

# West Palm Beach

Industrial market snapshot | Q2 2024

West Palm Beach's unemployment rate has experienced a slight decrease during the second quarter, dropping 40 basis points quarter-over-quarter reaching 2.9%. There was a 1.7% increase in non-farm employment, with a significant 7.9% year-over-year increase in the construction sector, as well as a 2.8% rise in manufacturing occupations year-over-year.

## \$15.25

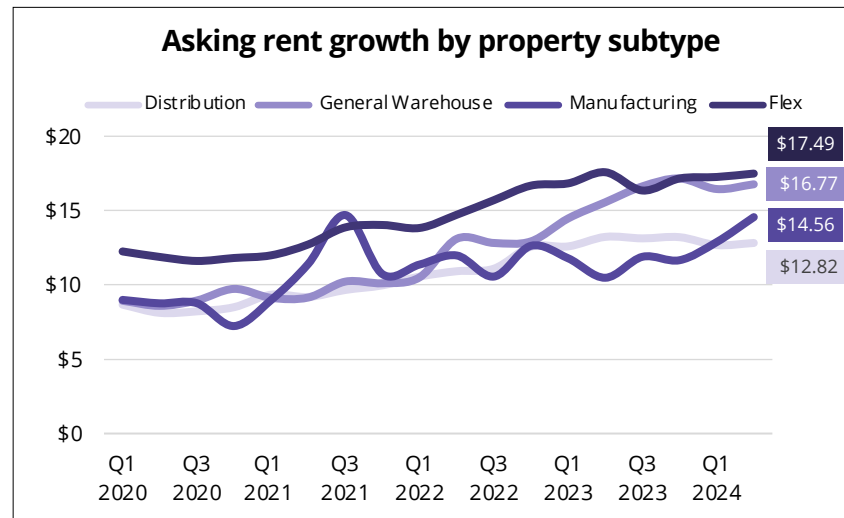
The average asking rate for the industrial market has reached a new all-time high of \$15.25.

## 1.78 msf

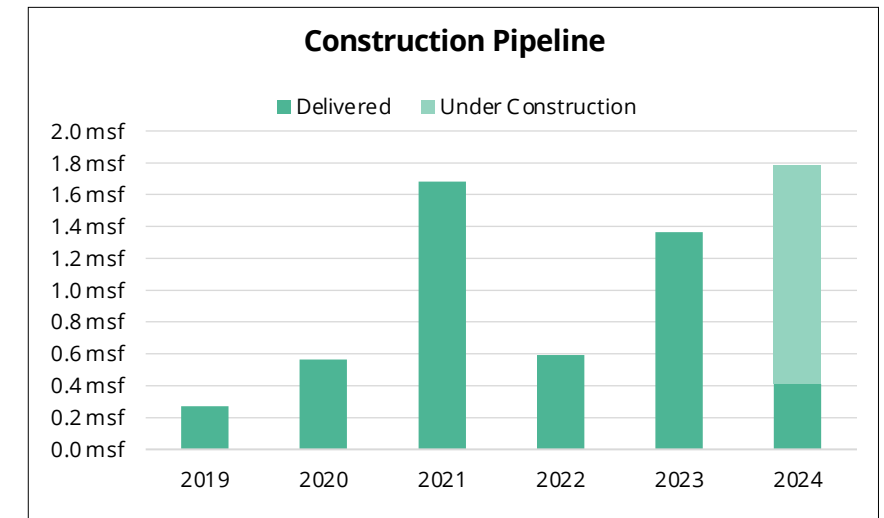
West Palm Beach is set to deliver over 1.78 million square feet of new industrial inventory by year's end.

## +238,125

West Palm Beach's industrial market experienced over 238,000 square feet of positive net absorption during the first quarter.



All industrial subtypes have experienced a significant increase in asking rates as demand continues to outpace supply. The overall industrial asking rate continues to climb reaching \$15.25 NNN, up 8% year-over-year. Manufacturing properties have seen the sharpest year-over-year increase, climbing from \$10.48 to \$14.56, a 39% growth in one year.

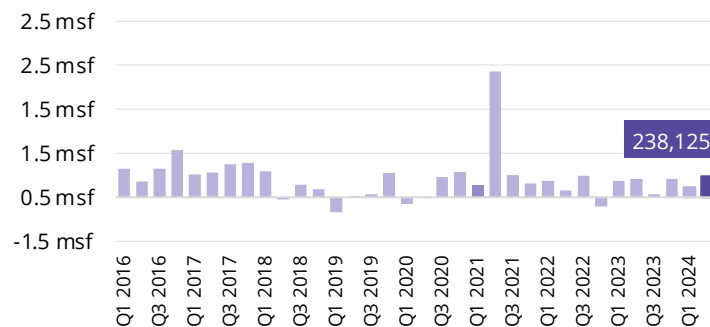


The construction pipeline for West Palm Beach's industrial market is booming. By the end of the second quarter, there has been over 412,000 square feet of new inventory delivered. The largest new deliver of the quarter being 200 Sansbury Way, a 145,964 square foot distribution building. There is over 1.3 million square feet of under construction inventory set to deliver through the second half of the year, marking a record-breaking amount of new supply in a single year.

