

**Q2**  
**2024**

# KENDALL OFFICE SUBMARKET REPORT

Prepared By,

**BERT CHECA**

*Principal*

M: 786.473.9227

[bcheca@lee-associates.com](mailto:bcheca@lee-associates.com)

**MATTHEW KATZEN**

*Senior Vice President*

M: 215.416.2671

[mkatzen@lee-associates.com](mailto:mkatzen@lee-associates.com)



COMMERCIAL REAL ESTATE SERVICES

# Q2 2024

## KENDALL

Prepared by,  
Bert Checa, Principal | 786.473.9227  
Matthew Katzen, Senior Vice President | 215.416.2671



Average Rental Rate  
**\$48 SF/yr**



Vacancy  
**5.3%**



Average Sale Price  
**\$450 PSF**



Average Cap Rate  
**6%**



Total Inventory  
**13,578,693 SF**



Under Construction  
**67,177 SF**



12 Mo. Net Absorption  
**135,000 SF**



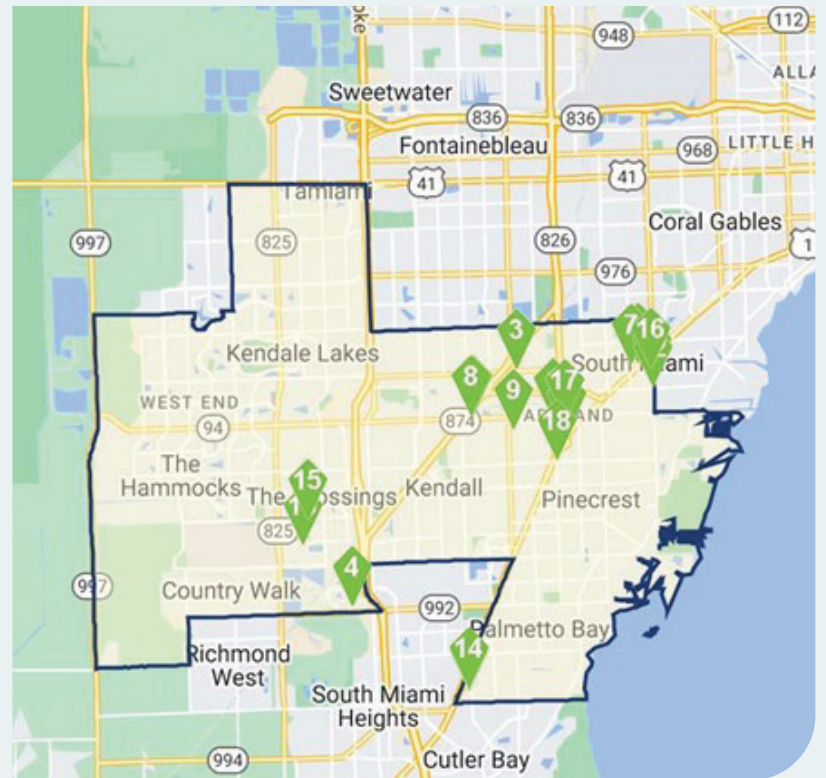
12 Mo. Sales Volume  
**\$80.2 Million**

### SUBMARKET OVERVIEW

Bert Checa, Principal

Landlords continue to look for creative ways to convert traditional office space to medical office space, a sector of the market with the strongest demand. Baptist Hospital Campus is at maximum capacity, and it looks at surrounding office properties for possible expansion. This would temporarily displace some of the neighboring medical office users that would need to relocate in an already tight medical office market. With vacancies as low as 5% and zero delivery of new space to market within the last 12 months the Kendall market rates are set to continue their upward trend. The encroachment of medical users into traditional office buildings is a contributing factor to the class B office rental rate increase in the Kendall Market. Developers are also prioritizing residential condo developments or medical office developments.

Year over year asking rental rate growth is a healthy 5.3% projected to increase to 6.5% in the last two quarters of 2024. Now more than ever Tenants in the Kendall market would strongly benefit from an advisor that can help them navigate the challenges they will face as they negotiate renewals in their current locations or relocate to newer projects or different submarkets.



All information furnished herein is considered from sources deemed reliable, but no warranty or representation is made to the accuracy thereof and same is submitted to errors, omissions, change of price, rental or other conditions prior to sale, lease or financing or withdrawal without notice. No liability of any kind is to be imposed on the broker herein.

