

A wide-angle, nighttime photograph of the Miami-Dade County skyline. The image shows a dense cluster of skyscrapers, many of which are illuminated with warm yellow and orange lights. The sky is a deep blue with a hint of orange from the setting or rising sun. In the foreground, the water of a bay or harbor is visible, reflecting some of the city lights.

NEWMARK

*Market Overview*

# Miami-Dade County Office

4Q25

An aerial, nighttime photograph of a modern architectural complex. The building features a large, flat roof with a grid-like pattern of lights. It is surrounded by landscaped areas with palm trees and other vegetation. To the right of the building, a multi-lane highway is visible, with light trails from cars indicating traffic flow. The overall scene is illuminated by the building's lights and the ambient city lights.

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# Market Observations



## Economy

- The region's unemployment rate increased by 10 basis points year over year to 2.6%, as growth is split across several sectors
- The pace of job growth has slowed compared with recent highs, decreasing by 183 basis points year over year. Employment growth dipped below the national average of 0.8% to 0.5%.
- Growth was mixed with the mining and construction sector reporting the highest growth by expanding 4.6% and manufacturing experiencing the largest decline by contracting 1.9%. Office-using sectors declined overall, with the information and professional and business services sectors posting employment drops of 0.9% and 1.3%, respectively. In contrast, the financial activities sector expanded 1.2% year over year.
- Office-using jobs in Miami-Dade reported 332,600 employees, approximately 0.5% below the record set in the prior year at 334,430 employees.



## Major Transactions

- The largest deal of the quarter was City National Bank renewing 36,100 SF at 1450 Brickell Avenue. The bank has been a tenant in the building since 2011 and has recently expanded in Coral Gables as well, reinforcing its footprint in key finance-oriented submarkets.
- Kemper, an insurance specialist, renewed its 34,091-SF lease at Doral Concourse, giving back roughly 9,500 SF of office space.
- Demand for space in Miami remains resilient, with five of the quarter's top ten deals being new leases, three renewals, and two expansions.
- The three top deals of the quarter were renewals highlighting the demand for large spaces in the market.



## Leasing Market Fundamentals

- Annual full-service asking rental rates reached an all-time high of \$61.49/SF, reflecting a 3.0% increase from the previous quarter and a 5.7% increase year over year.
- Miami-Dade County recorded 99,330 SF of negative absorption in the fourth quarter of 2025. Meanwhile net absorption for 2025 was positive 184,795 SF.
- The construction pipeline remains resilient at 1.3 MSF, with The Fifth delivering 70,000 SF of new office space this quarter. Looking forward, several projects are expected to deliver in 2026, including The Doris and The Offices at The Well.
- Leasing volume and deal count declined 32.0% quarter over quarter to 879,965 SF and 299 transactions, respectively. As both total volume and transactions fell, the average deal size decreased by 885 SF to 2,943 SF.



## Outlook

- National economic headwinds may persist in constraining employment growth.
- Office investment activity will likely improve in the medium term as interest rates continue to decline.
- Strong demand for high-quality office space and reduced availability in key submarkets have pushed asking rents to record highs. With limited new supply and few relocation options, rents are likely to remain elevated, prompting a rise in renewal activity in the near term.
- In the near term, vacancy will steadily increase, as new buildings are completed.

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# Table of Contents

Economy	04
Debt/Capital Markets	09
Leasing Market Fundamentals	12
Supplemental Information	21



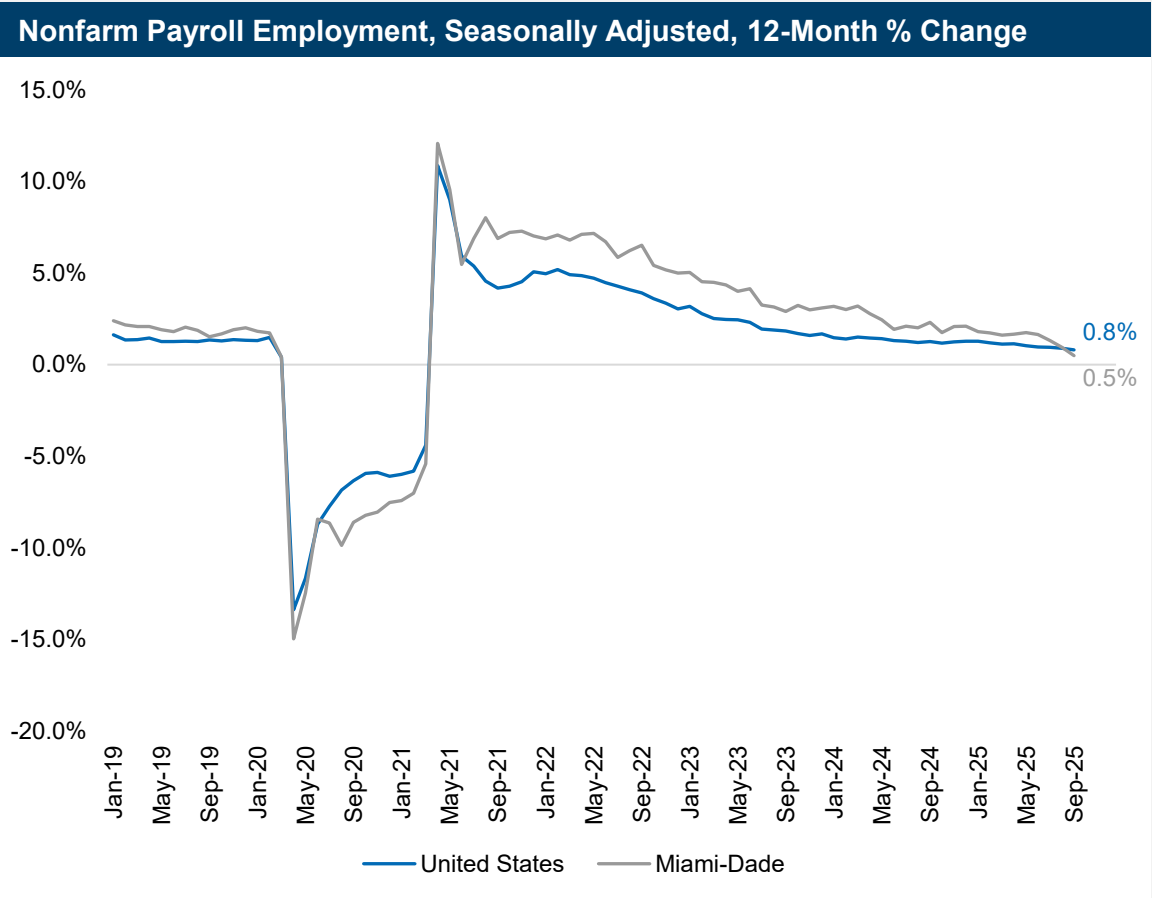
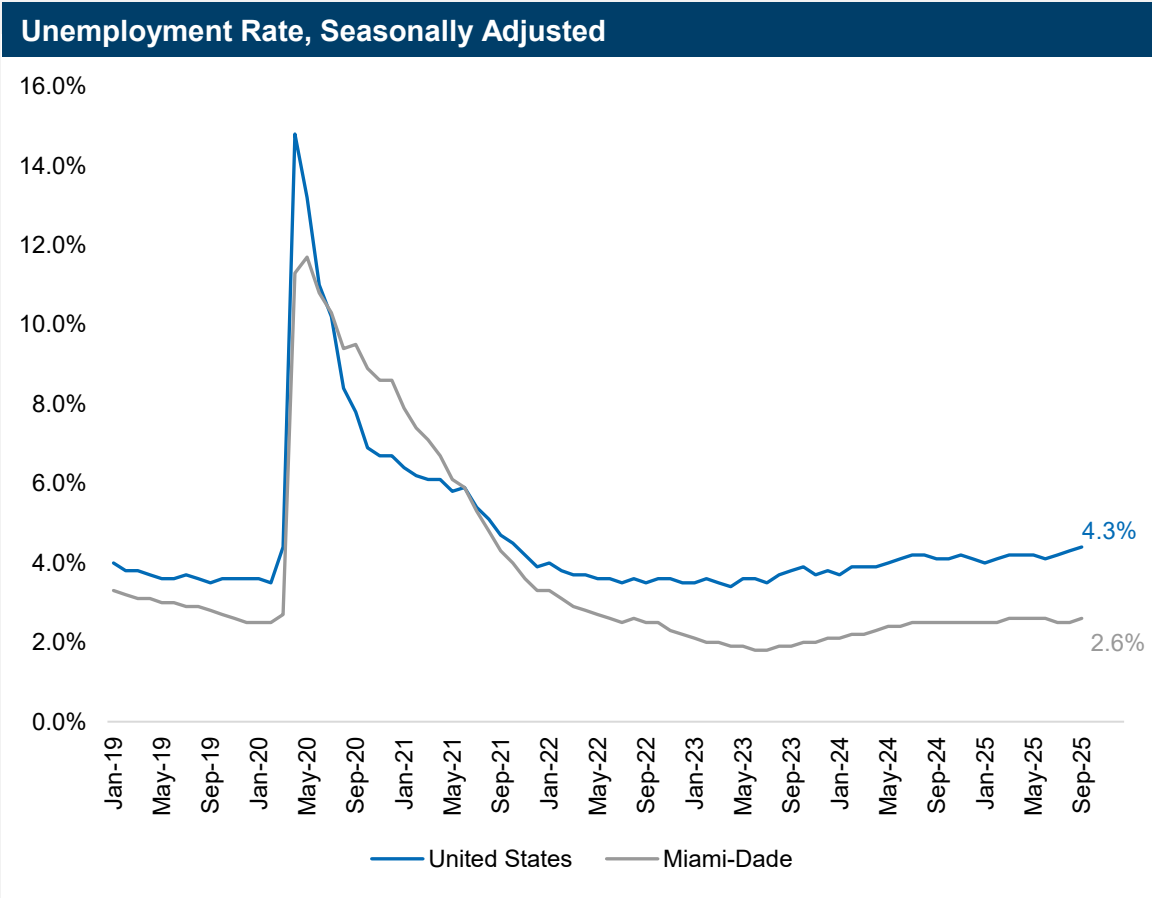
# 01

