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CUSHMAN & WAKEFIELD RESEARCH

CORRIDOR OF COMMERCE

Vacancy Trends and Warehouse/Distribution Potential Along I-4

FEBRUARY 2025

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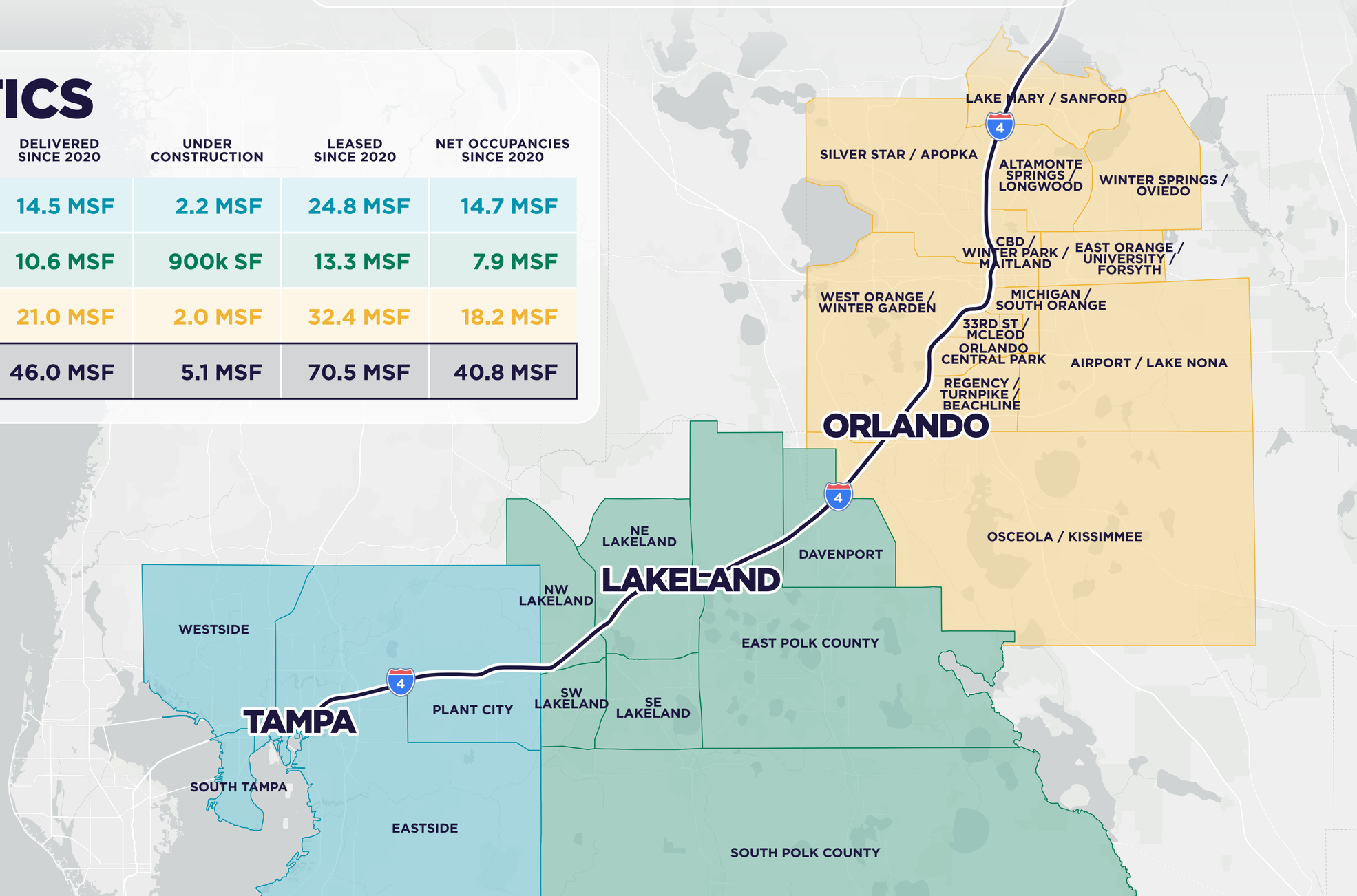
KEY STATISTICS

