

Tampa

Industrial market snapshot | Q3 2024

Tampa's unemployment rate was 3.7% at the end of August—up 30 basis points year over year, yet still below the national average of 4.2%. Over the past year, nonfarm employment grew by 1.6%, with the construction sector rising by 4.2% and the manufacturing sector increasing by 2.3%.

6.5%

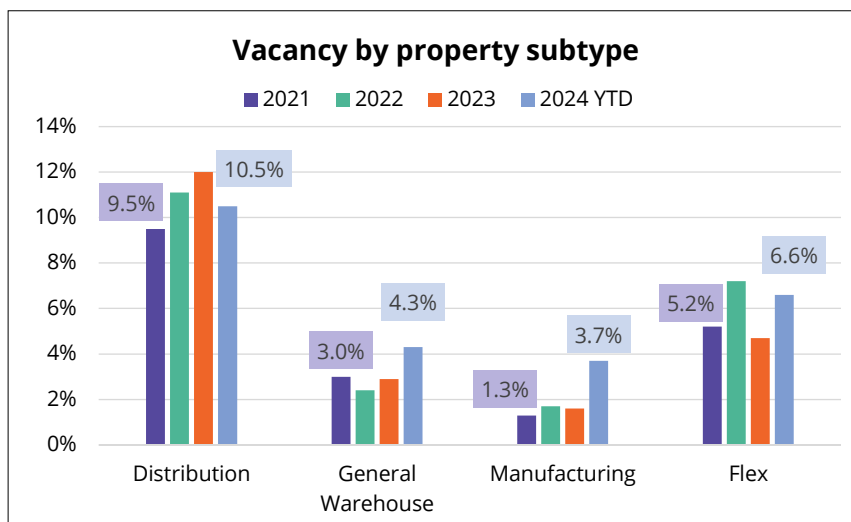
The industrial vacancy rate has increased 1% year over year to a total of 6.5%.

6.8 msf

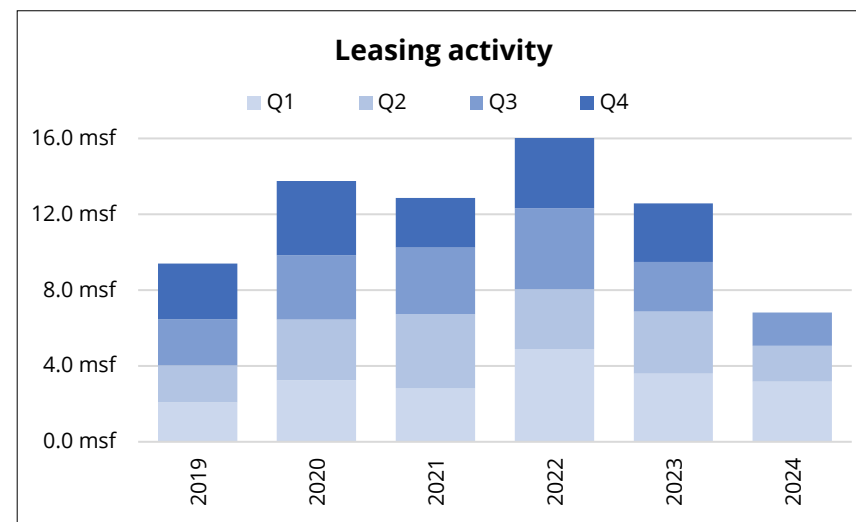
Leasing activity in Tampa totaled just over 6.8 million square feet at the end of the quarter, trailing last year's levels by 28% through the first three quarters.

\$10.20 psf

Asking rates have seen continued growth, with the current average of \$10.20 per square foot (psf) NNN reflecting a 19% increase year over year.



Although the overall industrial vacancy rate in Tampa has increased 110 basis points over the past year, each subtype has witnessed various changes over that time. Distribution buildings continue to have the highest vacancy, though the current rate of 10.5% is down 1.5% from last year, suggesting growing demand. In contrast, manufacturing buildings have maintained the lowest vacancy rates, but they have still increased by 1.9% year over year.

