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Exclusive: Cadence Partners reveals construction timeline for massive Apopka development

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An Orlando developer may break ground early next year on a major speculative industrial project in one of Central Florida's hottest areas.

Cadence Partners LLC expects to break ground in first-quarter 2022 on its proposed 761,240-square-foot Northstar Logistics Center at 1220 Ocoee Apopka Road, Principal [Todd Watson](#) told *Orlando Business Journal*. In August, Cadence Partners was under contract to buy roughly 53 acres for this project, [OBJ](#) first reported.

The project's first phase will be for two buildings. "We could do a second and possibly third phase depending on the leasing velocity and if we land a build-to-suit on a portion of the site," Watson said.

A broker to lease the space and a general contractor haven't been selected. The project team includes Orlando-based Florida Engineering Group as civil engineer and Orlando-based C4 Architecture LLC as architect.

A project cost estimate has not been determined, Watson said. A 761,240-square-foot industrial facility could cost \$22.2 million to build, according to industry standards.

Between December-March, Cadence Partners' Clpf Cadence Northstar LLC bought the roughly 53 acres for \$5.6 million, or \$105,660 an acre, Orange County records showed. The sellers were the trust of Daryl M. Carter, the estate of Joseph L Sandroni and John H Talton Enterprises Inc.



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Another massive Apopka industrial project may kick off construction next year.

Hot sector

Industrial is among the hottest real estate sectors in Central Florida, as it serves the region's fast-growing population. Plus, building new projects is important as it creates temporary construction and full-time jobs.

That said, land is becoming harder to find for projects and rents are rising for small businesses. Still, 2.7 million square feet of industrial space has been added on average in the Orlando area during the past five years, with 2.1 million expected to deliver in 2021, according to a first-quarter JLL (NYSE: JLL) report.

Some of the biggest industrial projects in the works in Apopka include:

Orlando-based McCraney Property Co. is in talks to develop the logistics portion of a proposed 357-acre project along Boy Scout Road.

St. Louis-based Summit Real Estate Group expects to buy a 50.3-acre property at 2800 General Electric Road for a two-building, 280,437-square-foot development.

A 290,000-square-foot industrial structure by Lakeland-based developer Blue Steel Development LLC is expected to rise on 19.6 acres at 650 Hermit Smith Road.

Industrial stats

The Silver Star/Apopka industrial submarket features an 8.4% average vacancy rate, which is higher than the Orlando-area average of 7.3%, Cushman & Wakefield (NYSE: CWK) reported.

Meanwhile, the submarket's average warehouse/distribution rent is \$6.88 per square foot, compared with the Orlando-area average of \$6.43 per square foot.

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