

FORT LAUDERDALE OFFICE MARKET Yardi® Matrix

Market Analysis

Second Quarter 2019

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Fast-Paced Growth



Fort Lauderdale's office fundamentals are solid as a result of rapid population growth, increased residential demand and strong development activity, especially in suburban submarkets. Coworking providers continue to expand in the metro, occupying 760,000 square feet in June, equal to 1.9% of the total office stock. Regus, the largest shared office space player in the metro, has some 172,000 square feet across nine locations, most of them in suburban submarkets.

The metro's expanding office-using employment sector outpaced job growth in any other industry. Some 6,000 jobs were added in the professional and business services sector in the 12 months ending in May, accounting for more than half of the metro's total job gains during that timeframe. The leisure and hospitality sector, one of the market's main economic drivers, lost 1,500 jobs, down 1.5% year-over-year in May. However, as upcoming hospitality projects reach completion, the sector is projected to improve. The metro's unemployment rate dropped to 3.1% in June, down 30 basis points since May 2018.

Demand for high-quality office space continues to grow, as the majority of the square footage added to the market in recent years has already been absorbed. With 1.3 million square feet currently under construction and only 160,000 square feet delivered in April, Fort Lauderdale is on track to reach a record-high completions volume by the end of this year. The metro's vacancy rate was 11.9% as of June, well below the national average.