JAN 21, 2015

WORKSHOP ON DEVELOPMENT

DOWNTOWN FORT LAUDERDALE
MARKET PULSE

Venice of America

City of Fort Lauderdale

Todd Okolichany, AICP
LEED Green Associate
Principal Planner
Department of Sustainable Development

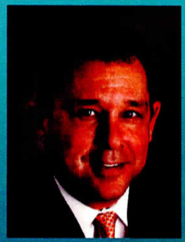
700 N.W. 19th Avenue
Fort Lauderdale, FL 33311
Proudly Printed On Recycled Paper

Tel. (954) 828-5256
Fax (954) 828-5858
tokolichany@fortlauderdale.gov

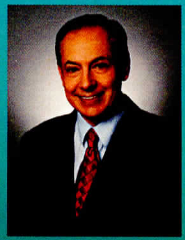
AGENDA

- INTRODUCTION
- DOWNTOWN FORT LAUDERDALE SNAPSHOT
- RESIDENTIAL ACTIVITY
- OFFICE MARKET OVERVIEW
- LEASING COMPETITIVE SET
- DEALS IN THE MARKET

INTRODUCTIONS



KEN KRASNOW
Managing Director
South Florida
+1 954 331 1738
ken.krasnow@cbre.com



RICHARD TARQUINIO
Senior Vice President
Investment Properties
+1 954 331 1764
richard.tarquinio@cbre.com

1. DOWNTOWN FORT LAUDERDALE SNAPSHOT

DOWNTOWN FORT LAUDERDALE MARKET PULSE

CBRE | FLORIDA

4th QUARTER 2014

CBRE

DYNAMIC & VIBRANT CBD

- Broward Center for the Performing Arts to receive $44 million expansion and renovation
- Broward County Courthouse to receive new $270 million facility with 730,000 SF of finished space
- New downtown hotel, Fairfield Inn & Suites, being developed at Broward Blvd. & US 1
- 26 new restaurants opened in Downtown since 2010, including such hotspots as: Lobster Bar Sea Grille, Royal Pig, Vibe, The Public House, Grille 401, Tap 42 and American Social
- The area north of Broward Boulevard is transforming into a young and hip enclave, home to neighborhoods such as Progresso Village, Flagler Village and F.A.T. (Flagler Art & Technology) Village, and amenities such as the new Fresh Market supermarket, and numerous art galleries and cafes
- Premier hotels: Riverside Hotel, Hyatt Regency, Hilton & Hampton Inn
- Las Olas Boulevard Corridor: 1-mile stretch of boutiques, art galleries, bars, restaurants, Museum of Art, IMAX movie theatre, art house cinema, Performing Arts Center, and Museum of Discovery & Science

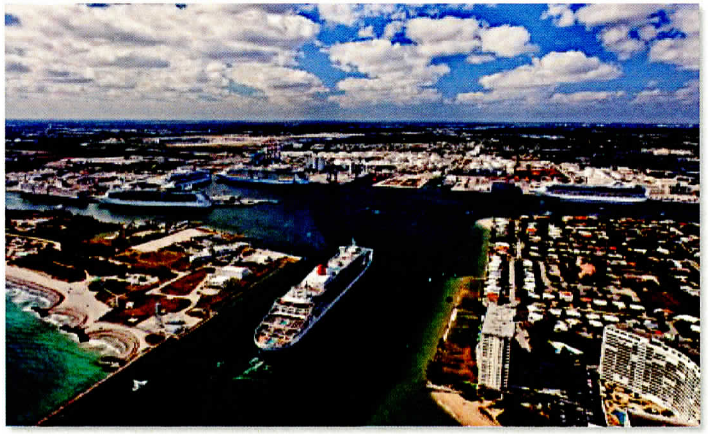
ROBUST POPULATION GROWTH AND NEW JOBS PAVE THE WAY FOR STRONG PERFORMANCE

- 25,000 residents migrated from Miami-Dade County to Broward County in 2011 – ranking as the sixth biggest county-to-county migration flow in the nation
- 115,535 Population Increase over last 5 years, a 6.7% increase
- 84,691 new jobs over the last 3 years
- 5.2% unemployment rate is 440 basis points below the peak level of 9.6% in 2010 and 150 basis points below the national average and the lowest in the tri-county area

INCREASED INVESTMENT IN KEY INFRASTRUCTURE DEMAND DRIVERS

- Fort Lauderdale-Hollywood International Airport (FLL): #21 on the United State's busiest airports

