



CIASF

COMMERCIAL
INDUSTRIAL
ASSOCIATION
OF SOUTH FLORIDA

2017

INDUSTRIAL REPORT





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SUMMARY & PREDICTIONS

- The South Florida Industrial Market has not changed significantly. Due to a combination of growth in demand and an increase in supply of industrial space, rental rates and occupancy levels remain at the same level as the prior year.
- There is discussion that with advances in transportation and expansion of Port Miami more fresh agricultural produce will be processed and stored locally. This should lead to an increase in demand for storage space with coolers.
- Although E-Commerce is requiring very large distribution facilities, there is strong demand for warehouse space in the range of 15,000 to 30,000 SF. Because of the cost to construct space of this size there is a shortage of inventory to fill this need.
- Industrial brokers report that tenant/users remain concerned with operating costs and are attracted to newer facilities with high efficiency lighting, easy access for truck loading and unloading. Also, as users are staging trailer loading prior to shipping they are seeking properties with secure yard area for overflow parking.
- Some of the traditional industrial areas such as the Central East and Bird Road Markets are undergoing a transformation from industrial uses to more retail/entertainment activities. This transformation results in a significant increase in sale prices and rental rates. As this occurs industrial activity is forced to move to less expensive locations.

The Commercial Industrial Association of South Florida Inc., "CIASF" is a non-profit organization of business leaders involved in the development, design, construction, sales, and leasing of Industrial and Commercial Real Estate in South Florida.

For information about membership or sponsoring an event call
CIASF Executive Director Gail Ackermann at:



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HISTORICAL FINDINGS OF THE **INDUSTRIAL MARKET** REPORT

2016

- Although rental rates have risen and vacancy rates have declined, the expectation is for increasing rental rates and continued low vacancy rates. A large component of the economic activity is related to residential and commercial construction.
- Land with industrial zoning is being improved with office and residential development which can support higher land prices, placing upward pressure on rental rates and construction costs.
- Although the expansion of the Panama Canal and the improvements to Port Miami, owners and users are not making decisions in anticipation of its impact on their businesses. The impact on occupancy costs of not just rental rates but the costs of truck travel time, ease of moving goods and resulting cost savings of efficient design in both the building and parking/access areas, is a factor.
- Due to the construction efficiency of larger buildings most of the newer buildings have spaces larger than 50,000 SF, and these buildings are based on "financial engineering" which meets the needs of their investors but not the local users, the strongest local demand is still for spaces between 10,000 to 30,000 SF.
- Weak currencies in Latin American countries should encourage the importation of goods and reduce the amount of goods exported. Hopefully, the decline in exports will be offset by an increase in imports, supporting a continued demand for industrial space.

2015

- The overall market for industrial space from both an investment and user basis continues its strong upward movement. The strong demand from investors is driven by the requirement of investment funds to purchase industrial products, in strong markets. South Florida is a very strong industrial market with an active interest by pension and investment funds, leaving a limited supply of product for owner/users and individual investors.
- The new user/tenants are coming to the South Florida area because of its central location for connecting to Latin America, relocation of businesses to the security of the United States and the life quality of South Florida. Some of the expansion of existing businesses is from the increasing economic activity in construction and development, requiring the local sourcing of supplies.
- Although there is a large variety of industrial products the most popular are dock height spaces from 10,000 to 30,000 SF with a clear ceiling height from 24' to 28'. Newer properties are providing clear interior heights up to 34' and clear spans between columns of 54 ft, that while desirable, are not demanding a significant rental premium over older space.
- As the rental rates in the newer areas "Airport West, NW/Medley" rise, there is a movement back to the older areas of "Hialeah". These older areas are located between the Palmetto Expressway and NW 27th Avenue. This movement results in an increasing demand for buildings in this area. However, water impact fees are causing serious problems for users while applying for changes of use or occupancy.
- Although the expansion of the Panama Canal will have an impact on trade in South Florida eventually, neither this nor the renovation of the rail road system is reported to influence pricing or the location decision of user/investors.
- For the first time new industrial projects have been successful in pre-leasing space during construction. In addition, several build-to-suit warehouses have been constructed.

2014

- Although the market continues to improve there is concern that rental rates and sales prices are reaching a peak. This results from an increase in the supply of quality industrial buildings coming online in 2014 and sales prices of existing buildings not supported by rental rates. Some landlords are offering a Rent Abatement. Typically, tenants are able to receive one month of free rent for every three years of lease terms and two months free rent for every five years of the lease term.
- The newer industrial buildings feature a minimum 30' of clear interior height, 54' wide column spacing allowing for 4 loading doors, rear loading truck access with large parking aprons and easy truck access. Interior improvements include T-5 high efficiency lighting systems combined with motion activated switches, EFSR sprinkler systems, windows over the loading door for natural light and high quality interior finishes in the office areas with 9 to 12' ceiling heights.
- Strongest demand is for space between 10,000 SF and 30,000 SF. Landlords should reposition larger blocks of vacant second generation space, or older 24' clear height product and subdividing these larger vacant spaces into smaller bays in order to target smaller tenants in the market.
- Unlike previous years where we noted that Miami had become a temporary storage and transportation hub, manufacturing is on the rise. Latin American companies are moving their operations to Miami-Dade for political and economic reasons. These include food processing and aviation companies. In addition, medical drug and equipment manufacturing is active with some tenants purchasing their own facilities.
- The market continues to improve, with lower vacancy rates, rental rates \$.50 to \$1.00/SF higher than last year and continued demand for industrial space from both a rental market and purchase market perspective. Tenants seem doubtful that the new Panamax Ships/Larger Port will benefit them directly. There is the possibility of larger amounts of perishable goods coming through on the ships from South America needing cooler space.

