

# Industrial and Warehouse Analysis

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BROOKHAVEN, NEW YORK

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## PREPARED FOR:

Town of Brookhaven IDA  
One Independence Hall  
Farmingville, NY 11738



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# INTRODUCTION

## Project Background

The Town of Brookhaven Industrial Development Agency (IDA) continues to see strong interest in speculative warehousing and distribution center development. To ensure responsible development, the IDA commissioned this review to assess the market feasibility of these many projects and the potential risk of market saturation. This analysis, encompassing the Town of Brookhaven and Suffolk County, aims to inform the IDA and its Board of Directors about the market outlook for the local warehousing and distribution sector, in order to guide future decision-making.

As part of this review, the IDA identified three specific projects seeking assistance of particular interest, as seen below. Collectively, these projects, costing an estimated \$366 million, would introduce nearly 1.5 million square feet of new space to the local industrial market.

## Methodology

This report serves as a follow-up to a similar analysis performed by Camoin Associates in 2022. Much of the methodology employed herein reproduces those materials but now with updated data. Beyond that, additional analysis in this report explores issues that have become more germane over the subsequent two years.

Initial analysis includes economic and demographic profiles of the Town of Brookhaven and Suffolk County. This allows for an understanding of the essential characteristics of local areas that could influence the market for warehouse and distribution center space. This information is derived from multiple data outlets, including Esri, Lightcast, and the US Census Bureau.

A comprehensive evaluation of the supply of industrial real estate follows, establishing a baseline of the existing inventory of industrial space within the market. Project-level information is then reviewed, providing an understanding of the current planning pipeline, including those developments that have been proposed or are already under construction.

**Select Properties Seeking Brookhaven IDA Incentives**

<b>Proposed Project</b>	Station Rd Logistics Center	Medford Logistics	Segme Brookhaven
<b>Developer</b>	AIREF Station Road Logistics Center LLC	Medford Logistics LLC	2020 Acquisitions
<b>Location</b>	Station Rd & Sunrise Hwy, Bellport	440 Express Drive South, Medford	Horseblock Road, Yaphank
<b>Structures</b>	Three Warehousing/ Distribution Buildings	Warehouse	3 Warehouse Buildings
<b>Total Footprint</b>	523,111 sf	390,000 sf	561,000 sf
<b>Estimated Cost</b>	\$121M	\$121.5M	\$123.5M

Source: Brookhaven IDA/CoStar



This information is then compared to trends in distribution center and warehouse market measures including occupancy, net absorption, deliveries, and vacancy rates. The study also examines whether recently built speculative industrial space has performed well in the market in terms of pre-leasing activity and tenant leasing post-completion. Primary data for this phase is sourced from the real estate information service, CoStar, and supplemented by materials from the Brookhaven IDA. In addition, the Riverhead IDA also provided information regarding industrial developments under consideration in their jurisdiction.

In addition to the data-driven analysis, interviews were conducted with key stakeholders in the region possessing intimate knowledge of the industrial market landscape, including economic development professionals, brokers, and developers.

Finally, various supply and demand scenarios are analyzed to estimate the potential impact of the current planning pipeline on the region's vacancy rates and to determine whether additional space might oversaturate the market.



## Key Findings

Caution regarding Brookhaven's warehousing and distribution sector is warranted. Evidence suggests that the recent surge in demand may not persist, raising concerns about potential overbuilding in the local and regional markets if excessive speculative construction continues. **Overall, the market has shown signs of softening since the previous report, with recently built speculative developments taking longer to lease-up.** While the market is still relatively strong, **the oversupply risk has grown, leading to more caution in private investment of spec building.**

Key findings include:

- **Demand in the region has been exceptionally strong over the past three years.** In part, the pandemic accelerated this trend, with online retailers experiencing a surge in demand while brick-and-mortar stores also expanded their online presence and same-day delivery services. This increased demand significantly for industrial space overall.
- **The market has responded with substantial development activity.** The market response has been robust, resulting in an unprecedented level of warehouse and distribution projects in the pipeline, totaling over 12 million square feet for Suffolk County alone.
- **Overall vacancy rates remain modest (despite uncomfortably high levels for distribution centers), indicating supply has not as yet outpaced demand.** The surge in demand in 2021 led to a sharp decrease in vacancies, which dropped to well below 3% for the overall warehouse distribution center market. The balance between supply and demand, however, has since shifted. The delivery of significant amounts of additional space combined with waning demand growth

subsequently pushed vacancies up above 4% in 2023 but this remains a reasonable rate.

- **There is some apprehension that continued development may lead to overbuilding, leaving smaller or less modern facilities vacant.** Generally, the market currently maintains a satisfactory degree of balance. Interviews with industrial real estate brokers, however, raise concerns about future market saturation. Also, to the extent that newly developed facilities do not match customers' needs or are priced out of reach, a portion of recently completed projects may remain vacant until demand catches up or prices subside.
- **Under probable scenarios, vacancies will rise to rates ranging from 6% to 11% over the next five years.** This is based on supply and demand projections indicating vacancy will rise depending on absorption and production rates.
- **Vacancy rates could exceed 11% within five years** under less favorable, but not improbable, market conditions. The circumstances leading to this outcome would involve a more subdued absorption rate pattern combined with a higher completion rate for projects in the pipeline beyond the range of scenarios projected in this study.
- **Focusing on square footage measures may underestimate the potential adverse impacts of these developments.** Facilities with higher ceilings provide increased capacity and can further reduce the need for additional space.

Few properties scheduled for delivery in 2024 have yet to be pre-leased but this is not surprising for speculative development. Examination of **newer developments completed over the past several years, however, does show a significant amount of vacant space still in search of tenants.**



## Revisions from 2022 to 2024 and Summary Market Prospects

Eighteen months after the initial Industrial and Warehouse Analysis for the Brookhaven IDA, several elements have evolved but **the overall market outlook remains consistent with the view seen in late 2022.**

Of particular note since the completion of the original study, **the pipeline of planned and under-construction projects on Long Island has grown considerably.** The fall of 2022 saw a pipeline of warehouse and distribution projects summing to just over 9 million square feet. Since then, a net increase of 4 million square feet has pushed the overall level up over 13 million square feet – a 45% increase.

### Long Island Pipeline Growth (SF) - 2022 to 2024

	2022 Pipeline	2024 Pipeline	2022 to 2024 Change	Growth
Suffolk County	8,773,998	12,593,957	3,819,959	43.5%
Nassau County	347,880	614,307	266,427	76.6%
Long Island Total	9,121,878	13,208,264	4,086,386	44.8%

**Source:** CoStar/Brookhaven IDA/Camoin Associates

Separately, overall absorption over the past three years has registered relatively strong levels (378,000 sf/year), driven largely by particularly vigorous leasing activity in 2021. This contrasts sharply with the twelve-year average of 139,000 sf/year.

For the multiple construction and absorption scenarios presented, a mid-point of 247,5000 sf/year represents the “Moderate” demand growth pattern, and this remains consistent with the 2022 report, which saw a mid-point of absorption projections measuring 242,000 sf/year.

With a stronger supply pipeline and slightly more optimistic demand patterns used in the updated analysis, the overall outlook for Brookhaven and Suffolk County remains strikingly consistent with the view presented

in 2022. Projected warehouse and distribution center vacancy rates are surely slated to rise over the coming five years, and the degree of that increase is, in part, a function of how well net absorption performs.

A major influence will be how much of the proposed projects filling the planning pipeline advance to completion. In the eighteen months since the original report, a significant portion of planned projects (28%) have moved to construction or on to completion. Should this pace hold steady, the result could be the advancement of a full 75% or more of the current planning pipeline – yielding a much greater likelihood of overbuilding in the local market.

Also to consider, however, is that over the past eighteen months, a full 15% of planned projects were abandoned or underwent a considerable change in scope. A strong pace of project deferrals would also shape the overall growth in total warehouse and distribution center inventory, limiting overall new construction and diminishing the potential for over-building. As many planned projects will inevitably fall away from consideration, this will help put a cap on the share of the pipeline moving forward. Potentially, as little as 50% of the current total pipeline will come to market.

