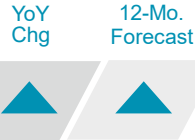


BROWARD COUNTY

Industrial Q4 2020

6.8%
Vacancy Rate



912K
YTD Net Absorption, SF



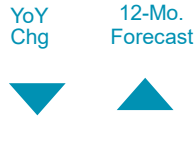
\$9.68
Asking Rent, PSF



Overall, Net Asking Rent

ECONOMIC INDICATORS Q4 2020

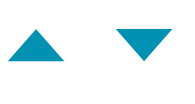
809K
Broward County Employment



7.3%
Broward County Unemployment Rate



6.7%
U.S. Unemployment Rate



Source: BLS

Numbers above are monthly figures., FL Dept. Economic OPP.

ECONOMY

Broward County had an unemployment rate of 7.3% in November 2020, 460 bps higher than one year ago. Nonagricultural employment was 809,100, a decrease of 64,400 jobs, or 7.4%, over the year. Every major industrial related sector forfeited jobs over the year with Trade, Transportation, and Utilities leading the most losses at 8,500 jobs gone, followed by Construction with another 6,800 jobs lost. Industrial-using employment in Broward County is expected to rise as large tenants that signed in 2020 are slated to occupy in 2021.

SUPPLY

At the end of the fourth quarter, overall vacancy rose by 240 bps year-over-year (YOY) to 6.8%. Vacancy in warehouse/distribution buildings jumped by 260 bps over the past twelve months to 7.8%. Construction completions contributed to the upturn in Broward's overall vacancy with over 1.9 million square feet (msf) delivered in 2020, of which 39.0% was preleased. There was approximately 2.3 msf under construction with most projects expected to delivery in the first quarter of 2021. The Davie/Plantation/Sunrise submarket recorded the highest surge in vacancy over the year, due to deliveries, with a 690-bps jump to 9.5%.

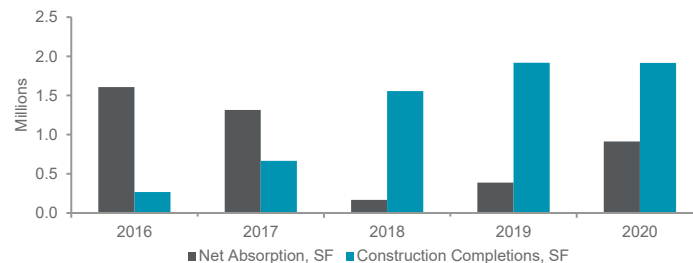
DEMAND

New leasing activity year-to-date (YTD) was over 4.3 msf. Nearly 1.7 msf was signed in the fourth quarter, the most activity in a three-month period since the third quarter of 2005. Warehouse/distribution accounted for 86%, or 3.8 msf, of new leases in 2020. The North Broward major market led the county for the third consecutive quarter with 690,000 sf of newly signed leases. The largest lease signed in the quarter was a 500,000-sf deal by an e-commerce company in the Pembroke Pines/Miramar/Weston submarket. Absorption increased substantially in the fourth quarter with 490,000 sf of positive absorption bringing the County's total to 912,000 sf absorbed in the year driven by e-commerce tenants.

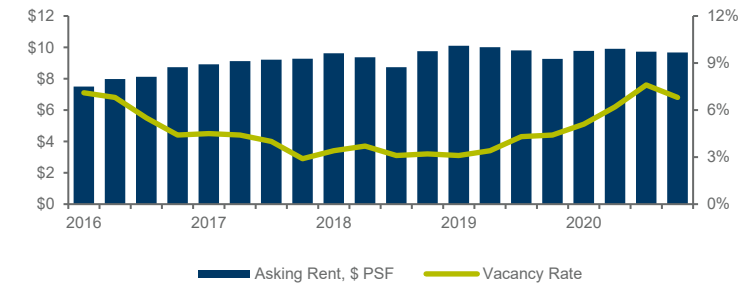
MARKET PRICING

Overall asking rates recorded a moderate boost from twelve months prior jumping 4.5% or 42 cents to \$9.68 per square foot (psf) triple net. The Deerfield Beach submarket had the largest increase in the county with a 12.1% YOY change to \$10.28 psf, due to high leasing demand. Fort Lauderdale's East/Central submarket experienced a significant downturn over the year falling 7.0% YOY to \$9.64 psf. The decrease in rental rates were due to rent adjustments in older buildings where more direct space became available.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Central Broward	18,407,645	948,323	5.2%	-276,471	436,757	165,010	81,964	\$15.00	\$12.47	\$9.61
Ft. Lauderdale- Central	6,969,649	544,338	7.8%	-328,763	101,062	0	0	N/A	\$12.09	\$9.80
Ft. Lauderdale- E. Central	4,847,336	122,034	2.5%	51,567	133,457	165,010	81,964	N/A	N/A	\$9.67
Ft. Lauderdale- Airport/Dania	6,590,660	281,951	4.3%	725	202,238	0	0	\$15.00	\$15.47	\$9.12
North Broward	38,338,129	2,604,534	6.8%	723,328	2,189,770	1,116,334	1,221,559	\$9.32	\$13.92	\$9.02
Pompano Beach	21,864,092	1,830,582	8.4%	207,908	1,307,326	510,165	853,533	\$9.44	\$13.35	\$9.16
Deerfield Beach	8,586,135	397,543	4.6%	98,308	516,481	144,161	0	\$9.27	\$14.78	\$9.80
Coral Springs /Tamarac/Margate	7,887,902	376,409	4.8%	417,112	365,963	462,008	368,026	N/A	\$11.25	\$7.54
Southwest Broward	23,425,163	1,823,578	7.8%	74,493	1,299,082	1,040,660	285,740	\$8.06	\$15.04	\$9.33
Davie/Plantation/Sunrise	9,699,740	921,487	9.5%	-277,351	244,879	709,893	285,740	\$8.19	\$15.08	\$9.33
Pembroke Pines/Miramar/Weston	13,725,423	902,091	6.6%	351,844	1,054,203	330,767	0	\$7.50	\$15.02	\$9.31
Southeast Broward	7,755,991	620,438	8.0%	390,816	459,729	0	326,339	\$8.75	N/A	\$9.09
BROWARD TOTALS	87,926,928	5,996,873	6.8%	912,166	4,385,338	2,322,004	1,915,602	\$9.91	\$14.35	\$9.20

