Market Overview

Miami Industrial

2Q26

NMRK.COM

Market Observations

Economy

- The region's unemployment rate increased by 10 basis points year over year to 2.8%. The rate has hovered around this level since September 2025 and most recently edged down 20 basis points month over month.
- The pace of job growth has slowed from recent highs, dropping 167 basis points year over year and slipping below the national average since September 2025. Job growth currently stands at 0.2%, trailing the national rate by 10 basis points as economic headwinds temper expansion.
- Employment growth was broadly negative, with only three of the ten sectors posting gains and trade/transportation/utilities hold flat.
- Industrial-using employment contracted 0.4% as the largest industrial-using sector, trade/transportation/utilities, experienced flat growth and the other two industrial-using sectors reported contractions with mining and construction contracting by 1.1% and manufacturing decreasing by 2.1%.

Leasing Market Fundamentals

- The market realized 429,712 SF of positive absorption in the second quarter of 2026, raising absorption for the first half of the year to 445,762 SF.
- Overall rental rates slipped by 1.0% quarter over quarter but rose 2.5% year over year to $15.91/SF, as an increase in supply has put downward pressure on rent growth.
- Construction deliveries totaled 201,857 SF, decreasing under-construction square footage by 6.6% quarter over quarter. So far in 2026, deliveries totaled 873,205 SF. Another 2.8 MSF of ongoing and newly started projects are underway, which are currently 15.6% preleased.
- As a result of demand outpacing supply this quarter, the vacancy rate decreased by 10 basis points quarter over quarter to 6.4%.

Major Transactions

- CompletePet Florida secured the largest deal of the quarter by leasing 190,351 SF at Beacon Logistics Park—Building C. They were originally doing business as Custom Veterinary Services and this was the first location before expanding to Vermont in 2025.
- Renewals accounted for three of the top five deals this quarter, showcasing tenants' commitment to existing space. The remaining deals were new deals highlighting the role of tenants demand in supporting occupancy gains.
- The North Central and Medley submarkets accounted for two of the top fives leases each in the second quarter, while the remaining lease was signed in the Hialeah/ Hialeah Gardens submarket.
- Manufacturing and logistics and distribution each accounted for two of the quarter's five largest leases, while a paper and packaging company completed the top five.

Outlook

- The Miami industrial market is expected to see a steady influx of new supply in the near term, with 1.3% of the current market's inventory under construction and approximately 2.8 MSF projected to be delivered in 2026.
- Vacancy rates are expected to remain low relative to many other U.S. metros but are likely to increase over the next few quarters as new supply from a robust construction pipeline continues to deliver while demand remains muted.
- Asking rent growth is expected to remain muted to flat in the short term, due to the temporary imbalance between supply and demand.
- Concessions are likely to increase in the near term as landlords compete to lure tenants.

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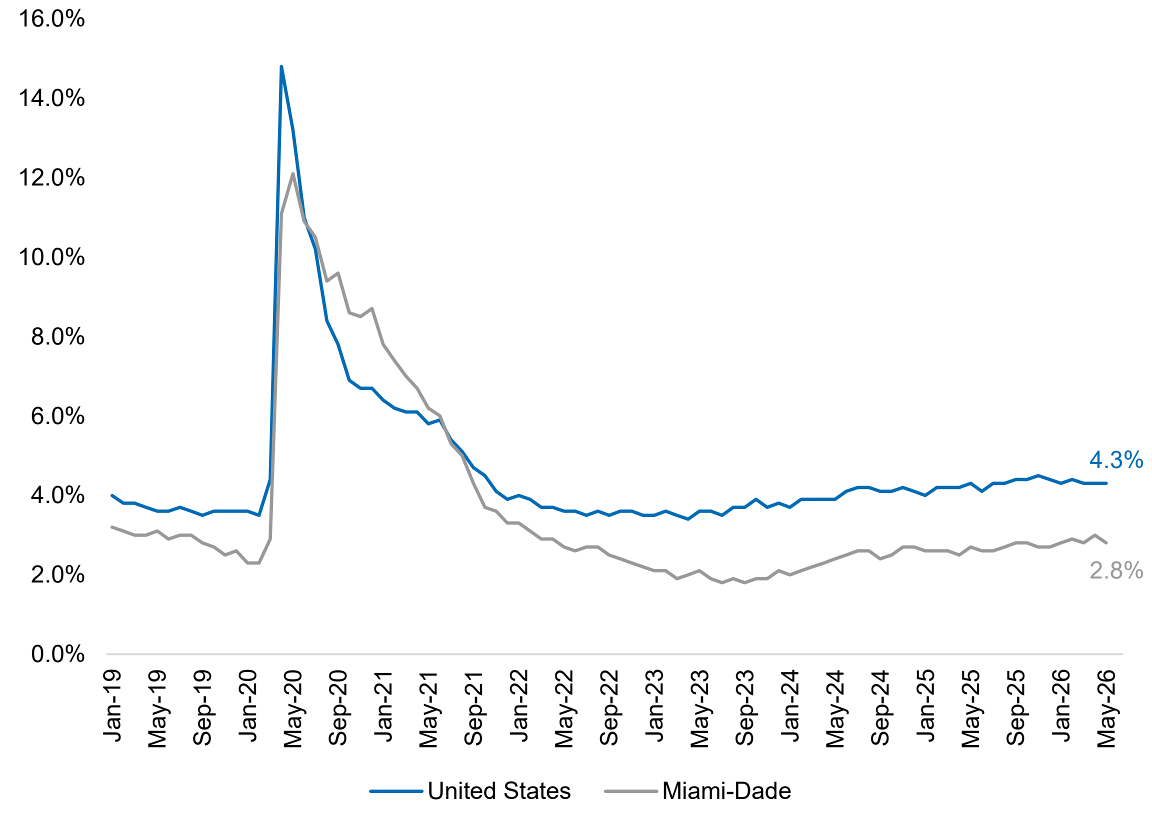
Economy

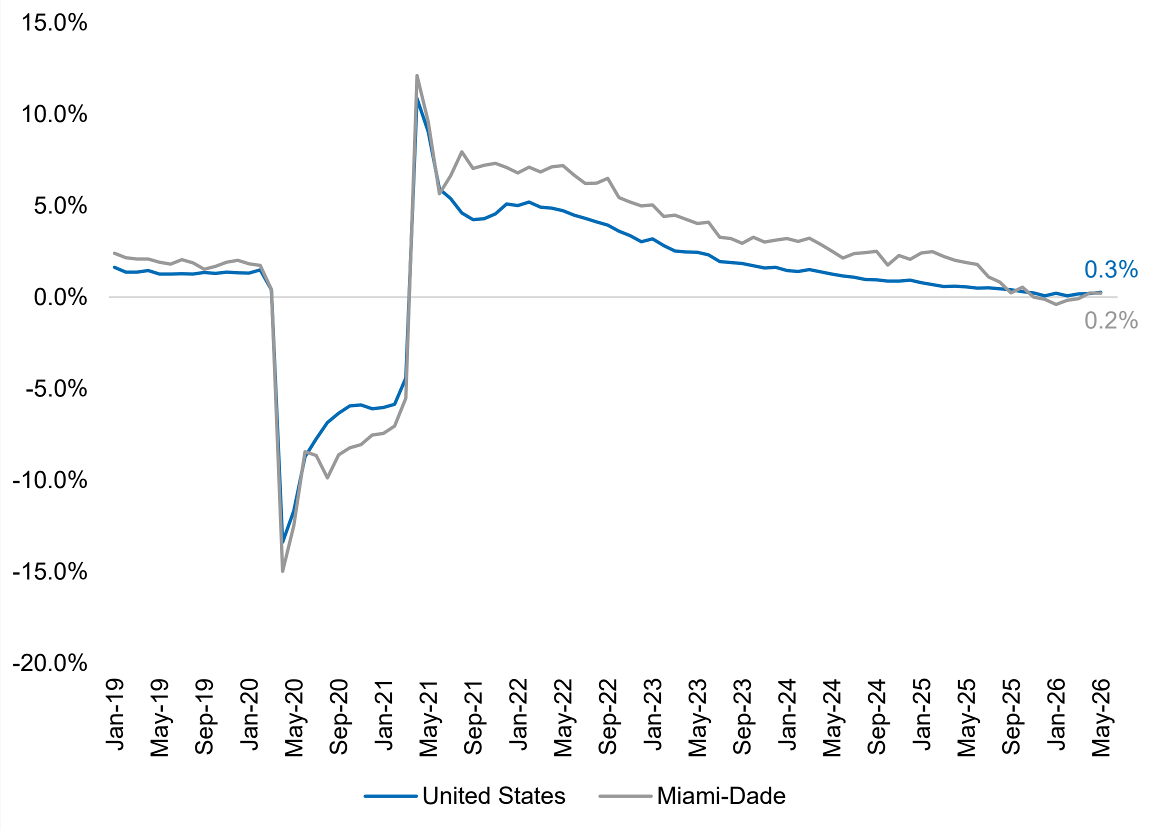
Employment Growth Moderates, but Labor Market Remains Tight

The Miami-Dade County industrial market has historically benefited from an unemployment rate that trends below the national average, due to the market having strong historic employment growth. Recently, unemployment continues to trend below the national average, but employment growth has dipped below the national growth rate since November 2025. The region's unemployment rate in May 2026 rose by 10 basis points year over year to 2.8% as sector-level performance became more uneven. Over the same period, Miami-Dade's employment growth rate decelerated by 167 basis points year over year and is 10 basis points below the national average growth rate as economic headwinds have tempered employment growth in the market.

