

# Miami

## Office market snapshot | Q1 2025

The unemployment rate in Miami has increased 60 basis points year-over-year to 2.6% as of the end of February, remaining below the US national average of 4.1%. Total nonfarm employment experienced a 1.8% increase since this time in 2024, with the professional and business services sector seeing a slight increase of 0.3% during the same period. This increase in office-using employment can be seen in Avison Young's Busyness Index where Miami's office buildings are 71.9% as busy now as they were in February 2019 which is well above the U.S. average of 61.5%.

### 3.5%

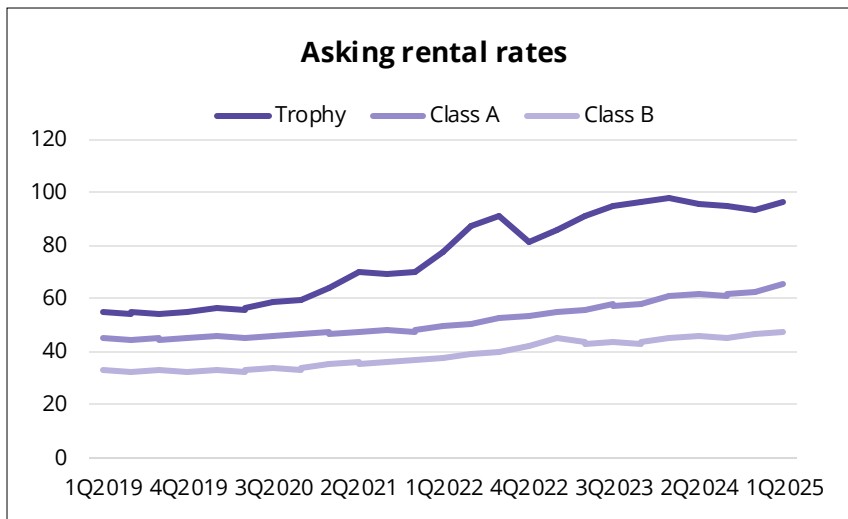
Asking rental rates continue to see steady growth as the market saw overall rates **increase 3.5%** year-over-year.

### 1.0 msf

Leasing activity started the year off strong with **1.0 msf** of leases signed. This is an **increase of 26.5%** compared to the same time in 2024.

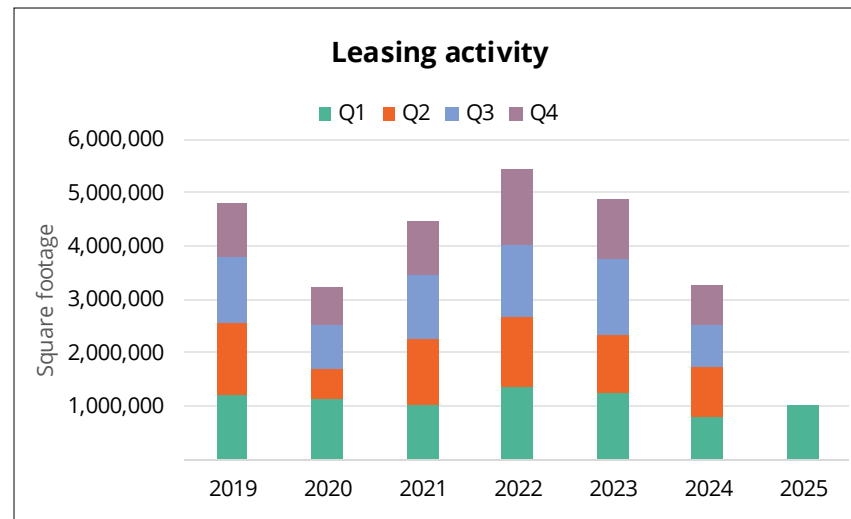
### 734k sf

Construction activity in Miami continues to slow with only **734k sf** underway in the first quarter. This is the first time it has been **below 1.0 msf** since 2014.



The Miami office market has seen steady growth when it comes to asking rental rates, even with a slight decrease in activity in 2024. Trophy product still commands the highest rents, but the delta between Class A and Class B saw a slight increase in the first quarter of 2025. As construction activity slows this will allow existing product to raise their rents as tenants will start looking to them for available space.

Source: Avison Young Market Intelligence, CoStar, Bureau of Labor Statistics

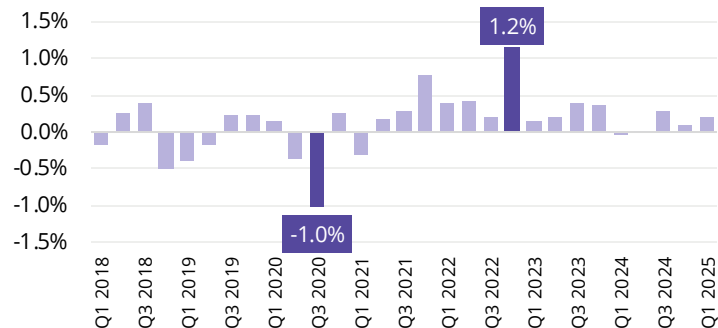


Leasing activity rebounded in the first quarter of 2025 after a sluggish 2024. While overall activity is higher, smaller deals are still leading the way with 85% of all leasing activity occurring in spaces below 5,000 sf. Though smaller spaces are more desired, larger spaces are making a comeback as the average size lease went from 2,641 sf in the first quarter of 2024 to 4,351 sf this quarter.

