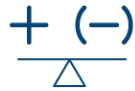




227.8 MSF

Inventory



1.08 MSF

Direct Net Absorption



6.0%

Direct Vacancy



10.1%

Total Availability



4.5 MSF

Under Construction



\$16.82 PSF

Asking Rent (NNN)

Shifting Fundamentals Signal Promising Future

Market Observations

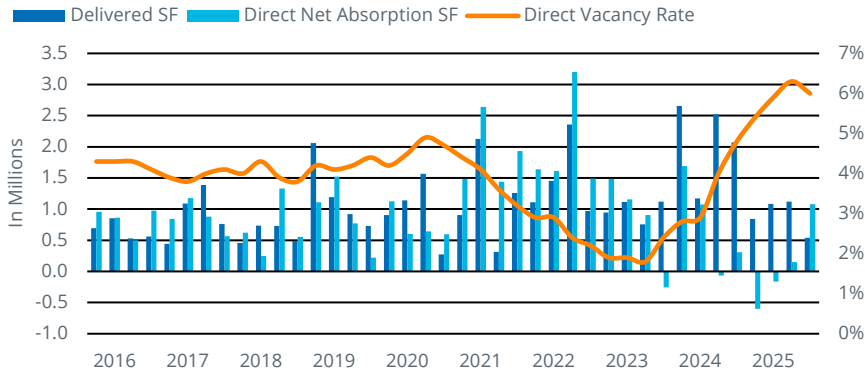
- Vacancy tightened in Q3 2025, pushing the direct vacancy rate down to 6.0%, a 30-basis point decline from Q2 2025. While still above Miami's 10-year average of 3.9%, it remains below the US average, this quarter by 0.6%.
- Miami posted 1,076,958 SF of direct net absorption in Q3 2025, the strongest quarterly gain since late 2023. Amid Miami's recent demand softness, this level of positive occupancy is notable — Q3 2024 absorption totaled 307,584 SF. The market saw back-to-back quarters of occupancy gain for the first time since early 2024.
- Deliveries slowed in Q3 2025 as 539,712 SF of new industrial space was delivered, a 580,564 SF decrease from Q2. With 4.5 MSF currently under construction, quarterly deliveries are projected to return to the recent average of over 1.0 MSF through the remainder of 2025 and into the first half of 2026.
- Asking rents edged up slightly from \$16.78 PSF NNN in Q2 2025 to \$16.82 PSF NNN in Q3 2025. Year-over-year growth was modest, rising just 1.82% — a sharp slowdown compared to the five-year average growth rate of 11%, but not unexpected.





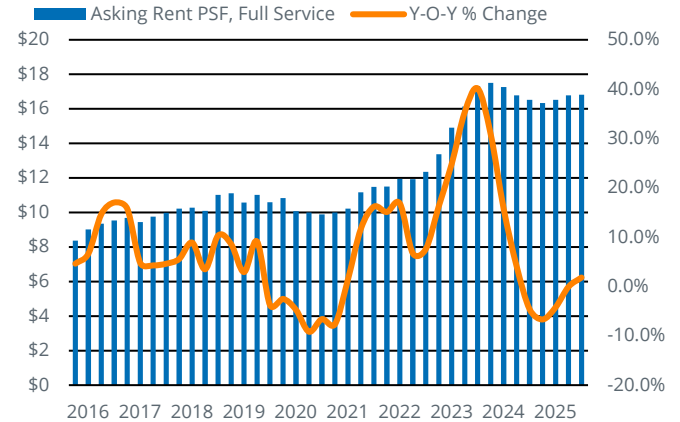
- Vacancy** tightening may be signaling a turn in the adjustment period after two years of increases, during which the rate rose 450 basis points. Based on expected deliveries and current historical patterns of the real estate cycle, vacancy is expected to remain between 5-6% for the next twelve months.
- Deliveries** were at their lowest in four years, which, paired with Miami's limited existing inventory, likely contributed to the recent tightening in vacancy. The **construction** pipeline still holds a solid volume of upcoming supply, and once these projects deliver, vacancy is expected to ease back down toward lower levels following initial increases in the coming quarters.
- Despite solid market fundamentals, **asking rent** growth remained limited as tenant leverage persisted amid the highest availability levels recorded since 2012. Asking rents are expected to remain relatively flat while market comparisons show effective rates softening further due to tenant incentives.
- Current year-over-year **absorption** stands at 467,775 SF, turning positive after a big Q3 and two consecutive quarters with negative annual absorption totals. Three move-ins accounted for 42% of Q3 2025 occupancy, showing strong tenant demand.

