

FLORIDA INDUSTRIAL CONSTRUCTION



4Q 2020

The industrial market ended 2020 with elevated fundamentals based on systemic changes in demand from traditional users. Increased need from e-commerce companies and retailers to setup home delivery options as well as last mile facilities led to a dramatic rise in new construction in Florida markets. The confidence by builders allowed construction completions for the year to reach historic levels in several markets.

In the back half of 2020, several large-scale speculative construction projects or expansions at existing industrial parks were announced in multiple markets. In several cases, developers moved ahead with entitlements hoping to land a sizeable build-to-suit for a new-to-market or expanding tenant.

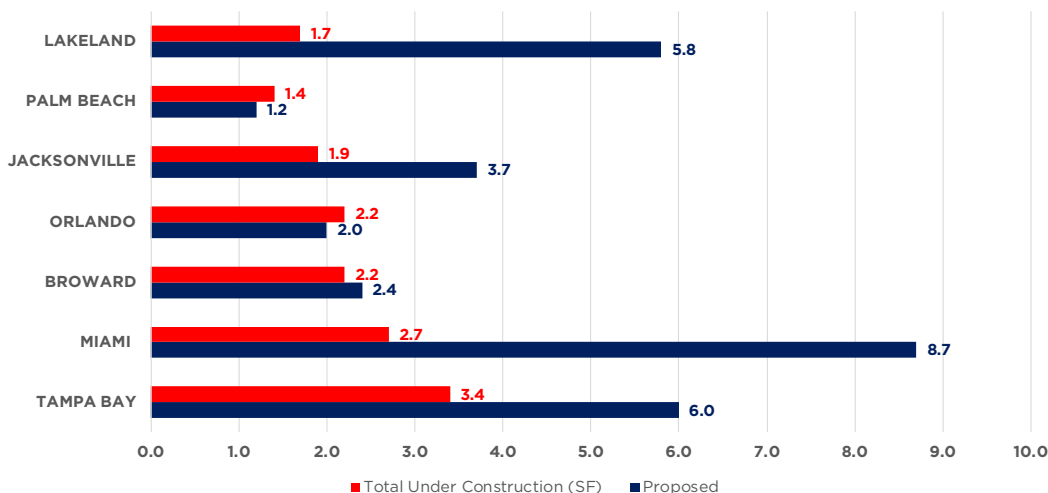
The pace of long-term demand could moderate in 2021 as some developers get ahead of tenants signing for space which would slow down deliveries in the short term.

At the end of 2020, there was **15.4 msf** under construction, and another **29.7 msf** proposed to deliver in the next three years.

Speculative buildings dominated new construction with **5.8 msf** completed year-to-date. Build-to-Suits accounted for **43% of all completions**.

Several speculative projects under construction have yet to land any tenants with only **56%** achieving any pre-leasing by the end of the year.

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



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

15.4 MSF
UNDER
CONSTRUCTION

29.7 MSF
TOTAL
PROPOSED

56%
PRE
LEASED

HIGHEST PRELEASING

LAKELAND	91%
JACKSONVILLE	84%
ORLANDO	60%
MIAMI	50%

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