MARKET TRENDS

Supply of Industrial Space in SF (Completed as of December of each year, Over 10,000 SF)											
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
North	30,846,221	30,799,000	30,799,000	30,799,000	30,799,000	30,799,000	30,799,000	30,766,000	30,760,000	30,760,000	30,601,000
NW/Medley	34,668,173	33,218,806	32,042,000	31,418,000	31,260,000	31,252,000	30,593,000	29,564,000	29,488,000	29,488,000	28,656,000
Hialeah	23,402,000	23,402,000	23,402,000	23,365,000	23,365,000	23,365,000	23,154,000	23,154,000	23,005,000	22,937,000	22,878,000
Airport West	54,981,792	54,459,935	53,434,000	52,284,000	51,986,000	51,450,000	50,846,000	50,734,000	50,678,000	50,678,000	50,181,000
Central East & West										22,747,000	22,747,000
Central- East	8,349,870	8,349,870	8,329,000	8,329,000	8,329,000	8,321,000	8,321,000	8,321,000	8,321,000	-	-
Central-West	14,703,000	14,703,000	14,703,000	14,696,000	14,696,000	14,667,000	14,667,000	14,667,000	14,660,000	-	-
Bird South	16,138,343	15,955,960	15,941,000	15,898,000	15,898,000	15,898,000	15,898,000	15,872,000	15,749,000	15,683,000	15,170,000
Totals	183,089,399	180,888,571	178,650,000	176,789,000	176,333,000	175,541,000	174,219,000	172,793,000	172,293,000	170,233,000	

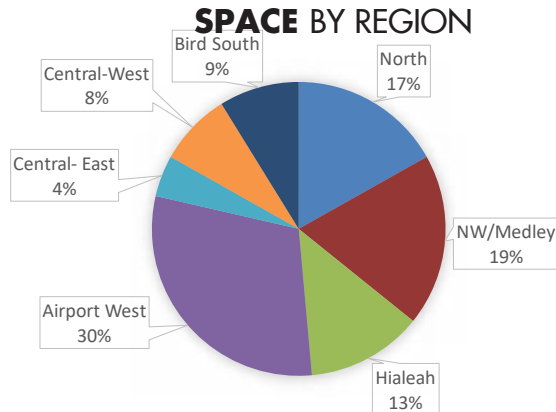
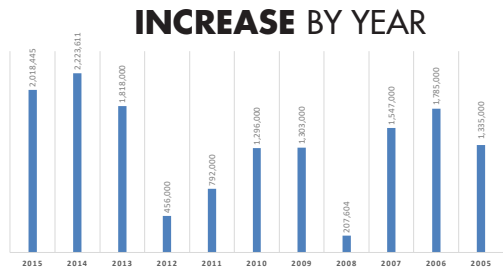
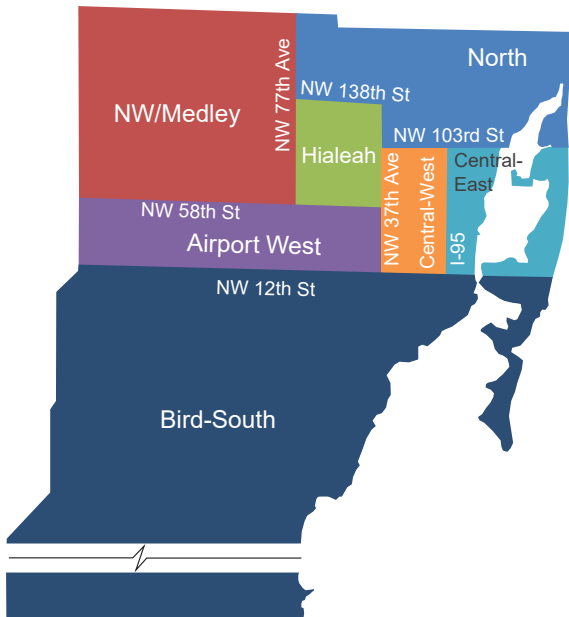
Annual Increase in Industrial Space in SF (Completed as of December of each year)											
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
North	47,221	0	0	0	0	0	33,000	6,000	0	159,000	502,000
NW/Medley	1,449,367	1,176,806	624,000	158,000	8,000	659,000	1,029,000	76,000	832,000	599,000	599,000
Hialeah	0	0	37,000	0	211,000	0	149,000	68,000	59,000	103,000	103,000
Airport West	521,857	1,025,935	1,150,000	298,000	536,000	604,000	112,000	56,000	497,000	506,000	506,000
Central- East	0	20,870	0	0	8,000	0	0	4,185			
Central-West	0	0	7,000	0	29,000	0	7,000	3,419			
Bird South	182,383	14,960	43,000	0	0	26,000	123,000	66,000	513,000	389,000	389,000
Totals	2,018,445	2,223,611	1,818,000	456,000	792,000	1,296,000	1,303,000	207,604	1,547,000	1,785,000	1,785,000

Industrial Employment as of November											
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Manufacturing	37,600	38,000	38,900	36,300	35,900	33,900	35,000	40,800	45,300	46,900	47,900
Trucking & Warehousing	67,100	63,600	66,300	61,700	60,500	58,800	57,100	59,500	61,500	61,500	61,600
Wholesale Trading	75,300	72,400	70,800	74,300	69,100	68,800	69,800	74,700	75,800	76,000	75,200
Totals	180,000	174,000	176,000	172,300	165,500	161,500	161,900	175,000	182,600	184,400	184,700

