

# Miami-Dade County Industrial Market Report

2002  
T w o   T h o u s a n d   T w o

Compiled by the

**INDUSTRIAL ASSOCIATION OF DADE COUNTY**

# INDUSTRIAL TRENDS

2001 2000 1999 1998 1997

## Supply of Industrial Space in SF

North Dade	29.219M	28.966M	28.805M	28.529M
NW/Medley	22.477M	21.221M	20.178M	19.356M
Hialeah	22.533M	22.462M	21.480M	21.441M
Central Dade	22.319M	22.273M	22.206M	22.185M
Airport West	46.455M	45.031M	42.831M	41.065M
Bird/Tamiami	5.923M	5.713M	5.548M	5.309M
South Dade	6.285M	6.272M	6.216M	6.216M
<b>Totals</b>	<b>155.211M</b>	<b>151.938M</b>	<b>147.264M</b>	<b>144.101M</b>

Based on information from the Miami-Dade County Property Appraiser's Office, the supply and distribution of industrial space was tabulated in square feet and percent, respectively, for each region for the years 1997, 1998, 1999,

## Annual Increase of Industrial Space

North Dade	253,000	161,000	277,000	6,000
NW/Medley	1,256,000	1,043,000	822,000	906,000
Hialeah	71,000	982,000	39,000	154,000
Central Dade	46,000	67,000	21,000	31,000
Airport West	1,424,000	2,200,000	1,766,000	2,338,000
Bird/Tamiami	210,000	165,000	239,000	178,000
South Dade	13,000	56,000	0	47,000
<b>Total Annual Increase</b>	<b>3,273,000</b>	<b>4,674,000</b>	<b>3,164,000</b>	<b>3,660,000</b>

Based on information from the Miami-Dade County Property Appraiser's Office, annual increase of industrial space was tabulated in square feet for each region for the years 1997, 1998,

## Distribution of Space

North Dade	19%	19%	19%	20%
NW/Medley	14%	14%	14%	13%
Hialeah	15%	15%	15%	15%
Central Dade	14%	15%	15%	15%
Airport West	30%	29%	29%	29%
Bird/Tamiami	4%	4%	4%	4%
South Dade	4%	4%	4%	4%
<b>Totals</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Based on information from the Miami-Dade County Property Appraiser's Office, the distribution of industrial space was tabulated in square feet for each region for the years 1997, 1998,

## Industrial Employment

Manufacturing	66,400	69,200	75,700	73,600	75,400
Trucking and Warehousing	9,800	9,300	9,400	8,700	8,700
Wholesale Trading	85,500	82,900	82,500	82,500	82,500
<b>Totals</b>	<b>161,700</b>	<b>161,400</b>	<b>167,600</b>	<b>164,800</b>	<b>166,800</b>

Source: Florida Department of Labor and Employment Security, Bureau of Labor Market and Performance Information, Current Employment Statistics Program.

## Leading Commodities Traded

Machinery	\$10.744B	\$8.782B	\$9.812B	\$7.297B	\$6.842B
Textiles	\$6.352B	\$4.945B	\$4.761B	\$5.578B	\$5.045B
Household	\$.421B	\$.779B	\$.658B	\$1.299B	\$.914B
Perishables	\$.438B	\$1.072B	\$.759B	\$.985B	\$.988B
Coffee	N.A.	\$.212B	\$.139B	\$.178B	\$.201B
<b>Totals</b>	<b>\$17.955B</b>	<b>\$15.790B</b>	<b>\$16.129B</b>	<b>\$15.337B</b>	<b>13.990B</b>

Current data provided by Enterprise Florida, Inc.

## Total Freight

Miami Intl' Airport	*1.7M	1.8M	1.5M	1.6M	1.6M
Port of Miami	*8.2M	7.8M	6.9M	7.2M	6.7M
<b>Totals</b>	<b>*9.9M</b>	<b>9.6M</b>	<b>8.4M</b>	<b>8.9M</b>	<b>8.3M</b>

\* Projected statistics for fiscal year 2001.

Sources: Route Development D.C.A.D. Data Miami Aviation Statistics Accounting D.C.A.D. Projections Route Development Division, December 2001 and Metropolitan Miami-Dade County Florida Seaport Department

The first annual Industrial Market Report was presented at a monthly breakfast meeting in February 1996 by the Industrial Association of Dade County. This 350 Member strong professional organization was founded in 1980, and proudly represents industrial interests in Miami-Dade County.

