



Q1 2025

Broward Office Market Report.

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Greater Fort Lauderdale is making a long-term play to embolden its place for quality office and lifestyle experiences.

Nestled at the midpoint of burgeoning South Florida, Greater Fort Lauderdale continues to build an ecosystem that makes it a desirable destination for people migrating to South Florida and businesses seeking to employ talent across the region.

The office leasing results in Q1 2025 presented with a mixed bag for Broward, a county of 1.9 million residents. Leasing activity and net absorption were below historical averages; however, new-to-market leasing has outpaced 2024. The countywide vacancy at 16.9% is slightly up quarter-over-quarter by 10 basis points and year-over-year by 40 basis points, while Downtown Fort Lauderdale's vacancy at 15% decreased by 30 basis points. Evidencing the persistent flight to quality is vacancy of 13.3% for Class A in Downtown Fort Lauderdale where there has been a 91% return to office rate, significantly higher than the national average.

As with much of the region, rents are trending upward driven by strategic capital investments made in existing assets. The Q1 2025 overall weighted average asking rent of \$26.71 per square foot NNN is an increase of 4.1% quarter-over-quarter and 4.7% year-over-year; Class A rents of \$29.20 per square foot NNN reflect an increase of 2.5% quarter-over-quarter and 2.3% year-over-year.

Results from the county's core submarkets - Downtown Fort Lauderdale, Cypress Creek, and West Broward- reflect modest inbound migration and moves by tenants to consolidate and relocate to existing properties recently renovated. Given the constrained new supply dynamics and continued flight to quality trend, strong pent-up demand is expected from the existing tenant base and migrating companies.

Investors as well as current owners remain bullish on the Greater Fort Lauderdale market, especially in the Downtown corridor, where visits have increased to 5 million annually, a 28% increase since 2019. Two Las Olas office projects traded this quarter: 401 East Las Olas Boulevard (Bank of America Plaza) sold for \$221 million (\$538 PSF), and Las Olas Centre I & II (350 and 450 E Las Olas Boulevard) sold for \$208 million (\$441 PSF). Both ownership groups are expected to undertake strategic enhancements to meet current and future tenant demand, recognizing Downtown's appeal to both the talent moving into the region and to existing residents.



Fueling growth in Downtown Fort Lauderdale is its established and growing “18-hour city” lifestyle sought after by a diverse demographic of young, white-collar workers, and the empty nesters moving from the suburbs, for luxury living downtown and along the coast. That migration has been amplified since 2020, with a 40% increase in young professionals and a 55% increase in families, which is expected to continue to drive business relocations to the Downtown area.

Broward at large ranks among the top 10 U.S. counties for population gains, especially among international arrivals. This is driving demand for housing, services, and quality office space. Employment is above pre-pandemic levels, especially among the office-using sectors, such as legal, healthcare, tech and education, which is a good sign for premium office needs. To wit, Broward Health, one of the county’s two public hospital networks, is planning two new facilities to service Broward’s growing needs.

Statewide, Florida continues to lead the nation in net business migration, and Downtown Fort Lauderdale stands out as a preferred location by businesses seeking a central location in the South Florida region at a discount to the Miami and West Palm Beach CBDs.

Signs point to current and future prosperity in Broward County. Among them are the Miami-Fort Lauderdale metro area ranking 8th nationally by amount of funding and 9th by number of deals for venture capital, putting it among the top ten tech hubs in the country. Additional signs include the nine-figure investments by major new institutional investors, property improvements by established office owners, and the lifestyle ecosystem emerging with Hines’ FAT Village project in Ft. Lauderdale’s vibrant and creative urban destination of Flagler Village just north of Las Olas. Spanning 5.6 acres, FAT Village, which stands for Food, Art and Technology, encompasses 835,000 SF of Class AA office, experiential retail and residential. Adjacent to Ft. Lauderdale’s Brightline Station, Hines T3 focused on innovation, wellness, and sustainability, will be timely delivered in Q4 2026 to capture the pent-up demand from existing and new to market tenants seeking a top-quality modern office experience.