Total Freight												
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Miami Int'l Airport*	2,154,504	2,142,732	2,159,473	2,106,700	2,039,000	2,000,042	1,991,609	1,676,515	1,944,879	2,076,898	1,975,764	1,894,241
Port of Miami Cargo Ton	8,798,000	8,613,739	7,699,800	7,980,500	8,108,450	8,221,756	7,389,000	6,788,000	7,392,000	7,835,131	8,654,371	9,473,852
Port of Miami TEUs**	1,028,160	1,007,782	876,708	901,454	909,197	906,607	847,250	807,000	833,000	884,945	976,514	1,054,000

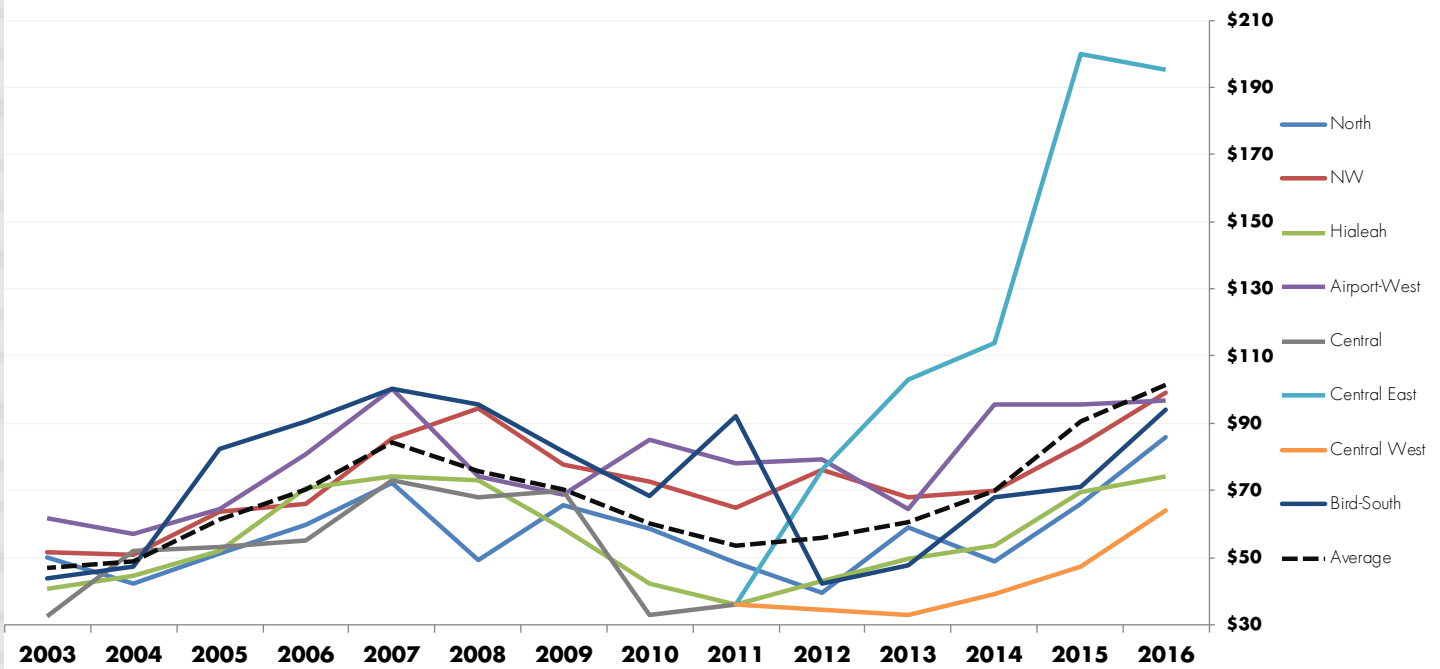
* Estimated Full Year
** Current YTD Through September

Industrial Space Per Person in Miami-Dade County												
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Population	2,681,185	2,651,195	2,615,410	2,583,021	2,534,877	2,521,194	2,498,855	2,483,366	2,475,413	2,455,829	2,427,037	2,401,755
Total Square Feet	183,089,399	180,888,571	178,650,000	176,789,000	176,333,000	175,541,000	174,219,000	172,793,000	172,293,000	170,233,000	168,059,000	
Industrial SF / Person	69	69	69	70	70	70	70	70	70	70	70	70



