

Q1
2023

FORT LAUDERDALE, FLORIDA INDUSTRIAL MARKET REPORT

Prepared By,

BILL DOMSKY
Principal

M: 516. 721. 0676

wdomsky@lee-associates.com

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FORT LAUDERDALE

12 Mo Deliveries in SF

1.3M

12 Mo Net Absorption in SF

1M

Vacancy Rate

3.6%

12 Mo Rent Growth

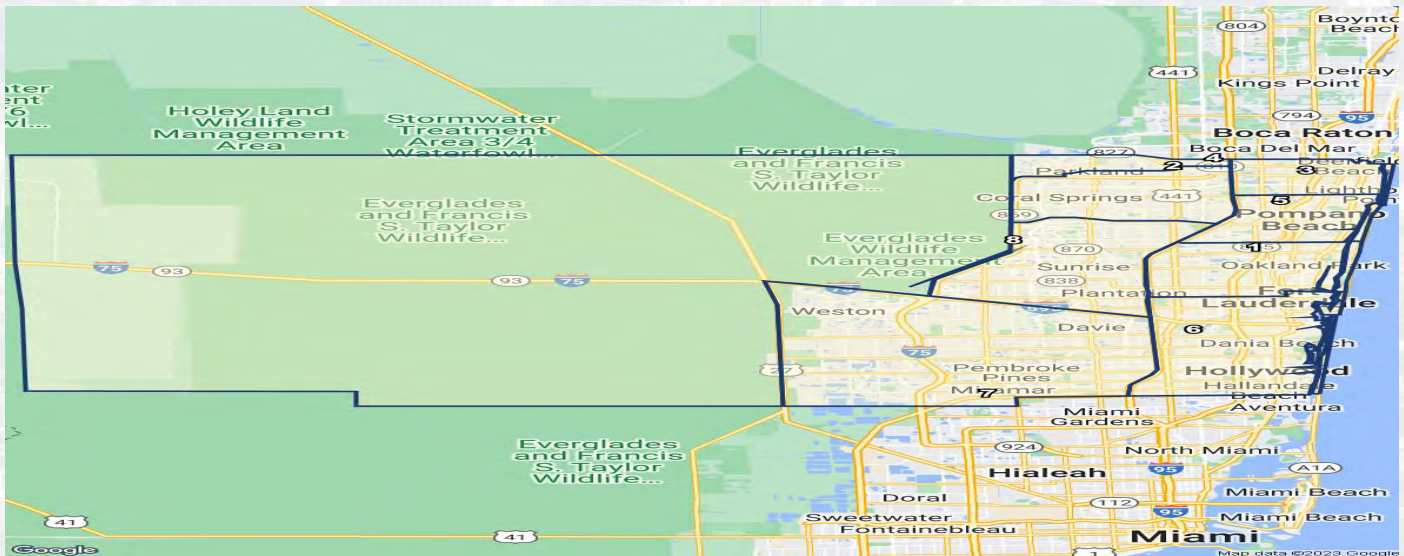
16.4%

The fundamentals within the Broward County industrial market have remained strong throughout Q1 2023. The overall vacancy rate at 3.6% is a marginal decrease of 10-basis points over the last quarter. A growing population continues to fuel demand from new and existing tenants.

Over the last year rents have increased by 16.4% with the average rental rate at \$19.70/SF.

Sales volume is down slightly, but with a limited supply of buildings demand remains high. Sale prices have increased by more than 10.0 % year-over-year and the market is valued at \$264/SF.

There is approximately 1.2 million SF under construction, which will add less than 1.0% to the overall inventory in the market.



SUBMARKET INVENTORY

No.	Submarket	Per SF	Inventory			Vacancy		12 Month Absorption	
			Bldgs	SF (000)	% Market	SF	Percent	SF	
1	Central Broward	\$19.82	1,600	20,952	14.8%	700,838	3.3%	(217,521)	
2	Coral Springs	\$19.80	254	7,852	5.5%	243,695	3.1%	210,604	
3	Northeast Broward	\$18.61	529	14,669	10.3%	836,073	5.7%	286,885	
4	Outlying Broward	\$27.48	3	42	0%	-	-	0	
5	Pompano Beach	\$18.33	1,391	34,011	24.0%	1,194,452	3.5%	145,728	
6	Southeast Broward	\$21.57	1,955	33,285	23.5%	687,435	2.1%	522,049	
7	Southwest Broward	\$18.78	424	20,838	14.7%	987,667	4.7%	178,916	
8	West Sunrise	\$19.36	227	10,251	7.2%	443,648	4.3%	(94,672)	

