

## Microsoft Expands in Miami with 50,000 SF Lease

*The firm will occupy a stand-alone class-A office tower in the Brickell Financial District.*

By Kelsi Maree Borland

Microsoft is opening a new office in Downtown Miami. The firm has signed a new lease for a 50,000-square-foot space in a an office tower currently under construction in the Brickell Financial District. The class-A building is the first standalone tower to be developed in the neighborhood in more than a decade.

Located at 830 Brickell, the office development is a partnership between OKO Group and Cain International. It is a 55-story tower totaling 640,000 square feet. The property is currently under construction and will deliver in 2022. Adrian Smith + Gordon Gill is serving as the architecture firm for the development.

Microsoft is the second major tech firm to ink a lease in the property. Earlier this year, tech private equity firm Thoma Bravo signed a lease for 36,500 square feet in the property. Ryan Holtzman of Cushman & Wakefield represented the developers in both lease transactions. The developers are targets global technology, finance and corporate sectors in its lease-up campaign. "Microsoft's 50,000 square foot lease represents new-to-market leasing activity for Miami's Class A market at a time when a growing number of companies around the world are looking to establish or expand their footprint in South Florida," said Vlad Doronin, CEO of OKO Group and Jonathan Goldstein, CEO of Cain International in a statement about the lease deal.

South Florida has been booming over the last year. The market has been on a campaign to attract new businesses, and it is paying off. Marcus & Millichap projects that the Miami-Dade job total will rise 4% in 2021 after losing 105,600 positions last year. Office-using headcount should increase by 4.3%. A Follow the Sun campaign, which incentivizes business relocations via annual payments of up to \$50,000, is helping to fuel growth.

However, construction could be outpacing demand. While companies like Subway, Blackstone, Royal Caribbean and Starwood Capital have made space commitments to the area, nearly 1.8 million square feet arriving in 2021 could be a limiting factor in the near term. At the end of 2021, M&M projects the vacancy rate to rise to 70 basis points to 15.5%, which is about 130 basis points below the U.S. average.

Miami isn't alone. Orlando is also becoming a hub for office relocation. Disney, KPMG, Sonesta International Hotels Corporation and InnovaCare Health Inc. are among the most recent companies to announce plans to expand or move to the city.