4Q25

Tampa Office Market Overview

NEWMARK

Market Observations

Economy

- The unemployment rate rose by 38 basis points year over year to 3.8% but remains below the five-year average of 4.2%, signaling resilience despite recent softening in the labor market.
- Job growth moderated to 1.0% year over year, an eight-basis-point slowdown; however, after dipping below the national average in June 2024, the region has since surpassed the national pace.
- Nine of the ten major employment sectors posted job gains over the past year, led by the education and healthcare industry, which recorded a robust 3.0% increase.
- In September 2025, office-using employment totaled 464,451 jobs, just 0.4% below its all-time high, yet 16.0% above 2019, underscoring its long-term growth trajectory.

Leasing Market Fundamentals

- Annual full-service asking rental rates reached a new all-time high of $29.59/SF, reflecting a 1.1% increase year over year at the end of the fourth quarter of 2025.
- The vacancy rate stands at 15.5%, down eight basis points year over year, driven by move-ins in the NW Hillsborough and Westshore submarkets.
- The development pipeline continues to be subdued with 164,656 SF currently under construction, representing just 0.3% of total market inventory.
- Leasing activity totaled 1.0 MSF for the quarter, marking the weakest fourth quarter performance since 2009. Yearly activity closed 2025 at 5.9 MSF, down 5.5% compared to the previous year.

Major Transactions

- The quarter's largest deal was signed by Elite Insurance Partners, a combined renewal and expansion adding 2,931 SF to span 51,676 SF at Renaissance V in the NW Hillsborough submarket.
- Three of the five largest lease transactions in the fourth quarter of 2025 occurred in Class A buildings in the Tampa CBD submarket, indicating the appeal of quality assets in an urban setting.
- Renewals accounted for four of the five largest deals in the fourth quarter of 2025, including two renewals paired with expansions. All of these deals occurred in Class A buildings, reflecting tenants' preference to remain in high-quality buildings.

Outlook

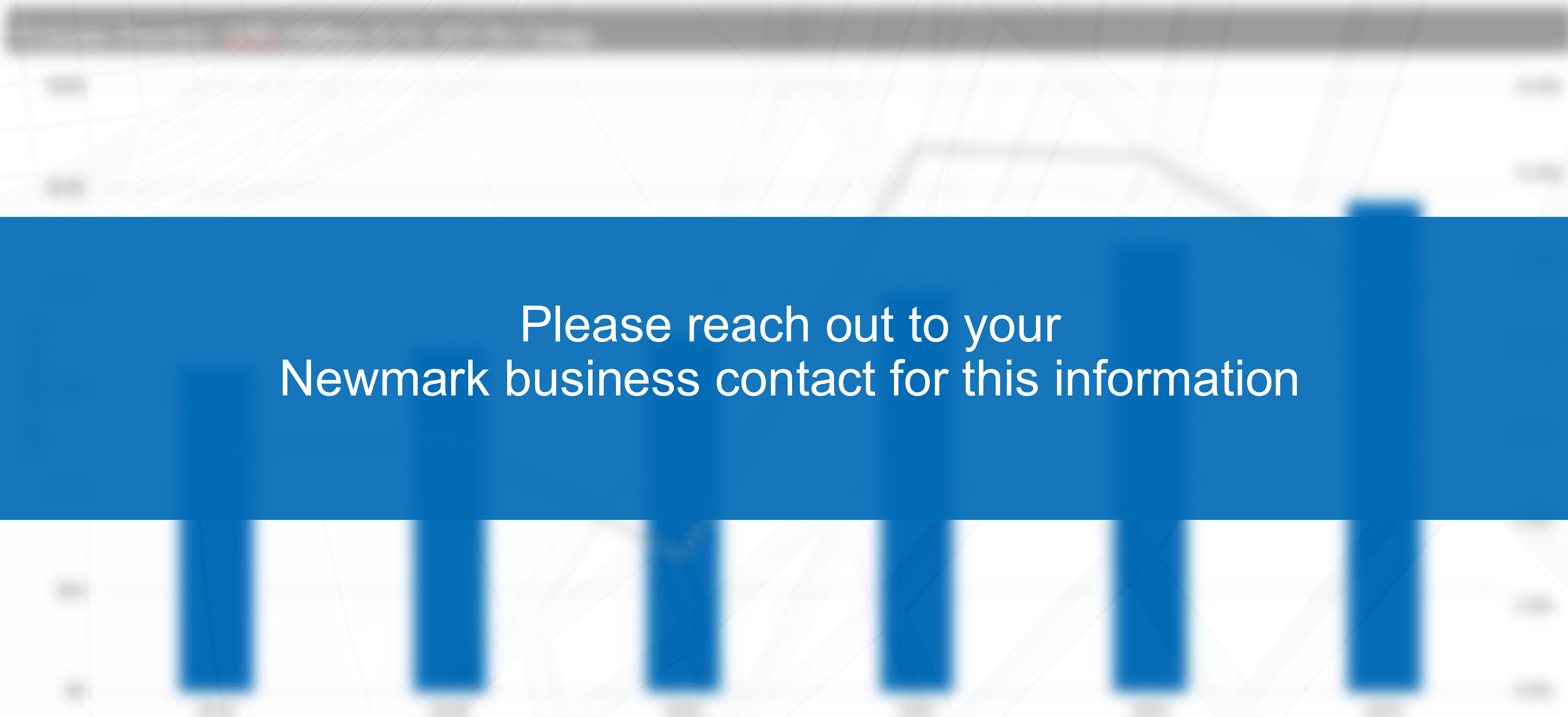
- Following two of the Fed's three 2025 rate cuts occurring in the fourth quarter, tenants may begin to firm up multi-year space plans, with deferred requirements potentially returning in 2026.
- Tampa's near-term absorption will hinge on a steady flow of smaller leases, as large deals will be rarer, keeping gains incremental. Additionally, tenants are anticipated to continue relinquishing underused space in older assets while expanding or renewing footprints in premier properties.
- In the near term, vacancies should edge lower, buoyed by restrained new supply and continued demand for space in the market.

