

INVESTMENT FORECAST

Office
Miami-Dade Metro Area

IPA
INSTITUTIONAL
PROPERTY
ADVISORS

2026

Renewals Drive Core Stability, While Transportation Upgrades Strengthen Suburban Office Appeal

Downtown retention climbs as key suburbs outperform. Amid modest business expansion, Miami-Dade's office market is set to continue tightening as tenants gravitate toward modern space in prime locations. Outside the urban core, vacancy remained below 12 percent in 2025 and fell most in districts with established employment bases, such as the Biscayne Corridor, Coral Gables, and near Miami International Airport. By contrast, peripheral suburbs like Miami Lakes and South Dade may face ongoing pressure as tenants trade out of older buildings with fewer amenities. At the same time, greater tenant stability should support improved vacancy in Brickell and downtown, which remain the only major submarkets with rates above 15 percent. Downtown posted its strongest third-quarter leasing volume in more than a decade as finance and legal firms renewed their full footprints, signaling confidence in long-term space needs. Further momentum may emerge as business sentiment improves, supported by the recent repeal of the commercial lease tax, which is expected to save companies billions annually across the state.

New transit line reinforces emerging investment trends. Private buyers and institutions moved away from the urban core in 2025 amid elevated vacancy, though improving fundamentals and better borrowing conditions could revive trading. However, suburban assets are likely to stay favored, with Miami's suburban vacancy near 10 percent – the fourth tightest in the country. Institutions should remain active in Coconut Grove and Coral Gables, which sustained asking rent growth above 6 percent, while private investors may focus on lower-cost areas such as Kendall, where trading surged last year. The 2025 launch of the metro's first bus rapid transit line may sustain this trend by improving access from Florida City to Dadeland South and attracting tenants to nearby offices.

2026 MARKET FORECAST

+0.7%



Employment: Hiring improves modestly, with 9,000 new jobs in 2026. The financial activities sector will drive the sixth-fastest traditionally office-using job growth among major markets.

900,000
sq. ft.



Construction: Completions will edge higher in 2026 but remain in line with the past decade's average. Deliveries will concentrate in Wynwood and Edgewater, and are more than 75 percent pre-leased.

-30 bps



Vacancy: Well-accounted-for new supply and stable tenant demand help vacancy fall slightly in 2026. At 10.7 percent, the metro's rate will be about 180 basis points below its long-term average.

+2.6%

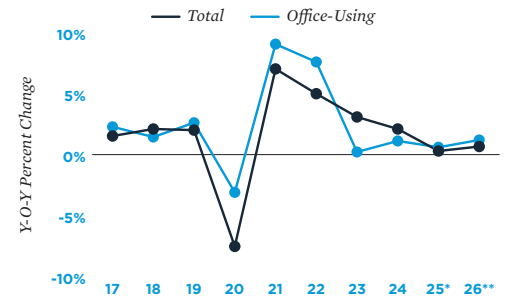


Rent: Miami will rank among the top 10 major markets for asking rent growth for the seventh straight year, leading all metros with a 41 percent increase over the period, reaching \$49.25 per square foot.

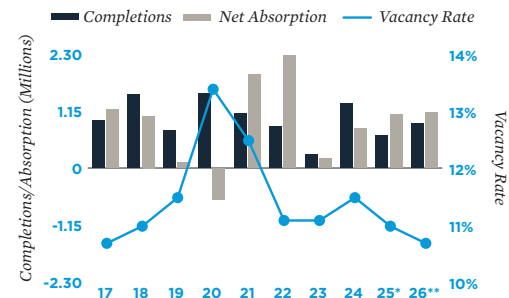
INVESTMENT:

Enhanced bonus depreciation may spur more investors to reposition older offices, especially in districts where Class A vacancy remains under 10 percent, such as Northeast Dade and Coconut Grove.

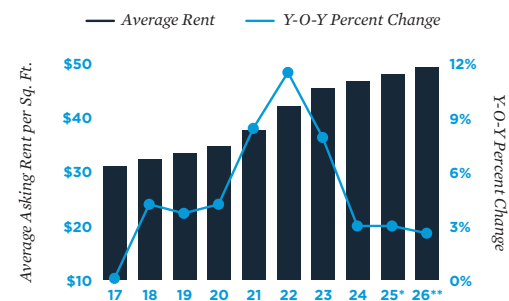
Employment Trends



Supply and Demand



Rent Trends



* Estimate ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics

IPA Office

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Metro-level employment, vacancy and effective rents are year-end figures and are based on the most up-to-date information available as of January 2026. Average prices and cap rates are a function of the age, class and geographic area of the properties trading and therefore may not be representative of the market as a whole. Sales data includes transactions valued at \$1,000,000 and greater unless otherwise noted. Forecasts for employment and office data are made during the fourth quarter and represent estimates of future performance. No representation, warranty or guarantee, express or implied, may be made as to the accuracy or reliability of the information contained herein. This is not intended to be a forecast of future events and this is not a guarantee regarding a future event. This is not intended to provide specific investment advice and should not be considered as investment advice.