

# FLORIDA OFFICE PANDEMIC PERFORMANCE

## Q1 2022

Florida's office sector, along with those in other Sunbelt markets, led growth through the pandemic and are in the forefront of what is the next economic expansion. The influx of new-to-market tenants was broad based, from where companies came from, to where they located in the state. What drove many to Florida was quality-of-life factors, advantages in the cost-of-doing business and a diversified talent pool that would help firms to grow and succeed.

South Florida, Tampa Bay, Orlando and Jacksonville saw increases in office tenant demand, which bolstered existing office markets as well as created optimism in some markets to build new space options.

Florida is leading the charge on how the office market recovers from the last two years.

Comparing Class A market dynamics from Q1 2020 to Q1 2022 provides an assessment of how Florida's office market performed, where it still lags, and how far it exceeded pre-pandemic levels.

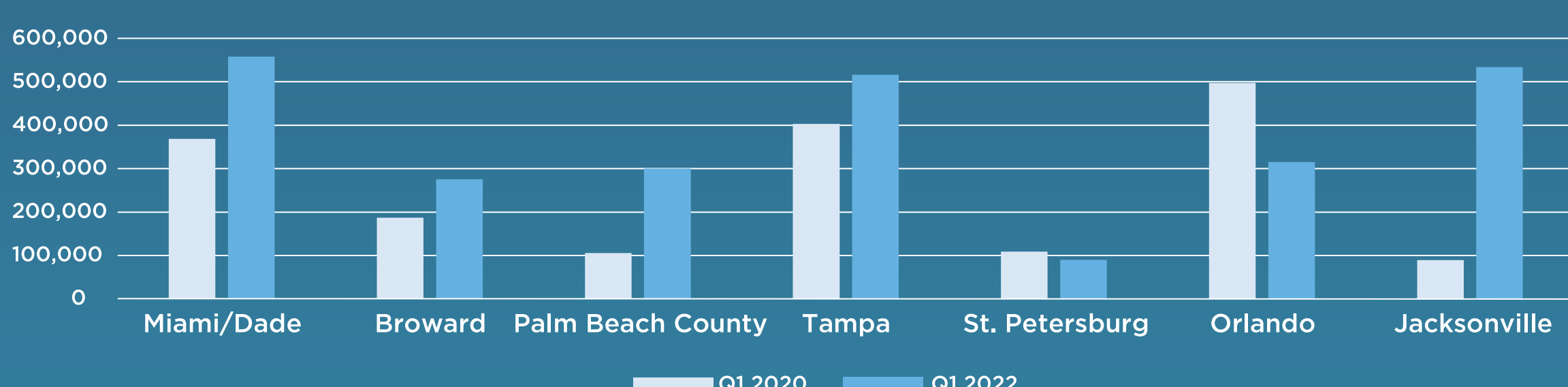
# 1

## HIGHER LEASING ACTIVITY

**Leasing activity was 47% higher** in the first three months of 2022 compared to the same period in 2020, with three markets with more than 500,000 SF recorded in the first 3 months of the year