## Economy



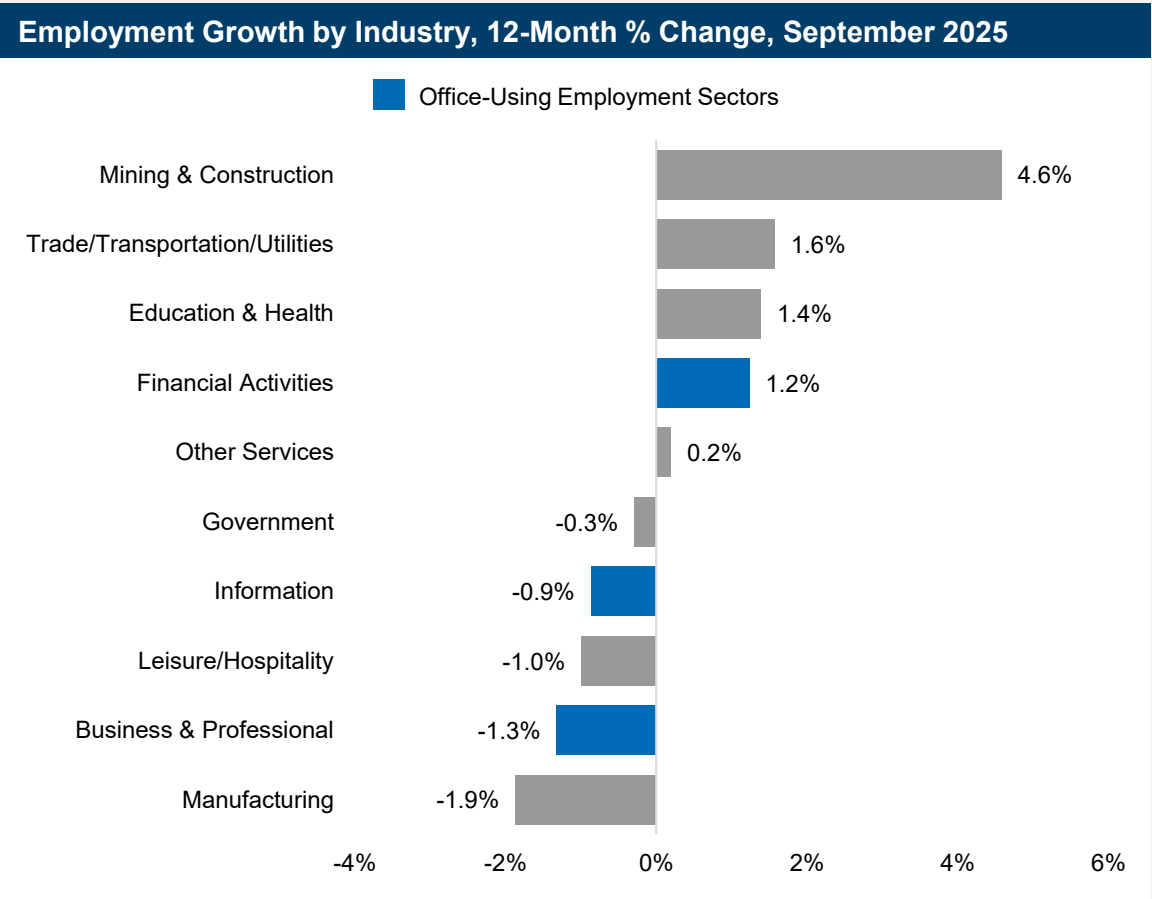
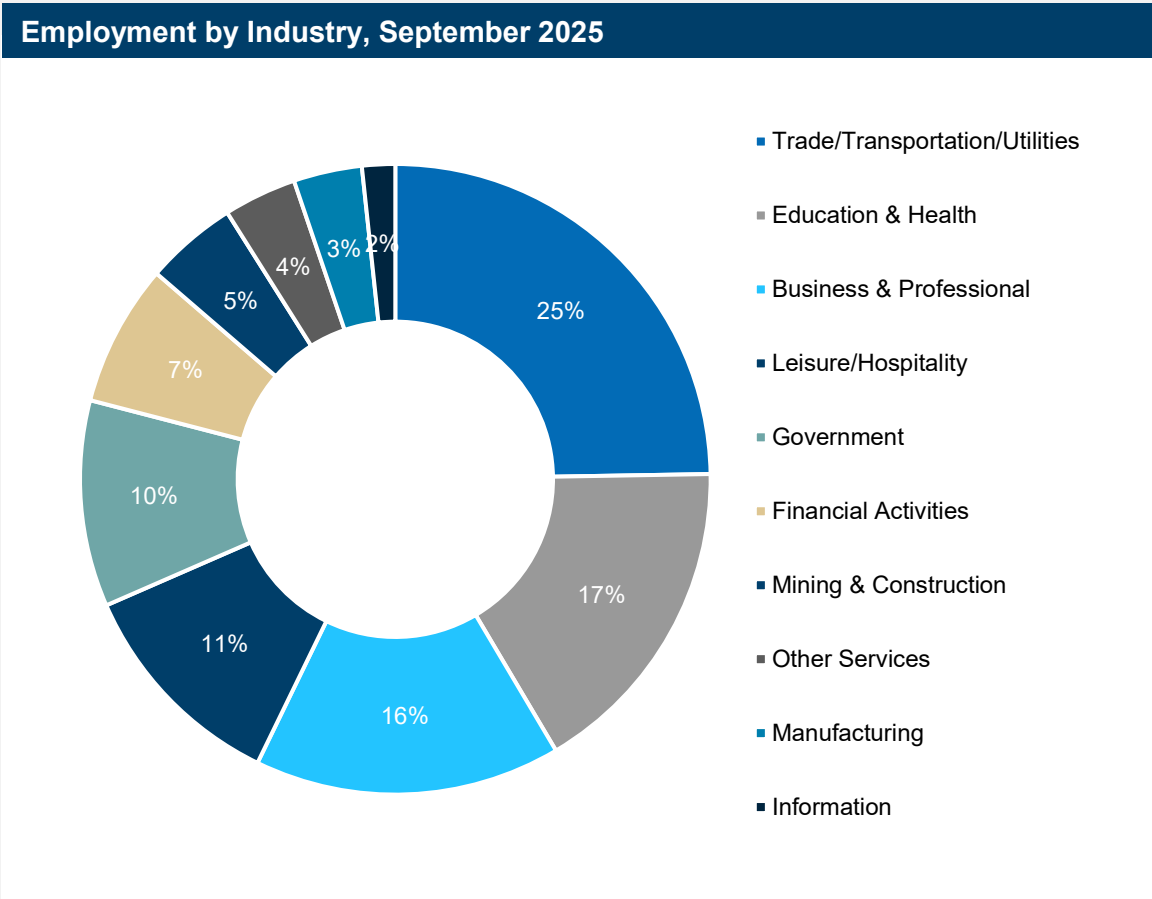
# Pace of Job Growth Decelerates Below National Average, Unemployment Ticks Up

The Miami-Dade County office market has historically benefited from an unemployment rate that trends below the national average, reflecting its role as an outperformer in employment growth despite a recent slowdown. The region’s unemployment rate recently increased by 10 basis points year over year to 2.6% as sector-level performance has become more uneven. Over the same period, Miami-Dade’s employment growth rate decelerated by 183 basis points year over year and by 115 basis points between June and September 2025, settling at 0.5%, or 32 basis points below the national average growth rate.



