

FIGURES | FT. LAUDERDALE INDUSTRIAL | Q2 2026

Solid absorption and lack of deliveries put downward pressure on vacancy

▼ 6.2%
Vacancy Rate

▲ 245,233
SF Net Absorption

▲ 56,876
SF Construction Delivered

▼ 1.2M
SF Under Construction

▲ \$17.58
NNN/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

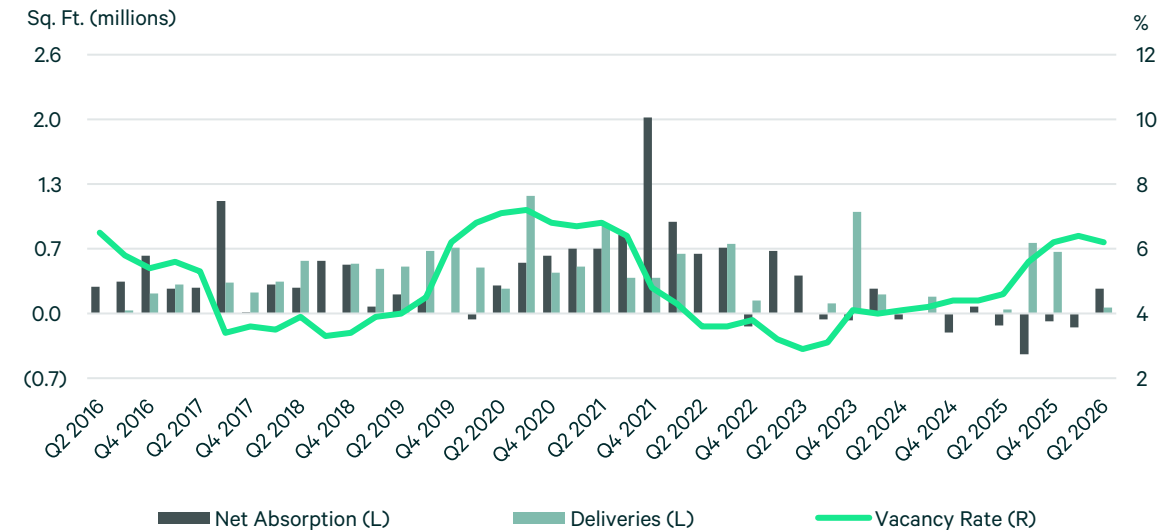
Market Overview

The market in Q2 2026 shows improving demand but a softer occupancy backdrop. Net absorption turned positive at 245,000 sq. ft., following three consecutive quarters of negative net absorption. Vacancy edged down to 6.2%, a quarter-over-quarter decrease of 20 basis points from 6.4%, but remains higher year-over-year, up 160 basis points from 4.6% in Q2 2025. Availability rose quarter-over-quarter by 40 basis points to 9.9%, and is 240 basis points higher than the 7.5% recorded a year earlier. Average asking rent increased to \$17.58, up 0.6% quarter-over-quarter and 6.9% year-over-year.

Over the longer term, pricing has strengthened materially, with average asking rent rising from \$8.95 in Q1 2019 to \$17.58 in Q2 2026. Vacancy is still well below the 7.2% peak seen in Q3 2020, but has moved up from the 2.9% low reached in Q2 2023 as a series of negative absorption quarters in 2025 and early 2026 eased occupier pressure.

Construction activity currently totals 1.2 million sq. ft. under way, down from 1.7 million sq. ft. in Q2 2025 and far below the 3.3 million sq. ft. pipeline in Q1 2020, indicating a more measured supply response even as availability drifts higher.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q2 2026

Vacancy Rate

Overall vacancy was 6.2% in Q2 2026, a negative 20 basis points quarter-over-quarter move from 6.4% in Q1 2026. Direct vacancy was 5.8%, unchanged quarter-over-quarter, while sublease vacancy stood at 0.4%, a negative 20 basis points shift from 0.6%. Year-over-year, overall vacancy is higher by 160 basis points from 4.6% in Q2 2025, with direct vacancy up 150 basis points from 4.3% and sublease vacancy 20 basis points above the 0.2% level a year earlier. Over the past three years, overall vacancy has increased 330 basis points from 2.9% in Q2 2023, direct vacancy is up 320 basis points from 2.6%, and sublease vacancy is 10 basis points above the 0.3% rate in Q2 2023. At the submarket level, Central Broward and Southwest Broward share the lowest overall vacancy at 4.7%, Coral Springs is the second lowest at 5.1%, and Pompano/Lauderdale posts the highest vacancy at 9.2% overall and 8.7% direct, with 2.1 million sq. ft. of direct space available.

