

FIGURES | TAMPA INDUSTRIAL | Q4 2025

After 24 months of record new deliveries, a slower pace provides time for lease up

▲ 7.3%
Vacancy Rate

▼ 149,358
SF Q4 Net Absorption

▲ 3,496,892
SF Under Construction

▼ 882,779
SF Q4 Deliveries

▲ \$10.71
Triple Net / Lease Rate

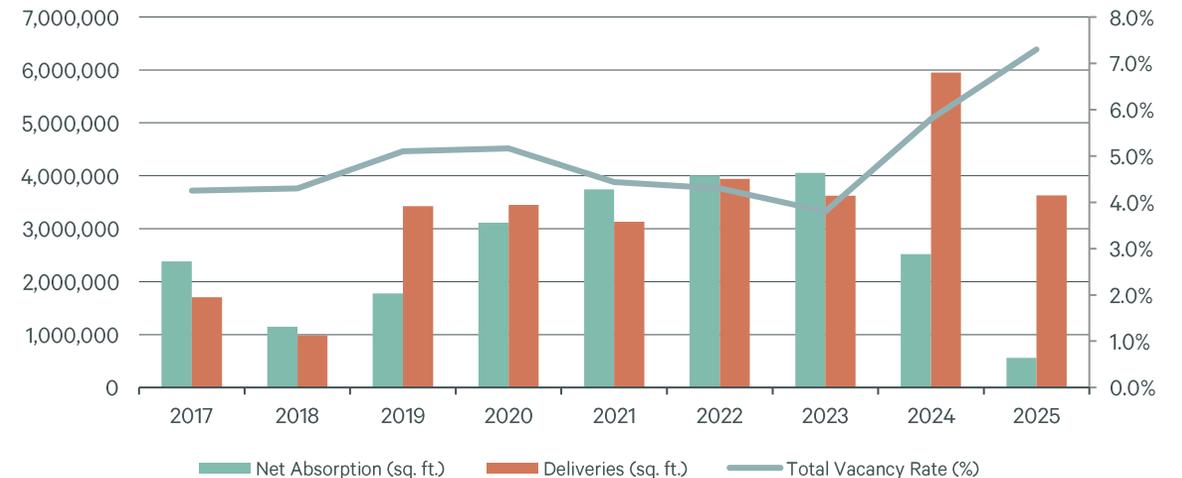
Note: Arrows indicate change from previous year.

OVERVIEW

- Positive net absorption during the fourth quarter brought the annual total to just under 600,000 square feet
- Headline vacancy rose 50 basis points to 7.3%, driven by 880,000 square feet of deliveries
- Over 50% of under construction space is claimed via built-to-suit or preleasing activity and just 150,000 square feet broke ground this quarter as the development pipeline cools

Tampa’s industrial market continues to demonstrate resilience, with positive net absorption and rental rate growth still outperforming trends seen in other parts of the country. While the exceptional momentum of 2021–2023 has naturally moderated, this reflects a market adjusting after an unprecedented development cycle. Nearly 10 million square feet of new product delivered over the past 24 months created short-term vacancy pressure, particularly in submarkets outside Tampa’s core such as Pasco, Plant City, and Southeast Tampa. Despite this, user demand remains strong, highlighted by the return of larger transactions actively exploring the market. This interest will play a critical role in reinforcing market fundamentals as the construction pipeline normalizes to more manageable levels, providing greater runway for absorption and long-term stability heading into the new year.

FIGURE 1: Historical Absorption, Deliveries and Vacancy



Source: CBRE Research

DEMAND

Occupancy gains in Eastern Hillsborough County submarkets—such as East Tampa and Plant City—helped offset negative absorption in Pinellas County and Airport submarkets, where roughly a dozen tenants occupying 10,000 to 40,000 square feet vacated space during the fourth quarter. Despite these move-outs, overall market absorption remained positive at just under 150,000 square feet. However, this figure falls well below the five-year quarterly average of approximately 750,000 square feet, bringing year-to-date absorption to 660,000 square feet. Looking ahead, nearly 1.7 million square feet of scheduled move-ins during the first half of 2026, combined with over 8 million square feet of active tenant requirements, are expected to be key drivers of demand entering the new year.

VACANCY

After a promising third quarter that ended an eight-quarter streak of rising vacancy rates, vacancy ticked up again in the fourth quarter by 50 basis points to 7.3%. While net absorption was positive, its modest pace allowed new deliveries to outstrip demand, adding upward pressure to vacancy. On a positive note, construction activity is easing: the 3.5 million square feet underway at year-end is down from 4.2 million square feet at the end of 2024 and well below the record 6.6 million square feet active in Q2 2025. Additionally, more than 50% of the space currently under construction is already committed through build-to-suit or pre-leasing agreements, which should help mitigate vacancy impacts when these projects deliver in 2026.

