

# FLORIDA INDUSTRIAL CONSTRUCTION



3Q 2020

Nine months into the pandemic, demand from industrial users accelerated with powerful impacts on all Florida markets. Traditionally, industrial space is the most responsive to immediate changes in the overall economy due to shorter construction timelines and tenants' nimble ability to ramp up or down operations based on demand.

E-commerce exploded in every major Florida market but demand was tied to only a few users. It spearheaded several larger build-to-suit projects throughout the state and drove significant speculative construction absent any preleasing.

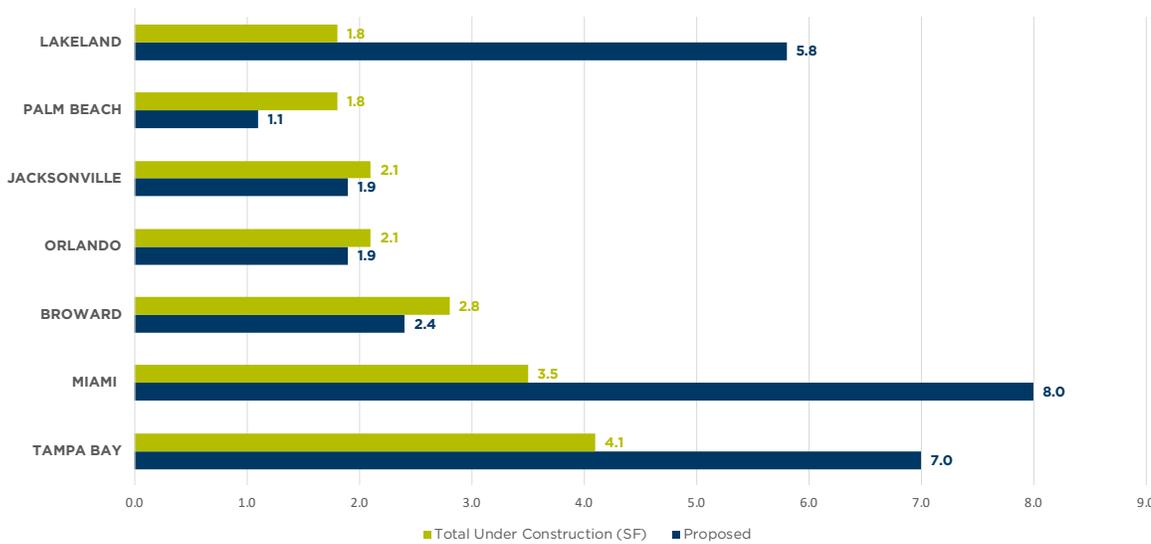
As the industrial market adjusts to a COVID-19 world, long-term demand for space could moderate and lead to several million square feet of proposed space to be postponed or shelved.

At the end of the third quarter, there was **18.5 msf** under construction, and another **28.3 msf** proposed to deliver in the next three years.

Speculative buildings dominated new construction accounting for over **75%** of completions year-to-date.

Due to heightened build-to-suit activity and solid pre-leasing in markets across the State, pre-leasing for under construction product was at **40%**.

## UNDER CONSTRUCTION & PROPOSED *(in million square feet)*



Cushman & Wakefield will closely monitor construction starts and deliveries through the rest of the year.

**18.5 MSF**  
UNDER  
CONSTRUCTION

**28.3 MSF**  
TOTAL  
PROPOSED

**40.0%**  
PRE  
LEASED

### HIGHEST PRELEASING

JACKSONVILLE	65%
TAMPA BAY	50%
PALM BEACH	50%
MIAMI	30%

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