Market prospects remain generally consistent with the overall outlook seen in late 2022. **While demand growth will play a clear role in the area’s market dynamics, a more decisive element will center around the amount of new supply coming to market.**

### Vacancy Rate Projections by 2028 Under Alternative Construction and Absorption Scenarios - Suffolk County

Absorption	50% Pipeline	75% Pipeline
Optimistic	6.7%	9.9%
Moderate	7.2%	10.4%
Conservative	7.8%	11.0%

**Source:** Camoin Associates



# DEMOGRAPHICS AND ECONOMIC PROFILE

## Demographic Setting

Consumer demand reflects the underlying demographics and, in turn, the need for warehousing and distribution services. Findings include:

- While representing approximately one-third of the county's population, Brookhaven experienced a slight population decline from 2010 to 2023, in contrast to Suffolk County as a whole, which saw a modest 2% increase.
- Projections point towards continued modest declines in population over the next five years at both the town and county levels, on par with those observed at the state level.
- Despite a declining population, the number of households increased by roughly 4% for both the town and county from 2010 to 2023, with gains expected to taper through 2028.
- Median household incomes in the area register well over \$100,000, more than a third higher than the statewide level. This has contributed to robust retail demand throughout the region.
- Retail spending per household also registers as quite strong in Brookhaven and throughout Suffolk County. Average spending within the Town registers a full 25% above the statewide level.
- Despite projections of a declining total population and slowing household growth, income levels will remain exceptionally high throughout the region with strong growth anticipated through 2028. This will continue to buoy spending and with it, the need for warehouse and distribution space on Long Island.

## Demographic Profiles

Population	Town of Brookhaven	Suffolk County	New York
2010	486,010	1,493,923	19,386,313
2023	485,642	1,523,936	20,113,414
2028	482,337	1,510,906	19,995,476
<b>Growth</b>			
2010 to 2023	-0.1%	2.0%	3.8%
2023 to 2028	-0.7%	-0.9%	-0.6%
<b>Households</b>			
2010	162,875	500,109	7,321,010
2023	168,990	520,684	7,768,100
2028	170,041	523,154	7,832,588
<b>Growth</b>			
2010 to 2023	3.8%	4.1%	6.1%
2023 to 2028	0.6%	0.5%	0.8%
<b>Median Household Income</b>			
2023	\$108,596	\$115,114	\$77,077
2028	\$118,805	\$127,131	\$85,392
<b>Growth</b>			
2023 to 2028	9.4%	10.4%	10.8%
<b>Average Retail Spending per Household</b>			
2023	\$38,533	\$41,723	\$30,914
2028	\$43,105	\$46,408	\$34,858
<b>Growth</b>			
2023 to 2028	11.9%	11.2%	12.8%

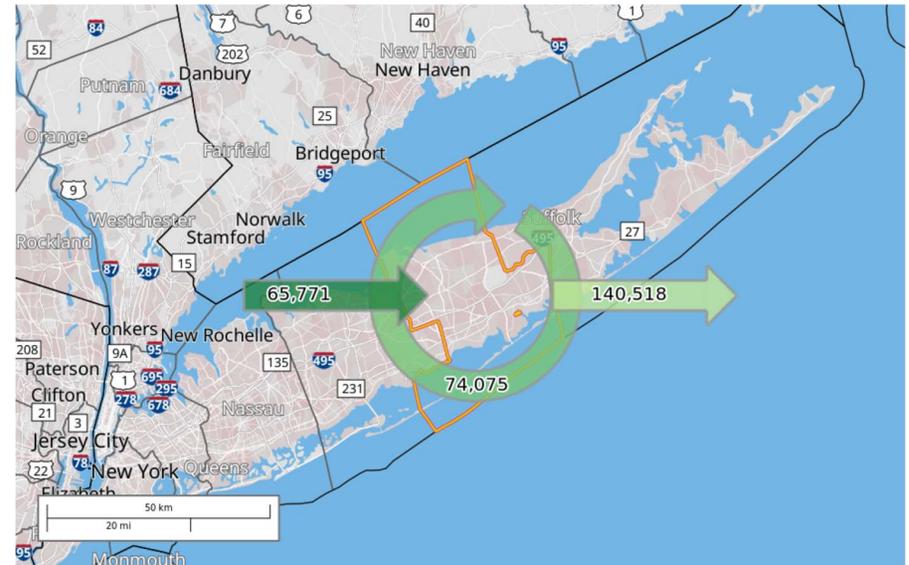
Source: Esri



## Commuting Patterns

Approximately 74,000 individuals both live and work in Brookhaven but a majority of the community's labor force commute out of the Town.

- Brookhaven serves as a net exporter of workers, with over 140,000 residents leaving the community for work daily. Meanwhile, more than 65,000 workers come to Brookhaven from elsewhere on Long Island and beyond.
- Islip, NY, provides the largest number of outside workers to Brookhaven (16,600) while also serving as the work destination for 27,700 Brookhaven residents – the largest of any community outside of Brookhaven itself.



**Brookhaven Resident and Worker Commute Origins and Destinations - 2021**

Origin/Destination	Where Brookhaven Residents Work		Where Brookhaven Workers Live	
	Number	Share	Number	Share
Brookhaven	74,075	34.5%	74,075	53.0%
Islip	27,672	12.9%	16,644	11.9%
Smithtown	17,618	8.2%	5,716	4.1%
Manhattan	16,756	7.8%	1,358	1.0%
Huntington	8,383	3.9%	3,382	2.4%
Hempstead	7,513	3.5%	3,649	2.6%
Queens	7,318	3.4%	3,947	2.8%
Babylon	7,038	3.3%	3,537	2.5%
Oyster Bay	6,998	3.3%	2,285	1.6%
Brooklyn	5,669	2.6%	3,082	2.2%
All Other Locations	35,553	16.6%	22,171	15.9%
<b>Total</b>	<b>214,593</b>	<b>100.0%</b>	<b>139,846</b>	<b>100.0%</b>

Source: Census - OnTheMap



## Economic Setting

The economic setting offers an overview of the current economic landscape in the Town of Brookhaven, highlighting the industries that are driving employment and wages:

- The public sector emerges as a significant driver of employment in Brookhaven, comprising three of the top six largest industries and boasting some of the highest average earnings.
- Restaurants and Other Eating Places rank as the second-largest industry, with nearly 12,000 jobs in Brookhaven. This industry also has posted the greatest increase in employees over the past decade.
- Notably, the top employment sectors do not align with typical industrial or warehouse-utilizing industries.

### Brookhaven Sectors with Greatest Employment

Sector	Jobs (2023)	Average Earnings Per Job (2022)
Education and Hospitals-Local Government (9036)	18,084	\$130,216
Restaurants and Other Eating Places (7225)	11,882	\$35,260
Local Government, Excluding Education and Hospitals (9039)	9,968	\$120,475
Offices of Physicians (6211)	5,969	\$136,087
Grocery Stores (4451)	4,952	\$41,874
Federal Government, Civilian (9011)	4,584	\$131,713
Building Equipment Contractors (2382)	3,535	\$88,859
Personal Care Svcs (8121)	3,227	\$29,178
Home Health Care Svcs (6216)	2,890	\$52,577
General Medical and Surgical Hospitals (6221)	2,884	\$105,731
Svcs to Buildings and Dwellings (5617)	2,873	\$49,389
Department Stores (4551)	2,718	\$36,278
Offices of Dentists (6212)	2,717	\$70,515
Scientific Research and Development Svcs (5417)	2,551	\$103,014
State Government, Excluding Education and Hospitals (9029)	2,445	\$178,940
School and Employee Bus Transportation (4854)	2,444	\$51,010
Child Day Care Svcs (6244)	2,139	\$31,755
Residential Building Construction (2361)	2,137	\$67,503
Residential Mental Health Facilities (6232)	2,071	\$72,301
Offices of Other Health Practitioners (6213)	2,019	\$59,402
Building Material and Supplies Dealers (4441)	2,001	\$56,574
Foundation, Structure, and Building Exterior Contractors (2381)	1,842	\$80,427
Rail Transportation (4821)	1,683	\$94,540
Outpatient Care Centers (6214)	1,658	\$97,766
Building Finishing Contractors (2383)	1,638	\$74,350

Source: Lightcast



- Key growth industries that rely on industrial or warehousing space include Building Equipment Contractors, Pharmaceutical/Medicine Manufacturing, Building Material and Supplies Dealers,

Couriers and Express Delivery Services, and Foundation, Structure, and Building Exterior Contractors.

