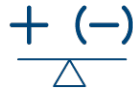




**109.9 MSF**

Inventory



**162,687 SF**

Direct Net Absorption



**5.1%**

Direct Vacancy



**8.8%**

Total Availability



**1.4 MSF**

Under Construction



**\$16.84 PSF**

Asking Rent (NNN)

## Broward Continues Gradual Market Correction

### Market Observations

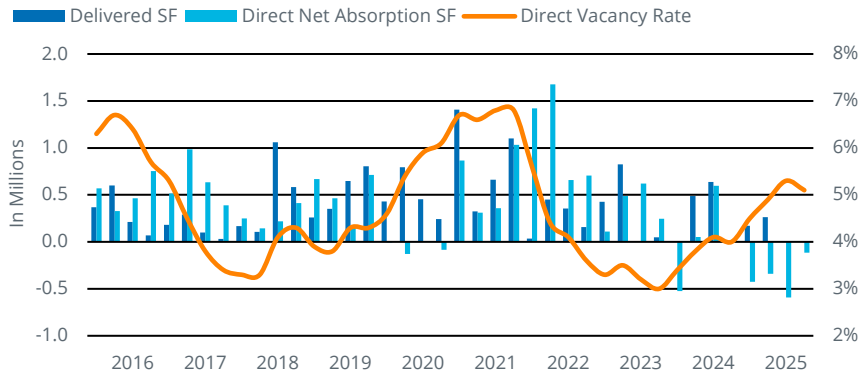
- Broward's direct vacancy rate tightened 20 basis points from Q1 2025 to 5.1% in Q2 2025 — pausing the upward tick that began in early 2024.
- Broward saw direct net absorption of 162,687 SF in Q2 2025 following three consecutive quarters of occupancy losses. However, year-over-year net absorption stands at negative 755,009, the highest in over a decade.
- Construction activity held steady at 1.4 MSF in Q2 2025, as no new projects broke ground for the third straight quarter. While there has been a pause in new starts, the pipeline is full — with overall activity at levels comparable to those seen during peak pandemic demand.
- Asking rents fell to \$16.84 PSF NNN in Q2 2025, down slightly from \$17.03 PSF NNN in Q1 2025. Year-over-year rent growth slowed to just 0.84%, the lowest annual increase since 2018. With new construction deliveries, economic deceleration, and lower lease roll through 2025, tepid rent growth is expected.





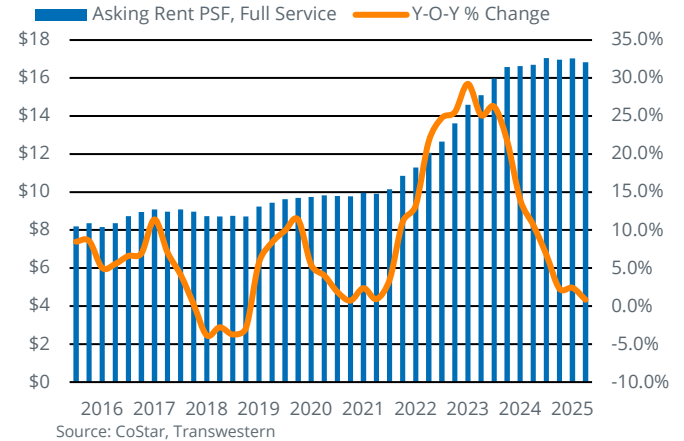
- While direct net absorption was positive, sublease spaces impacted **total net absorption** with 116,421 SF of occupancy loss in Q2 2025. Soft tenant demand, caused by a broader economic slowdown, contributed to the decline as businesses are pressing pause on taking more space and some seeking to dispose of excess space.
- Back-to-back quarters of no new deliveries has kept available space in check, reflected by a decrease in **vacancy rates** from Q1 2025. As new space enters the market, a slight elevation in vacancy is expected in the coming quarters.
- Following a 71.5% increase over the past five years and record-high **asking rents** in recent quarters, a small decline in rental rates was not unexpected. As market activity cools and nearly 1.4 MSF of new product moves through the pipeline, rent growth is expected to remain soft or turn slightly negative amid continued market normalization.
- Over the past five quarters, just 437,000 SF of industrial space was **delivered**—a sharp decline from the 3.8 million SF added during 2021–2022. This slowdown in new supply has helped curb the rise in vacancy amid cooling tenant demand.