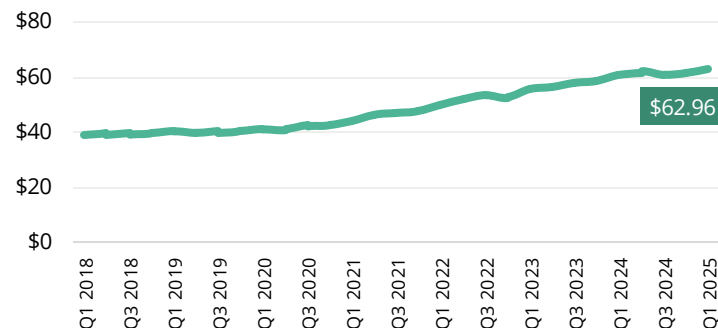
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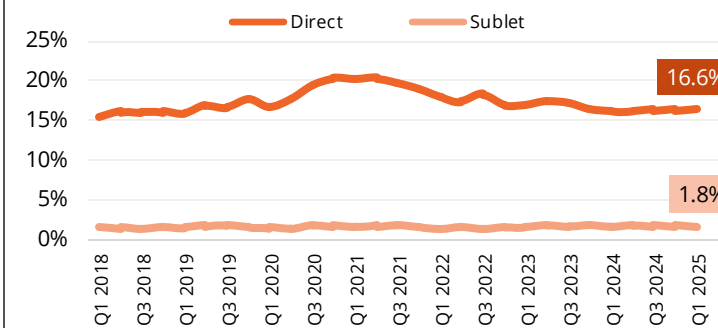
Net absorption as a % of inventory



Direct asking rents (psf/FS)



Availability



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
City National Bank	2701 S Le Jeune Rd	145,000	New	Direct
TracFone Wireless	5200 Waterford District Dr	51,484	New	Direct
Amazon	95 NW 29 <sup>th</sup> St	50,333	New	Direct
Sony Pictures	601 Brickell Key Dr	38,500	Renewal	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Morning Calm Management	701 Brickell Ave	\$443,000,000	\$654	Nuveen
Israel Canada Group/Flow	Aventura Corporate Center 1-3	\$116,200,000	\$457	Stonecutter Capital Management
Tourmaline Capital Partners	1 Alhambra Plz	\$76,000,000	\$290	Affinius Capital
Valoro Capital	1680 Meridian Ave	\$22,700,000	\$413	Market Street Real Estate Partners

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## Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q25)	Net absorption (YTD)	Annual direct asking rent psf FS
Airport/Doral	10,583,965	-	-	14.0%	1.0%	15.0%	(1.1%)	(8,538)	(8,538)	\$ 45.23
Brickell	7,730,968	-	250,000	15.6%	1.0%	16.6%	3.9%	157,401	157,401	\$ 95.37
Downtown Miami	7,430,753	-	67,588	17.7%	0.5%	18.2%	2.7%	6,289	6,289	\$ 63.35
Coral Gables	7,259,370	-	-	13.0%	1.3%	14.3%	3.9%	(6,429)	(6,429)	\$ 55.82
Kendall	4,557,281	-	-	10.9%	0.5%	11.4%	(4.7%)	35,315	35,315	\$ 41.29
Biscayne Corridor	4,729,848	267,807	192,111	18.2%	1.5%	19.7%	5.2%	(1,648)	(1,648)	\$ 65.72
Miami Beach	2,857,232	-	176,177	15.8%	0.2%	15.9%	3.7%	13,306	13,306	\$ 97.76
Miami Lakes	2,193,262	-	-	9.5%	0.9%	10.4%	(0.4%)	2,998	2,998	\$ 36.55
Aventura	2,126,373	-	-	10.0%	0.9%	11.0%	3.3%	(11,048)	(11,048)	\$ 61.17
South Gables/South Miami	1,958,692	-	-	5.3%	0.5%	5.9%	(0.2%)	(11,551)	(11,551)	\$ 52.37
Coconut Grove	1,522,520	-	-	4.2%	1.8%	6.0%	0.4%	14,128	14,128	\$ 79.12
Northeast Dade	1,391,069	-	48,000	19.5%	1.7%	21.1%	8.1%	(51,841)	(51,841)	\$ 41.78
Medley/Hialeah	789,908	-	-	17.1%	0.0%	17.1%	5.4%	(30,893)	(30,893)	\$ 36.65
South Dade	150,516	-	-	23.1%	0.0%	23.1%	(1.6%)	8,918	8,918	\$ 47.94
<b>Market total</b>	<b>55,281,757</b>	<b>267,807</b>	<b>733,876</b>	<b>14.1%</b>	<b>0.9%</b>	<b>15.0%</b>	<b>1.6%</b>	<b>116,407</b>	<b>116,407</b>	<b>\$62.96</b>

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q25)	Net absorption (YTD)	Annual direct asking rent psf FS
Trophy	5,630,609	267,807	176,177	23.3%	0.9%	24.2%	8.8%	196,957	196,957	\$96.10
Class A	24,849,757		557,699	17.0%	1.3%	18.3%	0.9%	(18,538)	(18,538)	\$65.64
Class B	24,801,391			9.1%	0.5%	9.6%	0.5%	(62,012)	(62,012)	\$47.02
<b>Market total</b>	<b>55,281,757</b>	<b>267,807</b>	<b>733,876</b>	<b>14.1%</b>	<b>0.9%</b>	<b>15.0%</b>	<b>1.6%</b>	<b>116,407</b>	<b>116,407</b>	<b>\$62.96</b>