

Broward Industrial Fundamentals Stabilize as Institutional Capital Returns

▶ 5.5%
Vacancy Rate

▲ 101,240
SF Net Absorption

▼ 0
SF Construction Delivered

▲ 887,733
SF Under Construction

▲ \$17.50
NNN/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

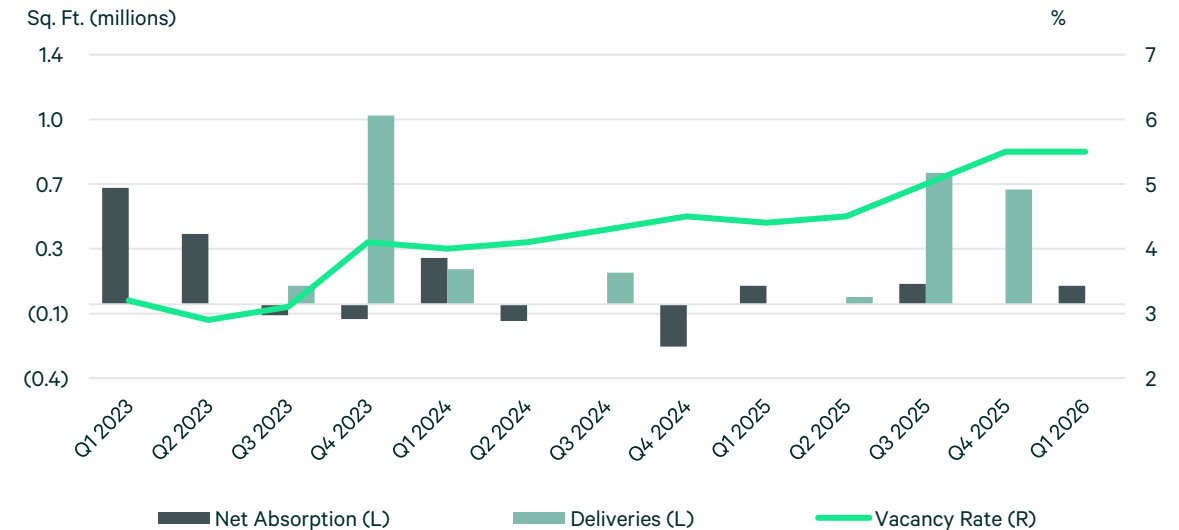
Market Overview

Broward’s industrial market has found a floor. Vacancy held flat at 5.5% in Q1 2026, the first quarter without an increase since early 2024, and net absorption turned positive at 101,000 sq. ft. Leasing volume climbed to 1.2 million sq. ft., a 24% jump from Q4. Occupier activity has re-engaged after a period of supply digestion, even as availability drifts higher at 9.1%.

The broader trajectory supports a stabilization thesis. The market absorbed nearly 2.9 million sq. ft. of deliveries over three years while vacancy normalized from a cyclical low of 2.9% to 5.5%. Asking rents never retreated, at \$17.50 per sq. ft. NNN, they’re up 30% since Q1 2023. Landlords have held face rates and are using concessions as the primary lever to drive velocity.

Capital is flowing back in. Kurv Industrial’s \$220 million acquisition of East Pompano Industrial Center and Blackstone’s \$164 million Pompano trade, both closing in early 2026, are the largest industrial investment sales in South Florida this year. With pipeline discipline holding and occupier activity firming, Broward is well-positioned for tightening through the second half of the year.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q1 2026

Availability Rate

Availability rose to 9.1% in Q1 2026, up 30 basis points from Q4 and 250 basis points year-over-year. Direct space accounts for 7.7%, with sublease ticking down slightly to 1.4%.

