

	YoY Chg	12-Mo. Forecast
<b>7.1%</b> Vacancy Rate	▲	▲
<b>-129K</b> YTD Absorption, SF	▲	▼
<b>\$6.50</b> Asking Rent, PSF	▲	▲

*Overall, Net Asking Rent*

### ECONOMY

The Tampa Bay region, which includes Hillsborough and Pinellas counties, had an unemployment rate of 4.2% in February 2021, down 30 basis points (bps) from the previous month as well as 110 bps higher than the region's rate from one year ago. Nonagricultural employment was 1.37 million, a decrease of 43,600 jobs, or 3.1%, over the year. The employment sectors that gained jobs year-over-year (YOY) were Financial Activities, adding 2,300 new jobs in 12 months, Professional & Business Services with another 2,300 jobs and Construction which increased by 400 jobs. Leisure & Hospitality led every other sector in jobs lost in the last year, with 27,700 gone, followed by Education & Health Services which had payroll declines of 8,200 positions.

### SUPPLY

Overall vacancy ended the first three months of the year at 7.1%, an increase of 40 bps from the last quarter of 2020. Vacant space in the Eastside submarkets comprised 34% of all vacancies in the region, with available space in warehouse/distribution totaling 2.3 million square feet (msf). No new inventory was delivered year-to-date. In the previous five calendar years, the industrial market in both Hillsborough and Pinellas counties recorded 9.6 msf in new construction combined. Interest in warehouse/distribution space from new-to-market and expanding tenants continued to provide landlords with confidence to initiate projects, including several large speculative ones throughout the region. At the end of the first quarter of 2021, another 3.4 msf was under construction in Hillsborough County with most scheduled to deliver by yearend.

### DEMAND

First quarter new leasing activity totaled 548,600 square feet (sf). Hillsborough County's leasing activity was down 48% from the same period in 2020. The Plant City submarket, which accounts for the highest amount of vacant space in Hillsborough County, recorded less than 8,000 sf for the first three months, down from the 150,000-sf recorded in the same period last year. Pinellas County had 122,000 sf in new leases, down 63% from the same period in 2020 with all activity recorded in the Gateway submarket. Both counties had positive absorption for the first quarter at 176,300 sf and 92% of all tenant move-ins were registered in Hillsborough County.

### MARKET PRICING

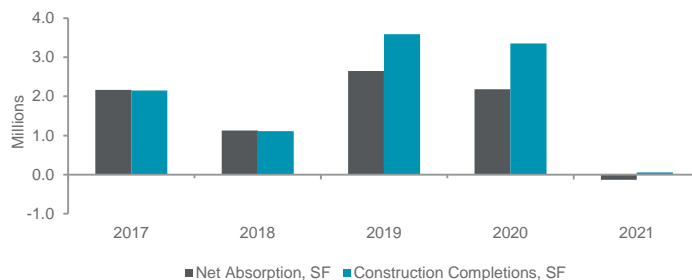
Overall triple net asking rents for was \$6.50 per square foot (psf) and rental rates for warehouse/distribution space closed the quarter at \$5.60 psf. Overall rents in Hillsborough County were down YOY by 10.0% to \$6.15 psf on decreases in asking rates for space in office services and manufacturing. Warehouse/distribution rents were \$5.49 psf, down 5.0% in the last 12 months. Overall rents in Pinellas County were down YOY by \$0.75 or 9.5% to \$7.24 psf. Warehouse/distribution rates in Pinellas closed the first quarter at \$6.29 psf.

### ECONOMIC INDICATORS Q1 2021

	YoY Chg	12-Mo. Forecast
<b>1.4M</b> Tampa Bay MSA Employment	▼	▲
<b>4.2%</b> Tampa Bay MSA Unemployment Rate	▲	▼
<b>6.0%</b> U.S. Unemployment Rate	▲	▼

Source: BLS, Numbers above are monthly figures, FL Dept. Economic OPP

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT



## 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	48,774,996	3,103,976	6.4%	41,213	41,213	3,369,977	54,123	\$5.60	\$11.72	\$5.32
Westside	12,849,168	658,918	5.1%	-38,307	-38,307	0	0	\$7.91	\$10.06	\$8.06
South Tampa	1,470,327	97,376	6.6%	0	0	0	0	N/A	N/A	\$6.77
Plant City	11,755,530	1,594,786	13.6%	159,714	159,714	0	0	N/A	N/A	\$5.11
<b>Tampa Totals</b>	<b>74,850,021</b>	<b>5,455,056</b>	<b>7.3%</b>	<b>162,620</b>	<b>162,620</b>	<b>3,369,977</b>	<b>54,123</b>	<b>\$6.19</b>	<b>\$10.85</b>	<b>\$5.40</b>
Gateway/Mid-Pinellas	14,211,465	903,519	6.4%	35,276	35,276	0	0	\$7.54	\$12.06	\$6.57
North Pinellas	5,075,156	62,844	1.2%	-3,293	-3,293	0	0	\$5.75	\$9.53	\$6.25
South Pinellas	5,739,229	772,004	13.5%	-324,066	-324,066	0	0	\$6.11	N/A	\$5.45
<b>Pinellas Totals</b>	<b>35,529,150</b>	<b>2,457,536</b>	<b>6.9%</b>	<b>-292,083</b>	<b>-292,083</b>	<b>0</b>	<b>0</b>	<b>\$4.86</b>	<b>\$11.19</b>	<b>\$6.29</b>
<b>Tampa Bay Totals</b>	<b>110,682,729</b>	<b>7,912,592</b>	<b>7.1%</b>	<b>-129,463</b>	<b>-129,463</b>	<b>3,369,977</b>	<b>0</b>	<b>\$5.28</b>	<b>\$10.81</b>	<b>\$5.60</b>