	W/D PRODUCT	DELIVERED SINCE 2020	UNDER CONSTRUCTION	LEASED SINCE 2020	NET OCCUPANCIES SINCE 2020
TAMPA	68.4 MSF	14.5 MSF	2.2 MSF	24.8 MSF	14.7 MSF
LAKELAND	63.4 MSF	10.6 MSF	900k SF	13.3 MSF	7.9 MSF
ORLANDO	99.5 MSF	21.0 MSF	2.0 MSF	32.4 MSF	18.2 MSF
I-4 CORRIDOR	231.0 MSF	46.0 MSF	5.1 MSF	70.5 MSF	40.8 MSF



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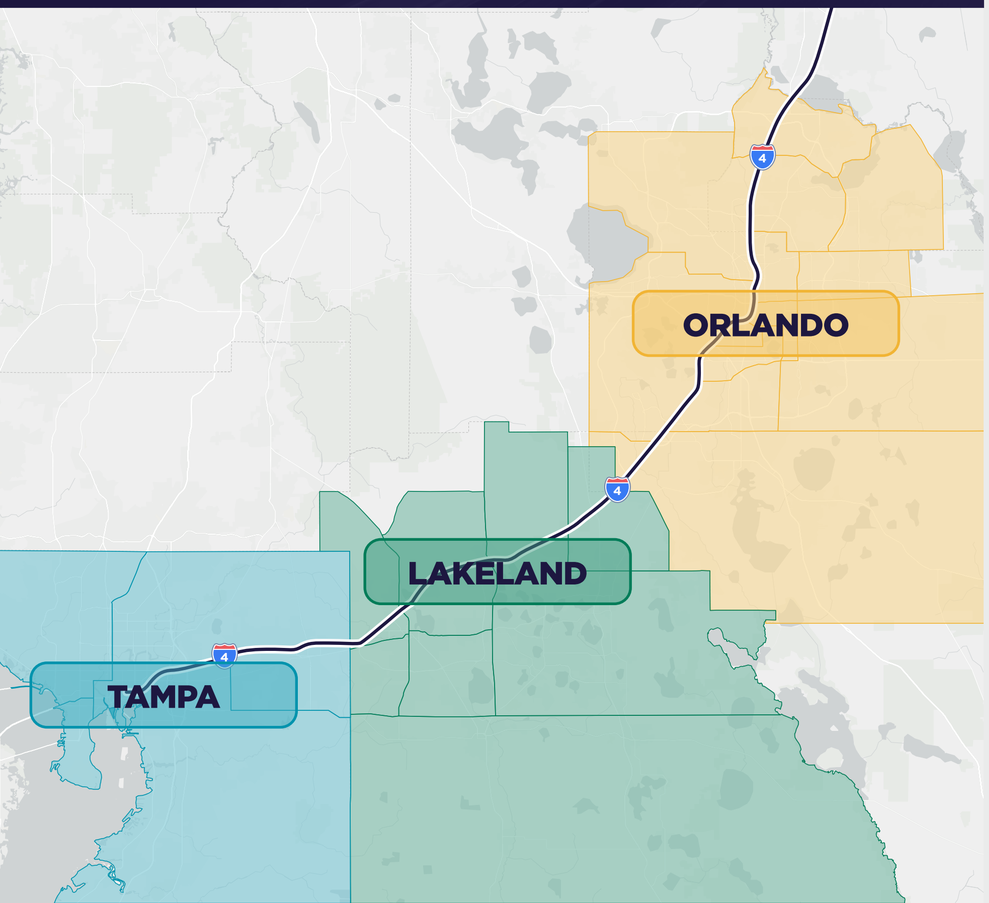
Q4 2024 Statistics