- Port Everglades: #3 cruise port in the world, currently undergoing $470 million capital improvement program to provide on-port rail access and improve highway connectivity



KEY TRANSPORTATION UPGRADES

THE WAVE STREETCAR

- $143 million, environmentally-friendly, 2.7 mile streetcar system for Downtown integrating land use, transportation and economic development. The project is expected to begin construction in 2014, and to be running by mid-2017. Five modern streetcar vehicles will operate seven days a week, with trains running every 7.5 minutes during weekday peak and off-peak periods and every 15 minutes during weekday evenings and weekends

ALL ABOARD FLORIDA

- Proposed passenger rail service from Miami to Orlando, with stops in Fort Lauderdale and West Palm Beach. The $1.5 Billion private project is being spearheaded by Florida East Coast Industries (FEC)
- Capable of carrying 400 passengers on 32 daily trips, anticipated to alleviate highway traffic congestion by 3 million people annually

II. RESIDENTIAL ACTIVITY

RESIDENTIAL ACTIVITY

URBAN REVITALIZATION LED BY BOOMING MULTI-FAMILY CONSTRUCTION IN CBD

- Ft. Lauderdale's CBD has emerged as a 24-hour city, with a walkable "live, work & play" cosmopolitan core
- Prior to 2014, there were only 1,008 market-rate units in the downtown Fort Lauderdale CBD
- Now, 962 additional units have been delivered; 948 are under construction; and 2,164+ units are approved or planned
- Provide further barriers to entry in an already supply constrained CBD

NEW MULTIFAMILY DEVELOPMENTS

PROJECT NAME	UNITS	DEVELOPER	STAGE
New River Yacht Club	249	Related	In Lease-up
The Edge	331	Morgan Group	In Lease-up
Manor in Flagler Village	382	Related	In Lease-up
Village Place	112	Housing Trust Group	Under Construction
New River Phase III	209	American Land	Under Construction
Pinacle at Tarpon River	112	Pinnacle	Under Construction
8th Street Residences	254	Stiles/Rockefeller	Under Construction
Icon Las Olas	272	Related	Approved
New River Yacht Club II	349	Related	Approved
Marina Lofts	856	Cymbal Development	Approved
Crocker Site	396	Crocker	Planned
One20forth	386	Ellis Diversified	Planned
2nd Street Residences	398	Ellis Diversified	Planned
200 E Las Olas	TBD	Stiles/Tribune	Planning
Flagler Village	260	TBD	For Sale
Las Olas Riverfront	TBD	TBD	For Sale
100 E Las Olas	TBD	TBD	For Sale
3rd & 3rd	TBD	TBD	For Sale

III.OFFICE MARKET OVERVIEW

DOWNTOWN FORT LAUDERDALE MARKET PULSE

CBRE | FLORIDA

4th QUARTER 2014

CBRE

OFFICE MARKET OVERVIEW

STRONG MIGRATION OF OFFICE TENANTS TO THE URBAN CORE

- Since 2011, CBRE has tracked 32 tenants totaling approximately 514,000 SF that have re-located to the CBD from the suburbs (see list to right), leading the way to improved market fundamentals

ROBUST AND ACCELERATING MARKET FUNDAMENTALS WITHIN FORT LAUDERDALE'S OFFICE MARKET

- **Strong Absorption**
  - » As of 4Q 2014, the Fort Lauderdale Market experienced 466,239 SF of positive Net Absorption
  - » Over the same time-frame, the Downtown/CBD Submarket experienced positive Net Absorption of 152,051 SF
- **Declining Vacancy**
  - » Fort Lauderdale Market 4Q 2014, Vacancy rates dropped 200 basis points (bps) year over year to 15.1%
  - » Simultaneously, Downtown/CBD vacancy is down 480 bps to 12.7%
- **No New Supply**
  - » No construction deliveries over the last 3 years. In the Downtown CBD, a 35,000 SF, Class A office building is scheduled for delivery 2Q2015, most of which is preleased to a local law firm.