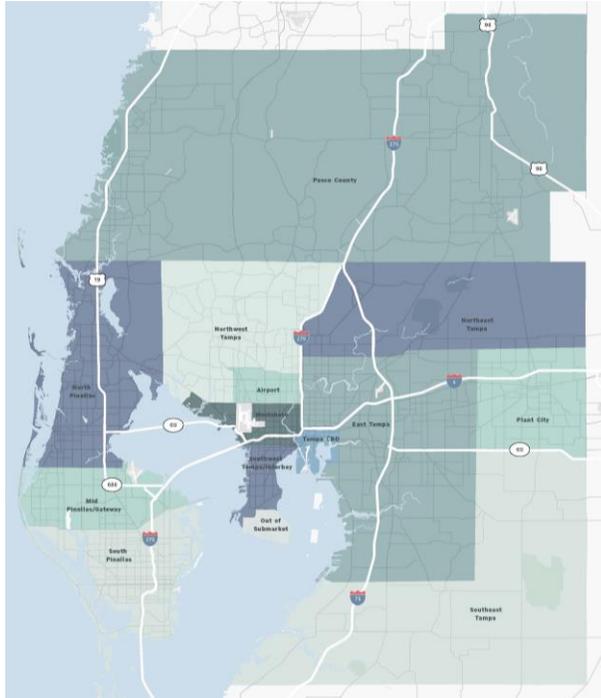
PRICING

Following a sharp increase from 2022 to 2024, rent growth has continued to moderate but remains resilient compared to declines seen in other markets. The overall average asking rent settled at \$10.71 per square foot NNN in Q4, reflecting a 1% increase quarter-over-quarter.

FIGURE 2: Statistical Snapshot Q4 2025

Submarket	Total Inventory (Sq. Ft.)	Direct Vacancy (%)	Total Vacancy (%)	Q4 2025 Net Absorption (Sq. Ft.)	2025 Net Absorption (Sq. Ft.)	Under Construction (Sq. Ft.)	Avg. Asking Lease Rate (\$/SF/NNN)
East Hillsborough	86,891,953	6.5%	7.2%	247,405	885,572	841,701	\$10.07
Tampa CBD	8,751,663	4.8%	5.0%	25,611	8,389	332,520	\$12.28
Northeast Tampa	1,539,951	0.2%	0.2%	(3,000)	(3,000)	0	N/A
East Tampa	54,059,450	4.4%	4.8%	176,649	516,817	259,581	\$11.72
Plant City	20,562,271	11.5%	13.2%	48,145	363,366	249,600	\$7.82
Southeast Tampa	1,978,618	24.8%	24.8%	0	0	0	\$10.45
West Hillsborough	21,184,847	5.2%	5.2%	(78,437)	52,135	404,772	\$13.34
Westshore	3,753,958	1.0%	1.0%	(20,709)	(4,011)	0	\$12.50
Airport	13,554,885	6.7%	6.7%	(70,858)	57,641	0	\$13.43
Southwest Tampa	1,840,189	5.7%	5.7%	16,500	10,400	404,772	\$9.50
Northwest Tampa	2,035,815	2.4%	2.4%	(3,370)	(11,895)	0	\$14.61
Hillsborough County	108,076,800	6.2%	6.8%	168,968	937,707	1,246,473	\$10.40
South Pinellas	8,023,245	3.4%	3.4%	13,318	(69,115)	0	\$10.09
Mid Pinellas/Gateway	30,010,016	6.3%	6.8%	(75,146)	(463,101)	474,203	\$11.27
North Pinellas	6,447,679	1.8%	3.2%	10,062	(54,975)	0	\$11.29
Pinellas County	44,480,940	5.1%	5.7%	(51,766)	(587,191)	474,203	\$11.11
Pasco County	14,036,141	15.8%	16.0%	32,156	209,399	1,766,216	\$10.37
Tampa Total	166,593,881	6.7%	7.3%	149,358	559,915	3,496,892	\$10.71
Manufacturing	31,531,806	2.8%	3.0%	(103,303)	60,058	883,000	\$10.75
R&D/Flex	12,783,921	4.0%	5.0%	(5,196)	(26,841)	12,000	\$13.85
Warehouse/Distribution	122,278,154	8.0%	8.6%	257,857	526,698	2,601,892	\$10.51

Market Area Overview



ECONOMIC OUTLOOK

The U.S. economy is sending some mixed signals. Financial markets are focused on the upside, particularly AI’s sizable contribution to growth in recent quarters. Some indicators of business activity, such as capital goods orders, are improving, and strengthening credit markets are helping to usher real estate into a new cycle.

The picture gets more melancholy when looking at households. Consumer confidence remains weak, with spending reportedly driven by a smaller segment of affluent households. This mosaic of data suggests that annual average GDP growth will be steady in 2026, at 2%, but a touch softer than in 2025. A key catalyst is a softer labor market, as companies are ‘slow to hire, slow to fire’—a trend that is likely to last a few quarters. A consequence of this outlook is softer inflation and long-term bond yields trending just below 4% by H2 2026.

Survey Criteria: Includes all competitive industrial buildings 10,000 sq. ft. and greater in size in Hillsborough, Pinellas and Pasco counties.
 *Note: Changes to submarket boundaries were implemented in Q4 2024, resulting in adjustments to submarket inventory and coverage.

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