

19th Annual Westshore Development Forum

Westshore Office Market

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CBRE TAMPA

Fast facts

What makes Westshore?



Florida's largest suburban office submarket

12.8 million square feet of commercial office space



Nearly twice the size of Downtown Tampa

In terms of total office inventory



Over 4,100 businesses

Including major household names and recent corporate relocations/expansions



Employing over 100,000 people

Over five times larger than the local resident population



Home to #2 ranked Airport in the U.S. for customer satisfaction

J.D. Power's 2021 North American Airport Satisfaction Survey

Recent corporate wins

Movers and shakers

Over the course of the pandemic, we have seen 50+ lease transactions over 10,000 square feet in Westshore totaling 1.4 million square feet.

- Part of a larger market-wide story of firms endorsing Tampa
Over a dozen new to market firms leasing a combined 400,000+ square feet of office space and promising to create 2,000+ jobs across the region
- New construction helps attract and accommodate growing firms
Projects like SkyCenter One and Midtown Tampa represent the first speculative office construction in over a decade



Expansion from D.C.

- 6550 W Hillsborough Ave
- 103,000 sq. ft.
- 500+ Jobs

undisclosed

Local expansion

- Midtown Tampa
- 45,000 sq. ft.



HQ relocation (Clearwater)

- Westshore City Center
- 88,000 sq. ft.



HQ relocation (Ybor)

- Midtown Tampa
- 22,000 sq. ft.

New office opportunities

Build it and they will come

SkyCenter One

VanTrust Real Estate



- 275,000 sq. ft. office building
- 9 stories with 32,000 sq. ft. floor plates
- Conference and fitness facilities
- Approaching 50% occupancy

Midtown West

Highwoods/Bromley Companies



- 150,000 sq. ft. office building
- 8 stories with 22,000 sq. ft. floor plates
- 1st floor retail anchored by REI
- Approaching 60% occupancy

The Loft at Midtown

Bromley Companies



- 72,000 sq. ft. building
- 3 stories with 25,000 sq. ft. floor plates, 15' ceilings
- 1st floor retail anchored by Hall at Midtown
- Approaching 100% occupancy

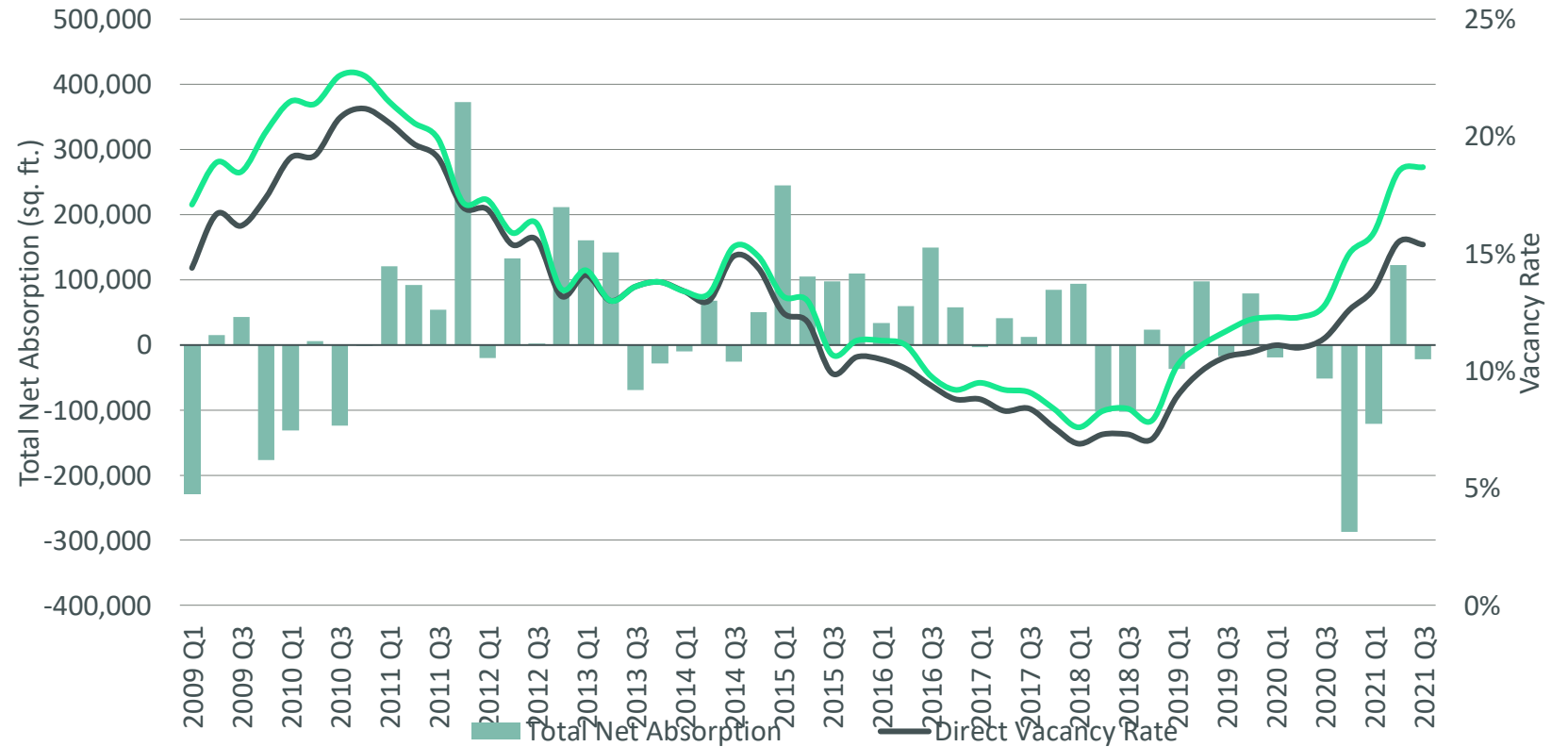
Where are we now?