RELOCATIONS FROM SUBURBS TO CBD

DATE	BUILDING	TENANT	SF
4Q14	350 E Las Olas	Ameriprise	14,203
4Q14	350 E Las Olas	BBVA Compass	4,149
4Q14	110 SE 6th St	Sato Global Solutions	14,000
3Q14	100 SE 3rd Ave	Convey Health	11,209
3Q14	110 SE 6th St	Endless Jewelry	5,320
1Q14	500 E Broward	Blank Rome	8,789
1Q14	200 E Las Olas	GlobeNet	8,332
4Q13	350 E Las Olas	Nyrstar	7,169
4Q13	450 Las Olas	US Anesthesia Partners	5,805
4Q13	350 E Las Olas	Burr Forman	9,508
4Q13	200 E Broward	Greenspoon Marder	48,333
4Q13	1 E Broward	Tutor Perini	10,625
3Q13	110 SE 6 St	Cole Scott Kissane	3,332
3Q13	200 E Las Olas	Prolexic	32,937
2Q13	101 NE 3rd Ave	Results Companies	6,249
2Q13	101 NE 3rd Ave	Mad Studios	3,257
2Q13	500 E. Broward	Eppy Financial	5,183
2Q13	101 NE 3rd Ave	Allied Steel	4,140
2Q13	1 E Broward	Becker & Poliakoff	46,349
2Q13	500 E Broward	Premier Beverage	20,256
2Q13	401 E Las Olas	iCare.com	16,000
2Q13	301 E Las Olas	Fanantics	15,295
1Q13	1 E Broward	McGlinchey Stafford	8,738
1Q13	100 SE 3rd	Madison Marquette	3,365
4Q12	500 E Broward	Direct Insite	5,806
3Q12	110 SE 6th St	Cole, Scott & Kissane	6,556
2Q12	200 SW 1st Ave	US Debt Ventures	2,681
4Q11	200 E Las Olas	Bressler, Amery & Ross	16,158
4Q11	500 E Broward	Northwestern Mutual	11,021
4Q11	450 E Las Olas	ProLogis	3,176
3Q11	200 E Las Olas	Pernod Ricard	21,599
3Q11	500 E Broward	Fox Sports	25,000
3Q11	110 SE 6th St	Stone, McGhee & Silver	15,298
1Q11	200 E Las Olas	Yum! Brands	21,000
Total Suburban-To-CBD			**382,786**
New Tenants to CBD			**131,898**

TALES OF MICRO-MARKETS

ON AND OFF LAS OLAS (2Q 2014)

TOTAL FORT LAUDERDALE CBD

16 PROPERTIES

3,590,613 SF

85.7% LEASED

$22.84 PSF AVG ASKING BASE

$13.06 PSF AVG ESTIMATED OPEX

ON LAS OLAS

7 PROPERTIES

1,618,379 SF

92.2% LEASED

$27.14 PSF AVG ASKING BASE

$14.56 PSF AVG ESTIMATED OPEX

OFF LAS OLAS

9 PROPERTIES

1,972,234 SF

80.5% LEASED

$19.50 PSF AVG ASKING BASE

$11.89 PSF AVG ESTIMATED OPEX

PROJECTED MARKET RENT GROWTH & ABSORPTION (CBRE ECONOMETRIC ADVISORS)

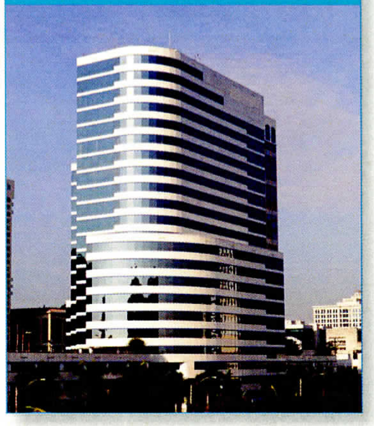
- 31.9% Projected Market Rent Growth over 5 years
- Net Absorption is expected to average 86,000 SF per year, for a total of 430,000 from 2015-2019

YEAR	RENT GROWTH	ABSORPTION
2015	6.6%	101,000 SF
2016	6.2%	84,000 SF
2017	6.0%	77,000 SF
2018	5.3%	82,000 SF
2019	4.4%	86,000 SF
Total/Compounded	31.9%	430,000 SF

