

FIGURES | TAMPA OFFICE | Q1 2026

Limited supply, selective demand: Class A assets anchor Tampa’s office market

▲ 19.5%

Vacancy Rate

▼ 60,715

SF Net Absorption

▶ 0

SF Construction Delivered

▶ 149,100

SF Under Construction

▼ \$31.87

FSG/YR Direct Lease Rate

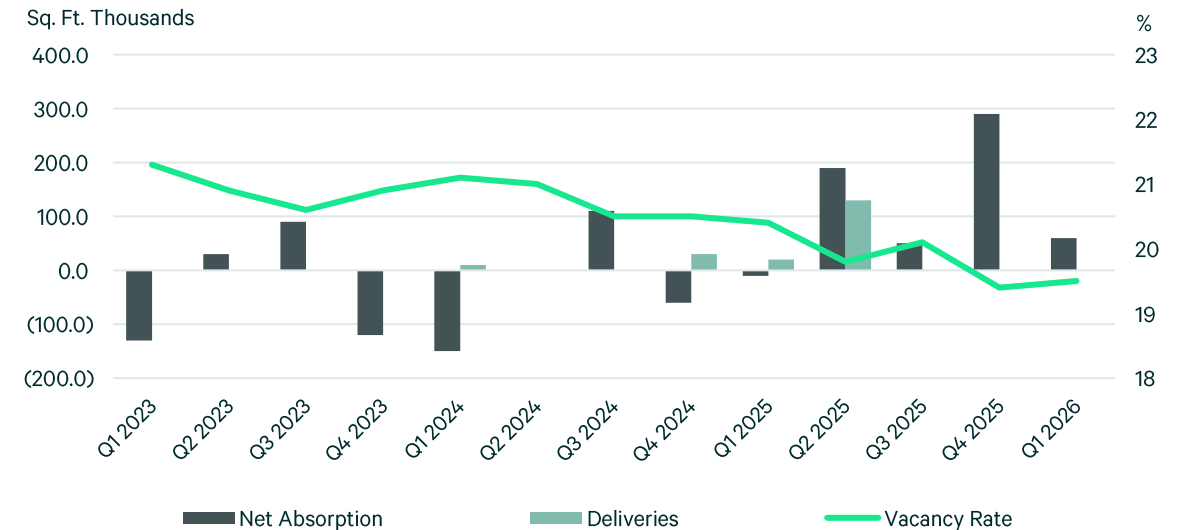
Note: Arrows indicate change from previous quarter.

Market Overview

Tampa’s office market continued to show signs of stabilization in Q1 2026, supported by sustained Class A demand and a fourth consecutive quarter of positive net absorption. Overall vacancy trends highlight a widening performance gap between asset classes, as Class A vacancy has improved meaningfully on a year-over-year basis while Class B conditions remain comparatively softer. While pending move-outs have begun to lift availability—particularly in core submarkets—the underlying demand profile remains notably healthier than in recent years. Rental rates have softened modestly in the near term due to the absorption of top-of-market space, though longer-term growth trends remain intact, especially within Class A product.

Construction activity remains limited, with no deliveries this quarter and only two CBD-centric projects slated for late-2026 completion. In the absence of meaningful new supply, shifts in inventory have been driven by conversions out of office use and the reintroduction of previously owner-occupied buildings to the leasing market, effectively functioning as “new” supply. While these assets are augmenting tenant options, competitive demand continues to gravitate toward modern, amenitized environments, reinforcing the advantage of high-quality Class A space across the Tampa market.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q1 2026

Vacancy

Total vacancy in Tampa’s Class A stock stood at 17.7% in Q1 2026, edging up 20 basis points quarter-over-quarter, while Class B vacancy declined 10 basis points to 21.7%. Still, the Class A-B spread has widened to 4.0 percentage points from 1.6 percentage points in Q1 2025 as we’ve seen class A vacancy fall 200 bps year-over-year, underscoring ongoing tenant preference for higher-quality space.

This has been driven by class A absorption, particularly within first-generation product, which now boast 95%+ occupancy as Midtown East has leased their last remaining spaces and Water Street is left with less than 20,000 sq. ft. available. Class A total vacancy has now improved significantly from the Q1 2023 peak of 22.8%, with direct vacancy even tighter at 14.8%.

