



INDUSTRIAL REAL ESTATE MARKET MIAMI-DADE COUNTY

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The Past Three (3) Years

2011: “The Return of the Landlords”

The force shifted from a “Buyer / Tenant Market” to a “Seller / Landlord Market.” Owners no longer in fear; took control. Announcements made of speculative construction for several, new warehouse projects.

2012: “Breaking Ground!”

Nine (9) new, significant projects commenced; all speculative except for Centurion Air Cargo. Finally, good to see vertical construction.

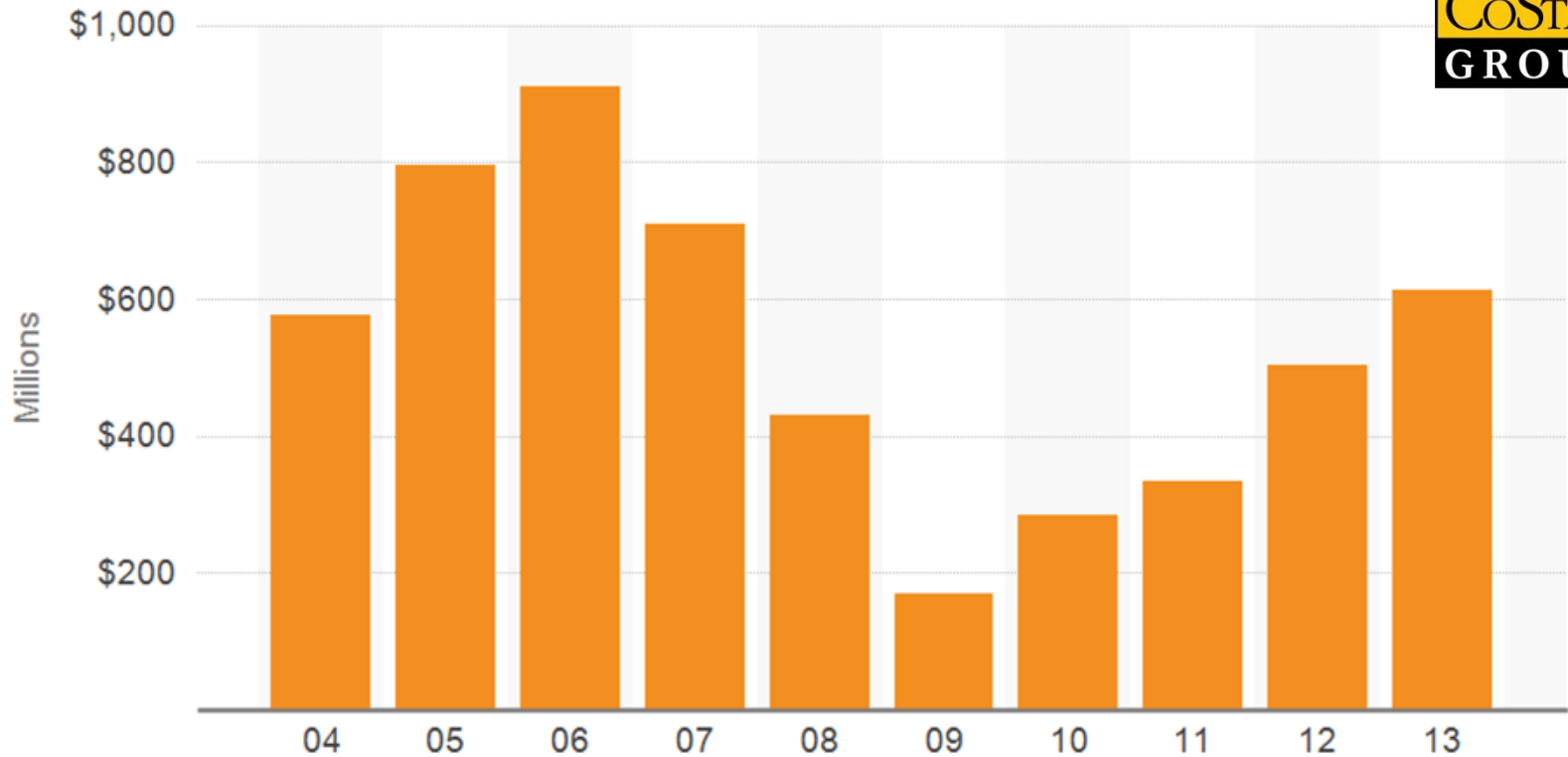
2013: “Concrete Evidence!”