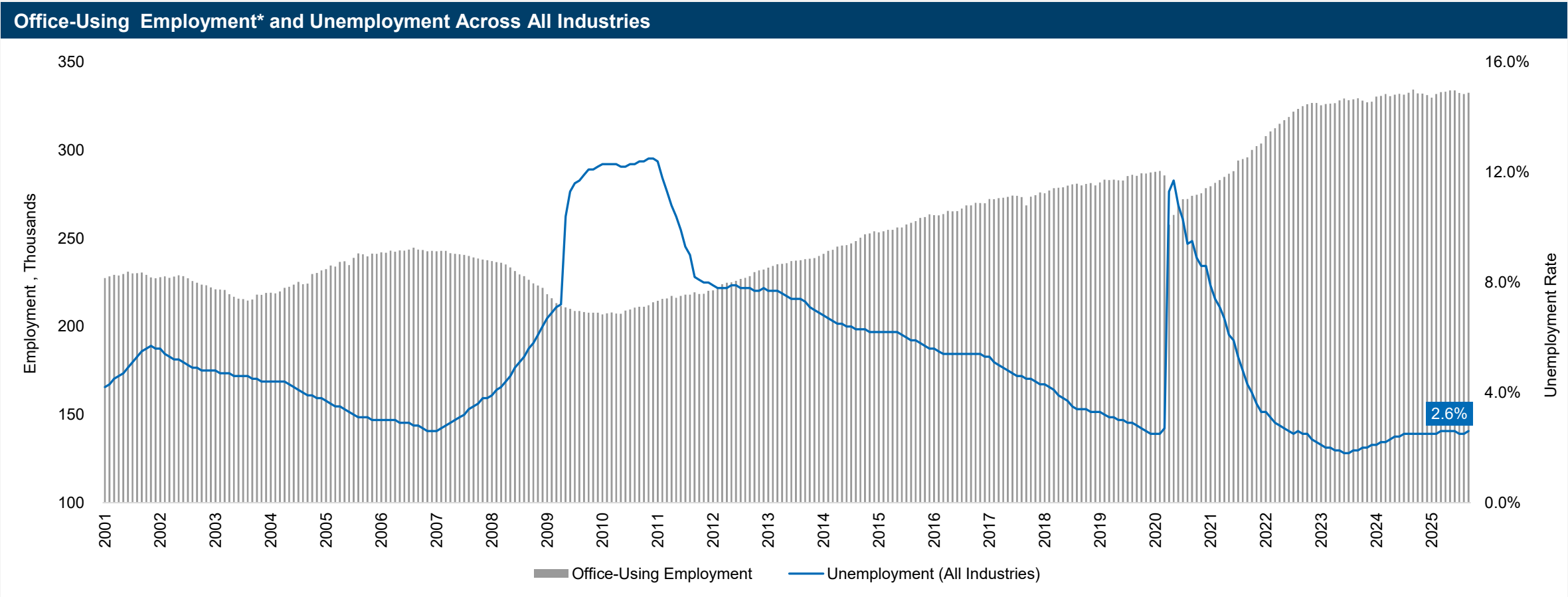
# Office-Using Sectors' Growth Remains Mixed

Miami-Dade County’s two largest employment sectors, trade/transportation/utilities and education and health, account for 41.5% of total jobs, though neither is office-using. The office-using professional and business services sector remains the third-largest employment industry at 15.7% of total employment. Growth over the past year was led by the mining and construction sector, which expanded by 4.6% year over year. Year-over-year performance across office-using sectors was mixed, as financial activities expanded by 1.2%, while the information and professional and business services sectors contracted by 0.9% and 1.3%, respectively.



# Office-Using Employment Dips, but Remains Near Peak

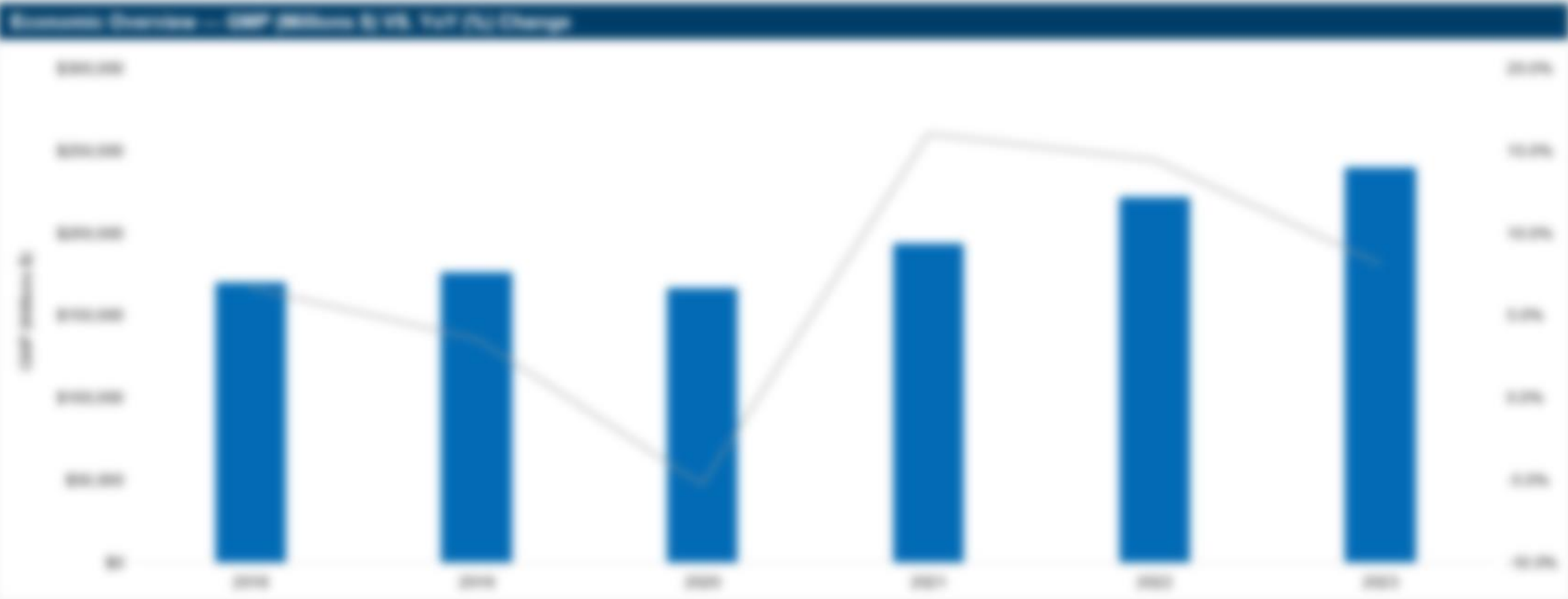
As of September 2025, Miami-Dade County’s office-using employment totaled 332,600 jobs, down 0.5% year over year and remained approximately 0.5% below the September 2024 peak of 334,430 jobs. The seasonally adjusted unemployment rate held at 2.6%, reflecting a 10-basis-point increase year over year while remaining below the 2019 average of 2.9%. This stability reflects gains in the financial activities sector offsetting declines in the professional and business services and information sectors. In the near term, office-using employment is expected to remain resilient, supported by continued in-migration to the region.