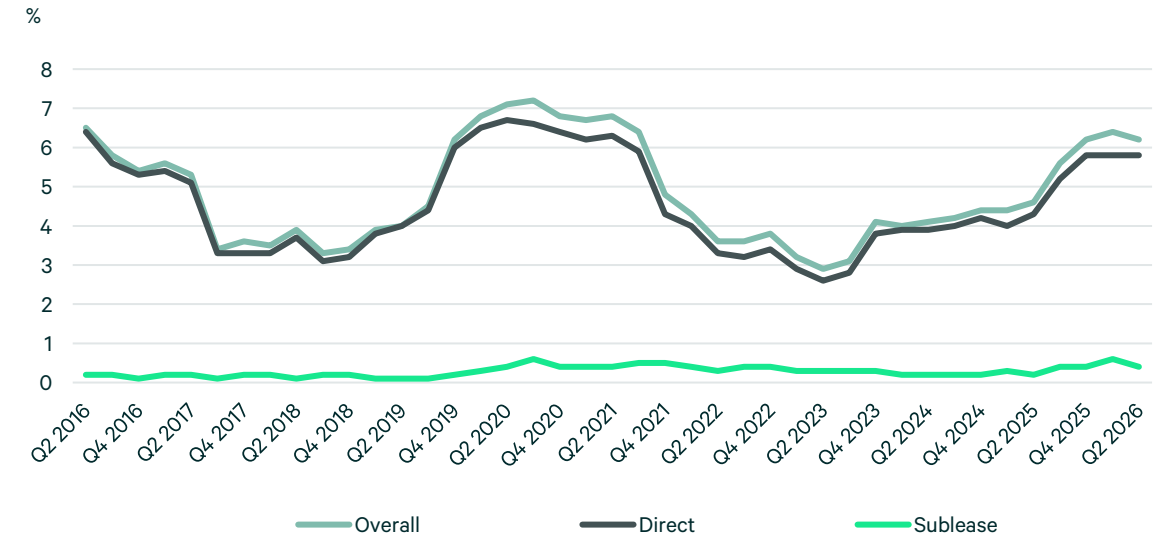
Market-wide sublease vacancy is 0.4% in Q2 2026, a negative 20 basis points quarter-over-quarter change from 0.6% in Q1 2026. Across Broward’s office submarkets, sublease availability totals 400,267 sq. ft., with Pompano/Lauderdale accounting for the highest share at 121,182 sq. ft.

Asking Rent

Average asking rent reached \$17.58 per sq. ft. in Q2 2026, up 0.6% quarter-over-quarter and 6.9% year-over-year. Over the full series from Q1 2019, when average asking rent was \$8.95 per sq. ft., the market saw a decline to \$8.56 per sq. ft. in Q3 2020 followed by an increase to \$10.11 per sq. ft. in Q4 2020. Year-over-year growth reached 27.6% in Q4 2022 and stayed above 20.0% through Q3 2023, before mostly easing to single-digit rates from Q4 2024 through Q2 2026, aside from a 10.0% gain in Q4 2025.