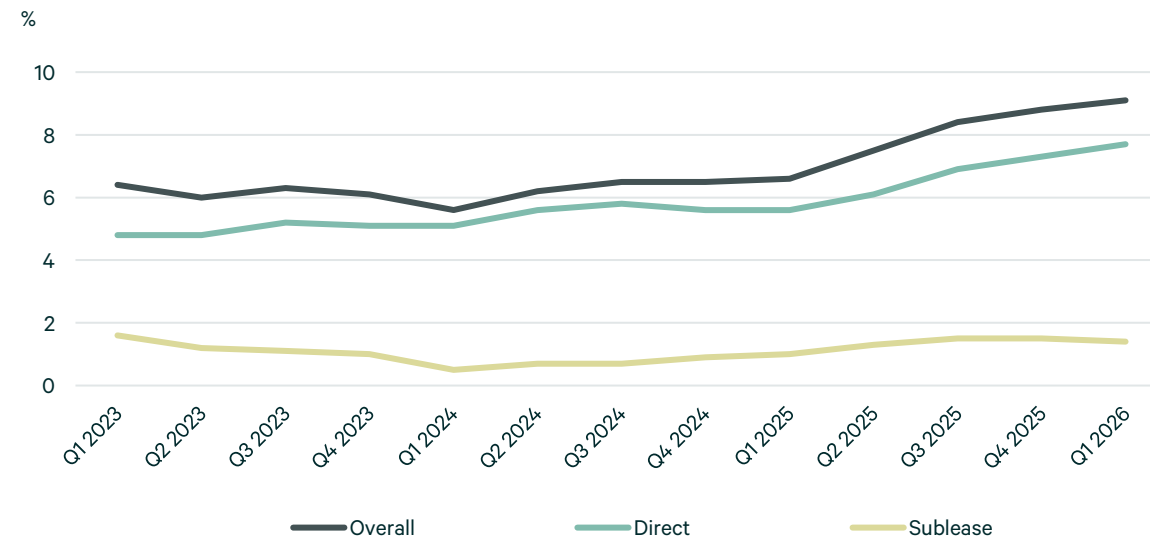
The large-block picture tells the story. Among 50,000-sq.-ft.-plus availabilities, the market is carrying 30 options totaling 3.4 million sq. ft. Most are first-generation Class A working through initial lease-up, Race Track Logistics (490,000 sq. ft. across two buildings), East Pompano Industrial Center (335,000 sq. ft., now under new ownership following Kurv Industrial’s \$220M acquisition), and Davie Industrial Center (183,000 sq. ft.). Fresh capital behind several of these assets should accelerate leasing momentum. Sublease options are limited to six blocks totaling 660,000 sq. ft., priced at steep discounts to the direct market.

Asking Rent

Average direct asking rents reached \$17.50 per sq. ft. NNN in Q1 2026, up 2.2% quarter-over-quarter. Submarket pricing remains tightly clustered, with rents spanning just \$1.22, from \$16.93 in Southwest Broward to \$18.15 in Sunrise.

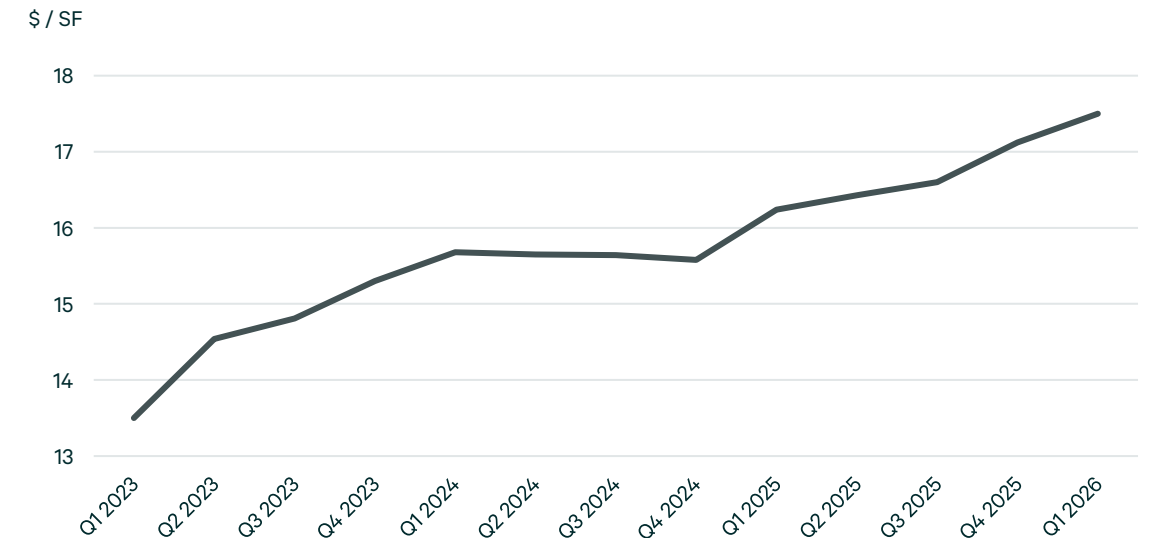
While this narrow range suggests a relatively uniform market, it masks underlying differences in product and availability. Sunrise’s pricing is influenced by a limited inventory base with just 16.4% availability, rather than true institutional-level pricing power. In contrast, Pompano/Lauderdale (\$17.65) continues to better reflect pricing for premium infill product.