Greater Fort Lauderdale is on the rise with its leaders, businesses, and investors committed to the long game through the next decade.

Broward by the Numbers

Multi-Tenant Office Buildings > 50,000 SF

<h3>Class A</h3>	<h3>Class B</h3>
<p>↑ \$29.20 NNN Weighted Average Asking Rate (Increased 2.5% QoQ)</p>	<p>↑ \$21.70 NNN Weighted Average Asking Rate (Increased 7.4% QoQ)</p>
<p>↑ 17.9% Direct vacancy increased 30 basis points YOY</p>	<p>↑ 15.3% Direct vacancy increased 60 basis points YOY</p>
<p>(49,106) SF Q1 2025 Net Absorption</p>	<p>(8,006) SF Q1 2025 Net Absorption</p>

Market highlights.



Leasing activity in Broward County totaled 266,000 SF in the first quarter of 2025, a decline from the five-year quarterly average of 531,000 SF.

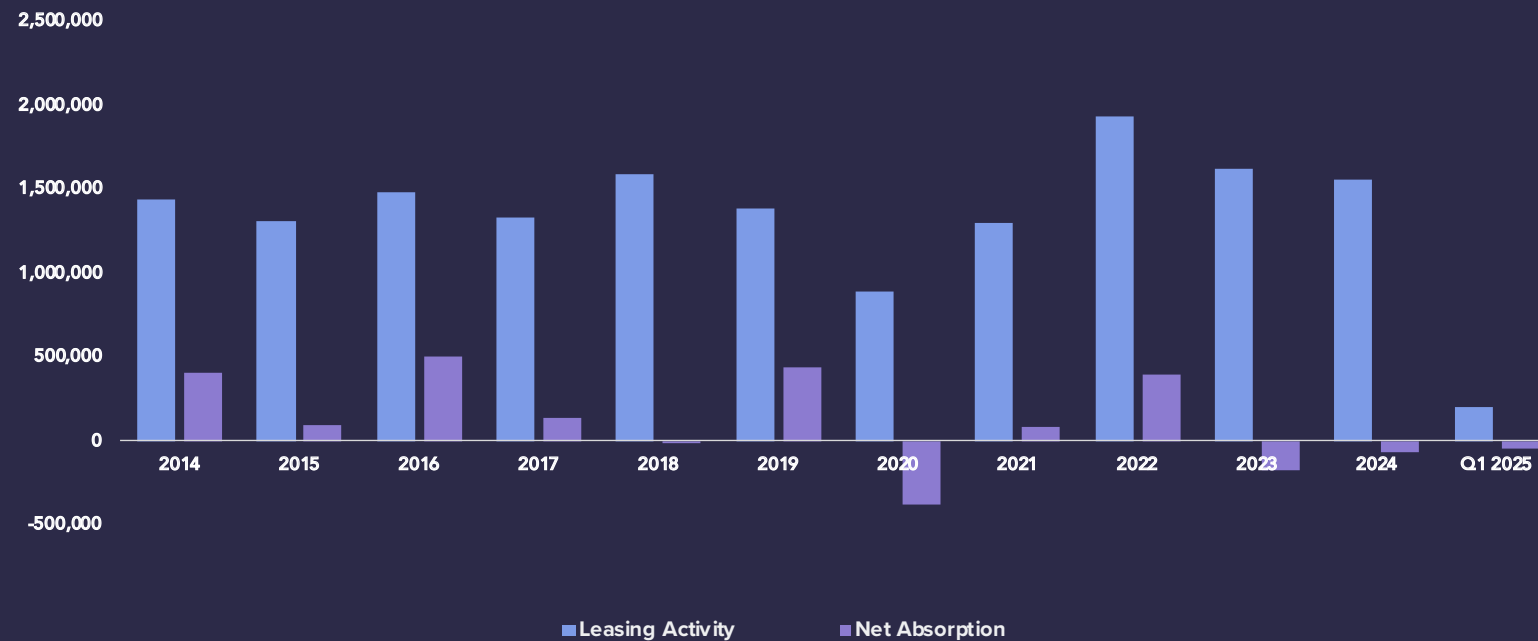
The dynamics were broad-based, affecting nearly every submarket. Notably, Downtown Fort Lauderdale recorded leasing activity 67% below its average quarterly volume from 2024, however tight vacancy amongst the top tier product and three Class A buildings being under contract impacted activity in the quarter. A key factor was the absence of large leases as no deals over 20,000 SF were signed during the quarter. Most activity came from small to mid-sized renewals and relocations, with tenants largely focused on top tier buildings and space.