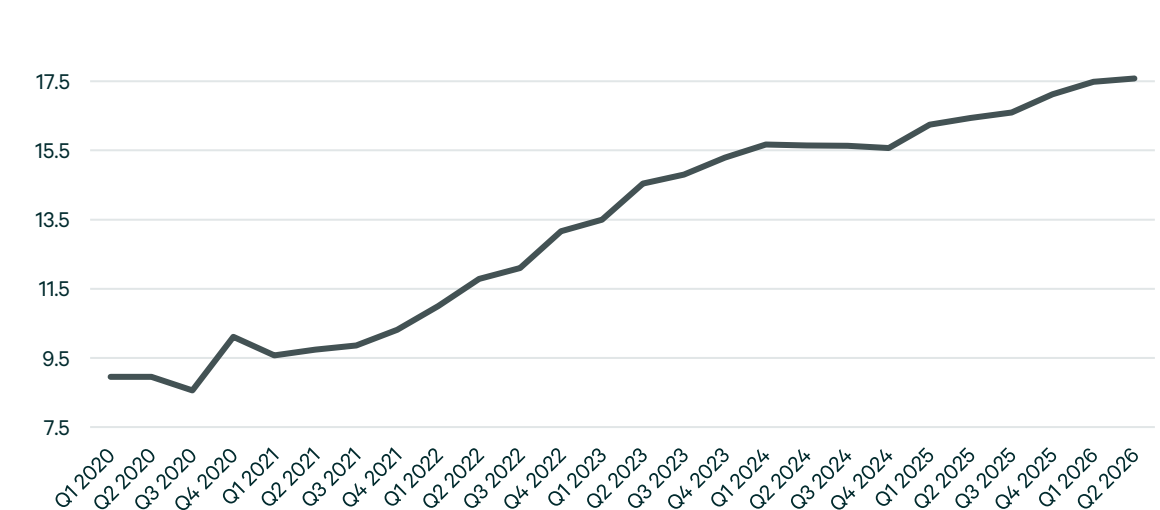
In Q2 2026, Central Broward posted the highest average asking lease rate at \$18.18 per sq. ft., followed by Southwest Broward at \$17.70 per sq. ft. Sunrise recorded the lowest rate at \$16.38 per sq. ft., while Coral Springs, Northeast Broward, Pompano/Lauderdale and Southeast Broward ranged from \$17.18 to \$17.63 per sq. ft., producing a \$1.80 per sq. ft. spread between the highest and lowest submarkets.

Figure 2: Vacancy Rate



Source: CBRE Research, Q2 2026

Figure 3: Average Direct Asking Rate \$ / SF



Source: CBRE Research, Q2 2026

Net Absorption

Total net absorption in Q2 2026 was 245,000 sq. ft., marking a return to positive demand after recent volatility. Quarter-over-quarter, this level exceeds the negative 138,000 sq. ft. recorded in Q1 2026, indicating a sharp swing from contraction to expansion. Year-over-year, Q2 2026 absorption also exceeds the negative 119,000 sq. ft. posted in Q2 2025, although the rolling four-quarter average remains negative at negative 97,000 sq. ft., showing that sustained occupancy growth has not yet been established.

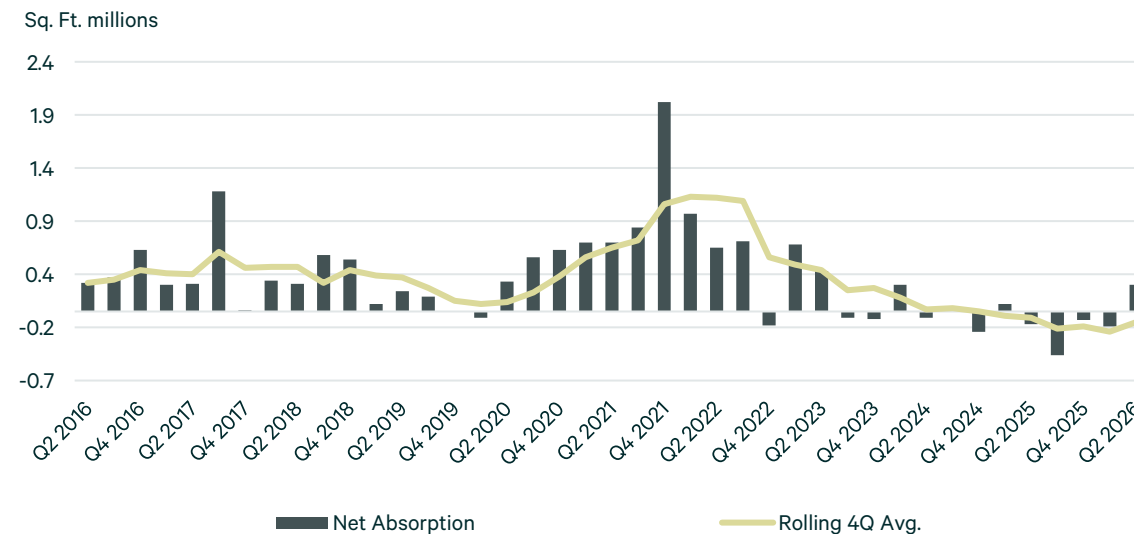
In Q2 2026, Southeast Broward posted the highest positive net absorption at 164,000 sq. ft., with Southwest Broward following at 75,000 sq. ft. Sunrise and Northeast Broward also recorded gains, with 56,000 sq. ft. and 33,000 sq. ft. of net absorption, respectively. At the opposite end of the spectrum, Pompano/Lauderdale experienced the most negative net absorption at negative 84,000 sq. ft., followed by Coral Springs at negative 15,000 sq. ft. Positive absorption was concentrated in Southeast, Southwest, Sunrise and Northeast Broward, while Pompano/Lauderdale remained under pressure with the deepest occupancy losses.