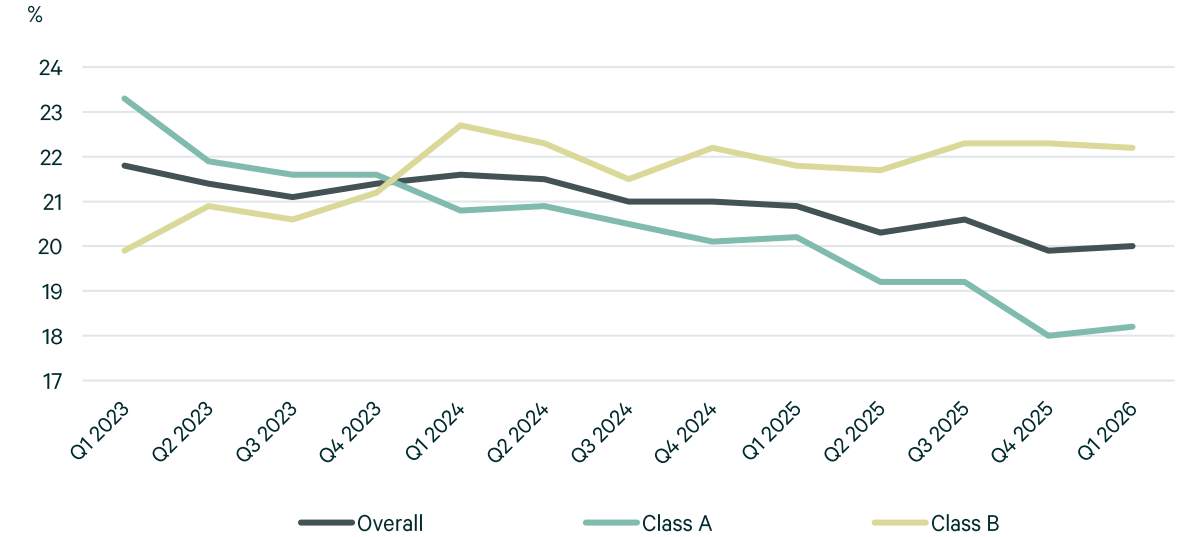
That said, some pending move-out activity has begun to put upward pressure on availability, which rose back above 22% for the first time in 15 months. This could translate into additional vacancy in core submarkets such as the Tampa CBD and Westshore as the year progresses, tempering near-term gains despite otherwise strong fundamentals.

Asking Rent

The overall average direct asking lease rate in Q1 2026 is \$31.87 per sq. ft., down 0.5% quarter-over-quarter and 0.2% year-over-year, but 5.7% above Q1 2023. Class A office asking rents declined from \$36.62 per sq. ft. to \$36.03 per sq. ft. over the quarter, yet remain 0.9% higher than a year ago and 7.3% above levels three years ago, outpacing the broader market. Class B asking rents are effectively flat at \$26.67 per sq. ft., slipping 0.1% quarter-over-quarter and 0.5% year-over-year, but still 5.3% higher than in Q1 2023.

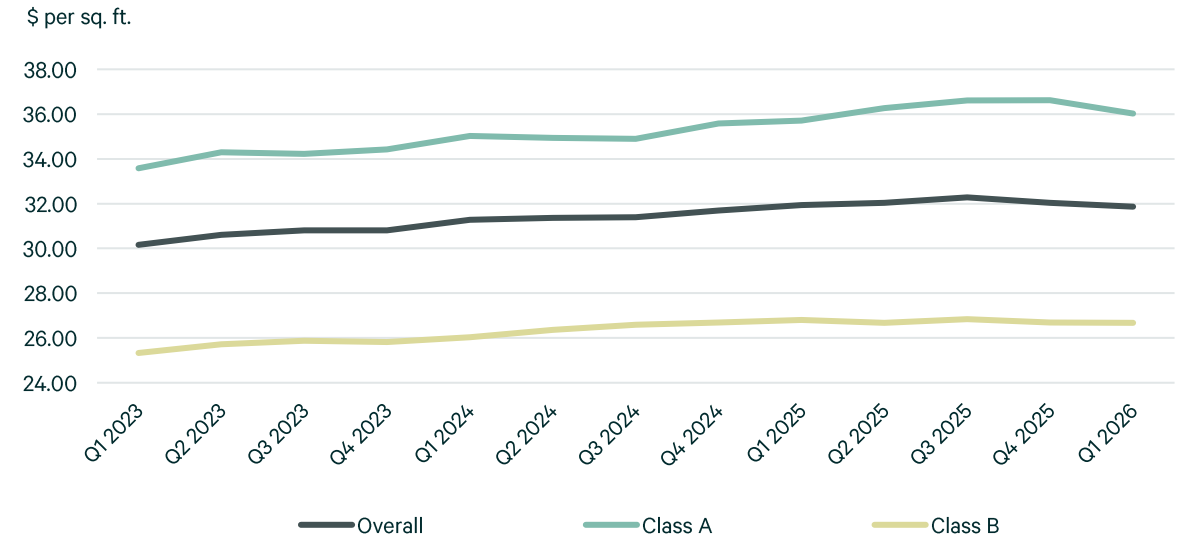
The recent absorption of top-of-market space also continues to influence headline rent metrics, as several of the most highly priced availabilities have been removed from the market. When looking at straight, unweighted asking rent averages, Class A rents are up 5.6% year-over-year. This demonstrates that landlords have remained comfortable with raising posted asking rates, especially as they battle operating expense increases, even if competitive leases are often getting negotiated below those initial proposals.