Figure 2: Availability Rates



Source: CBRE Research, Q1 2026

Figure 3: Average Direct Asking Rate



Source: CBRE Research, Q1 2026

Net Absorption

Net absorption of 101,000 sq. ft. in Q1 marks a meaningful inflection. The trailing four-quarter average of roughly 50,000 sq. ft. barely registered in a 103-million-sq.-ft. market, and the improving trajectory, from negative results in mid-2025 to consecutive positive quarters, confirms that demand has found its footing following the market’s digestion of new supply

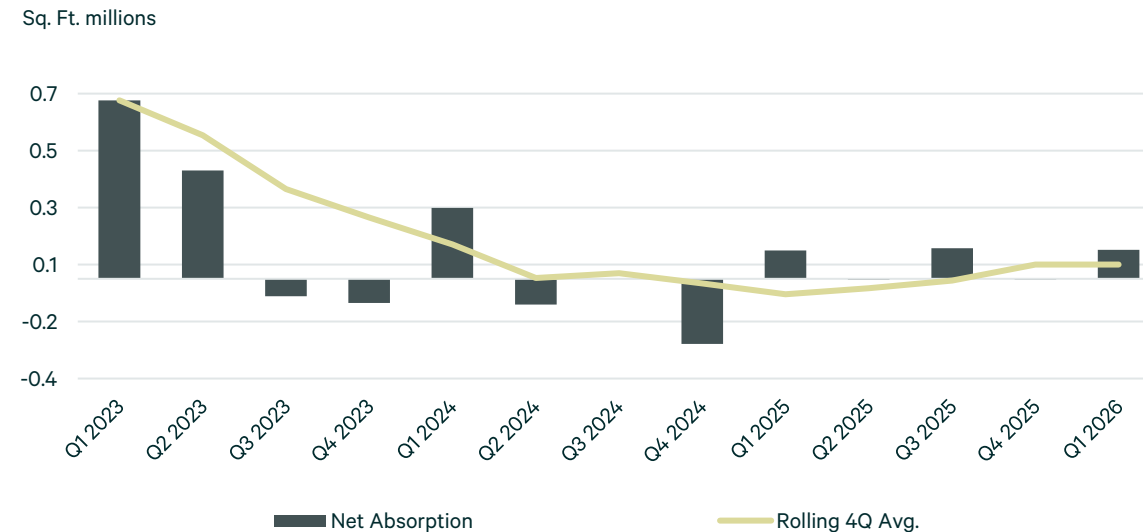
The geography reinforces the strength of Broward’s core logistics corridors. Southwest Broward led with 94,000 sq. ft., anchored by occupancies in the Miramar corridor. Southeast Broward added 60,000 sq. ft., concentrated in Port Everglades–adjacent nodes at Pembroke Park and Dania. These two submarkets account for all the net positive demand, and both are the institutional distribution corridors where new product has been delivering. Three submarkets posted modest negative results, typical quarter-to-quarter variability in smaller inventory bases.

Construction Activity

No new space delivered in Q1 2026, giving the market a natural pause after 1.3 million sq. ft. hit in the second half of 2025. That recent wave included Race Track Logistics (620,000 sq. ft.), Davie Industrial Center (227,000 sq. ft.), and Stirling Logistics Center (99,000 sq. ft.), all progressing through lease-up with active tenant interest.

