



17.5%

Vacancy Rate

YoY  
Chg12-Mo.  
Forecast

-42K

YTD Net Absorption, SF



\$37.83

Asking Rent, PSF



(Overall, All Property Classes)

Absorption number is not reflective of U.S. MarketBeat

ECONOMIC INDICATORS  
Q4 2022

905K

Broward County  
EmploymentYoY  
Chg12-Mo.  
Forecast

2.5%

Broward County  
Unemployment Rate

3.7%

U.S.  
Unemployment Rate

Source: BLS, FL Dept. Economic OPP

## ECONOMY

The Broward County unemployment rate was 2.5% in November 2022, 100 basis points (bps) lower than one year ago. Nonagricultural employment totaled 905,200, an increase of 36,300 jobs year-over-year (YOY). Office-using employment including Professional & Business Services, Financial Activities, and Information had a combined increase of 8,800 jobs in the last 12 months. Broward County ranked third among all Florida markets in annual office-use job growth.

## SUPPLY

Broward County's overall vacancy rose 30 bps from the previous quarter and 50 bps YOY to 17.5%. This marks the third consecutive quarter of vacancy increases. Class A and B vacancies rose to 18.4% and 15.6% respectively, on par with each class's peak vacancy rate during the pandemic. The increase in vacancy can be contributed to the completion of construction on the Optima Onyx Tower, which brought 277,000 square feet (sf) of available space to the market, and large tenant vacancies. Humana vacated over 120,000 sf of space in the Southwest Broward submarket during the second half of 2022 while MCNA Dental vacated 81,600 sf of space in Cypress Creek at year-end.

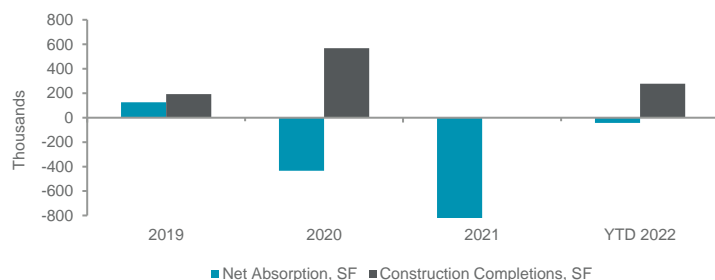
## DEMAND

Year-to-date (YTD) leasing activity remained healthy for 2022 despite concerns of inflation and an economic recession, down just 1.9% from last year's post-recession high. The Central Business District (CBD) continued to show positive market indicators with 136,298 sf of positive annual absorption, bringing the overall vacancy rate down 380 bps from one year ago. Solid activity in both the CBD and Plantation submarkets helped demand outweigh supply for much of 2022. However, negative absorption during the fourth quarter pushed the yearly number into the red by just over 42,000 square feet, a slight hiccup for the market but not at levels to raise concern.

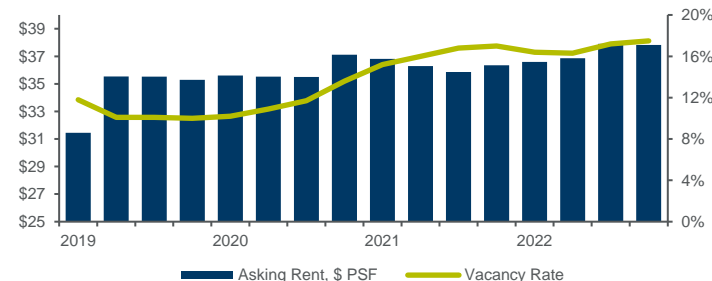
## MARKET PRICING

Overall asking rents began to show signs of leveling, ending the year at \$37.83 per square foot (psf) full service, but a 4.1% YOY increase highlights rents continuing the trajectory upward to new record highs. Asking rates in the CBD continued to be the driving factor, finishing the year at \$46.30 psf, on par with averages from the previous two quarters. The depletion of higher-tier Class A office availability impacted asking averages as lower-tier availability had more of an impact on overall rates. Uncertainty in the economy and growing sublease space could see rents continue to hold level through 2023, especially in the suburban submarkets.

