MonthLEE
Review

BOCA RATON, FL
OFFICE SUBMARKET REPORT

Prepared By,

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2023

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BOCA RATON, FL OFFICE REPORT

Prepared by,
Bill Domsky
Principal

Average Rental Rate
$42 SF/yr

Vacancy
10.3%

Average Sale Price
$346 PSF

Average Cap Rate
6.1%

Total Inventory
18,831,000 SF

Under Construction
0 SF

12 Mo. Net Absorption
95,000 SF

12 Mo. Sales Volume
$134M

SUBMARKET OVERVIEW

Rising interest rates and economic uncertainty have slowed investment activity. Although, we're in a unique position compared to other cities, with no state income tax and our business-friendly environment the corporate migration to South Florida continues to benefit our market. The overall vacancy rate at 10.3% is significantly below the national average.

The challenge is having space available and completely ready for occupancy to meet the demand. There are companies of various sizes moving here that want to take occupancy once they sign a lease, but municipalities have been taking longer to release permits which is roadblock to the continued growth. We need a solution to expedite the process and deliver space to satisfy the ever-growing demand.

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LEASE ACTIVITY

Available For Lease
1,956,668 SF

Vacancy
10.0%

Average Asking Rate
$42 SF/yr

Avg Months to Market
18 Months

NOTABLE LEASES

Address	Square Feet	Landlord	Tenant	Industry
6001 Broken Sound Parkway	5,152	DSN Holdings	Crossroads Financial	Consumer Finance
200 E Palmetto Road	4,324	David & Shani Bird	ICM	Real Estate Development
1800 N Military Trail	4,313	Vanderbilt Office Properties	C-Cube	Capital Funding

SALE ACTIVITY

Available For Sale
97,657 SF

Average Cap Rate
6.1%

Average Asking Price
$295 PSF

Avg Months to Market
16.5 Months

AVAILABLE FOR SALE

1750 Clint Moore Road
50,647 SF

NOTABLE SALES

Address	Square Feet	Sale Price	PSF	Recorded Seller	Buyer
791 Park of Commerce Blvd.	156,898	$20,000,000	$127.47	FLA. Properties #116, L.L.C.	Oak Lane Partners
515 S. Federal Highway	179,837	$51,500,000	$286.37	Penn-Florida Realty Corp.	Renaissance Properties
2701 Boca Raton Blvd.	23,000	$6,400,000	$276.09	Mark Spillane	Investments Limited

MARKET OVERVIEW

Property Values	For Sale Inventory	Leasing Rates	For Lease Inventory
Highest Ever	Historically Low	Historically High	Low

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