#### Brookhaven Sectors with Greatest Employment

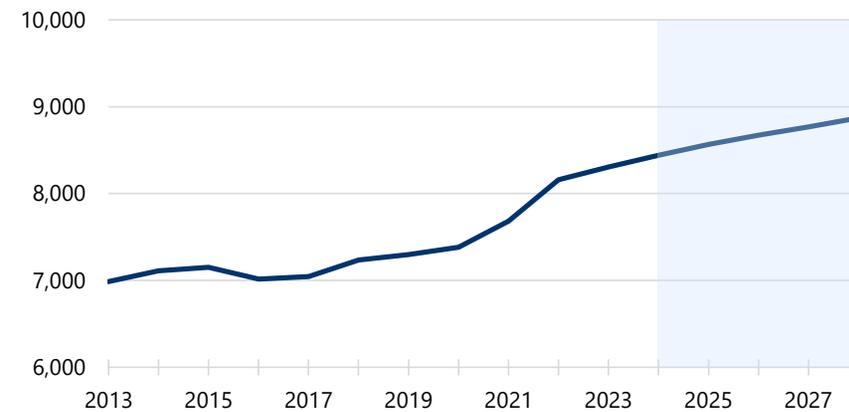
Sector	2013	2023	2013 to 2023		Average Earnings Per Job (2022)
	Jobs	Jobs	Change	Growth	
Restaurants and Other Eating Places (7225)	10,674	11,882	1,208	11.3%	\$35,260
Offices of Physicians (6211)	4,857	5,969	1,112	22.9%	\$136,087
Scientific Research and Development Svcs (5417)	1,588	2,551	964	60.7%	\$103,014
Personal Care Svcs (8121)	2,386	3,227	841	35.2%	\$29,178
Drug Wholesalers (4242)	758	1,437	680	89.7%	\$92,537
Mgt, Scientific, and Tech Consulting Svcs (5416)	804	1,426	622	77.3%	\$99,207
School and Employee Bus Transport (4854)	1,825	2,444	619	33.9%	\$51,010
Offices of Dentists (6212)	2,149	2,717	568	26.4%	\$70,515
Offices of Other Health Practitioners (6213)	1,481	2,019	538	36.3%	\$59,402
Taxi and Limousine Service (4853)	223	755	532	238.4%	\$36,381
Outpatient Care Centers (6214)	1,148	1,658	510	44.4%	\$97,766
Couriers and Express Delivery Svcs (4921)	682	1,176	494	72.4%	\$57,676
Bakeries and Tortilla Manufacturing (3118)	783	1,248	465	59.4%	\$60,843
Individual and Family Svcs (6241)	1,098	1,561	463	42.1%	\$49,468
Building Equipment Contractors (2382)	3,089	3,535	446	14.4%	\$88,859
Local Messengers and Local Delivery (4922)	58	482	425	732.5%	\$42,751
Continuing Care/Assisted Living Facilities for the Elderly (6233)	899	1,313	414	46.1%	\$57,678
Warehouse Clubs/Supercenters/Other General Retailers (4552)	795	1,205	411	51.7%	\$45,944
Home Health Care Svcs (6216)	2,543	2,890	346	13.6%	\$52,577
Residential Building Construction (2361)	1,798	2,137	339	18.8%	\$67,503
Rail Transportation (4821)	1,365	1,683	318	23.3%	\$94,540
Building Material and Supplies Dealers (4441)	1,716	2,001	286	16.7%	\$56,574
Accounting, Tax Prep, Bookkeeping, & Payroll Svcs (5412)	984	1,269	285	28.9%	\$100,342
Specialized Freight Trucking (4842)	386	621	235	60.8%	\$94,300
Automobile Dealers (4411)	995	1,222	228	22.9%	\$122,388

Source: Lightcast



- Over the past decade, the Warehouse and Distribution Center sector has witnessed significant growth, with associated occupations expanding by nearly 19% and adding 1,300 jobs. In contrast, other employment sectors experienced a more modest growth of 4.7%.
- Notably, these occupational sectors continued posting gains throughout the early pandemic period. In 2020, while total employment in Brookhaven dropped 9%, the number of jobs associated with warehouse and distribution edged up by more than 1%.
- Over the coming five-year timeframe, Brookhaven is slated to gain an additional 560 warehouse and distribution workers – an additional 7% gain by 2028.

**Brookhaven Warehouse and Distribution Center Employment**



Source: Lightcast

**Warehouse and Distribution Center Employment by Occupation - Town of Brookhaven**

	2013	2023	2013 to 2023		2022 Median
	Jobs	Jobs	Change	Growth	Annual Earnings
Transportation, Storage, and Distribution Managers	100	118	18	18.1%	\$119,420
Production, Planning, and Expediting Clerks	369	651	282	76.3%	\$52,354
Shipping, Receiving, and Inventory Clerks	509	614	105	20.6%	\$41,623
First-Line Supervisors of Transportation and Material Moving Workers	358	585	227	63.2%	\$62,259
Heavy and Tractor-Trailer Truck Drivers	932	1,311	380	40.8%	\$56,968
Industrial Truck and Tractor Operators	162	184	22	13.6%	\$51,174
Laborers and Freight, Stock, and Material Movers	1,590	1,322	-269	-16.9%	\$39,582
Packers and Packagers, Hand	408	377	-31	-7.6%	\$35,877
Stockers and Order Fillers	2,557	3,145	588	23.0%	\$36,099
<b>Total Warehouse and Distribution Center Employment</b>	<b>6,985</b>	<b>8,307</b>	<b>1,322</b>	<b>18.9%</b>	<b>\$44,983</b>

Source: Lightcast



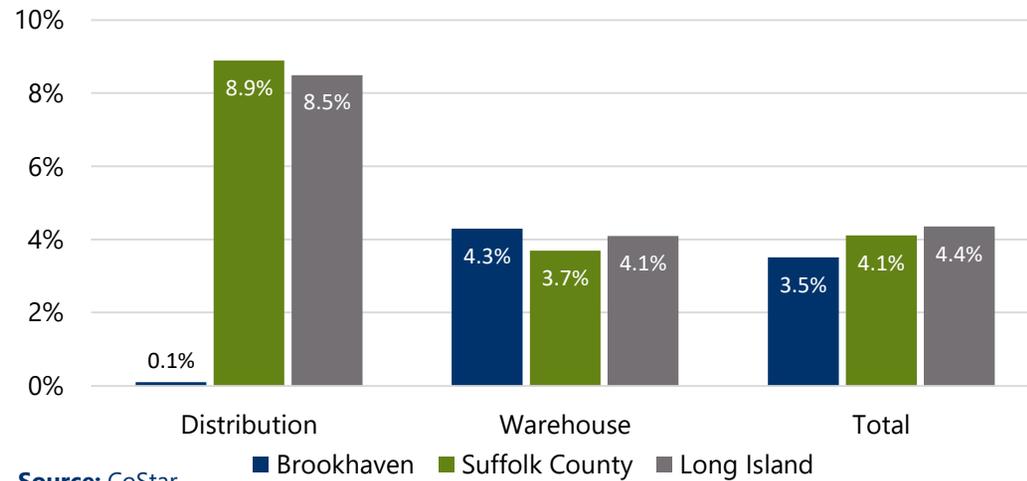
# INDUSTRIAL REAL ESTATE MARKET PROFILE

Market conditions for warehouse and distribution centers rate somewhat more favorable for Brookhaven than for Suffolk County as a whole.

**Overall, market metrics currently reflect a balanced market.**

- Warehouses and distribution facilities in Brookhaven comprise slightly over 10% of Suffolk County's total inventory.
- While the number of distribution centers in Brookhaven is less than 10% of the total number of industrial structures, in terms of square footage, distribution centers represent 19% of the total area within the industrial space for the town. This disparity arises from distribution centers having a significantly larger average area—over 45,000 square feet compared to just 19,000 square feet for warehouses.
- Regional demand has demonstrated exceptional strength over the past three years. The pandemic-induced surge in online retail demand, coupled with brick-and-mortar retailers enhancing their online presence, fueled a significant jump in the need for industrial space.
- The expansion of same-day and last-mile delivery services has further accentuated the need for goods to be stored in proximity to densely populated areas.
- Significant completion of new distribution space in Suffolk County has, at this point, greatly exceeded the area's absorption. This imbalance has, in turn, forced vacancy rates to near 9% for distribution space at the county level. Meanwhile, Brookhaven sees vacancies for this segment have approached 0%. Note, however, that when both Wildflower XII and XIII are both slated to come to market in 2024. If they remain unleased, this will drive vacancies up to 30%.

