



COMMERCIAL BROKERAGE AND PROPERTY MANAGEMENT

# 2025 Q4 PALM BEACH INDUSTRIAL

MARKET REPORT

## ABSORPTION & VACANCY

The Palm Beach County industrial market closed Q4 2025 with a total inventory of 1,207 industrial buildings, reflecting a comparatively tight and supply-disciplined market within South Florida's broader industrial landscape. Leasing activity moderated during the quarter as tenants became more deliberate in expansion decisions following a strong midyear performance.

Net absorption totaled 31,412 square feet in Q4, remaining positive but down from 63,435 square feet in Q3 2025. While absorption slowed quarter-over-quarter, the market continued to post net gains for the seventh consecutive quarter, indicating that demand remains intact but has transitioned into a more normalized pace following earlier acceleration.

Vacant industrial square footage increased to 4,410,744 square feet in Q4, up from 4,242,680 square feet in Q3, continuing a gradual upward trend observed throughout 2025. Vacancy has risen steadily since Q4 2024, reflecting incremental availability additions rather than broad tenant pullbacks.

As a result, the vacancy rate increased to 7.7% in Q4, up from 7.4% in Q3. While vacancy is trending higher, overall levels remain relatively contained and well below historical stress thresholds, reinforcing the market's underlying stability.

Overall, Q4 2025 reflected a market shifting from rapid expansion toward equilibrium—defined by positive but slower absorption, gradually rising vacancy, and disciplined tenant demand. Heading into 2026, industrial performance will hinge on sustained regional business activity, tenant expansion cycles, and landlords' ability to compete through location, functionality, and lease flexibility.

Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliverables SF	Total Occupied SF
Q4 2025	57,544,183	7.7%	\$15.96	6.9%	31,412	199,476	53,046,543
Q3 2025	57,344,707	7.4%	\$15.68	6.4%	63,435	536,593	52,968,001
Q2 2025	56,808,114	6.6%	\$15.73	5.5%	51,873	50,022	52,917,942
Q1 2025	56,741,942	6.6%	\$16.10	6.0%	108,760	158,072	52,828,742

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.8% (YOY)	5.1%	6.3%	10.9%	2009 Q4	2.3%	2018 Q3
Net Absorption SF	232K	677,014	825,118	2,277,715	2005 Q3	(2,353,962)	2009 Q3
Deliverables SF	880K	903,259	890,665	2,527,887	2024 Q3	25,400	2011 Q1
Market Asking Rent Growth	2.6%	3.5%	3.5%	10.5%	2022 Q3	-4.0%	2009 Q4
Sales Volume	\$510M	\$263.5M	N/A	\$860.4M	2022 Q2	\$36.5M	2010 Q1

**ASKING RENT PER SF**

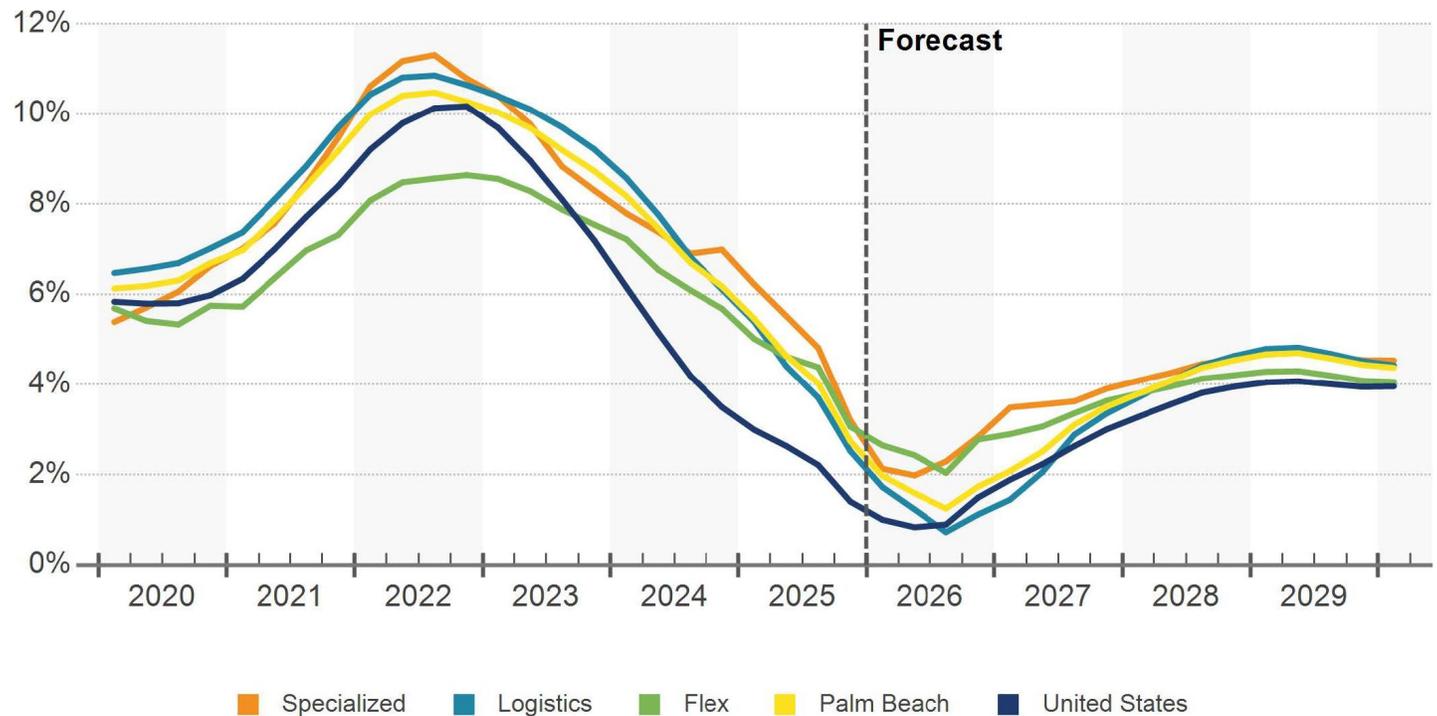
Asking rental rates in the Palm Beach County industrial market increased modestly in Q4 2025, with average rents rising to \$15.96 per square foot, up from \$15.68 per square foot in Q3. The quarter-over-quarter increase signals continued pricing resilience despite moderating absorption and reversing the trend of decreasing asking rates that we saw in Q2 and Q3 2025.

