

Industrial development continues to heat up amid increased demand and a wave of new supply is just around the corner.

Here’s our take on some of the most prevalent real estate trends in the Ocala industrial market this quarter. **Ocala’s industrial market sees continued growth during the second quarter.**



Leasing

Industrial leasing picked up during the second quarter—up 23% from 1Q22. Ocala’s YTD leasing volume was also triple the volume from the same time period in 2021.



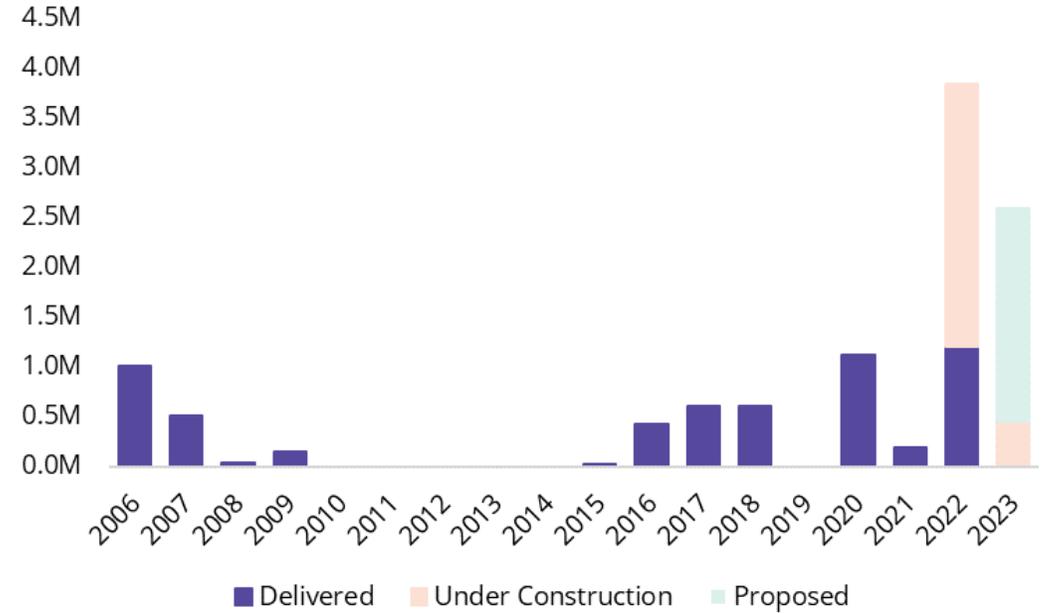
Absorption

While still positive, YTD net absorption shrank slightly to 1.1 msf due to a few move-outs during 2Q22. However, a few leases have been signed to backfill the space in 3Q22.



Rents

Ocala’s industrial rate ended the second quarter at \$4.74 psf—up 2.8% from year-end 2021. With a wave of new supply expected by the end of this year, rents will likely see a significant increase.



An unprecedented amount of speculative construction expected to hit the market this year



There is an unprecedented wave of speculative development set to deliver in Ocala this year—the largest of which is Building 2 at Florida Crossroads Logistics Center (1.1 msf) in the Northwest Ocala submarket. Development is also heating up along the 484 Corridor with projects like Trailhead Logistics Park (943,426 sf), which broke ground this quarter. As an influx of development hits the market this year with minimal pre-leasing, vacancies are expected to see a strong uptick. However, there are active lease negotiations underway that may boost pre-leasing efforts in the near-term.

For more market info and insights, visit [avisonyoung.com](https://www.avisonyoung.com)

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Nick Banks
Principal, Managing Director
+ 1 352 505 4609
nick.banks@avisonyoung.com

Evie Linger
Florida Regional Lead, Innovation & Insight
+ 1 954 903 3714
evie.linger@avisonyoung.com