2017 CIASF INDUSTRIAL MARKET REPORT

SALES PRICES PER SF BY REGION



MARKET ACTIVITY

Industrial Sales - Available as of December 2016*

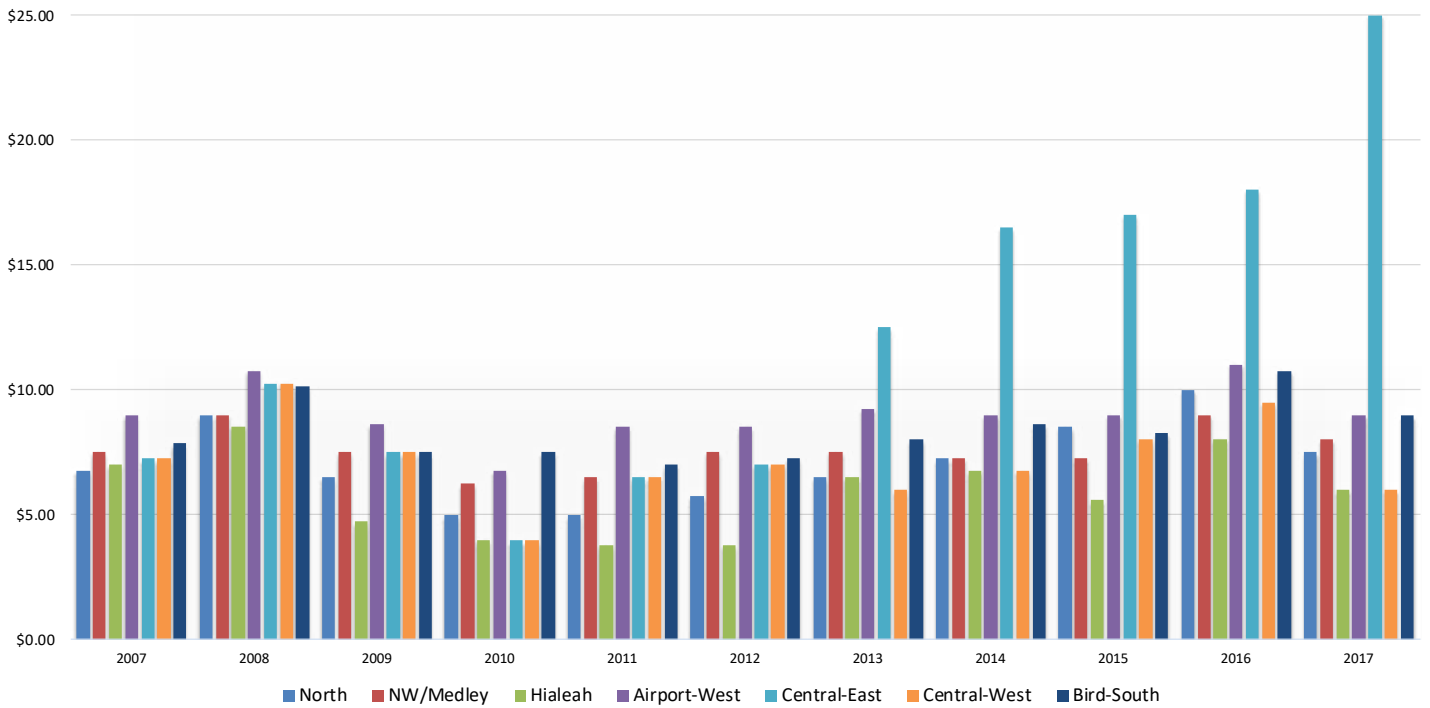
Region	Sales	Total SF	Avg Bldg SF	Median Bldg SF	Avg Year Blt	Total Sales	Avg \$/SF	Median \$/SF
North	25	1,423,128	56,925	35,036	1977	\$122,004,000	\$86	\$89
Northwest	22	559,530	25,433	22,010	1985	\$55,540,000	\$99	\$94
Hialeah	14	407,534	29,110	19,584	1964	\$30,257,000	\$74	\$75
Airport West	22	912,874	41,494	25,497	1979	\$88,262,300	\$97	\$125
Central-East	2	18,432	9,216	9,216	1960	\$3,600,000	\$195	\$195
Central-West	11	724,535	65,866	20,270	1960	\$46,384,233	\$64	\$70
Bird/South	10	291,943	29,194	28,444	1988	\$27,400,000	\$94	\$114
TOTAL	106	4,337,976	40,924	22,010	1973	\$373,447,533	\$86	\$94

Industrial Market Sales Transaction History*

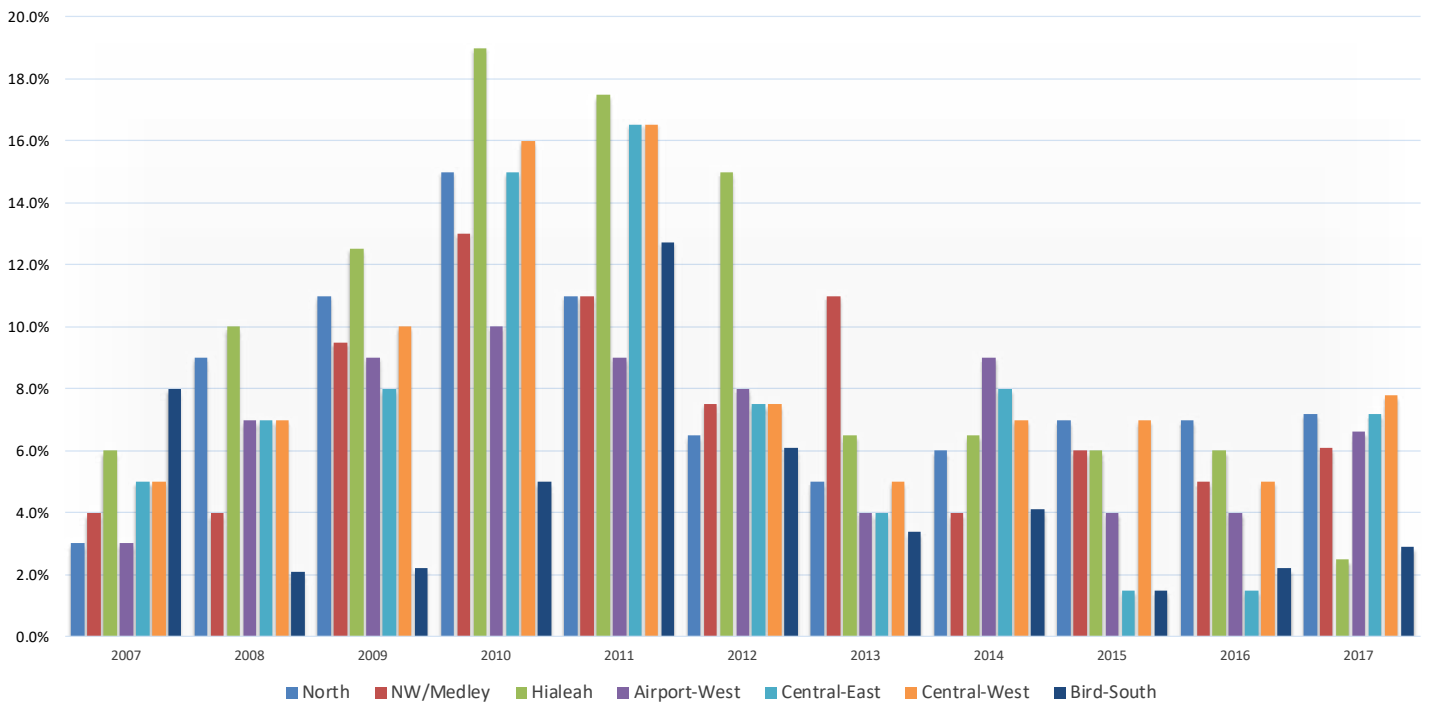
Year	# Bldgs	Total SF	Avg Bldg SF	Median Bldg SF	Avg Year Blt	Total Sales	Avg \$/SF	Median \$/SF
2016	106	4,337,976	40,924	22,010	1975	\$373,447,533	\$86.09	\$91.21
2015	146	7,165,016	49,075		1975	\$570,978,425	\$79.69	
2014	123	3,985,186	32,400		1973	\$260,584,700	\$65.39	
2013	137	6,718,134	49,037		1971	\$397,780,850	\$59.21	
2012	88	4,448,083	50,546		1975	\$257,191,198	\$57.82	
2011	67	2,533,627	37,815			\$145,798,694	\$57.55	
2010	80	1,652,530	20,657			\$107,127,000	\$64.83	
2009	52	1,402,039	26,962			\$108,328,000	\$77.26	
2008	60	3,111,161	51,853			\$243,474,543	\$78.26	
2007	113	4,648,140	41,134			\$485,599,537	\$104.47	
2006	108	8,287,000	76,731			\$667,917,000	\$80.60	
2005	186	6,506,000	34,978			\$435,187,000	\$66.89	
2004	208	9,760,000	46,923			\$536,540,000	\$54.97	
2003	185	11,900,000	64,324			\$663,500,000	\$55.76	

