

## Industrial Q4 2021

	YoY Chg	12-Mo. Forecast
<b>5.4%</b> Vacancy Rate	▼	▼
<b>3.4M</b> YTD Absorption, SF	▼	▲
<b>\$7.53</b> Asking Rent, PSF	▲	▲

*Overall, Net Asking Rent*

### ECONOMY

The Tampa Bay region, which includes Hillsborough and Pinellas counties, had an unemployment rate of 3.4% in November 2021. This was 20 basis points (bps) lower than the state average and 80 bps lower than the region's rate from one year ago. Nonagricultural employment was 1.4 million, an increase of 72,000 jobs, or 5.3%, year-over-year (YOY). Industrial-using employment sectors gained jobs including Trade, Transportation & Utilities at 10,900 jobs, Construction with 5,100 jobs, and Manufacturing with 100 jobs added.

### SUPPLY

Overall vacancy ended the year at 5.4%, down 90 bps YOY and 100 bps lower than pre-pandemic levels during the fourth quarter of 2019. Hillsborough County saw overall vacancy drop 220 bps over the past twelve months, as every submarket had a YOY decrease in vacancy. Pinellas County fell 120 bps from the fourth quarter of 2020, with the largest change occurring in the West Pinellas-Central submarket, down 280 bps YOY. The South Tampa submarket had the largest change YOY, down 580 bps to 0% as space around the Port of Tampa became increasingly hard to find. Over 2.1 million square feet (msf) of new construction delivered in the fourth quarter, bringing the yearly total to 5.9 msf with another 3.9 msf under construction.

### DEMAND

Leasing activity for the year was 8.7 msf, up 33% from 2020 levels. Hillsborough and Pinellas counties both had YOY increases in leasing activity, up 19% to 6.5 msf and 102% to 2.2 msf, respectively. These figures were the highest ever recorded in Hillsborough and the most since 2004 in Pinellas. Warehouse/distribution accounted for 77% of all industrial leasing activity in 2021, for a total of 6.7 msf, up 21% YOY and a record high. The Eastside submarket once again had the most activity accounting for 49% of new leases signed in 2021 with 4.3 msf, the most ever recorded in the submarket. Plant City was the only submarket to have a decline in leasing activity YOY, as it was unable to attain the same record numbers from 2020. Overall absorption was 3.4 msf for the year, also a record high.

### MARKET PRICING

Overall asking rents ended the fourth quarter at \$7.53 per square foot (psf) triple net, up 6% from the previous quarter and 12% YOY. Hillsborough County overall rents reached all-time highs, ending the year at \$7.13 psf, up 4% YOY. Pinellas County also had overall rents increase over the past twelve months, up 19% to \$8.57 psf. All industrial product types had yearly rental rate increases with manufacturing up 57%, office services/flex increasing 5%, and warehouse/distribution rising 13%.

### ECONOMIC INDICATORS Q4 2021

	YoY Chg	12-Mo. Forecast
<b>1.4M</b> Tampa Bay MSA Employment	▲	▲
<b>3.4%</b> Tampa Bay MSA Unemployment Rate	▼	▼
<b>4.2%</b> U.S. Unemployment Rate	▼	▼

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

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT



## Industrial Q4 2021

### 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	49,864,229	2,292,561	4.6%	1,255,153	1,916,962	535,040	1,368,672	\$5.16	\$12.64	\$6.41
Westside	13,077,457	599,484	4.6%	20,170	7,102	542,254	0	N/A	\$11.10	\$9.24
South Tampa	1,464,449	0	0.0%	78,000	92,000	0	0	N/A	N/A	N/A
Plant City	13,700,362	1,439,151	10.5%	1,046,706	1,517,906	2,531,410	1,202,557	N/A	N/A	\$5.37
<b>Tampa Totals</b>	<b>78,106,497</b>	<b>4,331,196</b>	<b>5.5%</b>	<b>2,400,029</b>	<b>3,533,970</b>	<b>3,608,704</b>	<b>2,571,229</b>	<b>\$5.16</b>	<b>\$12.16</b>	<b>\$6.50</b>
Gateway/Mid-Pinellas	24,859,166	1,274,138	5.1%	8,579	92,636	177,868	0	\$8.13	\$11.43	\$7.10
North Pinellas	5,098,152	46,625	0.9%	11,681	-16,300	130,000	0	N/A	\$10.56	N/A
South Pinellas	5,620,417	461,534	8.2%	-261,043	-174,397	0	0	\$8.60	\$10.00	\$5.44
<b>Pinellas Totals</b>	<b>35,577,735</b>	<b>1,782,297</b>	<b>5.0%</b>	<b>-240,783</b>	<b>-98,061</b>	<b>307,868</b>	<b>0</b>	<b>\$8.37</b>	<b>\$11.28</b>	<b>\$6.58</b>
<b>Tampa Bay Totals</b>	<b>113,684,232</b>	<b>6,113,493</b>	<b>5.4%</b>	<b>2,159,246</b>	<b>3,435,909</b>	<b>3,916,572</b>	<b>2,571,229</b>	<b>\$7.96</b>	<b>\$11.74</b>	<b>\$6.51</b>

\*Rental rates reflect weighted net asking \$psf/year \*Stats are not reflective of U.S. Industrial MarketBeat

