

Tampa

Industrial market snapshot | Q4 2023



In the fourth quarter, Tampa's unemployment rate fell to 3.1%, 10 basis points lower than the previous quarter. Nonfarm employment increased by 1.9% year over year, with a notable 3.1% increase in the manufacturing sector and a 2.1% increase in the construction sector.

516k sf

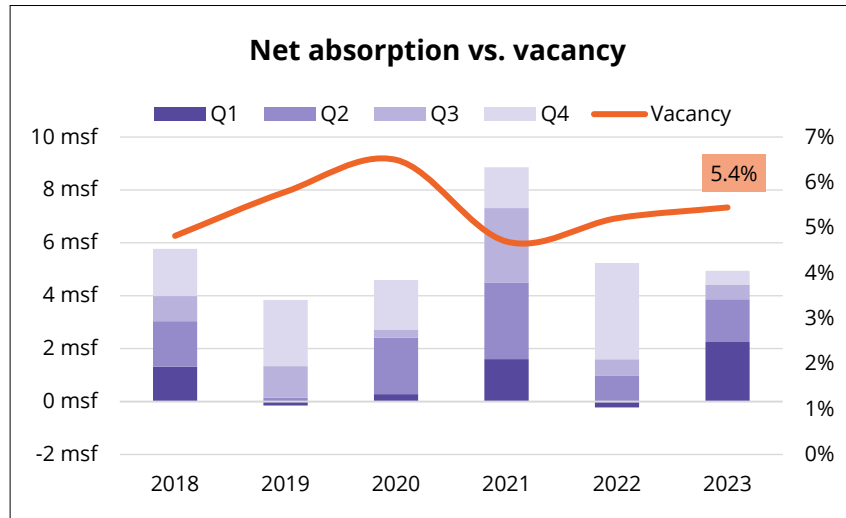
Net absorption remained positive to wrap up 2023, with just over 516,000 square feet of positive net absorption in the fourth quarter.

3.3 msf

At the end of 2023, there was a little over 3.3 million square feet under construction, with 68% concentrated in Hillsborough County.

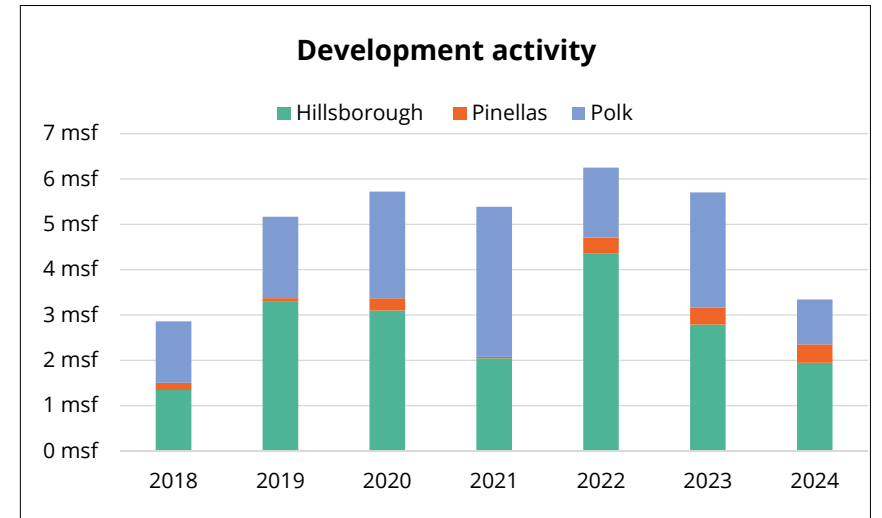
22.1%

Asking rates continue to surge, increasing 22.1% year over year to \$8.79 per square foot NNN.



In 2023, industrial tenant demand in Tampa remained strong, totaling over 4.9 million square feet of positive net absorption. Healthy demand is expected in 2024, with notable tenant moves already planned for the first half of the year, including Fanatics occupying 245,000 square feet at TIA Logistics Center and Ball Container taking up 124,000 square feet across the two remaining buildings at Tampa Commerce Center.

Sources: AVANT by Avison Young, CoStar, U.S. Bureau of Labor Statistics



Development activity in Tampa remains robust, with just over 5.7 million square feet delivered in 2023. Increased tenant demand continues to fuel the surge in development, as availability remains scarce with a vacancy rate of 5.4% at the end of the fourth quarter. There is still just over 3.3 million square feet under development that will be delivered in 2024.