Delivery of eight (8) new significant buildings delivered to the market. Some are already fully occupied. A total of over 2,300,000 sq. ft. of more space added to the market.

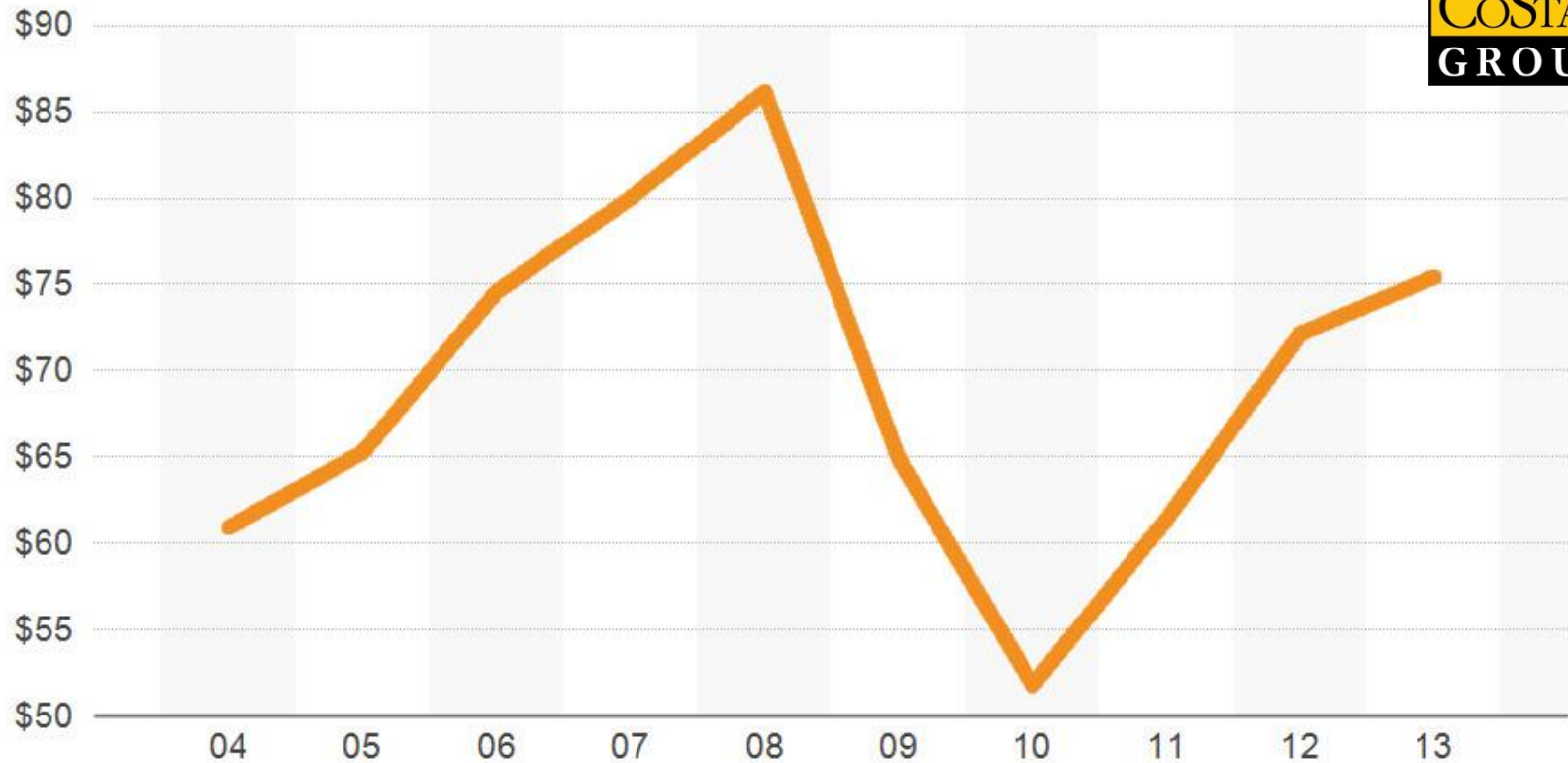
Year-End Comparisons

	<u>2012</u>		<u>2013</u>
<u>Sales Volume:</u>	\$500,000,000	↑	\$610,000,000
<u>Sales Price:</u>	\$72.17 per SF	↑	\$75.45 per SF
<u>Cap Rate:</u>	7.21%	↓	6.79%
<u>Lease Rate:</u>	\$7.54 per SF	↑	\$8.25 per SF
<u>Delivered:</u>	538,452 SF	↑	2,386,689 SF
<u>Absorption:</u>	1,555,000 SF	↑	2,687,623 SF
<u>Vacancy Rate:</u>	6.7%	↓	6.3%