Construction Activity

In Q2 2026, under construction space totaled 1.2 million sq. ft., down from 1.3 million sq. ft. in Q1 2026 and below the 1.7 million sq. ft. recorded in Q2 2025. This represents a 4.5% decline quarter-over-quarter and a 29.6% contraction year-over-year in projects underway. Completions were modest at 57,000 sq. ft. for the quarter, with delivered volume rising 35.7% year-over-year from 42,000 sq. ft. in Q2 2025.

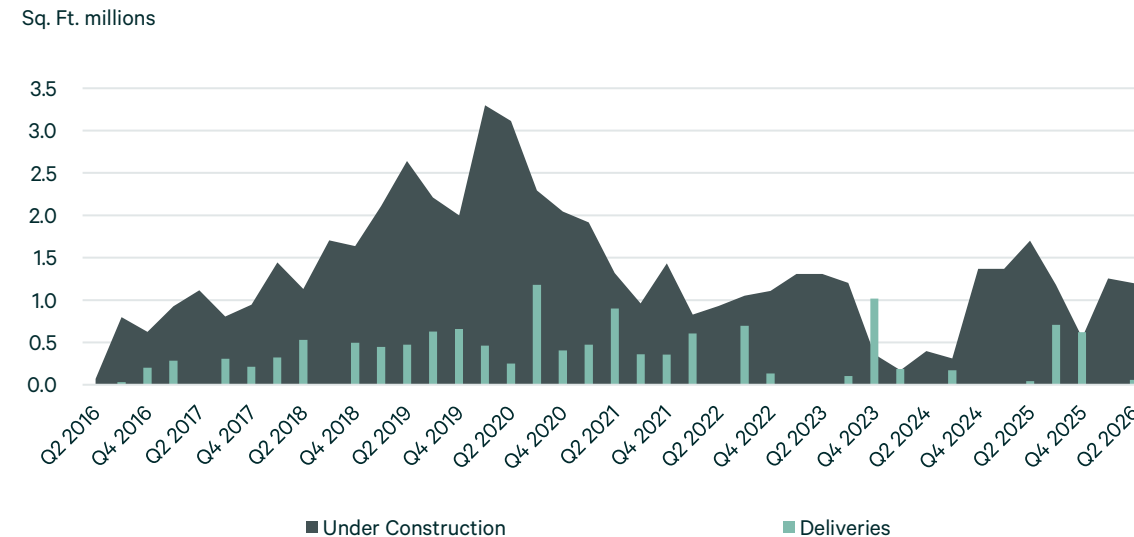
Construction activity is concentrated in Pompano/Lauderdale, with 416,000 sq. ft. underway across Festival Logistics Park Buildings 3 and 1, and in Coral Springs, with 318,000 sq. ft. under construction at Cocomar Business Park Buildings B and C; all projects are currently unleased. Southwest Broward also has under construction activity, with 93,000 sq. ft. at Logistics Center at 595, Building 2.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q2 2026

