



# TAMPA

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## MARKET INSIGHT REPORT



SPRING  
2023

# EMPLOYMENT / UNEMPLOYMENT

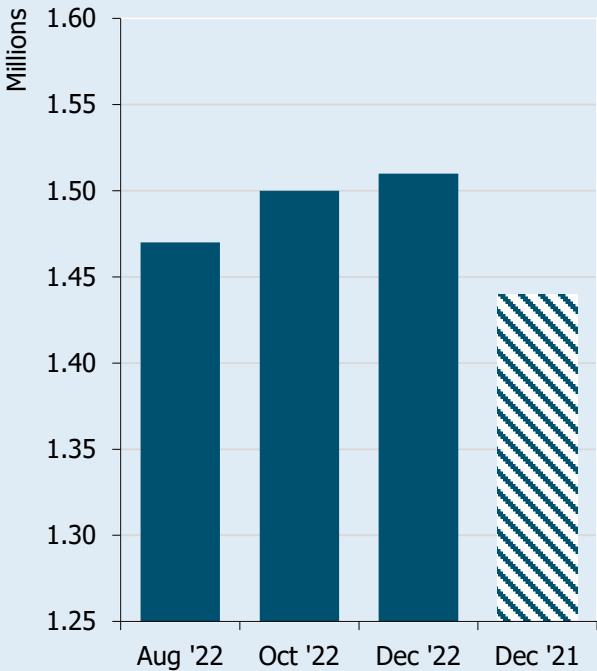
A 10-year historic job growth, strong in-migration from metros across the U.S., and a fully recovered economy at the start of 2022 will bode well for Tampa’s economic conditions well into 2023. Tampa Bay is a diverse region comprised of a well-established and rising business community that represents industries including science and technology, tourism, trade, transportation, and utilities, retail, education, health care, and government.

Port Tampa Bay serves as Central Florida’s largest economic engine, generating an economic impact of over \$18 billion for the region’s economy and supporting 85,000 jobs. The number of passengers at the cruise port in 2022 surpassed pre-pandemic levels with an estimated 1.2 million passengers welcomed.

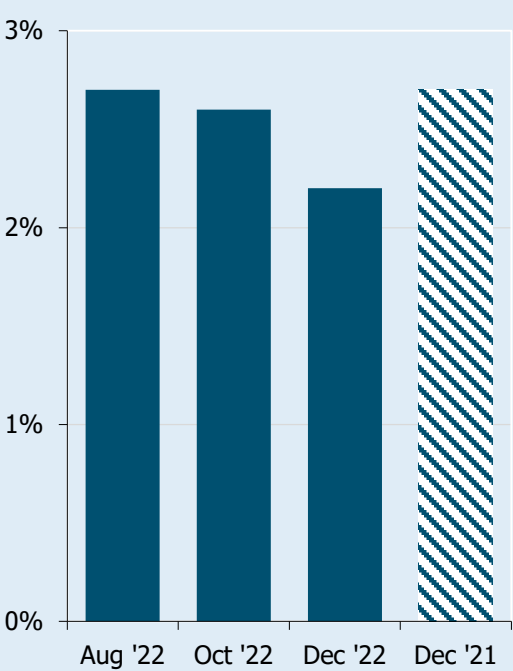
Tampa is rapidly transforming into Florida’s tech capital and was voted the #1 emerging tech city in the U.S. by *Forbes* in 2021. The number one ranking was credited in part to the projects like the \$3.5 billion Water Street development project in downtown Tampa and the Embarc Collective startup hub. Tampa contains over 50 software and IT companies and accounts for 25% of tech jobs in Florida. In-migration in recent years includes a substantial amount of educated young professionals from regions as far away as New York and California in search of new opportunities.

- 69,100 Jobs (Non-Farm) were added, an increase of 4.8% year-over-year.
- The leisure and hospitality sector had the largest job gain with 17,400 positions added, an increase of 11.1% over December 2021.
- The trade, transportation, and utilities supersector had the second-highest job gain with 16,200 jobs added, an increase of 5.9% year-over-year.
- The unemployment rate decreased to 2.2%, down from 2.7% in December 2021.