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

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

## KEY LEASE TRANSACTIONS Q1 2021

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
4740 Oak Fair Boulevard	East side/Central-South	1-800-Pack-Rat LLC	69,760	Renewal
4914 Joanne Kearney Blvd.	East side/Central-South	Cirkul Inc.	63,487	Renewal
4901 - 4929 Tampa West Boulevard	Airport Area	Goodman Distribution Inc.	55,000	Renewal
3719 Corporex Drive	East side/Central-South	CPI Group, Inc.	51,200	Renewal
2005 Gandy Boulevard	Gateway	ID Logistics	48,757	New

\*Renewals not included in leasing statistics

## KEY CONSTRUCTION COMPLETIONS Q1 2021

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
6070 US Highway 98 South	Southeast Lakeland		97,916	Porter Investment Holdings LLC   N/A
4420 Eagle Falls Place	East side/Central-South		54,123	Industrial Development Company   N

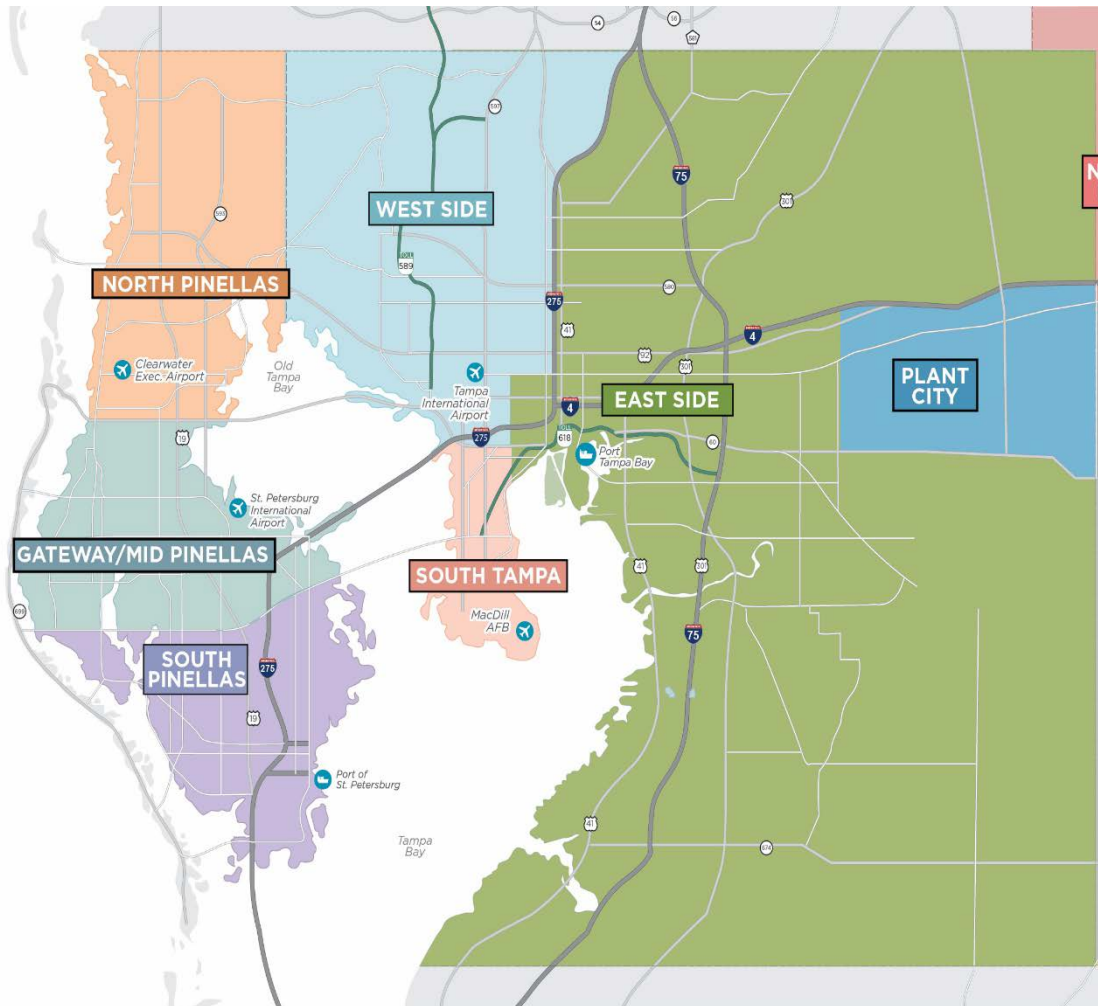


# TAMPA BAY

Industrial Q1 2021



INDUSTRIAL SUBMARKETS



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