Figure 5: Construction Activity



Source: CBRE Research, Q2 2026

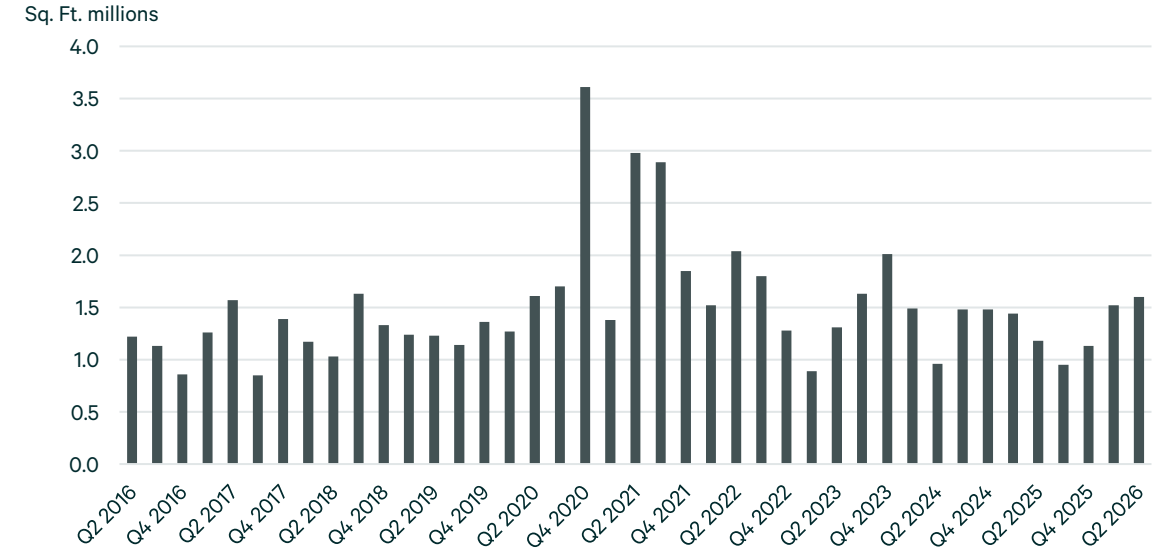
Leasing Activity

Leasing activity in Q2 2026 totaled 1.6 million sq. ft., while full-year 2025 volume reached 4.7 million sq. ft. Q2 2026 leasing rose 5.7% quarter-over-quarter and 35.7% year-over-year. In Q1 2026, 1.5 million sq. ft. was leased, with activity up 34.0% quarter-over-quarter and 5.1% year-over-year.

Pompano/Lauderdale and Northeast Broward recorded the highest positive leasing volumes, at 443,000 sq. ft. and 317,000 sq. ft., respectively. Positive leasing activity also occurred in Southeast Broward (298,000 sq. ft.), Southwest Broward (237,000 sq. ft.), Sunrise (171,000 sq. ft.), Central Broward (91,000 sq. ft.), and Coral Springs (48,000 sq. ft.).

The current quarter’s largest new leases highlight active demand for sizable blocks of space across Broward County. Ontic Engineering and Manufacturing committed to 96,000 sq. ft. in Southwest Broward, while Commercial Relocation Group leased 78,000 sq. ft. in Northeast Broward. An additional undisclosed tenant secured 61,000 sq. ft. in Southwest Broward, bringing these three sample transactions to a combined 235,000 sq. ft. Activity is concentrated in Southwest Broward, with two of the three top leases, underscoring the submarket’s role in accommodating larger occupier requirements. For both occupiers and investors, these deals indicate that well-located assets capable of delivering contiguous space in the 60,000–100,000 sq. ft. range are currently being placed.

