

FIGURES | TAMPA OFFICE | Q2 2026

Premium space shortage sets the stage for Tampa's next development cycle

▲ 19.9%

Vacancy Rate

▼ (95,875)

SF Net Absorption

▶ 0

SF Construction Delivered

▶ 149,100

SF Under Construction

▼ \$31.63

FSG/YR Direct Lease Rate

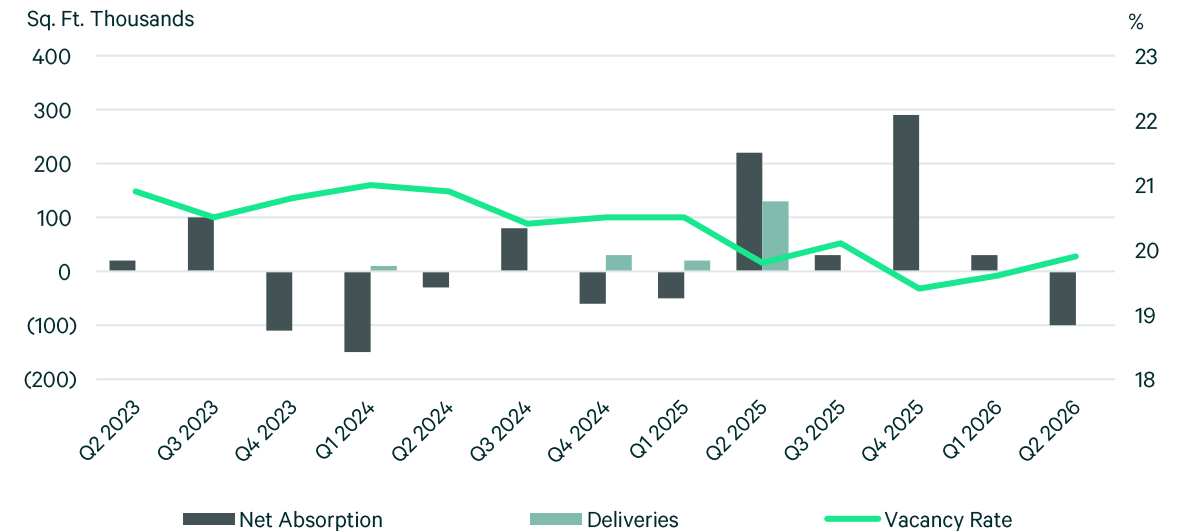
Note: Arrows indicate change from previous quarter.

Market Overview

A slower pace of leasing activity in early 2026, particularly relative to the exceptionally strong first half of 2025, has led to a forecasted period of normalization across the Tampa office market. Demand has moderated, vacancy has largely plateaued, and rent growth has become more selective, reflecting a market that is increasingly defined by asset quality. While leasing fundamentals have returned to pre-pandemic trends, well-located urban submarkets and premier office properties continue to attract the strongest tenant interest, reinforcing an ongoing flight-to-quality mindset.

Looking ahead, the key story remains the growing imbalance between demand for top-tier office space and the limited supply available. With premium space becoming increasingly scarce and the development pipeline still constrained, high-quality assets are expected to maintain a competitive advantage in both leasing and rent performance. At the same time, signs of movement among several long-planned projects suggest developers are becoming more confident in the market's long-term outlook. If those projects move forward, they will bring new space options online between late 2028 and 2030 and could encore the highly successful post-pandemic deliveries that are now nearly fully leased.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q2 2026

Vacancy

Negative net absorption during the second quarter pushed total market vacancy back toward 20% and increased direct vacancy to 16.8%, marking the highest level of the current cycle. Nevertheless, vacancy trends continued to vary by asset class. Class A vacancy reached 17.7%, increasing 20 basis points (bps) quarter-over-quarter but remaining 70 bps below year-ago levels and 360 bps lower than Q2 2023. Class B vacancy climbed to 22.8%, up 50 bps quarter-over-quarter and 120 bps year-over-year, representing a 250-bps increase since Q2 2023.

At the submarket level, urban districts including Tampa CBD, St. Pete CBD and Westshore continued to outperform their suburban counterparts, with direct vacancy remaining below 15% across all three areas.