Unemployment Rate, Seasonally Adjusted*



Nonfarm Payroll Employment, Seasonally Adjusted, 12-Month % Change

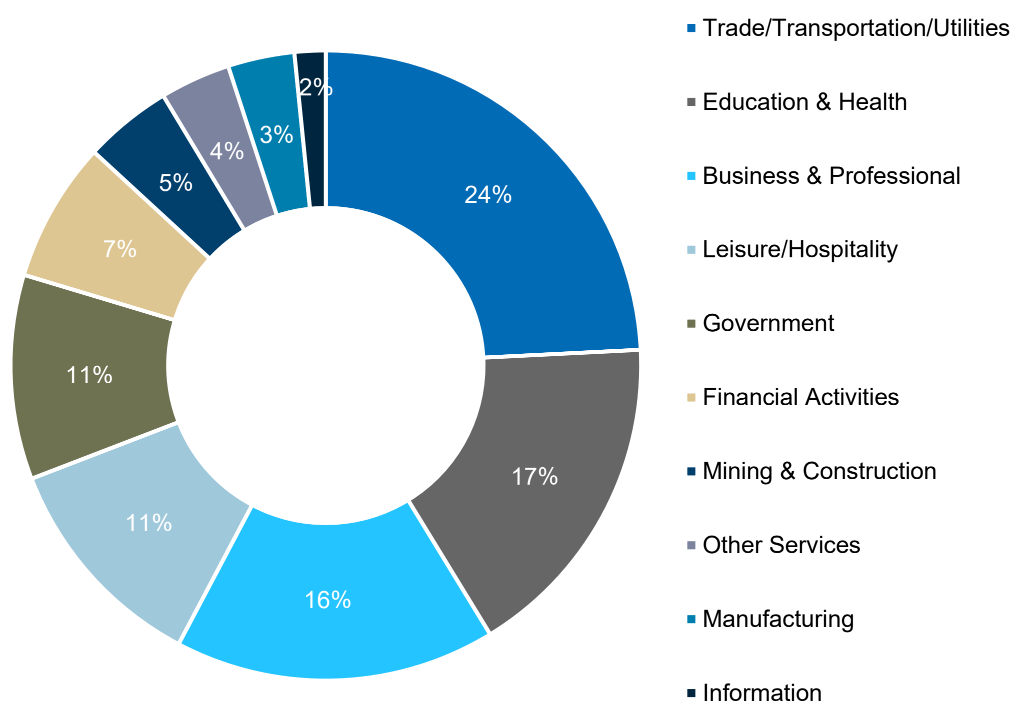


Source: U.S. Bureau of Labor Statistics, Miami-Dade County
*October 2025 government shutdown missing data addressed with duplicating September 2025's data

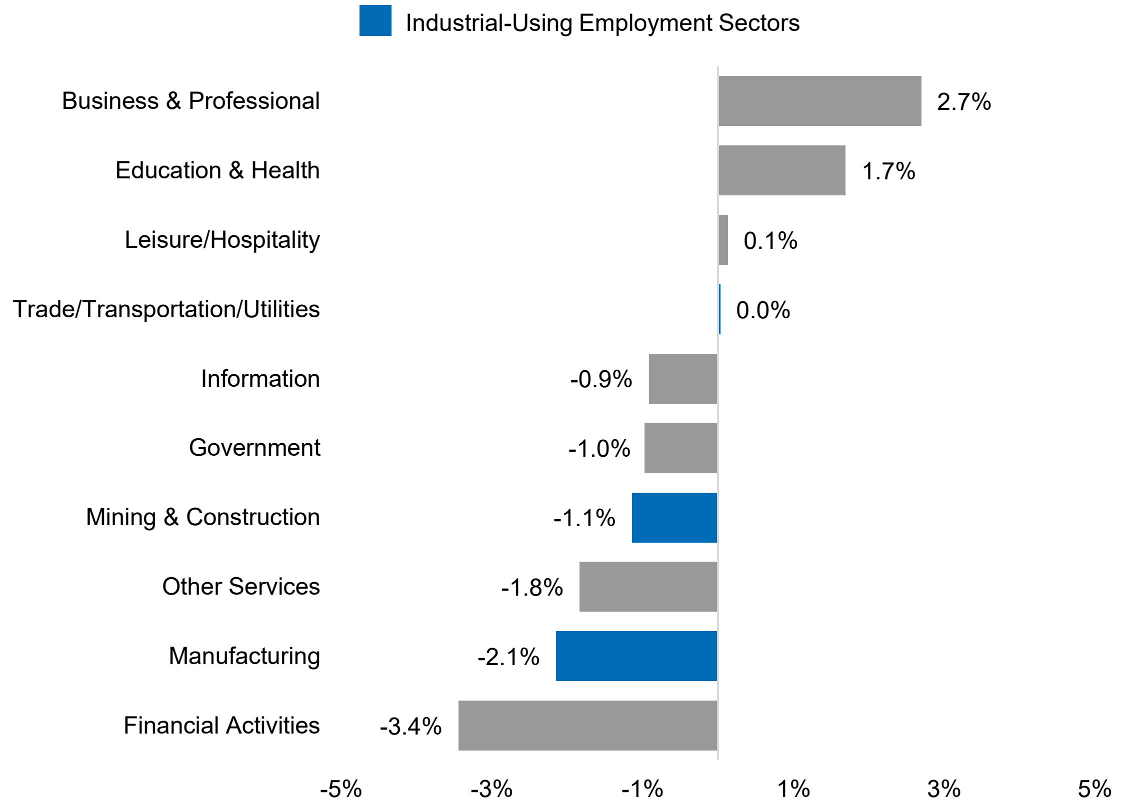
Two Industrial-Using Sectors Post Negative Growth, While One Remains Flat

Miami-Dade County's two largest employment sectors, trade/transportation/utilities and education and health, account for 41.2% of total jobs, with industrial-using trade/transportation/utilities sector posting the largest share of 24.2%. The business and professional sector also led job growth over the past year, expanding by 2.7%, trade/transportation/utilities remained flat, while mining and construction and manufacturing reported contractions of 1.1% and 2.1%, respectively.

Employment by Industry, May 2026



Employment Growth by Industry, 12-Month % Change, May 2026

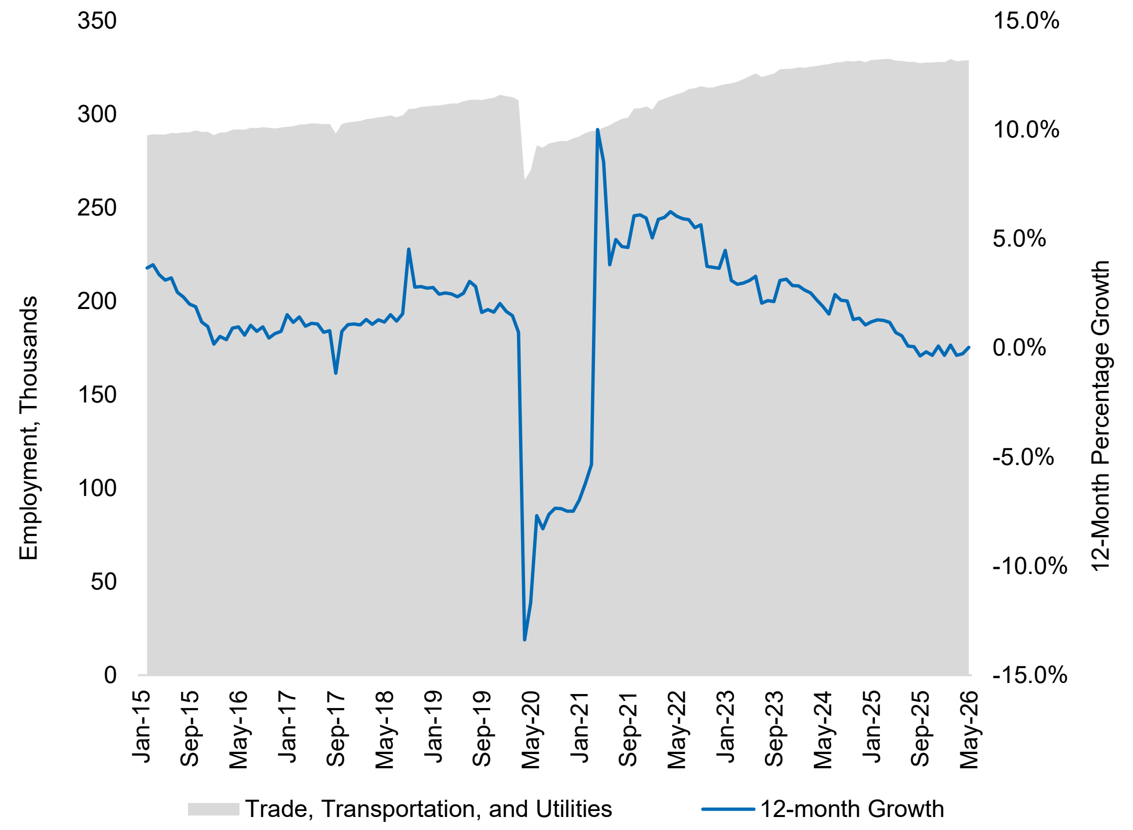


Source: U.S. Bureau of Labor Statistics, Miami-Dade County

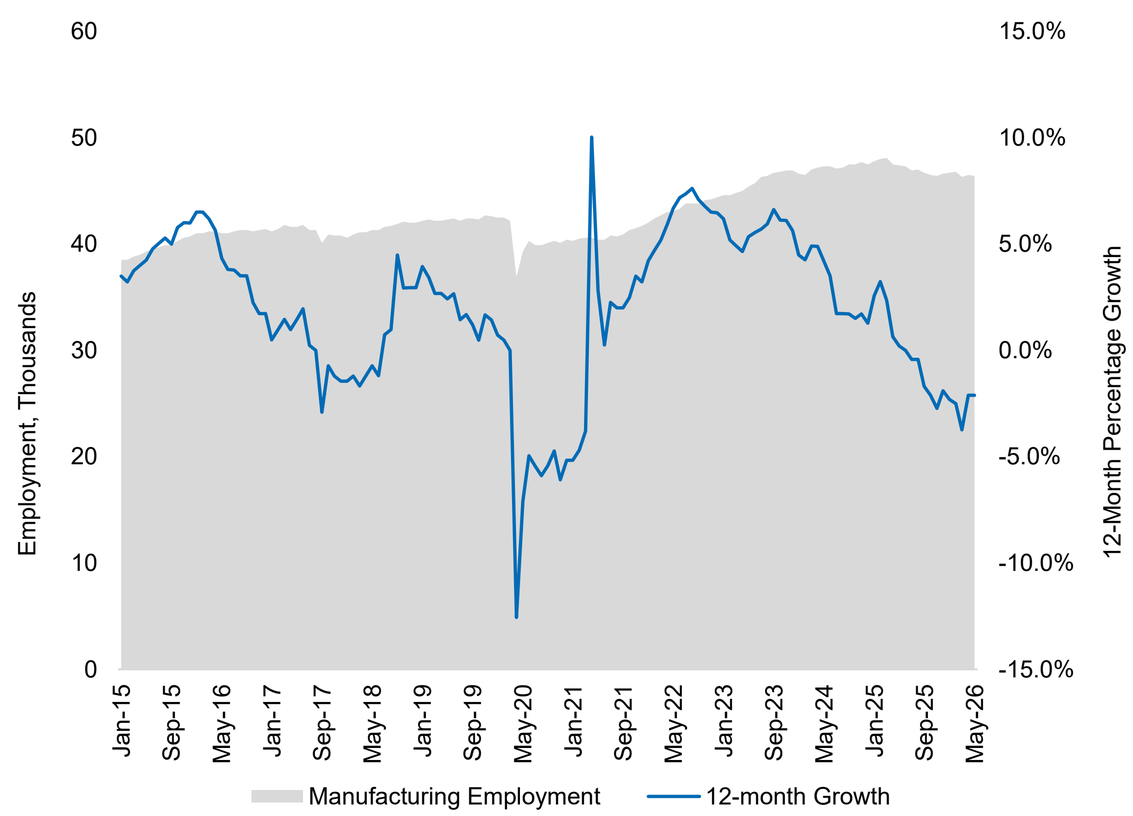
Trade Employment Remains Flat as Manufacturing Jobs Continue to Contract

As of May 2026, trade/transportation/utilities employment remained flat year over year at 328,700 jobs, remaining just 0.2% below the cycle peak of 329,500 jobs recorded in February of 2026. Meanwhile, manufacturing employment totaled 46,400 jobs, down 2.1% year over year and only 3.5% below the March 2025 peak. The trade/transportation/utilities sector makes up the largest share of the industrial-using employment sectors and as a result of it being flat and the other two sectors contracting, industrial-using employment contracted by 0.4% year over year.