# HIGHLIGHTS

# GEOGRAPHIC REGIONS

## **North Dade - From 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.**

Larger single and multi-tenant, dock-height, storage and manufacturing buildings. Major industrial parks include: Miami Lakes, Palmetto Lakes, Sunshine State, Seaboard Industrial and Gratigny Central.

- ◆ 16403 NW 8th Avenue, 8,200 SF with 600 SF office at \$5.50/SF gross for 3 years, 3% increases, paint and carpet, no rental abatement.
- ◆ 3371 NW 168th Street, 6,000 SF with 900 SF office at \$7.00/SF gross for 5 years, 5% increases, 2 months free, "as is."

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

Larger multi-tenant, dock-height and street level distribution and manufacturing buildings. Major industrial parks include: Beacon Station, Lakeview Industrial Center, Palmad Palmetto, Palmad Industrial, Palmetto Distribution Center and Medley Industrial. This area continues to serve as a distribution hub for the Tri-county area.

- ◆ 9955 NW 116th Way, 64,435 SF with 3,500 SF office at \$5.75/SF gross for 5 years, 4% increases, 2 months free, paint and carpet.
- ◆ 11825 NW 100th Road, 59,700 SF with 6,000 SF office at \$5.75/SF gross for 10 years, 3% increases, 2 months free, paint and carpet.

## **Hialeah - NW 138th Street to NW 58th Street, between NW 37th Avenue and NW 77th Avenue.**

Older street level manufacturing buildings, some of which are fully air-conditioned, have lower ceiling heights, minimal power and/or lack of sewer availability. Facilities used for garment manufacturing are being converted to other manufacturing uses. This region is noted for its ample supply of skilled bilingual labor.

- ◆ 465 East 8th Ave, 5,000 SF with 300 SF office at \$4.00/SF gross for 3 years, 3% increases, paint and carpet, no rental abatement.
- ◆ 450 West 28th Street-Bay #1, 7,200 SF with 360 SF office at \$3.35/SF gross for 3 years, 3% increases, paint, no rental abatement.

## **Central Dade - NW 103rd Street to NW 12th Street, between NW 37th Avenue and Miami Beach.**

A mixture of older street level and dock-height storage, distribution and manufacturing buildings. Market activity in this region is primarily driven by affordable building values, economic development programs and the proximity of suppliers. Three districts within this region are the "Produce", "Garment" and "Design" districts. The trend of older, less functional buildings being purchased and subsequently renovated by owner-users continues.

- ◆ 2501 NW 2nd Avenue, 12,000 SF, 100% AC, 500 SF office at \$5.50/SF gross for 3 years, 3% increases, 1 month free, "as is".
- ◆ 2550 NW 2nd Avenue, 5,000 SF, 100% AC, 150 SF office at \$6.60/SF gross for 3 years, 5% increases, 1 month free, "as is".

## **Airport West - NW 58th Street to State Road 836, between NW 37th Avenue and Miami-Dade/Collier County line.**

A mixture of single and multi-tenant dock-height buildings designed for cargo distribution to the airport and seaport. Newer industrial product in this region caters to office intensive and/or high-tech users.

- ◆ 7190 NW 12th Street, 20,175 SF with 2,225 SF office at \$5.85/SF gross for 5 years, 4% increases, 1 month free, paint and carpet.
- ◆ 2660 NW 75th Avenue, 14,556 SF with 1,000 SF office at \$5.75/SF gross for 5 years, 4% increases, paint and carpet, no rental abatement.