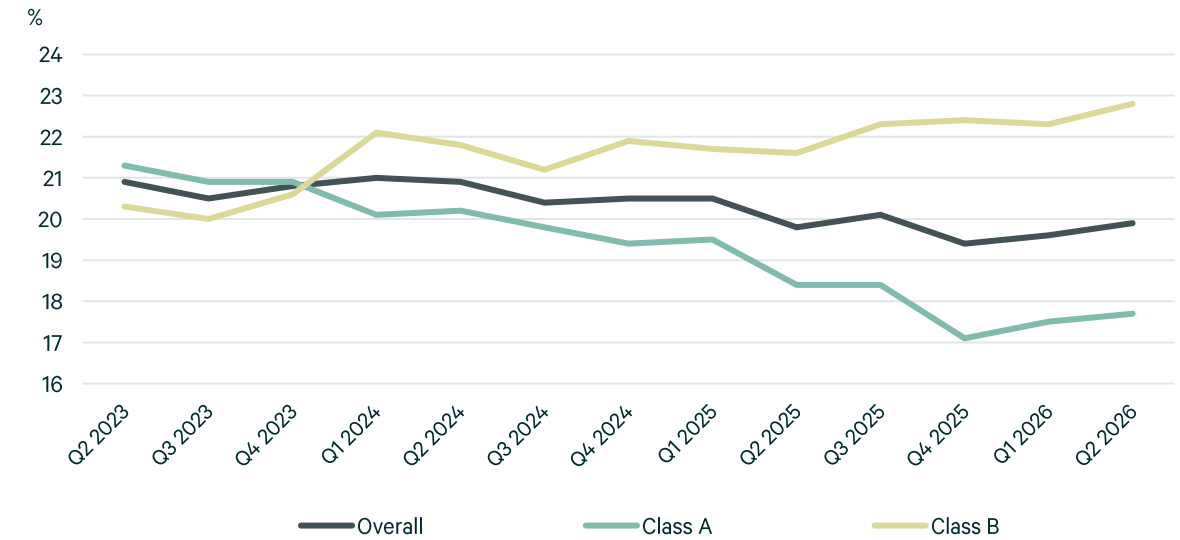
Sublease vacancy rates declined over the quarter. Class A sublease vacancy fell 20 bps quarter-over-quarter to 2.7%, while Class B sublease vacancy decreased 70 bps to 3.6%. As a result, total sublease availability fell to roughly 1.6 million sq. ft. in Q2 2026, the lowest level recorded since the onset of the 2020 pandemic.

Asking Rent

As of Q2 2026, the overall average asking rent stands at \$31.63 per sq. ft., down 0.8% quarter-over-quarter and 1.4% year-over-year, but still 3.3% above Q2 2023 levels. Class A asking rents averaged \$35.93 per sq. ft., decreasing 0.3% from the prior quarter and 0.9% from one year ago, while remaining 4.8% higher than Q2 2023. Class B asking rents averaged \$26.34 per sq. ft., down 1.3% quarter-over-quarter and 1.4% year-over-year, but 2.3% above Q2 2023 levels.

