



MIAMI OFFICE MARKET

Yardi® Matrix

Market Analysis

Third Quarter 2019

Contacts

Jeff Adler

*Vice President & General
Manager of Yardi Matrix*
Jeff.Adler@Yardi.com
(800) 866-1124 x2403

Jack Kern

*Director of Research and
Publications*
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Chris Nebenzahl

Senior Analyst
Chris.Nebenzahl@Yardi.com
(800) 866-1124 x2200

Veronica Grecu

Senior Real Estate Market Analyst
Veronica.Grecu@Yardi.com
(306) 955-1855 x7583

Author

Timea-Erika Papp

Senior Associate Editor
Timea-Erika.Papp@Yardi.com

Aggregated and anonymized
expense and lease expiration
data is available to Yardi Matrix
subscribers. Please contact us
for details!

For more information please contact:

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Growth Persists as Market Matures



Miami's office market continues to expand and strengthen, thanks to its diversifying economy. The metro is on a steady course as it matures into a corporate center, while companies are drawn to Florida because of the state's tax-friendly business climate. Coworking has also been gaining momentum in the metro. Furthermore, in a recent study, WalletHub ranked Miami as the third best place to start a business among 100 U.S. cities. The ongoing progress in addressing transportation issues and moving the Tri-Rail and Virgin Trains (formerly Brightline) developments forward enhances accessibility across the metro, while contributing to the market's overall stability.

Demand for office space continues to outpace supply, prompting developers to break ground on new projects while maintaining a steady flow of deliveries. Some 1.7 million square feet of space was underway as of July, and four properties totaling 258,000 square feet were delivered this year through July. Developers broke ground on more than 1 million square feet in the same interval. The metro's development pipeline is showing no signs of decelerating, with more than 7.4 million square feet in the planning and permitting stages.

Investor interest remains strong, as Miami continues to attract buyers. Furthermore, institutional investors have been highly active in the metro. Some 1.4 million square feet sold for a combined \$500 million year-to-date through July. With acquisition yields for top-rated properties hovering in the 5.0% to 6.5% range, Miami is in line with booming metros like Atlanta and Austin.