The largest lease of the quarter was a 20,000 SF sublease signed by Core Construction at 1 East Broward Boulevard in Downtown Fort Lauderdale. The company with headquarters in Texas entered the market by subleasing space previously occupied by Alms Healthcare.

Net absorption was -57,000 SF, comprised of -49,000 SF in Class A and -8,000 SF in Class B. Unlike prior quarters that saw isolated large move-outs, this quarter's decline was driven by the cumulative effect of smaller tenants downsizing or vacating without any meaningful offset from expansions or new to market leases. The West Broward region

Historical Broward Direct Leasing Activity & Net Absorption (SF)

Class A Multi-Tenant Office Buildings > 50,000 SF



—including Southwest Broward, Sawgrass Park, and Plantation—accounted for 71,000 SF of negative absorption. Elsewhere across the county, occupancy losses were more modest but still reflected a cautious approach by tenants in the face of evolving space needs.

Leasing in Q1 was driven primarily by existing tenants making targeted adjustments—whether consolidating, relocating, or trading up into second-generation space with turnkey buildouts. These lease transactions were distributed across the county with many tenants opting for spec or fully built-out spaces that expedite occupancy. While the activity was prevalent for small spaces, these leases show continued tenant engagement and supported some occupancy gains.

Heading into the second quarter, active requirements remain steady and are largely concentrated among firms with near-term expirations. A few mid-sized lease transactions of 5,000 to 10,000 SF are expected to close in the coming months, which may help boost volume. For now, as can be expected given no new office deliveries will be occurring this year, demand remains strong for fully built-out spaces in top tier buildings across the county.

The Broward County office market began 2025 on a stable footing, with only modest shifts in availability and no new project deliveries.

Overall direct vacancy ended the quarter at 16.9%, a 10-basis-point increase quarter-over-quarter and 40 basis points higher year-over-year. Class A vacancy rose to 17.9%, up 30 basis points from Q1 2024, while Class B vacancy increased to 15.3%, a 60-basis-point jump year-over-year. While vacancy has increased slightly over the prior year, the county's vacancy remains below national levels.

The West Broward submarket experienced the sharpest rise in vacancy over the past year. Southwest Broward increased from 18.3% to 20.1%, Sawgrass Park climbed from 17.0% to 18.6%, and Plantation moved up from 14.2% to 14.9%. In Sawgrass and Southwest Broward, the increase in vacancy was driven by a couple of larger moveouts, while in Plantation it was the cumulative effect of smaller tenants downsizing. Conversely, Downtown Fort Lauderdale posted a slight improvement, with overall vacancy declining from 15.3% to 15.0% year-over-year. Tier I product in the Downtown submarket remains among





the tightest in the county, with direct vacancy at just 13.3%, mostly concentrated in 450 East Las Olas, reflecting continued interest in high-quality, centrally located office space.

Sublease availability ticked up to 3.5% of total inventory, a modest increase from 3.3% last quarter. The primary driver was a new 62,000 SF sublease listing by Enhance Health at 1550 Sawgrass Center, which added meaningful availability to the Sawgrass Park submarket. While some sublease space was leased during the quarter, the Enhance Health sublease addition to the market offset the spaces that were leased.

