

Q2 | 2019

Miami Industrial Market Report



For over 40 years, ComReal IS Commercial Real Estate

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INDUSTRIAL MARKET SUMMARY

The Miami industrial market ends Q2 2019 with a 4.1% vacancy rate and an over \$12 per sq. ft. average (gross) lease rate. There was 2.6 million sq. ft. of positive absorption over the past 12 months; averaging about 1M sq. ft. per quarter is a sign that our market is relatively healthy. There was over 4 million sq. ft. of new construction completed over the past 12 months, which is the highest level in a decade. In addition, there is 5,190,864 sq. ft. now under construction.

Miami's industrial employment has grown by a third, adding an impressive 24,000 jobs over five years. This level of growth is three times that of the U.S. Additionally, vacancy rates in Miami have fallen and stayed around 4%, and they are expected to stay below the national average. Supply has remained strong. An absorption of 3.5 million sq. ft. over the past year is a 50% increase from the prior year and has led to demand outweighing supply recently. Miami and Fort Lauderdale have the second-highest asking rents on the U.S. east coast, just behind New York City. Miami's rent growth has also surpassed the national average. The average rent for warehouse and distribution space in the Miami area is over \$11/SF. Generally, the area can maintain high asking rents due to consistent demand and natural land constraints.

From a construction standpoint, the Miami-metro area delivered a little over 4 million SF of industrial space in the past 12 months, which is the highest level of development over the past decade. As the leader in terms of economy in the state of Florida, Miami has experienced favorable economic and demographic conditions over the last five years, and the forecast calls for continued population, labor, and income growth.

The industrial market in Miami remains strong. Rents and high absorption rates continue to support new speculative development. Tenants looking for over 100,000SF have many options to choose from; however, tenants looking for 25,000SF or under have limited options and less flexibility on lease rates. Tenants in class C spaces are also affected by this strong market. As their leases come up for renewal, they are faced with jumps of 10% or more from what they are paying. On the Sale side, low supply of the buildings for sale combined with demand from investors and users keep sale prices at record highs. It's becoming more and more difficult to find functional buildings for sale under \$100/SF. For land, \$1,000,000 (or more) per acre of industrial land have become the norm. It's a great time to be an owner of industrial properties in Miami.

MARKET STATISTICS

TOTAL INVENTORY	VACANCY RATE (AVG)	LEASE RATE (AVG)	SALE PRICE (AVG)	UNDER CONST.
245 M	4.1%	\$12.22/SF	\$147/SF	4.9 M

FEATURED LISTING // 16215 NW 15th AVE Miami, FL 33169



AVAILABLE FOR SALE!

PROPERTY SIZE:	+/- 63,683 SF
LOT SIZE:	3.15 Acres
POWER:	Heavy Power
STREET LEVEL DOORS:	5 Oversized
DOCK POSITIONS:	2 Truck Wells
ZONING:	Industrial

Updated office space and AC'd production area

TOP SALES OF THE QUARTER

BUYER	SIZE	ADDRESS	PRICE	PSF
Seagis Property Group	32,190	8115 NW 74 Avenue	\$3,250,000	\$100
Edward Pontchek	16,350	6951 NW 16 Street	\$2,400,000	\$146
Terminal 6 LLC / Morty Josh Yashar	96,677	3353 NW 74 Avenue	\$10,500,000	\$109
Hollermans LLC	49,051	1900 NW 97 Avenue	\$7,603,000	\$155
Caribbean Catering Services Inc.	19,726	2200 NW 102 Place	\$2,825,000	\$143

TOP LEASES OF THE QUARTER

TENANT NAME	SIZE	ADDRESS
Del Valle Brands	100,000	6695-6699 NW 36 Avenue
Amazon	153,296	6703 NW 7 Street
Nearly Natural	200,000	3870 W 108 Street

Thinking about purchasing or selling industrial real estate?

CEC

Civil • Environmental • Construction

ComReal has partnered with CEC to help property owners and buyers identify any potential environmental liabilities on properties. If you are a property owner, you can make your property more marketable by making available to potential buyers a professionally prepared Phase I and Phase II Environmental Site Assessment.

SERVICES INCLUDE:

- Phase I & II Environmental Site Assessment
- Miami-Dade DERM / Environmental Violation Resolutions
- Land Acquisition Consulting
- Purchasing Contaminated Properties
- Risk Management and Environmental Liability
- Business Environmental Permitting
- Civil Engineering Design
- Construction Consulting

CONTACT US FOR A CONFIDENTIAL & COMPLIMENTARY CONSULTATION:

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MIAMI INDUSTRIAL TEAM



For Over 40 Years, ComReal IS Commercial Real Estate.

ComReal Miami, Inc. was founded in 1979 and is a full service commercial real estate located in South Florida. The Miami Industrial Team consists of highly trained individuals, each brokerage firm located in South Florida. The ComReal Miami Industrial Team consists offering a specific area of expertise. ComReal professionals are committed to excellence, of highly trained individuals, each offering a specific area of expertise. ComReal education and high ethical standards. Learn more at: www.MiamiIndustrialTeam.com professionals are committed to excellence, education and high ethical standas.

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