

Tampa

Industrial market snapshot | Q1 2024

The unemployment rate in Tampa sat at 3.3% in February 2024, up 10 basis points from the start of the fourth quarter, but still outperforming the national average of 3.9%. Manufacturing employment saw a strong 3.2% gain year-over-year, along with construction employment which saw a 2.4% gain over that same time.

77.6%

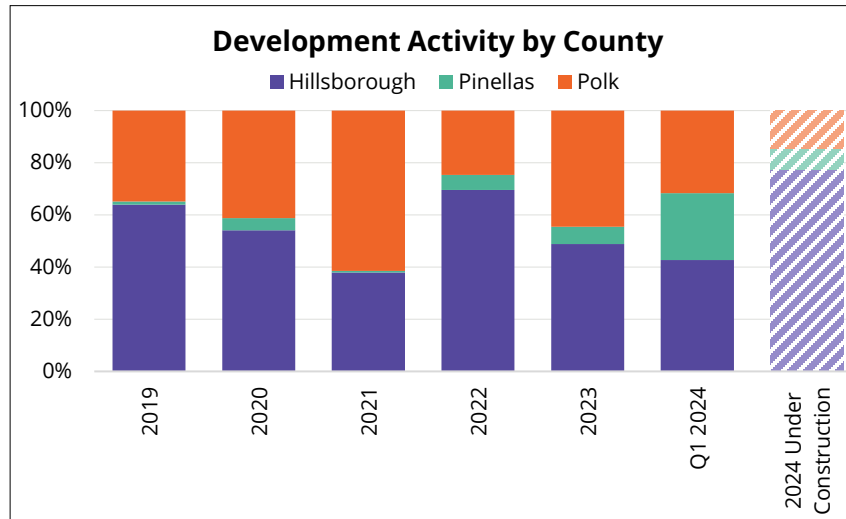
Hillsborough County currently makes up 77.6% of all projects under construction in Tampa.

\$8.79

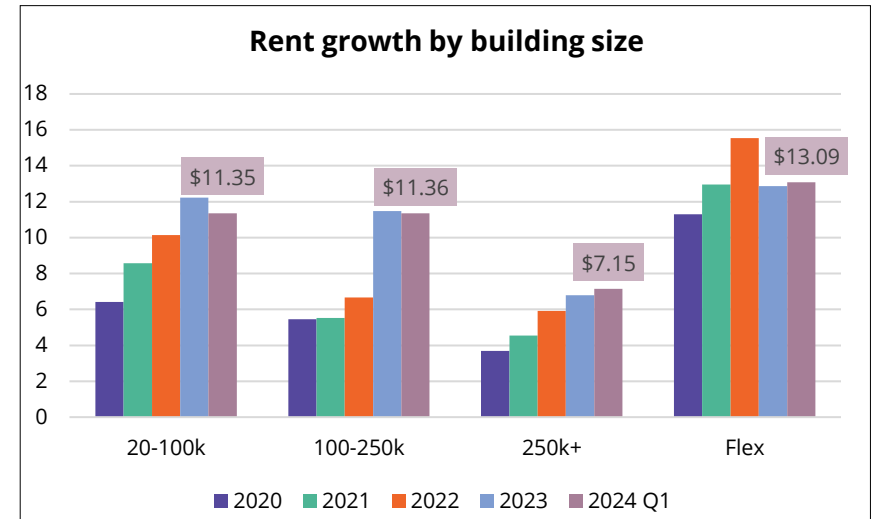
The average asking rent for industrial buildings has increased 28% year-over-year.

598k sf

Tenant demand remained strong during the first quarter with 598,000 square feet of positive net absorption.