### LEASING ACTIVITY



# 2

## BACK TO THE OFFICE

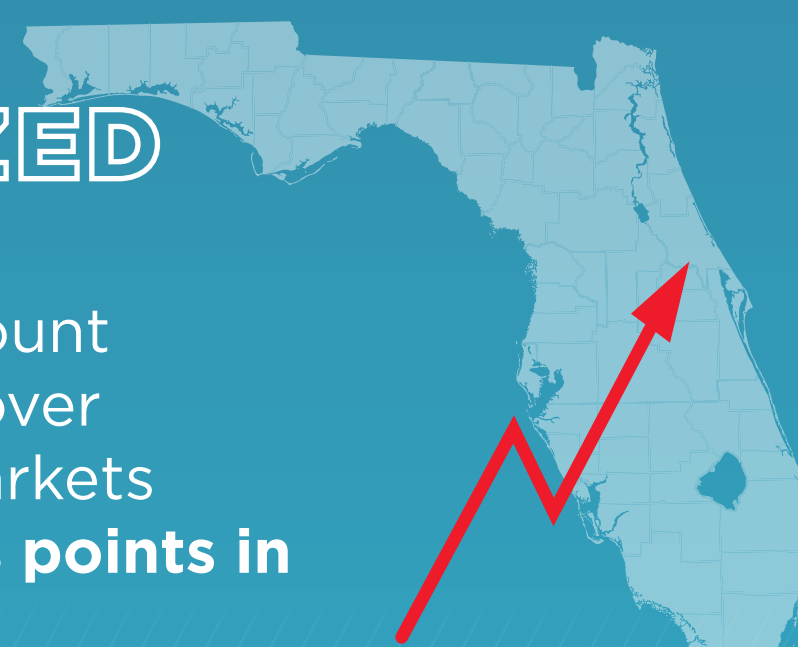
**Class A assets account for 64% of all leasing** as tenants demand high-quality space in well-located areas with high amenity packages that entice employees back to the office



# 3

## VACANT SPACE STABILIZED

Florida was not immune to the uncertainty within the overall office market, but the amount of vacant space added back to the market over the last two years has stabilized in most markets with **Palm Beach actually lower by 20 basis points in the last two years**



# 4

## RENT GROWTH

Class A rent growth **rose 17% overall** in the state over the last 24 months, with gains in the Tampa CBD up 20% on new construction deliveries



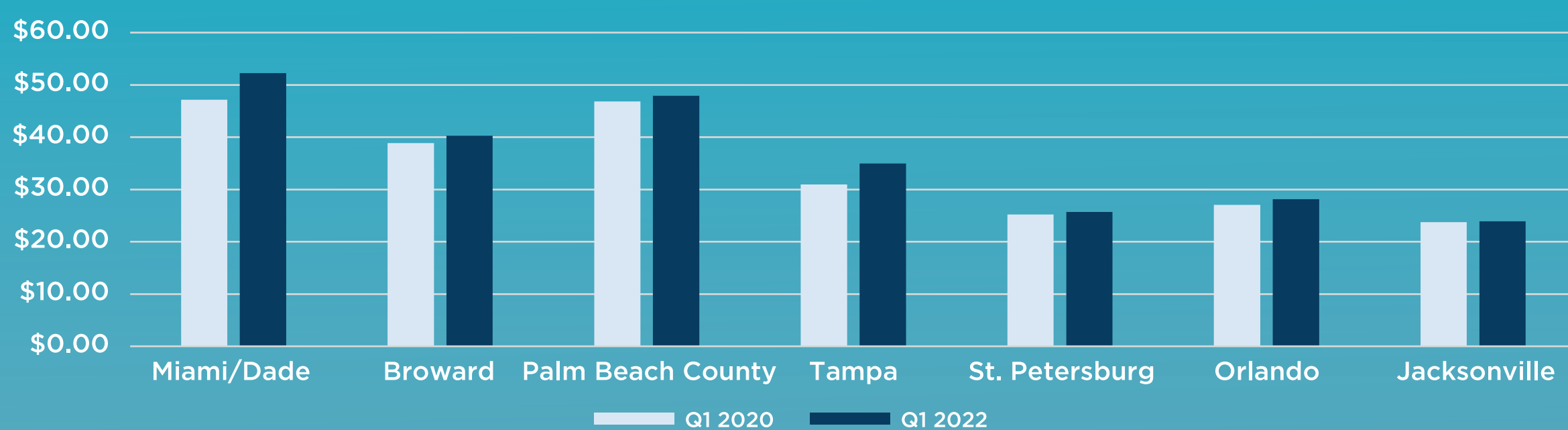
# 5

## CONSTRUCTION ON THE RISE

If you build, they will come - with **2.1 MSF under construction in Florida**, most with start dates during the pandemic



### OVERALL FULL SERVICE RENTS



### OVERALL VACANCY