TABLE OF CONTENTS

4Q25

Economy

Tampa Gross Metropolitan Product

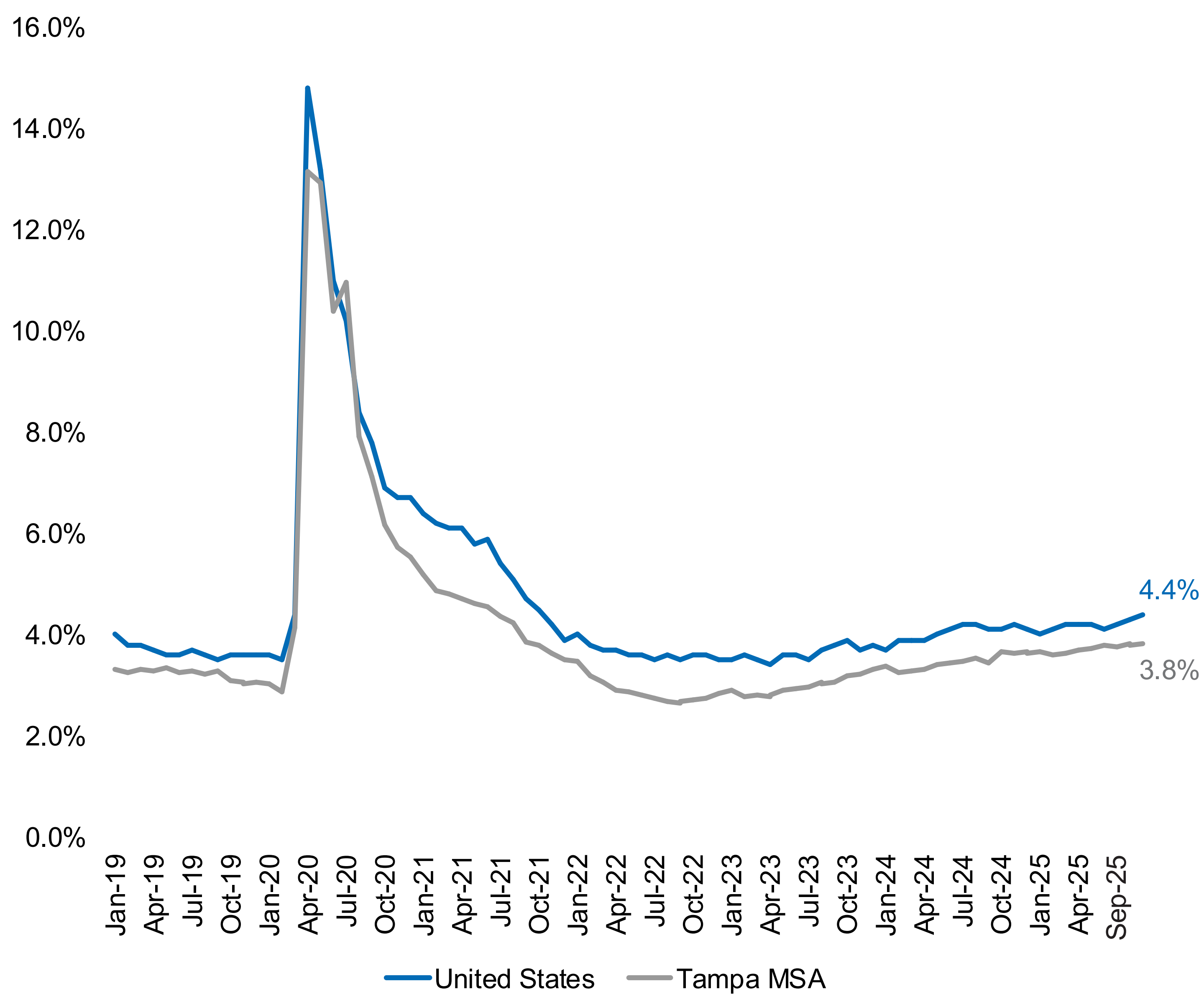


Please reach out to your
Newmark business contact for this information

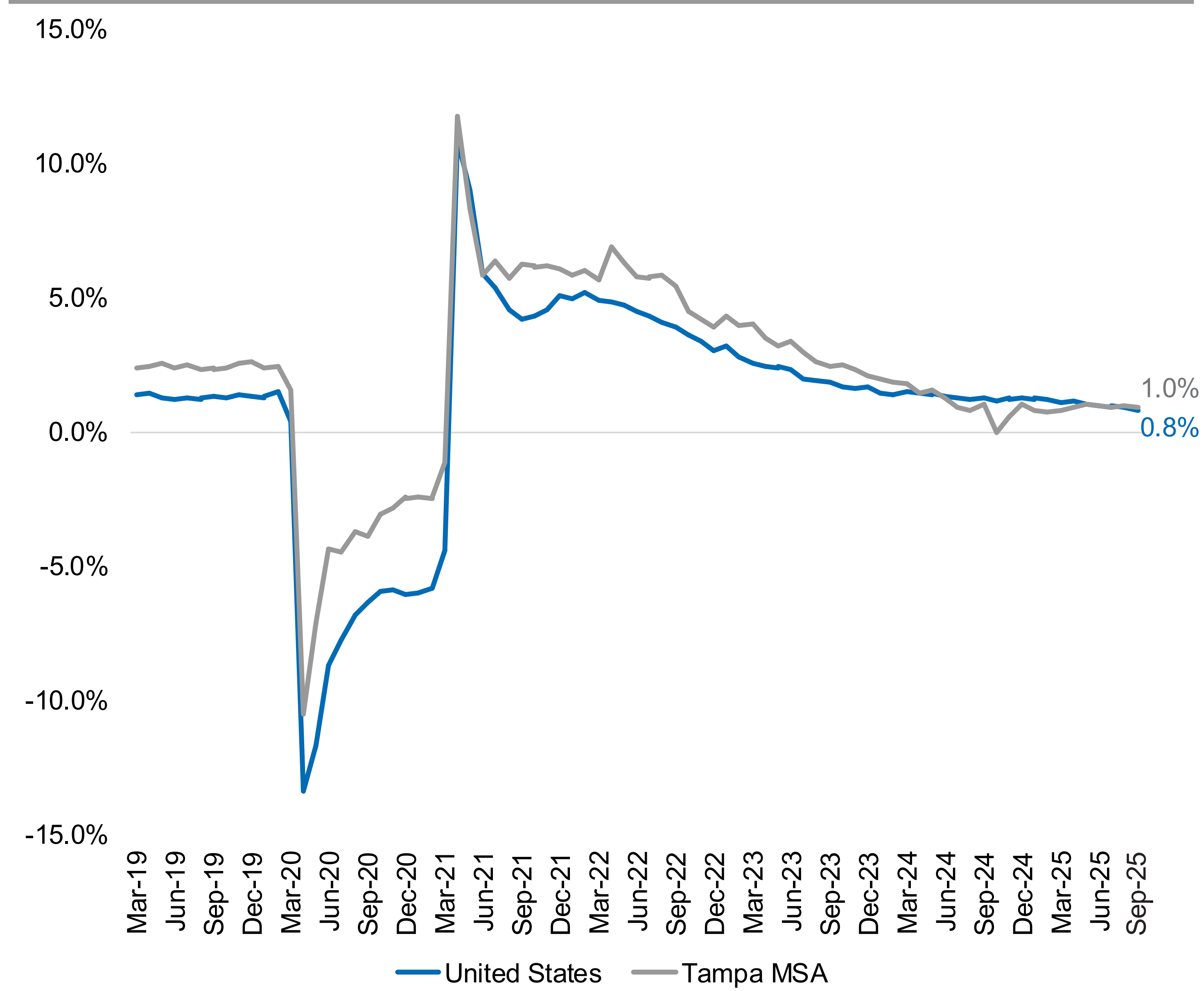
Metro Outperforms Nation on Unemployment and Job Growth

Tampa has historically maintained an unemployment rate below the national average, while generally outperforming in year-over-year employment growth. However, ongoing economic headwinds have begun to affect the local labor market. In September 2025, Tampa's unemployment rate ticked up 38 basis points year over year to 3.8% as job growth declined by eight basis points year over year to 1.0%. After dipping below the national average in June 2024, regional employment growth has, over the past year, rebounded slightly and surpassed the national pace, driven by gains in the education and health sector.

