

## Industrial Q2 2022

	YoY Chg	12-Mo. Forecast
<b>2.3%</b> Vacancy Rate	▼	▲
<b>3.7M</b> YTD Absorption, SF	▲	▼
<b>\$10.87</b> Asking Rent, PSF	▲	▲

*Overall, Net Asking Rent*

### ECONOMIC INDICATORS Q2 2022

	YoY Chg	12-Mo. Forecast
<b>1.2M</b> Miami Employment	▲	▲
<b>2.3%</b> Miami Unemployment Rate	▼	▼
<b>3.6%</b> U.S. Unemployment Rate	▼	▼

Source: BLS, Numbers above are monthly figures, FL Dept. Economic OPP

### ECONOMY

Miami-Dade County had an unemployment rate of 2.3% in May 2022, down 20 basis points (bps) from the previous month and 330 bps lower the same time last year. Over 75,000 nonagricultural jobs were added over the past year accounting for a 6.5% increase to total over 1.2 million jobs for the county. All but one industry gained jobs year-over-year, with the Government sector experiencing a loss from one year ago. The transportation, warehousing and utilities sector took the number two spot in growth with 12,100 jobs added year-over-year (YOY), while manufacturing jobs rounded out the top three performing industries, increasing 9.9% from May of 2021 with 4,000 jobs added. Construction job growth rebounded with a gain of 2,000 jobs from this time last year.

### SUPPLY

Overall vacancy held level from the previous quarter despite the 2.2 million square feet (msf) of new inventory delivered during the second of 2022. Miami's industrial segment continued to see record level occupancy, rising 80 bps to 97.7% from the same time last year. This marks the second consecutive quarter the county has recorded the lowest vacancy in the past 20 years. Demand for new warehouse/distribution space remained the driving factor for Miami's strong performance. Notably, construction completions in the first half of 2022 already matched the new inventory built during the previous year and is on track to surpass the more than 4.1 msf delivered annually from 2017 through 2019. Over 25.6% of the 6.0 msf of new inventory underway throughout the county was preleased at the close of second quarter.

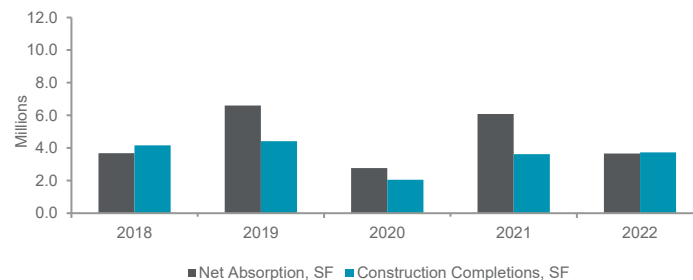
### DEMAND

Quarterly net absorption reached an all time new high, just beating out the previous record seen this time last year. A contributing factor included Amazon's occupation of more than 1.0 msf in the South Dade Submarket at the start of second quarter. Notably, new leasing activity decreased from the previous quarter, dropping more than 2.0 msf to 1.6 msf. However, the strong first quarter performance combined to more than 5.2 msf of activity in the first half of 2022, a slight increase from the first half one year ago.

### MARKET PRICING

Asking rents YOY jumped 14.0% as robust demand pushed rates to record highs, with the overall average nearing the \$11.00 per square foot (psf) mark. Averages have more than doubled from the previous economic cycle and can be attributed to the rise of e-commerce coupled with the dramatic growth in logistics and supply chain distribution, pushing rents for warehouse/distribution space over the \$10.00 psf mark for the first time in history. Miami's trademark as the gateway to the Latin Americas, improved port operations and increased wealth have fueled surging demand which has translated into noteworthy rent increases.

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT



## Industrial Q2 2022

## MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SF)	YTD 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	36,183,049	1,112,062	3.10%	1,284,252	1,700,588	1,421,358	1,548,531	N/A	N/A	\$8.85
Airport West	45,498,293	985,559	2.20%	-47,957	991,234	793,398	127,150	\$8.32	\$14.76	\$12.49
Hialeah	7,675,056	84,125	1.10%	145,659	94,068	480,844	121,659	\$11.70	\$9.22	\$8.48
Airport East/Downtown	22,929,286	486,628	2.10%	37,633	193,648	296,637	0	\$11.67	\$17.73	\$8.78
Miami Lakes	4,791,921	98,688	2.10%	-98,688	88,420	0	0	N/A	\$15.95	N/A
North Central Dade	31,606,181	675,420	2.10%	132,184	503,663	1,310,880	399,600	\$12.25	\$19.67	\$8.91
Northeast Dade	2,917,884	8,190	0.30%	141,101	18,220	132,894	0	N/A	\$22.00	N/A
Northwest Dade	6,484,434	322,590	5.00%	1,023,463	1,564,339	1,423,767	406,014	N/A	N/A	\$8.95
South Dade	8,359,837	97,512	1.20%	1,034,790	108,602	236,000	1,013,532	N/A	\$17.12	\$11.87
<b>MIAMI-DADE TOTALS</b>	<b>166,445,941</b>	<b>3,870,774</b>	<b>2.30%</b>	<b>3,652,437</b>	<b>5,262,782</b>	<b>6,095,778</b>	<b>3,616,486</b>	<b>\$11.94</b>	<b>\$16.44</b>	<b>\$10.18</b>