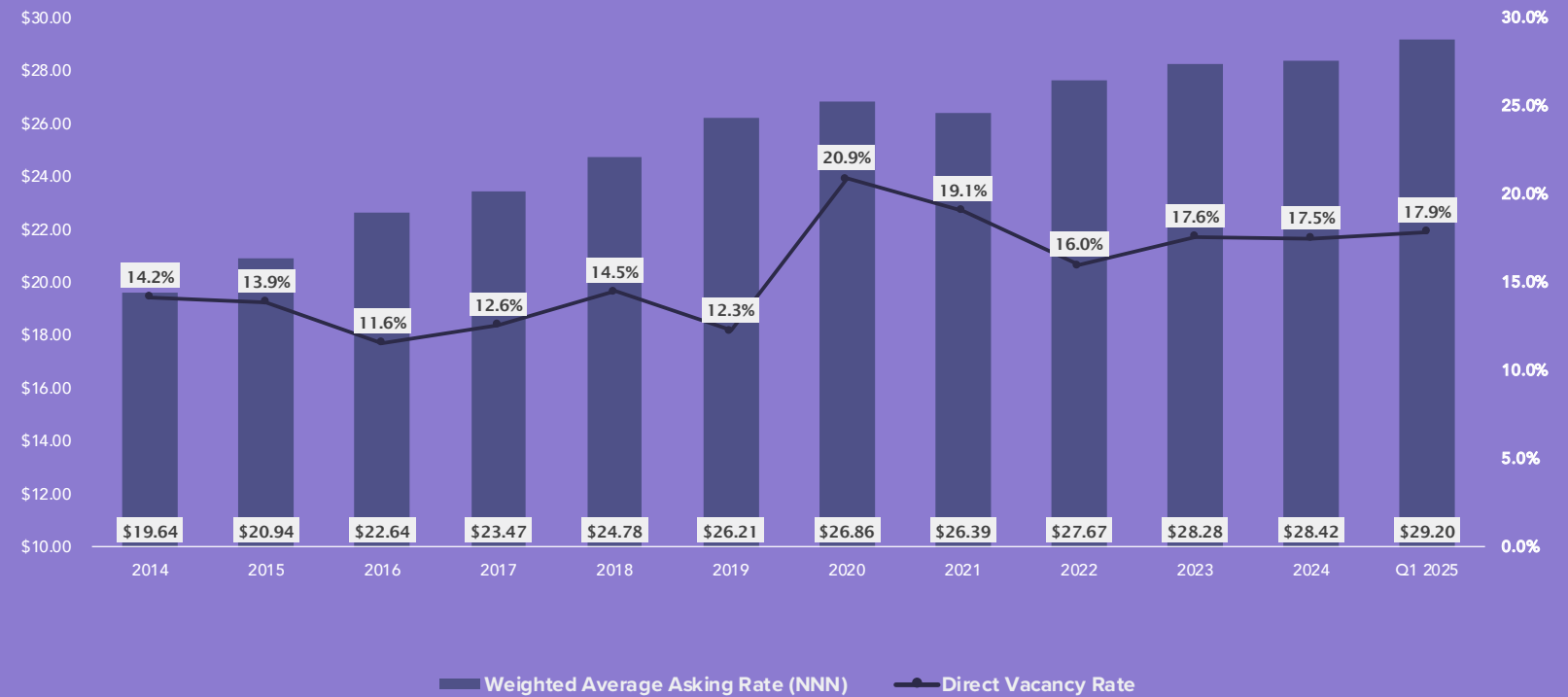
There were no new office deliveries or construction starts in Q1 2025, continuing the trend of limited development activity across the county and the South Florida region. Hines T3 FAT Village, located in Downtown Fort Lauderdale, remains the only office project under construction. The Class AA T 3 office project is on track to deliver in Q4 2026, the first delivery in Broward County since The Main Las Olas was delivered in 2020. As the only new development on the horizon, T3 FAT Village has become the top option for tenants actively

seeking quality space who often are now seeking innovative, next-generation office product in the urban core. The delivery of T3 FAT Village will provide both new-to-market and local tenants flocking to high quality product with a space that matches their needs.