Unemployment Rate, Seasonally Adjusted



Nonfarm Payroll Employment, Seasonally Adjusted, 12-Month % Change

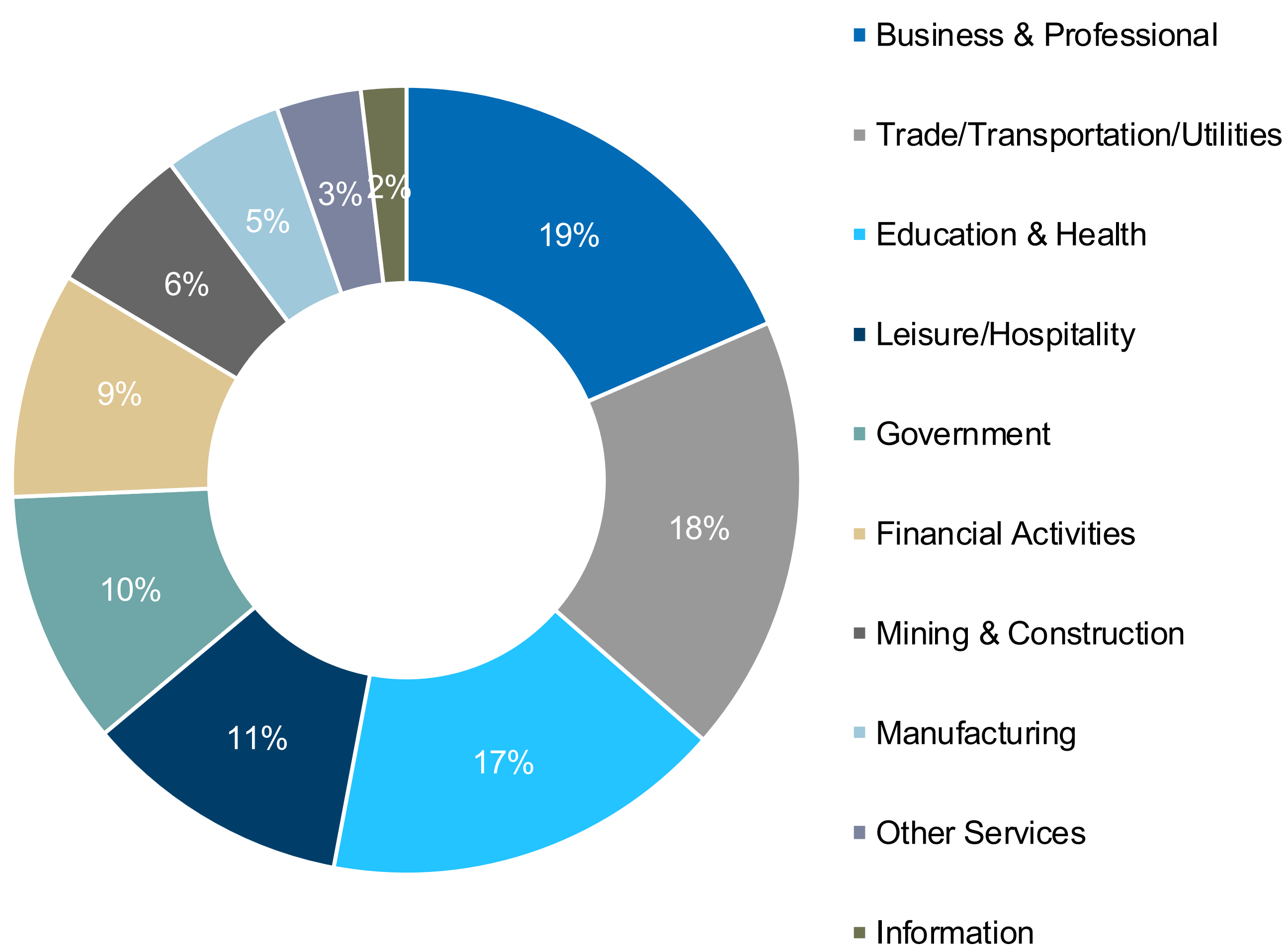


Source: U.S. Bureau of Labor Statistics, Tampa MSA

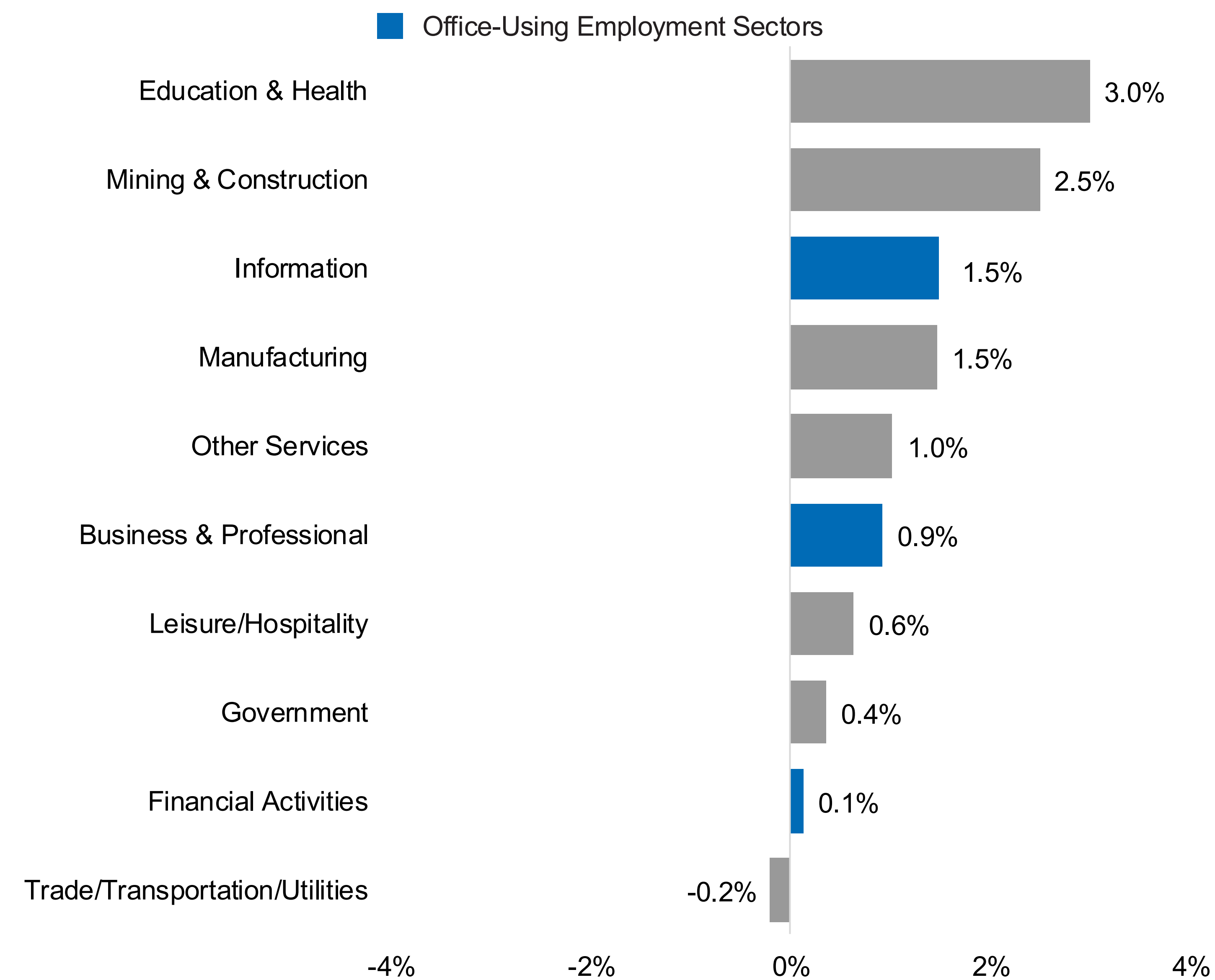
All Office-Using Sectors Post Year-Over-Year Gains

Tampa's two largest employment sectors collectively represent 36.5% of the metro's job base, with business and professional services, the primary office-using sector, accounting for the largest share at 18.5%. Nine of the ten major employment sectors posted job gains over the past 12-months, led by the education and health industry, which recorded a 3.0% increase. Over the past year, all three key office-using industries posted employment growth, ranging from 0.1% in financial activities to 1.5% in the information sector. Continued employment growth across most industries reflects the market's underlying resilience, propelled by specialized, service-oriented occupiers.

Employment by Industry, September 2025



Employment Growth by Industry, 12-Month % Change, September 2025

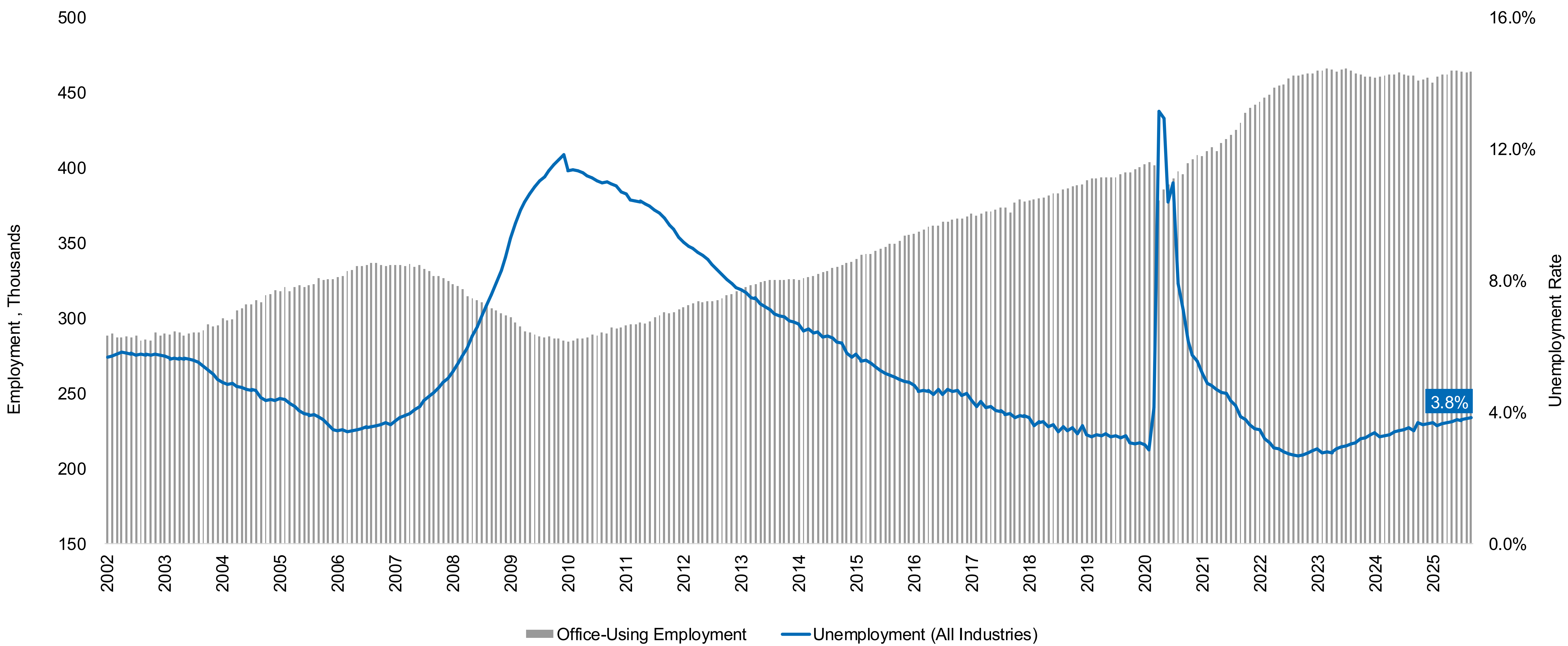


Source: U.S. Bureau of Labor Statistics, Tampa MSA

Office-Using Employment Remains Near Peak Despite Uptick in Unemployment Rate

Total office-using employment rose 0.7% year over year to 464,451 in September 2025. However, office-using employment is still 0.4% below the March 2023 peak. The unemployment rate is 3.8%, modestly above the 2019 pre-pandemic average of 3.2%. Despite recent softening, the relative durability of Tampa's office-using sectors has kept employment near historical highs, supporting steady office demand.

Office-Using Employment* and Unemployment Across All Industries



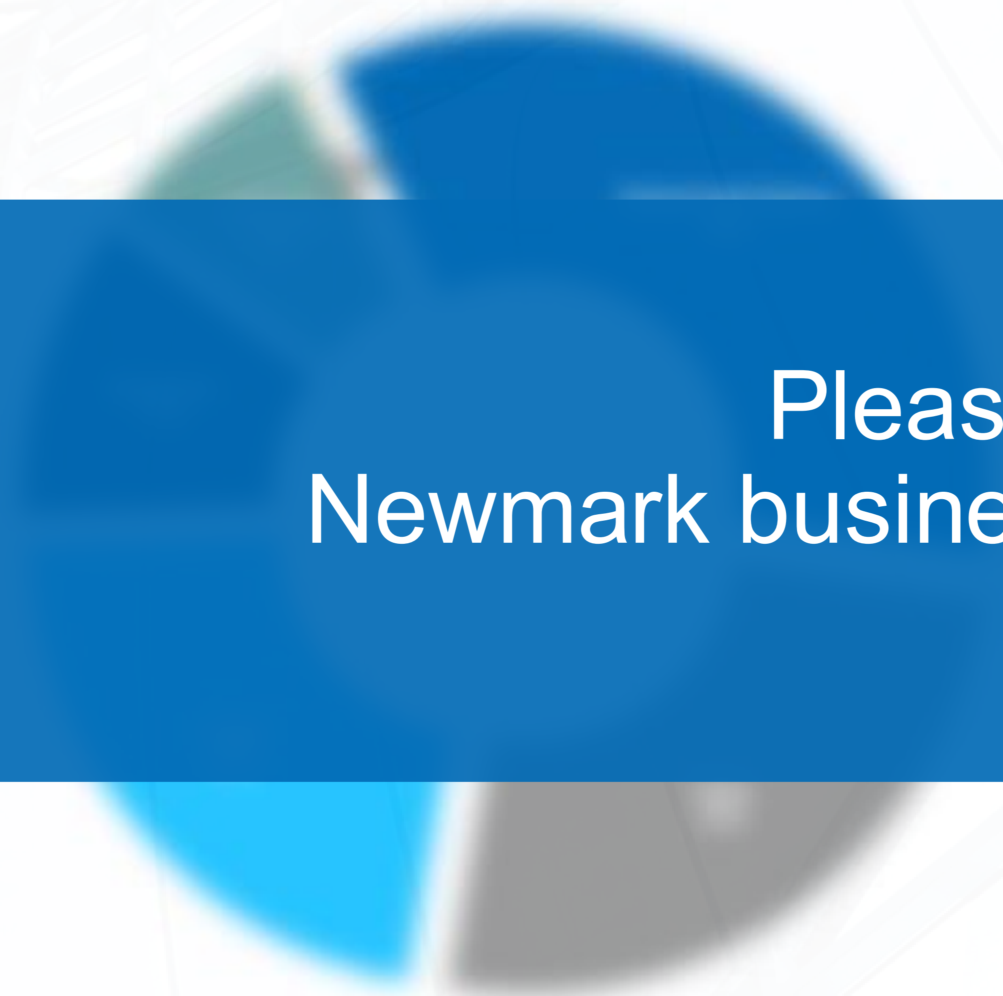
Source: U.S. Bureau of Labor Statistics, Tampa MSA