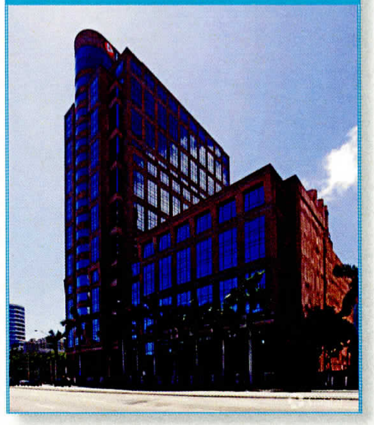
URBAN SALE COMPARABLES

NEW RIVER CENTER

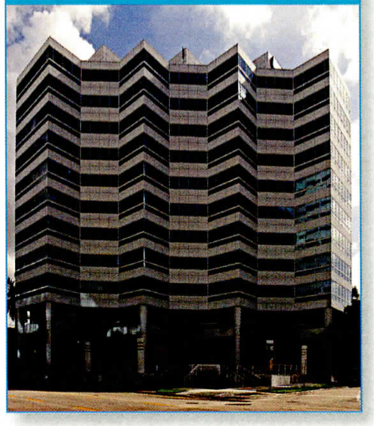
BROWARD FINANCIAL CENTER



200 EAST BROWARD



COMERICA TOWER

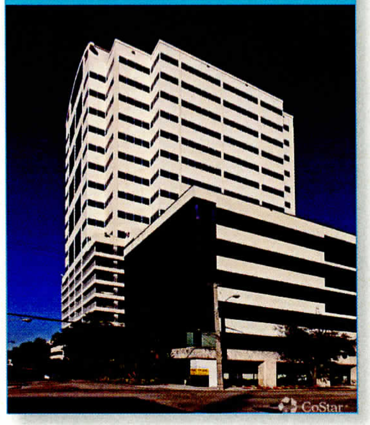


Address	200 E. Las Olas Blvd Ft. Lauderdale	500 E. Broward Blvd Ft. Lauderdale	200 E. Broward Blvd Ft. Lauderdale	100 NE 3rd Ave Ft. Lauderdale
Size (SF)	281,713	324,429	225,650	166,098
Year Built/Ren.	1990	1986/2007	1992	1983/2010
Sale Price	$108,000,000	$117,000,000	$66,400,000	$32,500,000
Price/SF	$383.37	$339	$294	$196
Occupancy Rate	86%	90%	88%	82%
Cap Rate	5.0%	6.6%	5.8%	7.4%
Recorded Date	12/2014	11/2014	7/2014	4/2014
Seller	Invesco	DRA Advisors	Invesco	Beacon Partners
Buyer	Stiles/Prudential	AGS Properties	TA Associates	Brookwood

URBAN SALE COMPARABLES

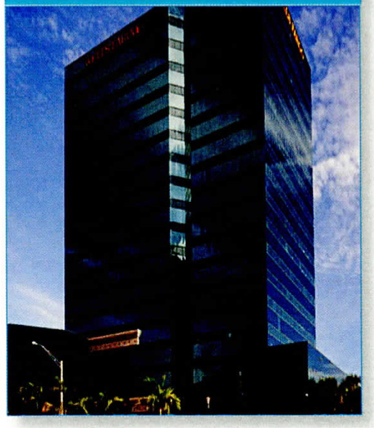
LAS OLAS CENTRE

TOWER 101



LAS OLAS CITY CENTRE

WELLS FARGO TOWER



Address	350-450 E. Las Olas Boulevard Ft. Lauderdale	101 NE 3rd Avenue Ft. Lauderdale	401 E. Las Olas Blvd Ft. Lauderdale	1 E. Broward Blvd Ft. Lauderdale
Size (SF)	468,843	230,238	408,063	338,089
Year Built/Ren.	1996	1986	2002/2005	1984
Sale Price	$204,000,000	$28,700,000	$163,700,000	$42,000,000
Price/SF	$435	$125	$401	$124
Occupancy Rate	89%	68%	95%	55%
Cap Rate	6.4%	6.69%	6.20%	2.40%
Recorded Date	3/2014	7/2012	9/2011	9/2011
Seller	USAA Real Estate	Cap Advisors	Shorenstein JV Stiles	DBSI Group
Buyer	Deutsche Bank	Banyan Street Capital	JP Morgan	Ivy Realty

IV. LEASING COMPETITIVE SET

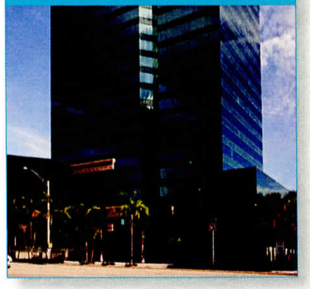
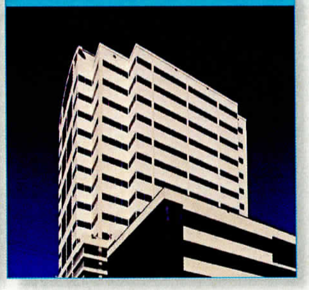
DOWNTOWN FORT LAUDERDALE MARKET PULSE