CLASS A CRITERIA
- 100k sf+
- 24'+ clear height
- Built since 2000

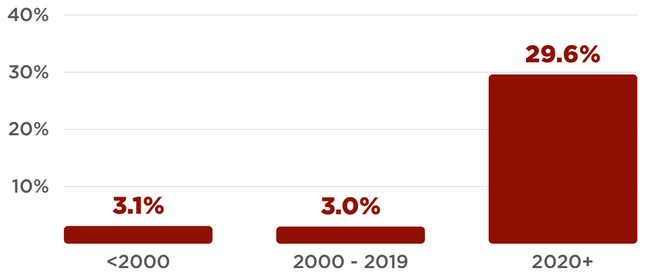
I-4 CORRIDOR

The I-4 Corridor stretches from Volusia County to Tampa, covering Orlando, Polk County, and Tampa markets with over 230 million square feet (msf) of warehouse/distribution (W/D) space. Fueled by population growth and e-commerce demand, it serves 9.5 million residents within 100 miles. Major distributors like Publix, Amazon, and FedEx anchor the region, enhancing last-mile delivery capabilities. Its strategic location offers access to one of the U.S.'s largest consumer bases within an eight-hour drive, solidifying its logistics dominance.

Hover Over Market Name For Statistics



VACANCY RATE BY BUILDING VINTAGE



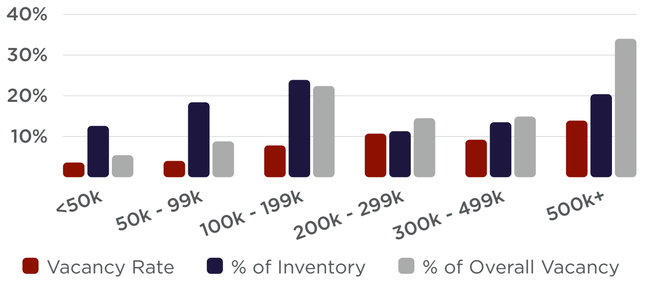
While vacancy in W/D buildings built pre-2020 remained tight, new builds ended 2024 with a 29.6% vacancy rate. Since 2020, 50.4 msf of new product delivered, temporarily outpacing demand. However, nearly two-thirds of this space has been leased, highlighting market resilience.

% OF TOTAL INVENTORY

% OF OVERALL VACANCY

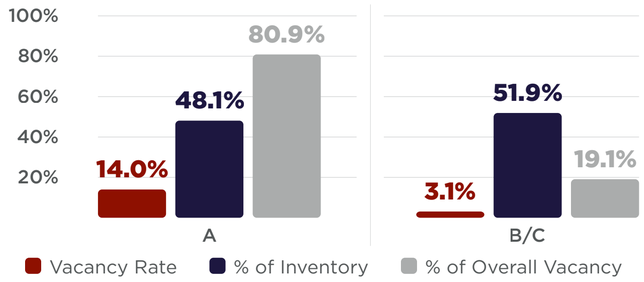
New warehouse facilities accounted for 19.9% of total inventory but represented 70.5% of vacant space in the corridor. Orlando led this trend, accounting for 45.6% of the region's vacant space concentrated in these new buildings.

% VACANT BY BUILDING SIZE



Smaller warehouses (<100k sf) exhibited the lowest vacancy rates at 3.8%, while facilities over 500k had the highest vacancy rate at 13.9%, primarily concentrated in the Lakeland and Orlando markets. Although this larger product accounted for 34.0% of all vacancy at year-end 2024, properties 200k sf or smaller comprised 54.9% of the corridor's inventory.