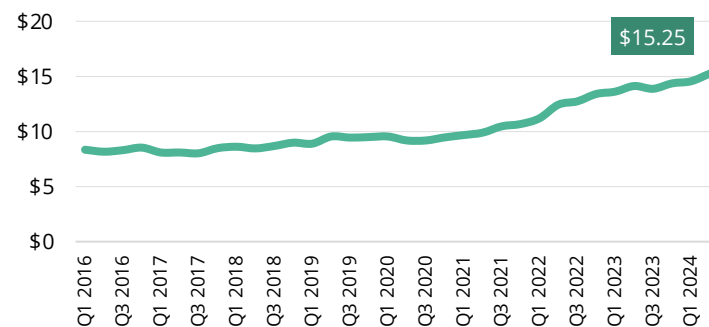
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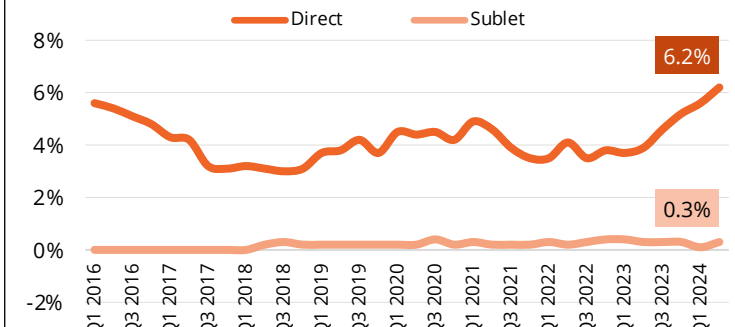
Net absorption (sf)



Direct asking rents (psf/NNN)



Vacancy



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Parts House	1500 N Florida Mango Rd	26,002	Renewal	Direct
Importmex Distributors	1301 W 13 <sup>th</sup> St	23,471	New	Direct
Panor	1600 Silver Beach Rd	23,384	New	Direct
US LBM	1315 N Jog Rd	23,066	New	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Hillwood	14490 Corporate Rd S	\$106,500,000	\$106	Truist
LBA Realty	3774 N Interstate Park Rd	\$55,000,000	\$227	Dalfen
Venture One	1200 SW 35 <sup>th</sup> Ave	\$15,403,870	\$170	Elion Partners
IPX 1031	1800 Old Dixie Hwy	\$12,400,000	\$165	Solar Tech

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## Get in touch

Jason Steele  
Florida Regional Lead, Market Intelligence  
+1 813 314 7808  
[jason.steele@avisonyoung.com](mailto:jason.steele@avisonyoung.com)

Nickolas Daly  
Market Intelligence Analyst  
+1 305 447 7870  
[nickolas.daly@avisonyoung.com](mailto:nickolas.daly@avisonyoung.com)

Location	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (2Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
West Palm Beach	19,053,828	62,011	249,662	5.9%	0.2%	6.1%	1.9%	20,397	806	\$15.62
Boca Raton	6,364,244	-	79,626	5.3%	0.2%	5.5%	(0.5%)	(6,294)	(13,398)	\$17.13
North Palm Beach	4,824,570	-	851,985	11.3%	1.2%	12.5%	9.6%	(56,909)	(231,775)	\$11.65
Delray Beach	3,277,320	-	-	2.9%	0.9%	3.8%	0.5%	(603)	4,115	\$17.64
Wellington	3,237,839	274,514	305,344	9.9%	0.0%	9.9%	3.6%	237,350	300,716	\$16.03
Boynton Beach	2,581,635	-	-	5.8%	0.0%	5.8%	1.8%	(44,439)	2,182	\$17.48
Lake Worth	2,565,627	75,989	87,160	1.6%	0.0%	1.6%	(1.6%)	88,623	181,864	\$14.37
Market total	41,905,063	412,514	1,573,777	6.2%	0.3%	6.5%	2.4%	238,125	239,125	\$15.25

Type	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (2Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse/Distribution	32,167,302	412,514	1,404,695	6.6%	0.3%	6.9%	2.6%	236,972	290,071	\$14.42
Flex	9,737,761	-	169,082	4.9%	0.4%	5.3%	0.7%	1,153	(50,946)	\$17.49
Market total	41,905,063	412,514	1,573,777	6.2%	0.3%	6.5%	2.4%	238,125	239,125	\$15.25