

## Industrial Q2 2021

YoY  
Chg12-Mo.  
Forecast

3.4%

Vacancy Rate



3.1M

YTD Absorption, SF



\$9.28

Asking Rent, PSF



Overall, Net Asking Rent

ECONOMIC INDICATORS  
Q2 2021YoY  
Chg12-Mo.  
Forecast

1.1M

Miami  
Employment

6.7%

Miami  
Unemployment Rate

5.9%

U.S.  
Unemployment RateSource: BLS, Numbers above are monthly figures,  
FL Dept. Economic OPP

## ECONOMY

Miami-Dade, part of the South Florida region, had an unemployment rate of 6.7% in May 2021, down 20 basis points (bps) from the previous month and 360 bps lower than one year ago. Nonagricultural employment was up 82,100 jobs, or 7.7%, over the year to 1.14 million. Every single employment sector gained jobs year-over-year (YOY) except for Mining/Logging/Construction and Government which lost 5,800 jobs combined. Industrial-using employment, including Trade, Transportation & Utilities, and Manufacturing, saw an increase of 19,200 jobs in the last 12 months.

## SUPPLY

Overall vacancy ended the second quarter of 2021 at 3.4%, a decrease of 130 bps YOY and the lowest in the last 10 quarters as demand continued to outpace supply. The main driver for the decrease in vacancy was the 3.1 million square feet (msf) of positive absorption in the first half of 2021. The new development pipeline continued to remain strong with over 4.4 msf under construction at the end of the quarter with 23% preleased. The bulk of the product under construction was speculative but the largest project was a 1.0 msf build-to-suit (BTS) for Amazon in the South Dade submarket.

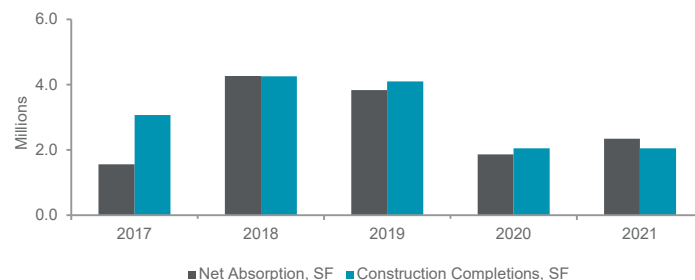
## DEMAND

New leasing activity in the first half of 2021 remained robust with over 4.4 msf leased, an increase of 17.2% compared to the same period one year ago. E-commerce, large retailers, and distribution/logistics companies continued to be the main drivers for demand. The Airport North/Medley submarket accounted for the most activity in the quarter with over 851,000 square feet (sf) of new leases signed, or 43.7% of the total. The largest new leases signed in the second quarter were for 367,000 and 216,000 sf by an undisclosed tenant and Amazon respectively.

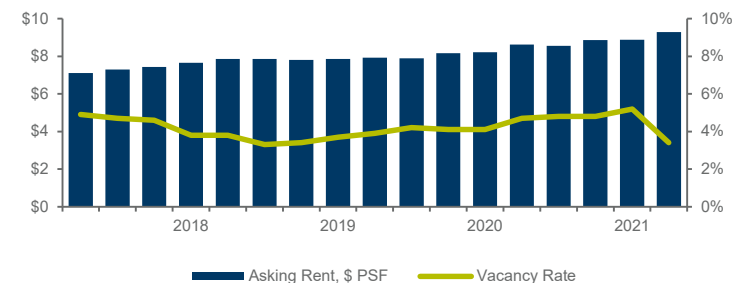
## MARKET PRICING

Overall asking rents increased to \$9.28 per square foot (psf) triple net (NNN), a 7.7% YOY jump and the first time ever asking rents averaged above \$9.00 psf. New product with higher than average asking rents and limited available space have allowed landlords to continue with confidence to raise rents. Warehouse/distribution rents reached an all-time high with a 6.7% YOY jump to \$8.95 psf. The county continued to attract new investors as average sale prices rose. One factor for increased interest is land constraints and the limited amount of industrial developable parcels available.

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY &amp; ASKING RENT



## Industrial Q2 2021

## MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SF)	YTD NEW LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Airport North/Medley	34,593,330	1,439,314	4.2%	366,804	1,295,261	1,707,160	309,681	N/A	\$12.31	\$9.22
Airport West	45,045,858	1,045,391	2.3%	562,780	637,484	127,150	0	\$7.96	\$15.68	\$9.40
Hialeah	7,473,659	84,400	1.1%	70,285	134,744	0	0	\$9.96	\$8.80	\$7.39
Airport East/Downtown	22,875,830	874,731	3.8%	194,226	410,981	0	0	\$7.62	\$18.39	\$7.73
Miami Lakes	4,727,533	191,929	4.1%	61,785	84,985	0	0	N/A	N/A	\$6.18
North Central Dade	30,660,421	1,104,237	3.6%	367,403	1,161,421	589,887	221,300	N/A	\$16.87	\$10.24
Northeast Dade	2,907,298	227,452	7.8%	212,785	73,611	0	0	N/A	\$20.00	\$8.50
Northwest Dade	5,174,679	467,716	9.0%	1,412,059	401,698	1,018,843	1,520,470	N/A	N/A	\$8.85
South Dade	7,344,324	84,694	1.2%	-50,410	235,324	1,000,000	0	N/A	N/A	\$10.30
MIAMI-DADE TOTALS	160,802,932	5,519,864	3.4%	3,197,717	4,435,509	4,443,040	2,051,451	\$8.00	\$15.46	\$8.95

