

FIGURES | TAMPA OFFICE | Q3 2026

Vacancy retreats following another solid quarter for absorption



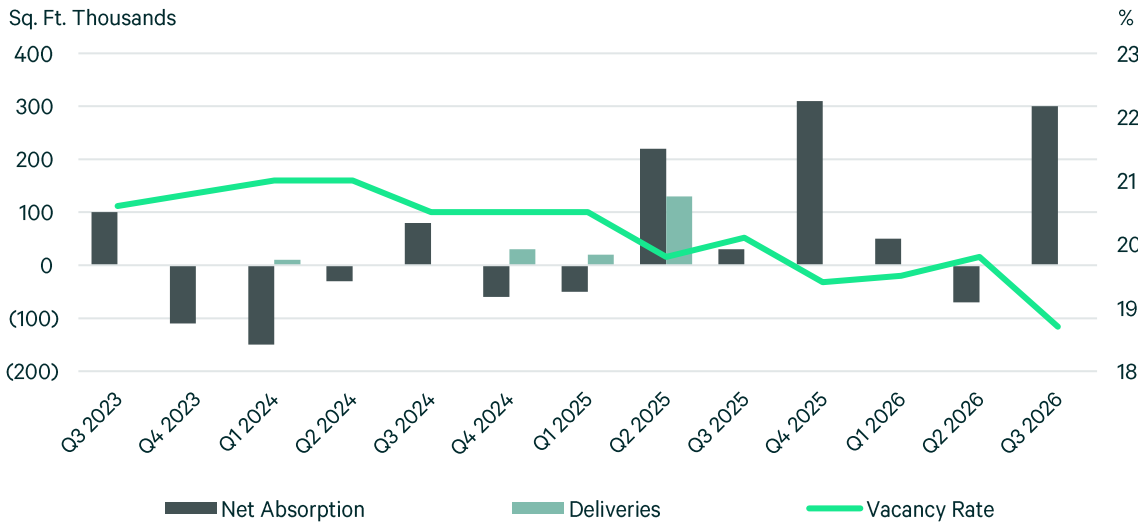
Note: Arrows indicate change from previous quarter.

Market Overview

Respectable leasing activity over the past several years continues to work its way through the market, driving occupancy gains and pushing overall vacancy to its lowest level since early 2022. Absorption has remained healthy, with the past year marking the strongest stretch of occupancy growth since 2018. While downtown submarkets have recently posted rare occupancy losses as larger users right-size their footprints, demand has broadened across the region, with several suburban locations gaining momentum after years of relatively limited activity. At the same time, declining sublease availability and improving fundamentals across both Class A and Class B properties point to a market that continues to gradually tighten.

Looking ahead, the primary story remains the shortage of high-quality, first-generation office space. With virtually all recently delivered and under construction product now leased, tenants seeking new product face increasingly few options. While rent growth has moderated as the influence of premium new construction fades from market averages, the lack of available top-tier space should continue to support leasing fundamentals for well-positioned assets. Encouragingly, several long-discussed development projects appear to be gaining traction, signaling growing confidence among developers. Even so, meaningful new supply remains years away, leaving existing high-quality office properties well positioned to benefit from the market's ongoing supply constraints.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



CBRE Research

Vacancy

Following an uptick last quarter, office vacancy improved across both Class A and Class B properties in Q3, with overall vacancy falling below 19% for the first time since early 2022. The decline was broad-based, driven by improvements in both direct and sublease vacancy as tenants took occupancy of previously leased space. Notable move-ins during the quarter included Phillip Morris (58,793 sq. ft.), ROM Technologies (50,013 sq. ft.), NinjaOne (43,413 sq. ft.), TeamViewer (26,389 sq. ft.), and several other occupiers.

Class A overall vacancy fell to 16.9%, down 70 basis points quarter-over-quarter and 150 basis points year-over-year, while Class B vacancy declined to 21.1%, down 150 basis points from the prior quarter and 120 basis points from a year ago. Direct vacancy ended the quarter at 14.3% for Class A and 18.3% for Class B, while sublease vacancy fell to 2.6% and 2.8%, respectively, highlighting the contribution both segments made to the market's recent tightening.

