

# Tampa Bay

Powered by Savills Research & Data Services

## Leasing activity spikes this quarter

Occupiers across Tampa Bay were active in the third quarter resulting in over 1.0 million square feet (msf) of leasing activity, the highest for the region since Q3 2022, and an 84% increase over Q2 2023. The largest lease transaction was a 90,375-square-foot sublease by Tampa start-up company, Cirkul, a beverage manufacturing company known for its innovative bottle design that allows users to control the amount of flavor in their water. Not only is the company’s explosive growth and the size of the lease notable, but the transaction also represents the absorption of a full-building sublease that was on the market for just over 13 months in an anemic submarket.

## Uptick in occupier movement results in availability decline

Corresponding to the spike in leasing activity, Tampa Bay’s overall availability rate dropped again in Q3 2023, down 40 basis points (bps) from 20.5% last quarter to 20.1%, and also down 20 bps year-over-year. Similarly, in both Tampa CBD and the Westshore submarkets, Class A availability declined. Tampa CBD Class A availability fell 150 bps from 16.9% last quarter to 15.4% in Q3. Westshore Class A availability decreased 120 bps from 19.7% in Q2 2023 to 18.5% in Q3 2023. Though not impacting availability, a number of noteworthy renewals without space contraction occurred, including AT&T Wireless’ renewal of 53,072 square feet (sf) in Westshore, Gunster, Yoakley & Steward’s renewal for 33,567 sf in the Tampa CBD, Beasley Broadcast Group’s renewal for 27,056 sf in Mid Pinellas, and Stantec’s renewal for 23,581 sf in the Tampa CBD.

## Tampa CBD Class A rents on the rise

Asking rents in the Tampa Bay region ticked slightly upward, increasing 0.1% overall ending Q3 2023 at \$28.58 per square foot (psf) compared to \$28.45 psf for the prior quarter. Tampa CBD Class A rents commanded the highest increase, growing 3.7% on a quarter-over-quarter basis, from \$38.64 psf to \$40.06 psf. Westshore Class A rents dipped slightly from \$38.09 psf the prior quarter to \$37.88 psf in Q3, representing just a 0.2% drop.

## Key Statistics

	Q3 2022	Q3 2023	Y-0-Y
Inventory	53.0 msf	53.0 msf	+0.0 msf
Availability Rate	20.3%	20.1%	-20 bps
Asking Rental Rate	\$28.36	\$28.58	+0.8%
Class A Asking Rental Rate	\$32.71	\$32.04	-2.0%
Quarterly Leasing Activity	1.1 msf	1.0 msf	-0.1 msf
Available Sublease Space	2.8 msf	2.6 msf	-0.2 msf

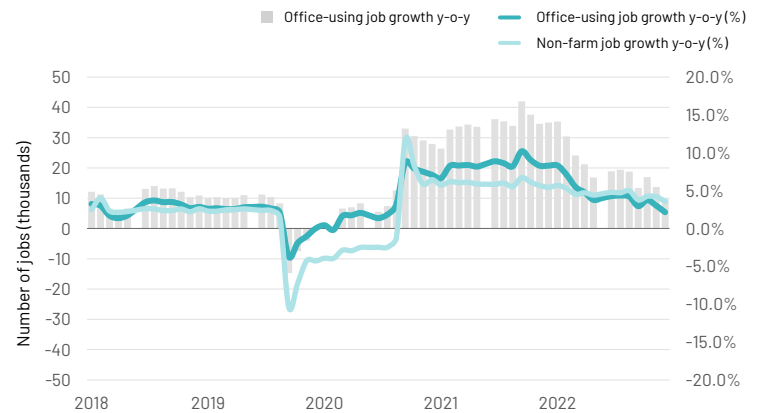
## Outlook

**01** Population growth is expected to continue to create demand for housing across the Tampa Bay region, keeping the construction industry a major employment driver

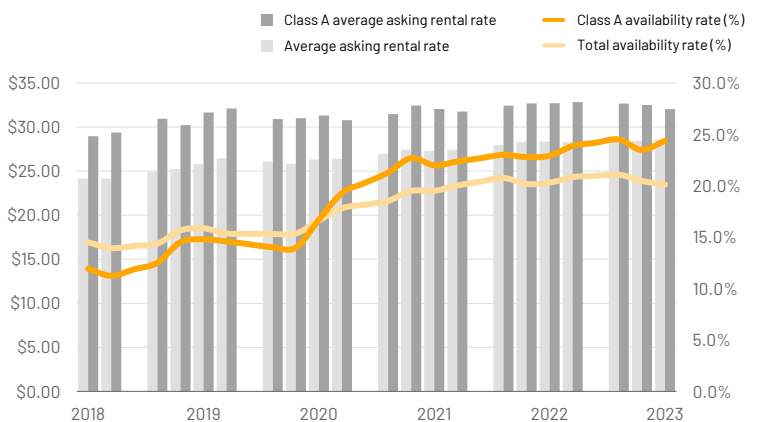
**02** Leasing activity is expected to remain strong through year-end 2023 as regional economic fundamentals continue to be healthy

**03** In a sign of return-to-office trends, traffic traveling to Tampa CBD increased 21% over the first five months of 2023, according to Inrix (the highest increase across all major US cities)

