

U.S. ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy and the U.S. into recession. Policies initiated to “flatten the curve” of potential infection include the voluntary and mandated shutdown of large sectors and regions of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all grinded to a halt while customers self-quarantine and practice social distancing.

RECORD-SETTING LAYOFFS, DECLINING EMPLOYMENT

Over the last two weeks (ending on March 28th), a cumulative 10 million people have applied for unemployment benefits—by far the largest number of applications in history since record-keeping began in 1967. Initial unemployment claims are a highly reliable leading indicator of trends in labor markets and therefore the economy at large. Given the size of the increase, along with other high-frequency data trends that are similarly bleak, it is widely believed that the U.S. economy has entered a recession. This was reinforced in early April when the Labor Department reported that payroll employment in the U.S. fell by 701,000 jobs in March, one of the largest declines in history. It's all but certain that even more jobs will be lost in the months ahead.

Given the way these events have unfolded and the huge number of layoffs, the current thinking among economic forecasters is that the second quarter of 2020 will see one of the largest real GDP declines in U.S. history. What is less clear is what the economic trajectory will be following Q2. As of this writing (4-7-2020), hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work in certain areas, but many unknowns remain. It is too soon to say if these signs are sustainable and how they will impact the trajectory of the economy.

We continue to monitor developments extremely closely and are working around the clock to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

TRENDS AND INSIGHTS

Cushman & Wakefield Covid-19 Webinar Replay

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**.

[Click to Replay](#)

COVID-19: A Wholly Unprecedented Policy Response

On March 27, 2020, an enormous \$2.2 trillion emergency coronavirus stimulus package was signed into law by President Trump. The legislative package—the Coronavirus Aid, Relief and Economic Security (CARES) Act—is the largest rescue package in U.S. history. [Click for Summary](#)

Lessons From Landlords In China's Post Covid-19 Recovery Phase

With local infections down, China is getting back to work. As the lights are turned back on in offices across the country, landlords and tenants alike are inevitably finding themselves in a new paradigm. [Click for Article](#)

2020 Asia Pacific Office Outlook

In this report, you will find detailed but succinct analysis of the trends in each of the region's key Grade A office markets over the next two years that we hope will help refine your organization's CRE strategy.

[Click for Article](#)

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WEEKLY COVID-19 UPDATES

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Broward County

Office Q1 2020



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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Ft. Lauderdale CBD	5,319,564	58,054	740,140	15.0%	24,241	24,241	41,293	312,338	\$42.84	\$47.00
Suburban Broward County	22,928,502	151,984	2,341,487	10.9%	49,067	49,067	357,581	800,210	\$29.94	\$34.83
Cypress Creek/Commercial	6,220,872	30,636	764,300	12.8%	47,704	47,704	84,041	0	\$28.03	\$32.00
Hollywood/Hallandale	3,066,830	11,665	393,532	13.2%	-14,919	-14,919	29,829	334,227	\$29.86	\$40.31
WEST BROWARD	7,345,919	91,728	550,936	8.7%	-64,406	-64,406	108,495	315,983	\$31.21	\$35.72
Sunrise	3,156,267	41,637	194,362	7.5%	-56,150	-56,150	49,096	170,000	\$31.13	\$33.48
Plantation	3,350,650	48,264	253,682	9.0%	24,250	24,250	59,399	145,983	\$30.38	\$38.26
Weston	839,002	1,827	102,892	12.5%	-32,506	-32,506	0	0	\$33.07	\$40.75
NORTHEAST BROWARD	1,766,644	9,700	178,342	10.6%	8,861	8,861	21,048	150,000	\$25.32	\$29.56
Pompano Beach	665,953	9,700	104,967	17.2%	5,384	5,384	14,778	150,000	\$24.01	N/A
Deerfield Beach	1,100,691	0	73,375	6.7%	3,477	3,477	6,270	0	\$27.32	\$29.56
SOUTHWEST BROWARD	3,011,322	4,274	343,630	11.6%	77,613	77,613	109,492	0	\$35.48	\$37.65
Pembroke Pines/Cooper City	963,718	600	154,040	16.0%	65,667	65,667	78,210	0	\$33.25	\$36.64
Miramar	2,047,604	3,674	189,590	9.4%	11,946	11,946	31,282	0	\$37.34	\$38.24
NORTHWEST BROWARD	1,516,915	3,981	110,747	7.6%	-5,786	-5,786	4,676	0	\$28.44	\$32.10
Coral Springs	1,188,348	3,981	103,327	9.0%	-3,092	-3,092	4,676	0	\$29.28	\$32.10
Tamarac/Margate	328,567	0	7,420	2.3%	-2,694	-2,694	0	0	\$16.81	N/A
BROWARD TOTALS	28,248,066	210,038	3,081,627	11.7%	73,308	73,308	398,874	1,112,548	\$33.30	\$38.88