* Sales per the County Public Records for buildings over 10,000 SF

RENTAL RATES PER SF BY REGION



VACANCY RATES BY REGION



2017 CIASF INDUSTRIAL MARKET REPORT

NORTH

Miami-Dade/Broward County line to NW 138th Street, east of NW 77th Avenue; and from NW 138th Street, to NW 103rd Street, east of NW 37th Avenue.

Sales Market - North

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	25	1,423,128	56,925	35,036	1977	\$122,004,000	\$85.73	\$88.83
2015	20	1,253,553	62,678	38,600	1975	\$82,769,000	\$66.03	\$68.04
2014	10	692,443	69,244		1975	\$33,769,700	\$48.77	
2013	15	1,205,784	80,386		1975	\$70,925,100	\$58.82	
2012	16	1,358,928	84,900		1976	\$53,920,989	\$39.68	
2011	17	490,215	28,800		1974	\$23,751,589	\$48.45	
2010	19	408,446	21,500		1978	\$23,916,000	\$58.55	
2009	7	134,631	19,200			\$8,836,000	\$65.63	
2008	13	827,382	63,600			\$40,659,000	\$49.14	
2007	20	762,576	38,100			\$55,031,000	\$72.16	
2006	24	1,437,000	59,900			\$86,004,000	\$59.85	
2005	31	1,868,000	60,300			\$95,635,000	\$51.20	
2004	39	1,850,000	47,400			\$78,000,000	\$42.16	
2003	37	1,690,000	45,700			\$84,790,000	\$50.17	

This area features larger single and multi-tenant, dock-height, storage, and manufacturing buildings.

Major industrial parks include:
 AVE Aviation & Commerce Park
 Miami Lakes
 Palmetto Lakes
 Sunshine State
 Seaboard Industrial
 Grativity Central

Rental Market - North

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	41	2,231,339	54,423	\$7 - \$12	7.2%
2016	43	1,932,898	44,951	\$7 - \$13	7.0%
2015	51	1,859,616	36,463	\$7.5 - \$9.5	7.0%
2014	49	1,819,152	37,126	\$4.5 - \$10	6.0%
2013	61	1,512,263	24,791	\$4 - \$11.5	5.0%
2012	86	3,341,383	38,853	\$5 - \$6.5	6.5%
2011	192	5,366,962	27,953	\$3.5 - \$6.5	11.0%
2010	123	4,722,809	38,397	\$4 - \$6	15.0%
2009	100	3,822,858	38,229	\$5 - \$8	11.0%
2008	89	2,657,000	29,854	\$8 - \$10	9.0%
2007	29	807,836	27,856	\$5.5 - \$8	3.0%

NOTE: Space over 10,000 SF

NORTHWEST / MEDLEY

Miami-Dade/Broward County line to NW 58th Street, between NW 77th Avenue and Miami-Dade/Collier County line.

Sales Market - NW/Medley

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	22	559,530	25,433	22,010	1985	\$55,540,000	\$99.26	\$93.58
2015	16	1,062,425	66,402	28,059	1990	\$88,654,500	\$83.45	\$96.51
2014	11	647,983	58,908		1983	\$45,246,000	\$69.83	
2013	24	1,416,252	59,011		1980	\$96,012,500	\$67.79	
2012	11	518,327	47,100		1990	\$39,488,103	\$76.18	
2011	7	365,274	52,200		1983	\$23,665,200	\$64.79	
2010	14	217,769	15,600		1988	\$15,805,000	\$72.58	
2009	8	288,925	36,100			\$22,480,000	\$77.81	
2008	8	501,967	62,700			\$47,376,000	\$94.38	
2007	11	539,410	49,000			\$46,111,000	\$85.48	
2006	13	1,253,000	96,400			\$82,637,000	\$65.95	
2005	40	1,264,000	31,600			\$80,556,000	\$63.73	
2004	35	1,890,000	54,000			\$95,740,000	\$50.66	
2003	22	1,180,000	53,600			\$60,990,000	\$51.69	

This area features larger multi-tenant, dock-height, and street level distribution and manufacturing buildings. The spaces in the older buildings are used for manufacturing and distribution and typically under 30,000 SF. Spaces in the newer buildings are over 30,000 SF and used for storage and distribution.