Source: U.S. Bureau of Labor Statistics, Miami-Dade County  
\*Office-using employment includes employment in the following industry sectors: Professional & Business Services, Financial Activities and Information.

# Miami Gross Metropolitan Product

The gross metropolitan product continues to increase despite economic headwinds, albeit at a slower rate. Most recently, the gross metropolitan product rose 3.1% year over year to reach a new all-time high of roughly \$140 billion.





# 02

## Debt/Capital Markets



# Highest Loan Volume Due in 2026

In the fourth quarter of 2025, CMBM assessed the leading sources of debt financing, accounting for 90.0% of total volume. CMBM estimates are heavily leveraged, with \$17.2 billion scheduled to come due over the next five years, or 16.0% of all CMBM debt maturing through 2030. Across all debt sources, maturities are expected to peak in 2026 at \$17.2 billion dollars, underscoring the need to closely monitor upcoming maturities as an indicator of future market activity. The concentration of near-term maturities, particularly in CMBM, elevates refinancing risk in a higher rate environment and reinforces the importance of credit quality and proactive capital planning over the next cycle.



# Multifamily Maturities Particularly Elevated Through 2029, Office Not So Much

As of the fourth quarter of 2023, office loans comprise just 11.4% of the upcoming \$6.7 trillion dollars of loans maturing over the next five years, leading down exposure to the office sector's challenges. By contrast, multifamily loans account for 46.4% of maturities through 2029, but the sector's solid performance and broader strong appetite for multifamily assets indicate that servicers remain comfortable with this level of multifamily risk, underwriting capital markets' focus on high-quality assets.



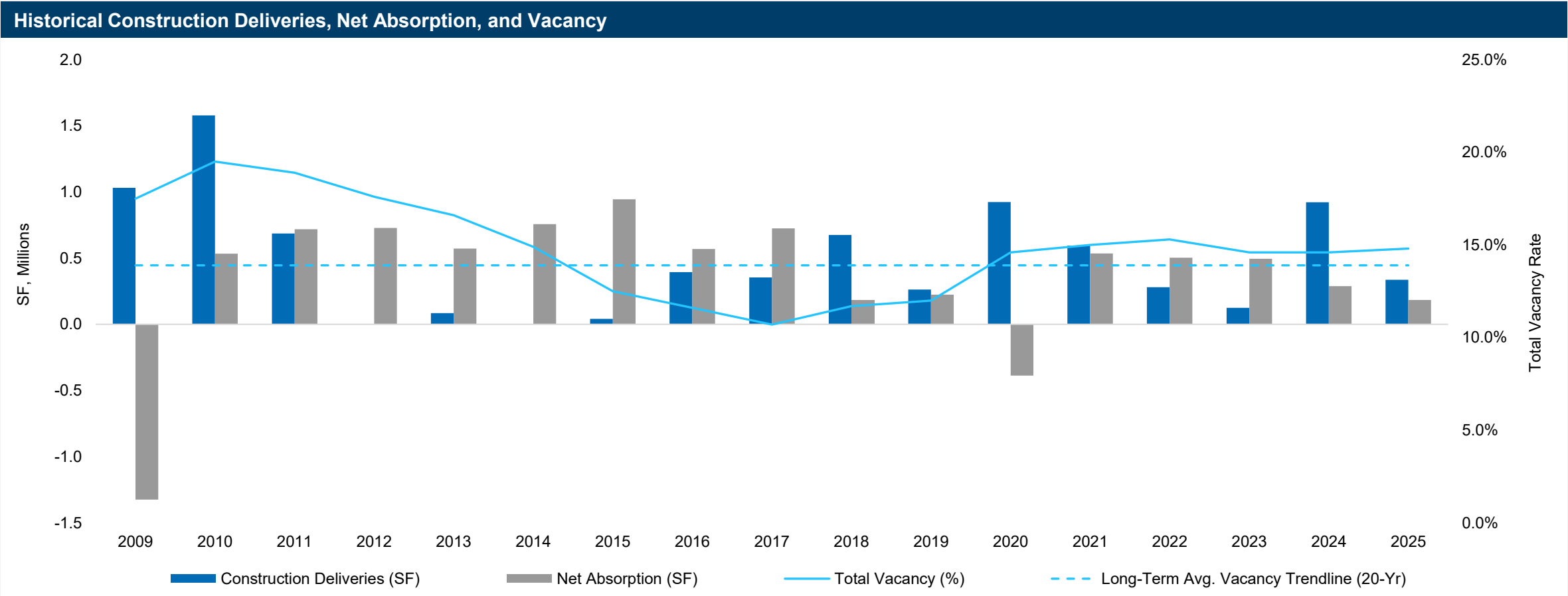
# 03

## Leasing Market Fundamentals



# Annual Supply Outpaces Demand, Resulting in Higher Vacancy

In the fourth quarter of 2025, Miami-Dade County posted negative net absorption of 99,330 SF. The delivery of The Fifth added 70,000 SF in the Miami Beach submarket during the quarter, widening the existing supply and demand imbalance. For the full year, new deliveries outpaced demand, with 336,000 SF completed versus 184,795 SF of absorption, pushing vacancy up 20 basis points year over year to 14.8%. Supply is expected to stay elevated, as an additional 600,891 SF is projected to be added to inventory in 2026.





# Class A Vacancy Increases as New Inventory Delivers

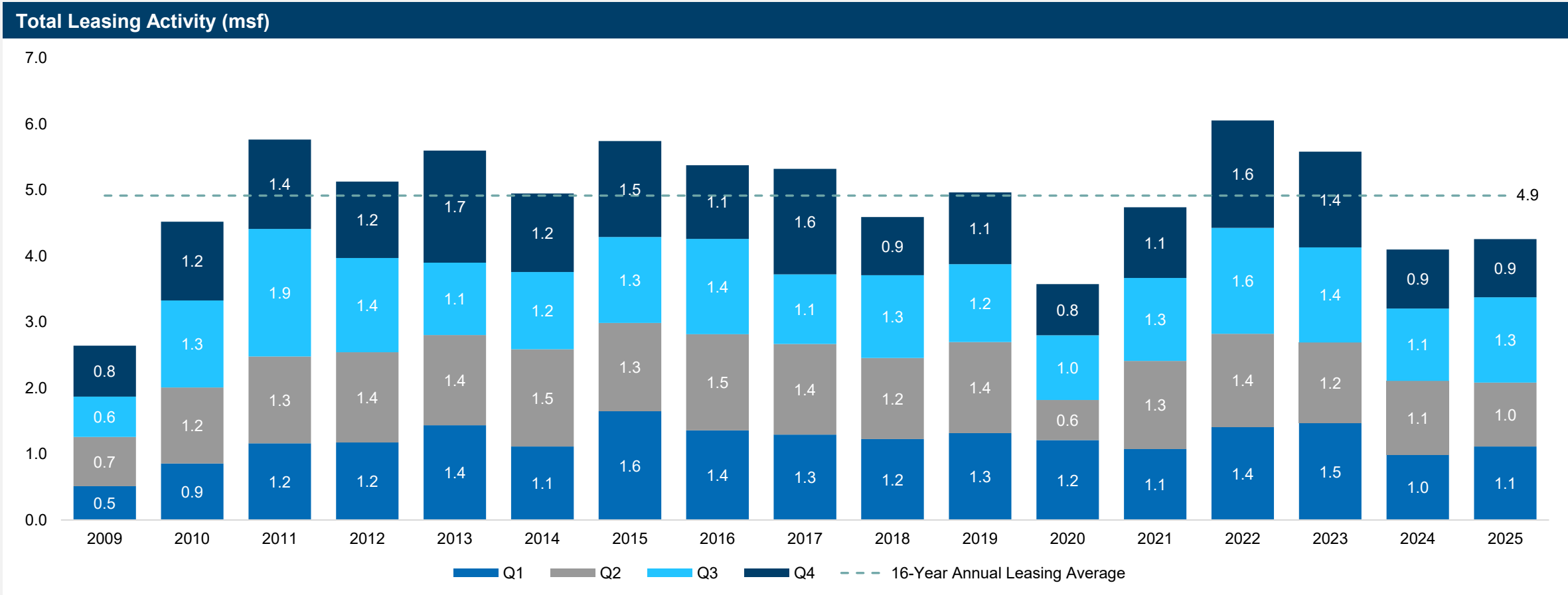
The Office Market Class A office market ended 2023 with 26.2 million sq ft of total inventory, representing 46.4% of total inventory. Corporations are increasingly right-sizing into smaller, high-quality spaces with superior amenities, creating larger blocks of space. This flight to quality and preference for smaller footprints, combined with the delivery of the F100, drove negative Class A absorption and pushed Class A vacancy up 40 basis points quarter-over-quarter to 18.1%. In the near term, Class A vacancy is expected to increase due to additional space in delivery, and demand gradually to stabilize as more vacant space and lower deliveries.