Figure 6: Leasing Activity Trend



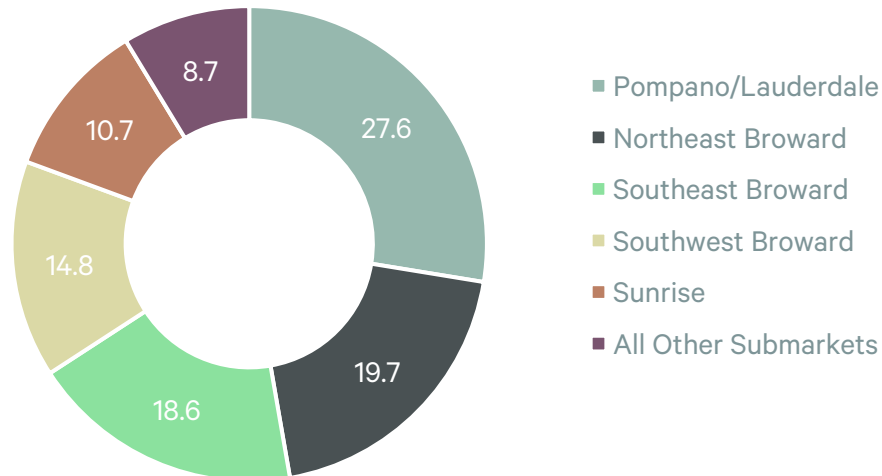
Source: CBRE Research, Q2 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Owens & Minor Distribution	143,000	Renewal	14599 NW 8th St	Sunrise
Confidential Tenant	123,000	Renewal	2700 NW 19th St	Pompano/Lauderdale
Ontic Engineering and Manufacturing	96,000	New Lease	1951 N Commerce Pkwy	Southwest Broward
Commercial Relocation Group	78,000	Renewal	500 Hillsboro Technology Dr	Northeast Broward
Commercial Relocation Group	78,000	New Lease	400-460 Hillsboro Technology Dr	Northeast Broward
Confidential Tenant	61,000	Renewal	3413 McIntosh Rd	Southeast Broward

Source: CBRE Research, Q2 2026

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



Source: CBRE Research, Q2 2026

Market Statistics by Product Type

Figure 9

Product Type	Net Rentable Area (SF)	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)
Distribution/Logistics	83.66M	6.6	10.4	8.9	1.5	17.58	186,000	67,000	57,000	1.20M
Manufacturing - General	6.30M	3.6	7.8	5.0	2.8	16.05	43,000	64,000	-	-
R&D/Flex	12.17M	4.7	7.7	7.0	0.7	18.09	19,000	(11,000)	-	-
Other Industrial	182,000	10.6	16.9	16.9	-	-	(3,000)	(12,000)	-	-
Total	102.31M	6.2	9.9	8.5	1.5	17.58	245,000	108,000	57,000	1.20M

Source: CBRE Research, Q2 2026

Market Statistics by Size

Figure 10

Size Range	Net Rentable Area (SF)	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)
Below 50K SF	39.61M	5.4	8.0	7.3	0.6	18.10	(115,000)	(310,000)	-	-
50K-99,999 SF	24.21M	6.6	10.6	9.1	1.6	17.51	109,000	193,000	57,000	465,000
100K-249,999 SF	30.65M	7.1	11.5	9.2	2.3	17.31	251,000	225,000	-	434,000
250K-499,999 SF	5.47M	7.2	16.2	13.4	2.8	18.00	-	-	-	300,000
500K-749,999 SF	1.16M	-	-	-	-	-	-	-	-	-
750,000 SF +	1.20M	-	-	-	-	-	-	-	-	-
Total	102.31M	6.2	9.9	8.5	1.5	17.58	245,000	108,000	57,000	1.20M

Source: CBRE Research, Q2 2026

Market Statistics by Submarket

Figure 11

Submarket	Net Rentable Area (SF)	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	18.44M	4.7	9.2	8.5	0.6	18.18	17,000	(109,000)	-	-
Coral Springs	9.10M	5.1	9.0	5.9	3.1	17.25	(15,000)	6,000	57,000	318,000
Northeast Broward	11.10M	6.2	8.6	7.7	1.0	17.18	33,000	(37,000)	-	-
Pompano/Lauderdale	24.06M	9.2	11.4	10.5	1.0	17.63	(84,000)	(60,000)	-	477,000
Southeast Broward	16.45M	5.6	9.1	7.7	1.4	17.38	164,000	281,000	-	221,000
Southwest Broward	17.39M	4.7	9.0	7.2	1.8	17.70	75,000	17,000	-	183,000
Sunrise	5.76M	6.3	15.0	11.2	3.7	16.38	56,000	11,000	-	-
Total	102.31M	6.2	9.9	8.5	1.5	17.58	245,000	108,000	57,000	1.20M