## Industrial Vacancy Rates - 2023



Source: CoStar

## Warehouse and Distribution Center Inventory and Occupancy - 2023

	Inventory		Vacant Space	
	Buildings	Area (SF)	Area (SF)	Vacancy Rate
<b>Town of Brookhaven</b>				
Distribution	35	1,586,128	1,720	0.1%
Warehouse	360	6,869,837	295,490	4.3%
<b>Total</b>	<b>395</b>	<b>8,455,965</b>	<b>297,210</b>	<b>3.5%</b>
<b>Suffolk County</b>				
Distribution	141	6,174,493	550,698	8.9%
Warehouse	3,265	77,971,521	2,912,999	3.7%
<b>Total</b>	<b>3,406</b>	<b>84,146,014</b>	<b>3,463,697</b>	<b>4.1%</b>
<b>Long Island (Suffolk and Nassau Counties)</b>				
Distribution	188	8,400,564	709,898	8.5%
Warehouse	5,074	115,318,901	4,683,401	4.1%
<b>Total</b>	<b>5,262</b>	<b>123,719,465</b>	<b>5,393,299</b>	<b>4.4%</b>

Source: CoStar



- With the advancement of newer building technologies, industrial construction has witnessed a significant increase in ceiling heights. This development is particularly advantageous for tenants handling large volumes of goods. Facilities reaching 40 feet in height can now offer more than double the storage capacity compared to legacy buildings measuring half that height or less, all within the same building footprint and development acreage.
- These expansive facilities enable tenants to consolidate operations from multiple locations within their market area, streamlining logistics considerably. As these higher ceilings allow for a greater amount of storage over a given footprint, they may well result in higher vacancy rates as less overall square footage is required.
- A notable outcome of these taller facilities is the shift in focus among some developers, tenants, and brokers toward volume of space rather than just square footage. Rental rates for these high ceiling properties approaching \$20/sf seem exceptionally high compared to rates ranging from \$10 to \$13 elsewhere but are acceptable to a certain segment of the market due to the greater effective storage per square foot.
- CoStar data reports that, while there are close to 400 warehouses and distribution centers in Brookhaven, only a handful feature ceiling heights of 30 feet or higher. Meanwhile, a majority of projects in the pipeline plan to build to this height, accommodating tenants who wish to take advantage of this newer standard.

**Brookhaven - Number of Warehouse and Distribution Facilities by Ceiling Height**

Ceiling Height	Existing Warehouses	Existing Distribution	Proposed WH/ Distribution
Unknown	183	18	10
19' or less	114	10	0
20' to 29'	58	6	2
30-39	5	1	9
40+	0	0	3
<b>Total</b>	<b>360</b>	<b>35</b>	<b>24</b>

Source: CoStar/Camoin Associates



## Industrial and Warehouse Planning Pipeline

The industrial and warehouse planning pipeline encompasses projects either proposed or currently under construction. The larger market area (all of Long Island) is considered in this analysis due to the larger distribution networks that influence the local industrial and warehousing sector. Properties within the Town of Brookhaven operate not only within a market extending well beyond nearby communities but also within the broader context of the larger region.

- Delivery of goods to locations in Brooklyn and Queens is increasingly being serviced by storage in Suffolk County. The scarcity of land closer to New York City, including in neighboring Nassau County, has resulted in a significant concentration of industrial and warehousing development in Suffolk County.
- According to data from CoStar and area IDAs, 2.3 million square feet of non-manufacturing industrial development is under construction on Long Island, nearly all of which is located in Suffolk County.
- In addition, another 10.9 million square feet of new development has been proposed or is in final planning for Long Island – again, overwhelmingly located in Suffolk County. This information is derived from CoStar data combined with insights provided by IDAs based in Suffolk County (See Appendix A for detailed listings).
- Despite Nassau County accounting for approximately one-third of all *existing* industrial space in the Long Island market, the vast majority of newly *planned* facilities are concentrated in Suffolk County. This is due to the shortage of available buildable sites and higher land costs closer to New York City.

**Industrial Project Planned and Under Construction - Area in SF**

	Proposed/Final Planning	Under Construction	Total
<b>Suffolk County</b>			
Distribution	4,714,807	1,057,186	5,771,993
Warehouse	5,788,701	1,033,263	6,821,964
<b>Suffolk County Total</b>	<b>10,503,508</b>	<b>2,090,449</b>	<b>12,593,957</b>
<b>Nassau County</b>			
Distribution	239,070	0	239,070
Warehouse	168,000	207,237	375,237
<b>Nassau County Total</b>	<b>407,070</b>	<b>207,237</b>	<b>614,307</b>
<b>Long Island</b>			
Distribution	4,953,877	1,057,186	6,011,063
Warehouse	5,956,701	1,240,500	7,197,201
<b>Long Island Total</b>	<b>10,910,578</b>	<b>2,297,686</b>	<b>13,208,264</b>

Source: CoStar/Brookhaven IDA/Camoin Associates



A total of 41 projects appear in the Suffolk County pipeline with 14 already under construction. The listings for Nassau County are more modest with only 5 projects totaling just over 600,000 square feet – all but one still in the planning phase (see Appendix B for detailed listing).

- The modest number of projects under consideration in Nassau County can be attributed largely to a shortage of available sites suitable for development. It's worth noting that several of these projects are conversions from other land uses.

- Three major developments currently under review by the Brookhaven IDA are highlighted in blue on the accompanying table. Collectively, these three projects alone encompass nearly 1.5 million square feet.
- Likely, additional projects have yet to be included in the CoStar planning pipeline dataset or identified by the Brookhaven IDA. Consequently, aggregate measures of potential supply represent a conservative estimate or minimum of the volume of new projects under consideration.

**Largest Industrial Project Pipeline - Suffolk County**

City	Area	Property Type	Project Status	Planned Completion	Ceiling Height
Yaphank	2,500,000	Warehouse	Proposed		
Babylon	1,600,000	Distribution	Proposed		36'
Islandia	980,000	Distribution	Proposed		
Calverton	650,000	Distribution	Proposed	2026	
Yaphank	650,000	Warehouse	Proposed		
Yaphank	561,000	Warehouse	Proposed		
Yaphank	549,942	Distribution	Under Const.	2024	36'
North Bellport	523,111	Distribution	Proposed		
Calverton	432,000	Warehouse	Proposed		
Melville	399,696	Distribution	Proposed	2024	40'
Medford	390,000	Warehouse	Proposed		
Deer Park	310,500	Warehouse	Proposed	2025	36'
Shirley	250,000	Distribution	Proposed	2025	40'
Medford	228,000	Distribution	Proposed	2024	36'
Calverton	224,900	Warehouse	Proposed		30'

**Source:** CoStar/Brookhaven IDA/Camoin Associates



The three notable spec projects currently under review by the Brookhaven IDA would add a total of 1.5 million square feet of new industrial space to the town’s inventory.

- The project sites of these planned facilities span a total of 124 acres.

- The estimated total cost of these five proposals amounts to \$366 million.
- If completed, these three developments would provide nearly 300 FTE jobs.

**Select Properties Seeking Brookhaven IDA Incentives**

<b>Proposed Project</b>	Station Rd Logistics Center	Medford Logistics	Segme Brookhaven
<b>Developer</b>	AIREF Station Road Logistics Center LLC	Medford Logistics LLC	2020 Acquisitions
<b>Location</b>	Station Rd & Sunrise Hwy, Bellport	440 Express Drive South, Medford	Horseblock Road, Yaphank
<b>Structures</b>	Three Warehousing/ Distribution Buildings	Warehouse	3 Warehouse Buildings
<b>Total Footprint</b>	523,111 sf	390,000 sf	561,000 sf
<b>Estimated Cost</b>	\$121M	\$121.5M	\$123.5M

Source: Brookhaven IDA/CoStar



## Progression through the Planning Pipeline

After eighteen months, the projects found in the planning pipeline were investigated to review how they each fared following the completion of the 2022 Industrial and Warehouse Analysis report.

In some instances, follow-up records for individual projects were not available but for the most part, information remained available as to the status of those pipeline items of 2022.

The most common scenario for warehouse and distribution center projects planned in the latter half of 2022 was that, by early 2024, they remained in planning. Of nearly 40 projects cited in the initial Brookhaven Industrial study, more than half (57%) did not advance from the planning phase.

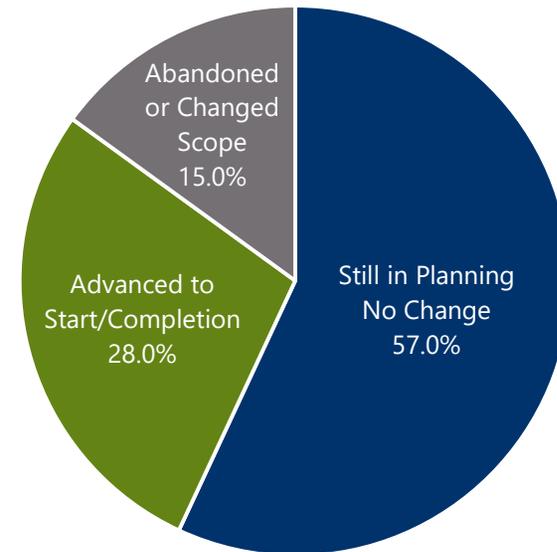
A significant proportion (28%), however, did move forward. For these, most were in the planning phase in 2022 and have now begun construction or have actually been completed and delivered to the market. Related, a significant proportion of those projects that had already begun construction in 2022 have since been completed.

Also of particular note, a full 15% of projects that had been proposed at the time of the 2022 market study have since been deferred, abandoned, or otherwise seen a significant change in scope.

The original study presented analysis regarding market development and absorption scenarios (an updated version is seen later in this report as well), and this review of how projects have subsequently progressed is consistent with assumptions made in that portion of the 2022 report.