Sales Volume

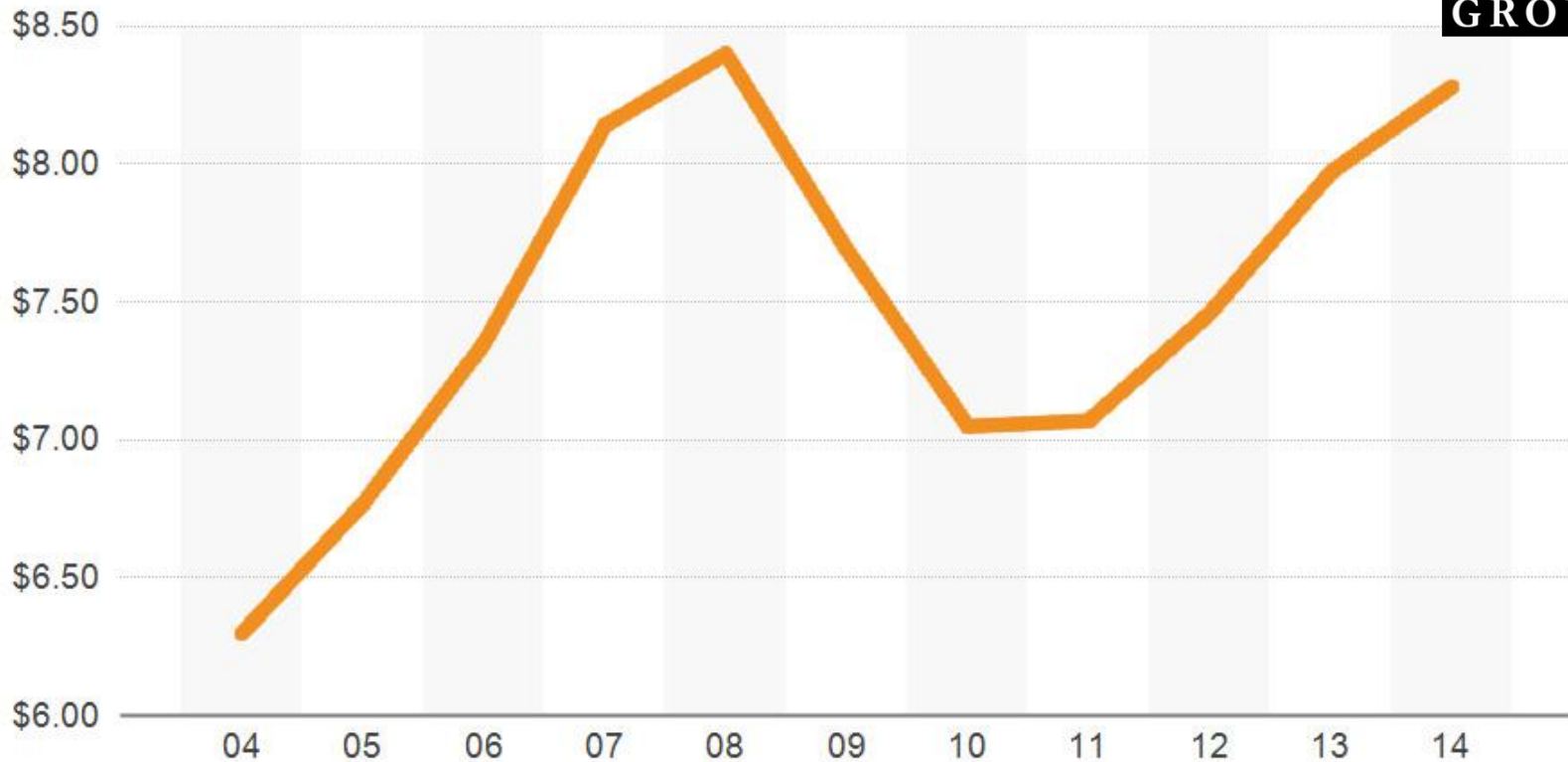


Sales Price per Sq. Ft.