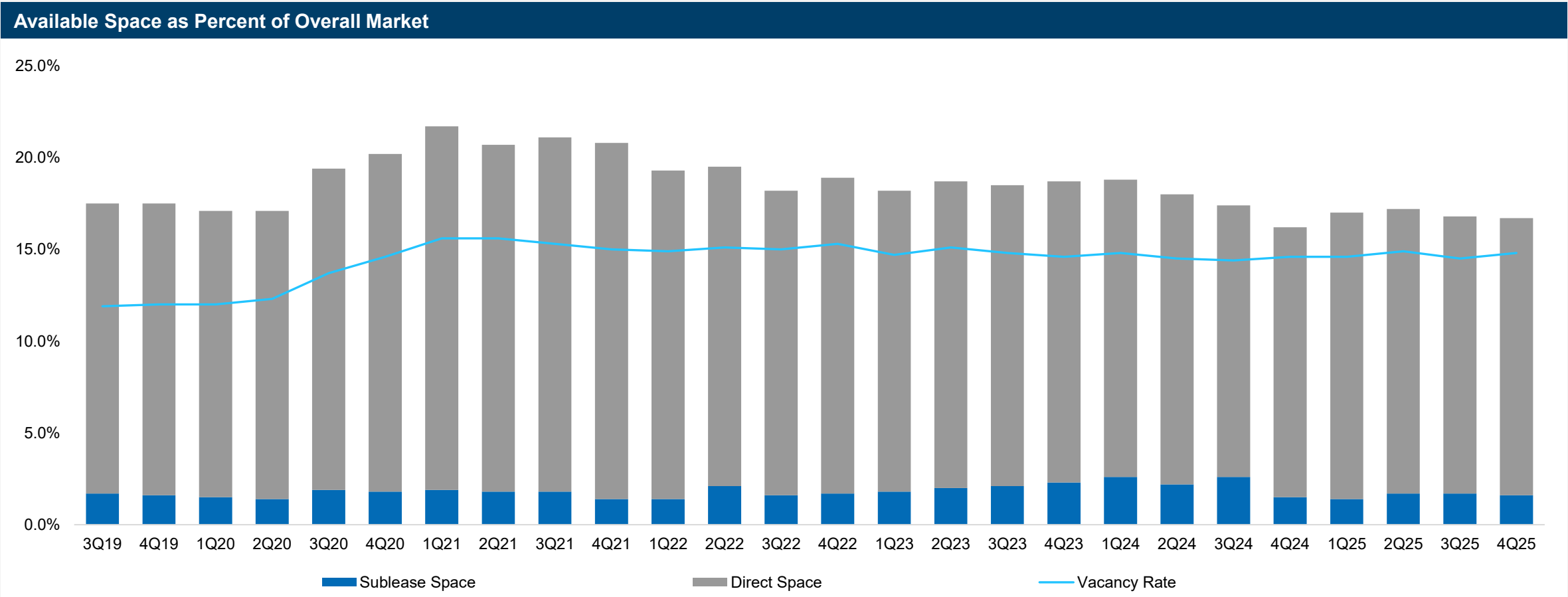
# Full-Year 2025 Leasing Outpaced 2024 Despite A Slower Quarter

Leasing activity in the fourth quarter of 2025 totaled 879,965 SF, down 32.0% quarter over quarter and 1.3% year over year, and 27.2% below the 16-year long-term fourth-quarter average of 1.2 MSF. For the full year, total leasing reached 4.3 MSF in 2025, surpassing 2024's level by 3.9%. Deal count declined by 39 transactions from the prior quarter to 299, and with both deal volume and leased square footage slipping, the average deal size fell from 3,828 SF to 2,943 SF quarter over quarter. Class A space accounted for 46.3% of square footage transacted, indicating that tenant demand continues to favor higher-quality product despite overall leasing softness.



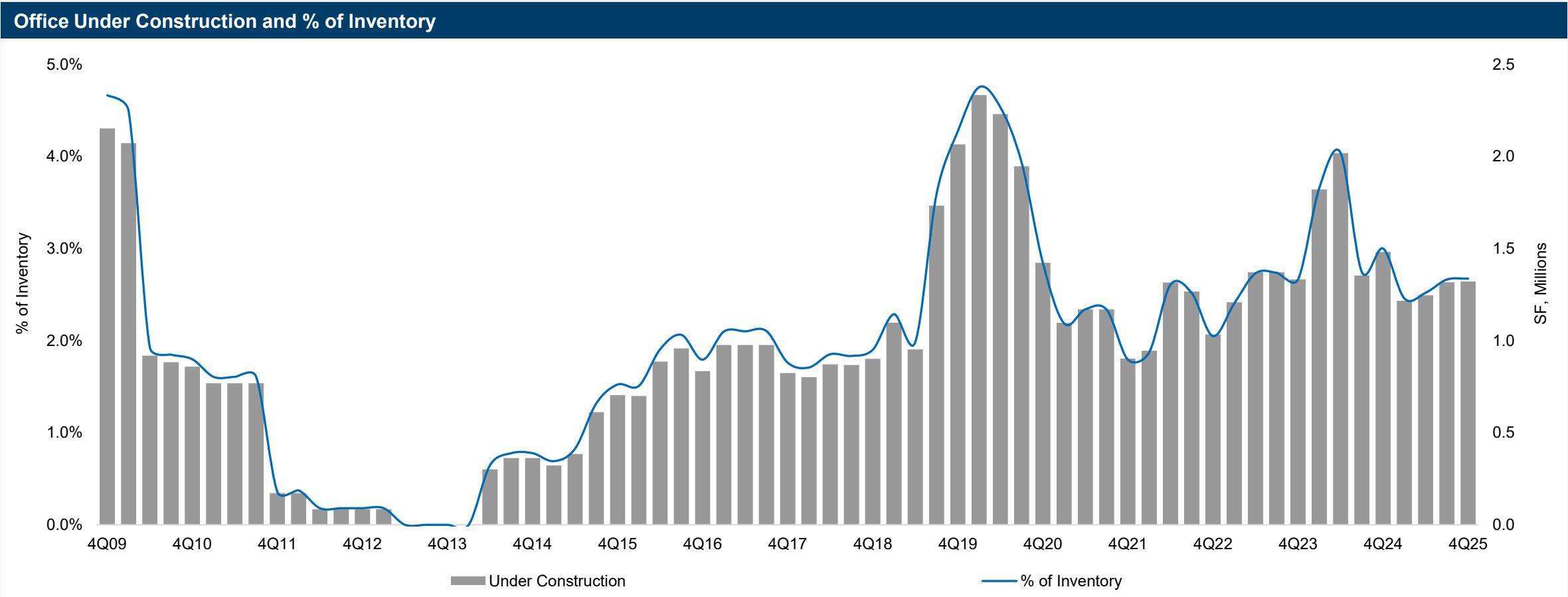
# Availability Falls as Tenants Secure Space

Direct availability held nearly steady in the fourth quarter of 2025 at 15.1%, while sublease availability declined 10 basis points quarter over quarter to 1.6%, pulling overall availability down 10 basis points to 16.7%. At the same time, vacancy rose 30 basis points as more tenants vacated space, and delays in tenant buildouts could postpone occupancy for some deals.



