



# Tampa office market report

Q1 2022

**AVISON  
YOUNG**

# Office market trends

## 01

### **Sublease availability is at a record high in Tampa**

Companies continue to analyze and discuss their current and future space requirements as they seek to downsize and consolidate existing floor plates. Sublease availability is up from 3.8% in the fourth quarter of 2021 to 5% in the first quarter of 2022, which is the largest amount on record. This was mostly attributed to the 201,272-square-foot (sf) sublease space added at Highwoods Preserve I from Syniverse Technologies. As companies continue to evaluate their space requirements as they return to the office, it is possible that sublease space may rise.

## 02

### **Influx of class A office development on the horizon**

As companies continue to consider Tampa a desirable location to relocate and tenants continue to seek out highly amenitized spaces, class A office space is becoming scarce in the short-term. However, there is over 3 million square feet (msf) of class A office space in the development pipeline that is expected to deliver within the next three years. This influx of class A office space could help satisfy new-to-market corporate users looking for large block opportunities. A recent development was announced at Midtown East for a 16-story 400,000-sf class A office building that is anticipated to start construction in the fourth quarter of 2022 with a 50% space commitment prior to groundbreaking.

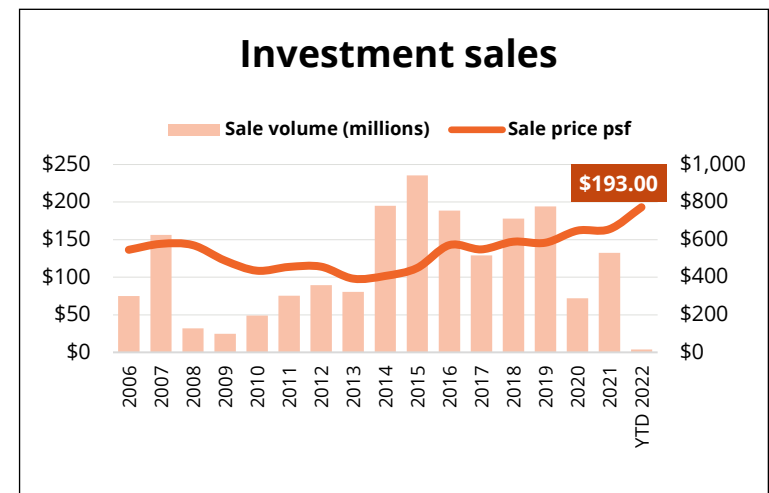
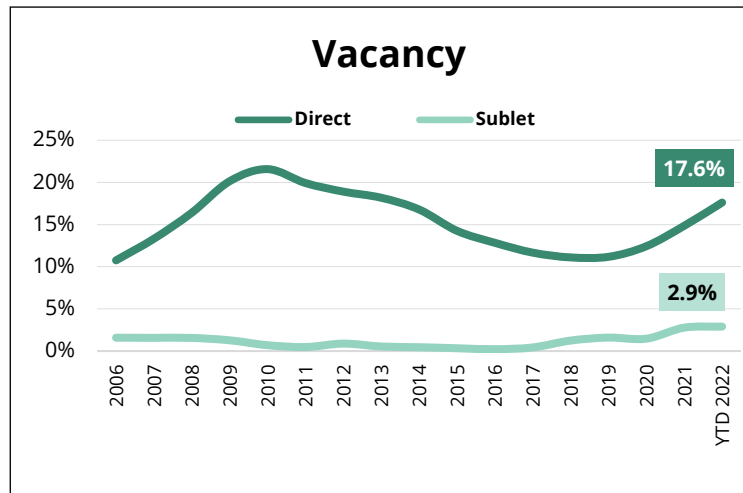
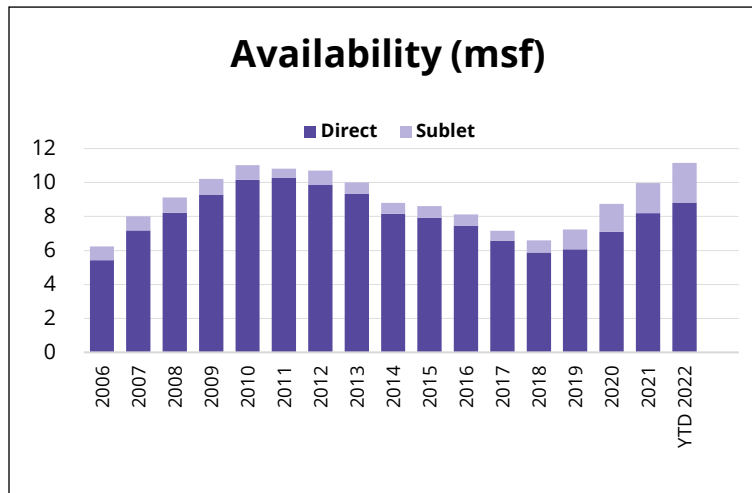
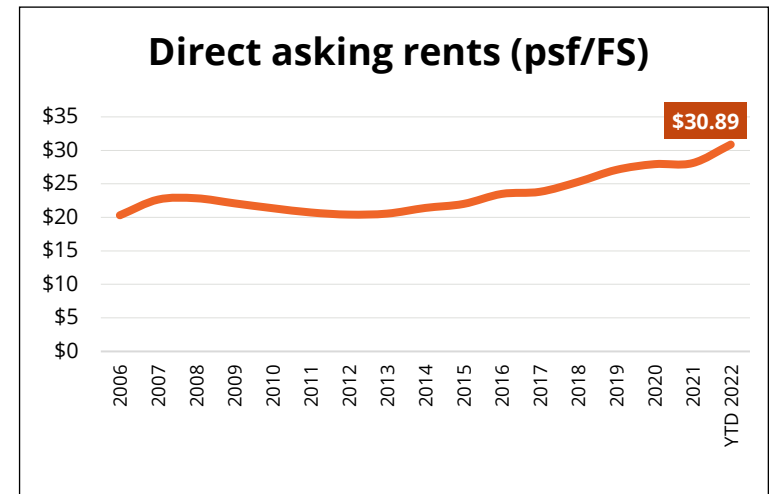
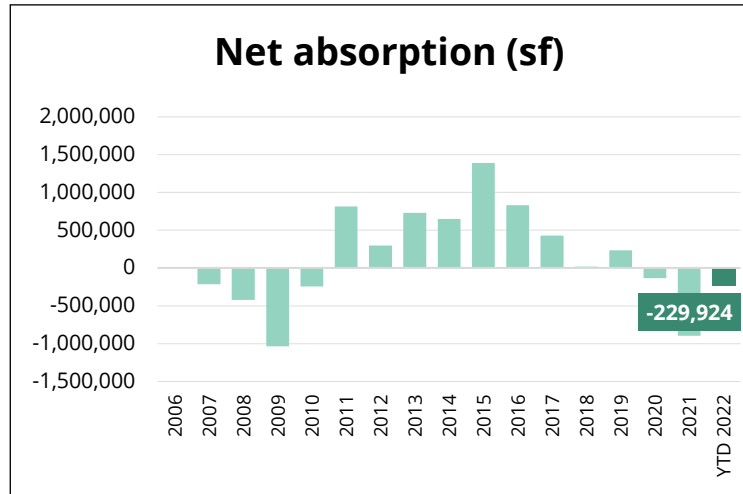
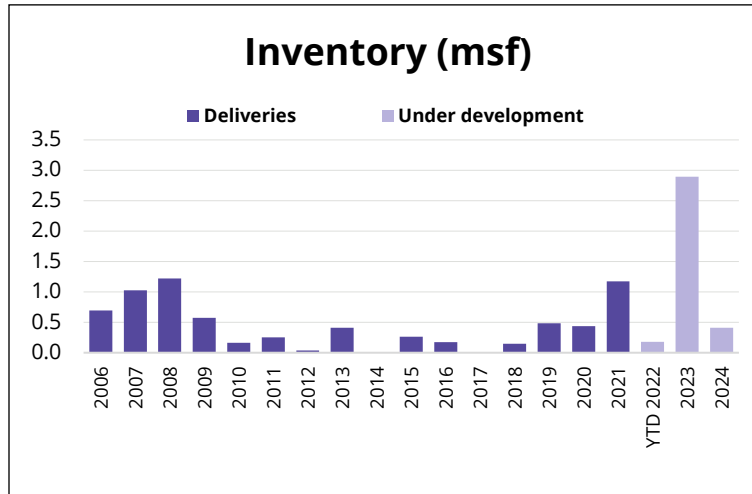
## 03

### **Westshore dominates leasing activity**

Leasing activity was active during the first quarter of 2022, particularly within the Westshore submarket where five out of the top six signed leases represented a total of more than 250,000 sf. Wipro Technologies, Maxim Healthcare Services, and OPSWAT were the three largest tenants to sign a lease. OPSWAT will be relocating its corporate headquarters to the recently completed SkyCenter One in the Westshore submarket from San Francisco, California.



