



U.S. ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy and the U.S. into recession. Policies initiated to “flatten the curve” of potential infection include the voluntary and mandated shutdown of large sectors and regions of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all grinded to a halt while customers self-quarantine and practice social distancing.

RECORD-SETTING LAYOFFS, DECLINING EMPLOYMENT

Over the last two weeks (ending on March 28th), a cumulative 10 million people have applied for unemployment benefits—by far the largest number of applications in history since record-keeping began in 1967. Initial unemployment claims are a highly reliable leading indicator of trends in labor markets and therefore the economy at large. Given the size of the increase, along with other high-frequency data trends that are similarly bleak, it is widely believed that the U.S. economy has entered a recession. This was reinforced in early April when the Labor Department reported that payroll employment in the U.S. fell by 701,000 jobs in March, one of the largest declines in history. It's all but certain that even more jobs will be lost in the months ahead.

Given the way these events have unfolded and the huge number of layoffs, the current thinking among economic forecasters is that the second quarter of 2020 will see one of the largest real GDP declines in U.S. history. What is less clear is what the economic trajectory will be following Q2. As of this writing (4-7-2020), hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work in certain areas, but many unknowns remain. It is too soon to say if these signs are sustainable and how they will impact the trajectory of the economy.

We continue to monitor developments extremely closely and are working around the clock to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

TRENDS AND INSIGHTS

Cushman & Wakefield Covid-19 Webinar Replay

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**.

[Click to Replay](#)

COVID-19: A Wholly Unprecedented Policy Response

On March 27, 2020, an enormous \$2.2 trillion emergency coronavirus stimulus package was signed into law by President Trump. The legislative package—the Coronavirus Aid, Relief and Economic Security (CARES) Act—is the largest rescue package in U.S. history. [Click for Summary](#)

Lessons From Landlords In China's Post Covid-19 Recovery Phase

With local infections down, China is getting back to work. As the lights are turned back on in offices across the country, landlords and tenants alike are inevitably finding themselves in a new paradigm. [Click for Article](#)

2020 Asia Pacific Office Outlook

In this report, you will find detailed but succinct analysis of the trends in each of the region's key Grade A office markets over the next two years that we hope will help refine your organization's CRE strategy.

[Click for Article](#)

CUSHMAN & WAKEFIELD
WEEKLY COVID-19 UPDATES

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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Eastside	53,005,276	3,513,805	6.6%	414,657	414,657	842,245	50,000	\$4.39	\$12.22	\$5.66
Westside	14,778,390	513,820	3.5%	9,633	9,633	0	0	\$10.65	\$9.45	\$7.40
South Tampa	2,406,766	87,276	3.6%	0	0	0	0	\$6.25	N/A	\$6.90
Plant City	10,010,600	843,269	8.4%	109,884	109,884	1,795,192	0	\$4.50	N/A	\$5.20
Tampa Totals	80,201,032	4,958,170	6.2%	534,174	534,174	2,637,437	50,000	\$6.24	\$11.07	\$5.66
Gateway/Mid-Pinellas	30,240,324	2,006,118	6.6%	-18,248	-18,248	208,000	0	\$5.15	\$11.74	\$6.65
North Pinellas	6,220,889	31,773	0.5%	-2,750	-2,750	0	0	N/A	\$12.76	\$6.79
South Pinellas	6,893,298	434,450	6.3%	0	0	0	0	\$6.99	N/A	\$5.04
Pinellas Totals	43,354,511	2,472,341	5.7%	-20,998	-20,998	208,000	0	\$5.87	\$11.78	\$6.41
Southwest Lakeland	12,895,868	1,185,277	9.2%	9,100	9,100	221,875	0	N/A	\$5.25	\$5.14
Southeast Lakeland	2,222,396	71,600	3.2%	-22,500	-22,500	0	0	N/A	\$6.87	N/A
Northwest Lakeland	11,077,644	448,094	4.0%	49,920	49,920	0	0	N/A	\$4.75	\$4.90
Northeast Lakeland	7,961,172	1,161,092	14.6%	179,360	179,360	1,424,343	537,354	N/A	N/A	\$5.07
Lakeland Totals	34,157,080	2,866,063	8.4%	215,880	215,880	1,646,218	537,354	N/A	\$6.19	\$5.09
Tampa Bay Totals	157,712,623	10,296,574	6.5%	729,056	729,056	4,491,655	587,354	\$5.82	\$11.32	\$5.50