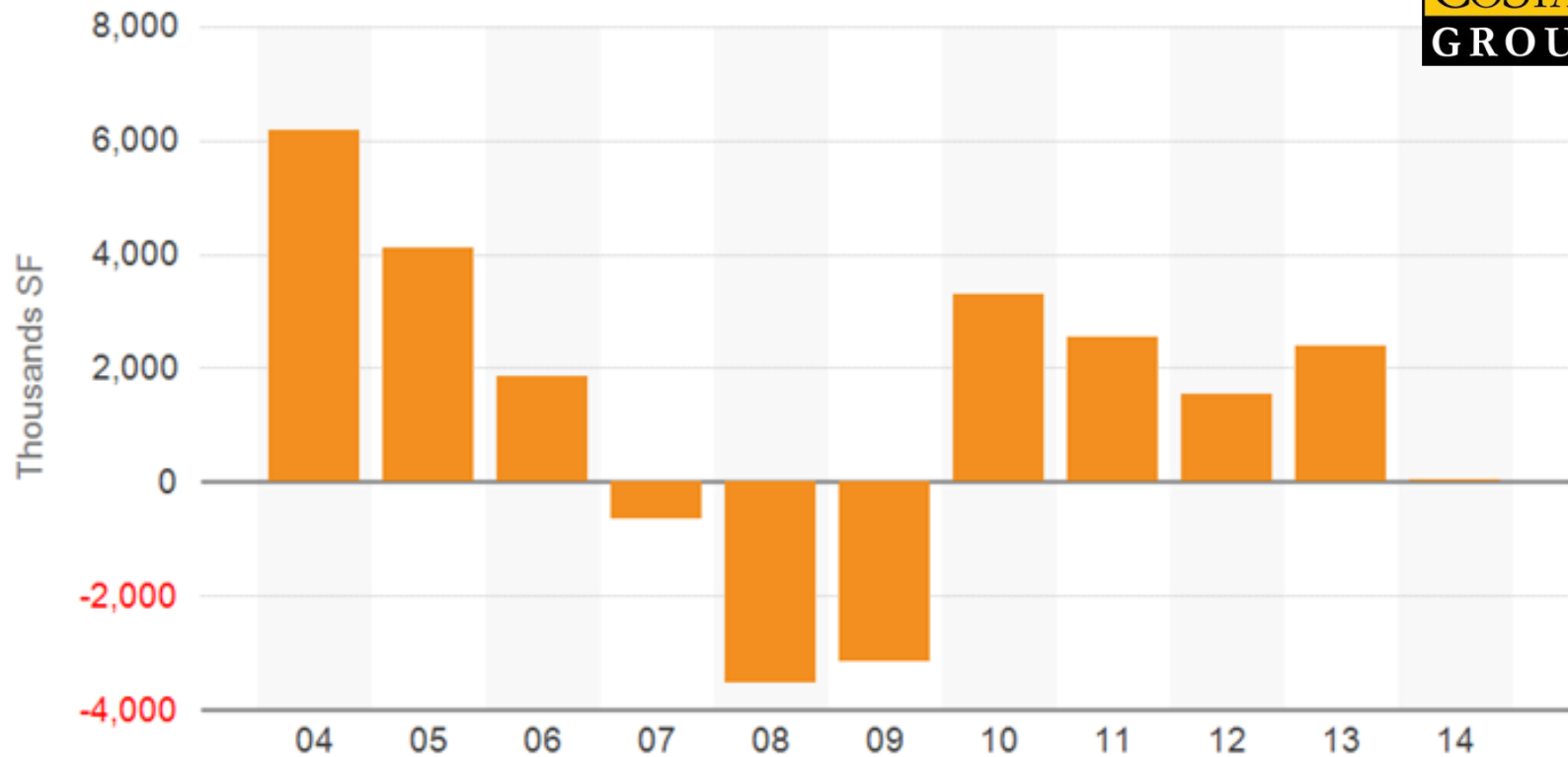
Asking Rental Rates per Sq. Ft.