% VACANT BY CLASS

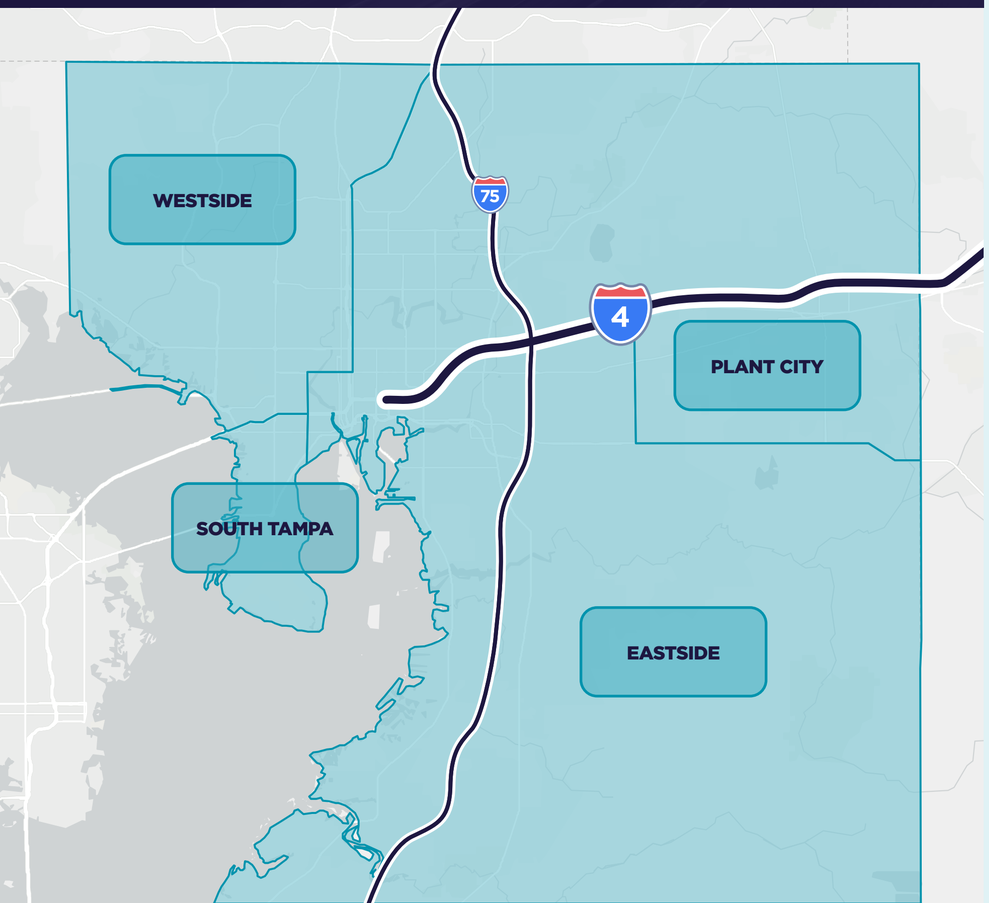


Class A spaces, while appealing to corporate tenants and users with large-scale distribution needs, face temporary oversupply due to the rapid influx of new product, leading to elevated vacancy rates. In comparison, Class B and C W/D buidlings benefit from their strategic infill locations and cost efficiency, driving stronger demand and maintaining lower vacancy rates.

TAMPA

The Tampa industrial market is a key logistics hub with four primary submarkets. The Eastside, the largest, sits along I-4 and I-75, serving bulk distributors and housing Port Tampa Bay. The Westside supports local distribution and air cargo near Tampa International Airport. Plant City, strategically located between Tampa and Orlando, caters to large-scale distribution with highway access. South Tampa, the smallest submarket, focuses on last-mile distribution and smaller industrial users due to its urban setting.

Hover Over Submarket Name For Statistics



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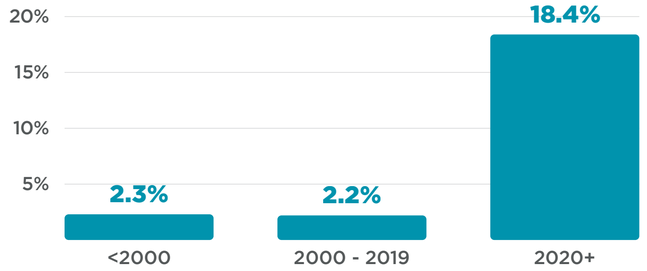
VACANCY RATE BY BUILDING VINTAGE



Tampa delivered 14.5 msf since 2020, nearly matching the total built in the previous 20 years. This surge provided tenants with a surplus of options, pushing vacancy in this subset to 18.4%. Most of this vacancy in new product was in the Plant City and Eastside submarkets, where vacancy averaged 17.4%.