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
1200 SW 145th Avenue	Southwest Broward	Galen Health	45,466	Direct
1801 NW 66th Avenue	West Broward	Sitel	38,725	Sublease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2020

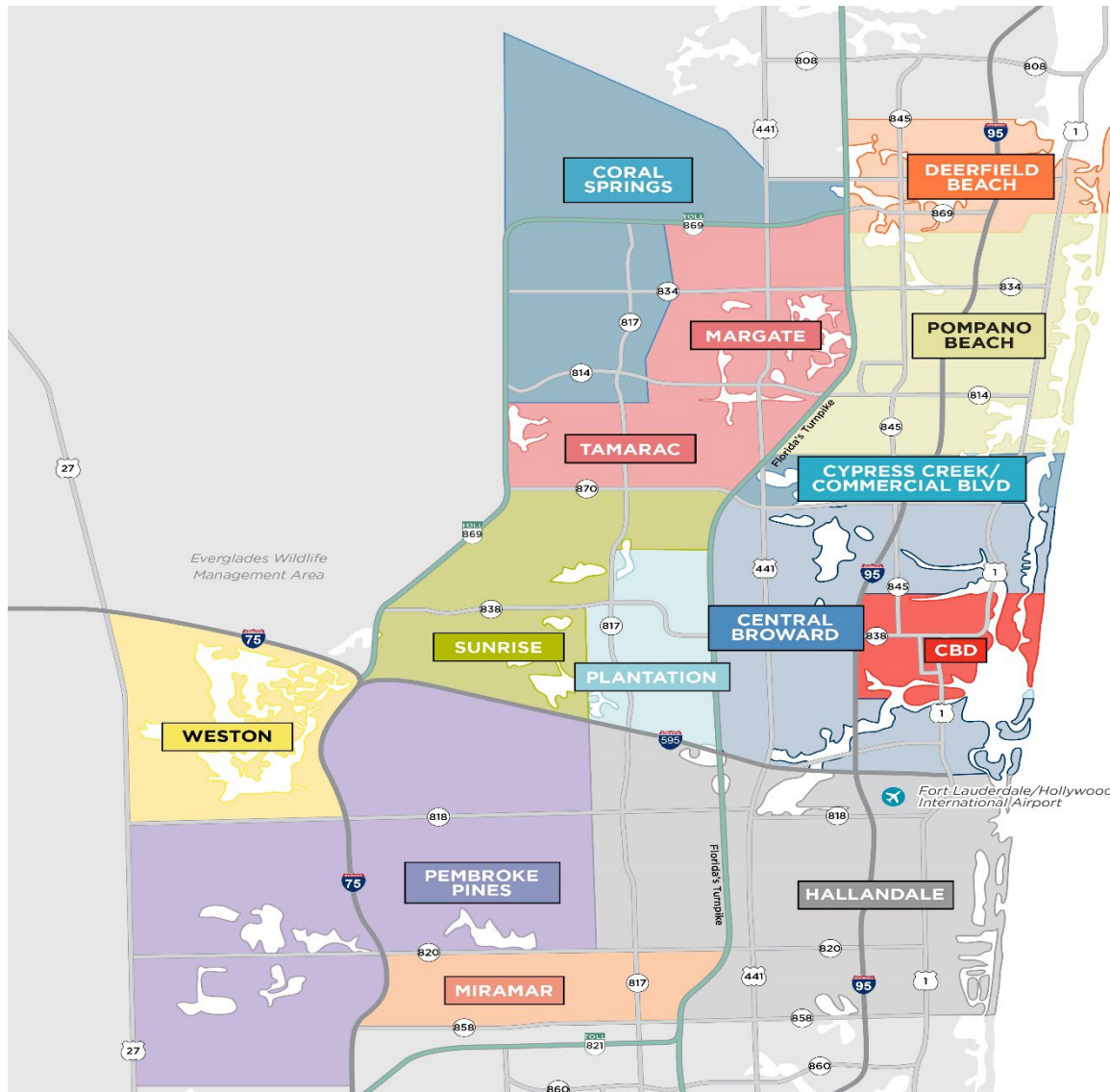
PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
3700 Lakeside Drive	Southwest Broward	MFC 3700 Investors/3700 Lakeside Drive LLC	132,092	\$29M/\$219

Broward County

Office Q1 2020



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