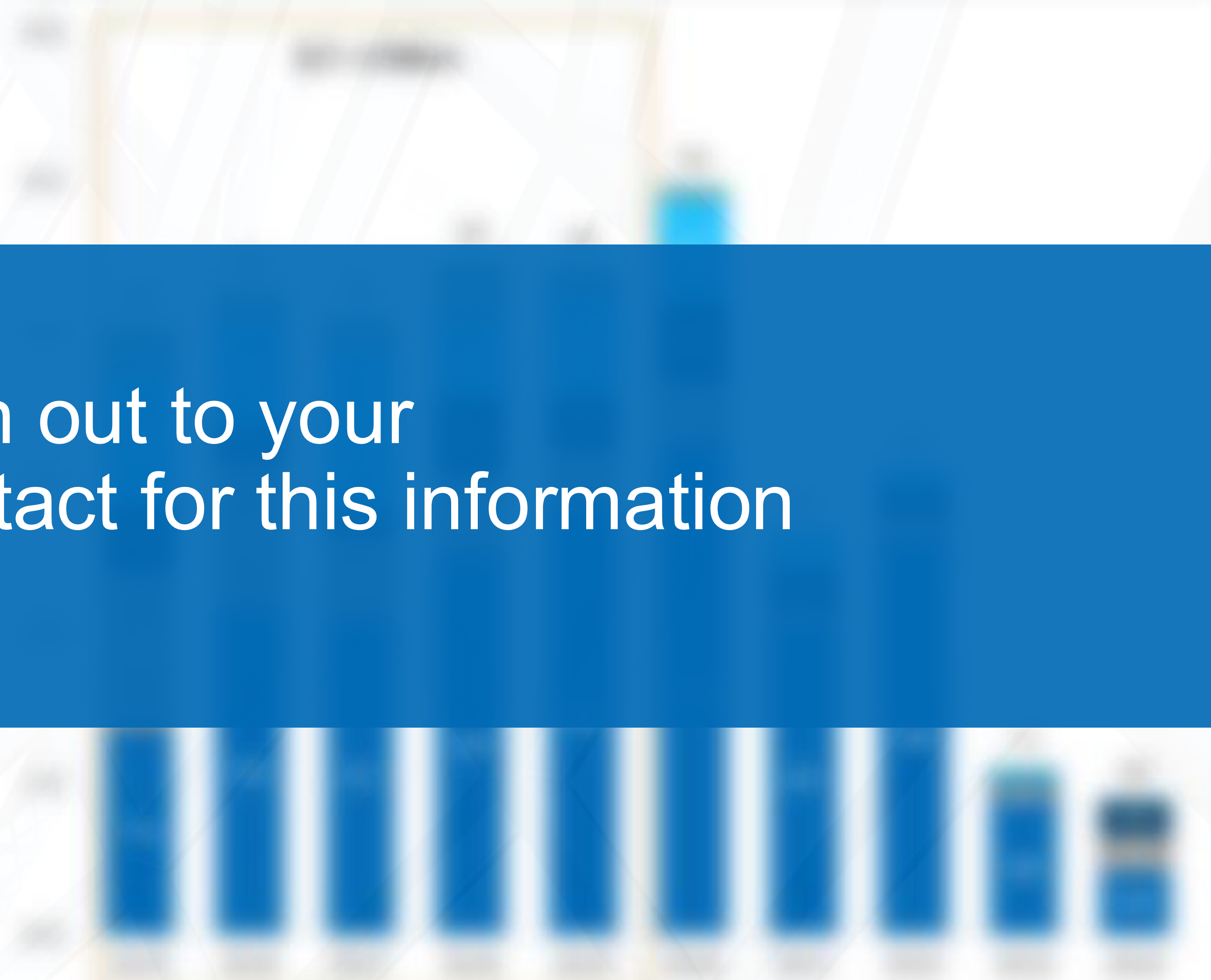
*Office-using employment includes employment in the following industry sectors: Professional & Business Services, Financial Activities and Information.