The general assumption is that not all planned projects will advance to the construction stage. A question remains, however, as to what portion will see construction and eventually add to the overall market inventory of industrial space. The analysis considered the market implications under differing scenarios whereby 50% or 80% of planned square footage were to come to completion.

## Status of 2022 Pipeline Projects after 18 Months



Source: CoStar

At this point, after 18 months, a full 28% has moved ahead and has been, or will be, added to the local building stock. This seems entirely consistent with an outlook whereby, after an additional 42 months, a further 22% advances to construction and delivery for a total of 50% of the planning pipeline.

Knowing that, after just 18 months, 15% of projects have been abandoned or deferred, however, suggests that the likelihood of 80% of planned projects moving to construction and completion may overstate the higher end of likely construction. With this in mind, the upper constraint on project advancement was scaled back from 80% to 75% in this study's analysis.



## Warehouse and Distribution Center Market Trends

- The total inventory of warehouse and distribution space in Suffolk County exceeds 84 million square feet, with the vast majority attributed to warehouses. Distribution centers constitute a modest 7% of the total space.
- Net absorption has exhibited significant volatility with 2019 and 2020 experiencing a 1 million square feet decrease in overall

demand. The 2020 reduction in total inventory helped limit the increase in vacancies which edged up less than 1%. A healthy rebound in demand then drew down vacancies in 2021 before significant deliveries and a return of negative net absorption again edged vacancies up above 4% in 2023.

- Throughout this timeframe, however, rental rates posted an overall upward growth pattern, rising 45% on average from 2018 through 2023.

### Warehouse and Distribution Center Market Dynamics - Suffolk County

	2018	2019	2020	2021	2022	2023
<b>Distribution Centers</b>						
Inventory (sf)	5,926,588	5,926,588	5,396,588	5,407,718	6,007,701	6,174,493
Vacancy Rate	3.9%	0.6%	3.5%	3.7%	10.5%	8.9%
Total Net Absorption (sf)	-220,315	194,865	-566,606	2,210	165,030	249,767
Deliveries sf	-	-	-	11,130	599,983	166,792
Average Rental Rate	\$10.36	\$11.94	\$10.10	\$12.65	\$17.62	\$13.92
<b>Warehouse</b>						
Inventory (sf)	77,300,317	77,459,360	77,584,623	77,551,623	77,688,618	77,971,521
Vacancy Rate	2.7%	3.5%	4.2%	2.6%	2.9%	3.7%
Total Net Absorption (sf)	461,570	-240,792	-426,858	1,218,478	-91,142	-409,255
Deliveries sf	44,703	207,316	259,203	-	261,995	343,195
Average Rental Rate	\$10.43	\$11.16	\$12.94	\$12.82	\$14.77	\$15.27
<b>Total Distribution &amp; Warehouse</b>						
Inventory (sf)	83,226,905	83,385,948	82,981,211	82,959,341	83,696,319	84,146,014
Vacancy Rate	2.8%	3.3%	4.1%	2.6%	3.4%	4.1%
Total Net Absorption (sf)	241,255	-45,927	-993,464	1,220,688	73,888	-159,488
Deliveries sf	44,703	207,316	259,203	11,130	861,978	509,987
Average Rental Rate	\$10.42	\$11.21	\$12.90	\$12.82	\$14.83	\$15.15

Source: CoStar

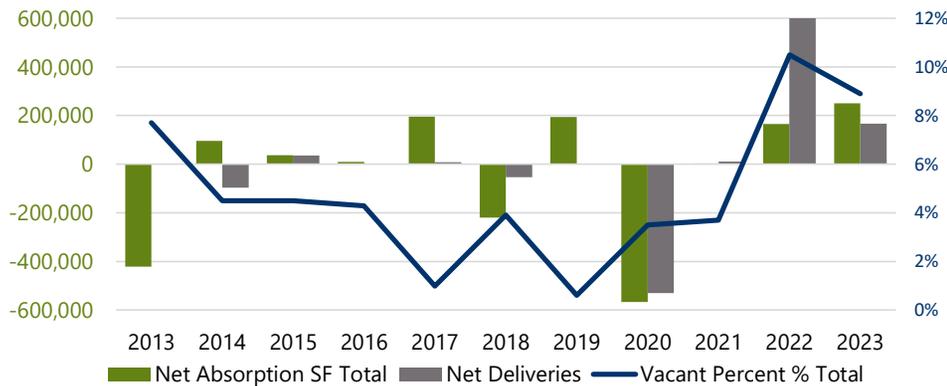


- A relatively balanced market saw distribution center vacancy rates at or below 4% for most of the past decade. Delivery of 600,000 square feet of new space in 2022, however, significantly outpaced absorption, pushing vacancies well above 10%.
- Deliveries then remained strong in 2023, totaling 167,000 square feet. But this added supply was eclipsed by rising demand with net absorption jumping 250,000 square feet. Even with this growth in demand, however, vacancy rates remain somewhat high (9%).
- The significantly more sizable warehouse segment has shown greater stability over the past several years. Due to its overall size,

deliveries of well over 1.1 million square feet since 2018 have raised the overall inventory by less than 1%.

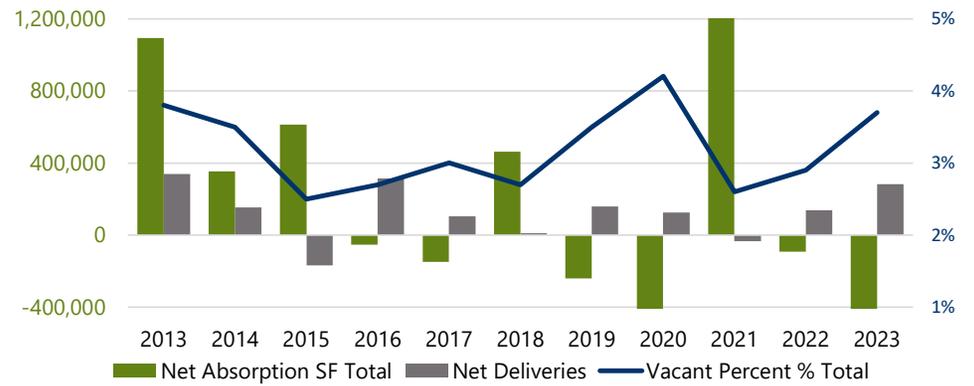
- A surge in demand in 2022 led to a sharp decrease in vacancies. Rates plummeted well below 3.0% for warehouses before edging up closer to 4% in the face of notable negative absorption in 2023.
- Significant deliveries exceeding 600,000 square feet also contributed to the most recent rise in vacancies by the end of 2023.

**Distribution Center Market Dynamics - Suffolk County**



Source: CoStar

**Warehouse Market Dynamics - Suffolk County**



Source: CoStar



## Differentiation by size class:

- The more dramatic changes in the market over the past five years have largely been witnessed in the larger properties.
- For those smaller properties measuring less than 100,000 square feet, supply has changed very little since 2018. Negative net absorption totaled 250,000 square feet over this timeframe, but the result has been only a slight increase in vacancy to just over 3%. This segment remains quite well balanced as rental rates have increased by 40% over the past five years.
- Warehouse and distribution space tenants have generally shifted their preference towards larger facilities. Over the period from 2018 to 2023, absorption of structures equal to or greater than 100,000 square feet edged up by 58,000 square feet.
- As seen in the planning pipeline, the majority of projects in planning are for larger properties of 100,000 square feet or more. Sizable deliveries over the past five years have raised the total inventory of these larger properties by more than 4%, overwhelming the modest 58,000 square feet of net absorption, indicating supply increases outpacing typical demand. The result has been a more than doubling of vacancy rates which now stand well above 6%.
- Despite the moderate softening in the market for larger properties, demand remained sufficient to help drive up rental rates by a solid 44% since 2018.

### Suffolk County Warehouse and Distribution Market Dynamics by Size Class - 2018 to 2023

	Area < 100ksf	Area ≥ 100ksf	Total Market
<b>Inventory in Square Feet</b>			
2018	59,437,486	23,781,419	83,226,905
2023	59,386,007	24,752,007	84,146,014
5 Year Change	-51,479	970,588	919,109
<b>Net Absorption</b>			
5 Year Total	-252,887	57,998	-194,889
<b>Vacancy Rate</b>			
2018	2.7%	3.0%	2.8%
2023	3.1%	6.6%	4.1%
5 Year Change	0.4%	3.6%	1.3%
<b>Rental Rates</b>			
2018	\$11.26	\$9.12	\$10.42
2023	\$15.77	\$13.09	\$15.15
5 Year Change	40.1%	43.5%	45.4%

Source: CoStar



# LEASING ACTIVITY FOR RECENT AND PENDING DELIVERIES

Only modest pre-leasing activity has been recorded for the largest industrial properties slated for delivery this year on Long Island. This contrasts sharply with the more vigorous pre-leasing over the past several years as reported by CoStar.