4th QUARTER 2014

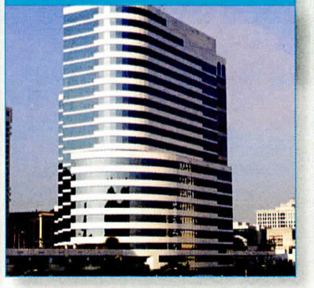
CBRE | FLORIDA

CBRE

LEASING COMPETITIVE SET

	1 EAST BROWARD	PLAZA 100	TOWER 101	101 CENTER	ONE FINANCIAL PLAZA
					
Address	1 East Broward Blvd	100 NE 3rd Avenue	101 NE 3rd Avenue	101 NE 3rd Avenue	100 SE 3rd Avenue
Owner	Ivy Realty	Brookwood	Banyan Street Capital	Banyan Street Capital	Stiles/Prudential
Year Built/Ren.	1984/2011	1984	2001	1986	1972/2008
Floors	19	11	21	6	28
Total RSF	338,201	165,757	177,080	49,991	298,046
SF Available	60,439	29,442	48,878	38,185	36,865
% Leased	82.13%	82.24%	72.40%	23.62%	87.63%
Full Service Rental Rates	$29.75	$28.15	$30.02	$26.54	$36.50
Estimated OpEx	$11.75	$11.65	$12.02	$10.04	$13.50
Asking Base Rent	$18.00	$16.50	$18.00	$16.50	$23.00
Parking Ratio Parking Cost	2.5/1000 $85	3.5/1000 $75 (non-reserved) $125 (reserved)	2/1000 $70	2.3/1000 $70	3/1000 $70
Comments	• Smallest: 840 SF • Largest: 19,907 SF	• Smallest: 1,842 SF • Largest: 8,509 SF • Brookwood purchase property for $196 PSF (4/14)	• Smallest: 1,517 SF • Largest: 43,935 SF • Sunbelt Rentals (sublease +34,000 SF) off market, direct available space	• Smallest: 2,217 SF • Largest: 17,534 SF • FtL Convention Bureau leased 12,920 SF (1st & 2nd Floor)	• Smallest: 738 SF • Largest: 11,208 SF

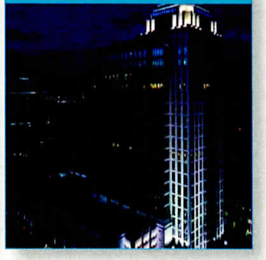
LEASING COMPETITIVE SET

	110 TOWER	CORPORATE CENTER	200 EAST BROWARD	BROWARD FINANCIAL CENTRE	NEW RIVER CENTER
					
Address	110 SE 6 Street	110 E. Broward Blvd	200 E. Broward Blvd	500 E. Broward Blvd	200 E. Las Olas Blvd
Owner	Gencap Partners	Cabot Investment Properties	Invesco Real Estate	DRA Advisors	Invesco Real Estate
Year Built/Ren.	1987	1982	1991	1986/1996	1990
Floors	30	24	21	24	21
Total RSF	391,473	342,906	225,500	326,186	274,457
SF Available	112,619	120,633	27,342	31,893	39,806
% Leased	71.23%	64.82%	87.87%	90.22%	85.50%
Full Service Rental Rates	$33.96	$28.50	$34.04	$35.03	$38.62
Estimated OpEx	$12.46	$11.50	$12.04	$12.03	$12.62
Asking Base Rent	$21.50	$17.00	$22.00	$23.00	$26.00
Parking Ratio Parking Cost	2.3/1000 $75	2.5/1000 $60 (not attached)	2.4/1000 $75	2.8/1000 $75	2.5/1000 $75
Comments	• Smallest: 3,670 SF • Largest: 52,642 SF	• Smallest: 1,057 SF • Largest: 64,603 SF	• Smallest: 1,082 SF • Largest: 10,444 SF • Greenspoon expanded by 48,333 SF Q2 2014	• Smallest: 793 SF • Largest 5,982 SF	• Smallest: 1,536 SF • Largest: 20,462 SF