CoSTAR
GROUP

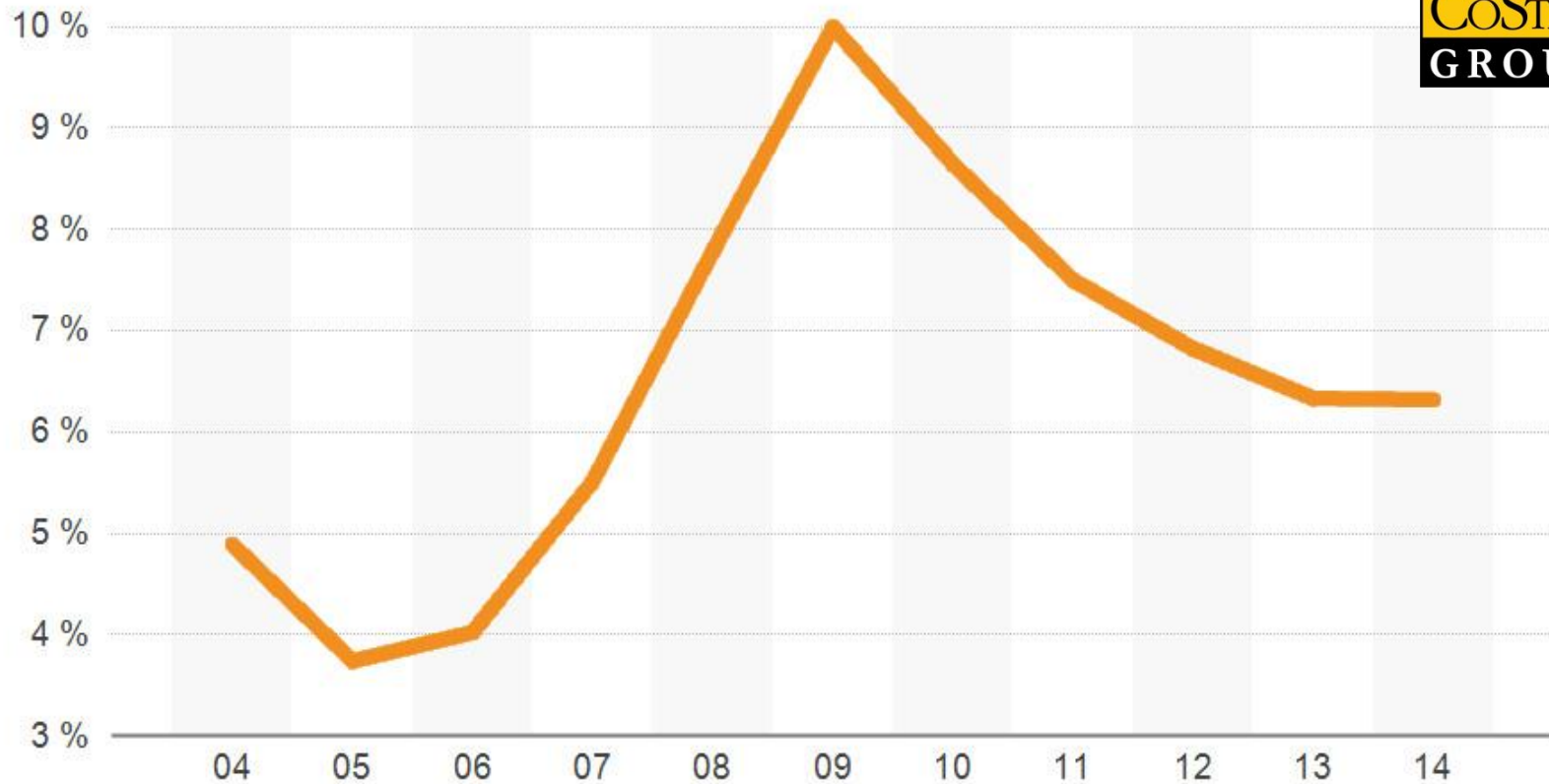


Absorption

CoSTAR
GROUP



Vacancy Rates



2013 New Deliveries

- Nineteen (19) new Buildings. Eight (8) are Significant.
- **Over 2,350,000 Sq. Ft.** Total Completion.
- Plus, **over 1,600,00 sq. ft.** Under Construction!
- So. Florida Logistics Center and Centurion Air Cargo only projects *east of Palmetto Xway.*
- Kudos to South Florida Logistics Center and Transal Logistics Center! **12,000 and 17,000 sq. ft.** bay sizes.