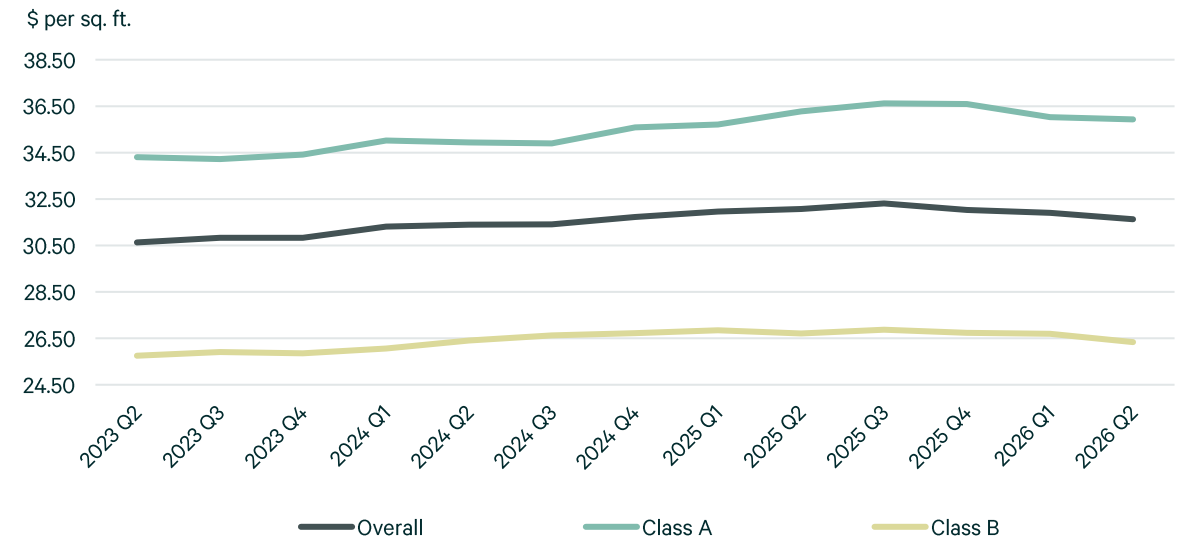
The recent absorption of premium office space continues to influence headline rent metrics, as several of the market’s highest-priced availabilities have been leased and removed from inventory. As a result, weighted average asking rents have softened despite continued strength at the upper end of the market. On a straight, unweighted basis, Class A asking rents have increased 5.0% year-over-year. Meanwhile, top-of-market rents for existing space now exceed \$75.00 per sq. ft. gross, and early discussions surrounding the next development cycle—likely several years away—suggest asking rates could reach the \$80.00 to \$90.00 per sq. ft. range by the time new projects are delivered.

Figure 2: Vacancy Rates by Class



Source: CBRE Research, Q2 2026

Figure 3: Average Direct Asking Rate by Class



Source: CBRE Research, Q2 2026

Net Absorption

Anticipated move-outs during the second quarter, coupled with a slower start to the year for leasing activity, resulted in the first quarter of negative occupancy growth in more than a year and pushed year-to-date net absorption to -65,599 sq. ft. Consistent with recent quarters, Class B properties accounted for the majority of occupancy losses, as tenant preference for higher-quality space continues to drive a persistent flight-to-quality trend.

As noted in prior quarters, the limited supply of top-tier space remains a key constraint on leasing activity among both new-to-market tenants and existing occupiers seeking to upgrade their office space. True top-tier assets represent just 22% of total market inventory and only 15% of currently available space. This marks the lowest share of overall availability for these buildings since mid-2020 and is nearly half the level recorded in 2021, when the most recent wave of new construction delivered a significant amount of premium space to the market.

Construction Activity

As the construction pipeline remains exceptionally thin, with just 149,000 sq. ft. currently underway, developers appear increasingly ready to respond to the market's growing shortage of first-generation office space. Several long-planned projects across the market are beginning to show signs of movement, including some that may advance without the substantial preleasing thresholds that have typically been required and have constrained new development since the last supply cycle.