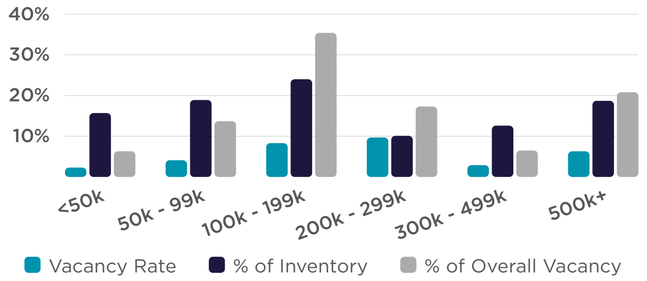
% OF TOTAL INVENTORY

% OF OVERALL VACANCY

< 2000 | 2000 – 2019 | 2020 – 2024

Newer properties comprised 68.6% of total vacant space on the market while only making up 21.2% of total inventory. Conversely, assets delivered from 2000-2019 had the lowest vacancy with all submarkets posting vacancies below 3.0%.

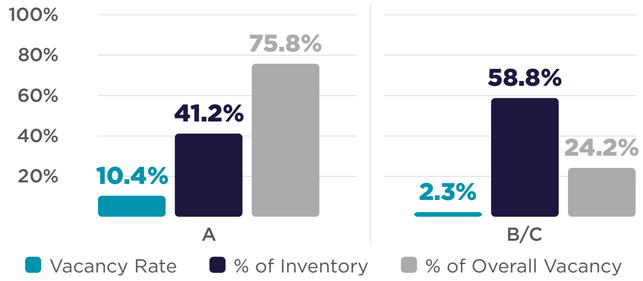
% VACANT BY BUILDING SIZE



Vacancy Rate | % of Inventory | % of Overall Vacancy

Buildings between 100k-199k sf made up the bulk of vacant space, primarily from recent deliveries in the Eastside and Westside submarkets. This was followed by buildings 500k+ sf, with two buildings in the Plant City submarket alone accounting for 20.8% of total vacant space.

% VACANT BY CLASS



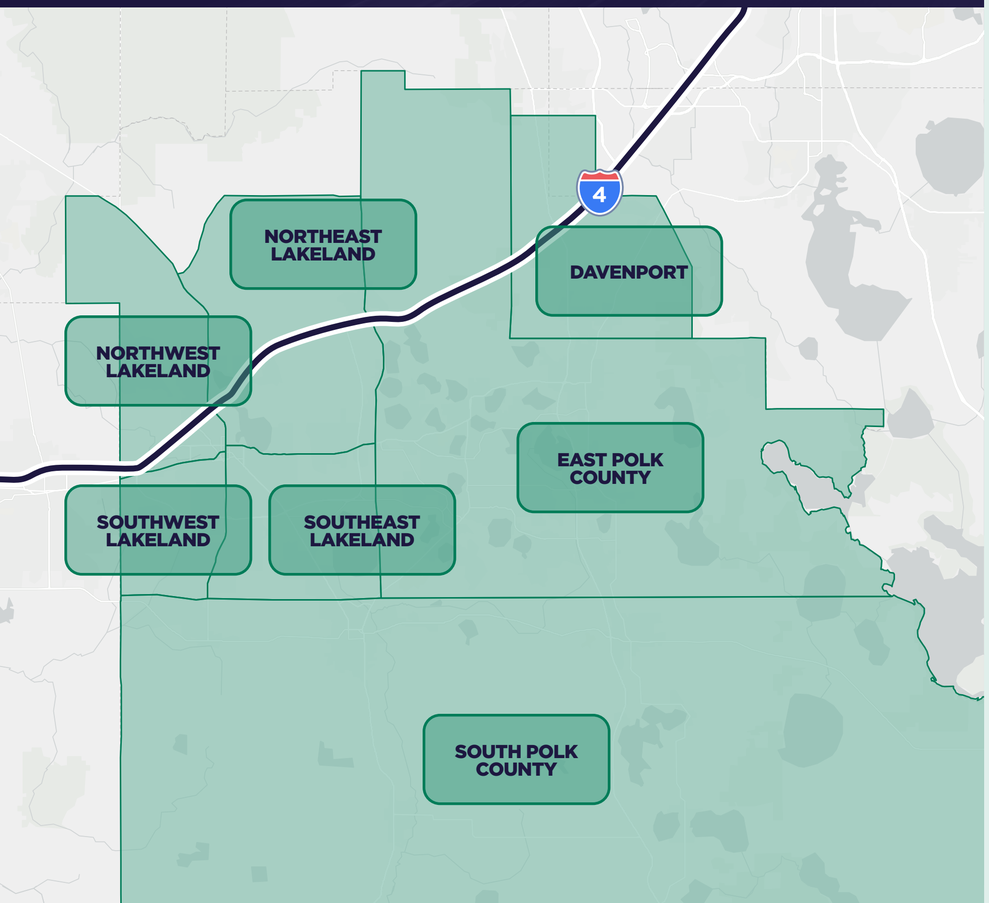
Vacancy Rate | % of Inventory | % of Overall Vacancy