State of the office market

Supply

Elevated vacancy is a product of new construction and an active sublease market.

- Elevated vacancy is just 300 bps above our long term (15 year) average
- Delivery of new construction relieves the looming upward pressure we had on vacancy – opportunity for strong absorption as firms move in



Source: CBRE Research

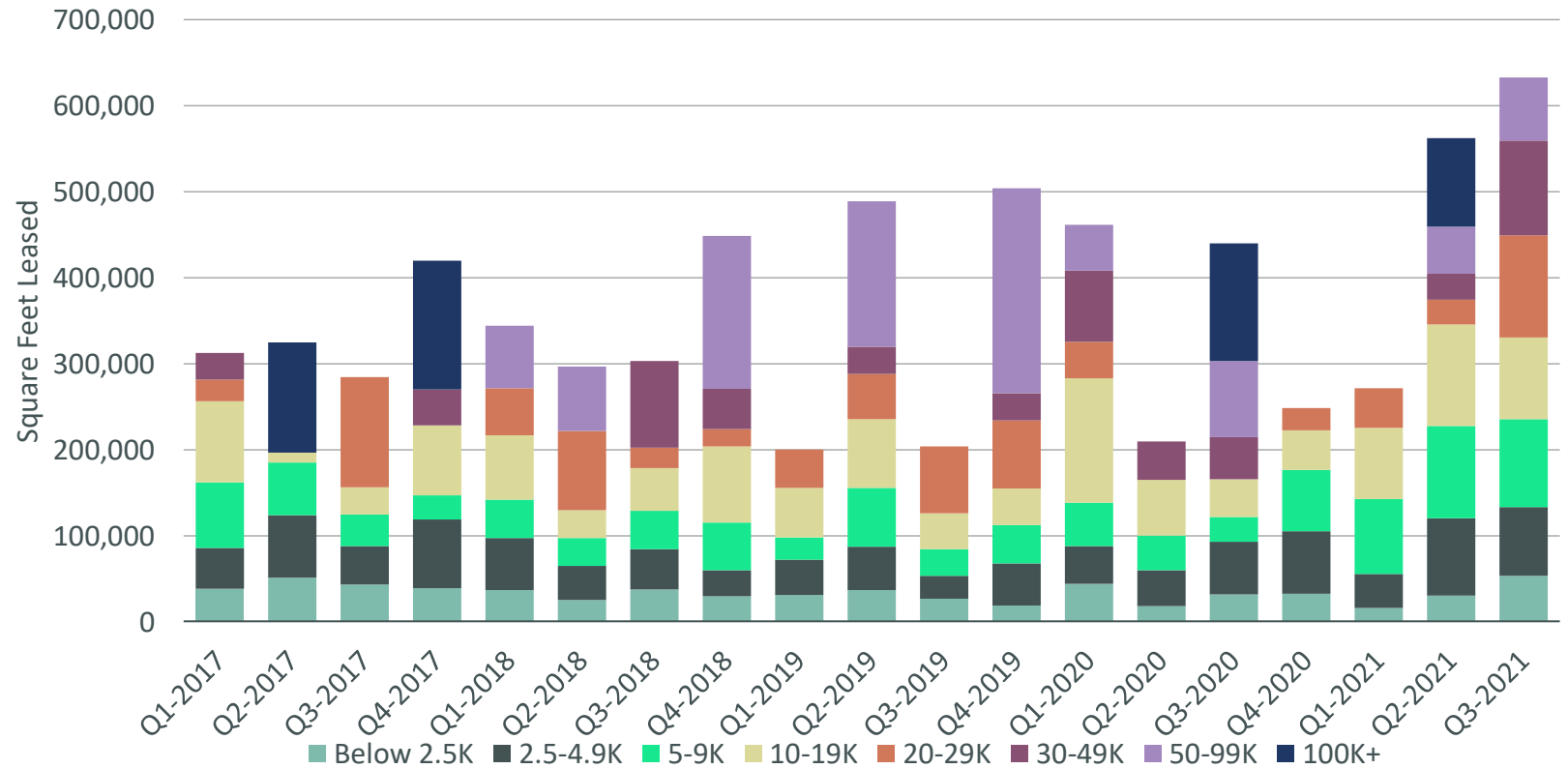
Where are we now?