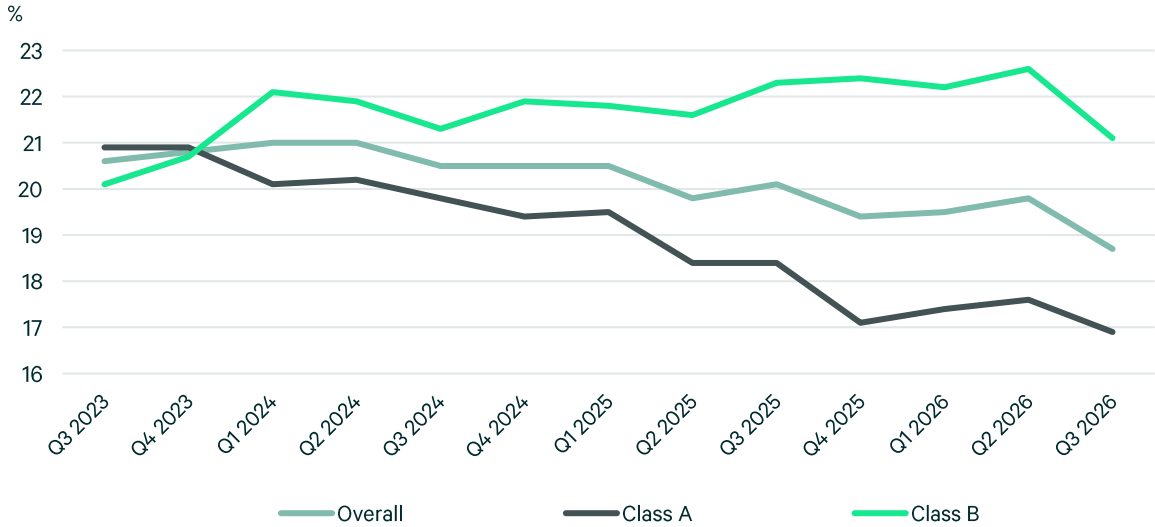
Across the market, sublease availability totaled 1.14 million sq. ft. in Q3 2026, with the greatest concentration in Northwest Tampa and Westshore, though available sublease space remains distributed across most major office corridors. This is quickly approaching the pre-pandemic norm of sublease vacancy which historically trended in the 500,000 to 750,000 sq. ft. range.

Asking Rent

Asking rents remained relatively stable in Q3 2026, though they continued to trend above levels seen in prior years. The market's average asking rent reached \$31.99 per sq. ft., up from \$31.63 per sq. ft. in Q2 2026 and \$30.83 per sq. ft. in Q3 2023, but slightly below the \$32.31 per sq. ft. recorded one year ago. Class A rents followed a similar pattern, ending the quarter at \$36.16 per sq. ft., up from \$35.93 per sq. ft. last quarter and \$34.22 per sq. ft. three years ago, but below the recent peak of \$36.62 per sq. ft. in Q3 2025 when first-generation space was still available.

With virtually all first-generation space now leased, the premium rents associated with new construction are no longer providing an upward boost to market averages. As a result, additional rent growth will have to be organically driven by landlords of existing office assets, at least until the next office development cycle begins. Those projects appear to be getting closer to reality as parts of existing or planned mixed use-developments, but the delivery, and therefore market impact, of those projects is years away.

Figure 2: Vacancy Rates by Class



CBRE Research

Figure 3: Average Direct Asking Rate by Class



CBRE Research

Net Absorption

Two of the strongest quarters for net absorption in the past eight years have occurred within the last four quarters as the momentum from prolific leasing last year carried into physical occupancy of those spaces in 2026. Nearly 600,000 sq. ft. of positive net absorption over the past 12 months represents the strongest four-quarter stretch since 2018, with five of the last six quarters posting occupancy gains.

