

# Fort Lauderdale

Office market snapshot | Q3 2024

In the third quarter, the Fort Lauderdale office market experienced stable rental rates, continued tenant demand for smaller spaces, and a slight decline in large block availabilities. While net migration in Broward County has slowed, it remains slightly positive. Office vacancy rates have decreased by 110 basis points from last year, available sublease space has dropped by 8% over the same period.

## \$40.32 psf

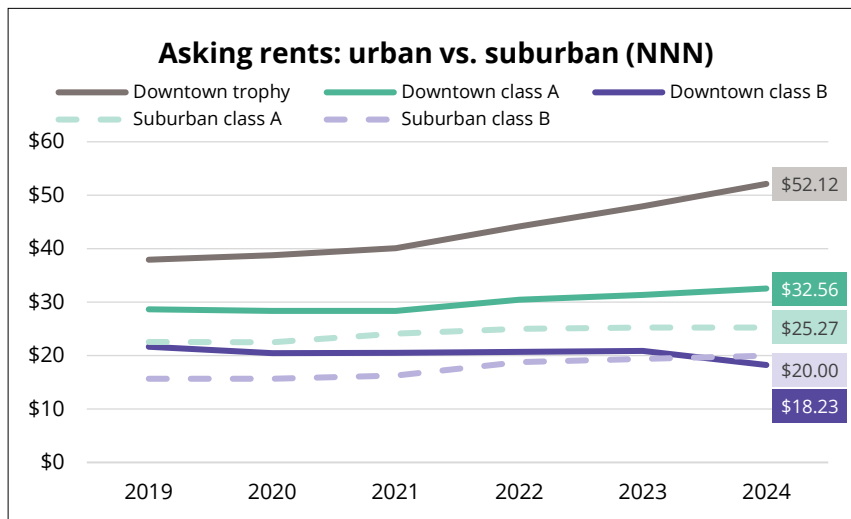
Asking rates have increased by 5% year over year, pushing market rents above \$40 per square foot full service.

## -12%

Leasing activity has declined by 12% through the end of the third quarter, totaling 1.6 million square feet (msf), compared to 1.9 msf during the same period last year.

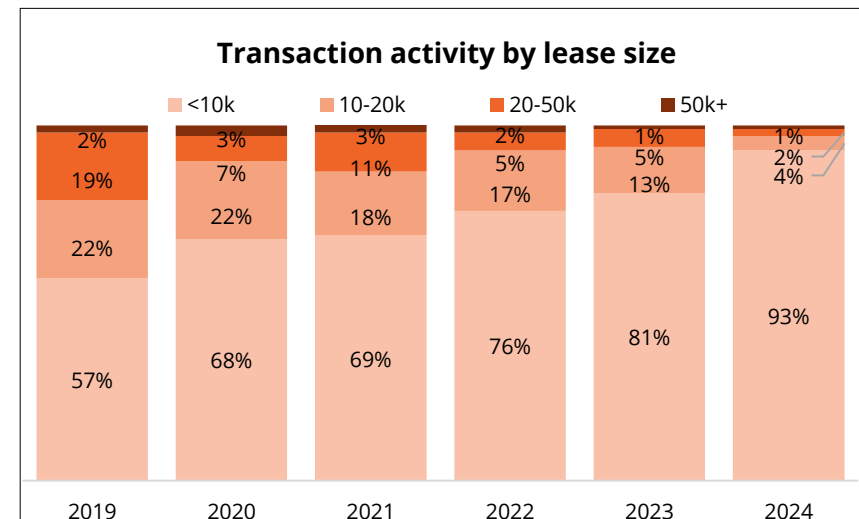
## -110 bps

Office vacancy rates decreased 110 basis points year over year, reaching 15.8% as of the end of the third quarter.



Asking rates in Fort Lauderdale have remained stable, with a 5% annual increase. Downtown trophy properties continue to command premium rents, up 7% year over year, with new developments like Fat Village quoting top-of-market rates. Class A rents in downtown increased by 4%, while suburban class A rates rose by just 1% year over year. Overall, rates are holding steady, while spec suites are achieving a few dollars more per square foot than traditional space.