Looking ahead, the Broward County office market appears poised to remain in a low-new supply, moderate-growth phase as tenants continue to adapt to evolving workplace strategies. While vacancy has trended upwards, the lack of near-term supply will allow the market to remain stable.

Historical Broward Direct Weighted Average Rate & Direct Vacancy

Class A Multi-Tenant Office Buildings > 50,000 SF



Asking rents in Broward County continued their upward trajectory in the first quarter of 2025, supported by steady demand for high-quality space in select locations and rising investment activity in key submarkets.

The overall weighted average asking rent rose to \$26.71 per SF NNN, up 4.1% quarter-over-quarter and 4.7% year-over-year. Class A weighted average rent reached \$29.20 per SF NNN, a 2.5% quarterly increase and a 2.3% gain year-over-year. While market-wide leasing remained limited, landlords have maintained pricing, particularly in buildings offering move-in ready space or desirable locations.

Downtown Fort Lauderdale led the county in terms of rent performance this quarter, with average asking rents increasing 3.3% quarter-over-quarter and 5.4% year-over-year, reaching \$38.05 per SF NNN. The bifurcation of Tier I and Tier II Class A buildings is evident in both vacancy and asking rates, proving trophy assets will continue to command premium rents and occupancy. With the vacancy rate 24% lower in Tier I, these trophy assets lead the market with rates in the high \$50's NNN and approaching, in some cases, mid \$60's NNN, 66% higher than Tier II. This sustained growth reflects the submarket's position as the epicenter of tenant demand in Broward, as well as the broader confidence in its long-term trajectory. Fort Lauderdale's broader submarket also posted strong annual gains, with asking rents increasing 12.2% year-over-