Total Employment and 12-Month Growth Rate, Trade/Transportation/Utilities



Total Employment and 12-Month Growth Rate, Manufacturing



Source: U.S. Bureau of Labor Statistics, Miami-Dade County

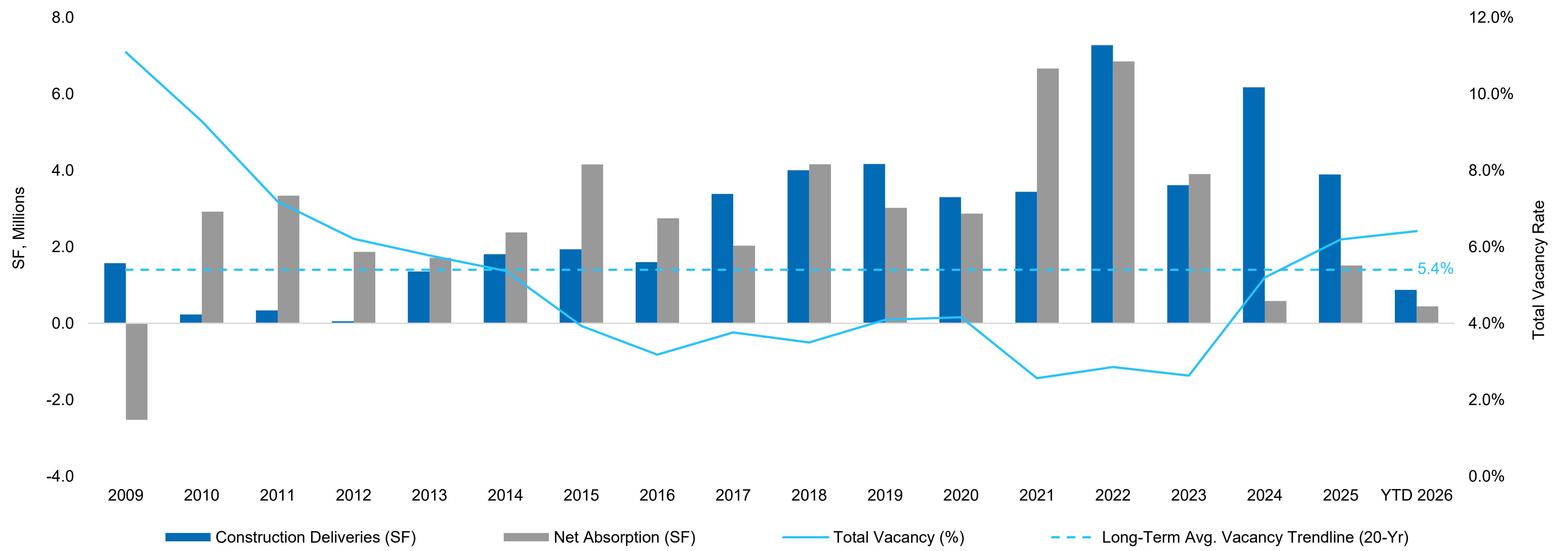
02

Leasing Market Fundamentals

Demand Outpaces Supply Quarterly but Lags Year to Date

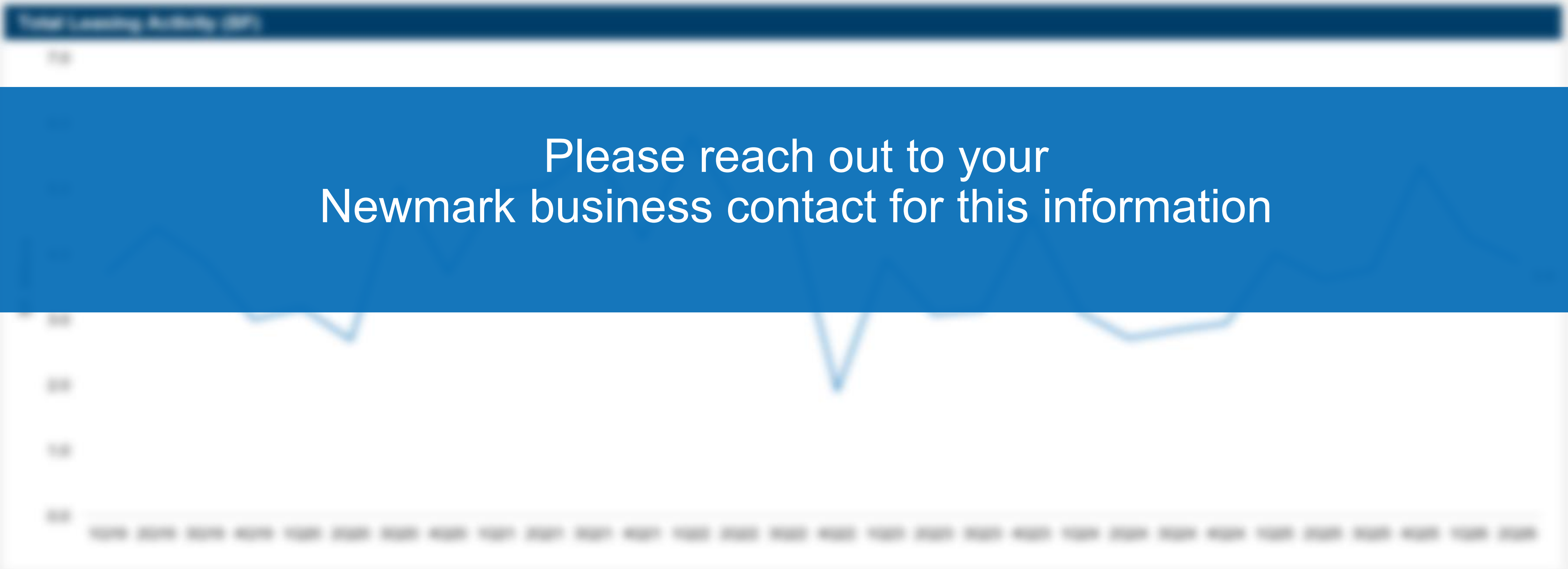
Miami recorded 429,712 SF of positive net absorption during the second quarter of 2026, bringing first-half absorption to 445,762 SF. Quarterly demand exceeded the 201,887 SF delivered, lowering the vacancy rate by 10 basis points quarter over quarter to 6.4%. However, first-half deliveries totaled 873,205 SF and continued to outpace year-to-date absorption, leaving vacancy 20 basis points above its year-end 2025 level. Going forward quarterly demand will likely outpace quarterly supply and slowly bring the annual vacancy rate down.