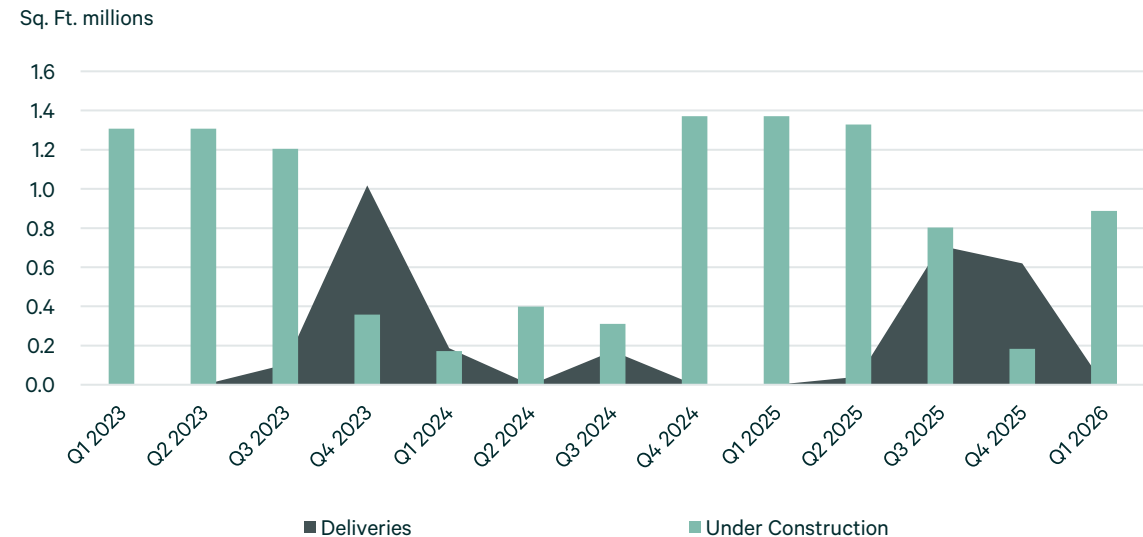
The active pipeline stands at 888,000 sq. ft. across six buildings. Festival Logistics Park (Buildings 1–3) in Pompano/Lauderdale accounts for 484,000 sq. ft., followed by Logistics Center at 595 in Southwest Broward (183,000 sq. ft., delivering Q2 2026) and Constellation Airport Logistics Center near FLL (221,000 sq. ft., targeting Q1 2027). Asking rates on under-construction product cluster around \$19.50–\$20.50, a 12–17% premium to the market average. The pipeline is manageable relative to Broward’s 103-million-sq.-ft. base, and discipline on new starts should support continued tightening through 2026.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q1 2026

Figure 5: Construction Activity



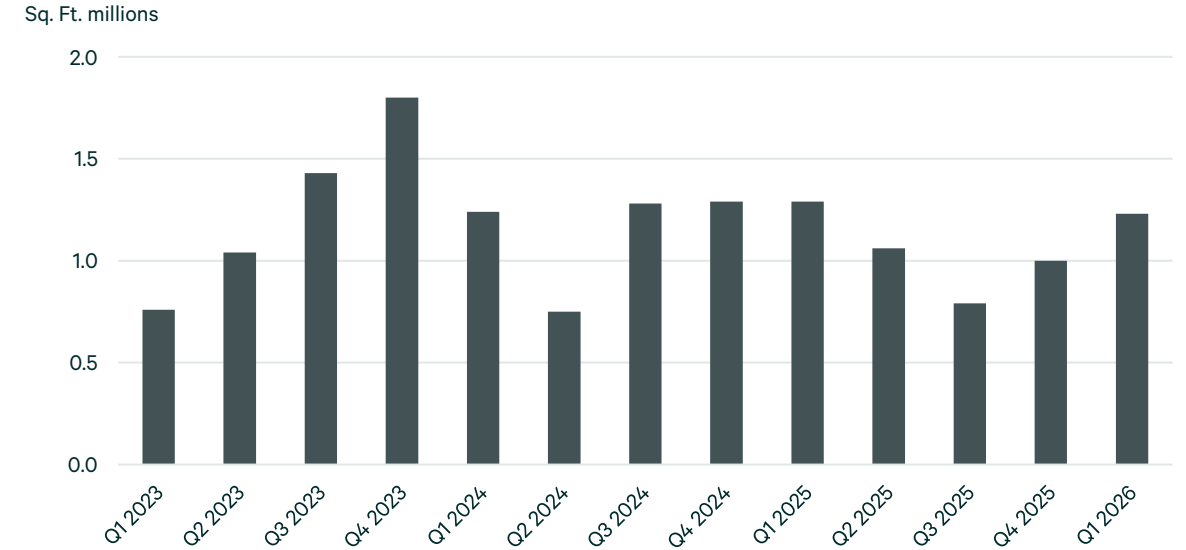
Source: CBRE Research, Q1 2026

Leasing Activity

Leasing velocity picked up to 1.2 million sq. ft. in Q1, a 24% increase from Q4 2025 and roughly in line with the quarterly average over the past year. More important than the volume is the composition: the quarter’s top deal was a 200,000-sq.-ft. renewal by a confidential tenant at Miramar Centre Business Park, and six of the nine largest transactions were in the 50,000–70,000-sq.-ft. range, the bread-and-butter institutional deal size in Broward.