An inventory of Long Island developments greater than 50,000 square feet that were completed within the past two years found eight warehouses and distribution center properties totaling 1.8 million square feet. Records show that, as of the time of each of their openings, 746,000 square feet had been leased. This works out to a pre-leasing rate of 41%.

Separately, thirteen other properties have been identified that are currently under construction and slated for delivery in 2024. These will bring an additional 2 million square feet to the Long Island market, and as of the writing of this report, these have secured only a modest number of pre-leasing agreements. As of 1Q2024, one of the thirteen properties is 100% pre-leased, while a second has secured leasing of 72% of its available space. The other eleven properties are still in search of tenants to fill the remaining 1.2 million square feet of available space. This represents a mere 16% pre-leasing rate – less than half of the pace seen for similar properties completed as recently 2022 and 2023.

In conversation, brokers say that the new space coming to market will eventually find tenants but the time it takes to secure them has become more extended.

In response to the apparent slowing in demand growth, one developer recently stated that they were glad to have moved ahead with a particular speculative development in 2022 and that the building found a tenant without much delay. At this point, however, this developer is waiting to start the project's second phase until pre-leasing can be arranged. There is notably more reluctance to build on spec than just two years ago.

- Of the two projects of 50,000 square feet or greater that were completed in 2020, each was 100% pre-leased by the time construction was completed.

At the time that this report is being authored, early in the second quarter of 2024, **early indications show a significant slowing of pre-leasing activity based on the selected properties slated for completion this year.** With three quarters remaining in the year, there is still a good deal of time for these projects to secure tenants before completion, but early signs are of diminished pre-leasing as compared to the degree seen over recent years.

## Leasing and Pre-Leasing of New and Under-Construction Industrial Space - Largest Properties on Long Island

	Completed 2020	Completed 2021-2023	Delivery in 2024
Number of Properties	2	8	13
Total Area (sf)	426,610	1,810,913	2,045,506
Average Area (sf)	213,305	226,364	157,347
Pre-Leased (sf)	426,610	746,156	337,405
<b>Percent Preleased</b>	<b>100.0%</b>	<b>41.2%</b>	<b>16.5%</b>

**Note:** Select properties - 50,000 sf or greater with completion dates from 2020 to 2024

**Source:** CoStar/Camoin Associates



# MARKET DEVELOPMENT AND ABSORPTION SCENARIOS

Estimating future demand for the warehousing and distribution center market is challenging even in stable times, but recent years have underscored the multitude of factors impacting the market. With fluctuating absorption patterns and 10 million square feet of warehouse and distribution center projects in the planning pipeline for Suffolk County, the Brookhaven IDA poses a crucial question about the sector's future in its town and community.

Multiple supply and demand scenarios were combined to better grasp the risks associated with potential overbuilding, generating estimates of market conditions under differing assumptions. The resulting projections offer insights into market vacancies over the next five years, reflecting differing patterns of new construction activity and absorption.

The initial market conditions as of the end of 2023 are based on CoStar data for total warehouse and distribution space inventory and occupancy. The alternative scenarios were constructed out to 2028, reflecting differing degrees of new development and demand growth.

## Demand

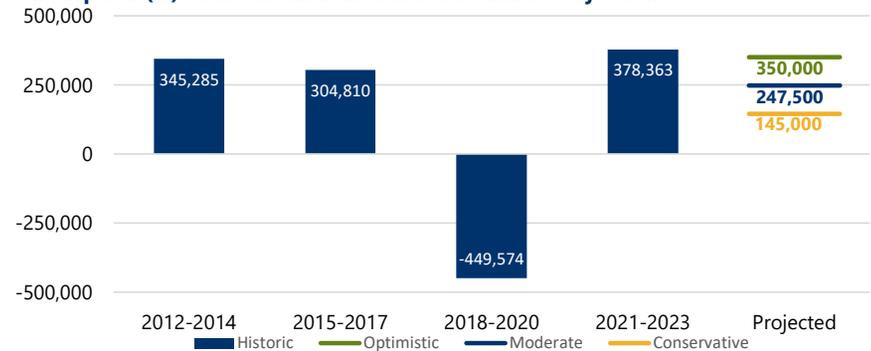
Projected levels of demand growth are based on patterns seen historically.

- Over the past 12 years, annual net absorption has averaged **145,000 square feet**. Demand growth over that timeframe,

however, was far from consistent. Specifically, the early pandemic period brought significant negative absorption (demand declined by nearly 1 million square feet in 2020 alone).

- Over the past three-year timeframe, however, **demand growth rebounded sharply, averaging 378,000 square feet from 2021 to 2023**. This is more consistent with levels seen before the pandemic, and real estate brokers show strong optimism that, as a whole, overall demand growth will remain robust.
- In projecting absorption over the next five-year period, **demand growth moderated slightly from levels seen most recently will serve as the optimistic scenario (350,000 square feet annually or 1.8 million square feet over five years)**.
- There is a significant risk, however, that the surge in demand prompted by the shift to last mile and at-home delivery will wane. Serving as a counter to the optimistic scenario, an alternative outlook posits significantly reduced demand growth. **The more conservative scenario assumes demand growth over the coming five years equal to the most recent 12-year average (145,000 square feet annually or 725,000 square feet over five years)**.

Suffolk County Warehouse & Distribution Annualized Net Absorption (sf) - Historic and Alternative Scenario Projections



Source: CoStar/Camoin Associates



- Finally, demand growth at a level in between the two endpoints serves as **the moderate scenario in which absorption registers in between the most recent pace (optimistic) and the 12-year average (conservative) (247,500 square feet annually or 1.2 million square feet over five years)**. This level of demand growth serves well as the mid-point of the differing scenarios as it represents the absorption of one or two sizable facilities each year for the coming five years.

## Supply

The planning pipeline for new warehouse and distribution space in Suffolk County stands at 12.6 million square feet. Not all pipeline projects are expected to reach completion, however. If conditions become less favorable for newly opened properties due to slowed leasing activity or increased difficulty securing financing, some developers may opt not to proceed.

Two scenarios are envisioned for the outlook of new warehouse and distribution center development in the Suffolk County market:

- 50% of the pipeline is built: This assumes that only half of the current project pipeline (6.3 million square feet) is built, with construction distributed over the coming five years.
- 75% of the pipeline is built: This assumes that three-quarters of the current project pipeline (9.4 million square feet) is built, with construction distributed over the coming five years.

## Likelihood of Oversupply

Combining each of the three absorption patterns with both of the supply growth alternatives results in six scenarios for consideration. The implications of these different combinations are detailed below.

In the most favorable scenario, absorption proceeds at a pace similar to the most recent, more robust demand growth, and new building activity

amounts to only half of the currently planned developments, and vacancies would be expected to rise to 6.7% by 2028. However, slightly more modest absorption and/or stronger development activity point to the potential for notably higher vacancy rates.

Under the least favorable scenario, absorption drops to only half of the levels seen over the past three years. Meanwhile, building activity proceeds at an exceptionally strong pace, with a full 75% of the projects in the pipeline being developed. The outlook under these conditions yields vacancies upwards of 11%. This represents the most overbuilt outcome among the scenarios modeled for this analysis.

The result of overbuilding in this market would be felt in a variety of ways in Brookhaven and on Long Island in general. To the extent that vacancies become excessively high, competition among owners would bid down rental rates offered to those looking for new space. This would benefit end users but also cut into the profitability of these properties. In the worst cases, this would lead to an inability to service debt, foreclosures, and bankruptcies. This could, in turn, bring depressed property values, impacting local tax revenues. These market signals would surely dissuade further development, but stability would not return until overall demand advanced sufficiently to absorb the full supply.