Figure 2: Vacancy Rates by Class



Source: CBRE Research, Q1 2026

Figure 3: Average Direct Asking Rate by Class



Source: CBRE Research, Q1 2026

Net Absorption

Total net absorption during Q1 2026 reached 61,000 sq. ft., led by 69,000 sq. ft. of positive absorption in Class A assets, partially offset by 8,000 sq. ft. of negative absorption in Class B. While more modest than the 288,000 sq. ft. of net absorption recorded in Q4 2025, the quarter still reflects healthier, more balanced occupancy gains across the market. Notably, Q1 marked the fourth consecutive quarter of positive net demand—something Tampa’s office market has not experienced since 2018.

Class A assets dominated absorption over the previous four quarters, seeing 700,000 sq. ft. of net occupancy gains during that period. With top-tier space continually on the decline, such a strong concentration stemming from class A assets could wane in coming quarters. There remains pending move-in activity from last year that provides predictable gains in the short term, but broader economic impacts and typical annual re-evaluations of real estate strategy have some firms evaluating their office space needs in Tampa. As a result, select consolidations and space reductions have already been announced, which could temper demand later in the year.

Construction Activity

Construction activity remained steady in Q1 2026, with 149,000 sq. ft. currently under construction and no new office deliveries during the quarter. Active development is concentrated in the Tampa CBD and St. Petersburg CBD, led by Grow Financial Place at Gas Worx, a 94,170 sq. ft. project that is 51.0% pre-leased, and the 44,434 sq. ft. office component at 400 Central Avenue, which is fully committed. Both projects are expected to deliver in Q4 2026.

New ground-up construction, however, represents only part of the evolving inventory picture. Since 2020, approximately 1.5 million sq. ft. across 20 office buildings have been removed from the competitive inventory through conversions to other uses, redevelopment plans, or sales to owner-users. At the same time, previously owner-occupied or long-held single-tenant office properties have been introduced to the leasing market, effectively acting as “new” supply. Notable examples include the former TECO Plaza in the Tampa CBD, roughly half of Progressive’s St. Petersburg campus, and Velera’s (formerly PSCU) prior St. Petersburg office, which was vacated and sold to an investor following the company’s relocation to Water Street.

