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REAL-ESTATE

2026 business outlook: Office space demand reflects Palm Beach County growth

Cleveland Clinic, ServiceNow marked a banner year for office deals. Will the momentum continue?



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Key Points AI-assisted summary

- Palm Beach County's office market is experiencing significant growth, highlighted by record-breaking leases and construction loans in 2025.
- Experts predict a steady flow of new companies, particularly in finance, technology, and healthcare, rather than a sudden influx.
- New office towers are under construction or planned in West Palm Beach, Palm Beach Gardens, and Boca Raton to meet demand.

When it comes to breaking records, Palm Beach County's office market can't be beat.

In 2025, [West Palm Beach](#) saw the largest office lease in the city's history, and the largest construction loan in the state's history.

Both feats were engineered by Related Ross, the city's dominant real estate developer.

New office towers are planned by other developers in the city, too, as well as in Palm Beach Gardens and Boca Raton. Meanwhile, business tenants ranging from technology companies to finance firms continue to lease existing space throughout the county.

What will drive Palm Beach County's business engine in 2026?

So what will Palm Beach County's business climate look like in 2026?

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A new flood of firms joining "Wall Street South," Palm Beach County's finance nickname?

A Mamdani tsunami of companies fleeing New York City's new mayor?

Probably not. Instead, expect an ongoing flow of more companies, complemented by professional service firms drawn to the county's bustling growth.

"There's a lot of hype around South Florida, but I just think (business migration) is just steady," said Kelly Smallridge, president of the Business Development Board of Palm Beach County, which recruits businesses for the county.

When it comes to New York's incoming mayor, Democratic Socialist Zohran Mamdani, Smallridge and other business leaders think most companies will adopt a wait-and-see attitude toward him.

What's more likely to drive Palm Beach County growth are its emerging industries, including finance, technology and health care.

And that's okay, especially with national job losses at large tech firms, continued inflation, [rising consumer debt](#), and other signs of a slowing economy, experts said.

Having a diverse economy is a good hedge against a downturn, said Bryan Cutsinger, Florida Atlantic University assistant professor and undergraduate director in the school's Department of Economics.

"You don't want to put all your eggs in one basket, just like you want diversity in your own personal retirement," Cutsinger said.

"Florida is doing pretty well, relative to the country," Cutsinger added. "That doesn't mean we are immune to broader economic trends. But all else being equal, I'd probably rather be here than a state experiencing a lot less growth."

Related Ross leads the charge for business growth

Of course, if some business leaders could bend the nation's office market to their will, Palm Beach County would be overflowing with even more companies of all types.

This includes Palm Beach resident [Stephen Ross](#). He is the owner of the Miami Dolphins team and chairman of the Related Ross real estate firm.

In the past year, Related Ross handled the largest office lease ever for downtown West Palm Beach by leasing up to 200,000-square-feet to Silicon Valley-based [ServiceNow](#), an AI software firm.

ServiceNow plans to hire more than 850 people over the next five years from its offices at a new tower in CityPlace.

"I think this is a renaissance movement," ServiceNow Chairman and Chief Executive Bill McDermott said of the company's new presence in the city. He predicts other tech companies will expand to the area in its wake.

The prediction might already be coming true. Smallridge said some of the companies talking to the Business Development Board already say they want to have a presence near tenants such as ServiceNow.

Related Ross also helped lure two major institutions to the city: A graduate campus for Nashville-based [Vanderbilt University](#) and a [Cleveland Clinic](#) hospital.

In fact, Related Ross has so many projects going on in West Palm Beach that the company just built a showroom at its CityPlace complex to display them. In two models of the city, Related Ross showcases new and planned offices, hotels and residences.

More: [AI-heavyweight ServiceNow will lease half of new CityPlace office tower in WPB expansion](#)

Office market is indicator of Palm Beach County growth

One way of looking at the county's growth is by examining its office leasing market.

The office market is an important economic indicator because it provides a peek into the number and types of companies doing business in the county.

In West Palm Beach, nearly all of Ross' office buildings are fully leased, said Jordan Rathlev, Related Ross executive vice president. This amounts to about 2 million square feet of space. And in 2025 alone, Related Ross inked leases for more than 500,000 square feet of new offices in two towers.

"This is pretty exciting for a market of this size," Rathlev said.

The tenants include ServiceNow at 10 CityPlace. It also includes Cleveland Clinic, which is leasing 120,000 square feet of space for an expanded medical clinic at 15 CityPlace.

Rathlev expects Related Ross' 10 and 15 CityPlace office towers will be nearly full when they open in mid-2027. Combined, these towers will add another 1 million square feet of space to downtown.

More: [These major changes are coming to downtown West Palm Beach's CityPlace](#)

More: [Could Vanderbilt University take land once slated for UF in West Palm Beach?](#)

These muscular lease deals just helped Related Ross land a \$772 million construction loan for 10 and 15 CityPlace from Ares Real Estate funds.

The loan is the largest financing in Related Ross's history and the largest construction loan ever recorded in Florida.

Anthony Librizzi, managing director of Cushman & Wakefield brokerage, called the ServiceNow lease "a market-maker," noting that West Palm Beach has never had an office lease of this size.

"That's unheard of," Librizzi said.

Can the momentum for these big deals continue?

Some brokers say it's unclear.

"Outside of Related's contacts with people from Hudson Yards and other places, it's going to be hard to fill a lot more office space," said Neil Merin, chairman of the NAI/Merin Hunter Codman real estate brokerage in West Palm Beach. "We could overdo it."