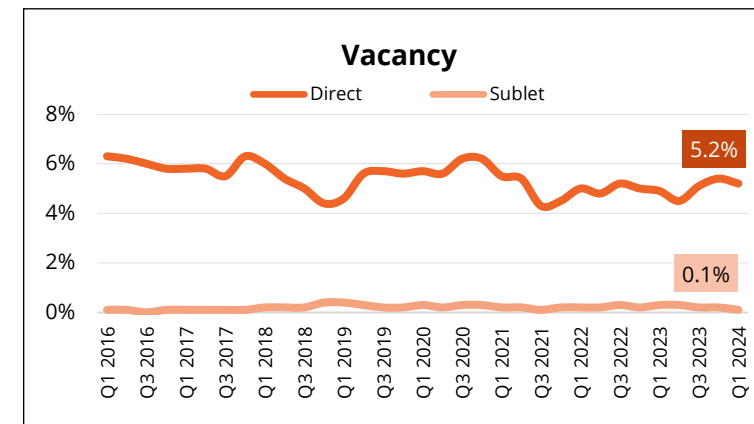
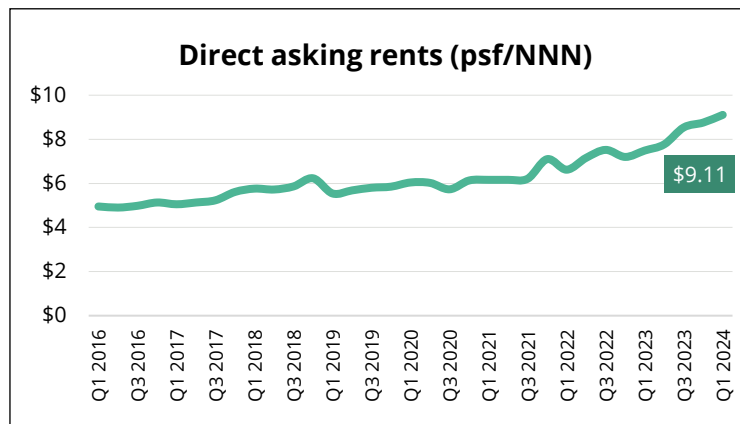
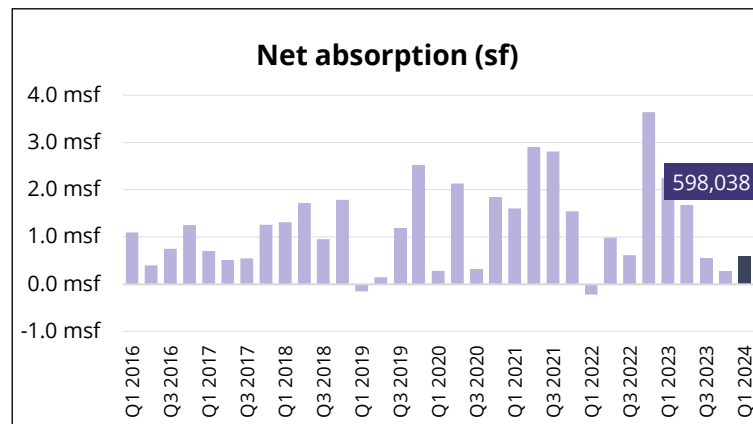
Polk and Hillsborough counties continue to maintain their stronghold over Tampa's industrial development scene. However, after contributing 44.5% of the development square footage in 2023, Polk County's development has decelerated, accounting for only 14.5% of the square footage currently under construction.



Tampa has seen exceptional industrial rent growth since 2020, though as we step into 2024 there has been a noticeable softening in rates. Properties that are 20,000 to 100,000 square feet have encountered a decline of 7.1% on the year. Meanwhile, larger buildings exceeding 250,000 square feet have seen asking rents continue to grow, 5.3% year-over-year.

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Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Life Science Logistics	660 C. Fred Jones Blvd	422,199	New	Direct
Republic National Distributing Company	13040 Bay Industrial	242,932	Renewal	Direct
Polyglass USA	2451 S County Line Rd	215,889	New	Direct
ROC Cabinetry	9209 Palm River Rd	91,440	New	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
EQT Exeter	6708 Harney Rd	\$49,200,000	\$111	HighBrook Investors
Clarion Partners	6290 Hoover Blvd	\$48,950,000	\$200	Scannell Properties
LBA Realty	3075 Whitten Rd	\$41,250,000	\$102	Xebec
IGas USA	8423 Sunstate St	\$11,500,000	\$1.1M per acre	Home Depot



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Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
East Side	50,901,429	203,494	1,384,890	3.3%	0.1%	3.4%	0.2%	169,381	169,381	\$10.64
Lakeland/Polk County	50,784,273	150,600	679,153	8.2%	0.0%	8.3%	2.3%	58,281	58,281	\$7.16
Mid-Pinellas/Gateway	33,672,661	122,160	285,070	1.8%	0.4%	2.2%	0.4%	201,979	201,979	\$9.99
Plant City/East Hillsborough	22,780,414	-	753,320	7.9%	0.0%	7.9%	(5.9%)	236,673	236,673	\$6.44
Airport/Westshore	15,088,831	-	273,822	2.5%	0.1%	2.6%	1.2%	151,637	151,637	\$12.74
Downtown Tampa	7,750,042	-	108,554	0.5%	0.0%	0.5%	(0.8%)	14,598	14,598	\$15.56
South Pinellas	7,266,512	-	-	9.4%	0.0%	9.4%	1.5%	(116,449)	(116,449)	\$10.65
North Pinellas	4,267,880	-	-	3.6%	0.0%	3.6%	2.0%	(118,547)	(118,547)	\$11.18
South Tampa	2,483,475	-	-	26.0%	2.4%	28.5%	0.1%	(675)	(675)	-
North Hillsborough	1,591,319	-	-	1.1%	0.0%	1.1%	(1.4%)	1,160	1,160	\$12.50
Market total	196,586,836	476,254	3,484,809	5.2%	0.1%	5.3%	0.1%	598,038	598,038	\$9.11

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Total vacancy	Total vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse/Distribution	180,413,212	476,254	3,424,809	5.3%	0.1%	5.4%	0.1%	727,342	727,342	\$8.79
Flex	16,173,624	-	60,000	30.0%	2.5%	32.5%	1.1%	(129,304)	(129,304)	\$13.09
Market total	196,586,836	476,254	3,484,809	5.2%	0.1%	5.3%	0.1%	598,038	598,038	\$9.11