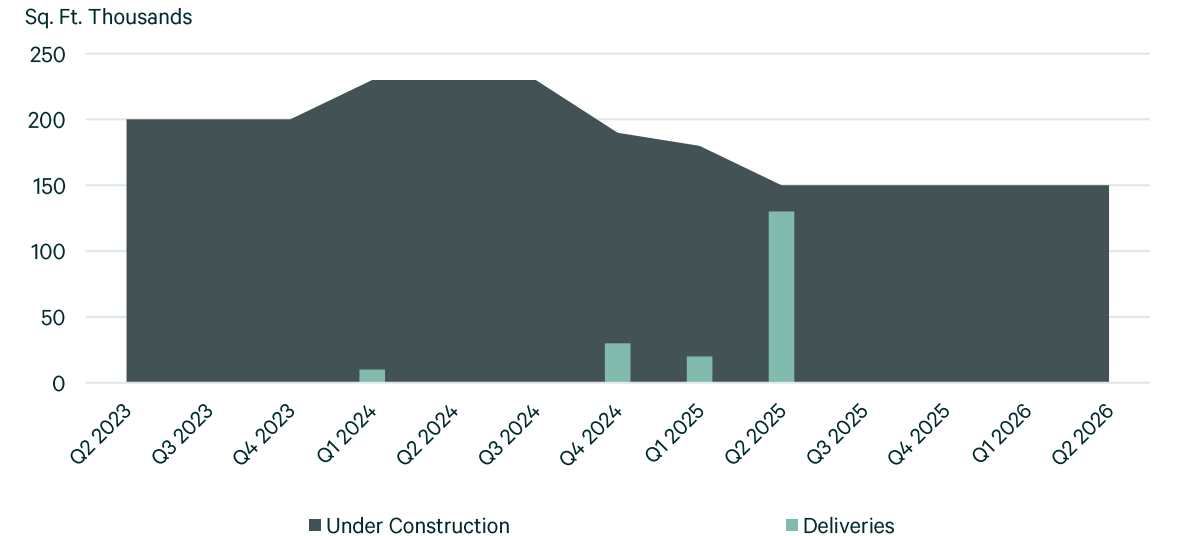
If these projects were to move forward, they would bring much-needed new space options online between late 2028 and 2030 and would follow the mixed-use blueprint that has proven highly successful in Tampa.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q2 2026

Figure 5: Construction Activity



Source: CBRE Research, Q2 2026

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	24.11M	17.7	20.5	16.9	3.6	35.93	(31,000)	9,000	-	139,000
Class B	18.76M	22.8	25.6	21.2	4.3	26.34	(65,000)	(75,000)	-	10,000
Total	42.87M	19.9	22.7	18.8	3.9	31.63	(96,000)	(66,000)	-	149,000

Source: CBRE Research, Q2 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	18.86M	19.1	21.8	17.9	3.9	33.92	(33,000)	(10,000)	-	44,000
Class B	16.73M	22.8	24.9	20.6	4.3	25.73	(20,000)	(15,000)	-	10,000
Total	35.58M	20.8	23.3	19.2	4.1	29.95	(53,000)	(25,000)	-	55,000

Source: CBRE Research, Q2 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	12.8	15.7	13.4	2.3	45.29	2,000	19,000	-	94,000
Class B	2.03M	22.3	30.9	26.4	4.5	38.15	(44,000)	(60,000)	-	-
Total	7.29M	15.4	19.9	17.0	2.9	43.97	(42,000)	(41,000)	-	94,000

Source: CBRE Research, Q2 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	23.3	27.9	27.1	0.8	25.61	(87,000)	(89,000)	-	-
Mid Pinellas/Gateway	4.99M	26.6	28.6	25.5	3.1	27.77	-	(62,000)	-	-
North Pinellas	3.06M	18.7	22.4	17.9	4.5	24.94	(41,000)	(28,000)	-	-
Northeast Tampa	4.58M	27.6	31.6	28.2	3.4	23.56	14,000	35,000	-	-
Northwest Tampa	4.07M	29.7	30.7	18.5	12.3	26.65	25,000	2,000	-	10,000
Southeast St Pete	39,000	1.9	20.6	20.6	-	-	7,000	7,000	-	-
Southeast Tampa	335,000	-	-	-	-	-	-	-	-	-
Southwest St Pete	164,000	3.4	3.4	3.4	-	18.42	1,000	1,000	-	-
Southwest Tampa/Interbay	571,000	16.8	16.5	16.5	-	39.17	12,000	28,000	-	-
St Pete CBD	2.05M	8.8	11.4	10.5	0.9	45.50	(16,000)	(45,000)	-	44,000
Tampa CBD	7.29M	15.4	19.9	17.0	2.9	43.97	(42,000)	(41,000)	-	94,000
Westshore	13.15M	16.3	18.3	14.7	3.6	37.46	31,000	126,000	-	-
Total	42.87M	19.9	22.7	18.8	3.9	31.63	(96,000)	(66,000)	-	149,000