Rent growth has been supported by limited new supply and steady demand for well-located, functional industrial space. Landlords have largely maintained pricing discipline, with increases concentrated in newer properties and assets offering efficient layouts and modern loading capabilities.

While rising vacancy has introduced greater tenant choice, widespread pricing pressure has not emerged. Instead, rental performance remains increasingly asset-specific, with well-positioned buildings outperforming older or functionally obsolete inventory.

Overall, Q4 rental trends reflect a market maintaining pricing strength while transitioning into a more balanced leasing environment, with future rent growth tied closely to asset quality and submarket fundamentals.

**Market Asking Rent Growth**



## MARKET REPORT

**160 Yamato Rd - (Part of a 13-property portfolio)**

<b>Address:</b>	160 Yamato Rd., Boca Raton, FL 33431
<b>Sale Price:</b>	\$9,000,000
<b>Price/SF:</b>	\$180.00
<b>Building Size:</b>	50,000 SF

**9040 Belvedere Rd- (Part of a 31-property portfolio)**

<b>Address:</b>	9040 Belvedere Rd., West Palm Beach, FL 33411
<b>Sale Price:</b>	\$8,715,066
<b>Price/SF:</b>	\$158.23
<b>Building Size:</b>	55,080 SF

**14130 S State Road 7 - Building 1 - (Part of a 7-property portfolio)**

<b>Address:</b>	14130 S State Road 7, Delray Beach, FL 33446
<b>Sale Price:</b>	\$5,980,483
<b>Price/SF:</b>	\$29.98
<b>Building Size:</b>	199,476 SF

**5449 Maule Way - (Part of a 7-property portfolio)**

<b>Address:</b>	5449 Maule Way, Mangonia Park, FL 33407
<b>Sale Price:</b>	\$5,420,085
<b>Price/SF:</b>	\$175.83
<b>Building Size:</b>	30,826 SF

## MARKET REPORT

**Vetio****Address:** 15335 Park Of Commerce Blvd., Jupiter, FL 33478**Building Size:** 217,038 SF**SF Leased:** 102,960 SF**Racquet Club****Address:** 8289 Boynton Beach Blvd, Boynton Beach, FL 33472**Building Size:** 100,114 SF**SF Leased:** 79,267 SF**Nick Alain Inc****Address:** 805-917 SW 17th Ave, Delray Beach, FL 33444**Building Size:** 29,485 SF**Status:** 9,000 SF**FORT LAUDERDALE**

550 S. Andrews Avenue, Suite 400,  
Fort Lauderdale, FL 33301  
954.358.0900 | 954.358.0901

**PALM BEACH**

2240 Woolbright Road, Suite 300,  
Boynton Beach, FL 33426  
561.613.0900 | 561.877.8363



**Lloyd C. Berger, SIOR**  
President

Phone: 954.358.0900

Fax: 954.358.0901

Email: LBerger@bergercommercial.com