\*Rental rates reflect weighted net asking \$psf/year \*Renewals not included in leasing statistics

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

PRODUCT TYPE	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD NEW LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)
Manufacturing	17,699,988	293,183	1.70%	-149,315	-24,445	121,976	300,000	0	\$11.94
Office Service	8,757,218	110,507	1.30%	10,927	25,484	120,703	0	0	\$16.44
Warehouse/Distribution	139,988,735	3,467,084	2.50%	2,194,580	3,651,398	5,020,103	5,795,778	3,616,486	\$10.18
<b>MIAMI-DADE TOTALS</b>	<b>166,445,941</b>	<b>3,870,774</b>	<b>2.30%</b>	<b>2,056,192</b>	<b>3,652,437</b>	<b>5,262,782</b>	<b>6,095,778</b>	<b>3,616,486</b>	<b>\$10.87</b>

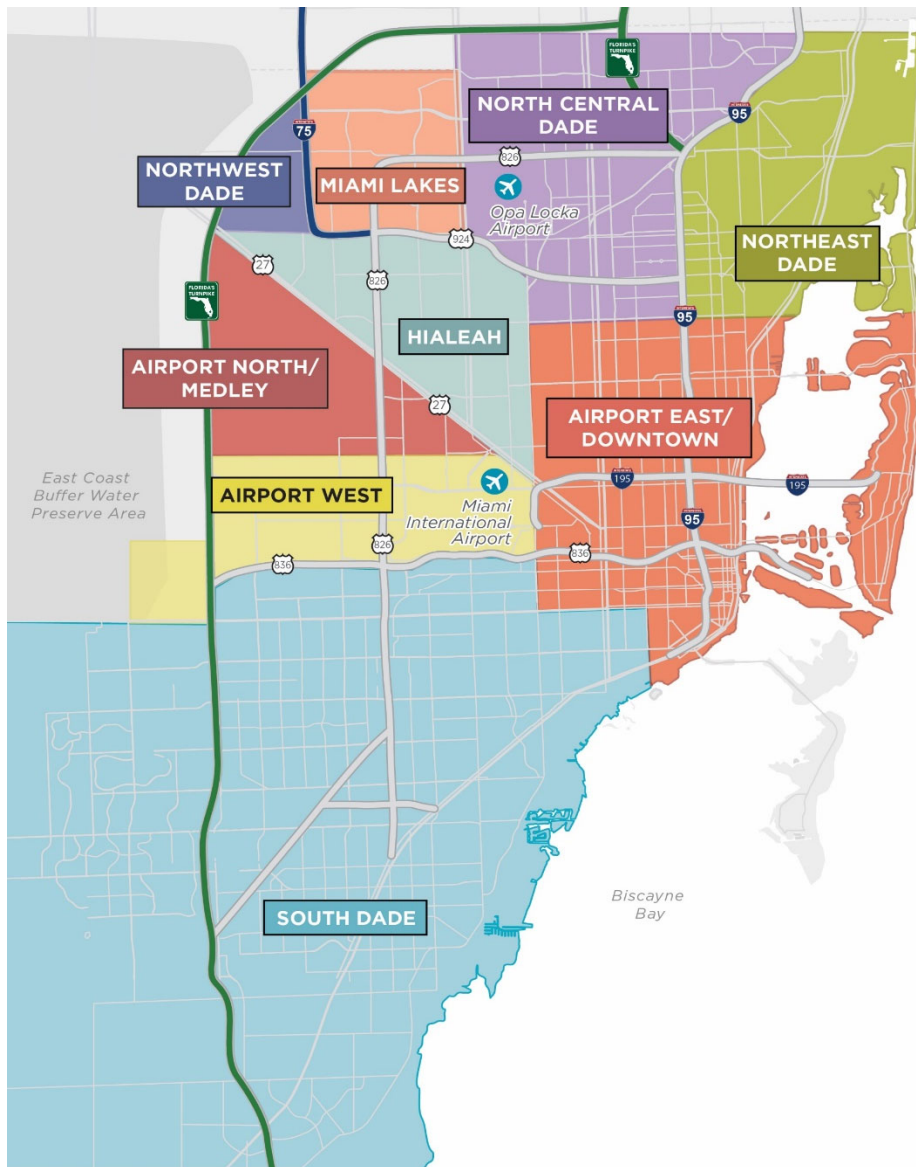
## KEY LEASE TRANSACTIONS Q2 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
Flagler Station 34-9290 NW 112 <sup>th</sup> Avenue	Medley	Starboard Cruise Services, Inc	184,968	New
14530 NW 112 <sup>th</sup> Avenue	Medley	American Fine Food Corp.	181,124	New
Modlo Air Logistics Pk 2-7755 NW 41 <sup>st</sup> Street	Airport West	Kroger	174,000	New

## KEY CONSTRUCTION COMPLETIONS Q2 2022

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
13200 SW 272 <sup>nd</sup> Street	South Dade	Amazon	1,013,532	Amazon
Miami International Tradeport 10-11130 NW 122 <sup>nd</sup> Street	Medley	Satellite Logistics	227,854	Prologis
Miami International Tradeport 9-11140 NW 122 <sup>nd</sup> Street	Medley	Agility Logistics	227,513	Prologis

### INDUSTRIAL SUBMARKETS



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