DELIVERY IMPACT ON KEY INDICATORS



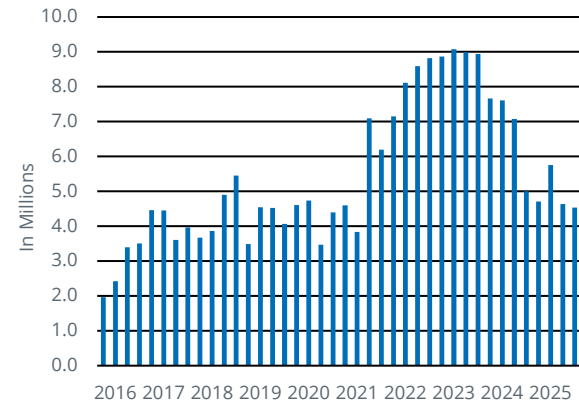
Source: CoStar, Transwestern

ASKING RENT



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



MIAMI INDUSTRIAL MARKET | Q3 2025

MARKET INDICATORS TABLE

All Classes of Space | Q3 2025

SUBMARKET	INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	OVERALL AVAILABILITY RATE	UNDER CONSTRUCTION SF	DIRECT NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, NNN
MIAMI AIRPORT	76,159,893	3,865,883	5.1%	11.4%	2,773,250	716,125	107,035	\$16.49
MEDLEY	36,398,121	2,503,758	6.9%	11.7%	690,230	132,007	(706,400)	\$17.03
HIALEAH	21,031,497	944,237	4.5%	6.7%	0	169,350	(105,051)	\$15.25
CENTRAL MIAMI	1,912,797	78,904	4.1%	4.1%	0	(17,468)	(13,962)	\$16.95
MIAMI LAKES	12,242,703	767,966	6.3%	8.9%	0	(68,485)	(339,535)	\$15.19
NORTH DADE/GRATIGNY	39,857,216	3,826,445	9.6%	12.7%	150,000	(123,388)	385,711	\$15.36
SOUTHWEST DADE	7,652,053	91,257	1.2%	1.8%	0	14,194	63,452	\$20.82
EAST MIAMI	2,438,912	165,365	6.8%	7.0%	0	(9,143)	25,808	\$29.27
SOUTH CENTRAL MIAMI	8,458,739	309,135	3.7%	3.0%	0	(4,770)	(44,339)	\$29.99
SOUTH DIXIE HWY	7,751,081	252,904	3.3%	6.2%	265,318	(16,024)	144,709	\$17.16
WEST MIAMI	2,480,443	87,573	3.5%	3.6%	0	7,291	8,632	\$15.00
OUTLYING MIAMI DADE	11,411,290	875,289	7.7%	11.8%	653,332	277,269	941,715	\$15.61
Total	227,794,745	13,768,716	6.0%	10.1%	4,532,130	1,076,958	467,775	\$16.82

Source: CoStar, Transwestern



Research Methodology

The information in this report is the result of a compilation of information on flex and industrial properties located in the Miami metro area. This report includes single-tenant, multi-tenant, and owner-user properties 20,000 SF and larger, excluding data centers, biotech, and properties owned by a government agency

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For More Information

Max Holton

Research Analyst

Research Services

Max.Holton@transwestern.com

305.808.7312

Spencer Papciak

Director of Research - Southeast

Spencer.Papciak@transwestern.com

404.842.6585

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