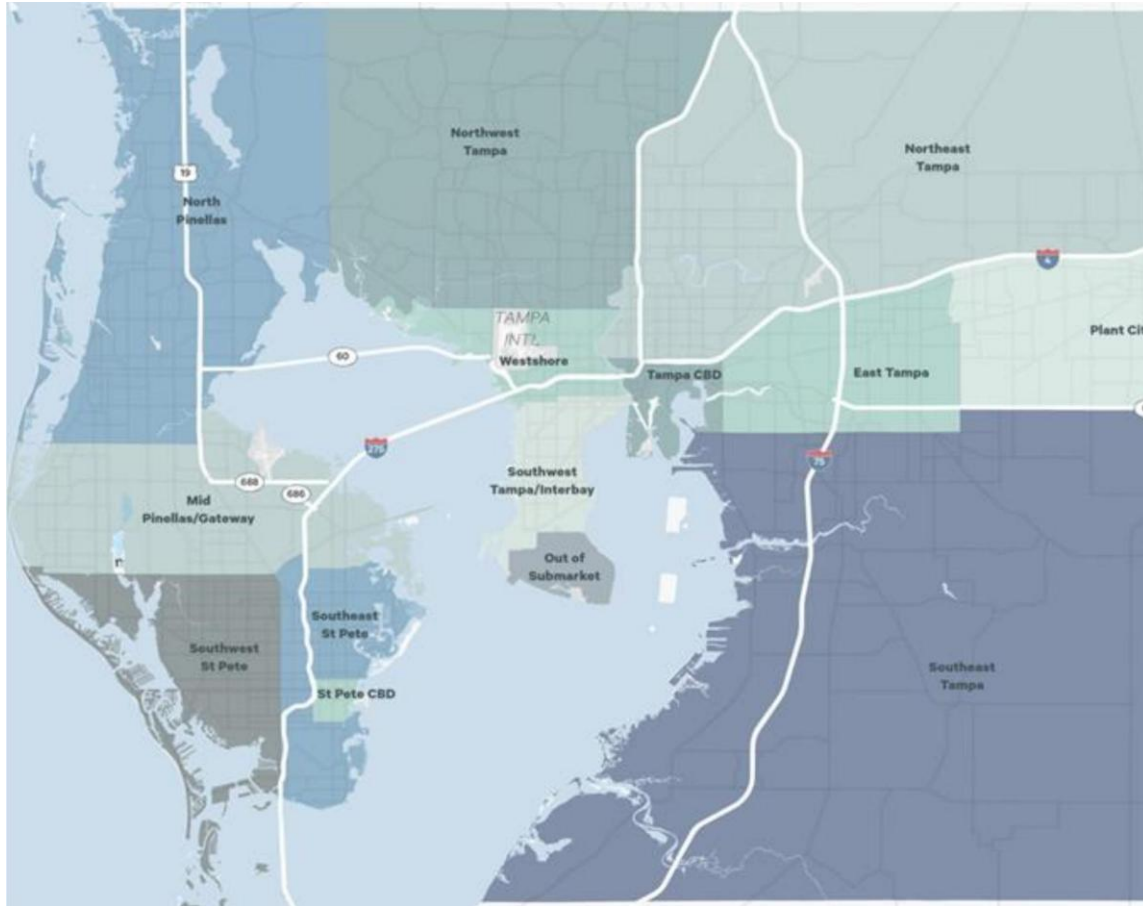
Source: CBRE Research, Q2 2026

Economic Overview

The U.S. economy enters mid-2026 navigating crosscurrents but growing at a healthy pace, with CBRE projecting GDP growth averaging 2.2%, broadly in line with 2025. The AI investment boom is certainly a key driver of this expansion. Concerns surrounding the sustainability of this growth are valid, but we expect AI-related business investment to continue.

The more pressing concern in recent months has been the U.S./Iran conflict and its impact on world energy prices, which recently pushed U.S. inflation to 4.2%. Should the prospective peace deal announced in June come to fruition, inflation would fall to the upper 3% range by year-end as energy prices slowly decrease. Stickier inflation has pushed Treasury yields well above 4%, complicating real estate markets. On the upside, the prospect for peace and normal trade flows in the Persian Gulf could refresh the optimism the CRE market felt at the beginning of the year.

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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