Southwest Broward and Pompano/Lauderdale posted the highest leased areas at 485,000 sq. ft. and 309,000 sq. ft., respectively, indicating the strongest submarket activity. Southeast Broward (253,000 sq. ft.), Northeast Broward (147,000 sq. ft.), Sunrise (24,000 sq. ft.), and Central Broward (15,000 sq. ft.) also recorded positive leasing, albeit at more modest levels.

Figure 6: Leasing Activity Trend



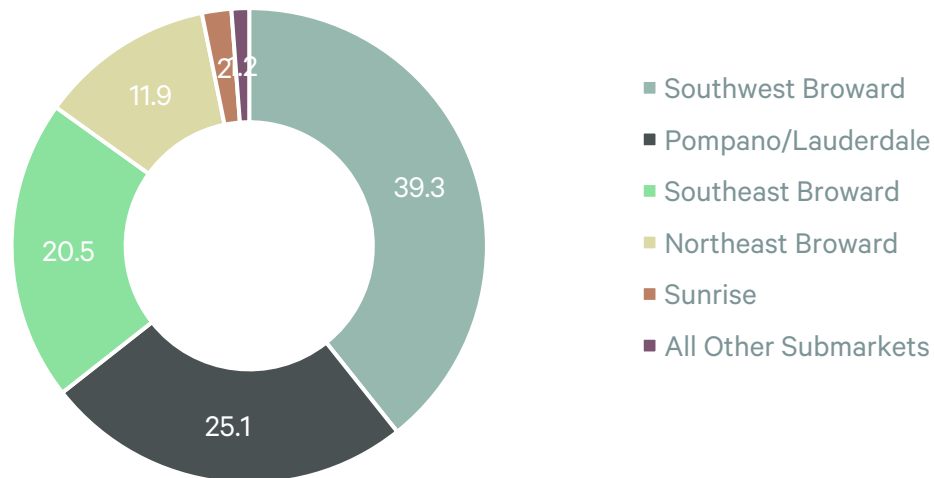
Source: CBRE Research, Q1 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Confidential Tenant	200,000	Renewal	15701 SW 29th St	Southwest Broward
Confidential Tenant	67,000	Renewal	11760 Miramar Pkwy	Southwest Broward
Confidential Tenant	63,000	New Lease	1991 N Powerline Rd	Pompano/Lauderdale
Confidential Tenant	59,000	Renewal	400 Goolsby Blvd	Northeast Broward
Confidential Tenant	59,000	New Lease	2300 Commerce Center Way	Southeast Broward
Confidential Tenant	55,000	New Lease	1501-1571 W Copans Rd	Pompano/Lauderdale
Confidential Tenant	54,000	Renewal	2900 NW 27th Ave	Pompano/Lauderdale
Confidential Tenant	53,000	Renewal	2500 Commerce Center Way	Southeast Broward
Trane US	52,000	New Lease	2101-2131 SW 3rd St	Pompano/Lauderdale

Source: CBRE Research, Q1 2026

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q1 2026

Market Statistics by Class

Figure 11

Property Class	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	16.78	4.0	9.5	7.5	2.0	16.91	(165,000)	(165,000)	-	-
Institutional	10.09	2.6	7.9	5.6	2.3	17.10	(68,000)	(68,000)	-	-
Other Class A	6.70	6.2	11.8	10.4	1.4	16.71	(97,000)	(97,000)	-	-
All Other Industrial	85.90	5.7	9.1	7.8	1.3	17.65	267,000	267,000	-	888,000
Total	102.68	5.5	9.1	7.7	1.4	17.50	101,000	101,000	-	888,000