Major industrial parks include:
 Flagler Station
 Lakeview Industrial Center
 Medley International Business Park West
 Medley International Business Park East
 Medley Commerce Center
 Miami International Logistics Park
 Medley Palms
 Lincoln Logistics Park
 North River Commerce Center

Rental Market - NW/Medley

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	50	2,102,580	42,052	\$7 - \$12	6.1%
2016	29	1,302,195	44,903	\$7 - \$11	5.0%
2015	33	1,398,233	42,371	\$6.5 - \$8	6.0%
2014	43	1,252,942	29,138	\$4.5 - \$10	4.0%
2013	56	1,155,345	20,631	\$5 - \$12	11.0%
2012	110	2,400,189	21,820	\$6 - \$9	7.5%
2011	245	4,008,559	16,361	\$4 - \$9	11.0%
2010	113	3,913,424	34,632	\$5 - \$7.5	13.0%
2009	61	2,865,838	46,981	\$6 - \$9	9.5%
2008	47	1,197,000	25,468	\$8 - \$10	4.0%
2007	25	1,257,028	50,281	\$6.5 - \$8.5	4.0%

NOTE: Space over 10,000 SF

HIALEAH

NW 138th Street to NW 58th Street, between NW 37th Avenue and NW 77th Avenue.

Sales Market - Hialeah

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	14	407,534	29,110	19,584	1964	\$30,257,000	\$74.24	\$74.93
2015	27	1,751,298	64,863	23,484	1969	\$121,749,900	\$69.52	\$50.11
2014	37	792,822	21,428		1965	\$42,431,200	\$53.52	
2013	25	1,259,153	50,366		1968	\$62,508,200	\$49.64	
2012	11	353,909	32,200		1976	\$15,185,000	\$42.91	
2011	19	804,204	42,300		1970	\$28,916,670	\$35.96	
2010	23	457,435	19,900		1968	\$19,330,000	\$42.26	
2009	15	408,222	27,200			\$23,955,000	\$58.68	
2008	16	482,684	30,200			\$35,145,000	\$72.81	
2007	39	1,095,789	28,100			\$81,200,200	\$74.10	
2006	26	1,916,000	73,700			\$135,484,000	\$70.71	
2005	47	937,000	19,900			\$48,879,000	\$52.17	
2004	45	1,810,000	40,200			\$80,860,000	\$44.67	
2003	40	1,430,000	35,800			\$58,170,000	\$40.68	

This market consists of two separate market products. There is one market of older smaller street level manufacturing buildings, some of which are fully air-conditioned, have lower ceiling heights, minimal power and/or lack sewer. Many have had the A/C removed because of the cost of insulating the building, or because the repurposed use does not require it.

These are typically occupied by small owner/users. The rental rates and demand for these buildings is stronger.

The other market consists older (40 years or more) large buildings with minimal improvements. This market is weak with higher vacancies, and lower rents.

Therefore, in the Regional Data for Hialeah there is a very large range of rental rates, vacancies and market prices.

*Not just the City of Hialeah

Rental Market - Hialeah

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	22	576,320	26,196	\$7 - \$9	2.5%
2016	29	999,353	34,460	\$5 - \$11	6.0%
2015	31	1,031,772	33,283	\$4.75 - \$6.5	6.0%
2014	49	1,492,464	30,458	\$4.5 - \$9	6.5%
2013	46	1,242,511	27,011	\$4 - \$9.5	6.5%
2012	69	1,656,916	24,013	\$3 - \$4.5	15.0%
2011	244	4,381,731	17,958	\$3 - \$4.5	17.5%
2010	167	4,282,504	25,644	\$3 - \$5	19.0%
2009	91	3,703,431	40,697	\$4 - \$5.5	12.5%
2008	59	2,178,381	36,922	\$8 - \$9	10.0%
2007	17	1,703,074	100,181	\$5.5 - \$8.5	6.0%

NOTE: Space over 10,000 SF

AIRPORT-WEST

NW 58th Street to NW 12th Street, between NW 37th Avenue and Miami-Dade/Collier County line.

Sales Market - Airport West

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	22	912,874	41,494	25,497	1979	\$88,262,300	\$96.69	\$124.75
2015	35	1,610,073	46,002	27,752	1983	\$153,934,600	\$95.61	\$99.83
2014	20	1,002,342	50,117		1985	\$95,747,200	\$95.52	
2013	31	1,631,116	52,400		1984	\$105,230,050	\$64.51	
2012	27	1,315,230	48,700		1986	\$103,961,606	\$79.04	
2011	19	795,877	41,900		1985	\$62,280,235	\$78.25	
2010	21	545,442	26,000		1984	\$46,471,000	\$85.20	
2009	15	414,388	27,600			\$28,549,000	\$68.89	
2008	16	1,115,803	69,700			\$82,584,543	\$74.01	
2007	38	1,972,121	51,900			\$197,675,416	\$100.23	
2006	35	3,264,000	93,300			\$263,694,000	\$80.79	
2005	43	1,970,000	45,800			\$127,175,000	\$64.56	
2004	58	3,220,000	55,500			\$184,120,000	\$57.18	
2003	73	7,110,000	97,400			\$438,040,000	\$61.61	

This region has a mixture of single and multi-tenant dock-height buildings designed for cargo distribution to the airport and seaport.

In addition, because of its central location it is popular as corporate headquarters for multi-nationals, third party logistic companies and industrial users requiring more office space.

