

MIAMI OFFICE MARKET

Yardi® Matrix

Market Analysis

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Growing Demand Shapes Market



South Florida's favorable tax environment, affordable cost of living and diverse economy contributes to Miami's reputation of an ever-growing market. The metro mainly depends on organic expansion rather than large-scale corporate migration. **Brightline**, the high-speed rail service from All Aboard Florida, is a major step toward an **elaborate infrastructure**. The project will benefit the metro's economic development by drawing in tenants in pursuit of walkable live-work-play environments close to nightlife, dining and shopping destinations.

Leasing activity remained brisk in a supply-constrained market, with companies facing challenges in finding available office space in core submarkets. With **limited leasable inventory** and **sustained demand**, vacancies compressed in most primary regions, reaching a **13.5%** rate overall. In a landlord's market, tenants are inclined to pay a premium for quality space in well-established districts.

Miami's office employment sector has been on a slight downward trend since 2015, a sign that future growth might be even more moderate.

Total transaction volume topped \$574.7 million in the 12 months ending in April, with Miami Beach taking the lead as the metro's most expensive submarket, commanding **\$1,522 per square foot**.

Construction activity has picked up since the historic low of 2012. Around 1.2 million square feet of office space is expected to come online by the end of 2018.