### Vacancy Rate Projections by 2028 Under Alternative Construction and Absorption Scenarios - Suffolk County

	50% Pipeline	75% Pipeline
Optimistic	6.7% 5,885,883	9.9% 9,034,372
Moderate	7.2% 6,398,383	10.4% 9,546,872
Conservative	7.8% 6,910,883	11.0% 10,059,372

Source: Camoin Associates



# HEARD FROM BROKERS AND DEVELOPERS

Concerns around overbuilding in the market are shared by commercial real estate developers and brokers. Through the course of multiple interviews with those most familiar with market conditions, several items emerged, pointing out optimism for the market's overall outlook along with uncertainty around prospects for success by some of the largest developments. Comments made by these market watchers include:

- Long Island's underlying demographics and strong consumer spending will continue to drive demand growth. **Retailers are looking for warehouse space to service last-mile deliveries.**
- Properties offering **multi-tenancy spaces ranging from 20,000 square feet to 100,000 square feet are doing well**, and the outlook is "strong over the coming years."
- **Potential tenants have become more confident** as the outlook for lending rates has improved and the market seems to have stabilized.
- There is **little build-to-suit activity due to a shortage of land and high building costs.**
- There has been a **flight to quality and much of the older stock is obsolete**. Potential tenants are looking for higher ceilings, wide pillar spacing, a greater number of loading docks, and additional parking space for trailers.
- Much of the **new inventory comes with premium pricing**, and potential clients shy away from rental rates approaching \$20/sf.
- There is a **need for a price correction**.
- Much of the **new space fills a specific market need** of large retailers and distributors willing to pay high lease rates to get modern facilities with high ceilings. That, however, is **only a portion of the warehouse market**.
- An influx of national tenants (Amazon/Wayfair) has attracted speculative development financed by **venture capital firms**. These companies **have purchased significant tracts of land** with plans to construct large scale distribution centers. With uncertainty around absorption, however, some investors are content to hold off on development – and hold onto their land.
- Owners are finding that they need to provide flexibility and accommodate multi-tenant leasing. Notably, some **very large distribution properties do not lend themselves to multi-tenant leasing**.



# FURTHER CONSIDERATIONS AND CONCLUSIONS

Additional factors beyond this analysis continue to influence the warehouse and distribution center market in and around Brookhaven.

Foremost, the planning pipeline figures used in the above projections for supply growth may represent a conservative estimate of actual planning activity. Several projects, including one currently under review by the Brookhaven IDA, are not found in the CoStar data. Note that the square footage associated with these additional projects was included in estimating future inventory. Similarly, several projects found in the CoStar data were new to the IDA. It could well be that one or more developments of significant scale are yet to be announced but, for the moment, remain uncounted.

If the amount of newly developed industrial space significantly exceeds the levels included in this report's analysis, there is considerable downside risk

to the overall market. This could result from a higher share of projects identified in this study coming to completion or from the development of additional properties not currently in the pipeline.

Additional considerations affecting overall market dynamics include:

- Changing consumer spending habits due to inflation and/or recession may reduce demand for goods storage and distribution, decreasing overall demand for warehouse and distribution space.
- Ordinary demolition of buildings as they exceed their useful lives or conversion to other uses, such as residential, may decrease supply.
- Anticipated reductions in borrowing costs would affect the financial feasibility of proposed projects and potentially boost the number moving from the pipeline to the construction phase, further increasing supply.
- The trend by retailers to meet demand for same-day delivery coming from consumers and businesses in New York City may accelerate – further increasing demand for new industrial space.
- Ongoing innovations in distribution technology that prioritize cubic space over floor space (higher ceilings, smaller footprint) will increase measured supply when looked at on a volume basis



**Caution appears to be warranted concerning Brookhaven's warehousing and distribution sector.** Recent levels of demand may not be sustainable. This poses a potential risk of overbuilding in the local and regional markets in the event that excessive speculative construction persists. Specific key findings include:

- **Demand in the region has proven especially strong over the past three years.** The pandemic fueled a surge in demand from online retailers, while brick-and-mortar stores also bolstered their online presence and same-day delivery systems, resulting in a rapid increase in demand for industrial overall.
- **The response by investors and developers has been robust, with the warehouse and distribution planning pipeline reaching unprecedented levels.** Suffolk County alone boasts well over 10 million square feet of warehouse and distribution center projects in the pipeline.
- **Currently, vacancy rates remain moderately low (4.1%), allowing for the ability to absorb additional near-term increases in supply.** While a surge in demand in 2022 led to vacancies plummeting to well below 3.0%, the balance between supply and demand could easily become imbalanced. The delivery of additional significant amounts of space would bring about a pattern of increasing vacancies and, potentially, declining rental rates.
- **Interviews with industrial real estate brokers express concerns that the market may become oversaturated** due to ongoing development, leaving smaller or less modern facilities vacant.
- **Supply and demand projections suggest that, under multiple likely scenarios, vacancies will rise over the next five years.** Based on the consideration of multiple absorption and production rates going forward, the total market is likely to see vacancy rates increase, reaching 6% to 11% by 2028.
- **Under less favorable, though not improbable, future market conditions, vacancy rates could exceed 11%.** This scenario envisions an even more subdued absorption rate pattern combined with a higher proportion of all projects in the pipeline being completed and/or additional large projects coming to the fore.
- **Substantial vertical capacity increases for projects in the pipeline suggest that the data may underestimate the potential adverse impacts of these proposed developments.** Facilities with higher ceilings will provide greater capacity, further reducing the need for additional facilities (as measured in square feet).
- **Risks of market saturation may be limited for some new, larger-scale projects entering the market. Rather, the impact would likely fall disproportionately on older existing facilities.** This may then prompt those least desirable properties to be removed or renovated for an alternative use.
- **Unstable economic conditions impacting consumer spending would negatively affect the industrial and warehousing sector** as recessionary conditions would reduce demand for goods storage and distribution. At this point, however, this appears unlikely.



# APPENDIX A: SUFFOLK COUNTY PLANNING PIPELINE

## Industrial Project Pipeline - Suffolk County

City	Property Address	Property Name	Area	Property Type	Project Status	Estimated Rent/SF/Yr	Planned Completion	Ceiling Height
Yaphank	0 Astor St		2,500,000	Warehouse	Proposed	Not Disclosed		
Babylon	Little East Neck Rd/North 28th St		1,600,000	Distribution	Proposed	Not Disclosed		36'
Islandia	1 Computer Associates Plaza		980,000	Distribution	Proposed	Not Disclosed		
Calverton	1743 Middle Rd		650,000	Distribution	Proposed	Not Disclosed	2026	
Yaphank	Sills Rd		650,000	Warehouse	Proposed	Not Disclosed		
Yaphank	Horseblock Road	Segme Brookhaven	561,000	Warehouse	Proposed	Not Disclosed		
Yaphank	North Service Road	Wildflower Industrial XII	549,942	Distribution	Under Const.	\$20.00	2024	36'
North Bellport	Station Road	Station Road Logistics Center	523,111	Distribution	Proposed	Not Disclosed		
Calverton	4285 Middle Country Rd	Multiphase Project	432,000	Warehouse	Proposed	Not Disclosed		
Melville	195 Spagnoli Rd	Mid-Island Logistics Ctr	399,696	Distribution	Proposed	Not Disclosed	2024	40'
Medford	440 Express Drive South	Medford Logistics Center	390,000	Warehouse	Proposed	Not Disclosed		
Deer Park	377 Carls Path		310,500	Warehouse	Proposed	Not Disclosed	2025	36'
Shirley	Long Island Expy	Bldg II (Precision Innovation Park)	250,000	Distribution	Proposed	Not Disclosed	2025	40'
Medford	N Service Rd	495 Logistics Ctr	228,000	Distribution	Proposed	Not Disclosed	2024	36'
Calverton	4245 - 4227 Middle Country Rd	Build-To-Suit Industrial	224,900	Warehouse	Proposed	Not Disclosed		30'
Edgewood	90 Wilshire Blvd		160,000	Warehouse	Under Const.	\$10.59 - 12.95	2024	
Medford	10 Donald's Way	Rechler Business Park	140,875	Distribution	Under Const.	\$9.81 - 11.99	2024	28'
Ronkonkoma	2100 Smithtown Ave	ISP III	137,470	Warehouse	Under Const.	Not Disclosed	2024	36'
Hauppauge	45 Oser Ave		132,515	Warehouse	Under Const.	\$9.60 - 11.73	2024	36'
Medford	645 National Blvd.	Wildflower Industrial XIII	129,242	Distribution	Under Const.	\$20.00	2024	36'
Farmingdale	875-999 Conklin St		122,000	Warehouse	Proposed	Not Disclosed		
Medford	Sills Road & Station Road		120,000	Warehouse	Under Const.	\$9.99 - 12.21	2025	
Hauppauge	88 Parkway Dr S		113,775	Warehouse	Under Const.	\$9.53 - 11.64	2024	36'
Holbrook	4955 Veterans Memorial Hwy	Holbrook Logistics Ctr	107,890	Distribution	Under Const.	\$10.12 - 12.36	2024	36'
Melville	125 Baylis Rd	Baylis 495 Business Park	103,500	Warehouse	Under Const.	\$11.30 - 13.82	2024	32'
Farmingdale	1620 New Hwy		100,000	Warehouse	Proposed	\$20.00	2025	
Commack	60 Motor Pky		97,558	Warehouse	Under Const.	\$9.49 - 11.60	2024	40'
Calverton	901-923 Burman Blvd	Pella Windows & Doors	84,000	Distribution	Proposed	Not Disclosed		40'
Melville	1700 Walt Whitman Rd		78,000	Warehouse	Proposed	\$21.00		40'
Bohemia	3175 Veterans Memorial Hwy	Venture Park ISP II	75,432	Warehouse	Proposed	Not Disclosed		32'
Calverton	4195 Middle Country Road	JPD United	74,650	Warehouse	Proposed	Not Disclosed		30'
Calverton	1001 Scott Ave		70,445	Warehouse	Under Const.	\$11.60 - 14.18	2024	36'
Shirley	Ramsay & Roned Roads		70,000	Warehouse	Under Const.	Not Disclosed		
Calverton	901-932 Scott Ave	Eastern Wholesale Fence	60,000	Warehouse	Proposed	Not Disclosed		40'
Smithtown	Broadley Ave		50,000	Warehouse	Proposed	Not Disclosed		
Bayport	00 Rajon Road		49,969	Warehouse	Proposed	Not Disclosed	2025	36'
East Setauket	384 Mark Tree Rd		32,000	Warehouse	Proposed	Not Disclosed		
Medford	0 Horseblock		28,000	Warehouse	Under Const.	\$10.61 - 12.97	2024	27'
Ronkonkoma	3277 Veterans Memorial Hwy		18,000	Warehouse	Proposed	Not Disclosed		
Bayport	1 Sylvan Ave		13,000	Warehouse	Proposed	Not Disclosed		16'
Cutchogue	8595 Cox Ln		12,000	Warehouse	Proposed	Not Disclosed		