8 Completed Warehouses

	<u><i>Pan American North Dist.</i></u>	<u><i>DCT Commerce Center A & B</i></u>	<u><i>Miami Int'l. Dist. Center</i></u>	<u><i>Centurion Air Cargo</i></u>
<u>Sub-Market:</u>	Medley	Airport West	Airport West	Airport East
<u>Developer:</u>	Industrial Income Trust	DCT	KTR	Stiles
<u>Total Size (Sq. Ft.):</u>	185,520	334,000	335,841	550,000
<u>Asking Rate:</u>	\$8.75	\$9.25	\$9.50	N/A
<u>Ceiling Height:</u>	30'	28'	36'	28'
<u>Status:</u>	100%	100%	0%	100%

8 Completed Warehouses cont...

	<u><i>Flagler Station #30</i></u>	<u><i>Flagler Station #31</i></u>	<u><i>So. Florida Logistics Ctr.</i></u>	<u><i>Beacon Lakes #21</i></u>
<u>Sub-Market:</u>	<i>Medley</i>	<i>Medley</i>	<i>Airport West</i>	<i>Airport West</i>
<u>Developer:</u>	<i>Flagler</i>	<i>Flagler</i>	<i>Flagler</i>	<i>Prologis</i>
<u>Total Size (Sq. Ft.):</u>	<i>171,668</i>	<i>172,000</i>	<i>171,545</i>	<i>146,788</i>
<u>Asking Rate:</u>	<i>\$8.50</i>	<i>\$8.50</i>	<i>\$10.75</i>	<i>\$9.25</i>
<u>Ceiling Height:</u>	<i>30'</i>	<i>30'</i>	<i>28'</i>	<i>30'</i>
<u>Status:</u>	<i>100%</i>	<i>1/3</i>	<i>100%</i>	<i>100%</i>

Featured: Miami Int'l. Tradeport

Overview:

- Nine (9) Buildings Totaling up to 1.8M sq. ft. on 126 Acres.
- 30' High Ceilings.
- 50' x 54' Column Spacing.
- 4 Docks per Bay.
- 60' Speed Bay.
- 130' to 200' Truck Court.
- T-5 Lighting. ESFR Sprinklers.
- Custom, Build-to-Suit Spaces up to 1,000,000 sq. ft.
- Building A completed: 147,840 sq. ft.