Buildings in this region are typically newer with higher land/building ratios and more tenant amenities.

Rental Market - Airport West

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	88	3,651,759	41,497	\$8.5 - \$14	6.6%
2016	68	2,044,203	30,062	\$8 - \$14	4.0%
2015	78	4,255,181	54,554	\$8 - \$10	4.0%
2014	89	4,919,300	55,273	\$6.5 - \$11.5	9.0%
2013	96	3,323,874	34,624	\$4.5 - \$14	4.0%
2012	224	7,492,701	33,450	\$7.5 - \$9.5	8.0%
2011	333	8,578,600	25,762	\$7.5 - \$9.5	9.0%
2010	143	5,493,701	38,417	\$6 - \$7.5	10.0%
2009	144	5,319,153	36,939	\$7.5 - \$9.75	9.0%
2008	133	3,366,075	25,309	\$10.75 - \$10.75	7.0%
2007	59	2,562,113	43,426	\$7 - \$11	3.0%

NOTE: Space over 10,000 SF

2017 CIASF INDUSTRIAL MARKET REPORT

CENTRAL-EAST

North of NW 12th Street to NW 103rd Street east of I-95.

Sales Market - Central-East

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	2	18,432	9,216	9,216	1960	\$3,600,000	\$195.31	\$195.31
2015	16	330,009	20,626	11,638	1956	\$65,925,000	\$199.77	\$139.81
2014	19	47,807	26,200		1949	\$5,438,000	\$113.75	
2013	12	276,862	23,072		1948	\$28,510,000	\$102.98	
2012	12	284,481	23,700		1957	\$21,701,500	\$76.28	
2011								
2010								
2009								
2008								
2007								
2006								
2005								
2004								
2003								

The Central East Region is located on the east side of I-95, generally known as the Wynwood-Design District, but also includes the Little River area north of 54th St and industrial properties on Miami-Beach.

In the Wynwood and Design Districts industrial buildings are being converted to commercial uses, such as galleries, bars/restaurants, retail show rooms, micro-breweries and art studios. This trend is now starting to expand to the rest of the neighborhoods.

The larger buildings in the more industrial areas are older street level facilities providing for local businesses.

Due to the changing nature of select sections of the region, it is extremely difficult to measure trends in the area.

There is a new zoning overlay in the Wynwood area allowing new construction up to 8 stories. The big price jump was in anticipation of this change. Expect to see some new construction in this area in the coming year.

This is likely the last year we report on the area due to a lack of true industrial uses.

Rental Market - Central-East

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	17	600,839	35,343	\$13 - \$45	7.2%
2016	12	272,786	22,732	\$13 - \$23	1.5%
2015	11	279,366	25,397	\$12 - \$22	1.5%
2014	22	657,119	29,869	\$11 - \$22	8.0%
2013	41	836,051	20,391	\$4 - \$21	4.0%
2012	93	1,683,958	18,107	\$2 - \$12	7.5%
2011	229	4,256,962	18,589	\$3 - \$10	16.5%
2010	96	3,438,899	35,822	\$3 - \$5	15.0%
2009	54	1,021,631	18,919	\$6.5 - \$8.5	8.0%
2008	62	1,569,057	25,307	\$6 - \$10.25	7.0%
2007	25	1,205,176	48,207	\$5 - \$9.5	5.0%

NOTE: Space over 10,000 SF

CENTRAL-WEST

North of NW 12th Street to NW 103rd Street, west of I-95, extending to NW 37th Avenue on the west.

Sales Market - Central-West

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	11	724,535	65,866	20,270	1960	\$46,384,233	\$64.02	\$69.67
2015	24	1,022,761	42,615	14,337	1960	\$48,342,100	\$47.27	\$52.36
2014	18	574,345	31,908		1959	\$22,542,000	\$39.25	
2013	18	647,545	35,975		1956	\$21,225,000	\$32.78	
2012	10	404,747	40,500		1956	\$13,934,000	\$34.43	
2011								
2010								
2009								
2008								
2007								
2006								
2005								
2004								
2003								

The industrial properties in this area are older, larger and being used for distribution of goods to the local market.

The southern portion contains the major medical and hospital district in Miami-Dade as well as the "Produce District"

Some are trying to rebrand this area into the "Heart of Miami" or "West of Wynwood" (WOW) but it has yet to catch on.

Rental Market - Central-West

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	27	1,141,891	42,292	\$6 - \$10	7.8%
2016	20	566,878	28,344	\$5 - \$14	5.0%
2015	22	816,896	37,132	\$4 - \$12	7.0%
2014	23	1,521,905	66,170	\$3.5 - \$10	10.0%
2013	42	1,123,440	26,749	\$3 - \$9	5.0%
2012	93	1,683,958	18,107	\$2 - \$12	7.5%
2011	229	4,256,962	18,589	\$3 - \$10	16.5%
2010	96	3,438,899	35,822	\$3 - \$5	15.0%
2009	54	1,021,631	18,919	\$6.5 - \$8.5	10.0%
2008	62	1,569,057	25,307	\$6 - \$10.25	7.0%
2007	25	1,205,176	48,207	\$5 - \$9.5	5.0%

NOTE: Space over 10,000 SF

BIRD-SOUTH

NW 12th Street to the Miami-Dade/Munroe County Line, between Miami Beach and Miami-Dade/Collier County line.

This region is almost two distinct markets. The northern portion contains the Bird Road District which is experiencing a change similar to Wynwood into more retail and creative uses, which skews the averages higher. This area is between SW 40th Street and SW 56th Street, east of State Road 826. This sub-region is experiencing low vacancy, high rental rates and high sales prices.