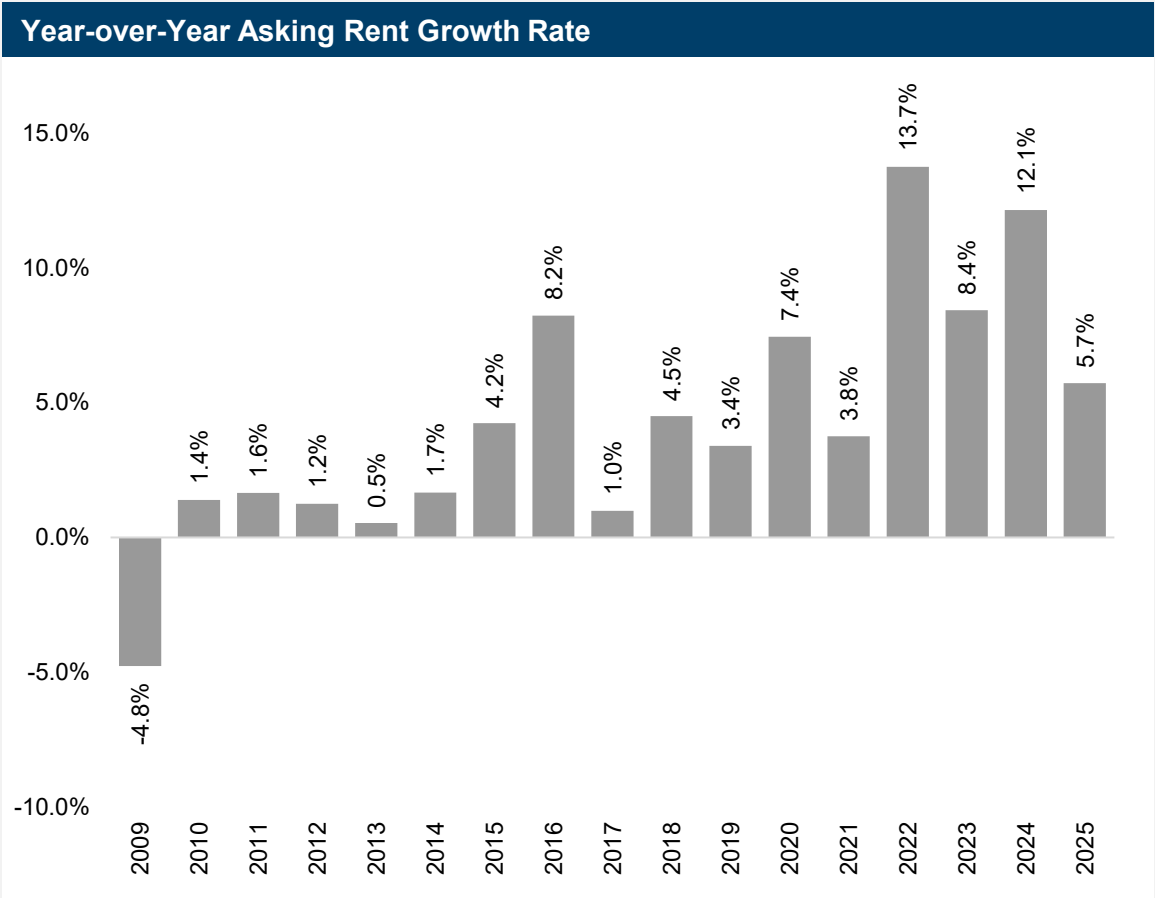
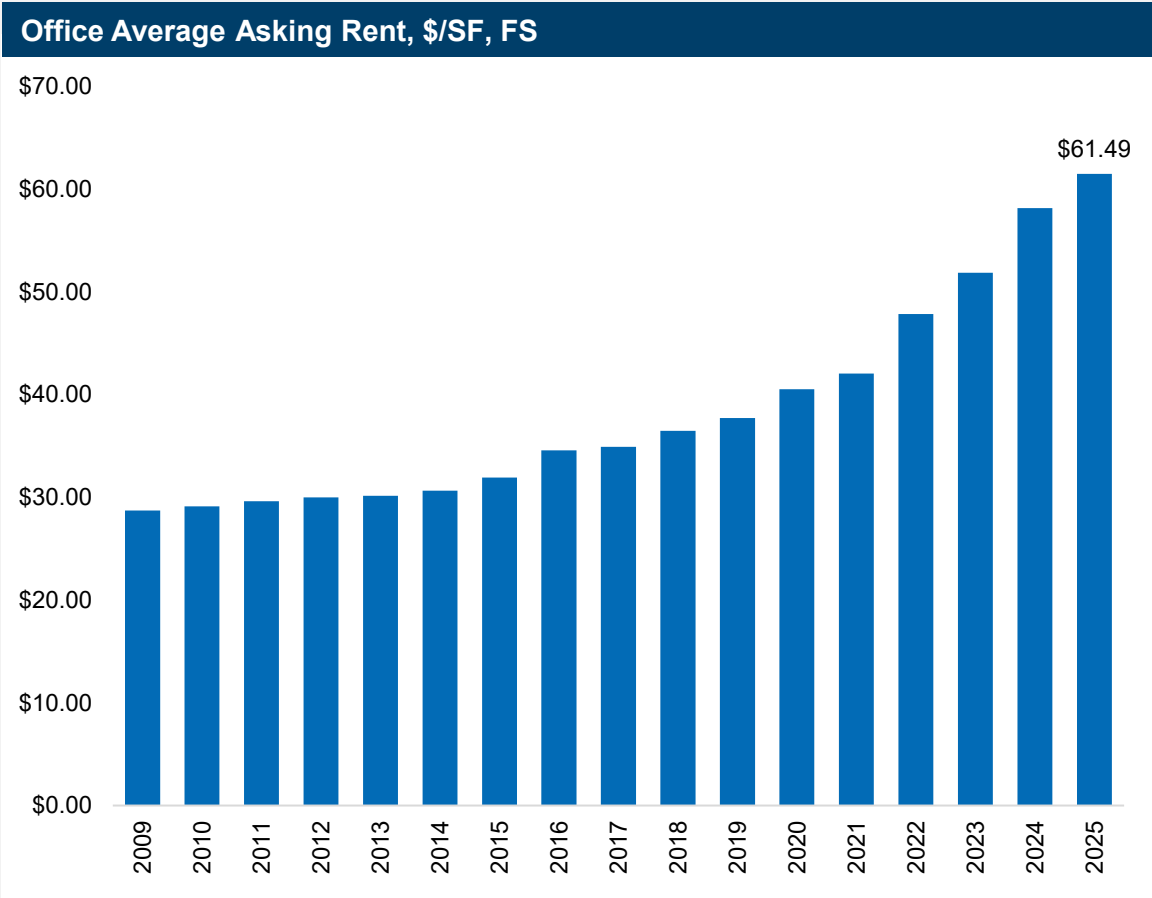
# Construction Pipeline Edges Lower as Projects Deliver

Miami’s office pipeline totaled 1.3 MSF under construction in the fourth quarter of 2025, representing 2.7% of existing inventory. The under-construction total edged up by 5,000 SF quarter-over-quarter, as the year-end delivery of The Fifth reduced inventory by 70,000 SF and was offset by the 75,000 SF groundbreaking of One Kane Concourse. Although construction remains below 2020 levels, in-migration and return-to-office policies continue to support demand for higher-quality product. The pipeline is expected to trend lower in 2026 as The Offices at the Wells, The Doris, and other projects deliver.