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

### KEY LEASE TRANSACTIONS 2021

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
6750 Bryan Dairy Road	West Pinellas - Central	Hit Promotional Products Inc	315,456	New
2727 Henderson Way	Plant City	Star Distribution	252,580	New
1820 Massaro Boulevard	East side/Central-South	Gopher Resources LLC	206,382	New
6708 Harney Road	East side/North	Zbrothers Express	182,732	New
3502 Fancy Farms Road	Plant City	DASI	166,206	New
4406 Madison Industrial Lane	East side/Central-South	Icon EV LLC	156,311	New

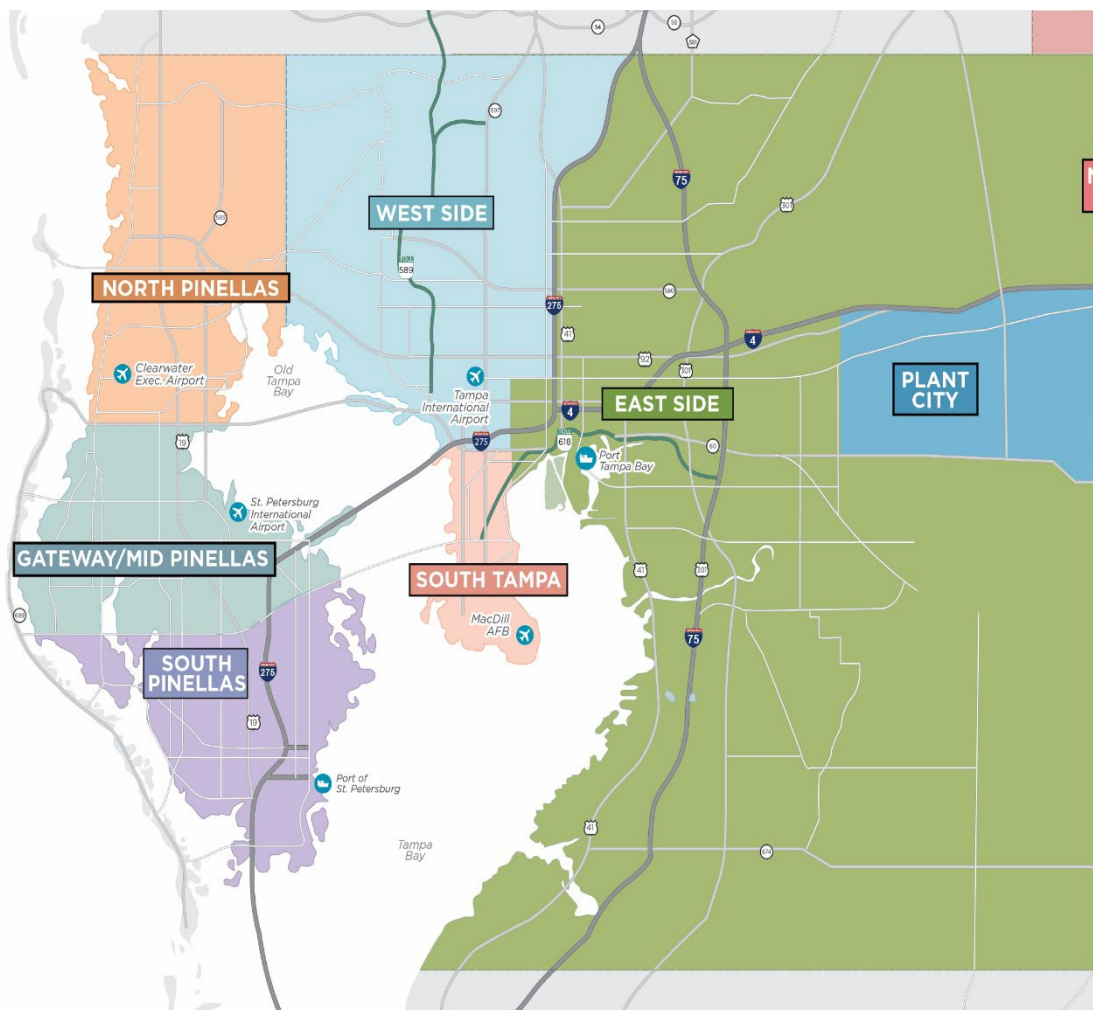
### KEY SALE TRANSACTIONS 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
3775 Fancy Farms Rd.	Plant City	Wharton Equity Partners  Lexington Realty Trust	510,484	\$48.5M   \$95
2727 Henderson Way	Plant City	Ascentris, LLC  CBRE Global Investors	505,160	\$43.8M   \$87
6708 Harney Road	East side/North	Seaboard Warehouse Terminals   HighBrook Investors	442,440	\$37.3M   \$84
11316 46th Street North	East side/North	The Federated Companies   Alliance Partners HSP, LLC	379,880	\$32.0M   \$84

### KEY CONSTRUCTION COMPLETIONS 2021

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
E County Line Road	Plant City	Ace Hardware	710,000	Carlton Fields   Blue Steel
8706 Harney Road	East side/North	Amazon	601,350	Amazon   Seefried Industrial Properties
7075 US Highway 41	East side/Central-South	Home Depot	402,156	Seefried Properties   Seefried Properties

## INDUSTRIAL SUBMARKETS

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