4Q25

Debt/Capital Markets

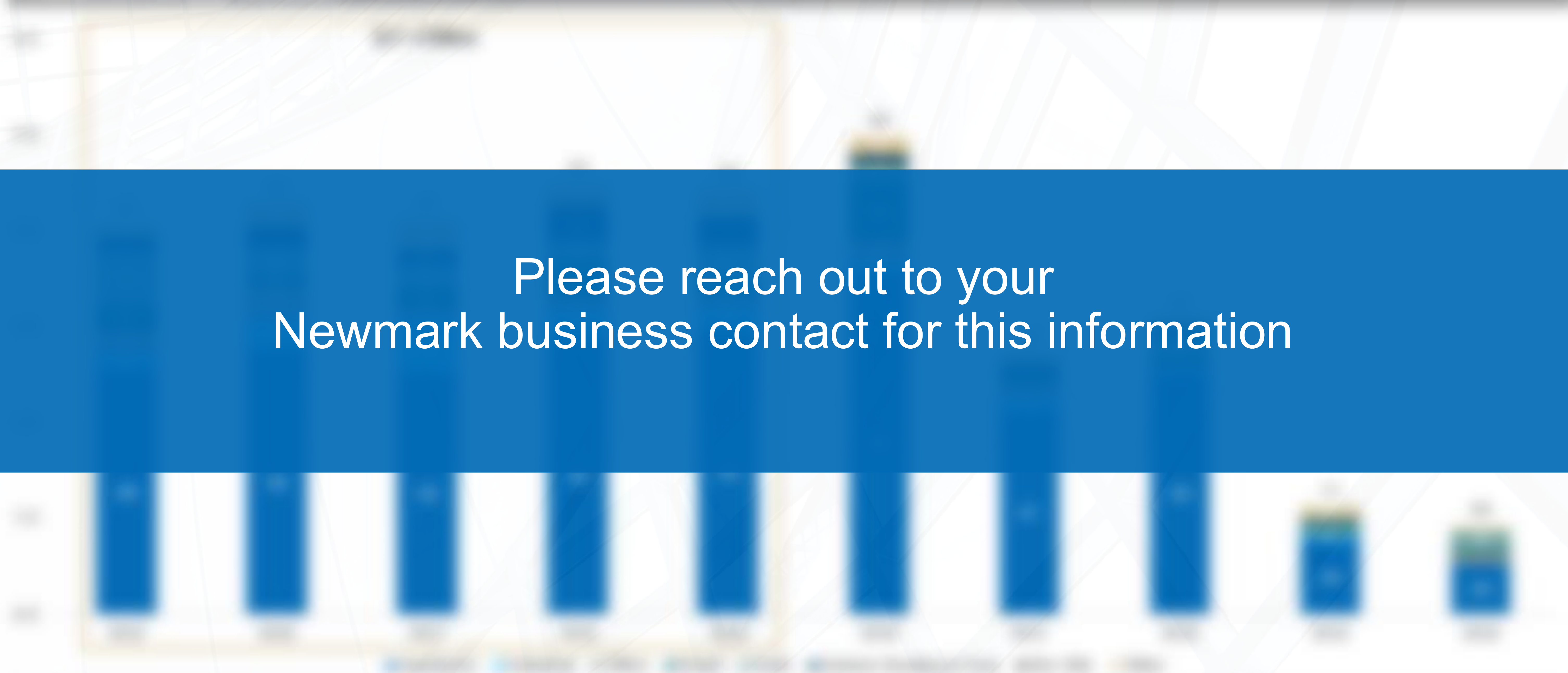
Loan Maturity Volume Peaks in 2030





Please reach out to your
Newmark business contact for this information

Multifamily Maturities Particularly Elevated Through 2029, Office Not So Much



Please reach out to your
Newmark business contact for this information

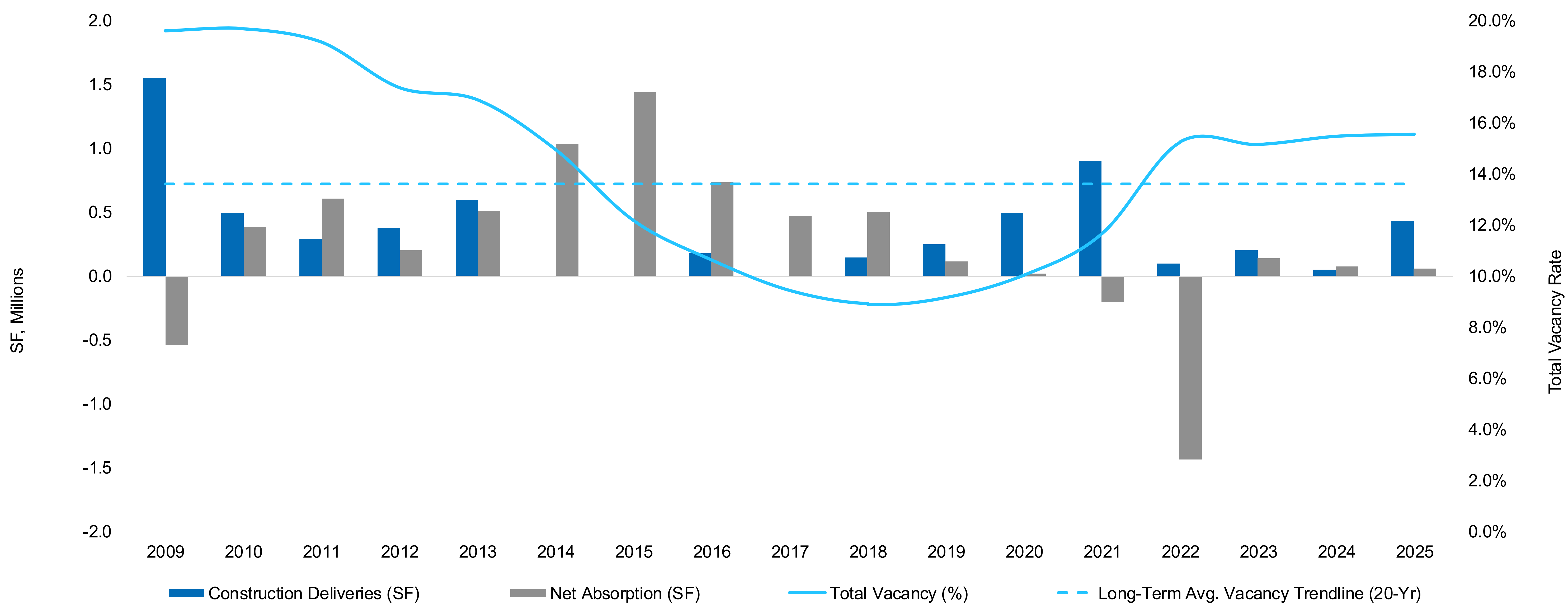
4Q25

Leasing Market Fundamentals

Vacancy Remains Stable Amid Light Pipeline and Healthy Demand

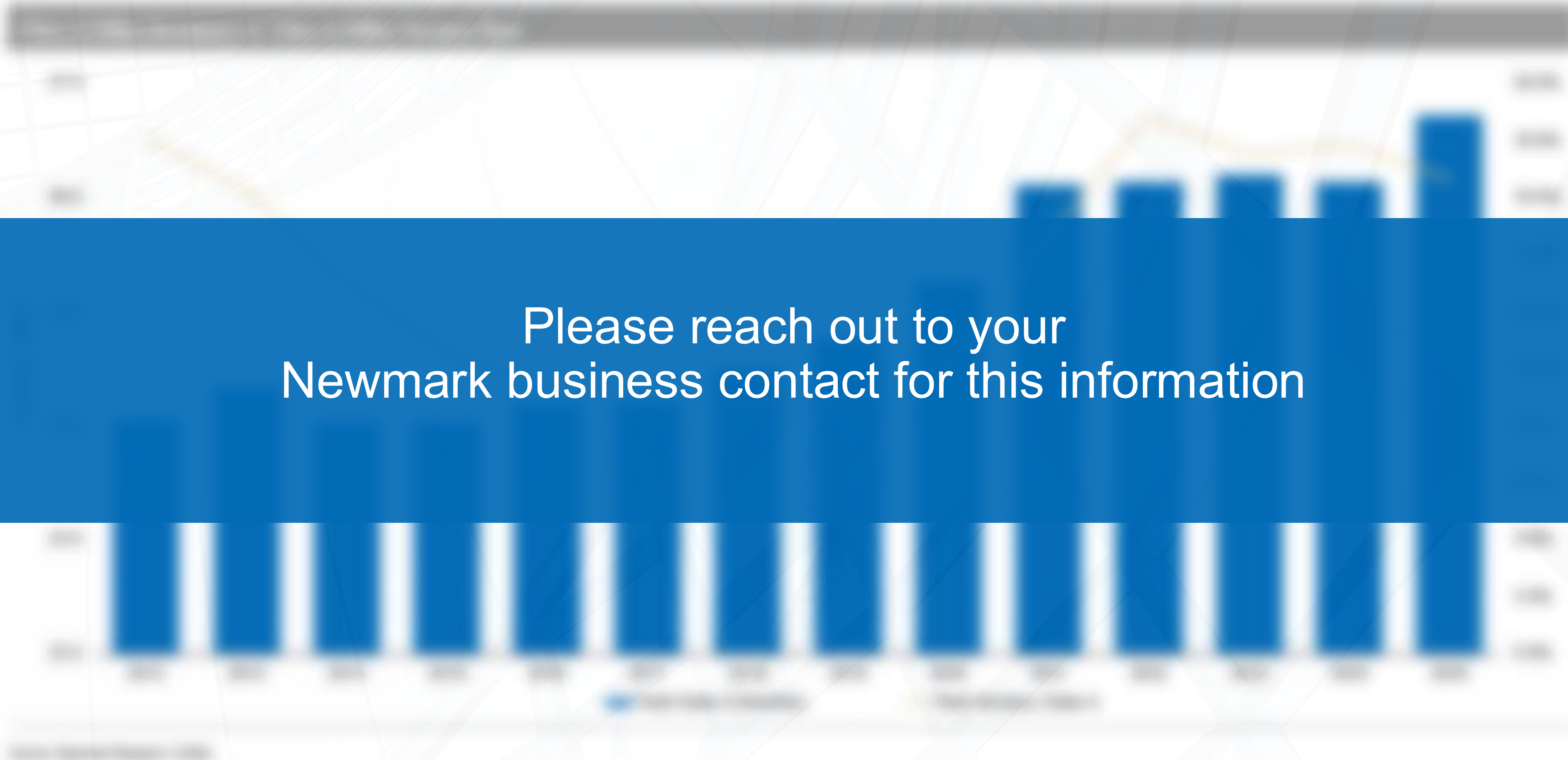
Tampa's office vacancy closed at 15.5% in the fourth quarter of 2025, down 29 basis points from the prior quarter but up eight basis points year over year as the vacancy rate continues flattening since 2023. The quarter posted 176,377 SF of positive net absorption pushing yearly occupancies to 55,648 SF. The increase was driven by move-ins in the NW Hillsborough and Westshore submarkets, led by Fisher Investments' 142,881-SF move-in at Renaissance III in NW Hillsborough. No projects delivered in the fourth quarter of 2025, keeping year-to-date deliveries at 428,929 SF, entirely attributable to the Midtown East delivery in the first half of 2025. Deliveries remain below the 2021 recent peak, but the current yearly pace is the highest since 2022, adding some supply pressure just as tenant demand settles back to normal. Looking ahead, vacancy should remain flat, driven by demand from tenants backfilling second-generation space, rather than from large new companies entering the market.

Historical Construction Deliveries, Net Absorption, and Vacancy



Source: Newmark Research, CoStar

Elevated but Improving: Class A Vacancy Declines as Tenants Favor Amenity-Rich Space

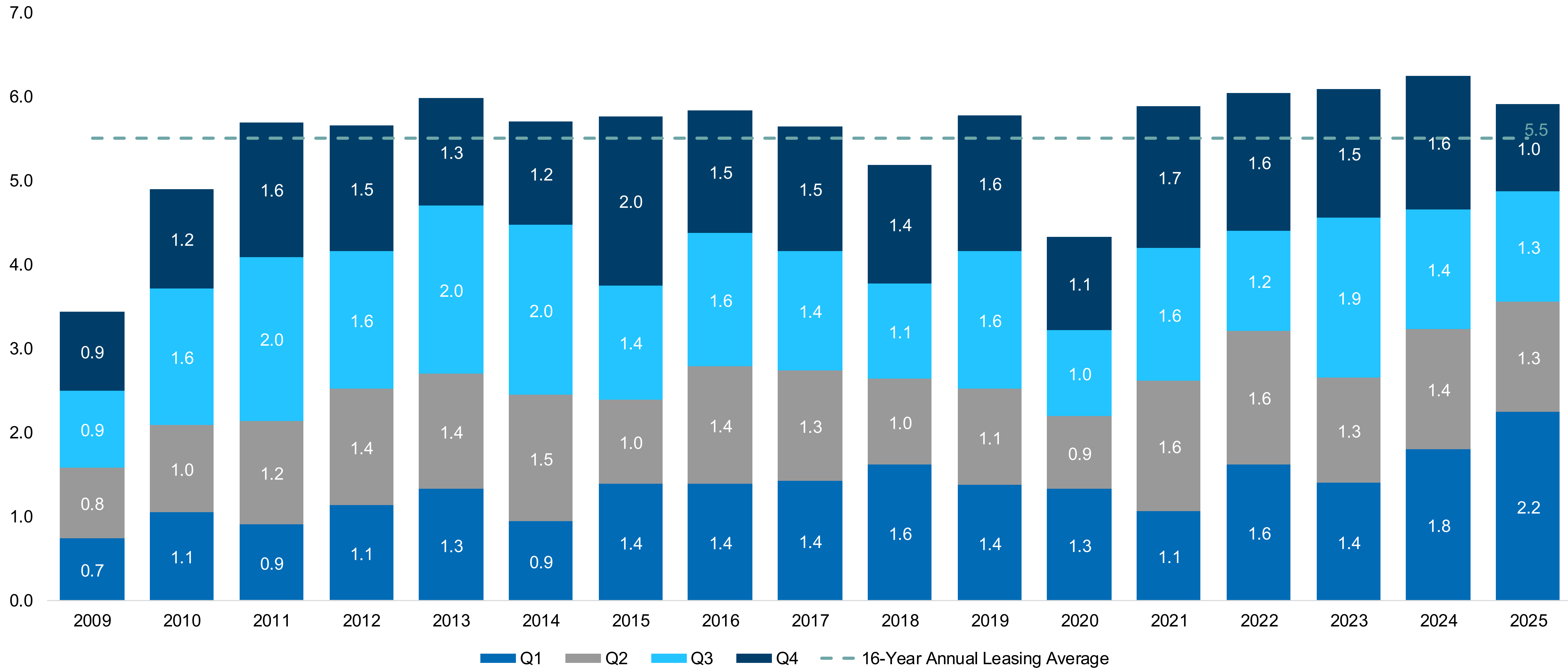


Please reach out to your
Newmark business contact for this information

Annual Leasing Activity Outpaces Historical Average Despite Slower Quarterly Volume

Leasing activity totaled 1.0 MSF in the fourth quarter of 2025, remaining well below the 16-year fourth-quarter average of 1.5 MSF. As a result, year-to-date leasing reached 5.9 MSF, ending the market's three-year streak of annual leasing volumes above 6.0 MSF, though full-year leasing activity still outpaced the 16-year annual average by 7.2%. The average deal size fell by 1,428 SF year over year to 4,278 SF in the fourth quarter, underscoring continued rightsizing and a tilt toward smaller requirements even as overall demand remains active.

