



New-generation industrial construction on par with demand

By CATHERINE LACKNER

In the industrial market, new construction has kept pace with demand without creating a glut on the market, observers said.

"There's a lot of construction, and it is a new-generation type building," said Jose J. Juncadella, a principal of Fairchild Partners and president of the Commercial and Industrial Association of South Florida. "I don't consider it a boom."

Up-from-the-ground construction involves new design and new technology, he added. In addition to ceiling clearances of 30 to 36 feet, columns spaced at least 54 inches apart, and enhanced-response, fast-suppression fire sprinklers, the distance between buildings is greater and they tend to include more amenities.

Even with the new buildings going up, "I don't think there's an oversupply," Mr. Juncadella said. "Developers are providing for the people coming into the market."

New developments are emerging in Medley and near the Opa-locka Airport, with the Carrie Meek Foundation in talks to create the Opa-locka Aviation and Commerce Center, he said. The 121-acre facility is to include a business incubator.

"The truth is, developers began building in 2013, and continue to do so," said Nick Wigoda, executive vice presi-

dent at Jones Lang LaSalle. "Rental rates are trending up, and there is positive net absorption."

He predicted that developers will continue to "stay disciplined" and only build to the requirements of the market, so rents will stay strong. "It's really not a boom but a steady build-to-market strategy."

There is considerable development along the Florida Turnpike, including in Homestead, he said. "These spaces appeal to businesses that want to be in Miami-Dade and know there are cheaper rates if you go south."

Some are in South Dade's service sector and are leasing warehouse space to store their materials. Some who need to ship goods aren't deterred by the fact that Homestead is a good distance from the airport and seaport. "It's not as far away as Orlando," Mr. Wigoda said.

"New construction is not a trend that started this year," said Chris Sutton, vice president for business development for Flagler Global Logistics, a subsidiary of Florida East Coast Industries.

"We got into a good development cycle at the end of 2012 and beginning of 2013."

In addition to the South Florida Logistics Center near Miami International Airport and Flagler Station in Medley, his company has on the drawing boards Countyline Corporate

Park, near the Florida Turnpike and I-75 and close to the site of the proposed American Dream shopping mall.

"It's important to note that we have the most land available; 30% of the remaining land entitled for industrial use," he said. "It's legacy land that the company has had for a long time."

South Florida Logistics Center is leasing up quickly and Flagler Station has only 32 acres of available land left, Mr. Sutton said. "As land at Flagler Station begins to dwindle, there is considerable focus in our company for Countyline to get started."



Photo by Maxine Usdan

"Rental rates are trending up": Nick Wigoda of Jones Lang LaSalle.



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