TRANSWESTERN

MIAMI

OFFICE MARKET | Q1 2025

51.6M
Inventory SF

3.3K
Net Absorption SF

11.2%
Direct Vacant Available Rate

18.1%
Total Availability

1.3M
Under Construction SF

$63.21
Asking Rent PSF

Flat Q1 follows strong finish to 2024 for Miami

Market Observations

- Miami's direct vacant available rate was relatively unchanged in Q1 2025, increasing just 10 basis points to 11.2%. Year-over-year Miami has seen a 70 basis point rise in vacancy rate despite positive absorption during that period. This is due to over 1.1 MSF of new product delivering over the last four quarters, representing 2.2% of all existing inventory.

- Miami had a strong close to 2024 with positive absorption of 477,304 SF, thanks primarily to the delivery of 830 Brickell. Q1 of 2025 finished slightly positive, with an absorption gain of 3,299 SF. Miami has seen just one negative absorption quarter since Q1 2021, a remarkable four-year run. The top signings in Q1 2025 included Nicklaus Children's Hospital signing a 62,416 SF lease at 1 Alhambra Plaza in Coral Gables, and TracFone Wireless inking a 51,484 SF deal at 5200 Waterford in the Miami Airport submarket.

- One property delivered and no buildings broke ground in Q1 as Miami's construction pipeline fell to a six-year low. The lone delivery was at 1212 Aventura in the Aventura submarket, with the 104,000 SF building delivering 99% pre-leased. Miami Beach is now the most active submarket for development, with three buildings totaling a combined 532,606 SF underway.

- Miami boasts a 2.7% unemployment rate, well below the national figure of 4.2%. Nonfarm employment has seen an annual growth of 1.6% YOY, while the metro area's population is growing, adding 30,000 people in 2024.

MIAMI OFFICE MARKET | Q1 2025

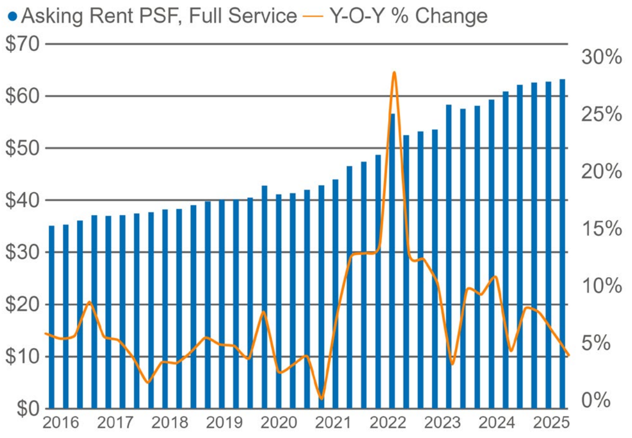
- The **direct vacant available rate** in Miami increased 10 basis points in Q1 2025 to reach 11.2%, while total availability stood firm at 18.1%. Year-over-year Miami's vacancy rate has seen a 70 basis point increase from 10.5%.

- Miami saw positive **net absorption** of 3,299 SF in Q1 2025, the ninth-consecutive positive quarter for the market. Aventura was the best-performing submarket in Q1 with positive absorption of 105,259 SF. In total, five submarkets were positive while six turned negative in Q1.

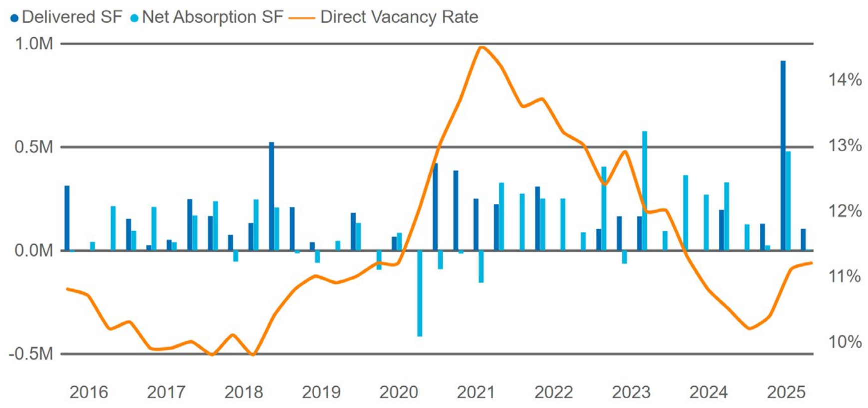
- **Full-service asking rents** reached another all-time high in Miami, averaging $63.21 PSF in Q1 2025. Year-over-year, average asking rents have risen 3.9% from $60.81 PSF.

- There is currently 1.2 MSF **under construction** in Miami, with one building totaling 104,000 SF delivering in Q1 2025. The eight buildings currently underway are a combined 54.7% pre-leased.