Source: AVANT by Avison Young, CoStar

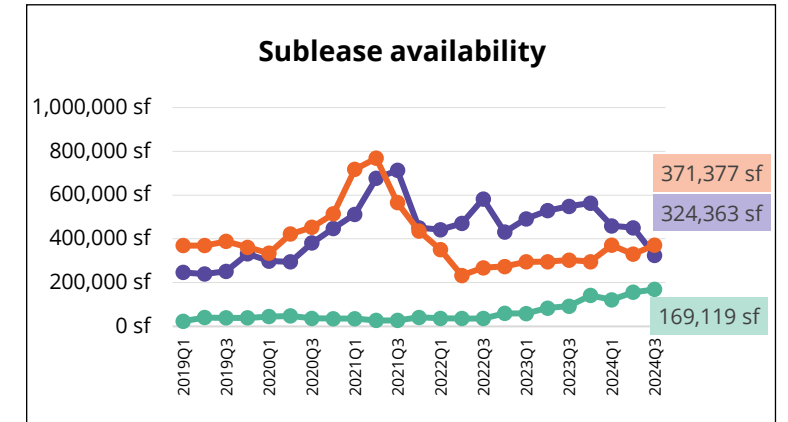
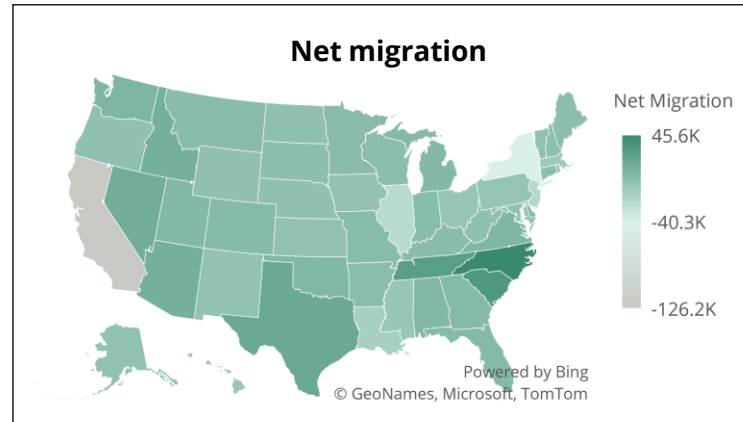
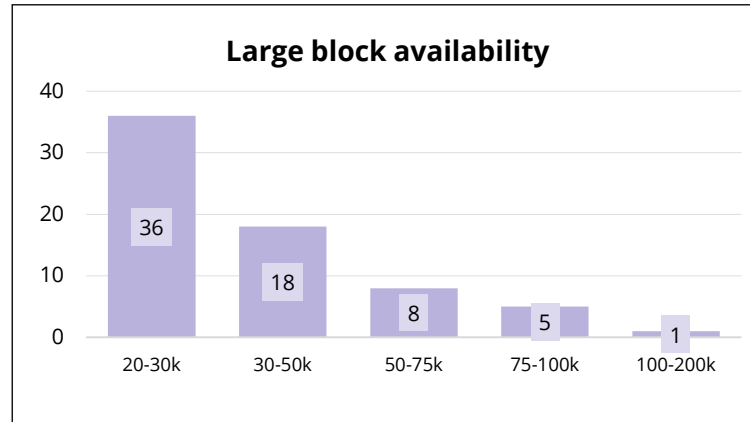


Office demand continues to shift towards smaller footprints with 93% of the leasing activity in 2024 under 10,000 square feet. In response, landlords are focusing on delivering spec suites and subdividing full-floor vacancies to meet demand for move-in ready spaces in desirable buildings. As of the end of the third quarter, there are spec suites available in 29 buildings, totaling 1.3 million square feet, nearly double the amount from five years ago.