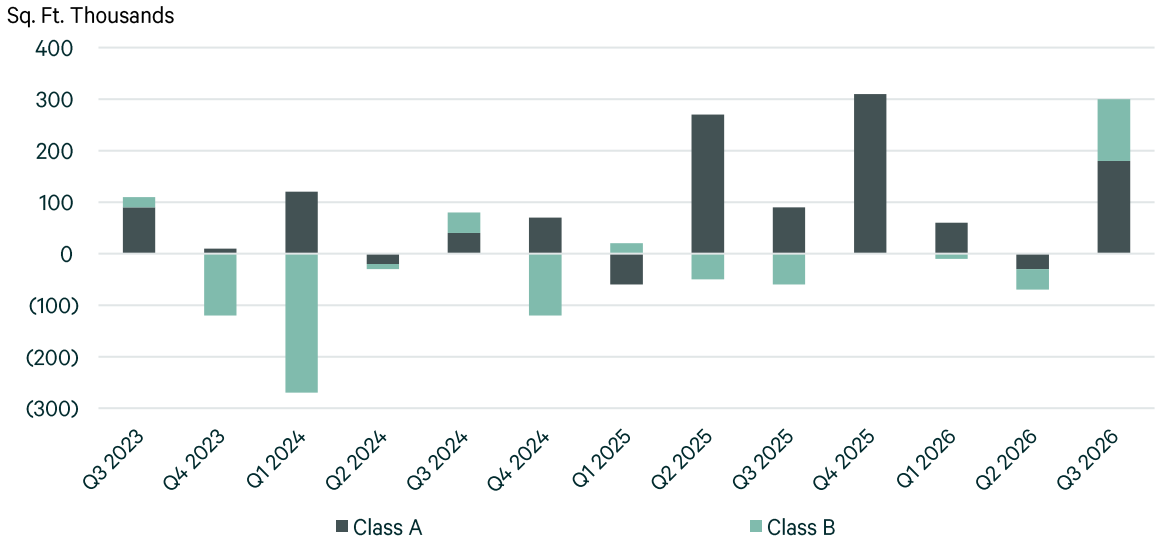
Interestingly, CBD submarkets, which have driven much of the market's absorption over the past five years, recorded occupancy losses both during the quarter and year-to-date as several large tenants reduced their footprints upon renewal. Meanwhile, suburban submarkets that have remained relatively quiet for years, including Northeast Tampa and Mid-Pinellas/Gateway, are beginning to gain traction. Even so, Westshore remains the market's primary driver of absorption, accounting for 137,000 sq. ft., or 46%, of all occupancy gains recorded this quarter.

Construction Activity

Thanks to strong preleasing activity, the 149,000 sq. ft. currently under construction is now fully leased ahead of delivery. That success has caught the attention of developers, who appear increasingly willing to address the market's growing shortage of first-generation office space. Several long-planned projects across the region are beginning to show signs of progress, including some that may move forward without the substantial preleasing requirements that have typically limited new office development since the last construction cycle.

While the timing of these projects varies considerably, even the most advanced proposals are unlikely to deliver space before late 2028, meaning tenants will continue to face limited first-generation options for the foreseeable future.

Figure 4: Net Absorption Trend



CBRE Research

Figure 5: Construction Activity



CBRE Research

Market Statistics

Figure 6: Metro Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	24.09M	16.9	20.0	16.8	3.2	36.16	180,000	205,000	-	139,000
Class B	18.35M	21.1	24.2	20.8	3.3	27.07	117,000	65,000	-	10,000
Total	42.44M	18.7	21.8	18.5	3.3	31.99	297,000	270,000	-	149,000

Source: CBRE Research, Q3 2026

Figure 7: Suburban Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	18.83M	18.2	21.4	17.8	3.5	34.14	148,000	154,000	-	44,000
Class B	16.32M	20.7	23.4	20.0	3.4	26.40	160,000	164,000	-	10,000
Total	35.15M	19.3	22.3	18.9	3.5	30.32	308,000	319,000	-	55,000

Source: CBRE Research, Q3 2026

Figure 8: Urban Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	5.26M	12.2	15.1	13.0	2.1	45.50	32,000	51,000	-	94,000
Class B	2.03M	24.3	30.4	27.3	3.1	38.55	(44,000)	(99,000)	-	-
Total	7.29M	15.5	19.3	17.0	2.4	44.06	(11,000)	(48,000)	-	94,000

Source: CBRE Research, Q3 2026

Market Statistics by Submarket

Figure 9

Submarket	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
East Tampa	2.57M	22.8	26.7	25.9	0.8	25.55	6,000	(83,000)	-	-
Mid Pinellas/Gateway	4.99M	25.5	27.8	24.9	2.9	27.82	59,000	(3,000)	-	-
North Pinellas	2.86M	15.1	20.7	20.2	0.5	25.74	17,000	(11,000)	-	-
Northeast Tampa	4.58M	25.3	28.1	25.3	2.7	23.83	105,000	140,000	-	-
Northwest Tampa	3.86M	27.9	27.3	14.9	12.4	26.26	-	2,000	-	10,000
Southeast St Pete	39,000	1.9	20.6	20.6	-	-	-	7,000	-	-
Southeast Tampa	335,000	-	-	-	-	-	-	-	-	-
Southwest St Pete	164,000	8.1	8.1	8.1	-	22.78	(8,000)	(7,000)	-	-
Southwest Tampa/Interbay	571,000	15.7	16.2	16.2	-	39.96	6,000	35,000	-	-
St Pete CBD	2.05M	8.7	12.1	11.0	1.1	46.90	(14,000)	(43,000)	-	44,000
Tampa CBD	7.29M	15.5	19.3	17.0	2.4	44.06	(11,000)	(48,000)	-	94,000
Westshore	13.13M	15.2	18.8	15.7	3.1	37.56	137,000	282,000	-	-
Total	42.44M	18.7	21.8	18.5	3.3	31.99	297,000	270,000	-	149,000