State of the office market

Demand

Overall office leasing activity has continued to rebound from relatively muted levels seen at the onset of the pandemic.

- Average quarterly leasing of 350,000 sq. ft. was well surpassed during the last two quarters
- Q2 2021 and Q3 2021 were each five-year highs for total leasing activity, with nearly every size segment active



Source: CBRE Research

Where are we now?

State of the office market

Pricing

Thanks to persistent rent growth, top of market asking rates today are over 35% higher than they were just a handful of years ago.

6.5%

Year-over-year rent growth



35%

Rent growth since Q3 2016 (5 years)

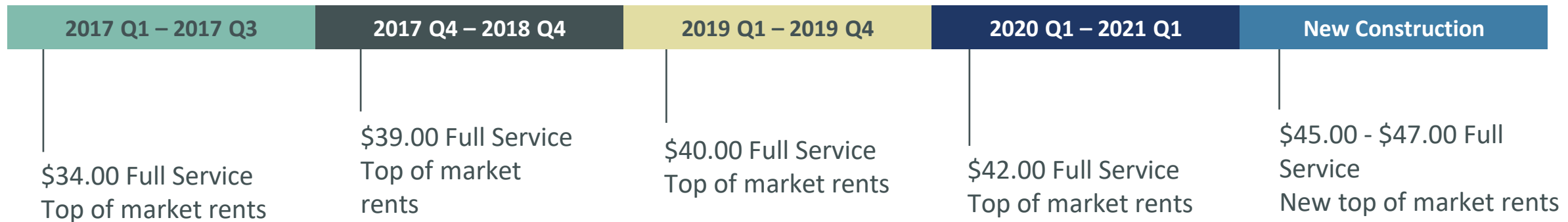
\$42.00

Top of market rents for existing office product (full service)



\$47.00+

Top of market rents for new construction (full service)



Source: CBRE Research

“Our Tampa location is critical to hiring and retaining the best talent in our industry and providing our clients with the excellent service and portfolio management they've come to expect.”

Damian Ornani

CEO – **Fisher Investments**

“Our new headquarters, and all that Midtown has to offer, truly compliments our office occasional approach and the future of our firm.”

Joe Liberatore
President – **Kforce**



“We selected Westshore City Center due to its central location in the heart of Tampa Bay.”

Bruce Lucas

Former CEO – **Heritage Insurance**

“The Tampa area has a great talent pool to help us deliver amazing member experiences.”

Blake Hall

CEO/Founder – **ID.me**

“The wealth of talent and the support of the business community and local academic institutions have allowed us the opportunity to build a world-class team.”

Gwen Cummings

Executive Director & Tampa Site Lead – **Amgen**