# Office market indicators



# Office market activity

## Recent leasing activity

Tenant name	Address	Sign date	Size	Transaction type	Lease type	Submarket
Wipro Technologies	4110 George Road	March 2022	113,000	New	Direct	Westshore
Maxim Healthcare Services	5332 Avion Park Drive	Feb. 2022	71,484	New	Direct	Westshore
Willis Towers Watson	7725 Woodland Center Boulevard	March 2022	42,615	New	Direct	Northwest Tampa
OPSWAT	5411 SkyCenter Drive	Feb. 2022	31,660	New	Direct	Westshore
Paradigm Management	4890 West Kennedy Boulevard	March 2022	24,555	New	Direct	Westshore
RAD Diversified	5404 Cypress Center Drive	March 2022	16,079	New	Direct	Westshore

## Recent sales activity

Buyer	Address	Sale date	Building Size	Sale price	Sale price psf	Seller
The Johnson Foundation	12421 North Florida Avenue	Jan. 2022	37,041	\$5,370,000	\$145	Mc Dill Columbus Corporation
James Harlin	7150 114 <sup>th</sup> Avenue	March 2022	63,000	\$3,600,000	\$57	Jeff Morris
Source 1 Solutions	16331 Bay Vista Drive	March 2022	25,000	\$3,125,000	\$125	Barnett Construction

## Significant Construction Activity

Property	Address	Delivery Date	Building Size	% Preleased	Developer	Submarket
10050 North Florida Ave	10050 North Florida Avenue	Sept. 2022	75,000	33.3%	Xenia	Northwest Tampa
ARK Innovation	1101 4 <sup>th</sup> Street South	July 2023	45,000	100%	Bandes Construction	South Pinellas
1104 N Howard	1104 North Howard	July 2022	21,900	66.6%	ABC Capital Corporation	Westshore

# Office market stats by submarket

By Submarket	Inventory (sf)	Total %	Vacancy		Net Absorption		SF Under Construction	Average Asking Rent		
			Class A	Class B	1Q22	YTD		Total	Class A	Class B
St Petersburg CBD	2,445,375	5.4%	6.3%	3.1%	30,596	30,596	-	\$31.13	\$31.17	\$30.46
Tampa CBD	7,321,148	18.0%	18.3%	16.4%	109,205	109,205	-	\$36.95	\$39.57	\$20.57
<b>Urban Subtotal</b>	<b>9,766,523</b>	<b>14.8%</b>	<b>15.6%</b>	<b>12.0%</b>	<b>139,801</b>	<b>139,801</b>	<b>-</b>	<b>\$35.86</b>	<b>\$37.89</b>	<b>\$21.58</b>

By Submarket	Inventory (sf)	Total %	Class A	Class B	1Q22	YTD	Construction	Total	Class A	Class B
Bayside	2,005,324	18.0%	16.1%	20.3%	13,660	13,660	-	\$24.06	\$24.70	\$23.14
Gateway	4,061,013	21.5%	18.7%	24.4%	-161,496	-161,496	-	\$24.44	\$24.82	\$23.74
I-75 Corridor	8,780,230	19.6%	25.2%	14.6%	22,053	22,053	-	\$24.68	\$27.14	\$22.20
Mid-Pinellas	638,487	31.9%	31.7%	31.9%	-89,122	-89,122	-	\$26.00	\$26.00	\$19.22
North Pinellas	2,273,065	15.0%	10.4%	19.5%	-23,226	-23,226	-	\$21.95	\$21.47	\$22.11
Northwest Tampa	4,375,147	17.1%	12.9%	19.4%	-43,443	-43,443	75,000	\$26.99	\$32.20	\$22.89
South Pinellas	750,884	9.7%	12.2%	9.4%	68,787	68,787	45,000	\$18.47	\$27.00	\$17.86
South Tampa	467,219	3.6%	0.0%	4.4%	15,101	15,101	-	\$20.29	-	\$20.29
Westshore	13,493,341	19.2%	18.3%	20.8%	-172,039	-172,039	21,900	\$32.13	\$36.10	\$27.65
<b>Suburban Subtotal</b>	<b>36,844,710</b>	<b>18.8%</b>	<b>18.8%</b>	<b>18.8%</b>	<b>-369,725</b>	<b>-369,725</b>	<b>141,900</b>	<b>\$26.94</b>	<b>\$29.82</b>	<b>\$23.95</b>
<b>Market Total</b>	<b>46,611,233</b>	<b>17.6%</b>	<b>17.8%</b>	<b>18.1%</b>	<b>-229,924</b>	<b>-229,924</b>	<b>141,900</b>	<b>\$28.84</b>	<b>\$32.38</b>	<b>\$23.80</b>

# Office market stats by class

By Class	Inventory (sf)	Vacancy	1Q Absorption	YTD Absorption	SF Under Construction	Available Sublease
Class A	26,484,980	17.8%	-84,756	-84,756	141,900	1,615,775
Class B	20,126,253	18.1%	-145,168	-145,168	-	714,122
<b>Market Total</b>	<b>46,611,233</b>	<b>18.0%</b>	<b>-229,924</b>	<b>-229,924</b>	<b>141,900</b>	<b>2,329,897</b>

For more market insights  
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