Total Employment



Unemployment



Metro Area Employment (Thousands)	December 2022	Change from December 2021	
		#	%
Total (Non-Farm)	1510	70	4.8%
Trade, Transportation & Utilities	290	16	5.9%
Professional & Business Services	278	6	2.2%
Education & Health Services	231	11	4.9%
Leisure & Hospitality	174	17	11%
Government	155	0.8	0.5%
Financial Services	134	1.3	1.0%
Construction	94	6.8	7.8%
Manufacturing	72	1.5	2.1%
Other Services	54	7.0	15%
Information	29	1.1	4.0%
Mining & Logging	0.3	---	---

Sources: U.S. BLS, Current Employment Statistics

# TAMPA RENTAL MARKET

- Rents in the Tampa Metro started to moderate in the second half of 2022 after two consecutive record-shattering quarters of growth in the second half of 2021.
- Average asking rents increased by about 25% during that time, more than twice the national average. Consequently, a wave of new construction and deliveries entering the market to meet demand has tempered rent growth. The current year-over-year rate increase of 3.0% is on-par with the national average.
- Rent growth is expected to continue to moderate yet remain positive through the first half of 2023. A study flow of in-migration, job growth, and a diversified economy will aid in sustaining apartment demand.



**3.0%**

12 Month Asking Rent Growth (YoY)



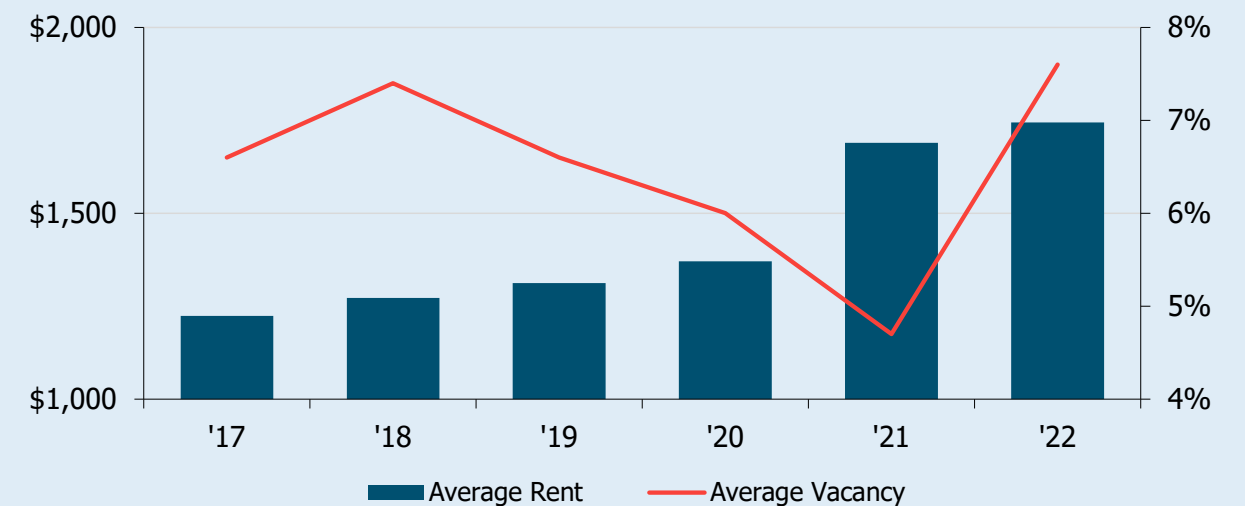
**3.4%**

Historical Asking Rent Growth (YoY)

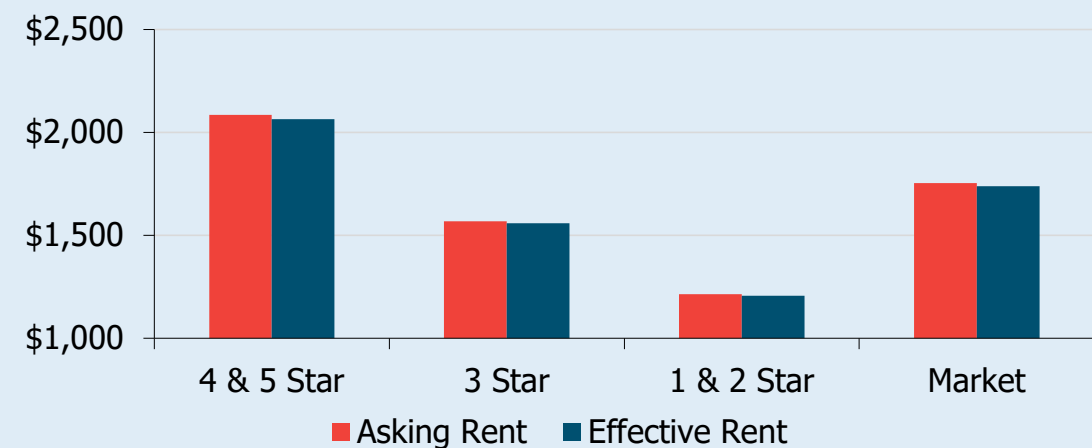
**1.7%**

Forecast Average Asking Rent Growth (YoY)