*Rental rates reflect weighted net asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
1201 Old Hopewell Road	Eastside	IEH Auto Parts	185,000	Renewal*/Expansion
2007 Gandy Boulevard	Gateway/Mid-Pinellas	ID Logistics	141,000	Renewal*
3838 Fancy Farms Road	Plant City	Hardware Resources	120,000	Direct
13133 34th Street North	Gateway/Mid-Pinellas	Amazon	106,136	Direct
12300 62nd Street North	Gateway/Mid-Pinellas	Home Depot	104,000	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
Hampton Oaks Business Park	Eastside	Alidade Capital/Albany Road RE Partners	275,134	\$36,650,000/\$133
Thompson Center	Westside	First Industrial/Denholtz	225,651	\$26,500,000/\$117
5300/5302 Adamo Drive	Eastside	Easton & Associates/Kohlberg, Kravis Roberts	201,980	\$15,925,000/\$79

MARKETBEAT

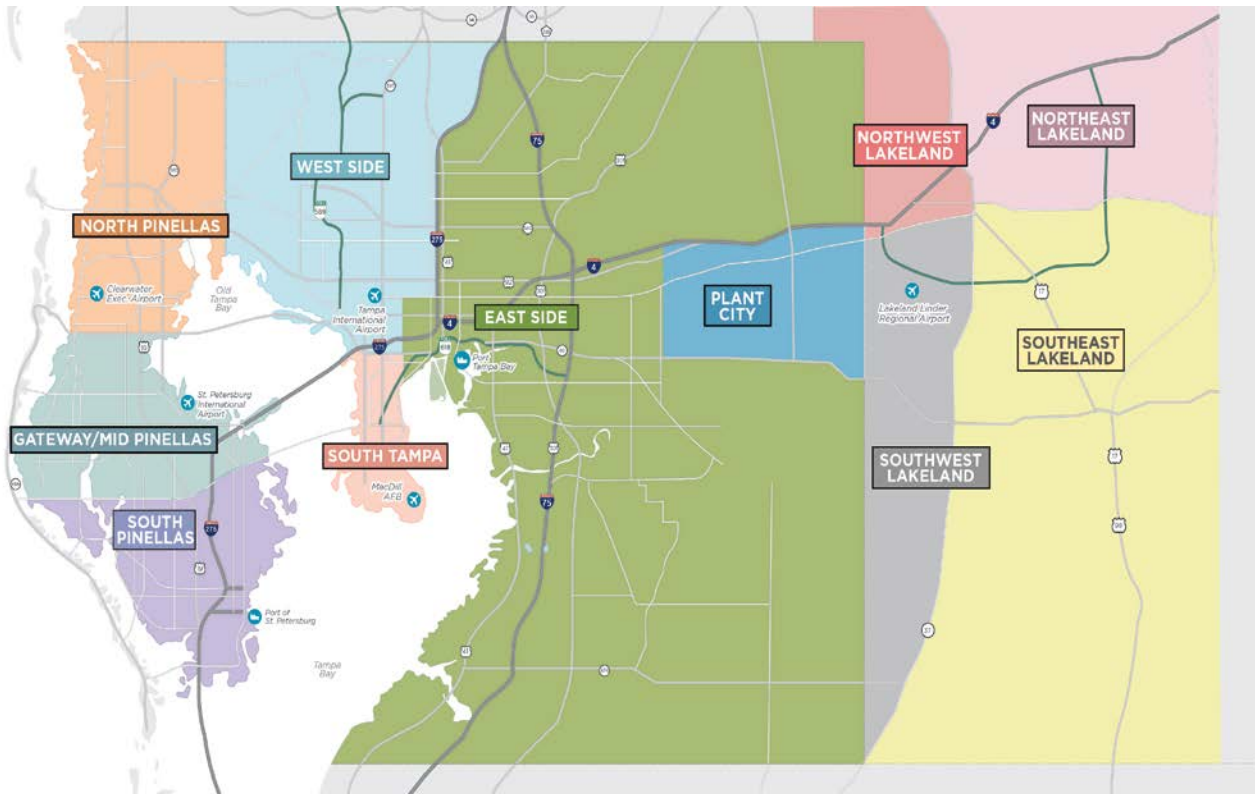
TAMPA BAY

Industrial Q1 2020



CUSHMAN &
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INDUSTRIAL SUBMARKETS



MICHELLE MCMURRAY

Associate Director

Tel: +1 813 204 5373

michelle.mcmurray@cushwake.com

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