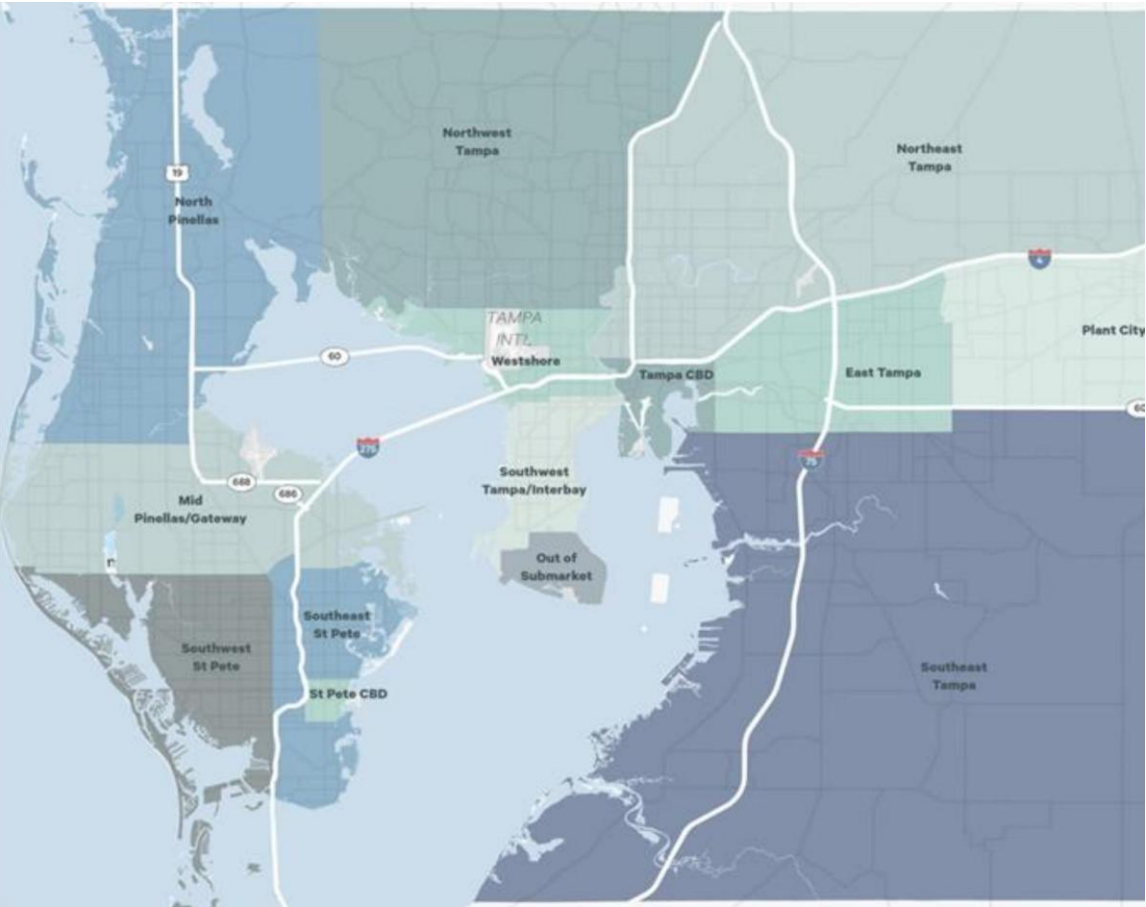
Source: CBRE Research, Q3 2026

Economic Overview

Notable challenges persist, from elevated energy costs and interest rates to lingering geopolitical and technological uncertainties. Despite these concerns, the U.S. economy remains on track to grow by over 2% during 2026, supported by impressive AI-driven business investment. Also, a generally stable labor market continues to underpin consumer activity, providing a cushion against other risks.

The final months of 2026 could prove pivotal. While economic growth supports healthy CRE occupier market fundamentals, the investment side of the market must contend with 5% Treasury yields. Signals from the Federal Reserve, inflation data, and global fixed-income markets suggest rates will remain elevated for the foreseeable future. A key upside catalyst would be a de-escalation in the U.S./Iran conflict, which could ease inflation and provide the Fed with more flexibility.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

Survey Criteria

Includes all competitive Class A and B office buildings 10,000 sq. ft. and greater in size in Hillsborough and Pinellas Counties. Excludes: owner-occupied, government and medical buildings.

Contacts

Marc L. Miller
Research Director
+1 305 381 6428
marc.miller1@cbre.com

Kyle Koller
Research Manager
+1 813 273 8422
kyle.koller@cbre.com