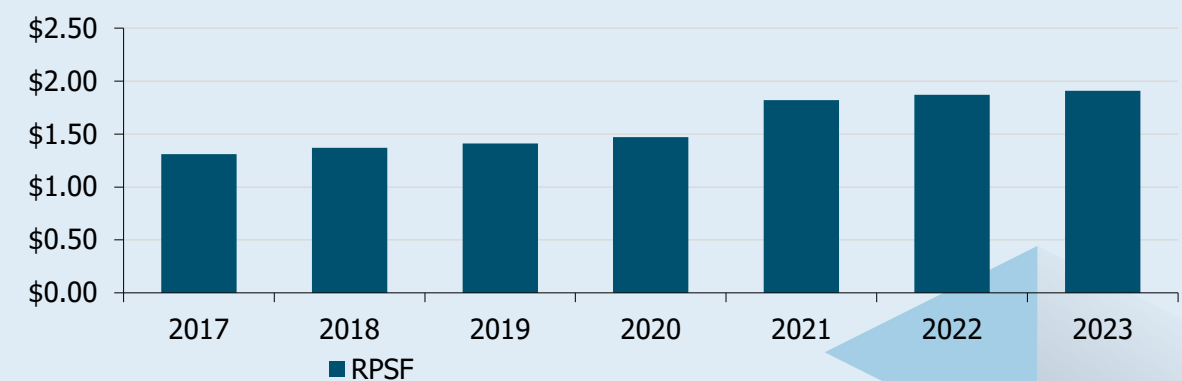
Average Rent / Vacancy



Asking Rent Comparison



Asking Rent / SF



Source: CoStar

# MULTIFAMILY CONSTRUCTION

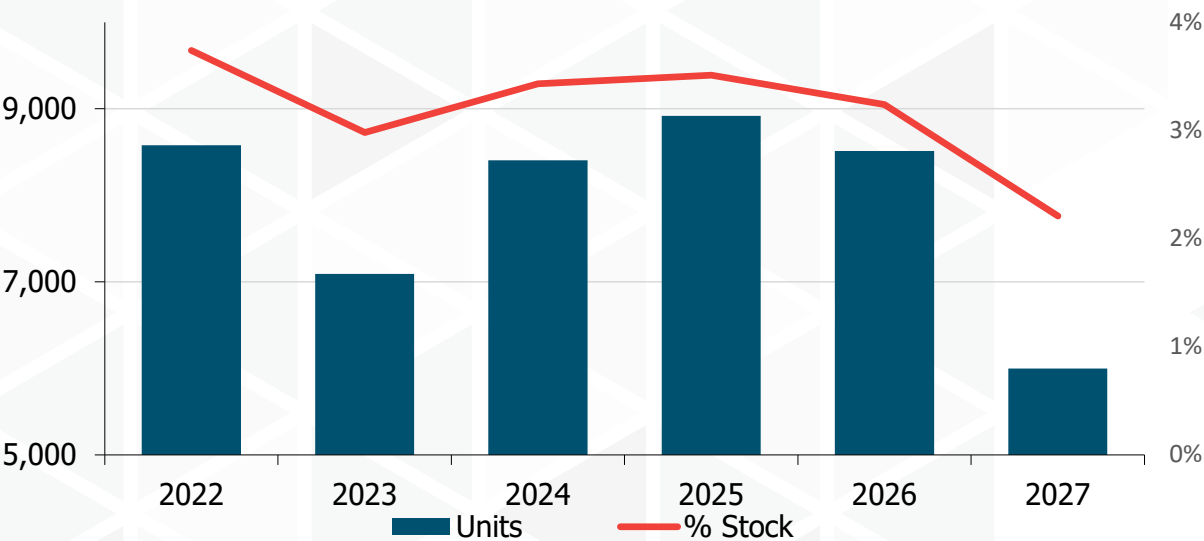
- Over 25,000 units have been delivered and another 15,000 units have been under construction in the Tampa Metro Area since 2018, the largest influx of supply in over 30 years.
- Current multifamily construction is projected to expand the Tampa Metro's existing inventory by 7.2%. The urban cores of downtown Tampa and downtown St. Petersburg have the highest amounts of units under construction in relation to existing stock.
- Construction projects have been concentrated in Tampa's Downtown area amid infrastructural improvements related to \$3 Billion Water Street Tampa Redevelopment Project.