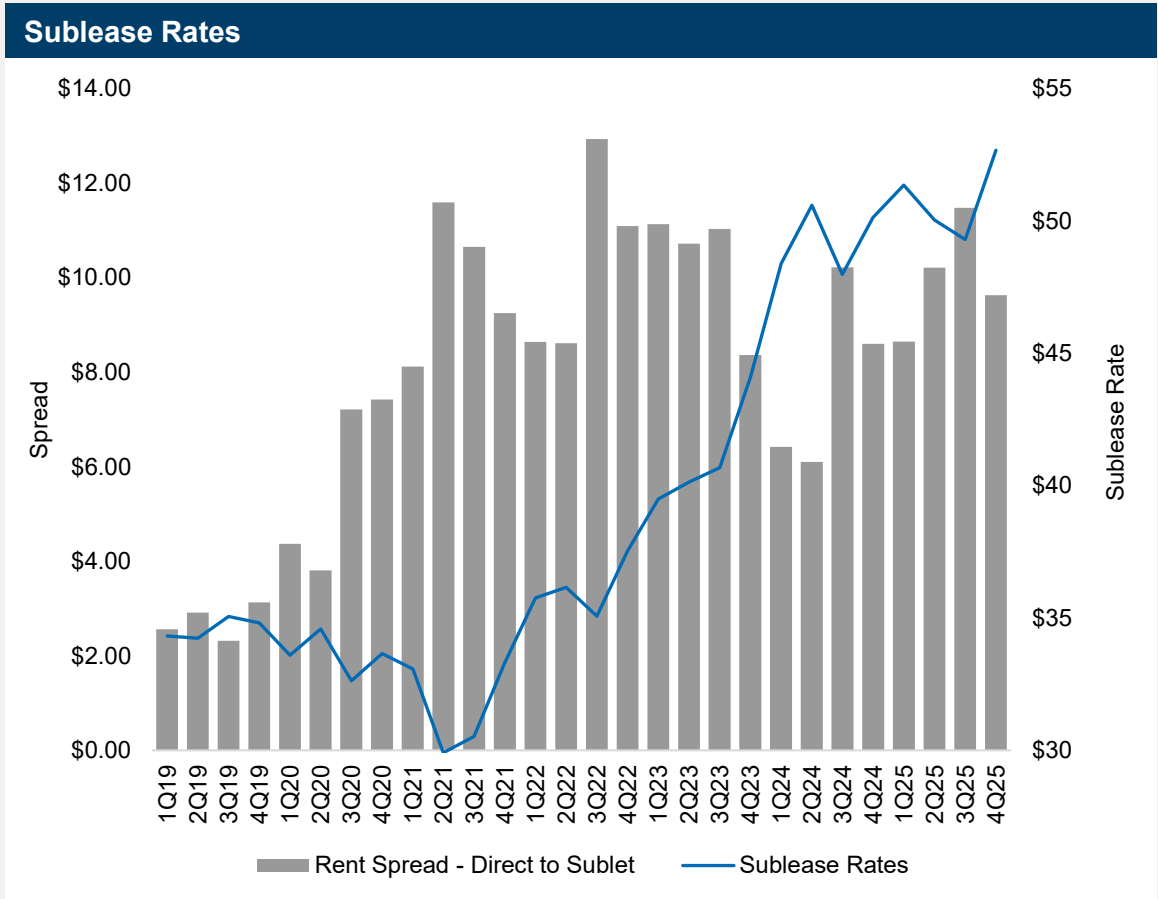
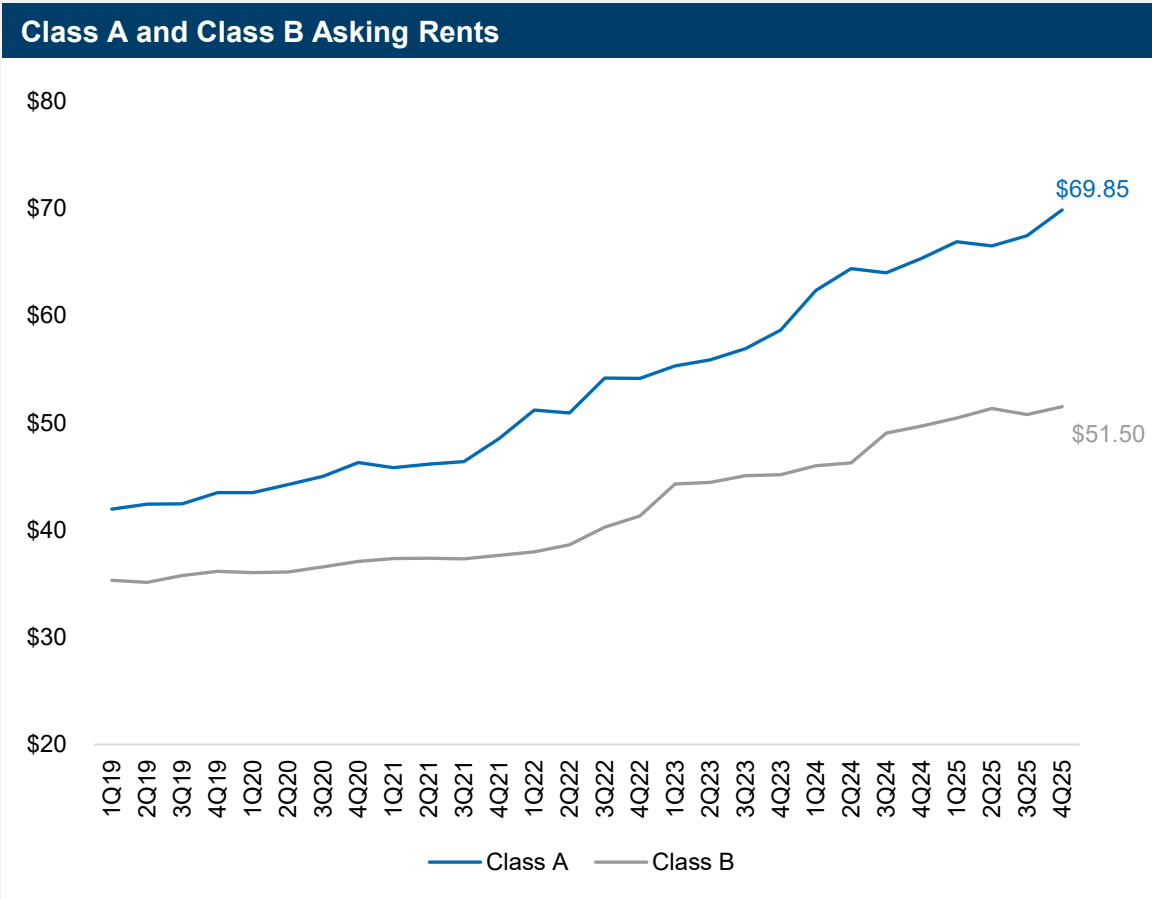
# Asking Rents Hit New All-Time High

Average asking rents climbed to a new all-time high in the fourth quarter of 2025, rising 3.0% quarter-over-quarter and 5.7% year-over-year to 61.49 per SF. Growth has been fueled by the delivery of trophy-quality assets and tenants’ ongoing flight to quality, which has concentrated demand at the top of the market. Average asking rents are expected to stay elevated in the near term amid robust demand, though gross rents may edge down as tax costs are no longer passed through to tenants.



# Class A and Class B Rent Spread Widens

In the fourth quarter of 2025, Class A asking rents increased 3.6% quarter over quarter to \$69.85/SF. Likewise, Class B asking rents rose 1.4% to \$51.50/SF over the same time frame. The spread between Class A and B widened to \$18.35/SF, up approximately 10.1% quarter over quarter. Sublease rates increased by 6.8% since last quarter to \$52.67/SF as sublet availability decreases. Near term, asking rents in Class A premium product is expected to remain elevated as tenants prioritize highly amenitized space, while Class B assets continue facing pricing pressure driven by flight to quality.



# Demand For Premium Spaces Leads Leasing Activity

In the fourth quarter of 2025, flight to quality remained a defining trend in Miami-Dade County’s office market. Class A space accounted for 46.3% of leasing activity by square footage. The average Class A deal size was 4,070 SF, approximately 15.9% smaller than the average deal size in the fourth quarter of 2024, but 38.3% larger than the broader market average of 2,943 SF, reflecting tenant preference for higher-quality, amenity-rich product.

Notable 4Q25 Lease Transactions				
Tenant	Building(s)	Submarket	Type	Square Feet
City National Bank	1450 Brickell Ave	Brickell Ave	Renewal	36,100
Miami-based City National Bank inks the largest deal of the quarter by renewing its space at 1450 Brickell Ave, where the bank has been a tenant since 2011.				
Kemper	Doral Concourse- 8400 NW 36 <sup>th</sup> St	Airport West	Renewal	34,091
Kemper, an insurance specialist, renewed its space at 8400 NW 36th St., where it has been a tenant since 2019. The renewal resulted in the company downsizing by 9,563 SF of previously occupied space.				
Truist Bank	Brickell Office Plaza- 777 Brickell Ave	Brickell Ave	Renewal	25,631
Truist Bank renewed its space at Brickell Office Plaza, where it has been a tenant for over a decade.				
Skyline Consulting Group LLC	1501 Biscayne Blvd	Downtown Miami	Direct New	25,420
Skyline Consulting Group, which primarily provides financial consulting to commercial retail clients, has secured a centrally located space in downtown Miami with convenient access to public transit as it expands its presence in Miami.				
Key Point Academy	1501 Biscayne Blvd	Downtown Miami	Expansion	28,000
Key Point Academy secured a 62,349-SF space in 2024 and has since expanded its presence in the building by 28,000 SF.				
Global Excel	6161 Waterford- 6161 Blue Lagoon Dr	Airport West	Direct New	23,357
Global Excel provides cost containment services to help insurers and related organizations control healthcare and medical costs. The company recently secured a new space in the Waterford District.				