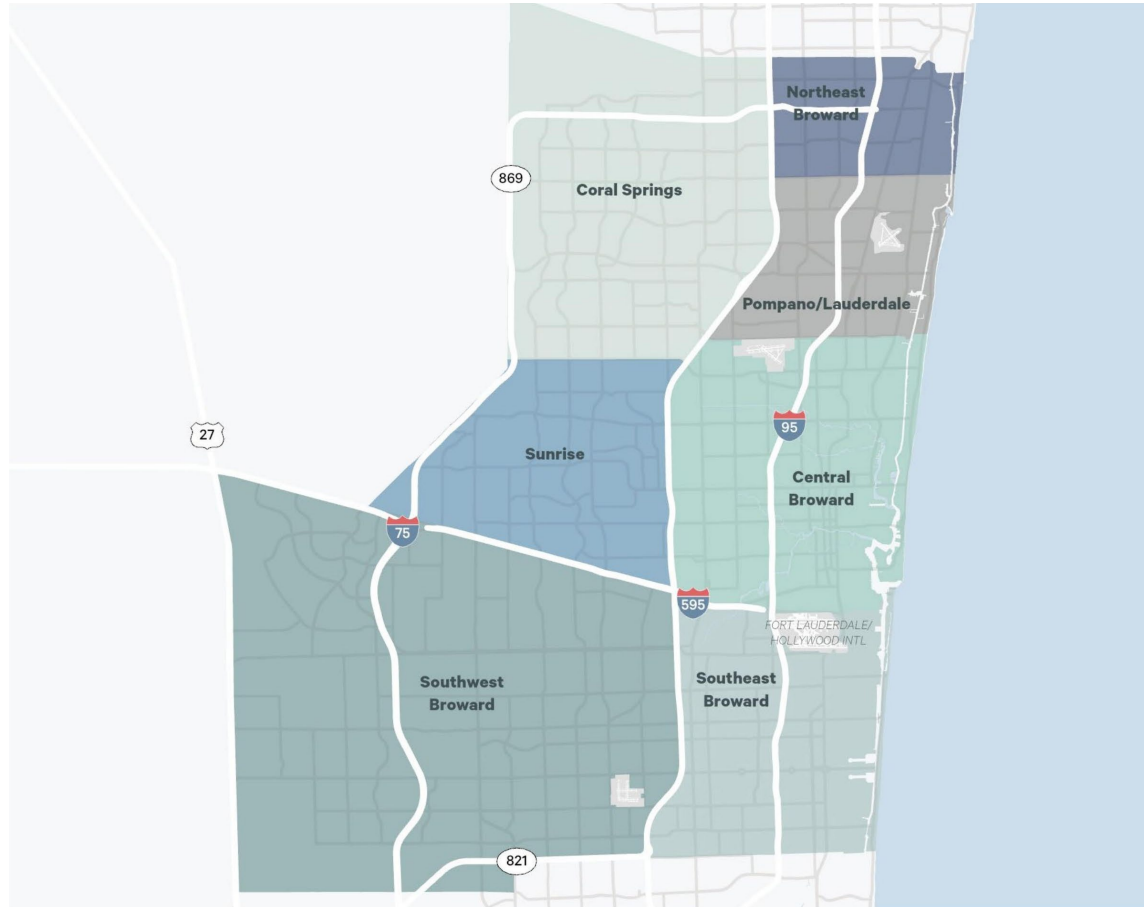
Source: CBRE Research, Q2 2026

Economic Overview

The U.S. economy enters mid-2026 navigating crosscurrents but growing at a healthy pace, with CBRE projecting GDP growth averaging 2.2%, broadly in line with 2025. The AI investment boom is certainly a key driver of this expansion. Concerns surrounding the sustainability of this growth are valid, but we expect AI-related business investment to continue.

The more pressing concern in recent months has been the U.S./Iran conflict and its impact on world energy prices, which recently pushed U.S. inflation to 4.2%. Should the prospective peace deal announced in June come to fruition, inflation would fall to the upper 3% range by year-end as energy prices slowly decrease. Stickier inflation has pushed Treasury yields well above 4%, complicating real estate markets. On the upside, the prospect for peace and normal trade flows in the Persian Gulf could refresh the optimism the CRE market felt at the beginning of the year.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

Survey Criteria

[Insert survey Criteria here. Contact your manager for specific criteria]

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