MIT - Miami Int'l Tradeport

Print #131126052
Date: 11/26/13
Lat/Lon: 25.80955 -80.384456

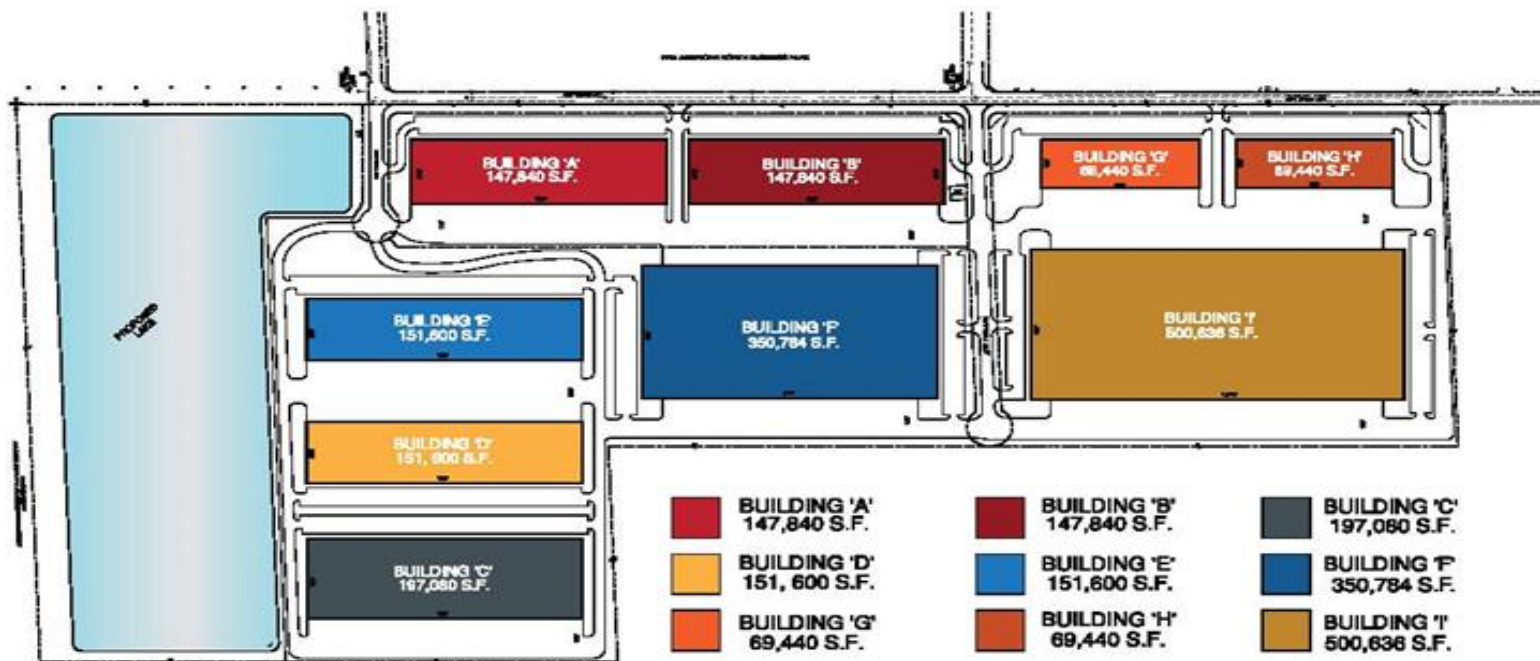
Aerial Photography, Inc. 954-588-0484

LIBERTY
PROPERTY TRUST



SITEMAP

MIAMI
INTERNATIONAL
TRADEPORT



Available Space of the Year!

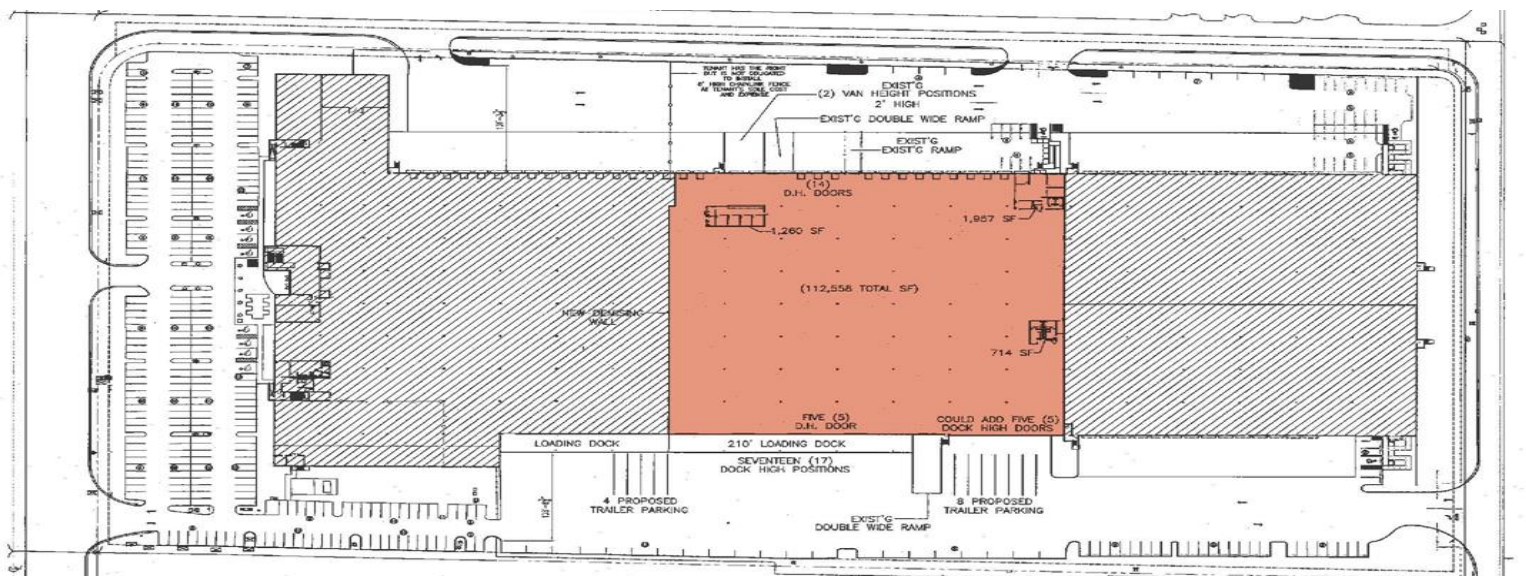


 **TRANSWESTERN**

 **CLARION PARTNERS**

International Distribution Center in Doral

- | | |
|------------------------------------|------------------------------------|
| ➤ Built in 1998; Addition in 2006. | ➤ 50' x 40' Column Spacing. |
| ➤ 112,558 sq. ft. Total Space. | ➤ T-5 Lighting. |
| ➤ w/ 3,217 sq. ft. Office Space. | ➤ Asking \$8.45 per sq. ft. Gross. |
| ➤ 28' High Ceilings. | ➤ Ready to Move In! |