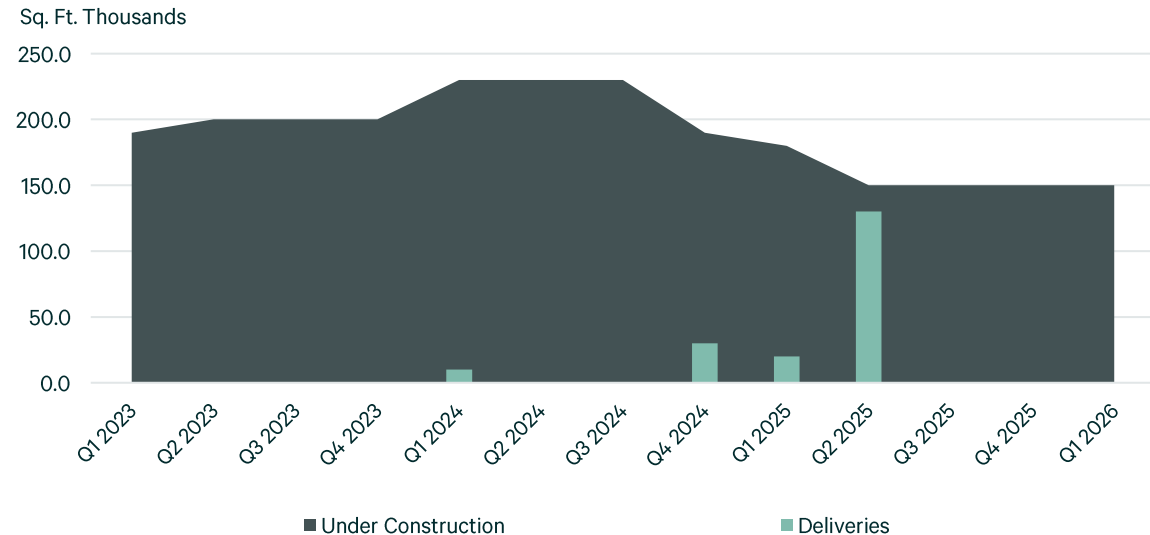
While these properties are helping to meet tenant demand in the absence of meaningful new construction, some lack the modern layouts and amenity packages increasingly sought by tenants—particularly when compared with first-generation Class A space.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q1 2026

Figure 5: Construction Activity



Source: CBRE Research, Q1 2026

Market Statistics

Figure 6: Metro Market Statistics by Class

Property Class	Net Rentable Area (MSF)	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	24.06	17.7	20.2	16.7	3.5	36.03	69,000	69,000	-	139,000
Class B	18.73	21.7	24.5	19.5	5.0	26.67	(8,000)	(8,000)	-	10,000
Total	42.79	19.5	22.1	17.9	4.2	31.87	61,000	61,000	-	149,000

Source: CBRE Research, Q1 2026

Figure 7: Suburban Market Statistics by Class

Property Class	Net Rentable Area (MSF)	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	18.79	18.9	21.3	17.5	3.8	33.83	52,000	52,000	-	44,000
Class B	16.72	22.0	23.9	18.6	5.3	25.97	7,000	7,000	-	10,000
Total	35.52	20.4	22.5	18.0	4.5	30.06	59,000	59,000	-	55,000

Source: CBRE Research, Q1 2026

Figure 8: Urban Market Statistics by Class

Property Class	Net Rentable Area (MSF)	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	5.27	13.3	16.3	13.9	2.5	45.75	17,000	17,000	-	94,000
Class B	2.01	19.0	29.5	26.5	3.1	37.76	(15,000)	(15,000)	-	-
Total	7.28	14.9	20.0	17.3	2.6	44.13	2,000	2,000	-	94,000