LEASING COMPETITIVE SET

350 LAS OLAS CENTRE


450 LAS OLAS CENTRE


BANK OF AMERICA PLAZA @ LAS OLAS CENTRE


SUNTRUST CENTER


THE AUTONATION BLDG


301 PLAZA @ LAS OLAS


Address	350 E. Las Olas Blvd	450 E. Las Olas Blvd	401 E. Las Olas Blvd	515 E. Las Olas Blvd	200 SW 1st Avenue	301 E. Las Olas Blvd
Owner	RREEF	RREEF	JP Morgan	SunTrust Bank	Stiles Realty	Stiles Realty
Year Built/Ren.	1999	1996	2002	1992	2007	1964/2012
Floors	19	15	23	17	17	8
Total RSF	259,097	209,746	365,924	211,000	186,804	111,351
SF Available	30,504	1,703	7,878	30,905	3,363	11,826
% Leased	88.23%	99.19%	97.85%	85.35%	98.20%	89.38%
Full Service Rental Rates	$45.98	$47.78	$45.42	$37.41	$39.65	$37.04
Estimated OpEx	$13.98	$15.78	$15.42	$13.91	$15.65	$14.54
Asking Base Rent	$32.00	$32.00	$30.00	$23.50	$24.00	$22.50
Parking Ratio Parking Cost	3.0/1000 $85 (non-reserved) $135 (reserved)	3.0/1000 $85 (non-reserved) $135 (reserved)	3.0/1000 $90 $200 (caged)	3.0/1000 $75 $45 (roof)	3.0/1000 $90	3/1000 $90
Comments	• Smallest: 1,296 SF • Largest: 23,281 SF	• Smallest: 1,703 SF • Largest: 1,703 SF	• Smallest: 3,000 SF • Largest: 7,878 SF	• Smallest: 947 SF • Largest 22,232 SF	• Smallest: 2,109 SF • Largest: 10,263 SF	• Smallest: 3,000 SF • Largest: 8,215 SF

V. DEALS IN THE MARKET

DOWNTOWN FORT LAUDERDALE MARKET PULSE

CBRE | FLORIDA

4th QUARTER 2014

CBRE

2014 YTD DONE DEALS

PLAZA 100
100 NE 3rd Ave

Tenant	1.Oppenheimer & Co.	2. The Results Companies	3. Corporate Ins. Advisors
SF	15,763	2,472	7,675
Type	Renewal	Expansion	Renewal
Term	8 years	63 mos	63 mos
Rental Rate	$16.00/SF NNN	$15.00/SF NNN	$16.00/SF NNN
Escalations	3%	3%	3%
TIs	$15.00	Turnkey	$12.00
Free Rent	9 mos base	4 mos base	3 mos base

NEW RIVER CENTER
200 E. Las Olas Blvd

Tenant	1. GlobeNet
SF	8,332
Type	New
Term	132 mos
Rental Rate	Confidential
Escalations	Confidential
TIs	Confidential
Free Rent	Confidential

1 East Broward Blvd

Tenant	1. Splash Beverage	2. McGlinchey Stafford	3. Frenkel Lambert
SF	3,606	4,287	6,861
Type	New	Expansion	Expansion
Term	Confidential	Confidential	Confidential
Rental Rate	Confidential	Confidential	Confidential
Escalations	Confidential	Confidential	Confidential
TIs	Confidential	Confidential	Confidential
Free Rent	Confidential	Confidential	Confidential

200 SW 1st Avenue

Tenant	1. Cypress Equities
SF	2,109
Type	New
Term	64 mos
Rental Rate	$22.50/SF NNN
Escalations	3%
TIs	$20.00
Free Rent	4 mos

ONE FINANCIAL PLAZA
100 SE 3rd Ave

Tenant	1. Advanced Recovery Systems	2. Baker Donelson	3. Marcus & Neiman Law	4. Club Domains	5. Island Global Yachting
SF	5,940	5,932	1,673	2,118	1,059
Type	Expansion	Expansion	New	New	New
Term	90 mos	65 mos	65 mos	65 mos	39 mos
Rental Rate	$23.00/SF NNN	$23.00/SF NNN	$25.00/SF NNN	$19.00 SF/NNN	$25.00/SF NNN
Escalations	3%	3%	Confidential	Confidential	Confidential
TIs	$45.00	$35.00	Spec Space	$3.00	Spec space
Free Rent	6 mos	5 mos	5 mos	5 mos	3 mos gross

2014 YTD DONE DEALS

TOWER 101
101 NE 3rd Ave

Tenant	1. Advantage Opco	2. Thornton Tomasetti
SF	8,960	5,531
Type	New	Renewal
Term	7 years	48 mos
Rental Rate	$17.00/SF NNN	$16.00/SF NNN
Escalations	3%	3%
TIs	$15.00	$15.00
Free Rent	6 mos	3 mos

110 TOWER
110 SE 6th Street

Tenant	1. Ft. Lauderdale Exec Suites	2. McFann & Dawson
SF	15,200	3,500
Type	New	Renewal
Term	132 mos	39 mos
Rental Rate	$18.50/SF NNN	$21.50/SF NNN
Escalations	3%	Confidential
TIs	$35.00	$3.00
Free Rent	12 mos	3 mos gross