Historical Construction Deliveries, Net Absorption, and Vacancy



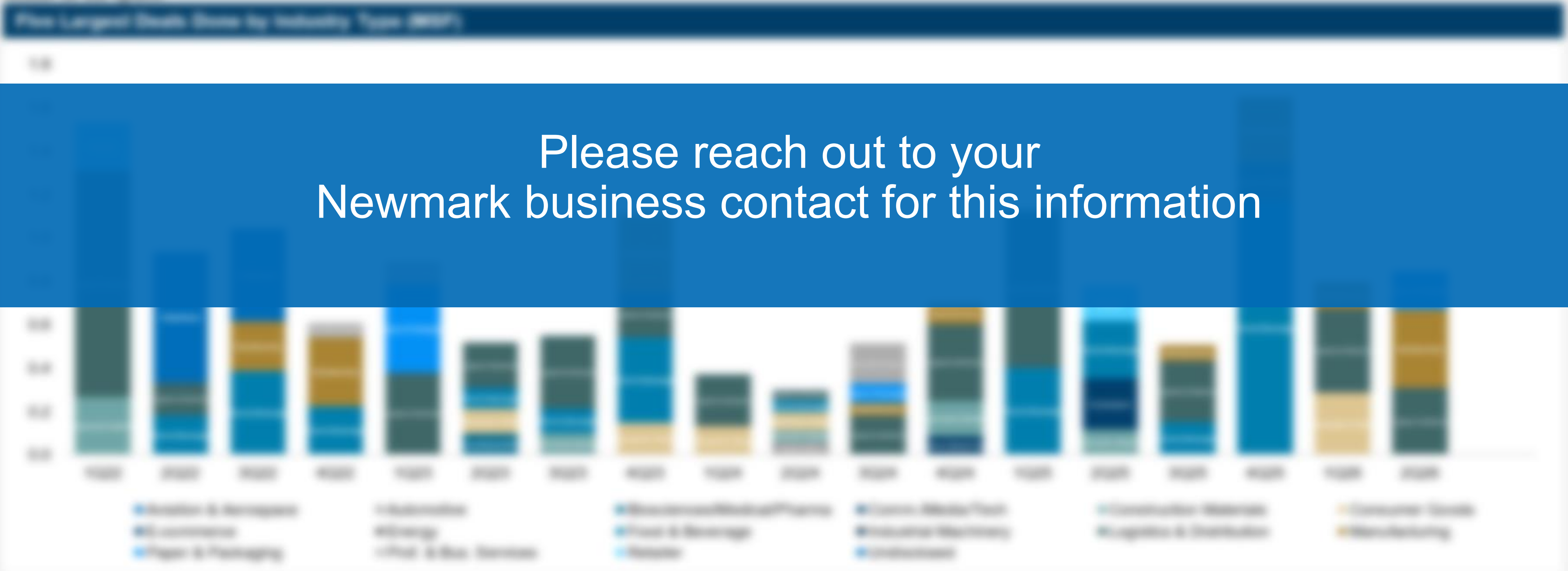
Source: Newmark Research, CoStar

Leasing Activity Moderates but Remains Above Year-Ago Levels



Source: Newmark Research, CoStar

Logistics and Distribution Sector Remains Resilient



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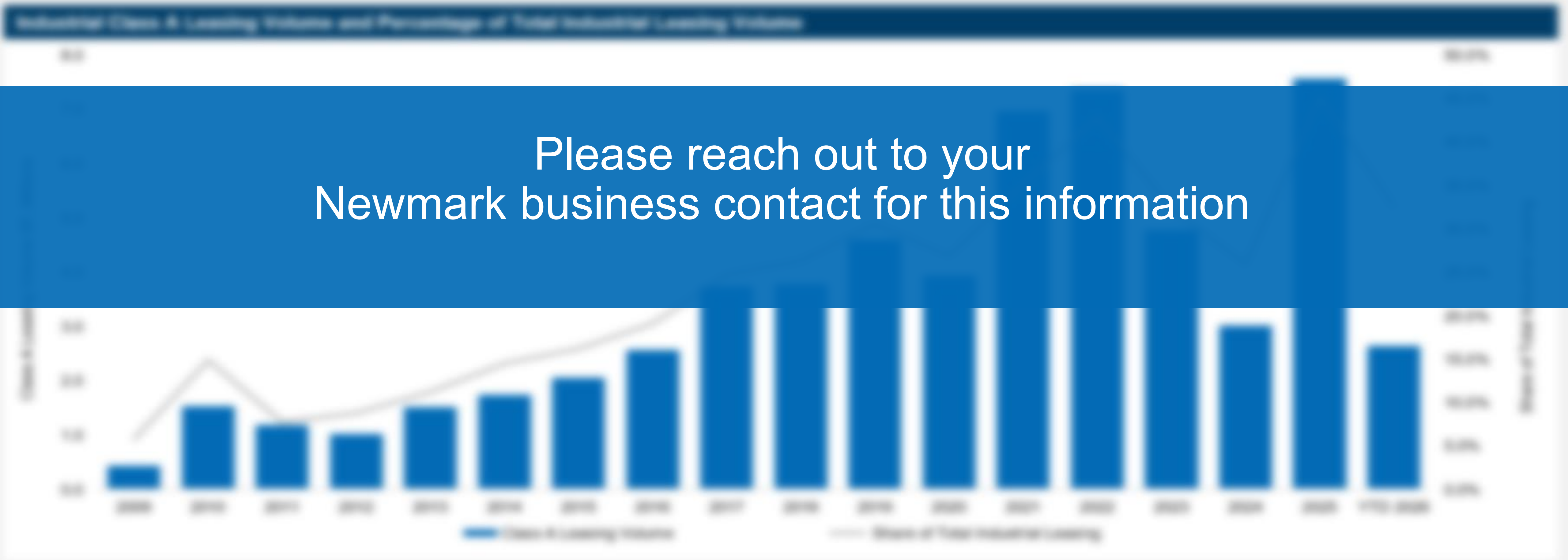
Source: Newmark Research, CoStar

Class A Leasing Remains Above Long-Term Average



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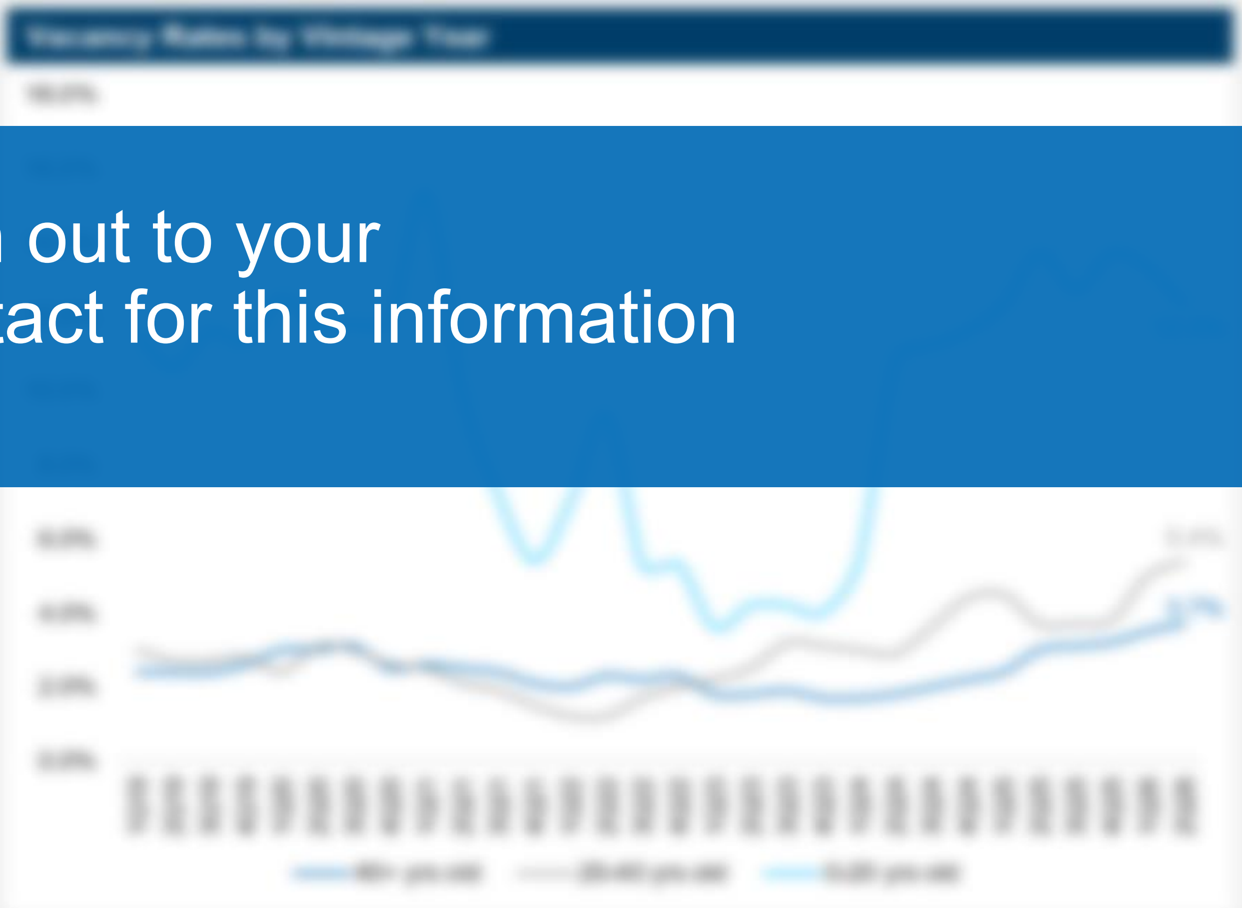
Source: Newmark Research, CoStar

Modern Inventory Continues to Drive Demand



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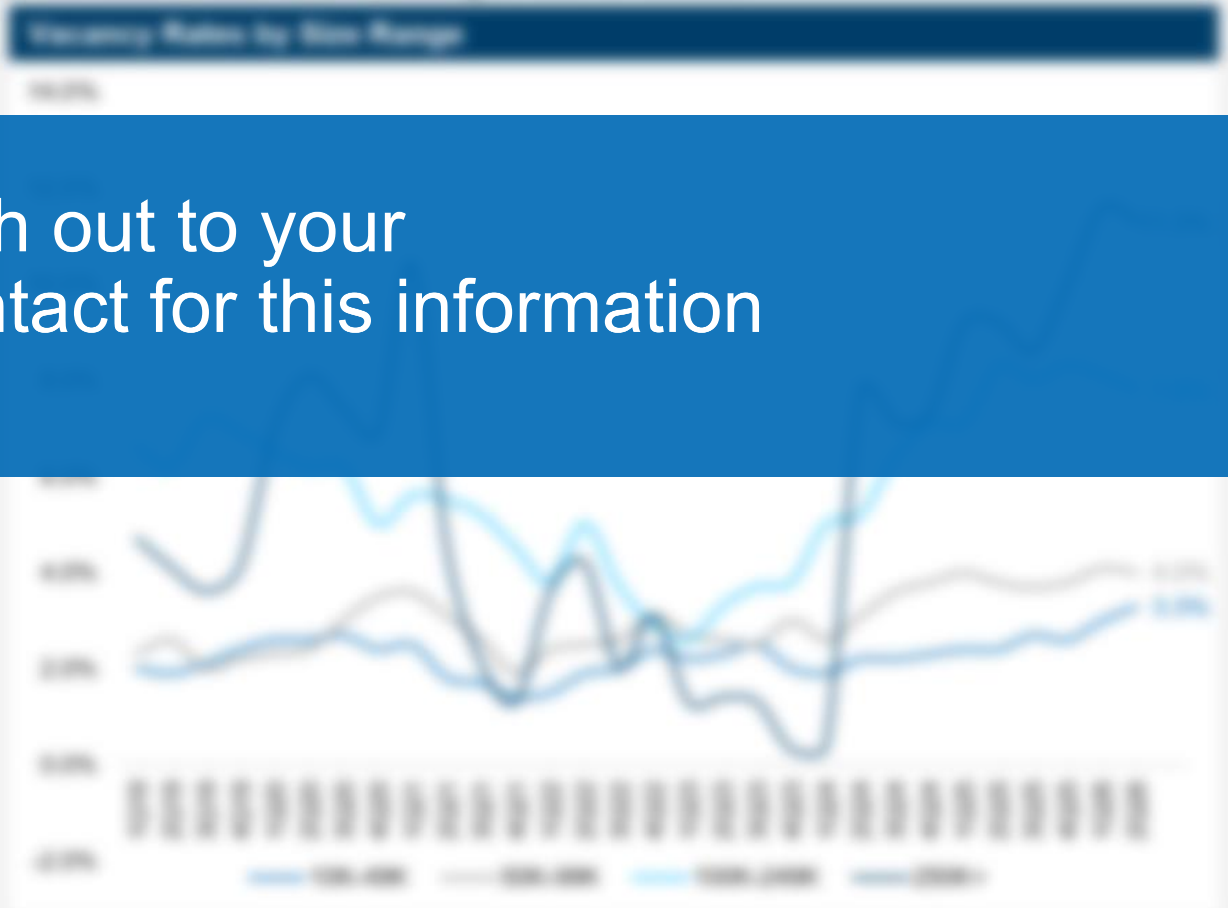
Source: Newmark Research, CoStar

Mid-Sized Bulk Buildings Lead Second-Quarter Absorption



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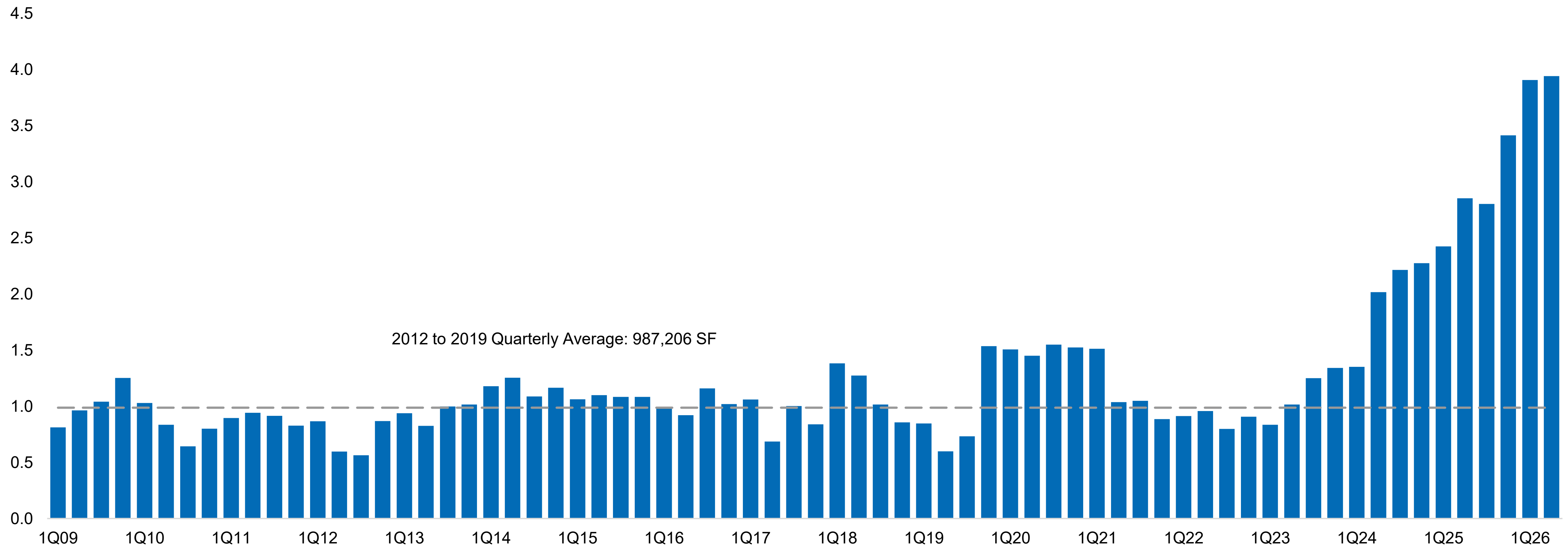
Source: Newmark Research, CoStar