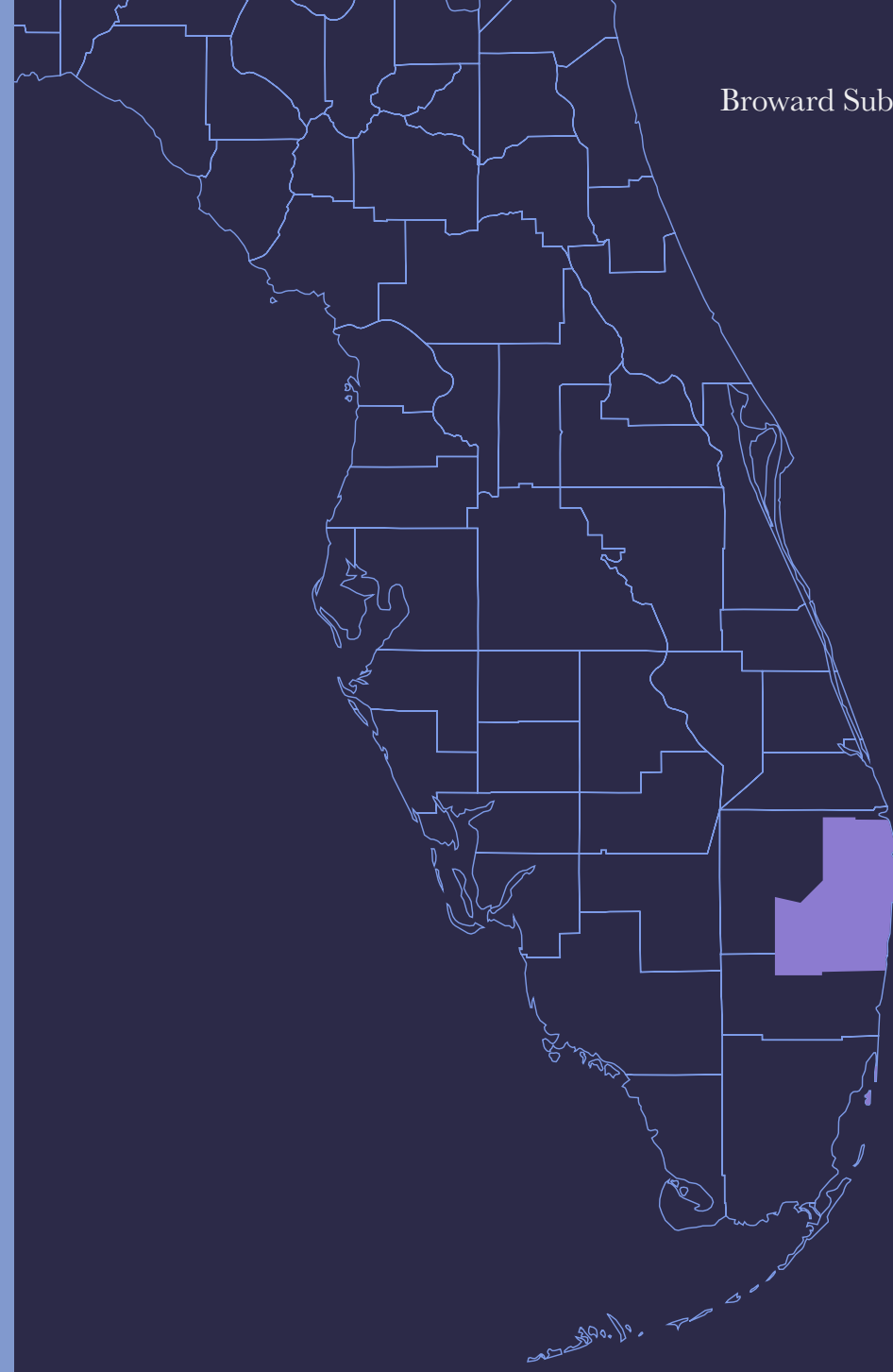
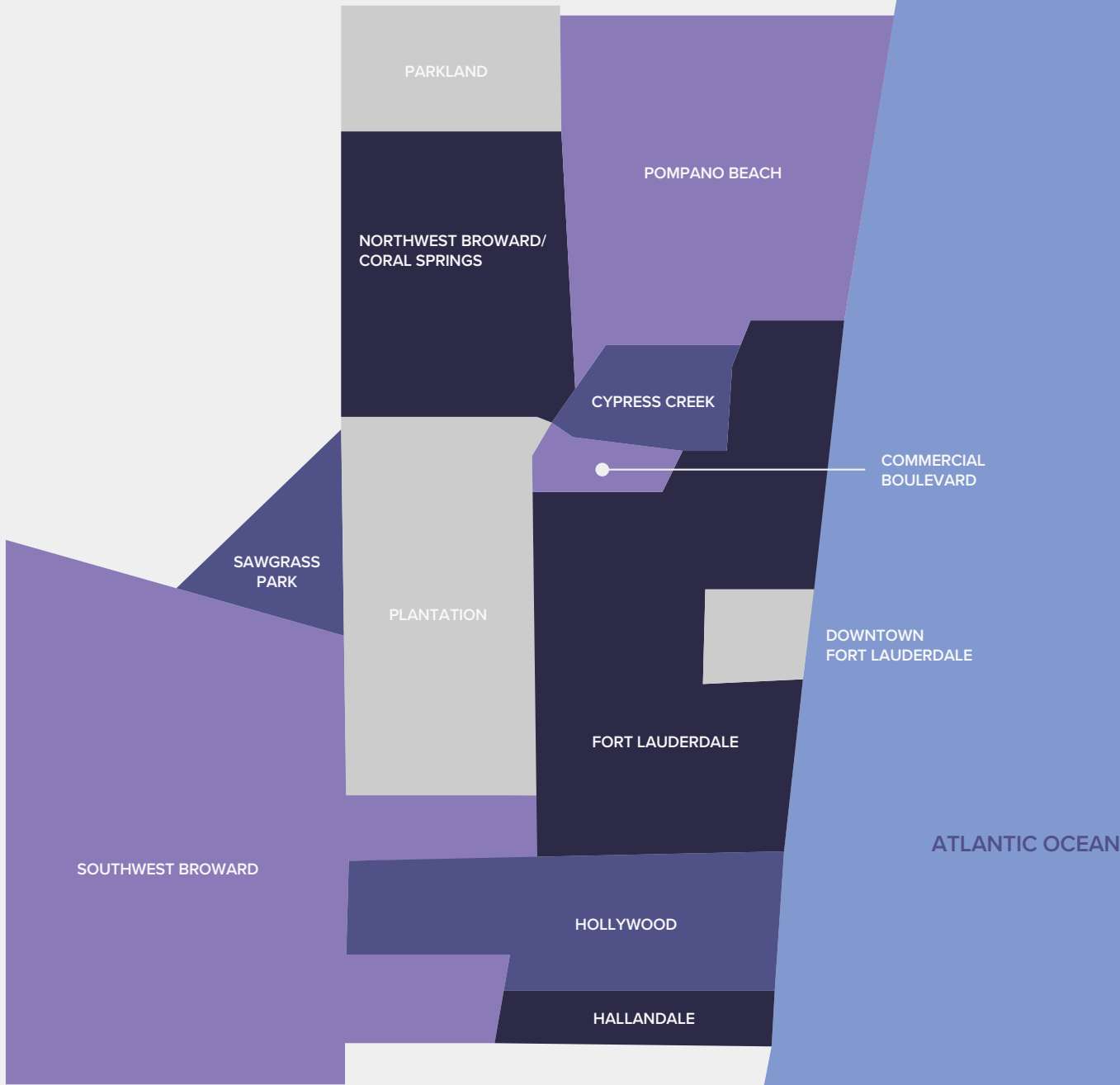
year, further signaling interest from value-conscious tenants relocating within the urban core.