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY &amp; ASKING RENT



## Broward County

Office Q4 2022



CUSHMAN &amp; WAKEFIELD

## MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET 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	5,938,973	969,907	89,487	17.8%	40,132	136,298	501,471	0	\$46.30	\$47.58
Suburban Broward County	20,496,972	3,250,217	315,749	17.4%	-106,669	-178,629	1,761,994	0	\$35.66	\$38.95
Cypress Creek/Commercial	5,092,826	612,986	98,643	14.0%	-99,716	-144,008	346,814	0	\$32.46	\$34.70
Hollywood/Hallandale	2,762,588	601,969	25,534	22.7%	3,777	14,216	274,472	0	\$43.23	\$55.76
<b>WEST BROWARD</b>	<b>7,425,627</b>	<b>1,264,621</b>	<b>59,569</b>	<b>17.8%</b>	<b>-17,234</b>	<b>130,004</b>	<b>798,340</b>	<b>0</b>	<b>\$34.81</b>	<b>\$37.13</b>
Sunrise	3,072,045	619,316	48,612	21.7%	10,641	-37,774	341,804	0	\$34.29	\$35.84
Plantation	3,464,149	534,311	10,957	15.7%	-16,685	187,022	421,819	0	\$34.60	\$38.60
Weston	889,433	110,994	0	12.5%	-11,190	-19,244	34,717	0	\$38.29	\$43.86
<b>NORTHEAST BROWARD</b>	<b>1,353,082</b>	<b>141,647</b>	<b>20,950</b>	<b>12.0%</b>	<b>1,057</b>	<b>-35,879</b>	<b>118,738</b>	<b>0</b>	<b>\$32.33</b>	<b>\$31.16</b>
Pompano Beach	354,508	37,658	4,625	11.9%	-1,834	-21,905	17,436	0	\$30.42	N/A
Deerfield Beach	998,574	103,989	16,325	12.1%	2,891	-13,974	101,302	0	\$33.00	\$31.16
<b>SOUTHWEST BROWARD</b>	<b>2,823,684</b>	<b>459,336</b>	<b>90,262</b>	<b>19.5%</b>	<b>9,052</b>	<b>-139,919</b>	<b>134,229</b>	<b>0</b>	<b>\$35.64</b>	<b>\$37.76</b>
Pembroke Pines/Cooper City	803,735	149,125	0	18.6%	20,536	-11,435	95,333	0	\$35.95	\$37.81
Miramar	2,019,949	310,211	90,262	19.8%	-11,484	-128,484	38,896	0	\$35.52	\$37.74
<b>NORTHWEST BROWARD</b>	<b>1,039,165</b>	<b>169,658</b>	<b>20,791</b>	<b>18.3%</b>	<b>-3,605</b>	<b>-3,043</b>	<b>89,401</b>	<b>0</b>	<b>\$32.85</b>	<b>\$34.60</b>
Coral Springs	1,008,909	169,658	20,791	18.9%	-3,605	-3,043	89,401	0	\$32.85	\$34.60
Tamarac/Margate	30,256	0	0	0.0%	0	0	0	0	N/A	N/A
<b>BROWARD TOTALS</b>	<b>26,435,945</b>	<b>4,220,124</b>	<b>405,236</b>	<b>17.5%</b>	<b>-66,537</b>	<b>-42,331</b>	<b>2,263,465</b>	<b>0</b>	<b>\$37.83</b>	<b>\$41.52</b>

Starting in Q1 2022, office statistics for Miami-Dade, Broward, and Palm Beach counties no longer include Class C assets.