Two more downtown West Palm Beach buildings will add even more office space for companies

Merin said he is curious about how two other office towers being built in West Palm Beach will affect the market.

One of them is West Palm Point, by New York-based developer Cohen Brothers Realty Corporation.

The 23-story office and retail complex will add 400,000 square feet of office space at the city's Main & Main intersection, the corner of Okeechobee Boulevard and South Dixie Highway.

Cohen Brothers is led by billionaire real estate magnate and part-time Palm Beach resident Charles Cohen.

According to a building leasing brochure, West Palm Point's top floor, consisting of 16,000 square feet, already is leased, while the floor just below it is reserved.

West Palm Point is expected to take about two years to complete, but just a few months ago, the project's future seemed iffy.

West Palm Point slipped into foreclosure in September when a lender claimed the project had defaulted on a \$10 million preconstruction loan. But the lawsuit quickly resolved in October.

Meanwhile, to the north of the West Palm Point complex, Palm Beach investor Jeff Greene continues to build his twin tower complex, One West Palm, at 550 N. Quadrille Ave.

The project, which first began construction in 2019, now is in its seventh year of on-and-off construction. When completed, the 30-story, twin-tower complex will feature a hotel, residences and office space.

While Greene said he is "long-term bullish" about the city's business climate, he expressed concerns about the short-term outlook for office space.

"No one's calling me looking for 200,000 square feet," Greene said.

At this point, Greene said he is so busy with other commitments, he would be willing to sell One West Palm if someone were willing to make him an offer in the neighborhood of \$750 million.

"I would take it just to move on," Greene said.

Greene said he even tried to interest Stephen Ross in the complex. But Greene said Ross was critical of the project and wasn't interested in buying it.

A Ross spokeswoman declined to comment.

Service firms open offices in Palm Beach County to court new clients

While some real estate developers hunt for large office users, most properties are courting small- to mid-sized companies.

Increasingly, these are professional service firms such as law and accounting firms.

These firms hope to serve the county's increasingly wealthy makeup as well as cater to the county's growing roster of business, technology and finance firms.

"Law firms follow their clients," Librizzi said. "They follow where the business is going and all the trends point to West Palm Beach. It didn't used to be that way, but it literally is on everyone's radar."

National firm [Taft Law](#) recently entered the Palm Beach County market by acquiring the Mrachek litigation firm in West Palm Beach. Then Taft leased the entire ninth floor at [300 Banyan](#), West Palm Beach's newest boutique office building.

300 Banyan is part of the Banyan & Olive office complex at Banyan Boulevard and Olive Avenue.

"This is a different West Palm Beach than when we started the firm in 2000," said Alan Rose, chairman of Taft Florida's offices. "There's a lot more concentration of business and wealth, and people spending more time here."

With the merger into the large, national firm, Rose said the West Palm Beach office now will add other specialties, including real estate, bankruptcy and trusts and estates.

Montgomery, Will & Schulte is another national law firm that expanded its presence in Palm Beach County. The firm recently hired a group of lawyers specializing in trusts and estate work from the Boca Raton office of Proskauer. Then Montgomery, Will opened its own office in Boca Raton.

More real estate-related firms are expanding to Palm Beach County, too, including Westport, Connecticut-based Roger Ferris + Partners.

The renowned architecture firm is redoing the exterior of the Phillips Point office, which is owned by Related Ross. The firm also designed a new planned condominium, Shorecrest, set to start construction soon by Related Ross in West Palm Beach.

"We got to a tipping point with the number of projects we've picked up, and we decided we have to be here," Ferris said. "West Palm Beach is undergoing a dramatic transformation, and I'm privileged to be on the ground floor of the evolution. It's very exciting as an architect."

Ferris said his work isn't confined to jobs for Related Ross, either. He said his firm is talking to a number of cultural institutions as well as other real estate developers. He also hopes to do work for residential clients.

More: [Stephen Ross in contract to buy The Ben hotel](#), [Clearlake office in West Palm Beach](#)

West Palm Beach-based NewDay plans expansion, more employees

At least one existing West Palm Beach-based company already plans to expand.

In 2021, mortgage lender NewDay USA created a headquarters office in West Palm Beach. The company, which specializes in mortgages for veterans, created 400 new jobs, taking space on two floors at the 360 Rosemary office tower.

The 20-story, 300,000 square foot tower was built at CityPlace by Related Ross during the pandemic.

Now NewDay USA Chief Executive Rob Posner said the firm plans to hire another 1,000 employees in the next few years.

The growth is tied to a new product being offered to veterans: a loan for closing costs associated with the purchase of a home. This loan program was launched just a few weeks ago and it's already a bigger hit than expected, Posner said.

At one point, NewDay and Related Ross were planning to team up on another downtown [office tower at 515 Fern](#), with NewDay leasing about half the building.

But Posner said he's unsure where the company will add these new employees, and he and Related Ross are in talks about the company's next move.

Regardless of where the expansion lands, Posner said NewDay USA will need to hire people for underwriting, technology, sales and marketing.

"We'll be expanding on all fronts," he said.

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Palm Beach County's economy and business market by the numbers

#4: Palm Beach County's ranking as a wealth hub.

2 million: The number of square feet of new commercial and industrial space in the pipeline

112%: The increase in the number of millionaires in the county over the past decade

783,790: The number of people in the county's labor market

\$39 billion: The amount of wealth that has moved to Florida with Palm Beach County as the top recipient

\$74,801: The average salary in the county, highest in Florida

SOURCE: Business development Board of Palm Beach County