Sublease Availability Climbs to a New All-Time High

Sublease availability continued to rise in the second quarter of 2026, increasing 0.9% quarter over quarter to a new all-time high of 3.9 MSF, or 1.8% of inventory. It has climbed in nearly every quarter since early 2023, with the lone exception of the third quarter of 2025, when it dipped by 51,643 SF. Sublease availability remained around the 2012 to 2019 average of 987,206 SF until early 2023. The upward trend is largely the result of companies shedding space to improve operational efficiency. CGI Windows and Doors Inc. accounts for the largest single block of sublease space on the market, with 325,739 SF currently being offered.

Available Industrial Sublease Volume (msf)

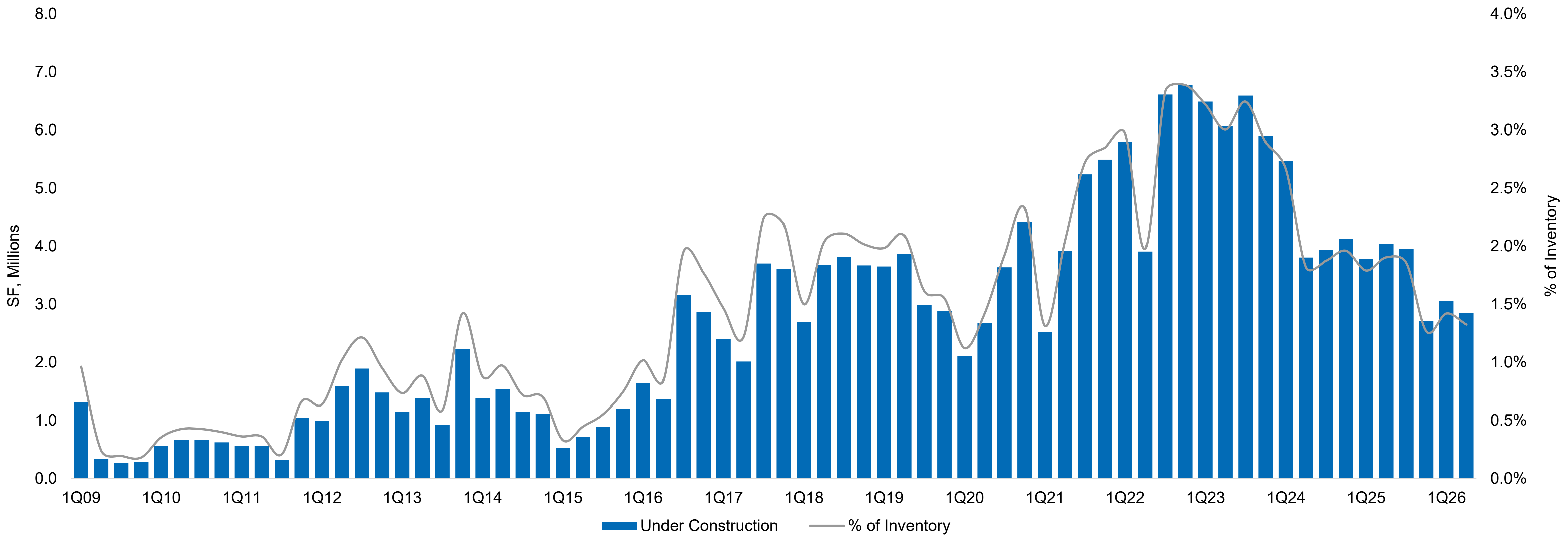


Source: Newmark Research, CoStar

Construction Pipeline Decreases Amid Project Completions

In the second quarter of 2026, the industrial construction pipeline totaled 2.8 MSF, representing a 6.6% decrease quarter over quarter. The decline followed 201,857 SF of new product being delivered during the quarter, such as Power Logistics. The pipeline has steadily declined from its peak of 6.8 MSF in the fourth quarter of 2022 and is expected to hold near its current level as recently delivered projects are absorbed and new starts replace those completions. Currently the pipeline is 15.6% preleased.

Industrial Under Construction and % of Inventory

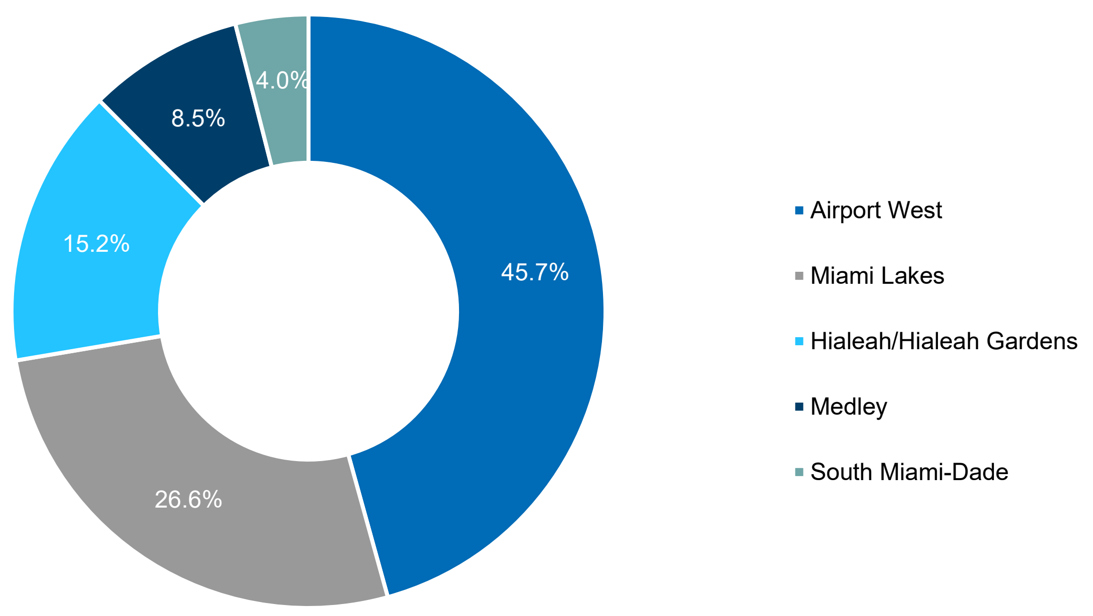


Source: Newmark Research, CoStar

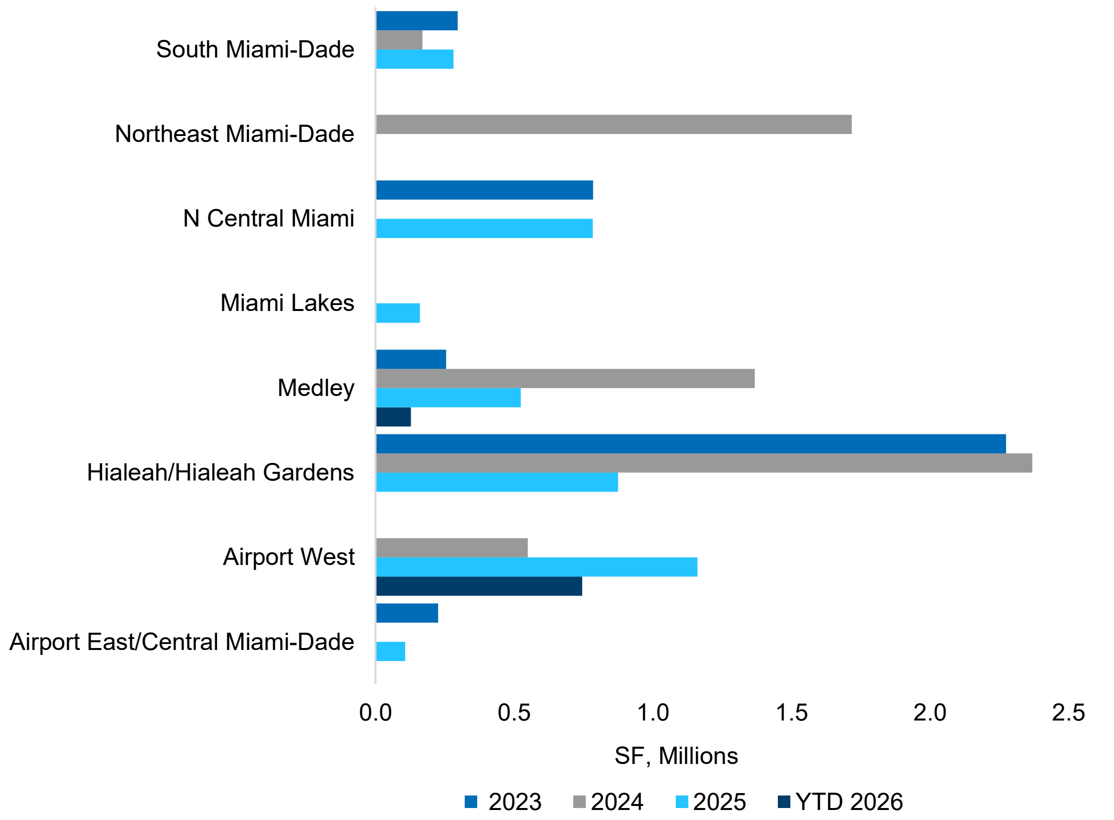
Construction Activity Remains Centered in Airport West

The Airport West submarket continues to be the primary construction hub as of the end of the second quarter of 2026, accounting for 45.7% of industrial space under construction. The submarket is slated to deliver roughly 1.3 MSF of industrial space over the next 12 months, none of which is preleased. After three years of elevated development in the Hialeah/Hialeah Gardens submarket totaling 5.5 MSF of deliveries, the remaining construction in that submarket has narrowed to just 433,434 SF, with 100.0% already preleased, highlighting the demand for space in the area.

