

Strong leasing activity at Airport West comes with 'fight'

By MARILYN BOWDEN

Brokers are still closing deals for more than 50,000 square feet of space in Airport West's industrial parks, but fierce competition is giving tenants the upper hand in negotiations.

At AMB Beacon Centre, DSV Air & Sea, a freight-forwarding company, recently leased 57,733 square feet, said George I. Pino, a vice president at Flagler Real Estate Services.

Flagler represents the landlord, AMB Property Corp., a San Francisco-based real estate investment trust, or REIT.

DSV, represented in the transaction by CB Richard Ellis, was looking for "a business park environment and Beacon Centre fit their needs," Mr. Pino said. "There was a lot of competition



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because there's an abundance of large distribution warehouse space available. This deal took about two months to negoti-

ate."

It was the second large deal at Beacon Centre in recent months. Mr. Pino said B America Corp. – a distributor of brick and stone materials – inked a deal for a 118,897-square-foot, free-standing building. B America was represented in the transaction by Cushman & Wakefield.

International Distribution Center meanwhile signed Pegasuz Cargo Logistics for the use of 66,829 square feet, said Transwestern Managing Director Walter Byrd, and logistics firm CJGLS to occupy 64,000 square feet.

"The market is not as vibrant or as deep as it once was," Mr. Byrd said, "but it's still active. The average deal used to be 15,000-30,000 square feet, but for the past year that range has been pretty quiet.

"We have seen some big renewals and expansions. For example, at Miami International Commerce Center, the largest tenant – Starboard Cruise Services – extended their 178,000-square-foot lease for another couple of years."

During recessionary times, said Jose Juncadella, principal of Fairchild Partners, companies tend to take advantage of lower rates to move from class B space to class A space – a trend that aids Airport West.

"Airport West has the newest buildings and the least obsolescence," Mr. Juncadella said. "Many of its business parks are approaching 100% occupancy."

But, he said, competition among those parks is resulting in rate reductions and more concessions, such as free rent and broker incentives.

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financial situation and has a strong business that is doing well, there are great opportunities to lease good quality space right now at competitive rates that we haven't seen for many, many years.

"In my 14 years in commercial real estate in Airport West," he said, "this has been the most active leasing year I've ever had. But we've had to fight for every single deal."



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