Warehouse Development May Finally Ramp Up as Supply of Big Box Space Recedes
Space Projects Appear in Several Markets in Spate of Mutual Overall Demand

By Sarah Dimock
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Demand for logistics space continues to outpace supply, but companies changing their leasing strategies are picking up on a more homegrown, more focused trend in the real estate market. The result is a spate of warehouse projects in several markets, according to the Real Estate Group of California, which has been tracking the market trends for more than a decade.

The latest market report, released on Dec. 12, showed a 12.9 percent increase in warehouse supply in the fourth quarter, with about 476,125 square feet of new space available for warehouse rentals. That was down 9.1 percent from the previous quarter, according to the report.

Several projects are already under construction in the fourth quarter, including a warehouse for Amazon.com in the city of Industry. The warehouse is expected to be complete by the end of the year.

The report also noted that the market is seeing a shift away from large, single-story warehouses to smaller, multi-story buildings. This trend is likely to continue as more companies look for ways to reduce their footprint and save on expenses.

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This is the headline of the report: "Unlocking the Potential of Logistics Real Estate in Southern California." The report notes that the market is seeing a surge in demand for warehouse space, with a particular focus on smaller, multi-story buildings.

The report also highlights the importance of logistics real estate to the local economy, noting that it plays a key role in supporting the supply chain and enabling businesses to operate efficiently.

Overall, the report suggests that the logistics real estate market is poised for continued growth, driven by increasing demand for efficient and cost-effective space solutions.

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