

EA BRIEF | January 8, 2024

# U.S. Industrial Availability Index

By Nicholas Rita

## Industrial availability continues to push upward

The industrial sector is currently mirroring patterns seen in recent quarters. The latest data indicates an increase in availability from Q3 to Q4 of just over 60 basis points (bps). Out of the 75 markets tracked by EA, 63 either showed an increase or remained flat quarter-to-quarter. Most of the 12 markets with reduced vacancy were smaller, tertiary markets. Nashville stands out as a notable exception, with a 40-bp decline in availability from the previous quarter.

Significant supply pressures are contributing to the sharp rise in availability. More than 129 million sq. ft. were delivered in Q4 2023, culminating in approximately 486 million sq. ft. for the year. The decline in bulk leasing has primarily driven the increase in availability. While occupier activity has picked up in Q4, deal velocity is still falling short of expectations.

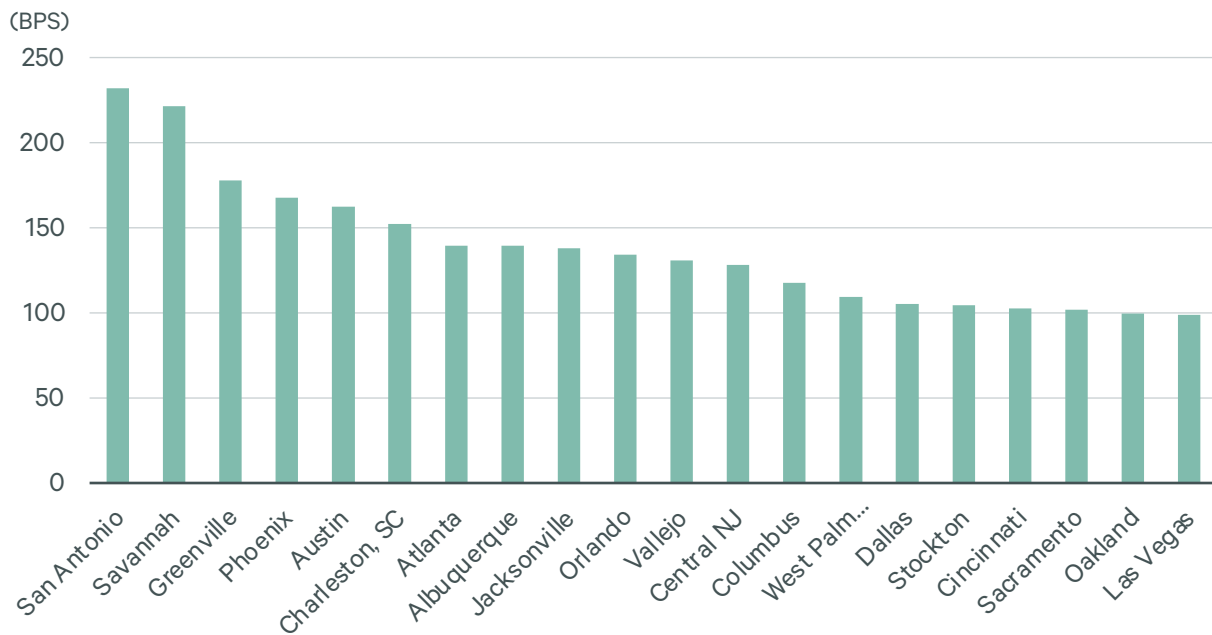
FIGURE 1: Industrial Availability Rate – U.S. Sum of Markets



Source: CBRE Econometric Advisors Q4 2023

Sun Belt markets are witnessing the largest increases in availability across the nation. Q4 completions for San Antonio were the second highest on record for the market, and availability has surged north of 230 bps from Q3. Savannah and Charleston, two prominent East Coast ports, have experienced considerable increases from the previous quarter, at 221 and 152 bps, respectively. These markets, along with Greenville, Phoenix and Austin, have observed a delivery pipeline that is notably large relative to their market sizes. In Q4, Phoenix led the nation in completions with 11.5 million sq. ft., followed by Atlanta, Chicago and Riverside. Notably, despite ranking third in Q4 completions, Chicago saw only a 67-bp increase in its availability rate, highlighting the market's comparative resilience.