That momentum has been reinforced by a pair of high-profile building sales in Downtown Fort Lauderdale, which reflect investor belief in the long-term strength of the market. 401 E Las Olas Boulevard (Bank of America Plaza) sold for \$221 million to a joint venture of Square2 Capital, Highline Real Estate, and Lone Star Funds. The building was leased 94% at the time of the transaction. Just across the street, Las Olas Centre I & II (350 and 450 E Las Olas Boulevard) was acquired by Bradford Allen Investment Advisors for \$208 million, with 69% occupancy. The new ownership plans to inject capital into the property, enhancing the quality of buildings along Las Olas and positioning them to compete for future tenant demand. These trades underscore institutional confidence in both the relevance of the office market and Broward’s long-term appeal.



Looking ahead, rent growth is expected to remain measured but resilient, supported by the continued flight to quality, the absence of new construction in the near-term and continued upgrades to Class A inventory through capital improvements. While elevated vacancy and limited tenant expansion may put pressure on lease terms in some submarkets, a steady flow of local tenants should help sustain asking rents in well-located properties with the amenities sought after by companies committed to quality workplace experiences for their employees. As leasing volumes gradually rebuild, landlords in core markets are well positioned to maintain pricing power in the face of evolving tenant needs.

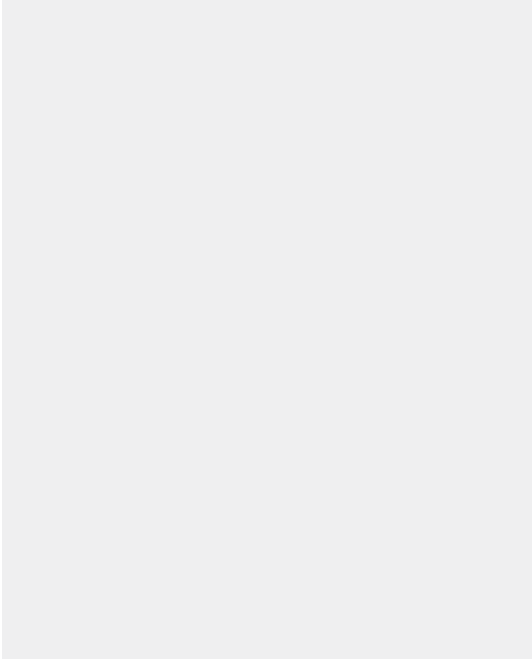
Broward Submarket Map



Submarket	Buildings	Inventory (SF)	Direct Vacancy Rate (%)	Weighted Average Asking Rate NNN	Q1 2025 Net Absorption	Q1 2025 Direct Leasing Activity (SF)	Under Construction
6 Major Submarkets							
Downtown Fort Lauderdale	19	4,970,927	16.3%	\$38.84	9,614	35,776	180,000
Fort Lauderdale	5	1,216,739	12.5%	\$27.55	(13,876)	11,647	-
Southwest Broward	20	2,070,390	20.2%	\$25.02	(22,373)	36,944	-
Sawgrass Park	14	1,685,255	26.4%	\$23.96	(39,176)	17,199	-
Cypress Creek	17	2,116,036	17.4%	\$22.65	18,763	38,101	-
Plantation	10	1,339,346	13.9%	\$28.62	(8,988)	43,284	-
SUBTOTAL	85	13,398,693	17.8%	\$29.60	(56,036)	182,951	180,000
Commercial Blvd	2	183,137	19.8%	\$23.50	56	-	-
Hallandale							
Hollywood	4	589,521	13.0%	\$28.37	(927)	2,963	-
NW Broward/Coral Springs	5	538,784	17.2%	\$24.55	9,653	13,318	-
Pompano Beach	3	348,696	28.9%	\$26.82	(1,762)	7,283	-
SUBTOTAL	14	1,660,138	18.5%	\$26.13	7,020	23,564	-
TOTAL	99	15,058,831	17.9%	\$29.20	(49,016)	206,515	180,000

Submarket	Buildings	Inventory (SF)	Direct Vacancy Rate (%)	Weighted Average Asking Rate NNN	Q1 2025 Net Absorption	Q1 2025 Direct Leasing Activity (SF)
6 Major Submarkets						
Downtown Fort Lauderdale	9	771,817	6.9%	\$26.40	(6,177)	1,642
Fort Lauderdale	10	1,470,345	24.2%	\$24.48	(105)	-
Southwest Broward	7	606,873	19.8%	\$24.32	(7,737)	9,489
Sawgrass Park	4	1,050,394	6.1%	\$20.23	10,765	11,398
Cypress Creek	19	1,806,382	13.2%	\$16.81	(1,301)	7,000
Plantation	15	1,321,515	15.8%	\$21.37	(4,218)	13,219
SUBTOTAL	64	7,027,326	14.8%	\$21.92	(8,773)	42,748
Commercial Blvd						-
Hallandale	4	477,402	6.4%	\$31.81	3,452	-
Hollywood	3	213,345	18.5%	\$26.39	11,029	-
NW Broward/Coral Springs	1	54,223	44.7%	\$11.22	367	3,418
Pompano Beach	10	650,196	24.0%	\$18.70	(14,081)	13,193
SUBTOTAL	18	1,395,166	18.0%	\$20.80	767	16,611
TOTAL	82	8,422,492	15.3%	\$21.70	(8,006)	59,359

Going beyond the data to
deliver **powerful** outcomes.



Who We Are

Our collaborative team of dedicated and elite professionals goes beyond the data to deliver powerful outcomes. Property owners, investors, developers, and businesses come to us for our full spectrum of brokerage, advisory, development consulting, and property asset and project management services because they are confident that our team drives value.

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