Total Leasing Activity (msf)

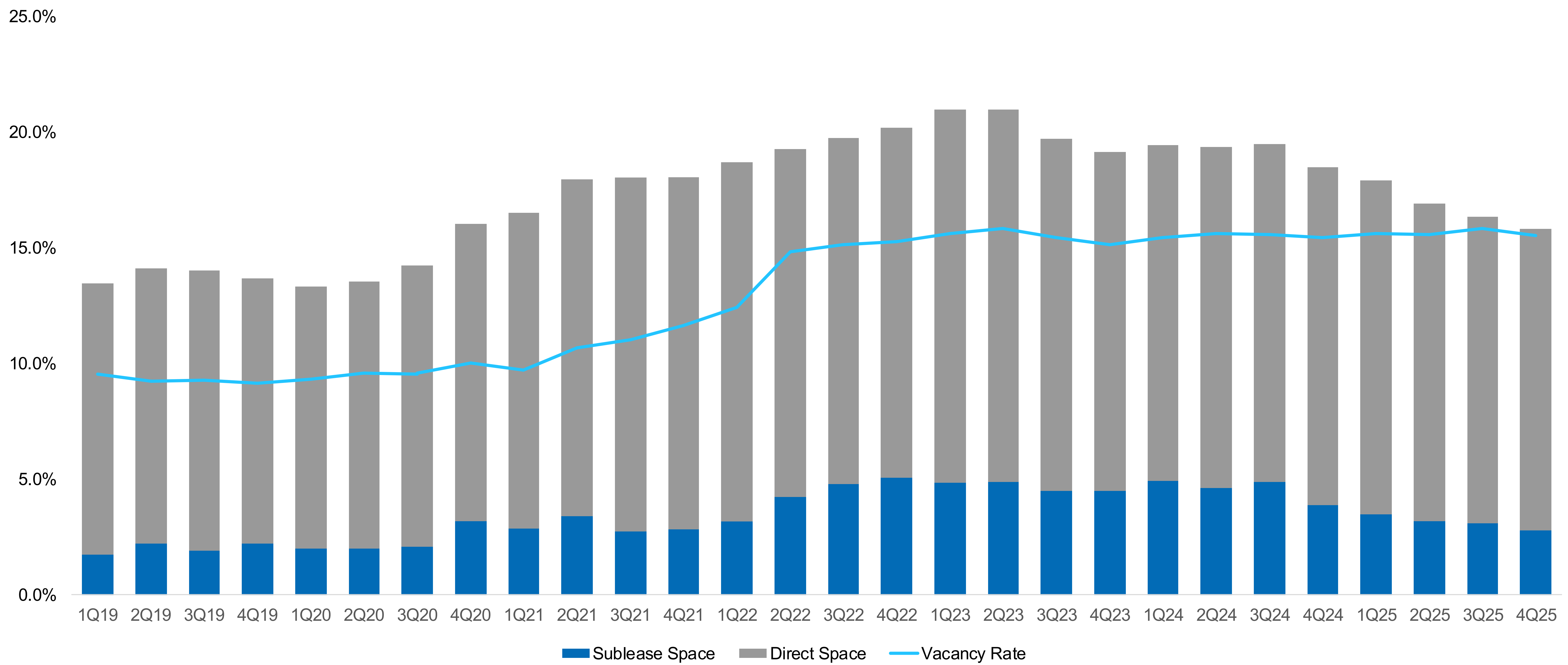


Source: Newmark Research, CoStar

Availability Declines while Vacancy Flattens

Tampa's sublease availability eased to 2.8% in the fourth quarter of 2025, down 31 basis points from the prior quarter and 108 basis points year over year. Direct availability declined by 21 basis points quarter over quarter and more significantly by 158 basis points year over year. Combined, these improvements edged overall vacancy down 29 basis points quarter over quarter, though it remains eight basis points higher year over year due to an influx of supply added onto the market earlier this year.

Available Space as Percent of Overall Market

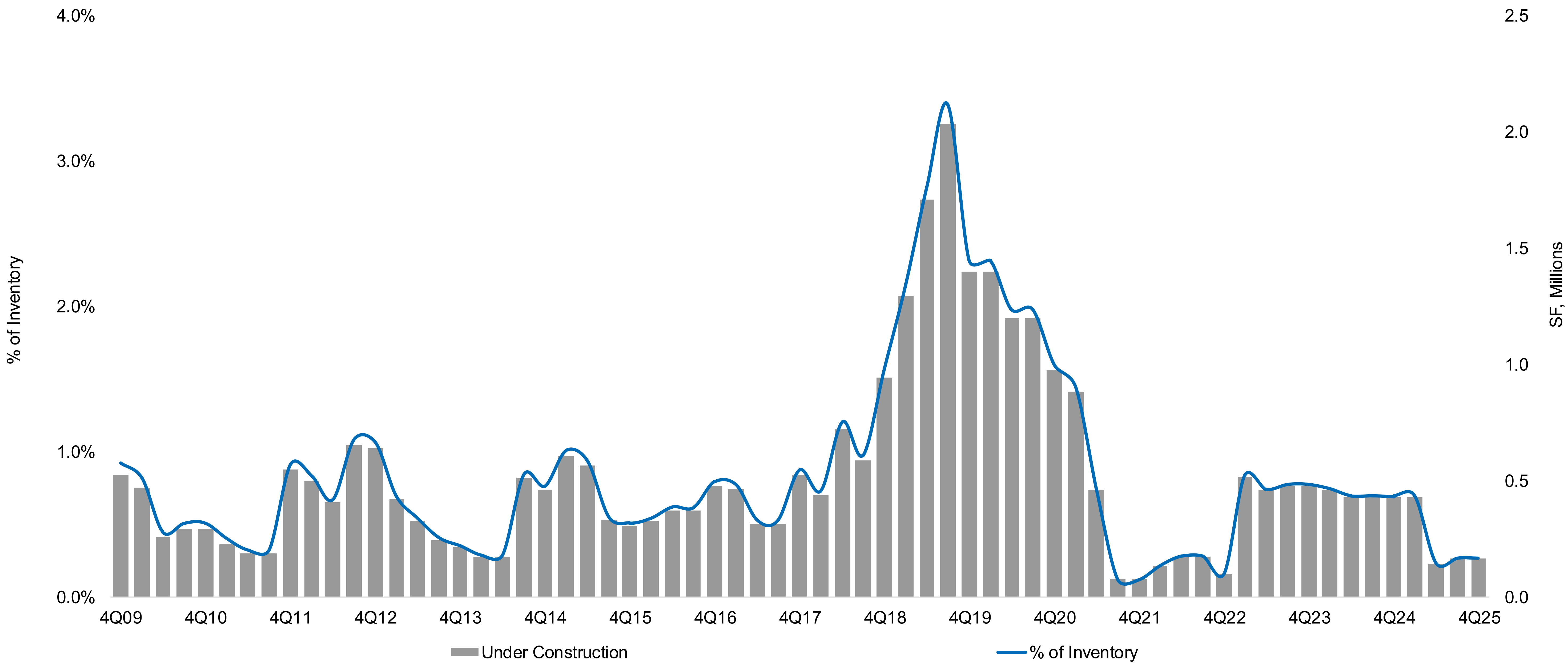


Source: Newmark Research, CoStar

Construction Activity Remains Muted with No New Groundbreakings

In the fourth quarter of 2025 construction activity remains subdued with no new projects breaking ground. The year closed with 164,656 SF of under-construction activity, accounting for just 0.3% of total inventory. This is considered on the lower end of market share reported with the 10-year historical share averaging 1.0%. Overall, development remains highly disciplined, limiting near-term oversupply risk and reinforcing the market's cautious approach to new office construction.