# Fort Lauderdale

Office market snapshot | Q3 2024



## Large blocks continue to be a challenge

Class A and B large block availabilities have decreased by six spaces each over the past year. There have been 12 office leases in the 20,000 to 45,000-square-foot range during this period, with four transactions occurring downtown and the remaining eight in suburban submarkets. Currently, there are 68 large block availabilities over 20,000 square feet across the market—15 in the downtown submarket and 53 in the suburban submarkets. The suburban areas with the highest number of large block availabilities are Sawgrass Park (14), Cypress Creek (14), and Southwest Broward (11).

## State to State Migration

Talent migration is driving the emergence of new business hubs as professionals prioritize affordability, flexibility, and career growth opportunities outside of major cities. As of August, Florida ranked 14th among the 50 states for relocation, with North Carolina, South Carolina, and Tennessee leading as the top three destinations. Fort Lauderdale saw a modest net change in migration of 200 residents over the past year. Factors such as cost of living, climate, local policies, technological advancements, and the increase in remote work options all influence where people decide to live and work.

## Top quality sublease space decreases

Available sublease space in the market has declined by 8% year-over-year, totaling just over 864,000 square feet at the end of the third quarter. However, this reduction is entirely due to a 41% decrease in class A office space. In contrast, both trophy and class B sublease space have increased over the past 12 months, reaching just over 169,000 square feet and 371,000 square feet, respectively.

# Fort Lauderdale

Office market snapshot | Q3 2024

## 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 FS
Cypress Creek	6,873,637	-	-	15.3%	1.8%	17.1%	0.7%	(66,850)	(82,466)	\$33.55
Downtown Fort Lauderdale	5,841,678	-	174,790	15.7%	0.9%	16.6%	(1.8%)	(21,929)	42,538	\$55.51
Plantation	4,504,413	-	-	10.4%	0.1%	10.5%	(7.1%)	127,039	306,466	\$38.06
Southwest Broward	4,341,733	-	-	11.2%	2.3%	13.5%	(0.1%)	(17,971)	(15,339)	\$38.57
Sawgrass Park	3,026,378	-	-	20.8%	1.0%	21.8%	3.8%	(19,398)	(101,413)	\$35.70
Pompano Beach/Deerfield Beach	2,147,133	-	-	15.8%	1.2%	17.0%	(1.0%)	(33,427)	30,830	\$33.34
Central Broward	2,088,575	-	-	16.6%	0.1%	16.7%	(0.5%)	(16,059)	3,042	\$31.97
Hollywood	1,979,882	-	-	11.7%	1.8%	13.5%	(0.5%)	(13,861)	(4,650)	\$39.10
Northwest Broward	1,541,848	-	-	11.7%	0.5%	12.2%	(3.8%)	33,791	78,341	\$30.88
Hallandale	829,802	-	-	23.5%	0.1%	23.6%	(2.4%)	11,667	12,252	\$53.63
<b>Market total</b>	<b>33,175,079</b>	<b>-</b>	<b>174,790</b>	<b>14.6%</b>	<b>1.2%</b>	<b>15.8%</b>	<b>(1.1%)</b>	<b>(16,998)</b>	<b>269,601</b>	<b>\$40.32</b>

### Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Brookfield Corporation	1000 S Pine Island Rd	34,936	Renewal	Direct
Becker & Poliakoff *	1 E Broward	28,891	Renewal	Direct
Memorial Healthcare	300 S Park Rd	21,879	New	Direct
DHL	2700 S Commerce Pkwy	20,749	Renewal	Direct

### Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Imperial Fund	Uptown Center 1 & 2	\$37,000,000	\$134	Citrix
Galium Capital	1300 Concord Ter	\$17,000,000	\$132	Barings
Steris IMS	1801 NW 66 <sup>th</sup> Ave	\$15,650,000	\$150	Zaragon Holdings
The Jewish Academy	3100 SW 9 <sup>th</sup> Ave	\$15,000,000	\$226	Nova Southern University

Note 1: \* Avison Young represented the transaction  
Source: AVANT by Avison Young, CoStar