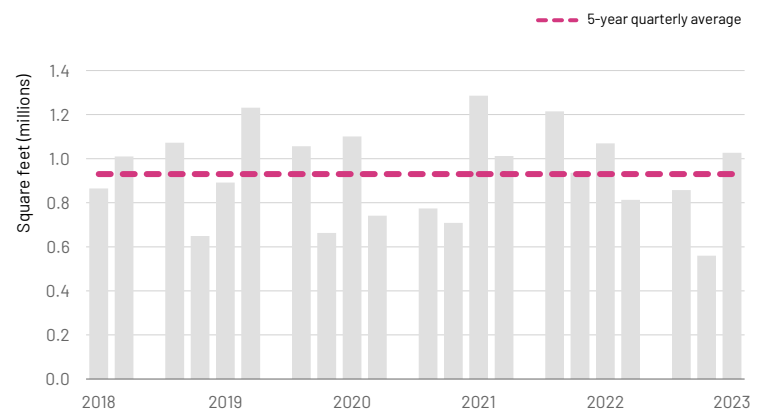
## Office-using Employment Growth



## Asking Rent and Availability



## Leasing Activity



# Top Transactions

\*Trophy Building

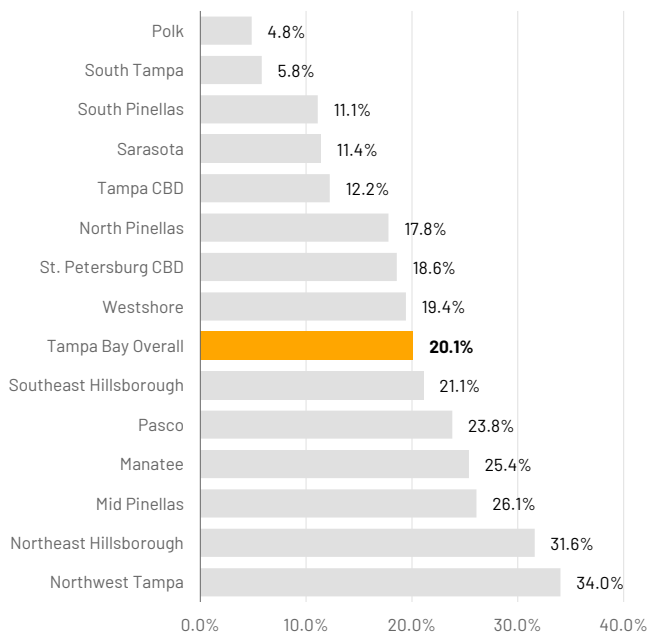
\*\*Sublease

Source: Savills Research

TENANT	INDUSTRY	SUBMARKET	ADDRESS	SIZE (SF)	TRANSACTION TYPE
Cirkul	● Manufacturing	Southeast Hillsborough	3620 Queen Palm Drive	90,375	Relocation**
Mitsubishi UFJ Financial Group	● Financial Services & Insurance	Westshore	4050 W Boy Scout Boulevard	79,908	New Location**
AT&T Wireless	● TAMI	Westshore	3405 W Martin Luther King Boulevard	53,072	Renewal
Chadwell Supply	● Manufacturing	Southeast Hillsborough	2600 S Falkenburg Road	37,800	Relocation**
Gunster, Yoakley & Steward	● Legal Services	Tampa CBD	401 E Jackson Street	33,557	Renewal
Johnson & Johnson	● Manufacturing	Westshore	4301 W Boy Scout Boulevard	32,723	Relocation**
BBI Logistics	● Transportation	Westshore	4830 W Kennedy Boulevard	32,402	Relocation
Beasley Broadcast Group	● TAMI	Mid Pinellas	9721 Executive Center Drive N	27,055	Renewal
Inovalon	● TAMI	Westshore	4010 W Boy Scout Boulevard	24,262	Renewal
Stantec	● Architecture, Engineering and Construction	Tampa CBD	777 S Harbour Island Boulevard	23,581	Renewal

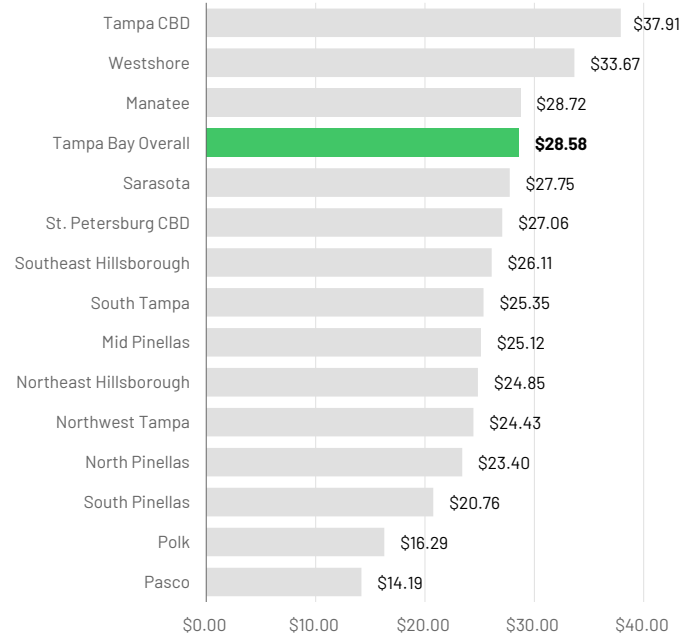
## Availability Rate Comparison (%)

TAMPA BAY SUBMARKETS



## Rental Rate Comparison (\$/sf)

TAMPA BAY SUBMARKETS



## Tampa Bay Q3 2023 - Office

For more information, please contact us:

[savills.us](http://savills.us)

**Savills Tampa Bay**  
Midtown West,  
1150 Assembly Drive,  
Suite 310  
Tampa, FL 33607  
+1 813 675 7070

**Michael E. Griffin**  
Executive Managing  
Director, Market Leader  
mgriffin@savills.us

**Amy Novak**  
Marketing & Research  
Manager  
anovak@savills.us

Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

Copyright © 2023 Savills