**FIGURE 2: Basis Point Change in Availability from Q3'23 to Q4'23 – Top 20 Markets**



Source: CBRE Econometric Advisors Q4 2023

**FIGURE 3: Availability Rates – Metropolitan Markets (Figures have been rounded to the nearest tenth)**

	Q4 2023 (%)	Q3 2023 (%)	Q4 2022 (%)	Quarterly difference	Year-ago difference
<b>METROPOLITAN MARKETS</b>					
SUM OF MARKETS	7.1	6.5	4.8	0.6	2.3
Albany	2.9	2.7	2.8	0.2	0.1
Albuquerque	3.0	1.6	1.2	1.4	1.8
Allentown*	6.5	5.6	2.8	0.9	3.7
Atlanta	8.3	6.9	5.2	1.4	3.1
Austin	10.2	8.6	5.8	1.6	4.4
Baltimore	9.1	8.8	6.7	0.3	2.4
Boston	7.2	7.2	6.4	0.1	0.9
Bronx/Brooklyn/Queens/Staten Island*	7.7	7.3	7.3	0.4	0.4
Central New Jersey	7.9	6.6	4.6	1.3	3.3
Charleston, SC*	7.4	5.9	2.5	1.5	4.9
Charlotte	5.4	4.5	3.4	1.0	2.1
Chicago	7.1	6.4	5.5	0.7	1.6
Cincinnati	6.3	5.3	3.3	1.0	3.0
Cleveland	4.8	4.5	5.4	0.3	-0.6
Columbus	8.1	6.9	4.3	1.2	3.8
Dallas	9.7	8.6	5.2	1.1	4.5
Dayton*	7.1	7.9	5.3	-0.7	1.9
Denver	9.9	9.2	7.5	0.7	2.4
Detroit	4.9	4.6	4.7	0.3	0.2
El Paso*	5.9	5.3	3.2	0.6	2.7
Fort Lauderdale	5.6	6.1	5.4	-0.5	0.2
Fort Worth	9.4	8.5	5.2	0.9	4.2
Greenville*	9.9	8.1	4.5	1.8	5.4

	Q4 2023 (%)	Q3 2023 (%)	Q4 2022 (%)	Quarterly difference	Year-ago difference
Hartford	6.0	5.4	5.8	0.5	0.2
Honolulu*	2.6	2.9	2.8	-0.3	-0.2
Houston	8.1	8.0	6.9	0.0	1.2
Indianapolis	9.0	8.5	4.2	0.5	4.9
Jacksonville	5.3	3.9	3.8	1.4	1.4
Kansas City	6.0	5.4	4.8	0.6	1.2
Las Vegas	6.3	5.3	3.2	1.0	3.1
Long Island	5.4	5.4	4.9	0.0	0.5
Los Angeles	4.6	4.6	3.0	0.0	1.6
Louisville*	4.4	3.7	3.5	0.8	0.9
Manhattan*	7.3	6.5	3.9	0.8	3.3
Memphis*	10.8	11.1	6.6	-0.2	4.2
Miami	4.8	4.0	3.0	0.8	1.8
Milwaukee*	5.7	5.3	4.6	0.5	1.2
Minneapolis	4.7	4.7	3.9	0.0	0.8
Nashville	5.9	6.3	5.1	-0.4	0.8
Norfolk	3.7	3.3	2.8	0.5	1.0
Northern New Jersey	7.3	6.7	4.7	0.6	2.6
Oakland	7.5	6.5	5.8	1.0	1.7
Oklahoma City	5.6	5.1	4.6	0.5	1.0
Omaha	2.7	2.9	2.1	-0.2	0.6
Orange County	5.1	4.7	3.1	0.4	2.0
Orlando	6.0	4.7	3.4	1.3	2.6
Philadelphia	8.1	7.1	4.9	0.9	3.2
Phoenix	8.8	7.2	4.7	1.7	4.1
Pittsburgh*	7.1	6.7	6.5	0.4	0.7
Portland	4.4	4.5	3.2	-0.1	1.2

	Q4 2023 (%)	Q3 2023 (%)	Q4 2022 (%)	Quarterly difference	Year-ago difference
Raleigh*	6.8	6.7	4.6	0.1	2.3
Richmond	3.4	3.7	3.9	-0.3	-0.5
Riverside	8.0	7.3	3.2	0.7	4.8
Sacramento	6.3	5.2	4.9	1.0	1.4
Salt Lake City	6.4	5.7	2.6	0.8	3.9
San Antonio*	9.1	6.8	5.2	2.3	4.0
San Diego	8.4	7.7	4.9	0.7	3.5
San Francisco	11.2	10.6	6.9	0.6	4.3
San Jose	7.9	7.6	6.9	0.3	1.0
Savannah*	10.6	8.4	2.4	2.2	8.2
Seattle	7.8	7.8	5.0	0.0	2.8
South Central PA*	4.8	5.1	2.3	-0.3	2.5
St. Louis	8.1	7.7	5.9	0.5	2.2
Stamford	5.9	5.3	5.5	0.6	0.4
Stockton*	7.5	6.4	6.0	1.0	1.5
Tampa	5.4	5.1	4.3	0.4	1.1
Toledo*	4.9	5.7	4.3	-0.7	0.7
Tucson	6.8	6.8	4.2	0.0	2.6
Tulsa	4.0	4.5	4.8	-0.5	-0.8
Vallejo*	4.9	3.6	2.6	1.3	2.3
Ventura	4.5	4.0	3.4	0.5	1.1
Washington, DC	7.1	6.5	5.8	0.6	1.2
West Palm Beach	6.2	5.1	4.7	1.1	1.6
Westchester	6.8	6.0	7.1	0.8	-0.3
Wilmington, DE	5.7	6.0	4.6	-0.4	1.1

\* These markets are not included in the Sum of Markets average.

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