

# Broward

## Broward County yearly close sets strong premise for 2023

- Average asking rental rate growth stagnates in Broward county, remaining north of \$13.00 p.s.f. NNN.
- Vacancy rates rose from 3.3% to 4.0% and remain lowest in Central and West Broward.
- 381,00 s.f. of new Class A product was delivered this quarter, with a remaining 580,612 s.f. under construction.

Fundamentals	Forecast
YTD net absorption	1,595,121 s.f. ▲
Under construction	580,612 s.f. ►
Total vacancy	4.0% ▼
Direct asking rent	\$12.98 p.s.f. ▲
Concessions	Stable ►

The industrial market in Broward County continues to boom. A slight rise in vacancy rates is expected as new product deliveries continue and markets balance.

Quarter over quarter rent growth has slowed, with average asking rates remaining close to \$13.00 p.s.f. NNN. Newer class A product naturally commands a premium, with average asks above \$15.00 p.s.f. NNN.

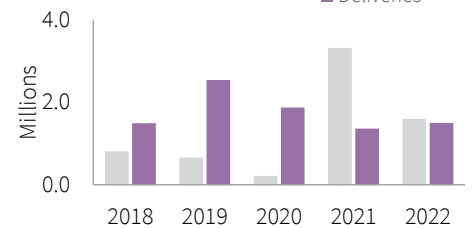
Absorption is negative for the quarter, in part due to large sublease space availabilities aligned with new product delivery. Absorption remains overwhelmingly positive for the year; however, quarterly negative absorption may hint at the market beginning to slow.

Leasing and sale activity continues to boom in Broward County. A notable larger lease signed by William Sonoma, was the largest recorded lease for the quarter, totaling 209,280 s.f. Notable sales include the Duke Realty acquisition through Prologis, and Pompano Business Center 2, a 133,000 s.f. industrial building selling for \$25.5 million, purchased by Morgan Stanley.

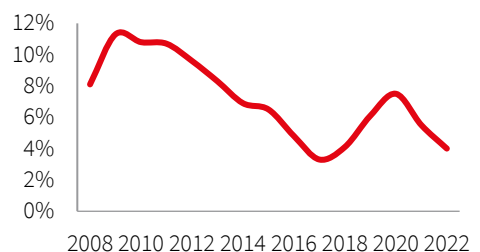
### Outlook

Broward's robust local economy continues to flourish. South Florida's population and business friendly environment continues to incentivize capital migration. Broward County is South Florida's next big bet for industrial development. Land plays are primed with opportunity as demand for space continues. Class A product remains the most desirable product for institutional users, while Broward remains land constrained, further validating the need for continued development.

### Supply and demand (s.f.)



### Total vacancy (%)



### Average asking rent (\$ p.s.f.)



Industrial Statistics

	Inventory (s.f.)	Quarterly total net absorption (s.f.)	YTD total net absorption (s.f.)	YTD total net absorption (% of stock)	Total vacancy (%)	Total availability (%)	Average total asking rent (\$ p.s.f.)	Quarterly Completions (s.f.)	YTD Completions (s.f.)	Under construction (s.f.)
Broward total										
Warehouse & Distribution	93,607,481	-595,167	1,661,794	1.8%	4.0%	5.7%	\$13.01	381,000	1,519,973	580,612
Manufacturing	6,968,272	4,862	-66,673	-1.0%	4.5%	4.6%	\$12.66	0	0	0
Overall Total	100,575,753	-590,305	1,595,121	1.6%	4.0%	5.7%	\$12.98	381,000	1,519,973	580,612
Central Broward										
Warehouse & Distribution	11,059,724	-39,938	-62,784	-0.6%	3.4%	4.5%	\$14.27	0	0	0
Manufacturing	1,211,016	-4,545	-8,598	-0.7%	2.3%	2.3%	\$15.00	0	0	0
Overall Total	12,270,740	-44,483	-71,382	-0.6%	3.3%	4.3%	\$14.31	0	0	0
Northeast Broward										
Warehouse & Distribution	33,981,303	-32,689	871,712	2.6%	4.7%	6.1%	\$12.61	381,000	891,581	0
Manufacturing	3,057,937	9,407	9,364	0.3%	4.8%	4.9%	\$15.14	0	0	0
Overall Total	37,039,240	-23,282	881,076	2.4%	4.7%	6.0%	\$12.80	381,000	891,581	0
Southeast Broward										
Warehouse & Distribution	19,475,607	-48,290	90,651	0.5%	3.6%	6.4%	\$15.01	0	400,767	580,612
Manufacturing	1,508,442	0	4,163	0.3%	2.3%	2.3%	\$9.70	0	0	0
Overall Total	20,984,049	-48,290	94,814	0.5%	3.5%	6.1%	\$14.80	0	400,767	580,612
Southwest Broward										
Warehouse & Distribution	15,969,294	-345,204	618,026	3.9%	4.9%	7.0%	\$11.12	0	227,625	0
Manufacturing	495,994	0	-71,602	-14.4%	0.0%	0.0%	\$0.00	0	0	0
Overall Total	16,465,288	-345,204	546,424	3.3%	4.7%	6.8%	\$11.12	0	227,625	0
West Broward										
Warehouse & Distribution	13,121,553	-129,046	144,189	1.1%	2.0%	3.4%	\$15.23	0	0	0
Manufacturing	694,883	0	0	0.0%	15.3%	15.3%	\$10.00	0	0	0
Overall Total	13,816,436	-129,046	144,189	1.0%	2.7%	4.0%	\$12.80	0	0	0