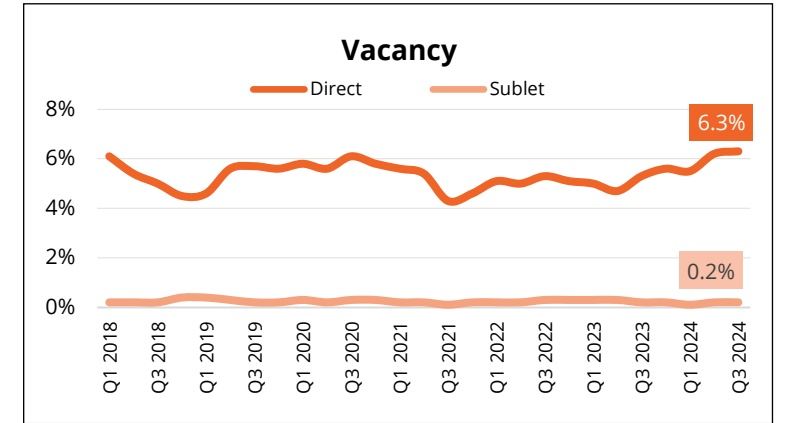
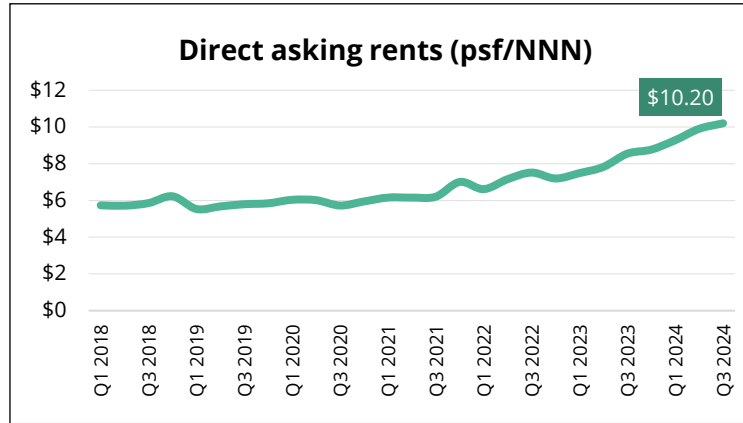
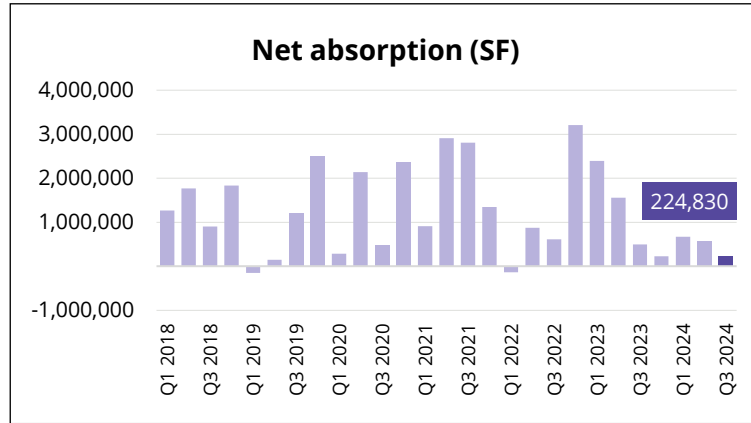


The Tampa industrial market has seen a gradual decline in leasing activity since 2022. Through three quarters, leasing activity has declined by 28% compared to last year, and 45% when compared to 2022. Tenant demand remains strong for smaller spaces under 50,000 square feet, with fewer large tenants in the market amid economic uncertainty.

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

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Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
LG Electronics	5205 Drane Field Rd	348,740	New	Direct
Aramco	611 Charlie Taylor Rd	135,923	New	Direct
Crown Equipment Corporation	10608 Tanner Rd	123,429	New	Direct
American Builders Supply	26506 Pelican Creek Cir	116,400	Renewal	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Equus Capital Partners	900 & 920 N Chestnut Rd	\$38,000,000	\$127	TPG Angelo Gordon
Laurel Ridge	4646 S Grady Ave & 3900 W Coachman Ave	\$18,010,000	\$110	Faropoint
Belcher Pharmaceuticals	12393 & 12395 Belcher Road	\$13,100,000	\$173	Yale Mosk & Co
Long Wharf Capital	351 30 th St SE	\$12,200,000	\$133	Gateway Classic Cars

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Location	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (3Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
East Side	52,367,109	1,722,856	27,450	5.3%	0.3%	5.5%	1.7%	(83,457)	777,150	\$11.27
Lakeland/Polk County	51,003,071	647,440	505,668	7.5%	0.1%	7.6%	(0.4%)	612,246	1,041,751	\$7.72
Mid-Pinellas/Gateway	33,701,001	287,041	146,539	3.9%	0.3%	4.2%	2.1%	(276,686)	(187,699)	\$10.38
Plant City/East Hillsborough	22,780,414	-	2,221,400	4.4%	0.0%	4.4%	(4.4%)	472,395	1,047,461	\$8.36
Airport/Westshore	15,191,763	273,822	-	7.4%	0.2%	7.6%	5.3%	(426,596)	(331,367)	\$13.21
Downtown Tampa	7,772,797	108,554	-	4.3%	0.7%	5.0%	4.0%	(105,050)	(222,590)	\$16.20
South Pinellas	7,152,926	-	-	10.1%	0.0%	10.1%	1.6%	109,821	(3,159)	\$12.87
North Pinellas	4,236,570	-	-	14.2%	0.0%	14.2%	13.1%	(36,463)	(565,128)	\$10.30
South Tampa	2,363,948	-	-	32.1%	0.0%	32.1%	3.7%	(30,000)	(53,687)	\$10.00
North Hillsborough	1,591,319	-	-	3.0%	0.0%	3.0%	1.6%	(11,380)	(29,000)	\$12.50
Market total	198,160,918	3,039,713	2,901,057	6.3%	0.2%	6.5%	1.0%	224,830	1,470,708	\$10.20

Type	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (3Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse/Distribution	182,117,689	3,039,713	2,901,057	6.3%	0.2%	6.5%	1.5%	388,571	1,779,367	\$9.88
Flex	16,043,229	-	-	6.2%	0.4%	6.6%	2.4%	(163,741)	(308,659)	\$14.76
Market total	198,160,918	3,039,713	2,901,057	6.3%	0.2%	6.5%	1.0%	224,830	1,470,708	\$10.20