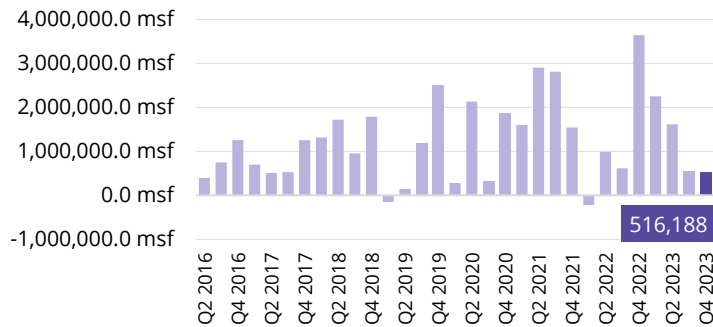
**AVISON
YOUNG**

Tampa

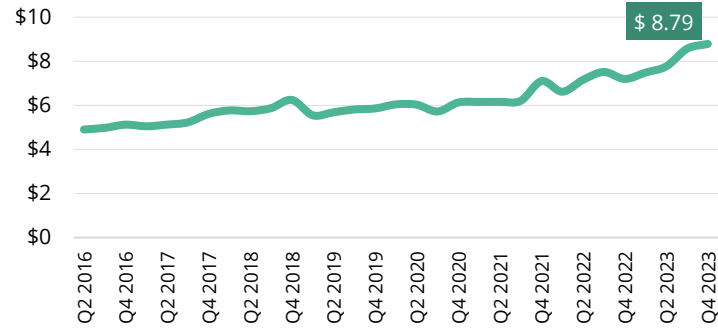
Industrial market snapshot | Q4 2023



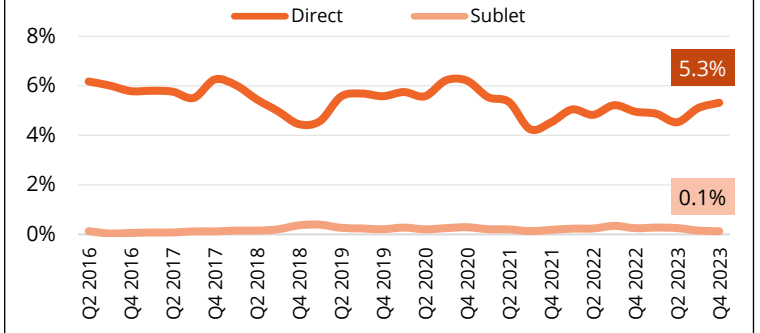
Net absorption (sf)



Direct asking rents (psf/NNN)



Vacancy



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Veritiv	8565 State Road 33	570,000	New	Direct
DHL	5300 Allen K. Breed Hwy.	330,200	Renewal	Direct
HD Supply	4406 Madison Industrial Lane	229,308	Renewal	Direct
FDEM	5300 Allen K. Breed Hwy.	189,842	New	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Clarion Partners	Tampa Airport Logistics Center	\$55,600,000	\$195	PCCP / NorthPoint Development
Hines	1220 N. U.S. Hwy. 301	\$46,000,000	\$118	High Street Logistics
Good2Grow	425 Recker Hwy.	\$17,000,000	\$97	Florida Caribbean Distillers
The RSP Companies	3214 Queen Palm Dr.	\$10,035,200	\$126	Lightstone Group

Tampa

Industrial market snapshot | Q4 2023

Get in touch

Jason Steele
Florida Regional Lead, Market Intelligence
+1 813 314 7808
jason.steele@avisonyoung.com

Dan Dragman
Market Intelligence Analyst
+1 813 314 7425
dan.dragman@avisonyoung.com

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption sf (4Q23)	Net absorption sf (YTD)	Annual direct asking rent psf NNN
East Side	50,878,539	1,074,577	1,561,964	3.4%	0.1%	3.5%	0.2%	84,813	963,358	\$10.83
Lakeland/Polk County	50,782,273	2,324,619	993,040	8.3%	0.1%	8.4%	3.1%	5,514	635,867	\$6.95
Mid-Pinellas/Gateway	33,550,501	245,408	526,696	1.9%	0.3%	2.1%	(0.4%)	190,484	351,036	\$10.34
Plant City/East Hillsborough	22,780,970	1,683,711	-	9%	0%	9%	(4.6%)	116,868	2,512,369	\$6.06
Airport/Westshore	15,088,831	245,000	273,822	3.4%	0.2%	3.6%	(0.3%)	43,882	271,082	\$12.82
Downtown Tampa	7,750,042	-	108,554	0.7%	0%	0.7%	(0.3%)	20,597	23,047	\$23.08
South Pinellas	7,341,776	110,700	-	7.7%	0%	7.7%	(0.4%)	38,558	131,544	\$13.08
North Pinellas	4,267,880	20,000	-	0.9%	0%	0.9%	(1%)	7,827	62,978	\$11.09
South Tampa	2,483,475	-	-	26%	2.4%	28.4%	1.5%	(100)	(37,100)	-
North Hillsborough	1,591,319	-	-	1.2%	0%	1.2%	(1.7%)	7,745	27,345	-
Market total	196,515,606	5,704,015	3,464,076	5.3%	0.1%	5.4%	0.6%	516,188	4,941,526	\$8.79

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (4Q2023)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse/Distribution	180,341,982	5,658,615	3,404,076	5.5%	0.1%	5.6%	0.6%	451,526	4,367,912	\$8.68
Flex	16,173,624	45,400	60,000	3.4%	0.4%	3.8%	(3.3%)	64,662	573,614	\$12.86
Market total	196,515,606	5,704,015	3,464,076	5.3%	0.1%	5.4%	0.6%	516,188	4,941,526	\$8.79