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WILLIAM DOMSKY

Principal

Lee & Associates South Florida

M: 516.721.0676 O: 305.235.1500 x1019

wdomsky@lee-associates.com



305.235.1500

lee-associates.com

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Broward County Industrial Market

Inventory/SF	Vacancy Rate	Market Rent/SF	Availability Rate	Under Construction/SF
142M	3.6%	\$19.70	6.3%	1.2M

EXECUTIVE SUMMARY

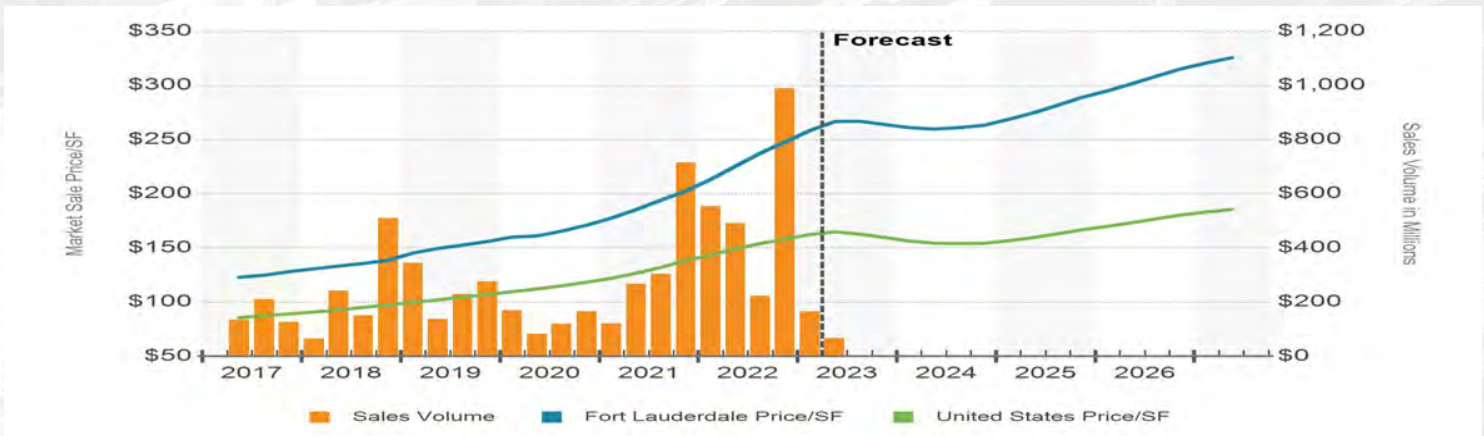
Bill Domsky, Principal

South Florida remains in a position of strength with record-low vacancy rates, increasing rental rates, new residential developments, and population growth fueling demand. There is more than one million square feet of new product under construction and based on the continued interest in the market and healthy economic fundamentals, it is expected that the newly developed space will be absorbed upon completion, but perhaps at a slower rate than the past few years.

Heavy leasing activity took place in the market during the first quarter of 2023 with higher rental rates and operating costs a majority of the activity came from smaller sized deals as quite a few existing tenants throughout the market relocated to smaller spaces. The demand remains strong with many new-to-market companies moving into the Fort Lauderdale industrial market.

Over the last year, market prices have increased dramatically, rising by more than 10%, but in this same time period the average market cap rate has decreased to 5.4%. Fort Lauderdale will continue to attract corporate relocations with its robust workforce, business-friendly environment, global footprint and quality of life environment.

Avg. Market Sale Price	Market Sale Price/SF	Avg. Cap Rate	12 Month Transactions
\$5.5M	\$264	5.4%	400





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www.lee-associates.com



Prepared By,

BILL DOMSKY

Principal

M: 516.721.0676

D: 305. 235. 1500 X 1019

wdomsky@lee-associates.com

Lee & Associates South Florida

Miami | Fort Lauderdale | Palm Beach



7925 NW 12th STREET, STE 301
MIAMI FL 33126
☎ 305-235-1500

700 W. HILLSBORO BOULEVARD, STE 203
DEERFIELD BEACH FL 33442
☎ 954-399-6299