Class A assets accounted for 75.8% of the vacant space on the market, though Tampa posted the lowest vacancy for this product in the I-4 Corridor at 10.4%. This trend was again fueled by new construction, with buildings built after 2020 making up 90.5% of the Class A vacancy.

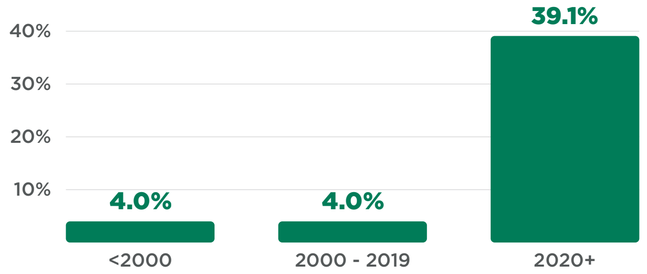
LAKELAND

Polk County has recorded significant growth in recent years, driven by its strategic location along the I-4 corridor, available land, lower costs, and strong transportation infrastructure. Lakeland remains a focal point for Class A distribution centers, while East Polk offers affordable land for new developments, particularly last-mile logistics. South Polk is emerging as a cost-effective option for large-scale manufacturing, and Davenport is rapidly growing due to its proximity to Orlando.

Hover Over Submarket Name For Statistics



VACANCY RATE BY BUILDING VINTAGE



Pre-2020 properties maintained a tight 4.0% vacancy rate, while post-2020 deliveries recorded a significantly higher rate of 39.1%. Ten buildings in the East Polk, Northeast, and Southwest Lakeland submarkets accounted for 98.8% of the vacant space in these new developments.

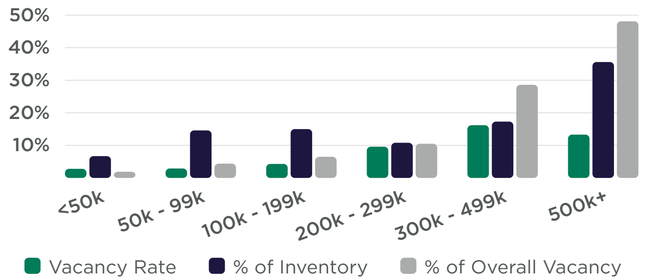
% OF TOTAL INVENTORY

% OF OVERALL VACANCY

< 2000 | 2000 – 2019 | 2020 – 2024

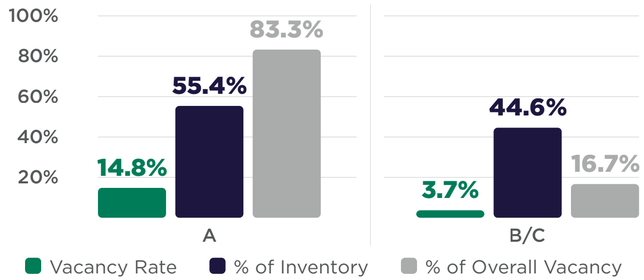
Despite representing only 16.6% of total inventory, post-2020 properties comprised 66.3% of vacant space. With construction activity slowing over the past year, absorption of this newer product is expected to improve.