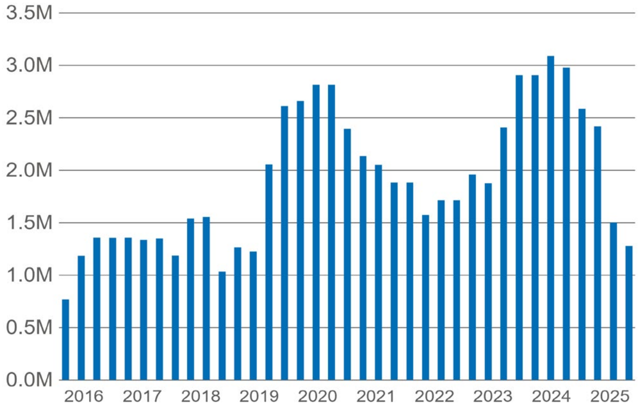
ASKING RENT



DELIVERY IMPACT ON KEY INDICATORS



UNDER CONSTRUCTION



OFFICE MARKET INDICATORS - ALL SPACE

MARKET	INVENTORY	DIRECT VACANT AVAILABLE SF	DIRECT VACANT AVAILABLE RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	QUARTERLY NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
Downtown	9,554,612	1,388,635	14.5%	21.9%	67,588	(62,100)	(144,564)	$61.95
Brickell	7,869,640	859,299	10.9%	20.3%	293,691	(12,390)	530,878	$92.75
Aventura	1,529,431	107,510	7.0%	10.4%	0	105,259	93,481	$61.64
Coconut Grove	2,057,903	97,142	4.7%	12.1%	0	(22,913)	(32,828)	$66.57
Coral Gables	7,475,579	714,900	9.6%	15.8%	84,000	6,961	30,567	$55.95
Coral Way	655,125	4,443	0.7%	0.8%	0	6,726	13,420	$43.87
Kendall	4,564,226	370,250	8.1%	10.6%	0	16,693	(11,012)	$38.61
Miami Airport	10,963,801	1,310,894	12.0%	18.2%	0	(15,550)	250,140	$40.25
Miami Beach	2,761,314	355,924	12.9%	17.1%	532,606	(5,895)	(88,619)	$124.87
Miami Lakes	2,199,711	189,711	8.6%	12.3%	0	11,523	(9,941)	$36.26
Wynwood-Design District	2,013,317	368,191	18.3%	37.7%	298,000	(25,015)	(1,688)	$84.21
Total	51,644,659	5,766,899	11.2%	18.1%	1,275,885	3,299	629,834	$63.21

Research Methodology

The information in this report is the result of a compilation of information on key for lease office properties located in the Miami metropolitan area. We compile our quarterly statistics based on a defined inventory of Class A and B office buildings of 20,000 SF or more in size and excluding all medical, government, owner-occupied and office condo buildings.

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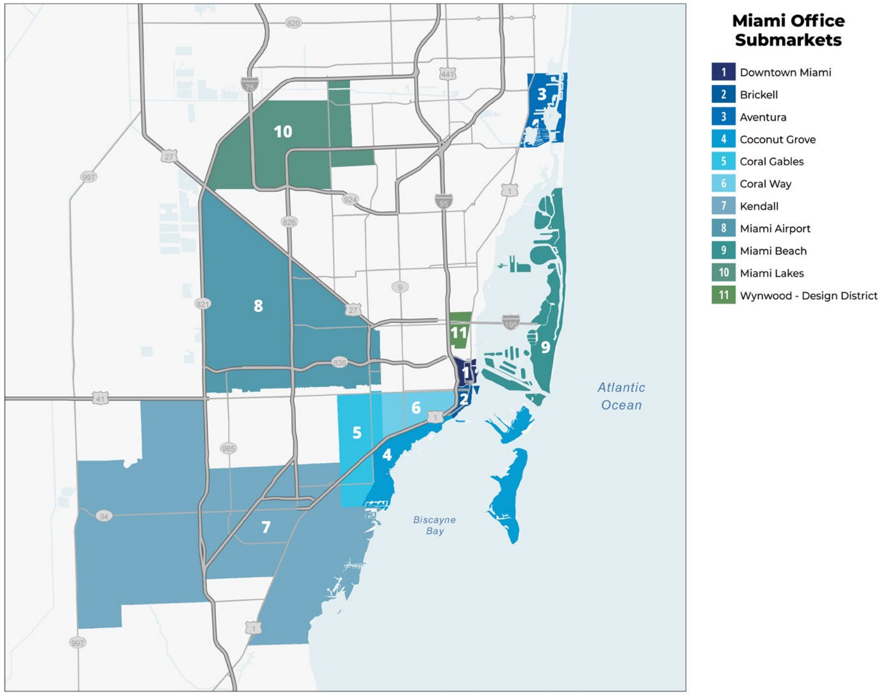

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