7,093 New Units

2023 Expected Completions  
8,406 New Units Will Follow in 2024

Completions

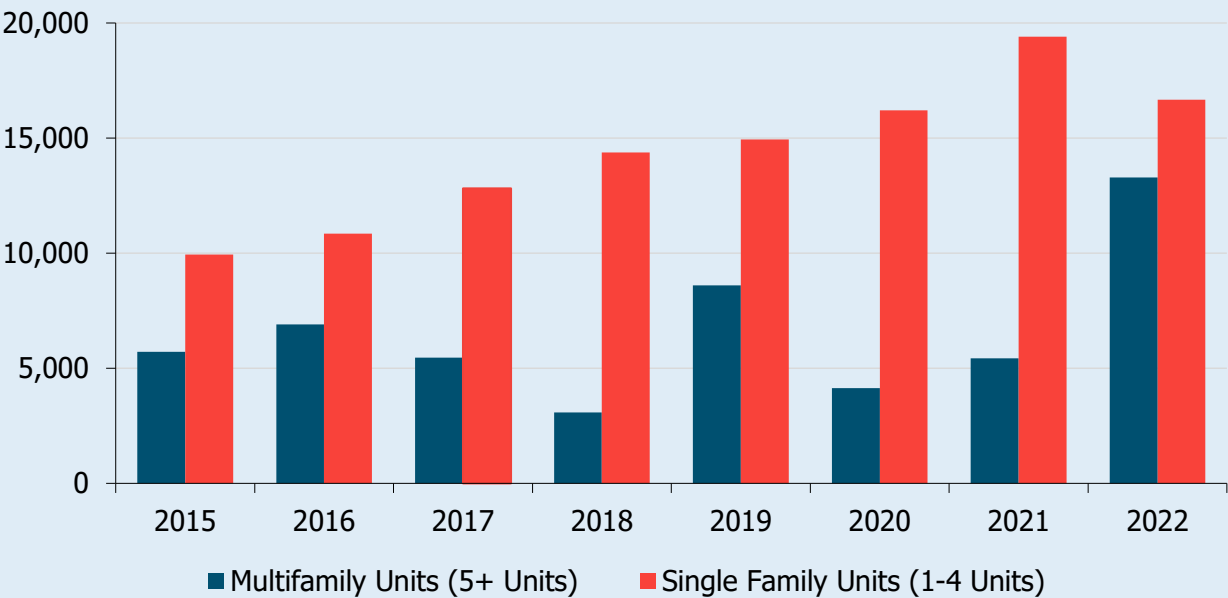


Source: Yardi Matrix (Updated November 2022)

# PERMITS

- Multifamily housing permits made up more than 60% of all housing permits in 2022 in the Tampa Metro Area.
- Tampa's multifamily market is among the most active markets in the country with a number of real estate companies and contractors specializing as multifamily builders.
- Single-family and multifamily building permits are up from pre-pandemic numbers.
- St. Petersburg issued a record number of permits during the last fiscal year which brought in more than \$1 billion in construction value.

Total Residential Building Permits



Source: U.S. Census, CoStar (Multifamily Includes Condos)



16,668  
Single Family  
Permits

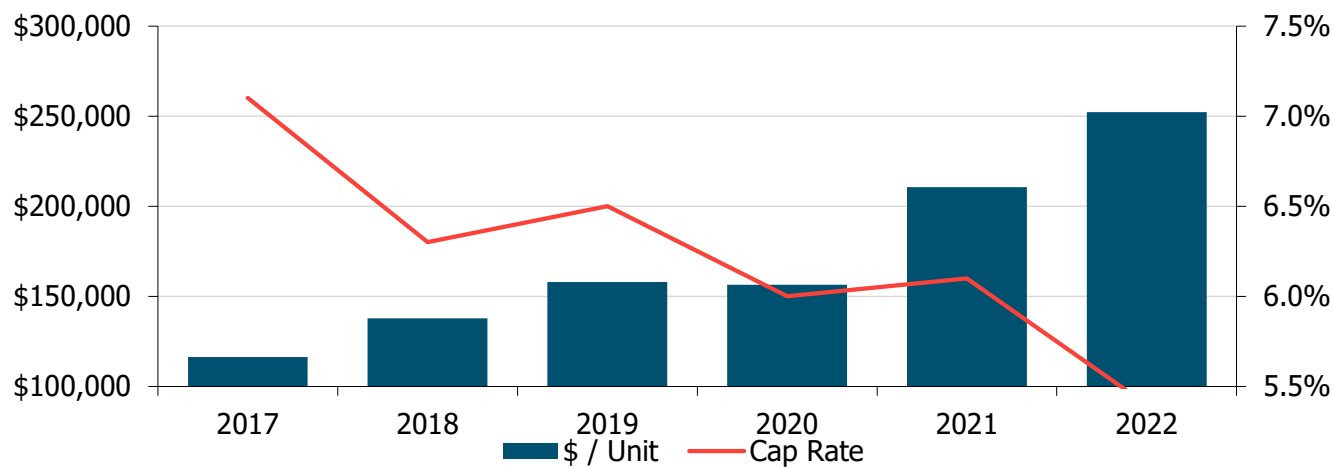
13,292  
Multifamily  
Permits (5+ Units)