*Rental rates reflect weighted net asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS 2020

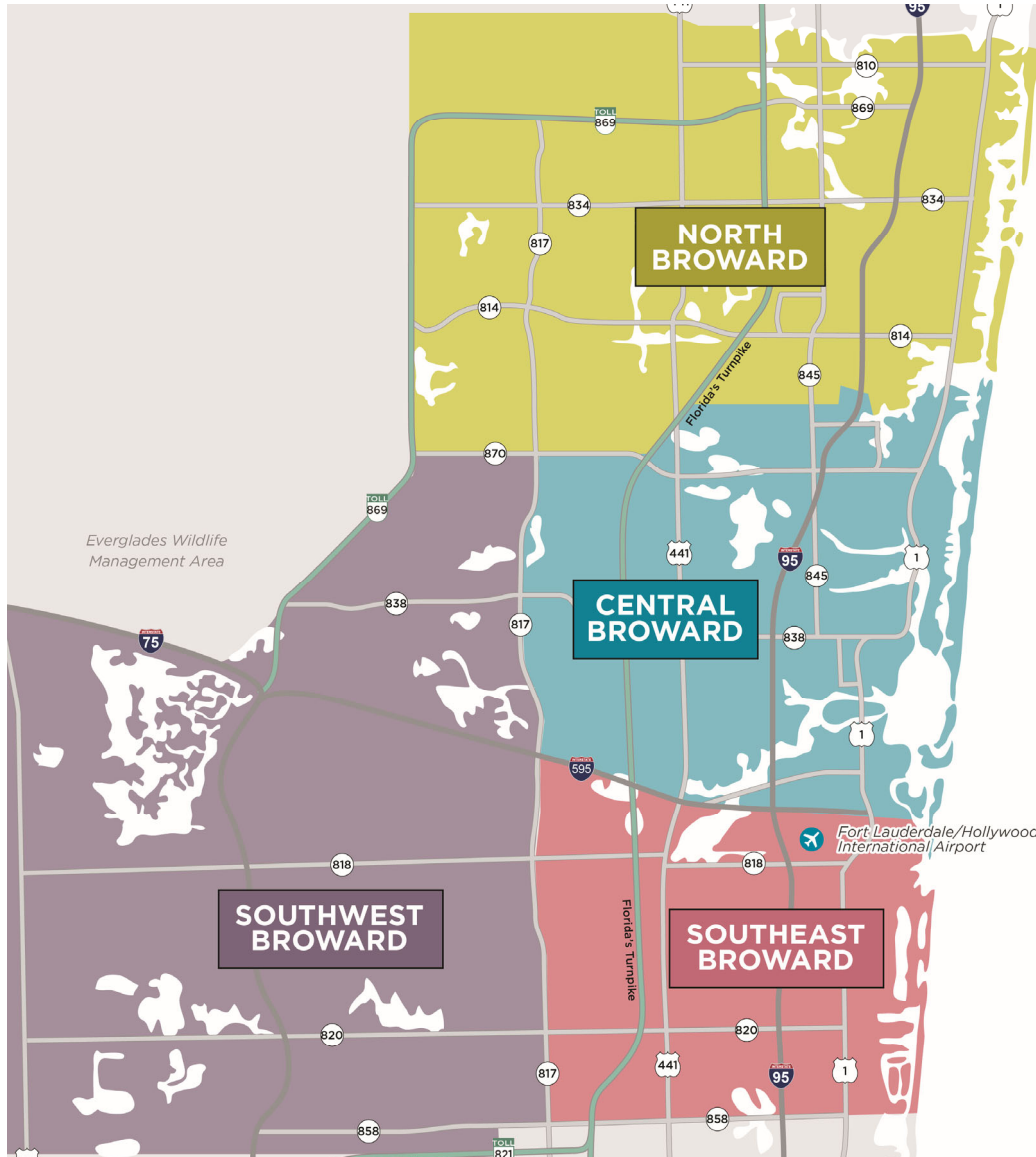
PROPERTY	SUBMARKET	TENANT	RSF	TYPE
3701 Flamingo Road	Miramar	e-commerce	500,000	New Lease
2800 N Andrews Avenue Ext	Pompano Beach	Amazon	250,441	New Lease
3225 Meridian Parkway	Southwest Broward	KeHe Distributors	201,849	Renewal*
2500 Commerce Center Way	Hollywood/Hallandale	United States Postal Service	169,029	New Lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
20351 Sheridan St. - Bldg. B	Pembroke Pines/Miramar/Weston	Core5 / Vital Pharmaceuticals	249,005	\$40.3M/\$162
2281 Griffin Road	Hollywood/Hallandale	Q-Med Corporation / Elion Partners	180,000	\$31.5M/\$175

INDUSTRIAL SUBMARKETS



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