## DELIVERY IMPACT ON KEY INDICATORS



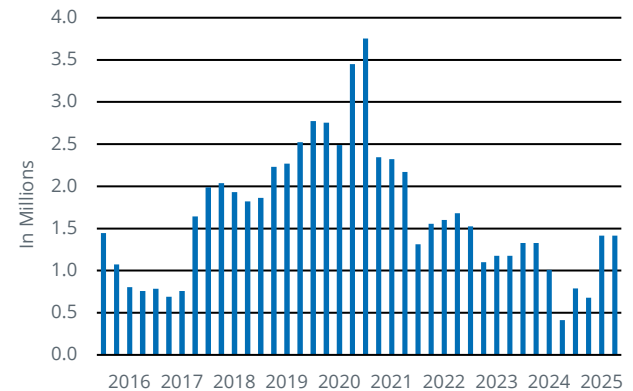
Source: CoStar, Transwestern

## ASKING RENT



Source: CoStar, Transwestern

## UNDER CONSTRUCTION



Source: CoStar, Transwestern



# BROWARD INDUSTRIAL MARKET | Q2 2025

## MARKET INDICATORS TABLE

All Classes of Space | Q2 2025

SUBMARKET	INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	OVERALL AVAILABILITY RATE	UNDER CONSTRUCTION SF	DIRECT NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, NNN
CENTRAL BROWARD	11,757,395	686,140	5.8%	9.3%	0	(15,280)	(24,947)	\$16.19
CORAL SPRINGS	7,164,109	399,546	5.6%	8.5%	0	52,932	(66,231)	\$13.02
NORTHEAST BROWARD	12,209,714	832,182	6.8%	7.9%	0	(68,717)	(147,694)	\$16.26
POMPANO BEACH	26,650,998	1,665,308	6.2%	10.4%	764,652	(168,617)	(507,715)	\$16.25
SOUTHEAST BROWARD	22,914,233	1,041,012	4.5%	7.7%	367,817	216,759	339,883	\$17.58
SOUTHWEST BROWARD	19,507,459	565,735	2.9%	7.3%	281,145	142,314	(252,105)	\$16.21
WEST SUNRISE	9,721,154	418,204	4.3%	10.5%	0	3,296	(96,200)	\$16.24
<b>Total</b>	<b>109,925,062</b>	<b>5,608,127</b>	<b>5.1%</b>	<b>8.8%</b>	<b>1,413,614</b>	<b>162,687</b>	<b>(755,009)</b>	<b>\$16.84</b>

Source: CoStar, Transwestern



## Research Methodology

The information in this report is the result of a compilation of information on flex and industrial properties located in the Broward metro area. This report includes single-tenant, multi-tenant, and owner-user properties 20,000 SF and larger, excluding data centers, biotech, and properties owned by a government agency

## About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply, and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award-winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at [transwestern.com](https://transwestern.com) and @Transwestern

## For More Information

### Max Holton

Research Analyst

Research Services

[Max.Holton@transwestern.com](mailto:Max.Holton@transwestern.com)

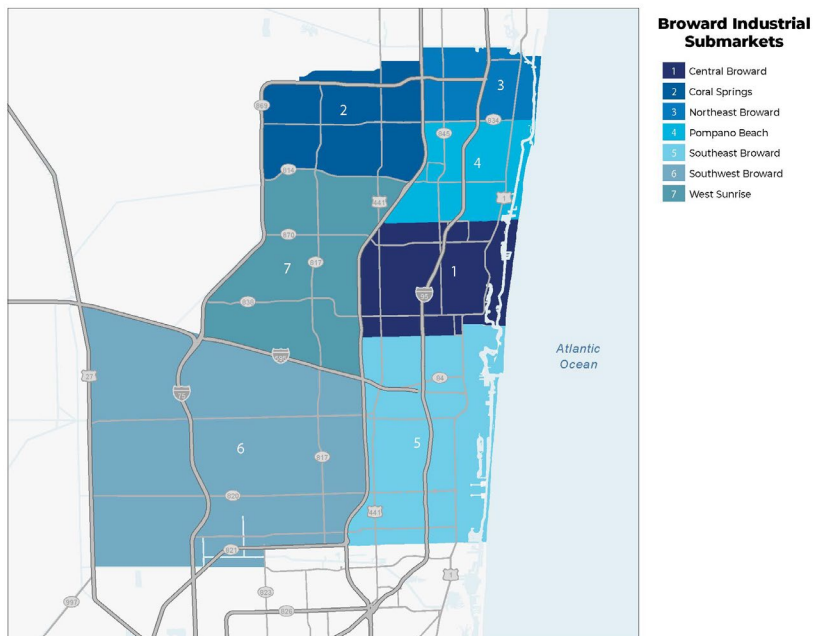
305.808.7312

### Spencer Papciak

Director of Research - Southeast

[Spencer.Papciak@transwestern.com](mailto:Spencer.Papciak@transwestern.com)

404.842.6585



Copyright © 2025 Transwestern. All rights reserved. No part of this work may be reproduced or distributed to third parties without written permission of the copyright owner. The information contained in this report was gathered by Transwestern from CoStar and other primary and secondary sources.