% VACANT BY BUILDING SIZE



Demand for small-bay properties remained strong, with buildings under 100k sf averaging a 2.9% vacancy rate. In contrast, buildings over 300k sf had a 14.2% vacancy rate, accounting for 81.8% of total vacant space. Increased big-box leasing in 2025 could help reduce this elevated vacancy.

% VACANT BY CLASS

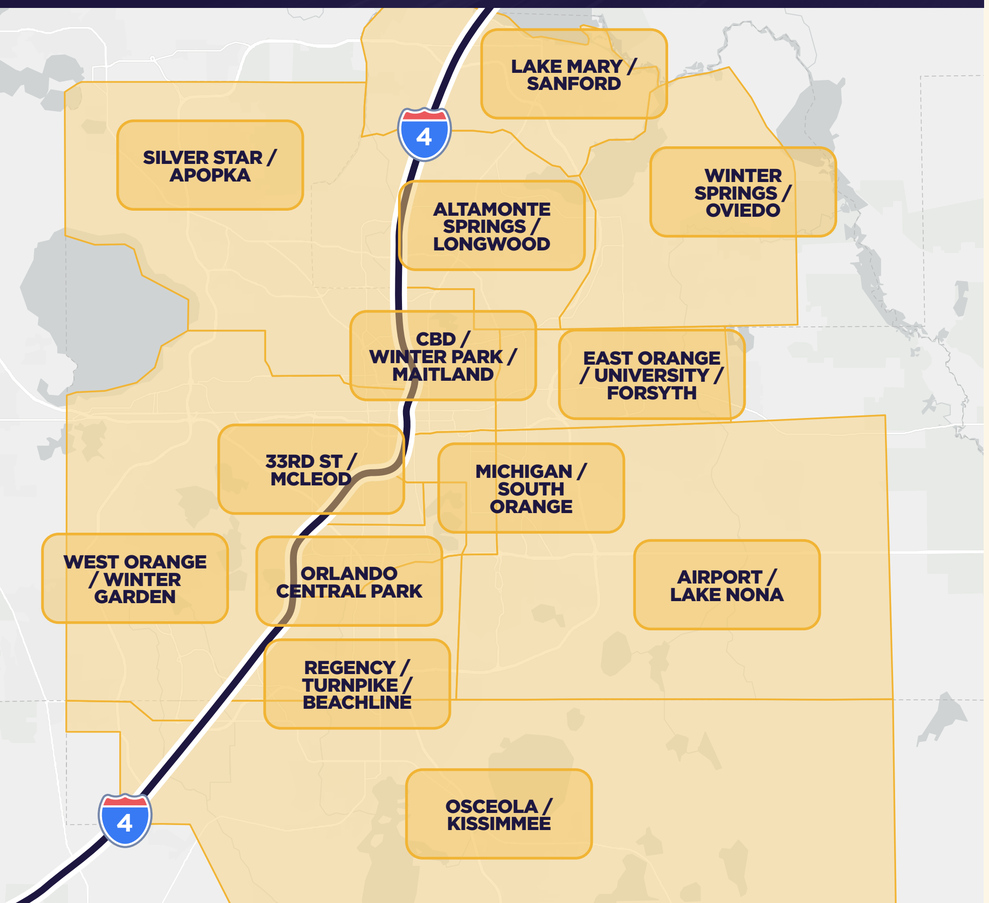


Class A assets accounted for 83.3% of the vacant space on the market. This was largely driven by the East Polk and Southwest Lakeland submarkets, where Class A vacancy rates reached 32.6% and 25.5%, respectively, due to fully vacant big-box deliveries.

ORLANDO

Orlando is a growing industrial powerhouse, driven by strong population growth and its strategic location in Central Florida. With access to major highways, the region serves as a key logistics and distribution hub for the state and the broader Southeast U.S. The Airport/Lake Nona submarket benefits from proximity to Orlando International Airport, while the Silver Star/ Apopka submarket is emerging as an attractive option for industrial users seeking lower costs and ample land for large-scale distribution operations.