The area south of SW 56th St is predominantly smaller condo-warehouses. The demand for larger industrial space in this area is still very weak. The uses in this area are for small business owners, tradesmen, and service providers. There is very little activity compared to other sub-markets in Miami-Dade County.

Sales Market - Bird-South

Year	# Bldgs	Total SF	Avg Bldg SF	Median SF	Avg Year Blt	Total Sales	\$/SF	Median \$/SF
2016	10	291,943	29,194	28,444	1988	\$27,400,000	\$93.85	\$114.44
2015	8	134,897	16,862	18,593	1984	\$9,603,325	\$71.19	
2014	8	227,444	28,431		1985	\$15,410,600	\$67.76	
2013	12	281,422	23,452		1980	\$13,370,000	\$47.51	
2012	1	212,461	212,461		1981	\$9,000,000	\$42.36	
2011	5	78,057	15,611		1982	\$7,185,000	\$92.05	
2010	3	23,438	7,813		1969	\$1,605,000	\$68.48	
2009	7	155,873	22,268			\$12,701,000	\$81.48	
2008	7	183,325	26,189			\$17,530,000	\$95.62	
2007	5	278,244	55,649			\$27,920,921	\$100.35	
2006	10	417,000	41,700			\$37,680,000	\$90.36	
2005	25	467,000	18,680			\$38,404,000	\$82.24	
2004	31	990,000	31,935			\$47,020,000	\$47.49	
2003	13	490,000	37,692			\$21,510,000	\$43.90	

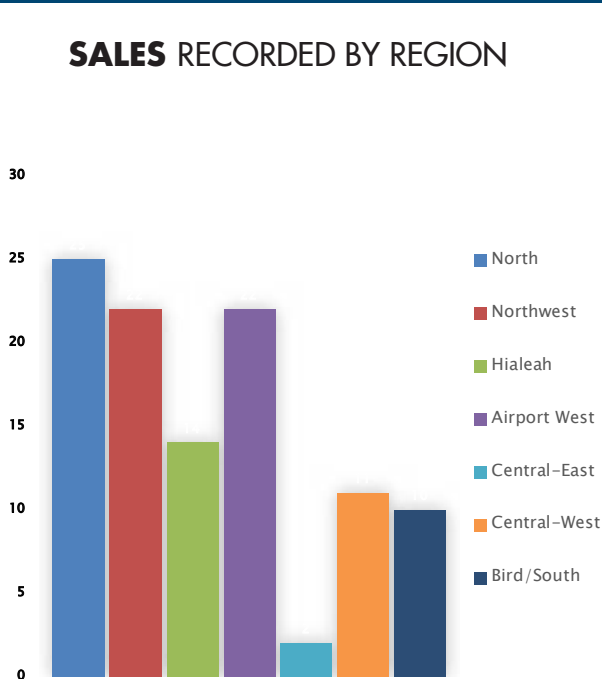
Rental Market - Bird/South

Year	# of Spaces	Total SF	Avg SF	Range	Vacancy Rate
2017	10	467,878	46,788	\$7.5 - \$13	2.9%
2016	11	351,745	31,977	\$7.5 - \$14	2.2%
2015	18	236,177	13,121	\$7.5 - \$9	1.5%
2014	20	655,328	32,766	\$6.75 - \$10.5	4.1%
2013	38	547,872	14,418	\$6 - \$10	3.4%
2012	120	976,941	8,141	\$6 - \$8.625	6.1%
2011	185	2,022,415	10,932	\$5.75 - \$8.25	12.7%
2010	51	792,127	15,532	\$6 - \$9	5.0%
2009	26	345,826	13,301	\$6 - \$9	2.2%
2008	29	321,166	11,075	\$10.5 - \$11.25	2.1%
2007	6	111,211	18,535	\$7 - \$8.75	0.8%

NOTE: Space over 5,000 SF

SALES MARKET ACTIVITY

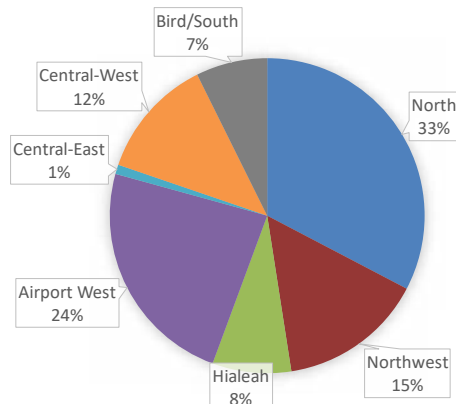
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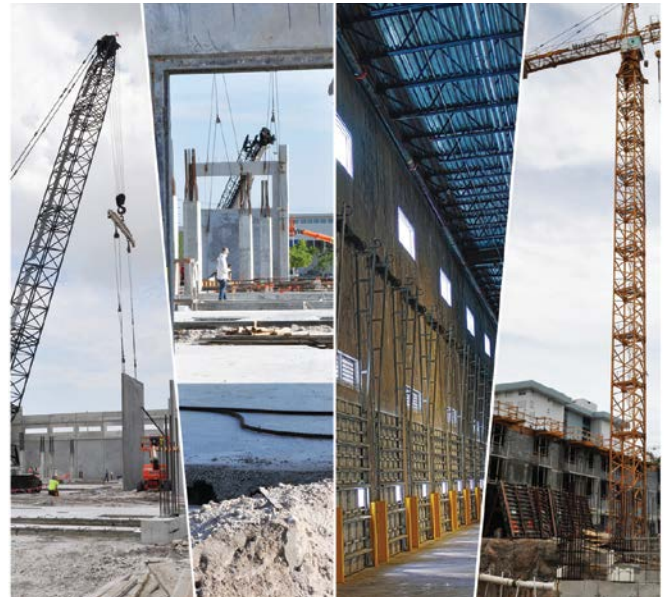
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