## **Bird/Tamiami - NW 12th Street to SW 152nd Street, between Miami Beach and Miami-Dade/Collier County line.**

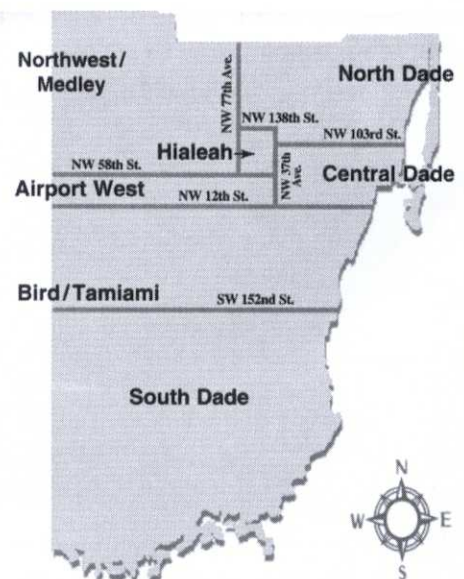
The northern area; "Bird Road Industrial", between SW 40th Street and SW 56th Street, east of State Road 826. The southern area; "Tamiami Airport", between SW 88th Street and SW 152nd Street, west of SW 117th Avenue. Both areas offer primarily multi-tenant, street level office/warehouse buildings catering to small and medium sized businesses. The industrial area east of Tamiami Airport is designated a biomedical corridor and has the highest concentration of biomedical companies in southeast Florida.

- ◆ 11990 SW 128th Street, 26,000 SF with 3,200 SF office at \$6.00/SF gross for 5 years, 3% increases, paint and carpet, no rental abatement.
- ◆ 4745 SW 75th Avenue, 2,200 SF with 700 SF office at \$7.00/SF gross for 3 years, 3% increases, paint and carpet, no rental abatement.

## **South Dade - SW 152nd Street to Miami-Dade/Monroe County line, between Biscayne Bay and Miami-Dade/Collier County line.**

Small, multi-tenant street level warehouses generally used for manufacturing, repair and small businesses. This region is not a significant factor in Miami-Dade County's overall industrial market.

- ◆ 10750 SW 188th Street, 3,250 SF with 150 SF office at \$4.80/SF gross, 1 year, paint and carpet, no rental abatement.
- ◆ 10775 SW 190th Street, 1,000 SF with no office at \$6.25/SF gross, 1 year, no rental abatement, "as is".



