

FIVE FAST OFFICE FACTS

TAMPA BAY | Q4 2022

HILLSBOROUGH & PINELLAS



The Need-to-Know for Today's Commercial Real Estate Market

1 LEASING ACTIVITY REMAINED STRONG

Over 3.3 MSF of new deals were signed in 2022 - slightly down from the historic volume in 2021, but still surpassing pre-pandemic levels.



2 FLIGHT TO QUALITY CONTINUED

The premier Tampa CBD and Westshore submarkets dominated Class A lease transactions, accounting for 62.2% of new deals signed in 2022.



3 SUBLEASE VACANCY CLIMBED

Vacant sublease space increased for the fourth consecutive quarter, ending 2022 with a record 1.9 MSF. The Northwest submarket housed the majority of this space due to multiple large users subletting space in Renaissance Park.



4 DIRECT RENTS INCREASED

Even as top-line rents were taken off the market with 85% of new construction leased, the direct average was up 1.3% YOY to \$30.34 PSF FS - tying the previous record high from 3Q21.



5 CBDs OUTPERFORMED SUBURBAN SUBMARKETS

The Tampa and St. Pete CBDs continued to thrive, with vacancy decreasing 180 BPS YOY to 12.5%. The outlying suburban submarkets struggled with vacancy up 290 BPS to 22.5%.