Currently Under Construction Industrial Activity by Submarket



Historical Submarket Deliveries

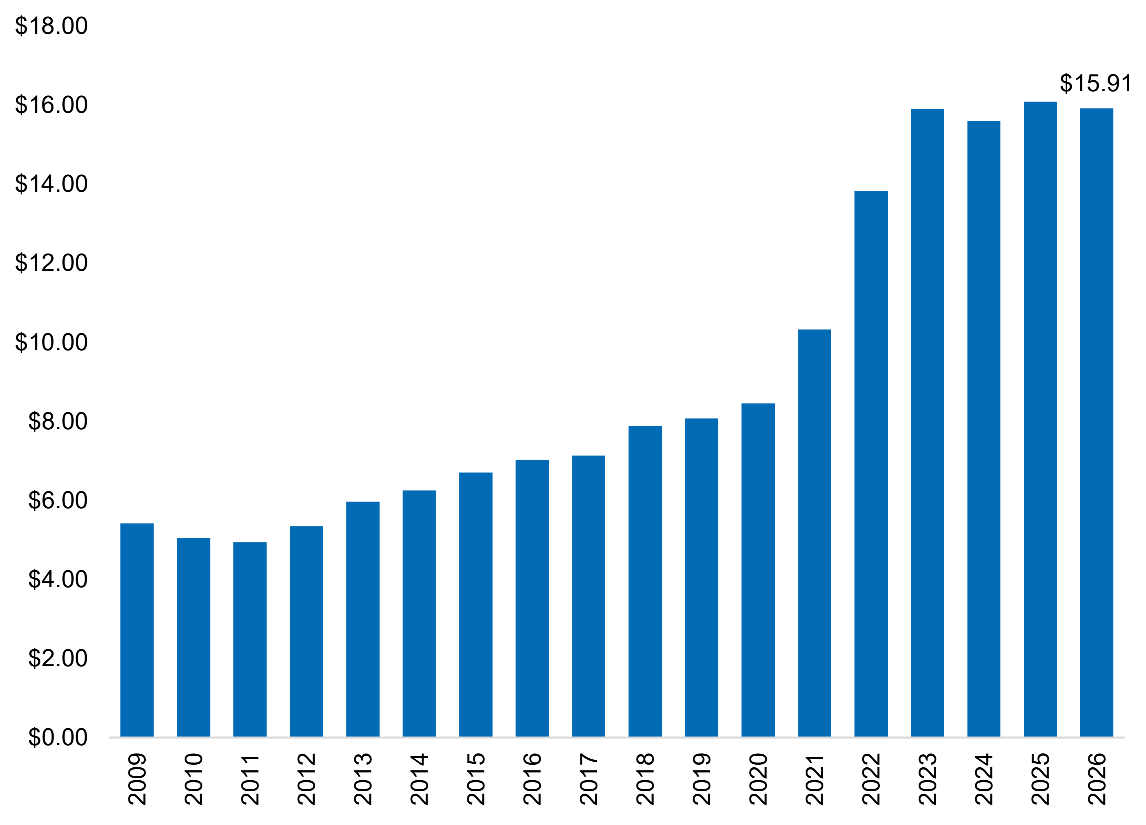


Source: Newmark Research, CoStar

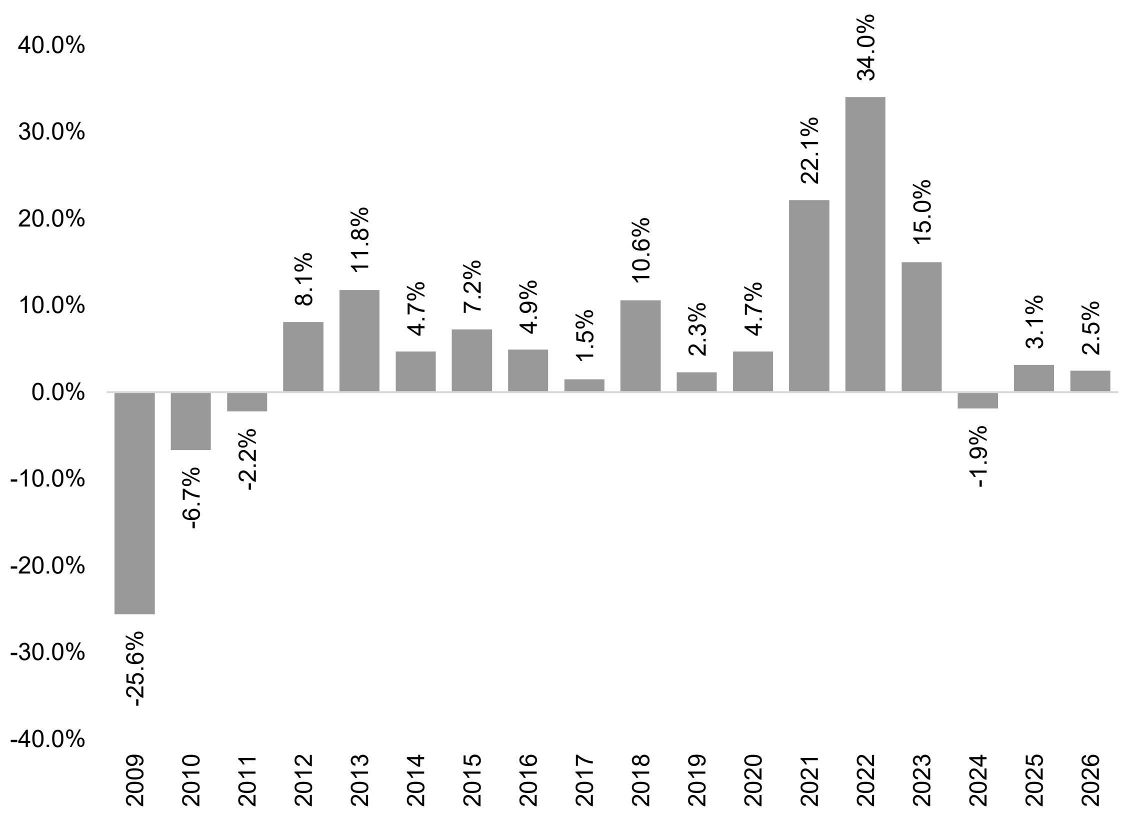
Asking Rents Continue to Slip Quarter Over Quarter but Increase Year Over Year

Industrial asking rents slipped 1.0% quarter over quarter but still rose 2.5% year over year to $15.91/SF in the second quarter of 2026. Rents have declined for three consecutive quarters and now sit 2.1% below the all-time high of $16.25/SF reached in the third quarter of 2025. The rent growth rate has decelerated since peaking in 2022, remaining below the 20-year average of 5.3% and the 3.1% pace recorded at the end of 2025. The slowdown in rent growth reflects an influx of new product, which has expanded tenant options and tempered near-term pricing momentum.

Industrial Average Asking Rent, $/SF, NNN



Year-over-Year Asking Rent Growth Rate % Change



Source: Newmark Research, CoStar

Notable 2Q26 Lease Transactions

Renewals accounted for three of Miami's five largest industrial leases during the second quarter of 2026, helping prevent several large blocks from returning to the market. Two of the renewals maintained full occupancy within their respective buildings, including one full-building transaction. Manufacturing represented the largest share of top-five leasing volume, led by CompletePet Florida's 190,351-SF lease at Beacon Logistics Park.

Notable Lease Transactions

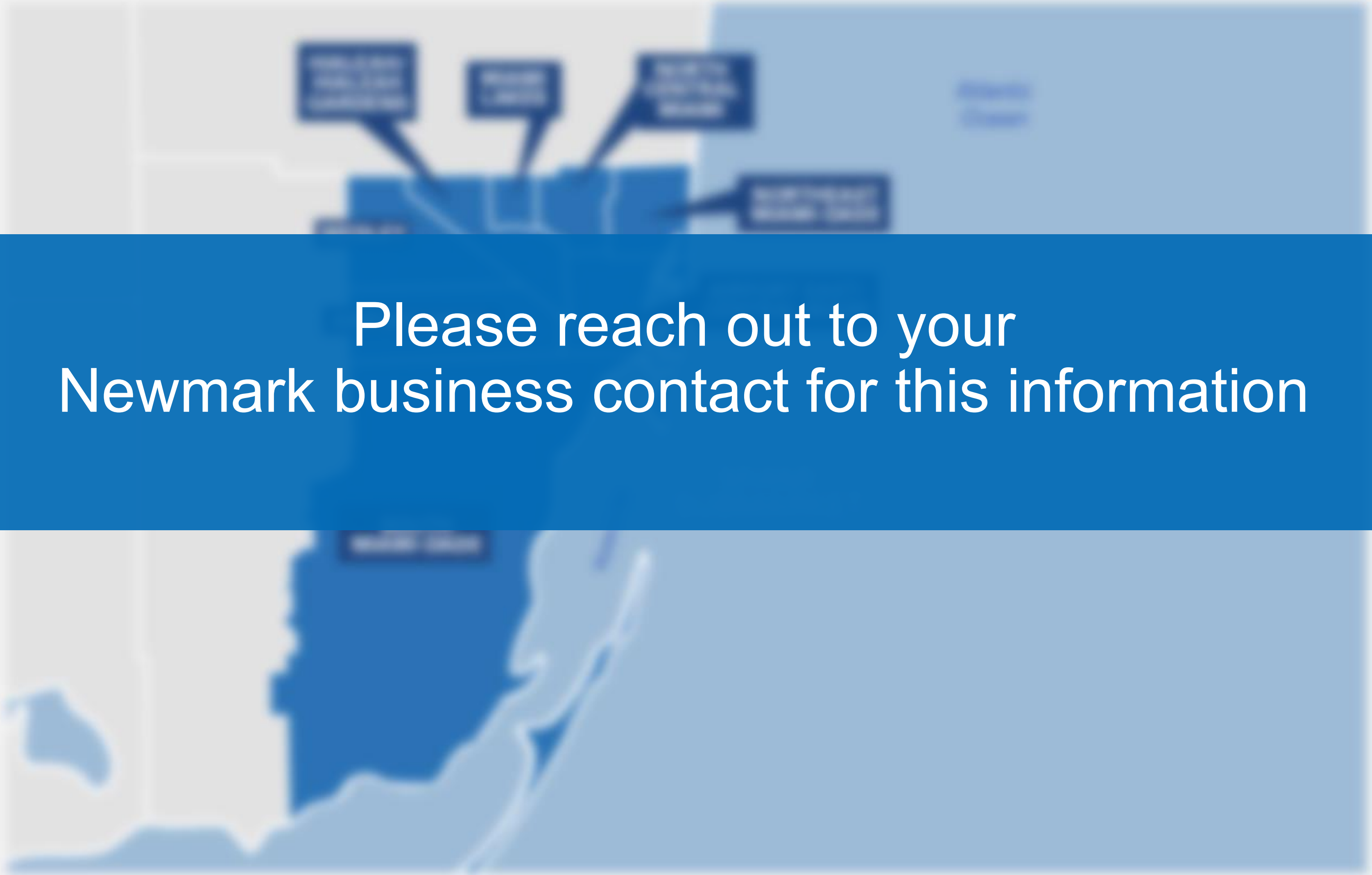
Tenant	Building	Submarket	Type	Square Feet
CompletePet Florida	Beacon Logistics Park—Building C	Hialeah/ Hialeah Gardens	New Lease	190,351
The pet food manufacturing provider, previously Custom Veterinary Services, has secured a 190,351-SF lease at 4120 NW 91 Place. This was the first location the company leased under its old name, but later the firm expanded to a second 120,000-SF facility in Burlington, VT in 2025.				
Packaging Corporation of America	Golden Glades Fulfillment Center	North Central Miami	Renewal	174,400
Packaging Corporation of America produces containerboard and corrugated packaging products for a range of industries. The company renewed its 174,400-SF lease at 15600 NW 15th Ave., where it has been a tenant since 2005.				
Captiva Containers LLC	Prologis Gratigny Industrial Park—Building 14	North Central Miami	New Lease	172,888
The Miami-based bottle manufacturer preleased the full building that's expected to deliver in the fourth quarter of 2026.				
AMG Global Distribution	11440 NW 122nd St—Building 3	Medley	Renewal	159,180
AMG Global Distribution elected to renew its space at 11440 NW 122nd St, where it has been a tenant since 2016.				
Withers Transfer and Storage of Coral Gables	Flagler Stations Phase III—Building 8	Medley	Renewal	149,226
The Miami-based logistics company renewed its lease at 11431 NW 107th Street, where it has operated since 2017.				