101 CENTRE
101 NE 3rd Ave

Tenant	1. GFLC&VB*	2. Allied Steel
SF	13,000	2,000
Type	New	Expansion
Term	Confidential	Confidential
Rental Rate	Confidential	Confidential
Escalations	Confidential	Confidential
TIs	Confidential	Confidential
Free Rent	Confidential	Confidential

*1. Greater Fort Lauderdale Conventions & Visitors Bureau

BROWARD FINANCIAL CENTRE I 500 East Broward Blvd

Tenant	1. Blank Rome	2. Mombach Boyle & Hardin
SF	8,789	5,968
Type	New	Renewal
Term	77 mos	12 mos
Rental Rate	$23.00/SF NNN	$21.00/SF NNN
Escalations	3%	0
TIs	$25.00	$0
Free Rent	5 mos	0

LAS OLAS CENTRE I
450 E. Las Olas Blvd

Tenant	1. Douglas Elliman
SF	2,224
Type	New (Retail)
Term	62 mos
Rental Rate	$35.00/SF NNN
Escalations	3%
TIs	Confidential
Free Rent	2 mos

350 LAS OLAS CENTRE
350 E. Las Olas Blvd

Tenant	1. Berger Singerman
SF	23,381
Type	Renewal
Term	78 mos
Rental Rate	$27.00/SF NNN
Escalations	3%
TIs	$20.00
Free Rent	3 mos

SUNTRUST CENTER
515 E. Las Olas Blvd

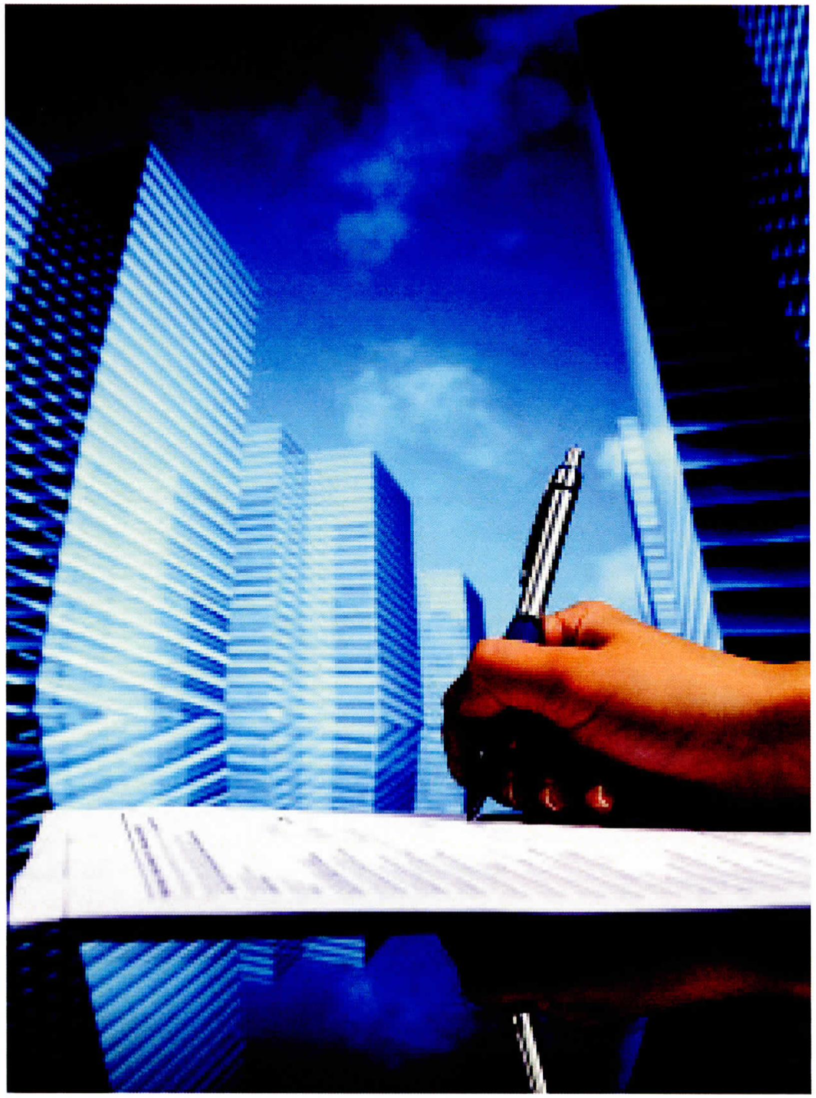
Tenant	1.Edens & Avant
SF	5,802
Type	Renewal/Expansion
Term	63 mos
Rental Rate	$20.00/SF NNN
Escalations	3%
TIs	$32.80
Free Rent	3 mos gross