Hover Over Submarket Name For Statistics



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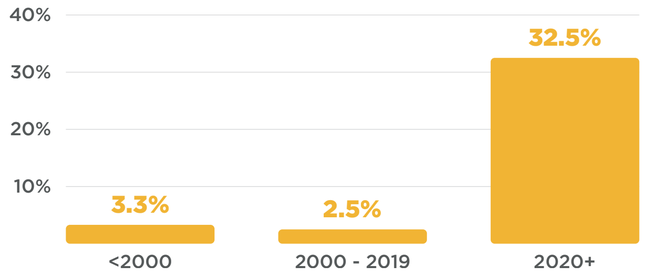
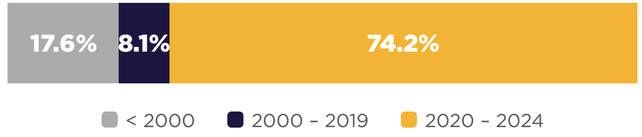
VACANCY RATE BY BUILDING VINTAGE



Overall vacancy was largely driven by post-2020 construction, which recorded a 32.5% vacancy rate. Development surged to record highs following the pandemic, leading to a substantial influx of new inventory. However, with new construction significantly tapering off since its 2023 peak, absorption of this space is expected to improve.

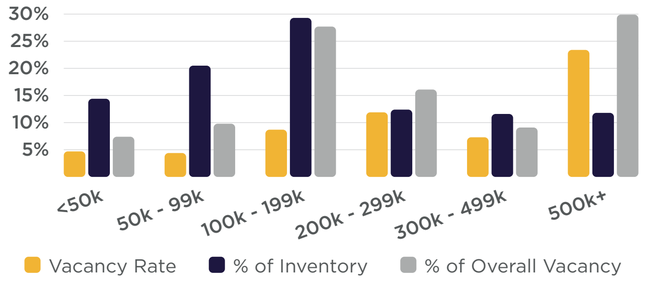
% OF TOTAL INVENTORY

% OF OVERALL VACANCY



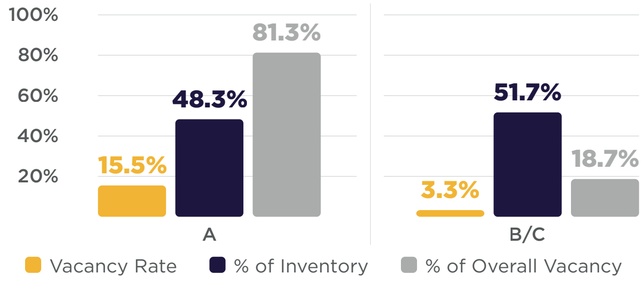
Despite accounting for only 21.1% of total inventory, post-2020 developments comprised 74.2% of vacant space. The Airport/Lake Nona and Silver Star/ Apopka submarkets housed the majority of this new supply, collectively representing 58.5% of Orlando's total vacant space.

% VACANT BY BUILDING SIZE



Buildings over 500k sf were the primary contributors to overall vacancy, driven by three newly delivered properties in the Silver Star/Apopka submarket totaling 2.5 msf of vacant space. Midsized buildings (100k-199k sf) also contributed, as 7.3 msf of new supply has been delivered since 2020, with 21.9% still available.

% VACANT BY CLASS



Class A properties accounted for 81.3% of vacant space, despite representing only 48.3% of total inventory. This highlights the speculative nature of post-2020 construction, as most of the unoccupied space is concentrated in newer, high-end facilities.

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OUTLOOK

The I-4 Industrial Corridor remains a critical logistics hub, offering unparalleled access to Florida's growing consumer base and major distribution networks. While new supply has temporarily outpaced demand in certain markets, absorption trends indicate resilience, particularly as construction activity slows and leasing activity stabilizes. The region's strategic location, strong infrastructure, and continued investment from major occupiers reinforce its long-term potential. As market conditions evolve, the I-4 Corridor is well-positioned to remain a key driver of industrial growth in the Southeast.

AUTHORS

JOSH FAIRCLOTH
Research Manager
+1 813 424 3220
joshua.faircloth@cushwake.com

EASTON RICKS
Research Analyst
+1 407 949 0803
easton.ricks@cushwake.com

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