

# Fort Lauderdale

Industrial market snapshot | Q3 2024

Fort Lauderdale's unemployment rate has seen a slight increase over the last year, up 20 basis points, reaching 3.5%. Nonfarm employment growth has remained positive with a 2.7% annual increase. The construction sector experienced a 9.3% increase in employment, while the trade, transportation, and utilities sector saw only a 2.1% rise. In contrast, the manufacturing sector experienced a 1.3% decline in employment.

## 4.0 msf

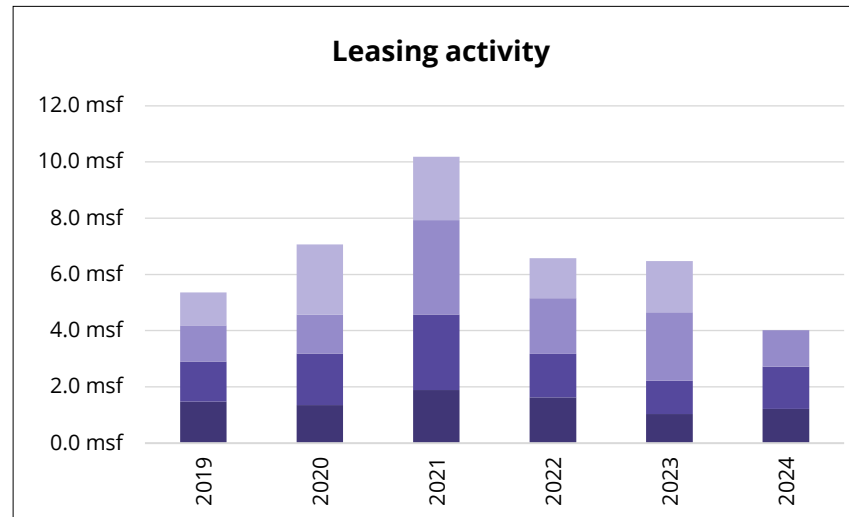
Leasing activity slowed, reaching 4 million square feet leased year to date.

## \$16.72 psf

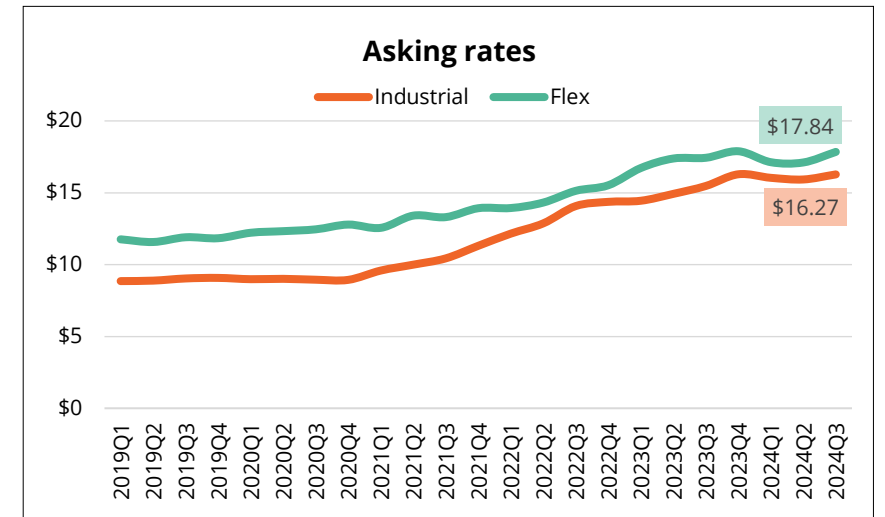
Asking rates saw steady growth, climbing to \$16.72 per square foot (psf) NNN as demand remained sluggish.

## 24k sf

Net absorption remained slightly positive again at 24,000 square feet as tenant activity slowed.



Industrial leasing activity in Fort Lauderdale has slowed, totaling 4 million square feet by the end of the third quarter—down 13% compared to the same period last year. Deal volume and size also declined, with 96% of transactions in the third quarter measuring under 25,000 square feet. Tenants remain cautious as they await more clarity on federal economic policies and the outcome of the upcoming election.