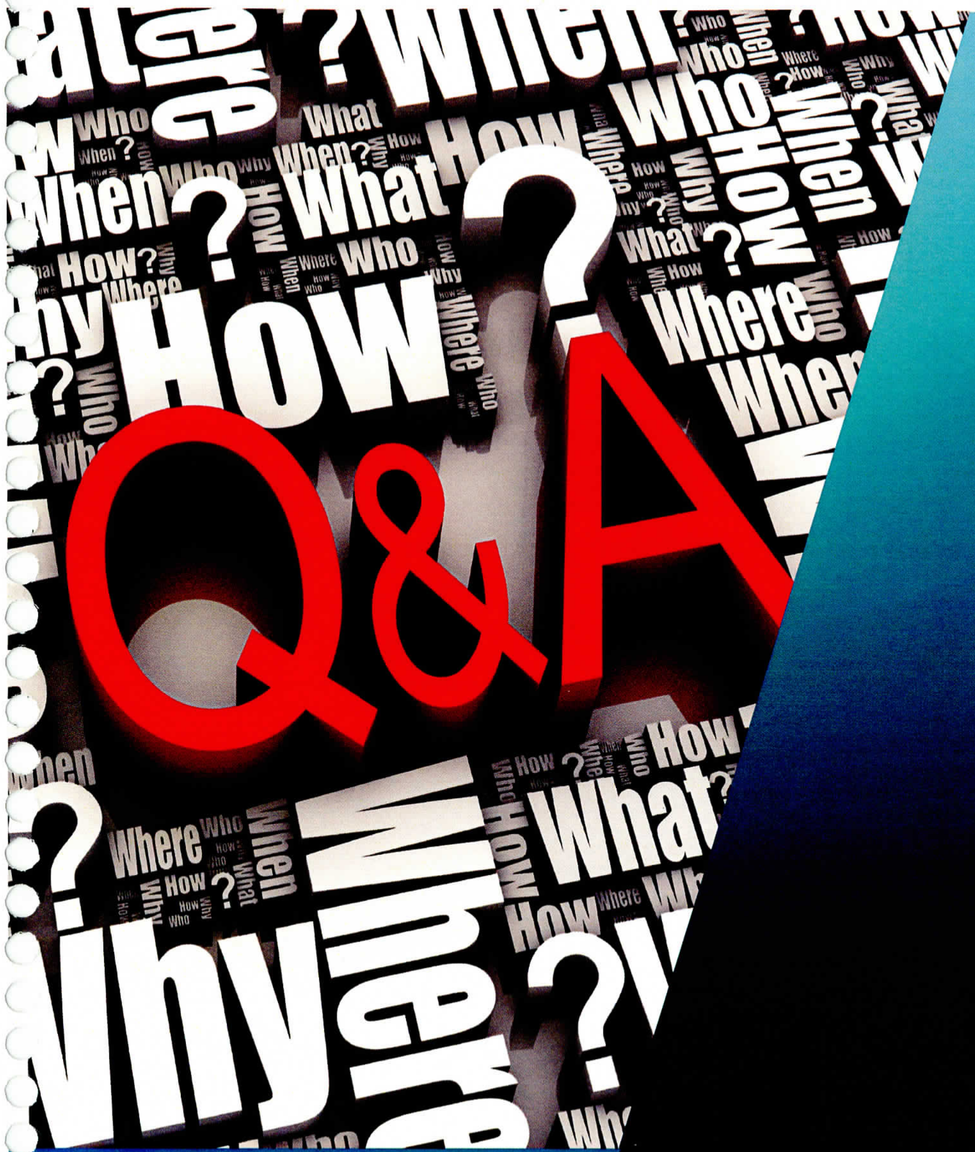
2014 YTD DONE DEALS

BANK OF AMERICA TOWER
@ LAS OLAS CITY CENTRE
401 E. Las Olas Blvd

Tenant	1. Price Waterhouse
SF	11,626
Type	New
Term	63 mos
Rental Rate	$28.00/SF NNN
Escalations	3%
TIs	$15.00
Free Rent	3 mos base

TOTAL SF LEASED YTD **173,808 SF**





QUESTIONS AND ANSWERS

CBRE | FLORIDA

DOWNTOWN FORT LAUDERDALE MARKET PULSE