Source: CBRE Research, Q1 2026

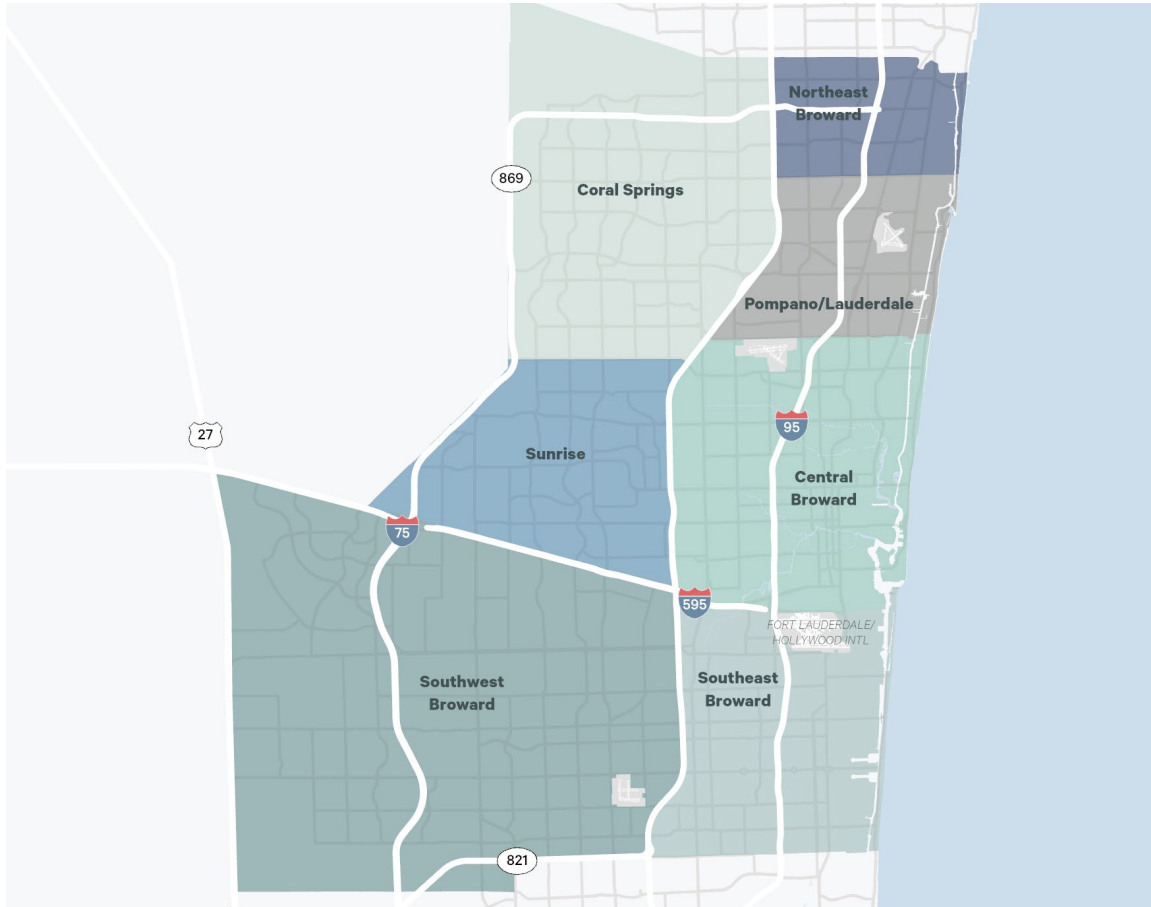
Market Statistics by Submarket

Figure 12

Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Central Broward	18.46	4.0	6.5	5.9	0.5	18.09	(33,000)	(33,000)	-	-
Coral Springs	9.05	4.3	7.1	5.3	1.8	17.04	21,000	21,000	-	-
Northeast Broward	11.10	6.5	9.2	8.3	0.9	17.24	(32,000)	(32,000)	-	-
Pompano/Lauderdale	24.29	7.7	10.9	9.8	1.1	17.65	36,000	36,000	-	484,000
Southeast Broward	16.45	6.8	9.1	8.1	1.0	17.40	60,000	60,000	-	221,000
Southwest Broward	17.54	2.5	8.1	5.5	2.6	16.93	94,000	94,000	-	183,000
Sunrise	5.79	5.9	16.4	12.6	3.7	18.15	(45,000)	(45,000)	-	-
Total	102.68	5.5	9.1	7.7	1.4	17.50	101,000	101,000	-	888,000

Source: CBRE Research, Q1 2026

Market Area Overview



Economic Overview

The current business cycle may be five years old, but U.S. growth appears resilient, despite clear risks on the horizon. GDP growth should average 2.1%, matching 2025 and exceeding peer economies. America’s aggressive build-out of AI infrastructure is a unique edge. Hyperscaler capex is nearing 3% of GDP—just below residential investment. Concerns about the sustainability of this growth and its broader impact are rattling both credit and equity markets. Operation Epic Fury and global energy prices are also a concern. Assuming the conflict is resolved quickly, and U.S. oil prices stay in the \$80/bbl range, the impact on U.S. growth should be minimal. The impact on headline inflation, which is forecast to average 3.2% this year, up from the mid-2% range in February, will be material. Should the conflict escalate, this would elevate inflation and long-term yields and would likely impact the commercial real estate market.

Contacts

Erik Rodriguez

Research Manager
 +1 305 381 6492
 erik.rodriguez@cbre.com

Marc L. Miller

Research Director
 +1 305 381 6428
 marc.miller1@cbre.com