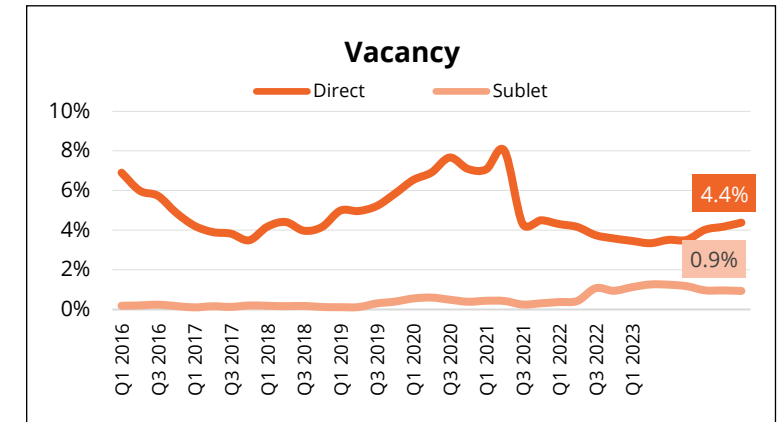
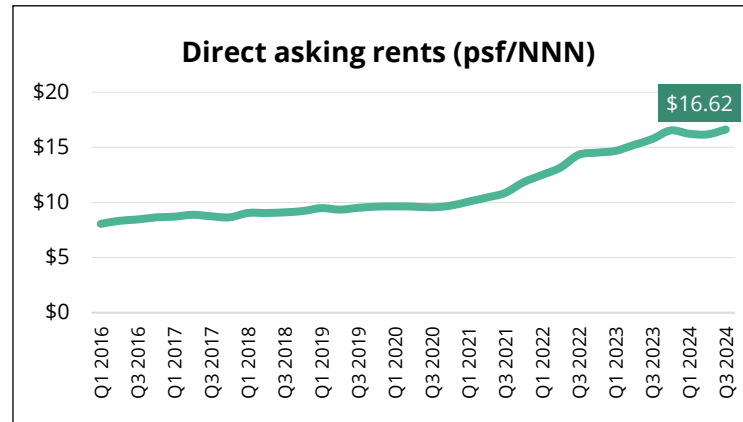
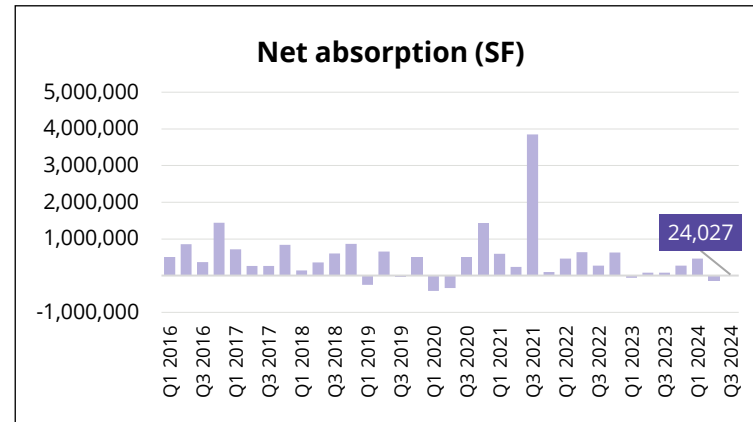


Asking rates have remained stable in the industrial market, with year-over-year increases of 5% for industrial buildings and 2% for flex properties after softening earlier this year. Rates are expected to stay steady and rise at a normal pace as tenant demand remains subdued. As leases expire from pre-COVID pricing, tenants are still experiencing sticker shock at current market rates, leading some to consider consolidating or staying in their existing spaces rather than expanding.



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## Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
ONTIC*	15701 SW 29 <sup>th</sup> St	63,860	New	Direct
Safelite Fulfillment	3201 SW 22 <sup>nd</sup> St	38,630	New	Direct
Integrated Opening Solutions	2500 NW 19 <sup>th</sup> St	33,290	New	Direct
LKQ Southwest*	2004-2044 NW 25 <sup>th</sup> Ave	31,463	Renewal	Direct

## Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Dalfen Industrial	3 Property Portfolio	\$26,250,000	\$255	Berkeley Partners
Corey Schwartz	1800-1838 NW 29 <sup>th</sup> St	\$4,450,000	\$150	Raphael Blum
Zachary Sohn	611 NE 42 <sup>nd</sup> St	\$4,000,000	\$169	Dion Flannery

Note: \* Avison Young represented the transaction  
Source: AVANT by Avison Young, CoStar

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## Get in touch

Jason Steele  
 Florida Regional Lead, Market Intelligence  
 +1 813 314 7808  
[jason.steele@avisonyoung.com](mailto:jason.steele@avisonyoung.com)

Dan Dragman  
 Market Intelligence Analyst  
 +1 813 314 7425  
[dan.dragman@avisonyoung.com](mailto:dan.dragman@avisonyoung.com)

Location	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (3Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Pompano Beach	30,208,023		84,000	3.4%	0.2%	3.6%	(1.5%)	(77,311)	359,334	\$16.43
Southeast Broward	20,660,857	552,971	184,957	5.9%	0.2%	6.1%	4.2%	25,343	(95,349)	\$17.69
Southwest Broward	18,848,699			2.4%	3.3%	5.7%	(1.1%)	(41,195)	198,972	\$17.29
Northeast Broward	13,819,686			5.4%	0.3%	5.7%	(1.1%)	17	20,496	\$15.68
West Broward	7,664,260			3.5%	2.1%	5.6%	0.2%	81,209	(77,390)	\$16.14
Central Broward	6,658,958			3.7%	0.3%	4.1%	0.6%	42,728	(36,287)	\$16.23
Northwest Broward	3,868,497	427,311		12.9%	0.0%	12.9%	11.9%	(-6,764)	(32,638)	\$22.15
<b>Market total</b>	<b>101,728,980</b>	<b>980,282</b>	<b>268,957</b>	<b>4.4%</b>	<b>0.9%</b>	<b>5.3%</b>	<b>0.5%</b>	<b>24,027</b>	<b>337,138</b>	<b>\$16.62</b>

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Warehouse/Distribution	81,798,123	980,282	268,957	4.4%	1.1%	5.6%	0.5%	74,555	550,660	\$16.27
Flex	19,930,857	-	-	4.2%	0.0%	4.3%	1.2%	(50,528)	(213,522)	\$17.84
<b>Market total</b>	<b>101,728,980</b>	<b>980,282</b>	<b>268,957</b>	<b>4.4%</b>	<b>0.9%</b>	<b>5.3%</b>	<b>0.5%</b>	<b>24,027</b>	<b>337,138</b>	<b>\$16.62</b>