International Distribution Center in Doral

- | | |
|--|--|
| ➤ Cross Docked! | ➤ 3 Van Height Positions. |
| ➤ Two (2) Truck Courts on either side w/ 110' Depth. Unshared. | ➤ 1 Single-Wide Ramp & 2 Double-Wide Ramps w/ Oversized Door. |
| ➤ 31 Dock Height Positions. | ➤ Plus, extra Yard Area for 30 Trailer Staging Positions; Parking; and/or Outside Storage. |
| ➤ 14 w/ Pit Levelers. | |
| ➤ Fenced + Gated for Security! | |

JUMBO Lease Deals!

<u>Tenant:</u>	<u>Landlord:</u>	<u>Sub-Market:</u>	<u>Size (Sq. Ft.):</u>	<u>+/- Gross Rate (PSF):</u>
Starboard	Flagler	Medley	218,000	\$8.00
OHL	IIT	Medley	185,000	\$7.25
Sea Freight	Indcor	Airport West	148,000	\$7.25
Interport Logistics	Prologis	Airport West	146,000	\$9.25
US Cold Storage	Miami Business Park	Hialeah	145,000	\$8.25

JUMBO Sale Deals!

<u>Property:</u>	<u>Buyer:</u>	<u>Seller:</u>	<u>Size</u> <u>(Sq. Ft.):</u>	<u>Price:</u>	<u>Price</u> <u>PSF:</u>
Medley Palmetto + Hialeah Gardens Parks	COFE Properties	TA Associates	865,000	\$48.3M	\$56
Medley Int'l. Business Park	Lincoln Property	TA Associates	847,000	\$59.9M	\$71
Miami Int'l. Logistics Center	KR Miami	AEW	485,000	\$11.2M	\$23
Miami Cargo Park	MICAP	Cargo Ventures	412,000	\$31.8M	\$77
37 th Ave. Bldg.	IRG	Nunez	364,000	\$8.75M	\$24

Current Trends

- More inquiries from ***Asia and Europe; not just Latin America***. Read about ***Near-Shoring***.
- Florida is more of a pro-business state. Businesses considering relocation here due to ***Economic Freedom and Quality of Life***.
- Florida Realtors and businesses lobbying to phase out ***State Sales Tax*** from commercial lease agreements. Join ***RCA Miami***.
- Users seek ***functional*** warehouse product at ***economical value***. Others seek to ***“Re-Purpose”*** existing buildings.
- Half of the available inventory is ***dysfunctional*** due to poor configuration, features and/or is ***overpriced***.
- ***Grand Theft Warehouses 4***. Theft is a problem; much of it goes unreported and uncontested.

Current Trends

- In 2013, Miami Int'l. Airport received **71% of all perishables** imported into the USA and **90% of all flowers!**
- **Port Miami** is in a defining moment in it's role in the transportation, logistics supply chain especially **perishables**. Will be 4 ports on east coast at 50' in depth ready for **Panama Canal in 2015**.
- Important drivers of our local industrial market are **FTZ's, FTA's, \$20B+ worth of infrastructure** through land, air and sea including the rail, tunnel and deep dredge.
- **East is the new West.** Some investors looking for properties closer in for better deals; in-fill developments and/or renovations.
- Constructing a class A building in a class C neighborhood equals a class B property overall.

Outlook for 2014 & Beyond...

- Continue to see slight increases to ***Lease Rates and Sales Prices***. We may still expect ***positive absorption*** along with new deliveries.
- Brokers will be making ***Off-Market Deals*** , checking for ***Pocket Listings*** and anticipating ***Listings new to Market***.
- Local, private investors must look for warehouses off-market and under 50,000 sq. ft. in class B and C neighborhoods. Institutional investors have ***unfair advantage***.
- Be creative! Find solutions!
- *"The world is moved along, not only by the mighty shoves of its heroes, but also by the aggregate of tiny pushes of each honest worker."*
– Helen Keller.



THANK YOU VERY MUCH !!!

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