Source: Newmark Research, CoStar

03

Market Statistics & Map

Miami-Dade County Industrial Submarket Map



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Source: Newmark Research

Miami-Dade County Industrial Submarket Overview

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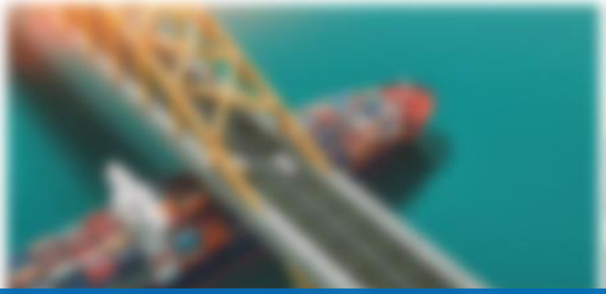
Source: Newmark Research

2Q26 South Florida Industrial Market Overview



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Source: Newmark Research; CoStar

04

Supplemental Analysis

Miami Industrial Market

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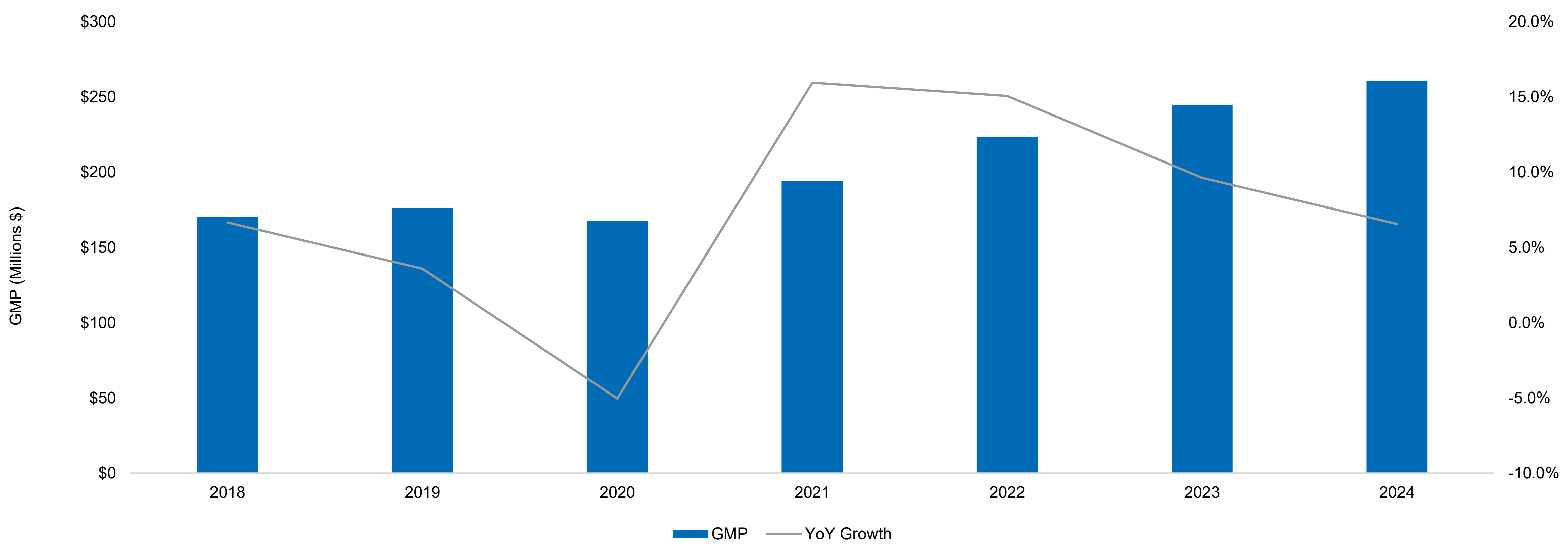
Miami Gross Metropolitan Product

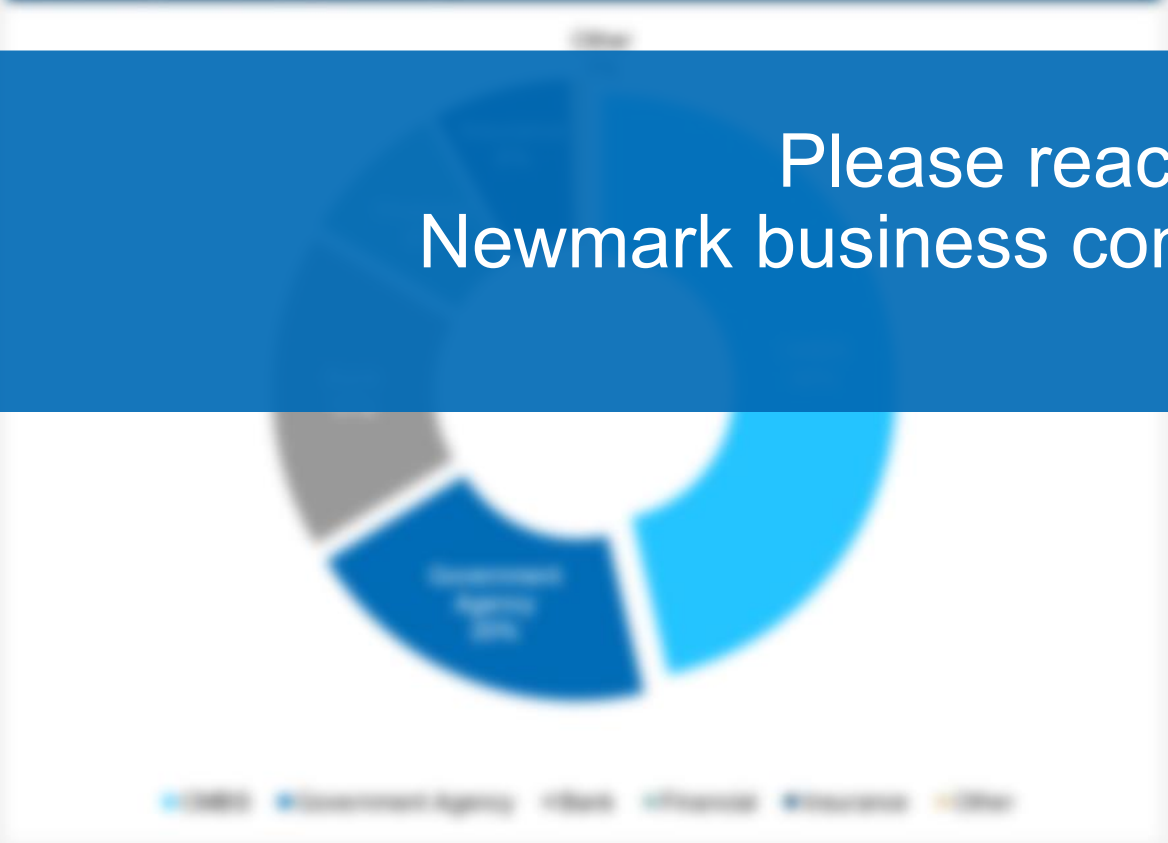
The gross metropolitan product continues to increase despite economic headwinds, albeit at a slower rate. Most recently, the gross metropolitan product rose 6.6% year over year to reach a new all-time high of roughly $260 billion.

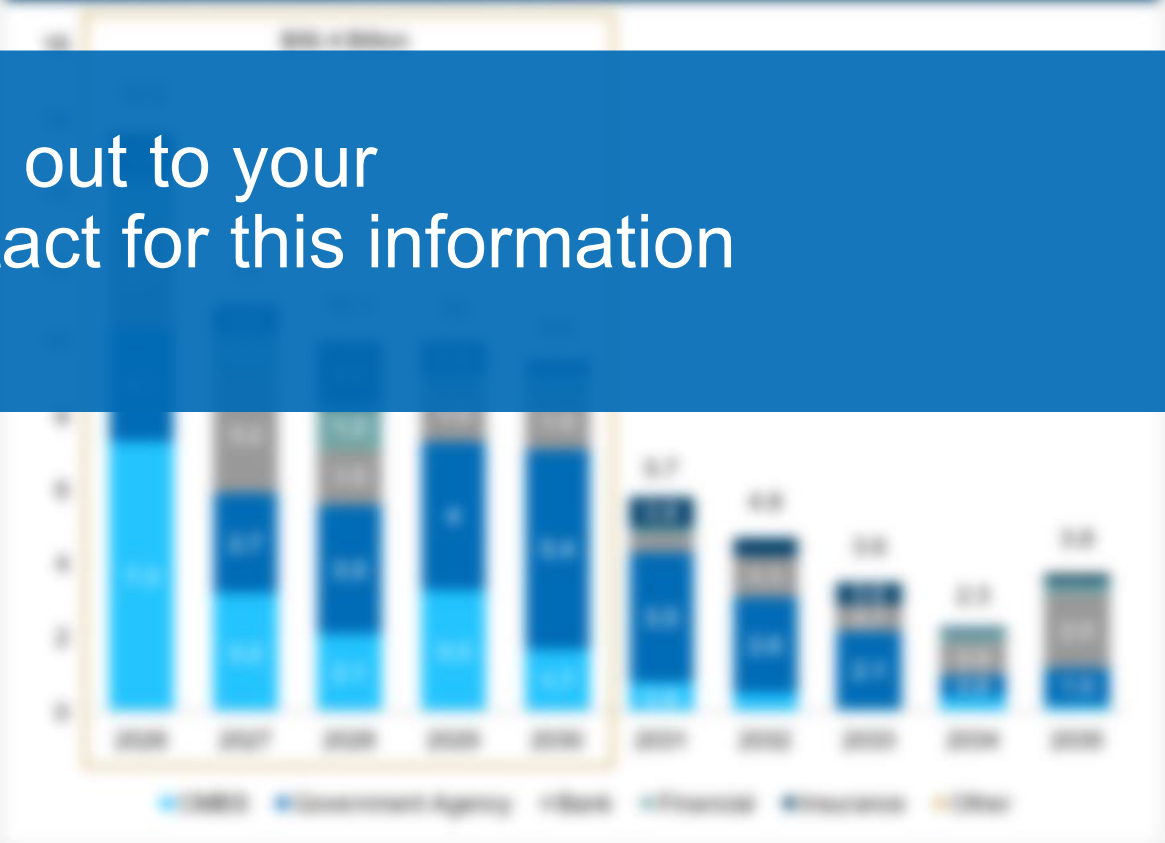
Economic Overview — GMP (Millions $) VS. YoY (%) Change