# 04

## Supplemental Information



# Miami Office Market



- Miami is a global gateway market, attracting international businesses and investors
- The market has a diverse economy, with strong sectors in finance, healthcare, and tourism, supported by one of the fastest growing populations in the country
- Miami office market has strong confidence, with positive annual absorption in high quality buildings
- Strong relationships with the Government and Miami Beach are important in successful construction projects and providing market information, respectively



- Miami has high vacancy rates, particularly in older buildings. Currently, vacancy is above 10% and rising
- Increasing supply can be a deterrent for some businesses. Rental rates grew 1.7% year over year in Q1 2020
- Year over year job growth in office using sectors was mixed, with gains in the financial services sector offset by contractions in the professional and business and information sectors
- Decrease in office using employment sectors may result in office demand for office space in the future



- Continued expansion of the tech sector offers significant opportunities for office space demand as companies continue to expand. Google, Microsoft, Apple, and IBM all have a presence in Miami
- Lots of development opportunities as multi-use developments and revitalization projects are underway
- Resident construction projects provide opportunities to acquire new Class A space
- Opening of Florida's commercial port on October 1, 2020 will provide incentives to residents and tourists



- Financial services companies could demand office space demand as more than half of Florida's employment sectors are linked to finance
- The use of remote work may decrease long term demand for traditional office spaces
- Other competitive markets in the Southeast and Texas may attract businesses away from Miami
- Strong construction costs and tighter financial conditions could be a deterrent for landlords and tenants

# 4Q25 South Florida Office Market Overview



	Miami	Miami-Dade County	Palm Beach County
Total Inventory (SQFT)	26,171,000	46,000,000	27,100,000
Under Construction (SQFT)	170,000	1,001,000	1,780,000
Total Inventory Ratio	10.7%	10.0%	10.0%
Quarter Absorption	26,000	26,000	26,000
YTD Absorption	100	100,000	100,000
Quarter Deliveries	0	0	0
YTD Deliveries	0	0	0
Owner Holding Rate of 100 (SQFT)	99.9%	99.9%	99.9%
Renter Holding Rate of 100 (SQFT)	99.9%	99.9%	99.9%
Total Holding Rate of 100 (SQFT)	99.9%	99.9%	99.9%

## Miami Office Submarket Overview — All Classes

Submarket Statistics - All Classes								
	Total Inventory (sq ft)	Total Construction (sq ft)	Total Inventory Ratio	Q1 Occupancy (%)	Q1B Occupancy (%)	Class A Stock Holding (Mill Properties)	Class B Stock Holding (Mill Properties)	Total Stock Holding Mill Properties
Overall Average	1,000,000	100,000	90.0%	85.00%	88.00%	150.00	100.00	250.00
Commercial Space	700,000	80,000	88.6%	86.00%	89.00%	120.00	80.00	200.00
Office (CBD)	400,000	40,000	90.0%	90.00%	92.00%	60.00	40.00	100.00
Apartment Space	300,000	-	90.0%	88.00%	91.00%	40.00	30.00	70.00
Industrial Space	1,000,000	-	90.0%	85.00%	88.00%	150.00	100.00	250.00
Hotel Space	2,000,000	200,000	90.0%	80.00%	85.00%	300.00	200.00	500.00
Retail Space	500,000	50,000	90.0%	88.00%	91.00%	80.00	60.00	140.00
Food & Beverage Space	300,000	-	90.0%	85.00%	88.00%	50.00	-	50.00
Healthcare Space	1,500,000	-	90.0%	88.00%	91.00%	200.00	150.00	350.00
Warehouse Space	2,000,000	200,000	90.0%	80.00%	85.00%	300.00	200.00	500.00
Manufacturing Space	1,000,000	-	90.0%	85.00%	88.00%	150.00	100.00	250.00
Education Space	500,000	-	90.0%	88.00%	91.00%	80.00	60.00	140.00
Government Space	1,000,000	-	90.0%	85.00%	88.00%	150.00	100.00	250.00
Transportation Space	2,000,000	200,000	90.0%	80.00%	85.00%	300.00	200.00	500.00
Religious Space	100,000	-	90.0%	88.00%	91.00%	10.00	10.00	20.00
Other Space	100,000	-	90.0%	88.00%	91.00%	10.00	10.00	20.00
Subtotal	10,000,000	1,000,000	90.0%	85.00%	88.00%	1,500.00	1,000.00	2,500.00
Market Total	10,000,000	1,000,000	90.0%	85.00%	88.00%	1,500.00	1,000.00	2,500.00

# Miami Office Submarket Overview — Class A

Submarket Distribution - Class A						
	Total Inventory (sq ft)	Under Construction (sq ft)	Total Inventory Ratio	Class A Absorption (sq ft)	Class A Absorption Ratio	Class A Gross Selling Point (\$/sq ft)
Central Business	1,100,000	100,000	90.9%	40,000	100.0%	\$100.00
Corporate Office	1,000,000	50,000	95.0%	30,000	100.0%	\$100.00
Class A Total	2,100,000	150,000	92.9%	70,000	100.0%	\$100.00
Market West	1,100,000	-	100.0%	100,000	100.0%	\$100.00
Corporate Office	100,000	-	100.0%	100,000	100.0%	\$100.00
Class Office	1,000,000	0	100.0%	0	0.0%	\$0.00
Class High	50,000	50,000	100.0%	-	0.0%	\$0.00
Class Apartment	100,000	-	100.0%	10,000	10.0%	\$10.00
Residential Office	100,000	-	100.0%	0	0.0%	\$0.00
Market South	100,000	100,000	100.0%	10,000	10.0%	\$10.00
Market East	100,000	-	100.0%	0	0.0%	\$0.00
Market North	1,100,000	-	100.0%	0	0.0%	\$0.00
Class Office	100,000	-	100.0%	-	0.0%	\$0.00
Market Office	1,000,000	100,000	100.0%	0	0.0%	\$0.00
Submarket Total	10,000,000	1,000,000	100.0%	10,000	100.0%	\$10.00
Total	20,000,000	1,000,000	100.0%	10,000	100.0%	\$10.00

# Miami Office Submarket Overview — Class B

Submarket Overview — Class B						
	Total Inventory (sq ft)	Under Construction (sq ft)	Total Inventory (sq ft)	Under Construction (sq ft)	100% Occupied (sq ft)	Class B Office Space (sq ft)
Central Business District	1,200,000	-	12,000	0	12,000	12,000
Southwest District	2,500,000	-	25,000	0	25,000	25,000
<b>Subtotal</b>	<b>3,700,000</b>	<b>-</b>	<b>37,000</b>	<b>0</b>	<b>37,000</b>	<b>37,000</b>
Midtown District	2,200,000	-	22,000	0	22,000	22,000
Central District	400,000	-	4,000	0	4,000	4,000
East District	1,200,000	-	12,000	0	12,000	12,000
West District	300,000	-	3,000	0	3,000	3,000
East District/Industrial	200,000	-	2,000	0	2,000	-
West District/Industrial	1,000,000	-	10,000	0	10,000	10,000
West District	1,100,000	-	11,000	0	11,000	11,000
West District	1,100,000	-	11,000	0	11,000	11,000
West District	300,000	-	3,000	0	3,000	3,000
West District	300,000	-	3,000	0	3,000	3,000
West District/Industrial	200,000	-	2,000	0	2,000	2,000
<b>Subtotal</b>	<b>10,000,000</b>	<b>-</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>
<b>Total</b>	<b>13,700,000</b>	<b>-</b>	<b>137,000</b>	<b>0</b>	<b>137,000</b>	<b>137,000</b>



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## Miami Office Submarket Map



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