Source: CoStar/Brookhaven IDA/Camoin Associates with additional input from the Riverhead IDA



# APPENDIX B: NASSAU COUNTY PLANNING PIPELINE

## Industrial Project Pipeline - Nassau County

City	Property Address	Property Name	Area	Property Type	Project Status	Estimated Rent/SF/Yr	Planned Completion	Ceiling Height
Bethpage	600 Grumman Rd W		239,070	Distribution	Proposed	Not Disclosed	2024	
Hicksville	125 New South Rd	Nassau Logistics Ctr	207,237	Warehouse	Under Const.	Not Disclosed	2024	
Inwood	175 Roger Ave		68,000	Warehouse	Proposed	Not Disclosed		
Hicksville	449-455 W John St	Build-to-Suit	50,000	Warehouse	Proposed	Not Disclosed	2025	36'
New Hyde Park	990 Gould St		50,000	Warehouse	Proposed	Not Disclosed	2025	22'

Source: CoStar



## APPENDIX C: DATA SOURCES



**Lightcast** (formerly Emsi Burning Glass) is a global leader in labor market analytics, offering a data platform that gives a comprehensive, nuanced, and up-to-date picture of labor markets at all scales from national to local. Key components of the platform include traditional labor market information, job postings analytics, talent profile data, compensation data, and skills analytics. Lightcast integrates government data with information from online job postings, talent profiles, and resumes to produce timely intelligence on the state of the labor market. Job and compensation data is available by industry, occupation, educational program, and skill type. [Click to learn more.](#)



**Esri ArcGIS Business Analyst** combines proprietary statistical models covering demographic, business, and spending data with map-based analytics to offer insights on market opportunities for industries, businesses, and sites. Business Analyst integrates datasets covering a wide range of topics including demographics, consumer spending, market potential, customer segmentation, business locations, traffic counts, and crime indexes, which can be overlaid spatially to produce customizable maps and uncover market intelligence. Data can be pulled for standard and custom geographies, allowing for valuable comparison between places. [Click to learn more.](#)



**CoStar** is a comprehensive source of commercial real estate intelligence, offering an inventory of over 6.4 million commercial properties spanning 135 billion square feet of space in 390 markets across the US. CoStar covers office, retail, industrial, hospitality, and multifamily markets. Property- and market-level data on absorption, occupancy, lease rates, tenants, listings, and transactions are researched and verified through calls to property managers, review of public records, visits to construction sites, and desktop research to uncover nearly real-time market changes. [Click to learn more.](#)

# ABOUT CAMOIN ASSOCIATES

As the nation's only full-service economic development and lead generation consulting firm, Camoin Associates empowers communities through human connection backed by robust analytics.

Since 1999, Camoin Associates has helped local and state governments, economic development organizations, nonprofit organizations, and private businesses across the country generate economic results marked by resiliency and prosperity.

To learn more about our experience and projects in all of our service lines, please visit our website at [www.camoinassociates.com](http://www.camoinassociates.com). You can also find us on [LinkedIn](#), [Facebook](#), and [YouTube](#).

## The Project Team

Dan Stevens  
Project Principal

Rachel Selsky  
Project Manager

John Walker  
Analyst

### Service Lines



Strategic and  
Organizational  
Planning



Real Estate  
Development  
Services



Lead Generation  
and Relationships



Business  
Attraction and  
Retention



Entrepreneurship  
and Innovation

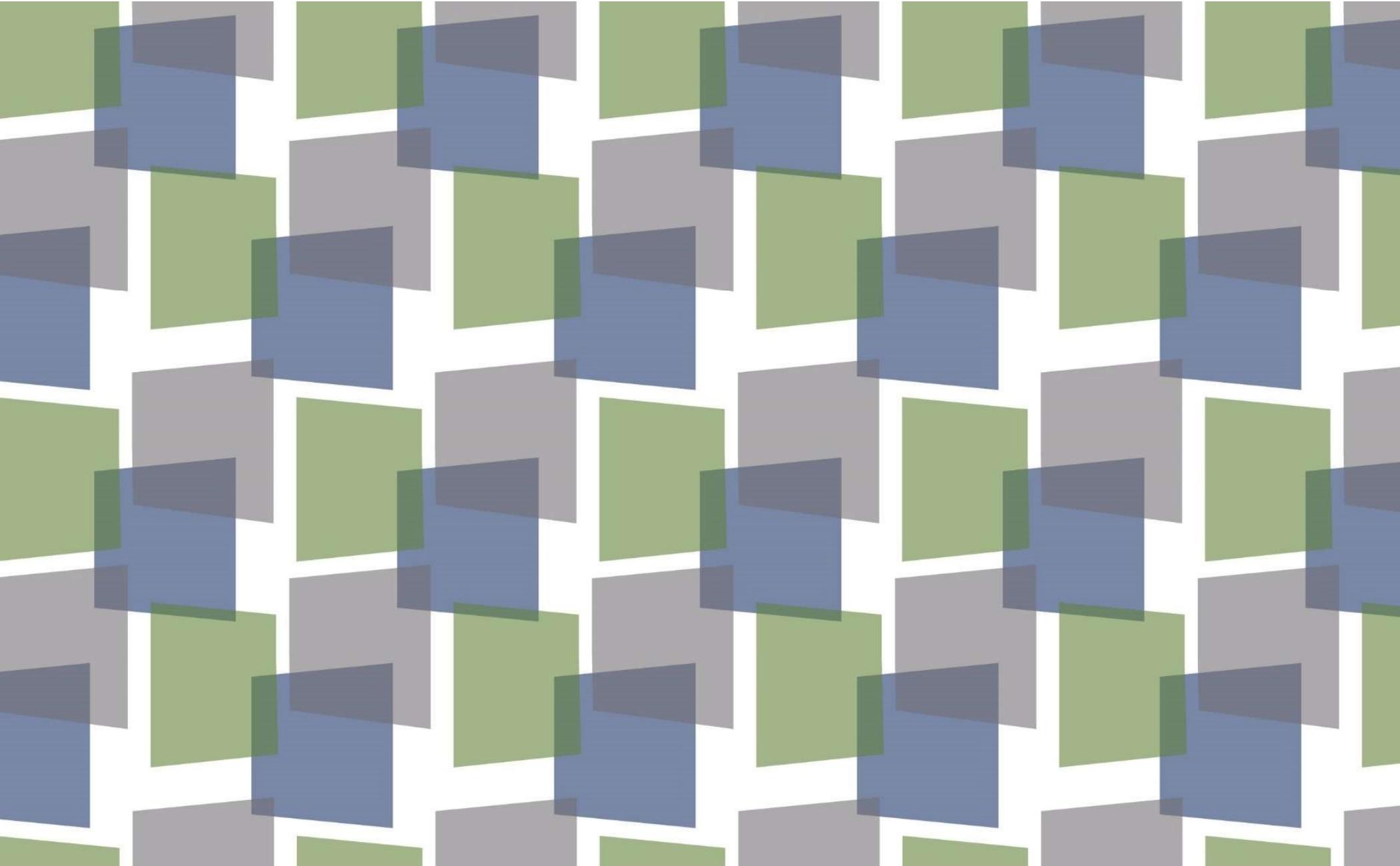


Industry and  
Workforce  
Analytics



Impact  
Analysis





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