Source: Moody's Analytics

Loan Maturities Scheduled to Peak This Year





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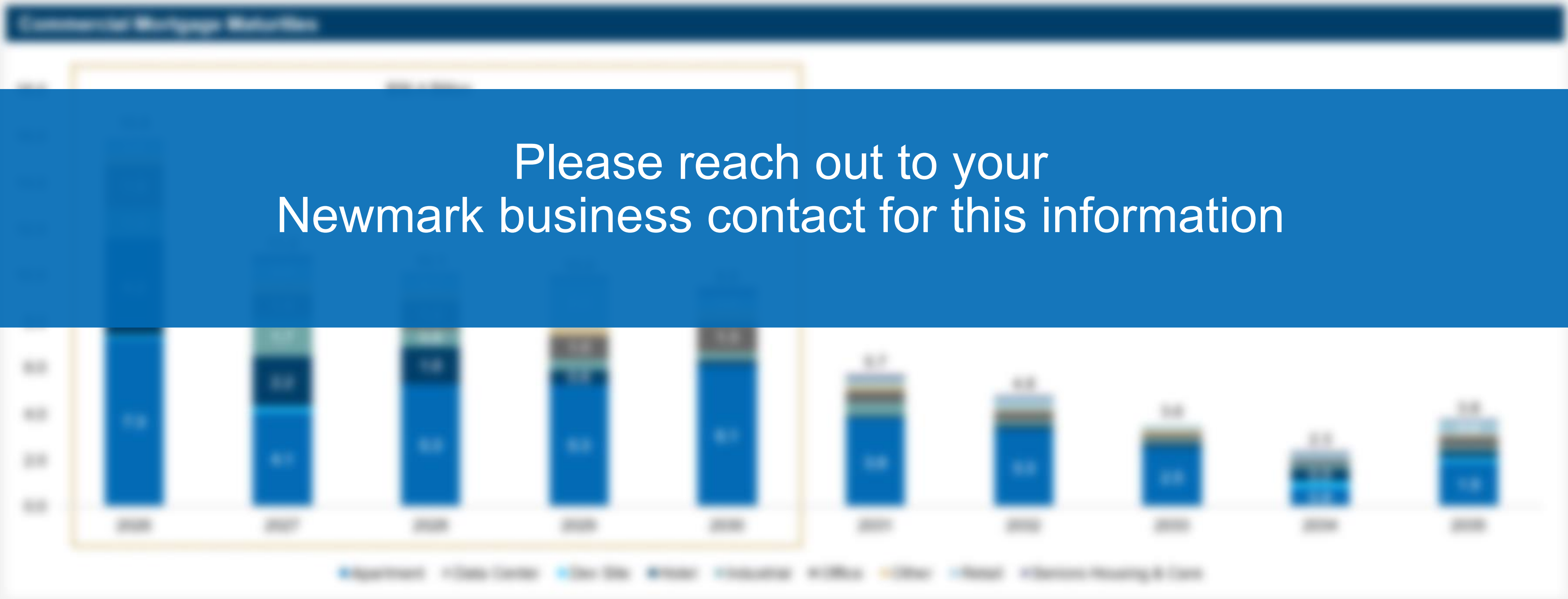
Source: Newmark Research, RCA

Multifamily Maturities Particularly Elevated Through 2030, Industrial Not So Much



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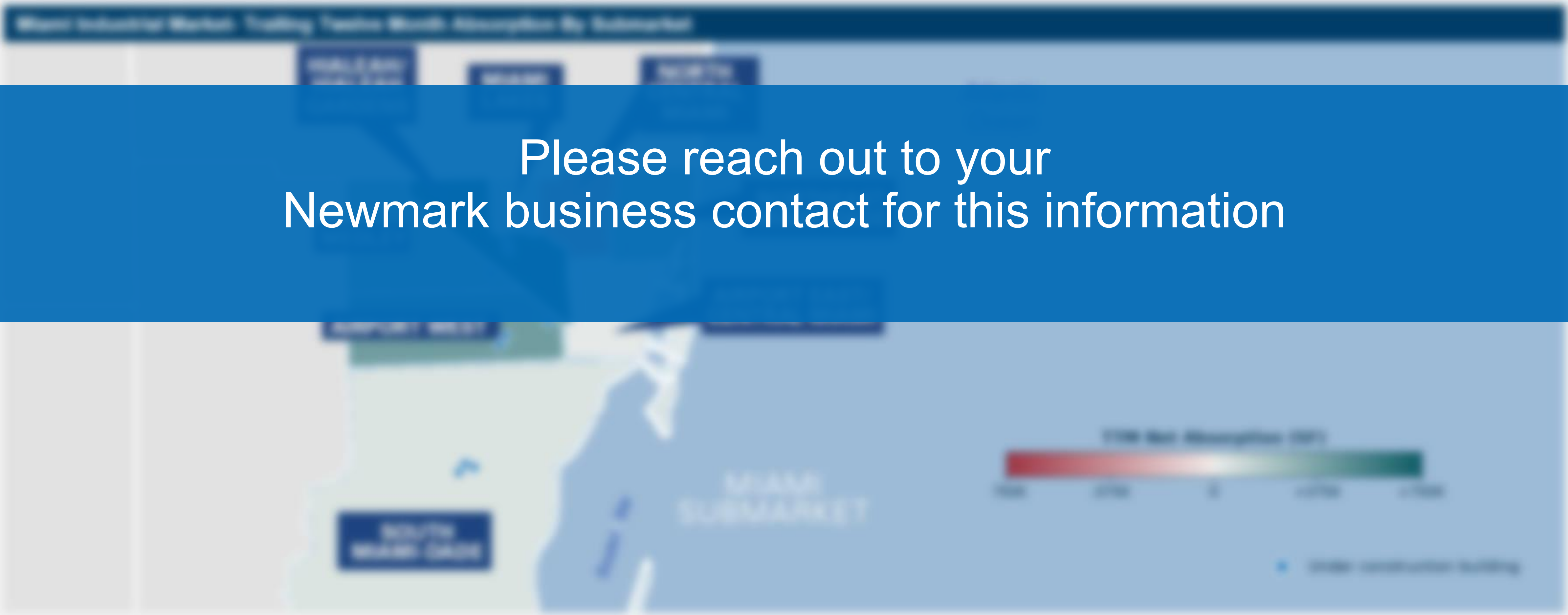
Source: Newmark Research, RCA

Deliveries and Absorption



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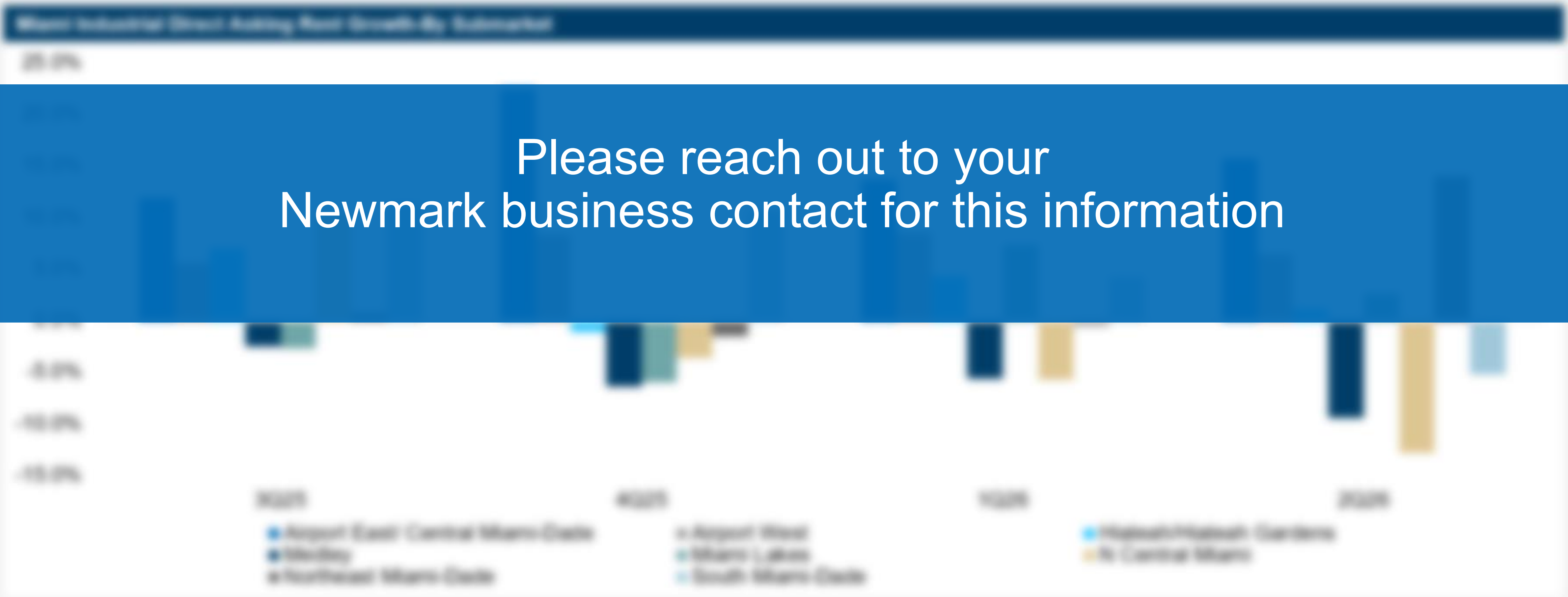
Source: Newmark Research, CoStar

Airport East/Central Miami-Dade lead in Rent Growth



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Newmark business contact for this information

Source: Newmark Research, CoStar

NEWMARK

Alain Perez
Senior Research Analyst
Alain.Perez@nmrk.com

Neil Matthee
Research Manager, Southeast Research
Neil.Matthee@nmrk.com

Ching-Ting Wang
Head of Southeast Research
Chingting.Wang@nmrk.com

Miami
1111 Brickell Ave Suite 2000
Miami, FL 33131
t 305-350-0915

New York Headquarters
125 Park Ave.
New York, NY 10017
t 212-372-2000