# 2002 MARKET CONDITIONS

	<i>Year</i>	<i>Demand</i>	<i>Supply</i>	<i>Vacancy Rates</i>	<i>Land Prices</i>	<i>Rental Rates</i>	<i>Sale Prices</i>	<i>Dock Height</i>	<i>Street Level</i>	<i>% Office</i>	
<b>North Miami-Dade</b>	<b>2002</b>	<b>( - )</b>	<b>=</b>	<b>8 - 10%</b>	<b>\$5.00-6.00</b>	<b>\$4.75-5.75</b>	<b>\$35 - 40</b>	<b>75%</b>	<b>25%</b>	<b>10%</b>	
	'01	+	=	5 - 8%	\$5.00-6.00	\$5.00-6.00	\$35 - 40	75%	25%	10%	
	'00	+	+	5 - 8%	\$5.00-6.00	\$5.00-6.00	\$35 - 40	75%	25%	10%	
	'99	+	=	5 - 8%	\$5.00-6.00	\$5.00-6.00	\$30 - 35	75%	25%	10%	
	'98	+	=	5 - 8%	\$5.00-6.00	\$4.50-5.50	\$30 - 35	75%	25%	10%	
<b>North-west/ Medley</b>	<b>2002</b>	<b>( - )</b>	<b>+</b>	<b>5- 8%</b>	<b>\$5.50-7.50</b>	<b>\$4.75-6.75</b>	<b>\$35 - 55</b>	<b>70%</b>	<b>30%</b>	<b>10%</b>	
	'01	+	+	3 - 5%	\$5.50-7.50	\$5.00-7.00	\$35 - 55	70%	30%	10%	
	'00	+	+	8 - 10%	\$5.00-6.00	\$5.00-6.00	\$35 - 40	75%	25%	10%	
	'99	=	+	5 - 8%	\$5.00-6.00	\$4.50-6.00	\$30 - 40	70%	30%	10%	
	'98	=	+	5 - 8%	\$5.00-6.00	\$4.50-6.50	\$30 - 40	70%	30%	10%	
<b>Hialeah</b>	<b>2002</b>	<b>( - )</b>	<b>=</b>	<b>8 - 10%</b>	<b>\$4.00-5.50</b>	<b>\$3.75-5.25</b>	<b>\$25 - 35</b>	<b>70%</b>	<b>30%</b>	<b>8%</b>	
	'01	=	=	5 - 8%	\$4.00-5.50	\$4.00-5.50	\$25 - 35	70%	30%	8%	
	'00	+	=	5 - 8%	\$4.00-5.50	\$4.00-5.50	\$25 - 35	75%	25%	8%	
	'99	+	-	5 - 8%	\$4.00-5.00	\$4.00-5.00	\$25 - 35	75%	25%	8%	
	'98	=	=	5 - 8%	\$3.50-4.50	\$3.50-4.50	\$25 - 35	75%	25%	8%	
<b>Central Miami-Dade</b>	<b>2002</b>	<b>( - )</b>	<b>=</b>	<b>8 - 10%</b>	<b>\$5.00-6.00</b>	<b>\$3.75-5.75</b>	<b>\$30-40</b>	<b>20%</b>	<b>80%</b>	<b>8%</b>	
	'01	+	=	5 - 8%	\$5.00-6.00	\$4.00-6.00	\$30-40	20%	80%	8%	
	'00	+	=	8 - 10%	\$3.00-4.00	\$2.50-3.50	\$15- 25	20%	80%	8%	
	'99	+	=	10 - 12%	\$2.50-3.50	\$2.50-3.25	\$18 - 25	20%	80%	8%	
	'98	+	=	8 - 10%	\$3.50-4.50	\$2.50-3.50	\$20 - 30	20%	80%	8%	
<b>Airport West</b>	<b>2002</b>	<b>( - )</b>	<b>+</b>	<b>10 - 12%</b>	<b>\$8.00-13.00</b>	<b>\$5.00-6.75</b>	<b>\$55 - 70</b>	<b>80%</b>	<b>20%</b>	<b>18%</b>	
	'01	+	+	8 - 10%	\$8.00-13.00	\$5.50-7.00	\$55 - 70	80%	20%	18%	
	'00	+	+	10 - 12%	\$8.00-13.00	\$5.50-7.00	\$55 - 70	80%	20%	18%	
	'99	+	+	8 - 10%	\$8.00-12.00	\$5.50-7.00	\$50 - 65	80%	20%	18%	
	'98	+	+	5 - 8%	\$8.00-12.00	\$6.00-7.00	\$50 - 75	75%	25%	18%	
<b>Bird/ Tamiami</b>	<b>2002</b>	<b>( - )</b>	<b>+</b>	<b>8 - 10%</b>	<b>\$4.00-6.00</b>	<b>\$4.25-6.25</b>	<b>\$35 - 45</b>	<b>10%</b>	<b>90%</b>	<b>15%</b>	
	'01	=	=	8 - 10%	\$4.00-6.00	\$4.50-6.50	\$35 - 45	10%	90%	15%	
	'00	=	+	8 - 10%	\$4.00-6.00	\$4.50-6.50	\$35 - 45	10%	90%	15%	
	'99	=	+	8 - 10%	\$4.00-6.00	\$4.50-6.50	\$35 - 45	10%	90%	15%	
	'98	+	=	5 - 8%	\$4.00-5.00	\$4.50-6.50	\$35 - 45	5%	95%	15%	
<b>South Miami-Dade</b>	<b>2002</b>	<b>( - )</b>	<b>=</b>	<b>10 - 20%</b>	<b>\$3.50-5.00</b>	<b>\$3.25-4.25</b>	<b>\$25 - 30</b>	<b>5%</b>	<b>95%</b>	<b>10%</b>	
	'01	( - )	=	15 - 18%	\$3.50-5.00	\$3.50-5.00	\$25 - 30	5%	95%	10%	
	'00	( - )	=	15 - 18%	\$3.50-5.00	\$3.50-5.00	\$25 - 30	5%	95%	10%	
	'99	( - )	=	15 - 18%	\$3.50-5.00	\$3.50-5.00	\$20 - 30	5%	95%	10%	
	'98	=	=	10 - 12%	\$4.00-5.00	\$4.00-5.00	\$20 - 30	5%	95%	10%	

Compiled annual research from active real estate owners, brokers, and developers.

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## S U M M A R Y

- Due to a national recession, a decline in trade and the effects of terrorism, the demand for industrial space has declined.
- The supply of space at both NW/Medley and Airport West increased by approximately 1,300,000 SF.
- All regions are experiencing significant levels of space for sublease.
- NW/Medley is a distribution hub to the tri-county area and continues to compete with the Airport West Region.
- Central Dade continues to offer redevelopment opportunities.

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