\*\*Not reflective of U.S. MarketBeat Tables

\*Rental rates reflect full service asking

CLASS	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION (SF)	DIRECT AVG ASKING RENT	OVERALL AVG ASKING RENT
CLASS A	15,394,914	2,656,340	175,973	18.4%	-51,749	197,625	1,366,943	0	\$41.69	\$41.52
CLASS B	11,041,031	1,563,784	229,263	16.2%	-14,788	-239,956	896,522	0	\$32.02	\$32.12
<b>BROWARD TOTALS</b>	<b>26,435,945</b>	<b>4,220,124</b>	<b>405,236</b>	<b>17.5%</b>	<b>-66,537</b>	<b>-42,331</b>	<b>2,263,465</b>	<b>0</b>	<b>\$38.05</b>	<b>\$37.83</b>

## KEY LEASE TRANSACTIONS Q4 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
1700 N University Drive	Plantation	NationsBenefits	145,983	Sublease
1210 S Pine Island Road	Plantation	DHL EXPRESS (USA), INC.	109,659	Renewal
1010 S Federal Highway	Hollywood/Hallandale	Industrious	30,376	New

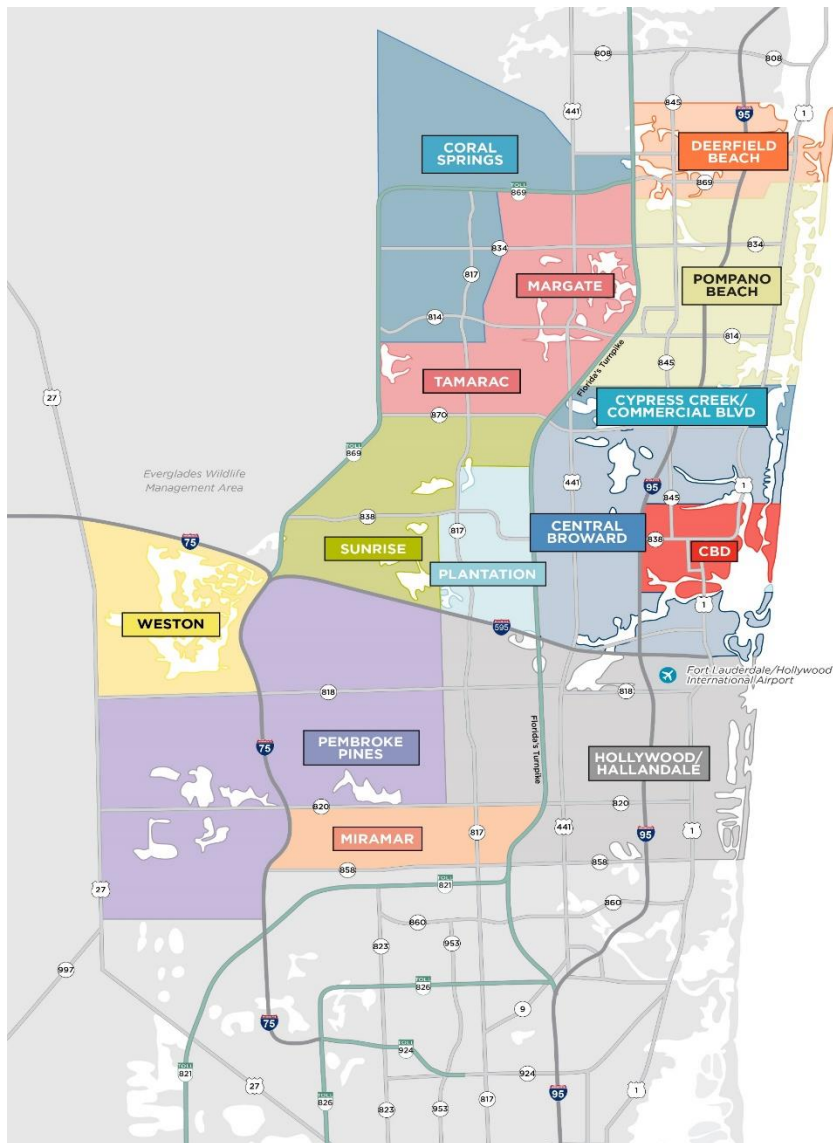


# Broward County

Office Q4 2022

**CUSHMAN &  
WAKEFIELD**

## OFFICE SUBMARKETS

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