

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](#)

CUSHMAN & WAKEFIELD
WEEKLY COVID-19 UPDATES

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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)*
Brickell Avenue	6,525,719	53,829	680,325	11.3%	138	138	57,948	650,000	\$47.30	\$55.57
Downtown	7,277,445	22,714	1,601,223	22.3%	61,497	61,497	201,362	0	\$44.47	\$52.21
CBD	13,803,164	76,543	2,281,548	17.1%	61,635	61,635	259,310	650,000	\$45.35	\$53.20
Coral Gables	32,001,589	178,095	3,201,144	10.6%	-188,916	-188,916	341,672	1,790,754	\$37.35	\$41.95
Airport West	6,047,592	49,668	472,203	8.6%	-25,694	-25,694	68,794	536,567	\$40.64	\$43.77
Coral Way	11,319,646	103,984	1,297,971	12.4%	-94,841	-94,841	107,489	167,182	\$33.89	\$36.48
South Dade	626,935	1,100	37,463	6.2%	-13,964	-13,964	3,668	0	\$32.27	N/A
Northeast Dade	3,309,014	3,453	275,346	8.4%	-12,683	-12,683	15,506	0	\$35.74	\$50.51
Biscayne	2,453,613	8,829	174,280	7.5%	-17,464	-17,464	22,956	102,287	\$44.42	\$53.34
Miami Lakes	2,067,256	0	382,900	18.5%	3,901	3,901	77,803	787,956	\$44.33	\$50.61
Coconut Grove	1,774,015	2,781	263,204	15.0%	-11,332	-11,332	18,078	0	\$29.99	\$32.33
S. Gables/ S. Miami	951,211	3,263	107,789	11.7%	-221	-221	11,841	196,762	\$42.41	\$43.34
East Airport/Central Dade	1,003,309	1,000	31,704	3.3%	1,460	1,460	0	0	\$40.73	\$50.50
Miami Beach	575,205	0	32,289	5.6%	0	0	0	0	\$29.60	N/A
Suburban	1,873,793	4,017	125,995	6.9%	-18,078	-18,078	15,537	0	\$51.25	\$58.75
MIAMI TOTALS	45,804,753	254,638	5,482,692	12.5%	-127,281	-127,281	600,982	2,440,754	\$40.74	\$47.19

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
200 S Biscayne Blvd	CBD	Morgan Stanley	111,100	Direct
9130 S Dadeland Blvd	South Dade	Rubenstein Law	32,770	Renewal*/Expansion
333 Avenue of the Americas	CBD	Hunton Andrews Kurth LLP	24,476	Direct

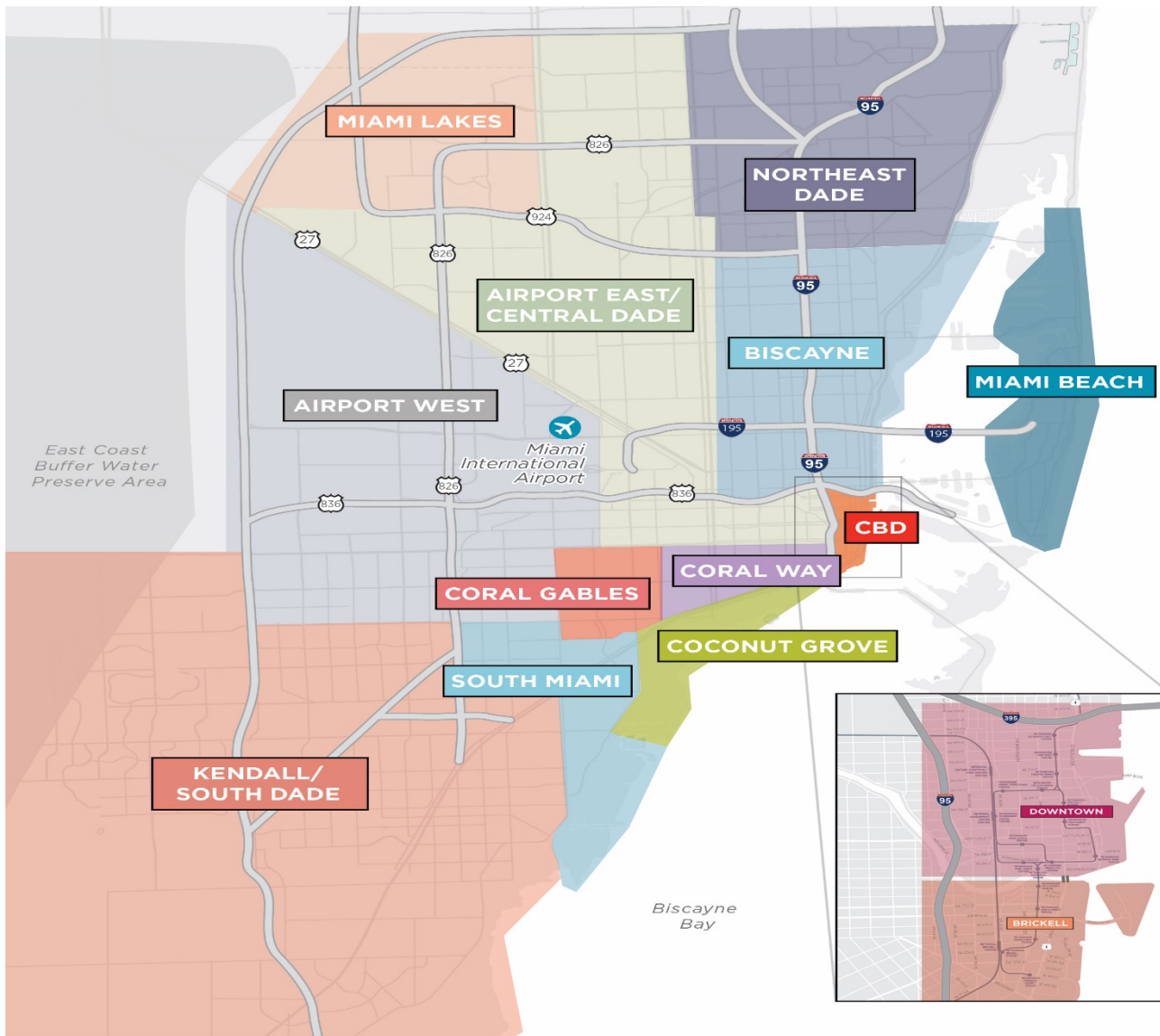
*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
6205 Blue Lagoon Drive	Airport West	Ivy Realty Services/Patton Real Estate	91,431	\$30.4M/\$332



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