\*Rental rates reflect weighted net asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

## KEY LEASE TRANSACTIONS Q2 2021

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
8801 Northwest 87th Avenue	Medley	Undisclosed	367,925	New
3750 Palm Drive	South Dade	Amazon	216,000	New
11140 Northwest 122nd Street	Medley	Agility Logistics	147,748	New

\*Renewals not included in leasing statistics

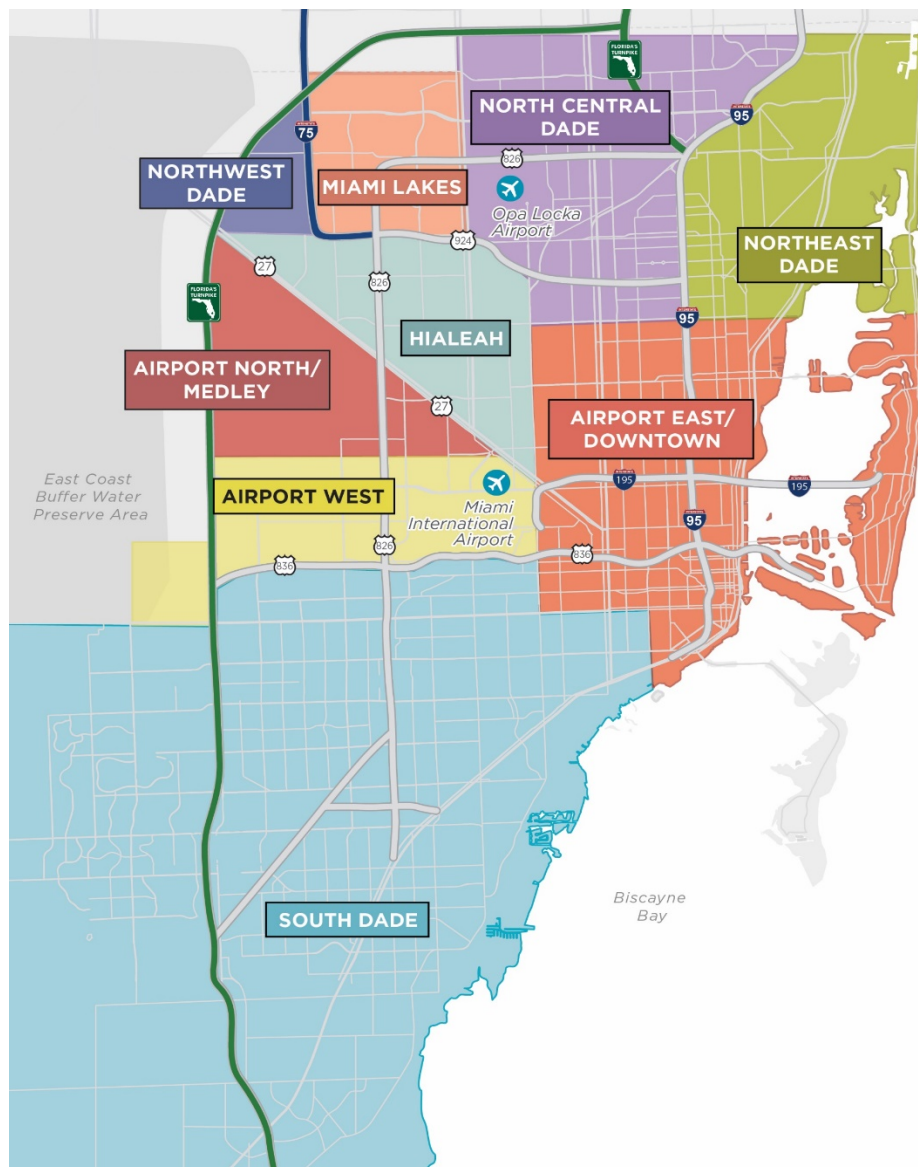
## KEY SALES TRANSACTIONS Q2 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
6950 NW 77th Court	Airport North	The Apollo Group   Ivy Realty	213,131	\$26.0M   \$122
14001 NW 112th Ave	Northwest Dade	EverWest Real Estate Investors   TA Realty	154,121	\$25.8M   \$167

## KEY CONSTRUCTION COMPLETIONS YTD 2021

PROPERTY	SUBMARKET	MAJOR TENANT	*SF	OWNER/DEVELOPER
3850 W 108 <sup>th</sup> St- Buildings 1 and 2	Northwest Dade	Home Depot	1,100,000	Flagler Real Estate / Flagler Real Estate
3000 NW 123 <sup>rd</sup> St	North Central Dade	Amazon	221,300	Panattoni Development / Panattoni Development

## INDUSTRIAL SUBMARKETS



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