

FIVE FAST INDUSTRIAL FACTS

Miami | Q1 2023



The Need-to-Know for Today's Commercial Real Estate Market

1



DEVELOPER CONFIDENCE STILL BULLISH

3.7 MSF was under construction at the close of Q1 with nearly 6.0 MSF of planned projects beginning site preparation to commence construction.

2



VACANCY REMAINED TIGHT

Vacancy fell to 1.6%, holding below the 2.0% mark as new inventory is rapidly leased up, keeping vacant space options limited.

3



DEMAND FELL FROM ROBUST LEVELS

Just over 804,000 SF of industrial space was leased in Q1, 25.6% lower than the previous quarter, as demand returned to normalized levels amidst the lack of available space.

4



ASKING RENTS SOARED

Overall industrial rents hit \$13.83 PSF NNN in Q1, up 35.0% YOY with warehouse/distribution space at \$13.83 PSF, 40.3% higher than one year ago.

5



ABSORPTION GAINS REMAIN STABLE

More than 684,000 SF of positive net absorption was recorded in Q1, on par with Q4 2022. While move-ins to new product should hold strong throughout 2023, they will likely not reach the record-shattering levels of 2021-2022.