



### **KD Commercial Real Estate**

With over 35 years combined experience and over half a billion dollars in transactions, we have handled everything from investment and owner/user sales, to leasing and property management. We have experienced every aspect of real estate in practice, not just theory. This experience has provided us with a unique understanding of real estate from the most fundamental level, equipping us with the skillset to handle any commercial real estate objective with industry leading results. We understand the needs of our clients and are dedicated to forming long term relationships. Please contact us if we can be of any service.

### **Market Commentary**

Historically low vacancy rates continue in the Palm Beach County market. The lack of available inventory, limited new development, and extremely long development cycles has driven demand up in every market segment, with the exception of retail. We are seeing a slowing in the retail market as national big box retailers announce plans to shutter stores. Smaller local and regional retailers are still performing well, and demand for spaces catering to those tenants should remain strong through this market cycle. Barring a major national or global economic crisis, this market strength should continue well into 2018. That being said, we are seeing transaction volume slowing over the last quarter due to concern over inflated pricing. Investors, users and lenders are wary of overpriced properties and buying or leasing at the top of the market. However, properly priced and effectively marketed properties continue to see strong demand, which is a trend we expect to continue for the foreseeable future. Rising interest rates will lead to increasing cap rates for investment properties, but strong equity demand will create balance, leading to a slower, but stable market for the near term.

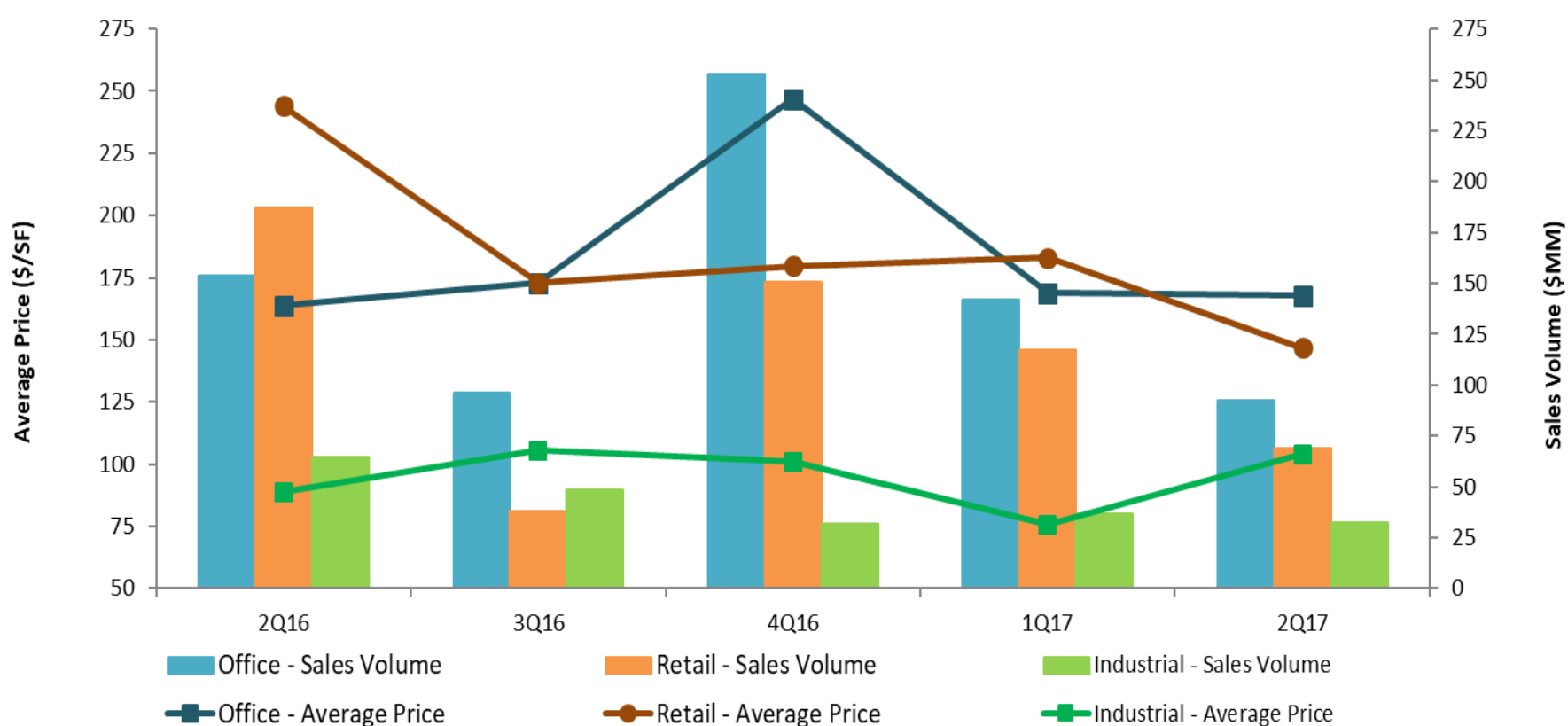
### **Recent Sales Data**

<b>Property Address</b>	<b>Property Type</b>	<b>Size (SF)</b>	<b>Sale Price</b>	<b>Price/SF</b>
9810 Alternate A1A Palm Beach Gardens	Retail	202,682	\$49,250,000	\$242.99
2000 PGA Boulevard Palm Beach Gardens	Retail/Office	24,203	\$4,853,610	\$200.54
1690 S. Congress Avenue Delray Beach	Office	68,283	\$8,300,000	\$121.55
6056 Boynton Beach Blvd Boynton Beach	Office	30,340	\$5,000,000	\$164.80
6811 Garden Road Riviera Beach	Industrial	18,000	\$2,200,000	\$122.22
6450 E. Rogers Circle Boca Raton	Industrial	30,720	\$3,600,000	\$117.19

## Market Trends: (1Q17 to 2Q17)

		Retail		Office		Industrial
Absorption	↓	(19,968) SF	↑	128,085 SF	↑	251,247 SF
Vacancy	↑	4.30%	↓	11.10%	▬	3.50%
Lease Rate	↑	\$21.74/SF	↑	\$28.57/SF	↑	\$10.11/SF
Sales	↓	\$69.18 M	↓	\$92.51 M	↓	\$32.44 M
Price/SF	↓	\$146.80	↓	\$167.89	↑	\$104.06
YTY Change	↓	(39.86%)	↑	2.51%	↑	17.36%
Construction	↑	707,319 SF	↓	95,625 SF	↓	217,425 SF
Deliveries	↓	65,260 SF	↑	54,800 SF	↑	306,889 SF

(Data compiled from CoStar)



### Contact Us For Your Free Broker Opinion of Value

We offer a FREE, no obligation BOV on any commercial property. Similar to an appraisal, the BOV helps our clients understand their assets and make informed decisions. **Commercial real estate typically represents the largest asset of any business. *Shouldn't you know what your property is worth?***

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