\$394K  
Median Single  
Family Price

# MULTIFAMILY SALES

Average Sales PPU / Cap Rate



Source: CoStar

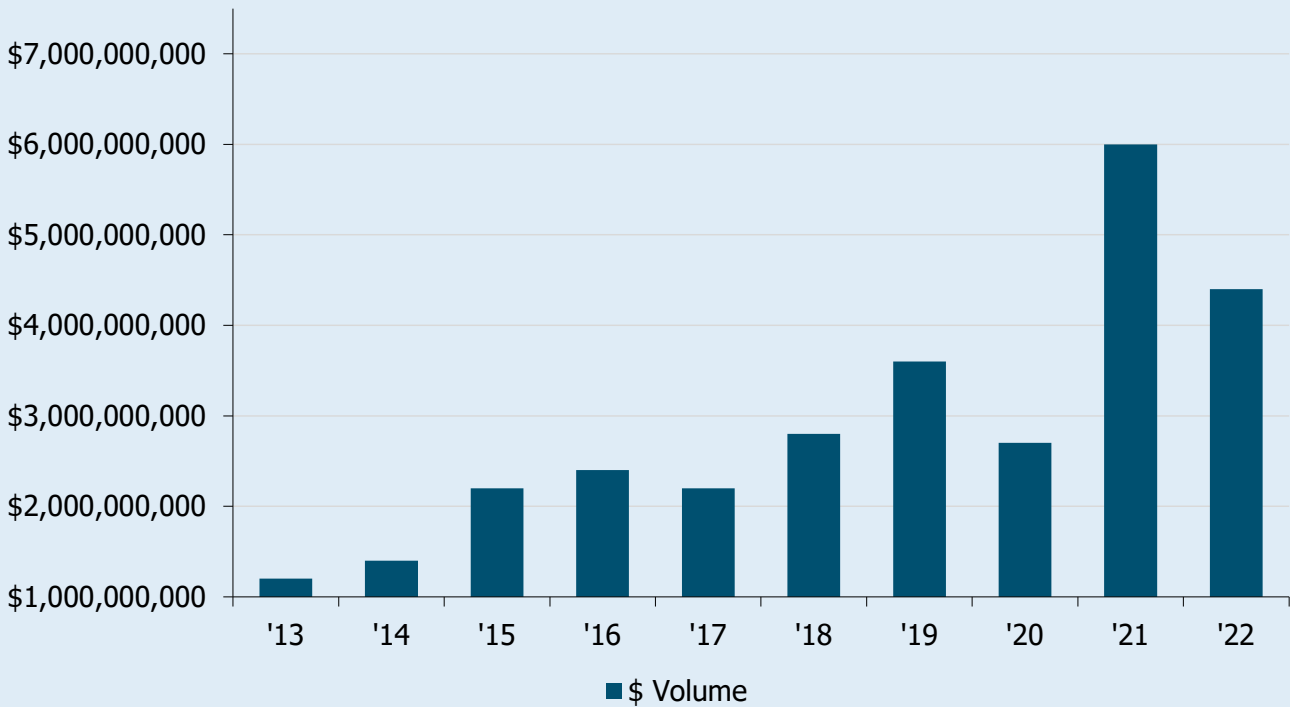


**\$4.5B**  
Sales Volume  
(Past 12 Months)



**98%**  
Leased at Sale

Apartment Sales Transactions



Source: CoStar



**\$250,800**  
Avg. Sold Price / Unit  
+6.3% YoY



**4.5%**  
Avg. Cap Rate



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Sources: GREa Research; National Multifamily Housing Council;  
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