Office Under Construction and % of Inventory

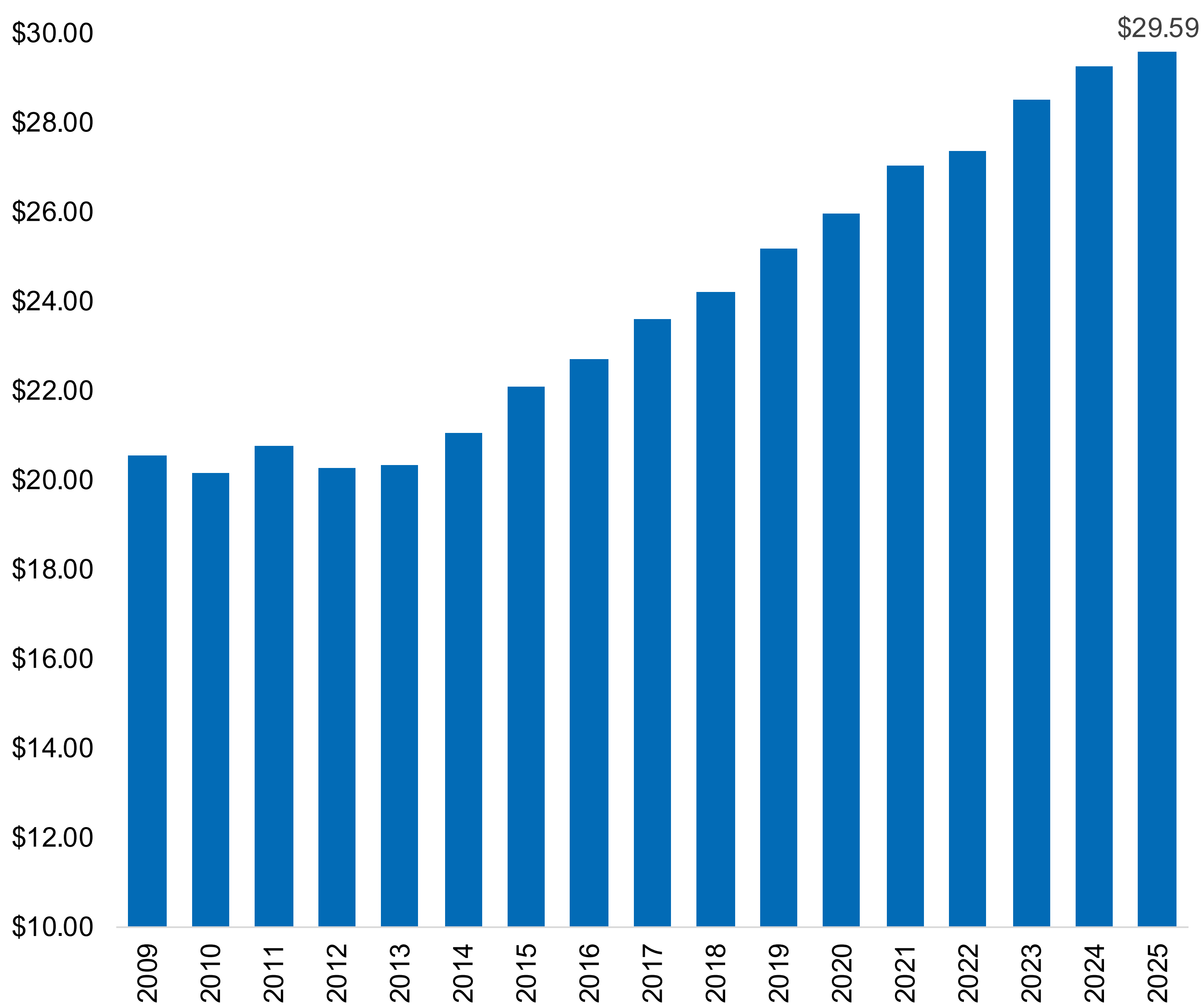


Source: Newmark Research, CoStar

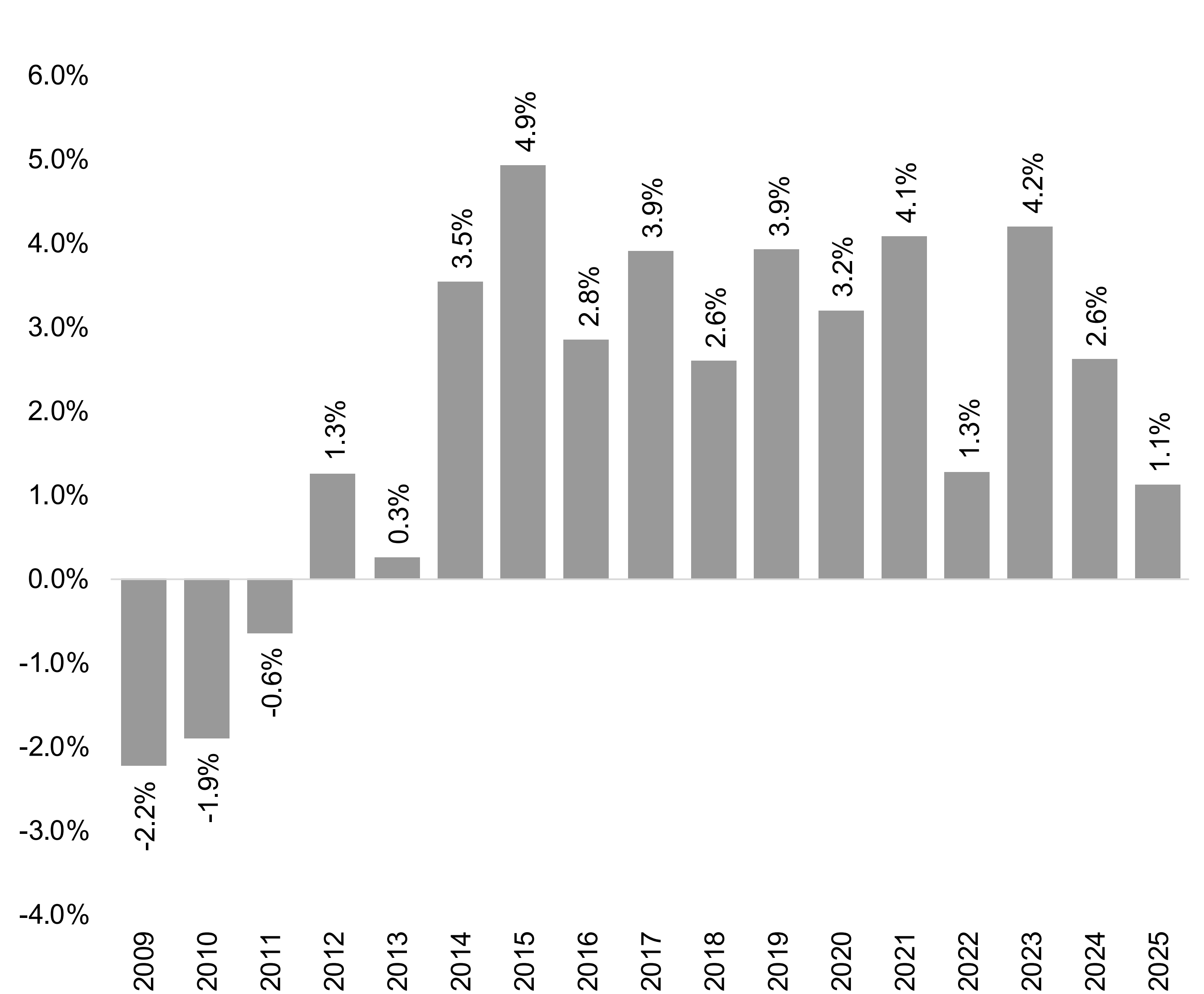
Rents Hit New Peak as Annual Growth Slows

Tampa's average asking rent reached a historical high of $29.59/SF in the fourth quarter of 2025, up 1.1% year over year. However, despite reaching a new peak, the pace of asking rent growth has slowed since 2023 and is the lowest year-end pace since 2013. Although rental rates remain elevated, landlords are providing concessions to uphold face rents. As a result, effective rent growth is more muted, with the strongest pricing concentrated in high-quality, amenity-rich assets.

