

Downtown Miami offices landing more tech companies

By [Brian Bandell](#) – Senior Reporter, South Florida Business Journal

Miami didn't land Amazon.com's massive second headquarters, but the city's downtown has attracted a larger share of technology companies in recent years, according to a new study of the office market by the Downtown Development Authority (DDA).

The annual report was produced by the Miami DDA in conjunction with Cushman & Wakefield. From 2013 through the first quarter of 2018, over 700,000 of office leases were signed by new-to-market firms in downtown Miami, representing 58 percent of all new-to-market leases in Miami-Dade County.

For technology firms, downtown Miami attracted 72 percent of the new-to-market leases countywide. That includes offices for Facebook, Uber, Twitter, Expedia, and Google, said [Danet Linares](#), vice chair of Blanca Commercial Real Estate and leader of the DDA's office market advisory group.

County business leaders have been trying to attract more high-paying tech jobs. Although it has made progress, Miami still trails cities such as New York, Boston, San Francisco and Washington, D.C. as a tech hub.

Technology companies made up 19 percent of the new-to-market leases in downtown Miami from 2013 through the first quarter of 2018. Linares said downtown is the ideal environment for many tech firms because it very walkable, there's plenty of housing, a young population, public transportation, and plenty of restaurants.

"They will make decisions based on quality of life issues," Linares said.

However, tech companies accounted for only 6 percent of all office leases signed downtown since 2013, compared to 26 percent for law firms, 16 percent for financial services, 11 percent for health care, 11 percent for real estate firms, and 10 percent for banking.

Downtown Miami is home to the largest concentration of banks and financial institutions outside of Manhattan, according to the DDA study. It boast 60 international banks, 100 alternative investment firms, and offices of four of the world's largest accounting firms.

Office rents in downtown Miami have been increasing in Class A buildings in recent years, Linares said. The office vacancy rate downtown has increased slightly to 14 percent, but Linares said that's a positive given that two major office buildings — Brickell City Centre and MiamiCentral — were recently delivered. Brickell City Centre's office is fully leased while MiamiCentral is nearly full, she added.

"We have a few buildings in the pipeline to be constructed and they are talking to companies looking for 60,000 to 100,000 square feet of space," Linares said.

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