## KENDALL

### LEASE ACTIVITY



Available For Lease  
**804,215 SF**



Average Asking Rate  
**\$48 SF/yr**

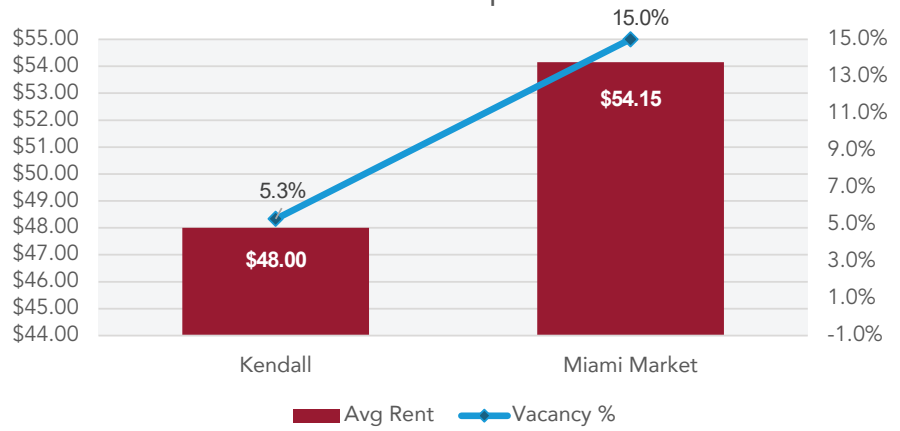


Vacancy  
**5.3%**



Avg Months to Market  
**5.1 Months**

### Market Comparison



### CONSTRUCTION ACTIVITY



Recent Deliveries  
**330,473 SF**



Under Construction  
**67,177 SF**



Proposed  
**156,568 SF**

The Kendall market didn't see delivery of office space or medical space during 2023. Some of the proposed space for 2024 is behind schedule and will only be delivered toward the last quarter or maybe even in 2025 totaling 67,177 square feet which represents a drop in the bucket 0.5% of the total market square footage with an average asking rental rate of \$50 to \$60 per foot NNN. We are tracking an additional 156,568 SF proposed for 2025 and will have additional information of timing and quoted rental rates on our upcoming Kendall submarket report.



#### RECENT DELIVERIES

Square Feet	Stories	Start	Complete	Developer/Owner
8,000 SF	4	Mar 2021	Oct 2022	Edgewater Capital Investments
129,317 SF	3	Jan 2019	Jul 2022	The Mas Group / AJP Ventures
5,626 SF	2	Jan 2021	Jul 2022	Frank Mackle
150,000 SF	6	Jun 2021	Apr 2022	Goddard Investment Group
37,530 SF	3	Jun 2021	Apr 2022	Gaumard Scientific Co



#### UNDER CONSTRUCTION

Square Feet	Stories	Start	Complete	Developer/Owner
28,985 SF	3	Jan 2023	Aug 2025	-
27,600 SF	2	Mar 2024	Aug 2025	-
10,592 SF	2	Mar 2024	Aug 2025	-

#### PROPOSED

Square Feet	Stories	Start	Complete	Developer/Owner
76,000 SF	5	Mar 2025	Sep 2025	Franjo Medical Offices LLC
40,568 SF	4	Jul 2024	Apr 2025	-
40,000 SF	2	Sep 2024	Jun 2025	GC3 Group



**LEE & ASSOCIATES**  
COMMERCIAL REAL ESTATE SERVICES

Prepared By,



**BERT CHECA**  
*Principal*  
M: 786.473.9227  
[bcheca@lee-associates.com](mailto:bcheca@lee-associates.com)



**MATTHEW KATZEN**  
*Senior Vice President*  
M: 215.416.2671  
[mkatzen@lee-associates.com](mailto:mkatzen@lee-associates.com)

All information furnished regarding property for sale, rental or financing is from sources deemed reliable, but no warranty or representation is made to the accuracy thereof and same is submitted to errors, omissions, change of price, rental or other conditions prior to sale, lease or financing or withdrawal without notice. No liability of any kind is to be imposed on the broker herein.

**Lee & Associates South Florida**

7925 NW 12th Street, Suite 301 | Miami, FL 33126 | 305.235.1500 | [leesouthflorida.com](http://leesouthflorida.com)

Information contained herein has been obtained from sources we deem to be reliable. While we have no reason to doubt its accuracy, this information is not guaranteed.