Office Average Asking Rent, $/SF, FS



Year-over-Year Asking Rent Growth Rate

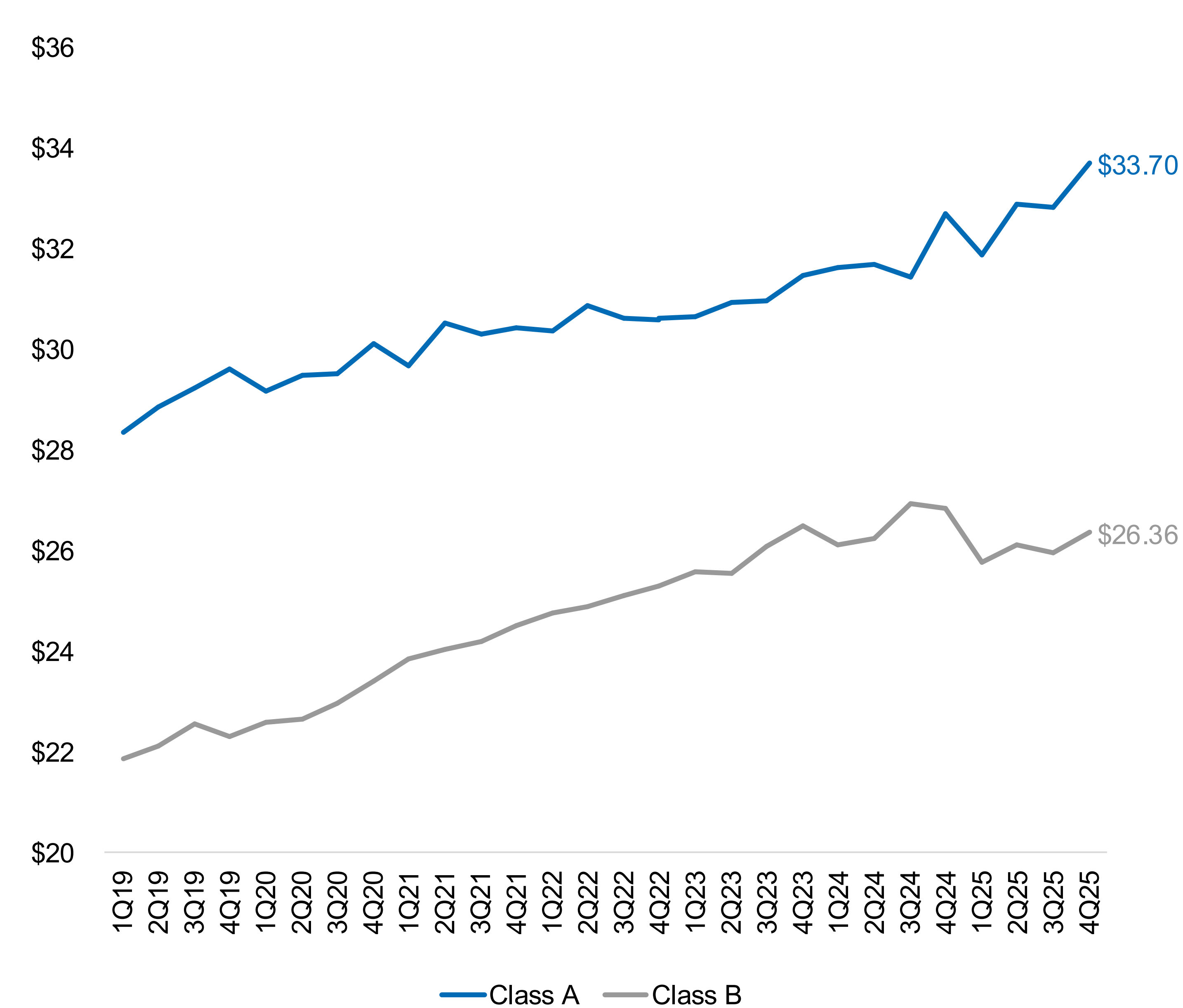


Source: Newmark Research, CoStar

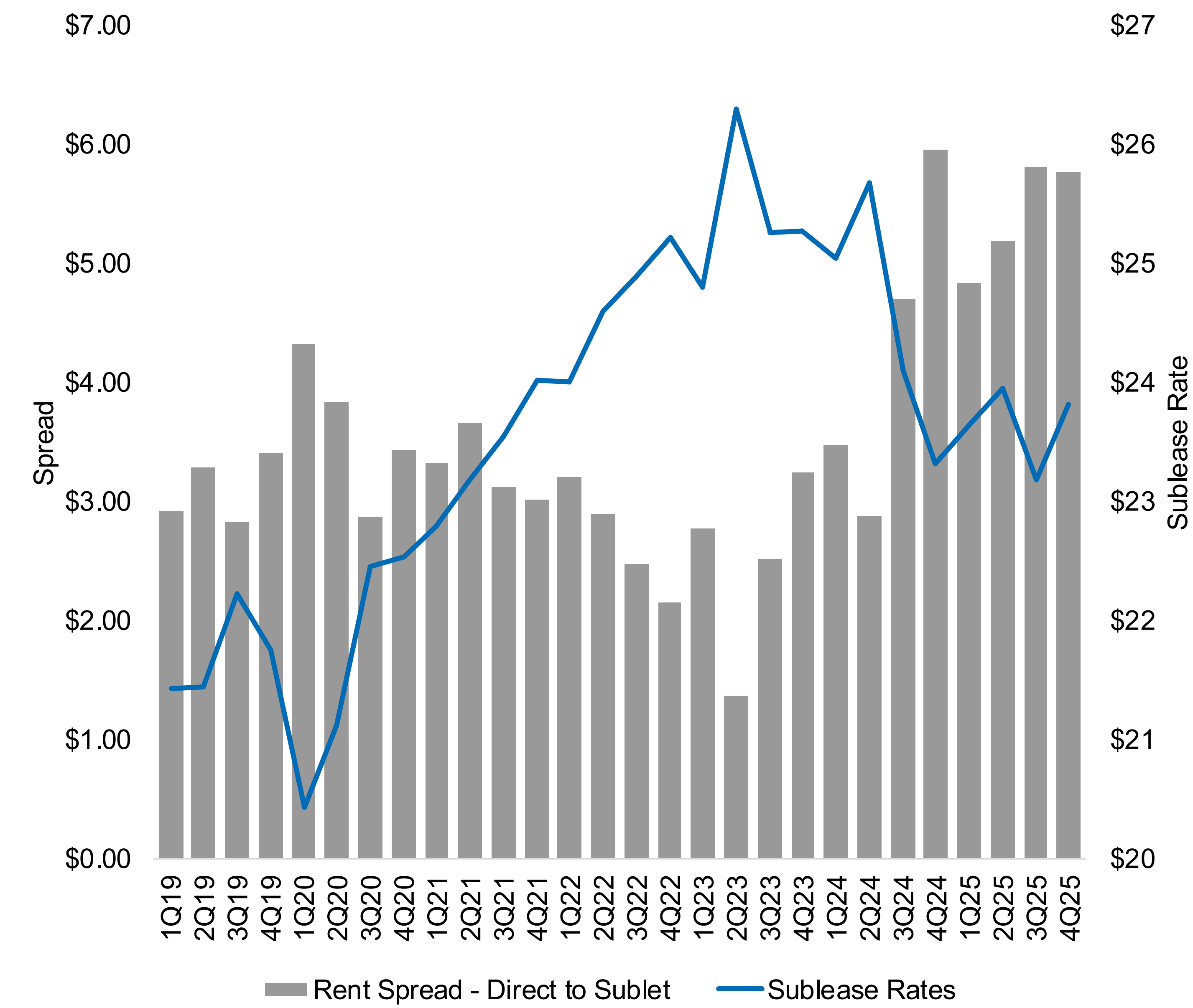
Premium for Quality Grows as Class A Rents Reach New High

Class A asking rents reached a record high of $33.70/SF in the fourth quarter of 2025, compared with $26.36/SF for Class B, reflecting a $7.34/SF premium that reinforces ongoing flight to quality. While the spread has narrowed by 0.6% since 2019, it has widened by 25.0% year over year, highlighting recent outperformance of top-tier assets even as earlier-cycle dynamics compressed the gap. Sublease rents averaged $23.82/SF, up 2.8% quarter over quarter and 2.2% year over year.

Class A and Class B Combined Asking Rents



Sublease Rates



Source: Newmark Research, CoStar

Quality Preference Endures

Flight to quality remains intact, with four of the five largest deals signed in Class A assets in the fourth quarter of 2025. Class A leasing in the quarter continues to dominate, accounting for 58.9% of leasing activity but only 41.2% of deals, signaling that higher-quality buildings are capturing a disproportionate share of volume. Average Class A deal size was 6,126 SF versus 4,278 SF for the market overall, underscoring tenants' willingness to take larger blocks in amenity-rich, efficient space even as smaller requirements remain common elsewhere.

Notable 4Q25 Lease Transactions

Tenant	Building(s)	Submarket	Type	Square Feet
Elite Insurance Partners	Renaissance V	NW Hillsborough	Renewal & Expansion	51,676
The insurance agency renewed and expanded its lease at 8745 Henderson Rd., adding 2,931 square feet in the building.				
Bank of America	Bank of America Plaza	Tampa CBD	Renewal	40,310
Bank of America renewed its 40,310-SF lease on the fifth and sixth floors at 101 E Kennedy Blvd.				
Merrill	Bank of America Plaza	Tampa CBD	Renewal	40,310
Merrill, the wealth management division of Bank of America, also renewed its lease at 101 E Kennedy Blvd. The 40,310-SF space is on the fourth and tenth floors in the building.				
AVI-SPL	Fountain Square II	Westshore	Direct New	36,757
The global provider of digital workplace and collaboration technology solutions signed a new 36,757-SF lease, with occupancy slated for 2026.				
Adams and Reese	100 North Tampa	Tampa CBD	Renewal & Expansion	36,193
The law firm renewed and expanded by 20,000 SF at 100 N Tampa St., having first leased space in the building in 2021.				

Source: Newmark Research, CoStar

Tampa Office Submarket Overview

Please reach out to your
Newmark business contact for this information

Tampa Office Submarket Overview—Class A

Please reach out to your
Newmark business contact for this information

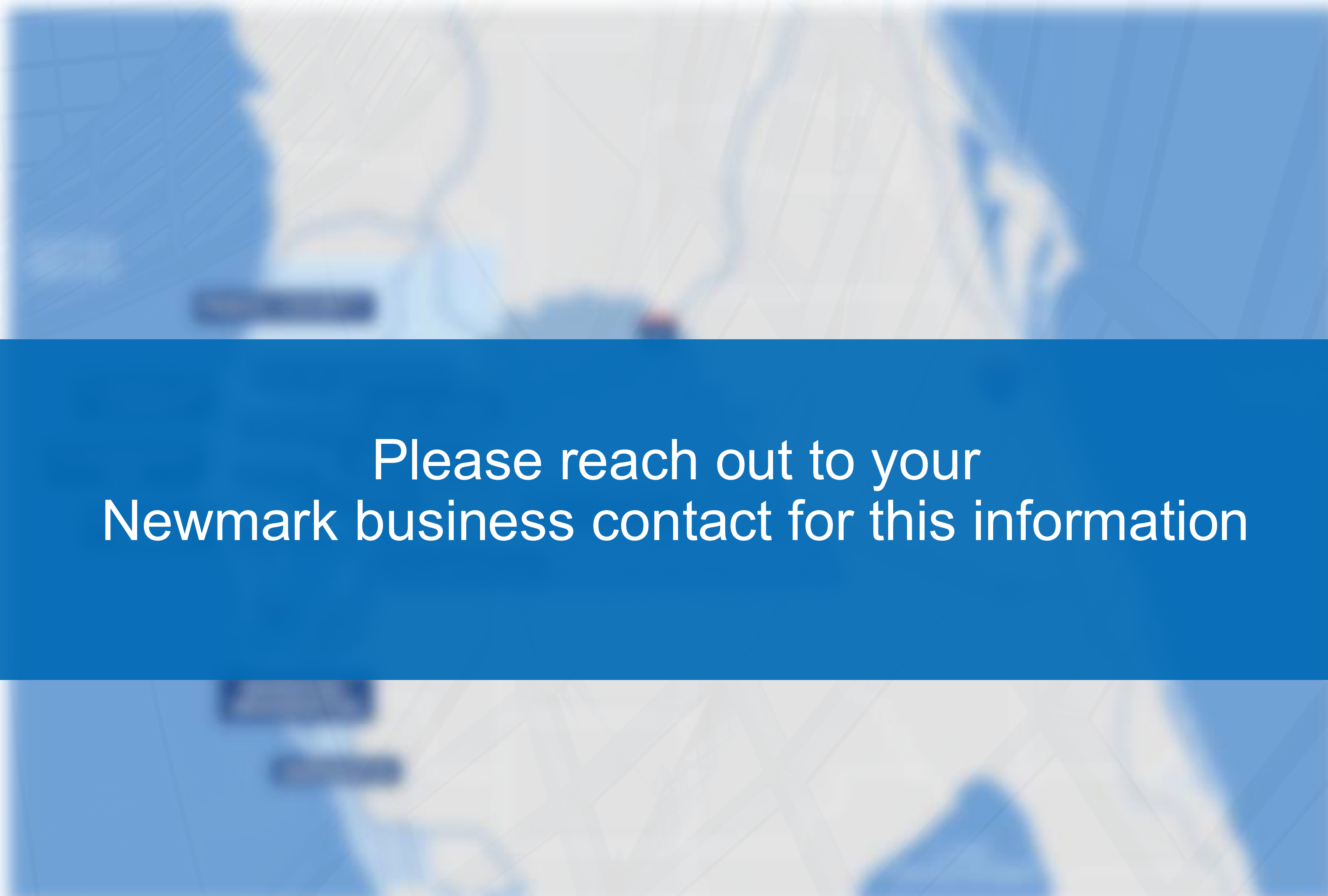
Tampa Office Submarket Overview—Class B

Please reach out to your
Newmark business contact for this information

Tampa Office Market

Please reach out to your
Newmark business contact for this information

Tampa Office Submarket Map



Please reach out to your
Newmark business contact for this information

4Q25 Central Florida Office Market Overview

Please reach out to your
Newmark business contact for this information

For more information:

Ching-Ting Wang
Head of Southeast Research
ChingTing.Wang@nmrk.com

Christopher Bryant
Senior Research Analyst
Christopher.Bryant@nmrk.com

Kirsten Kempf
Senior Research Analyst
Kirsten.Kempf@nmrk.com

Neil Matthee
Research Manager
Neil.Matthee@nmrk.com

Tampa
4221 W Boy Scout Blvd
Suite 440
Tampa, FL 33607
t 813-639-1111

New York Headquarters
125 Park Ave.
New York, NY 10017
t 212-372-2000

nmrk.com

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.

NEWMARK