December 2025

Tampa Commercial Real Estate Report on the Industrial Real Estate Market in Hernando County

Executive Summary

Hernando County is rapidly emerging as a key growth market for industrial real estate in the Tampa Bay region. Driven by its strategic location, affordable land costs, and significant infrastructure improvements, the county is attracting a wave of new investment and development. While detailed quarterly statistics are not yet tracked as robustly as in more established markets, all indicators point to a market on the rise. With low vacancy rates around 5%, strong job and population growth, and increasing institutional investor interest, Hernando County presents a compelling opportunity for industrial development and investment. This report provides an overview of the key trends, drivers, and recent activities shaping this dynamic market.

Market Overview

Hernando County's industrial market is characterized by its early-stage, high-growth potential. Positioned approximately 45 miles north of Tampa, it offers a cost-effective alternative to the more developed counties to the south. The market is benefiting from major infrastructure projects, including the expansion of the Suncoast Parkway, which has significantly improved connectivity. Warehouse lease rates have surged by over 21% since 2020, and industrial vacancy rates are hovering around a tight 5%, well below the national average. This indicates strong demand that is currently outpacing supply, creating a landlord-favorable environment.

Market Indicator	Hernando County (2025)
Industrial Vacancy Rate	~5.0%
Warehouse Lease Rate Growth (since 2020)	>21%
County Employment Growth (YoY)	9%
Spring Hill Population Growth (Annual)	>3%

Notable Trends

A key trend in Hernando County is the increasing interest from institutional investors and national developers, who are acquiring large tracts of land for future industrial parks. The area around the Brooksville-Tampa Bay Regional Airport is a particular hotspot for this activity. The county's business-friendly environment and the availability of entitled land are major draws. Furthermore, the growth of e-commerce is fueling demand for logistics and distribution facilities, and companies like Amazon are reportedly scouting locations in the area. The development of multi-phase, master-planned industrial parks, such as the Spring Hill Industrial Park, is a testament to the long-term confidence in this market.

Notable Transactions & Developments

Brooksville Airport Area Land Sale

A significant transaction that signals the growing interest in Hernando County was the March 2025 sale of 35 acres of land near the Brooksville-Tampa Bay Regional Airport for $2.35 million. This sale is seen by market observers as a precursor to further industrial and commercial development in this strategic area. The airport's proximity and the availability of land make it a prime location for future logistics and manufacturing facilities.

Goodwill Land Acquisition

In December 2025, Goodwill Industries-Suncoast Inc. acquired 13.5 acres of vacant commercial land in a Hernando County suburb for $1.55 million. While not a direct industrial use, this transaction reflects the overall growth and commercial expansion in the county, which will support and drive demand for industrial space.

Market Outlook

The outlook for the Hernando County industrial market is exceptionally strong. We anticipate continued growth in land values and an increase in speculative and build-to-suit development. As the core Tampa Bay markets become more saturated and expensive, Hernando County is well-positioned to capture the next wave of industrial growth. The combination of available land, improving infrastructure, and a growing workforce makes it an attractive market for long-term investment. We expect to see more national tenants and institutional capital enter the market in the coming year.