,433	$214,476,330	$231,501,970	$348,416,220	$203,798,218
Product Volume (SF)	614,534	550,395	622,027	994,670	700,090
Average Price ($/SF)	$294	$231	$372	$350	$291
Number of Sales	69	84	80	83	72

Palm Beach County

	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Sales Volume ($)	$193,633,933	$91,475,232	$179,858,655	$185,212,877	$273,872,158
Product Volume (SF)	675,865	395,509	720,514	680,412	819,445
Average Price ($/SF)	$286	$212	$250	$272	$334
Number of Sales	37	47	36	48	50

RETAIL

Five Largest Transactions

Broward County

	DATE	SALE PRICE	TOTAL SF	$/SF
The Fountains of Miramar	4/30/18	$40,000,000	139,329	$287
Festival Marketplace	5/2/18	$25,000,000	383,858	$65
Shoppes of Wilton Manors	6/25/18	$21,000,000	75,583	$278
Beachway Plaza	4/19/18	$15,600,000	64,245	$243
Millennium Plaza	4/30/18	$13,500,000	41,161	$328

Miami-Dade County

	DATE	SALE PRICE	TOTAL SF	$/SF
834 1 St	6/1/18	$15,250,000	12,471	$1,223
48 NW 25 St	5/17/18	$12,200,000	22,460	$543
Palmetto Design Center	5/22/18	$11,850,000	59,982	$198
3800 W 12th Ave	6/28/18	$11,250,000	74,346	$151
Time Center	6/14/18	$8,400,000	39,944	$210

Palm Beach County

	DATE	SALE PRICE	TOTAL SF	$/SF
PGA Plaza	5/17/18	$88,000,000	120,000	$733
Palms Plaza	6/13/18	$30,200,000	69,189	$436
Charley's Crab	4/6/18	$26,300,000	8,967	$2,933
Okee Square	6/5/18	$18,400,000	124,000	$148
Aberdeen Square	6/4/18	$9,900,000	22,538	$439

Methodology
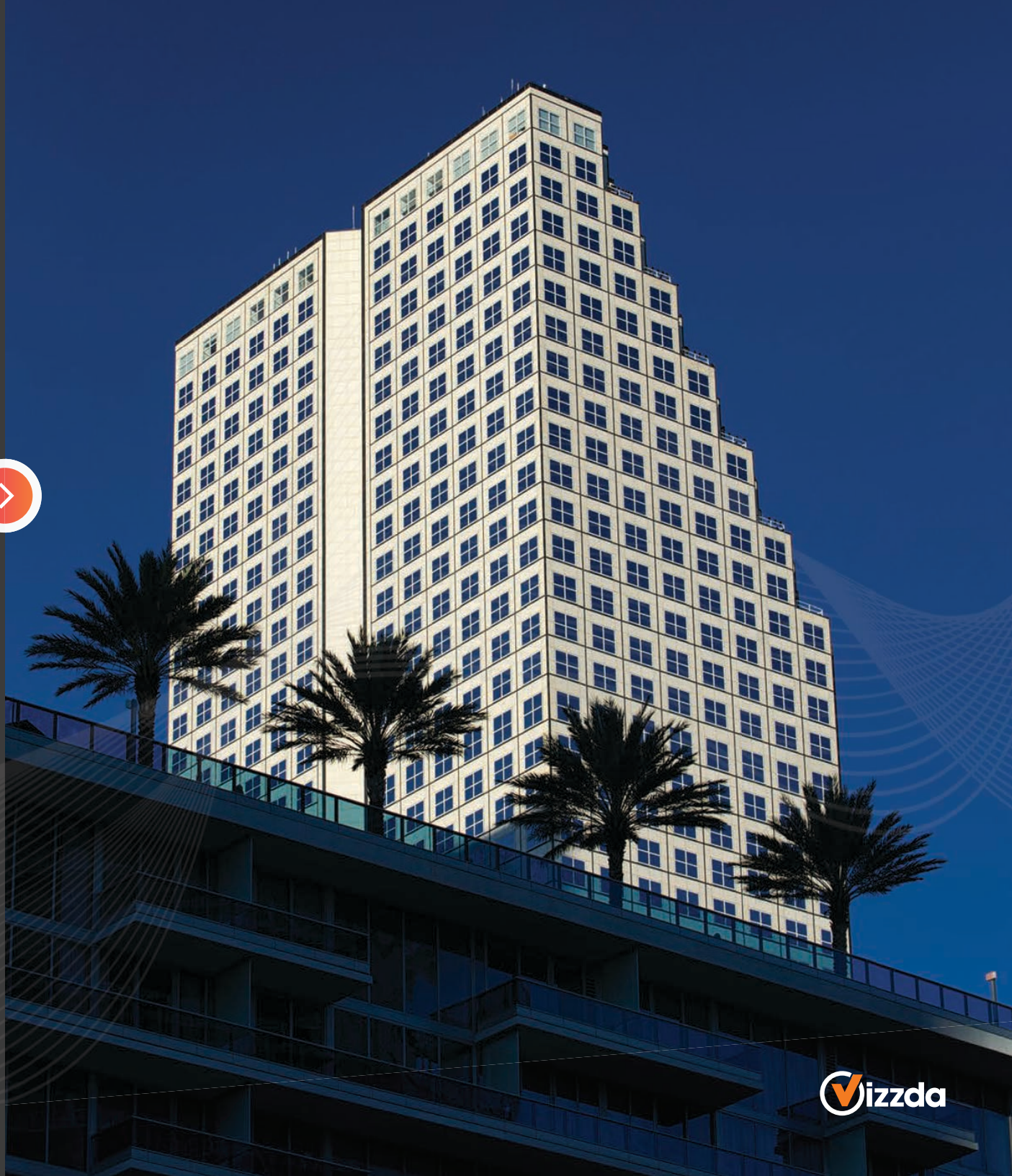
Methodology

Vizzda has set aside this section to carefully define and describe our terminology and methodology.

Sales Volume

Sum of the sales price(s) of the transactions under consideration

Product Volume

Sum of the number of units for all of the properties under consideration

Average Pricing

We calculate average pricing by dividing sales volume by product volume. In other words, we sum the sale prices for all transactions under consideration and divide by the total number of units the properties represent, resulting in a pricing average represented with $/unit.

For example, if a $30 million apartment complex of 500 units sells ($60,000/unit) and a $2 million complex of 25 units sells ($80,000/unit), the average pricing will be $60,952.

Note that the average calculation is weighted by the number of units. In other words, the effect on the pricing of the 500-unit apartment complex is much more important to the pricing calculation than the pricing of the 25-unit complex.

Disclaimer

The information contained herein is from sources deemed reliable. We have no reason to doubt its accuracy but do not guarantee it. It is the responsibility of the person reviewing this information to independently verify it.