Source: CBRE Research, Q1 2026

Market Statistics by Submarket

Figure 9

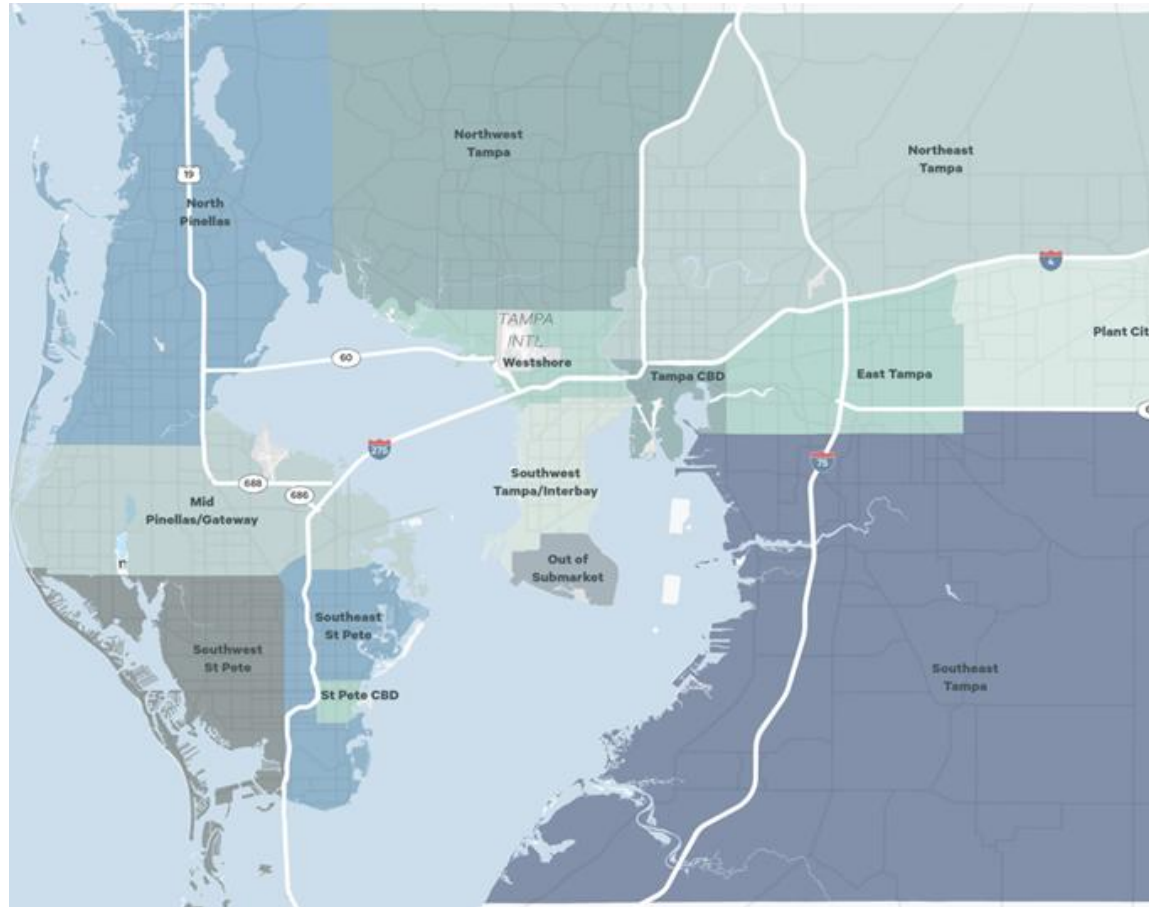
Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
East Tampa	2.54	20.0	25.9	25.7	0.2	25.25	(2,000)	(2,000)	-	-
Mid Pinellas/Gateway	5.00	25.8	26.7	23.6	3.1	27.43	(63,000)	(63,000)	-	-
North Pinellas	3.06	17.3	21.4	16.5	4.8	24.86	13,000	13,000	-	-
Northeast Tampa	4.55	29.6	34.0	30.6	3.4	24.77	35,000	35,000	-	-
Northwest Tampa	4.07	28.0	27.6	11.5	16.1	26.18	(23,000)	(23,000)	-	10,000
Southeast St Pete	0.04	20.7	48.3	48.3	-	-	-	-	-	-
Southeast Tampa	0.33	-	-	-	-	-	-	-	-	-
Southwest St Pete	0.16	7.6	7.6	7.6	-	18.69	(6,000)	(6,000)	-	-
Southwest Tampa/Interbay	0.57	19.1	18.3	18.3	-	41.83	16,000	16,000	-	-
St Pete CBD	2.05	7.9	11.1	10.5	0.7	45.64	(28,000)	(28,000)	-	44,000
Tampa CBD	7.28	14.9	20.0	17.3	2.6	44.13	2,000	2,000	-	94,000
Westshore	13.14	16.3	17.6	14.1	3.5	37.52	118,000	118,000	-	-
Total	42.79	19.5	22.1	17.9	4.2	31.87	61,000	61,000	-	149,000

Source: CBRE Research, Q1 2026

Economic Overview

The current business cycle may be five years old, but U.S. growth appears resilient, despite clear risks on the horizon. GDP growth should average 2.1%, matching 2025 and exceeding peer economies. America’s aggressive build-out of AI infrastructure is a unique edge. Hyperscaler capex is nearing 3% of GDP—just below residential investment. Concerns about the sustainability of this growth and its broader impact are rattling both credit and equity markets. Operation Epic Fury and global energy prices are also a concern. Assuming the conflict is resolved quickly, and U.S. oil prices stay in the \$80/bbl range, the impact on U.S. growth should be minimal. The impact on headline inflation, which is forecast to average 3.2% this year, up from the mid-2% range in February, will be material. Should the conflict escalate, this would elevate inflation and long-term yields and would likely impact the commercial real estate market.

Market Area Overview



Note: A significant inventory audit performed in Q1 2026 will make comparison to previously published reports challenging, please leverage historical data provided within or reach out to a local research professional for more context

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.

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