Our name says it. Tampa Commercial Real Estate is what we do.
We are pleased to provide this market update of the Tampa Bay market

By: Steven Silverman December 2025

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

Executive Summary

The Pinellas County industrial real estate market stands out as a top performer in the Tampa Bay region, characterized by its remarkably low vacancy rates and steady rent growth. Unlike neighboring Hillsborough County, which is currently absorbing a wave of new speculative construction, Pinellas County's industrial market remains exceptionally tight due to limited new supply and robust demand. This report provides a comprehensive overview of the market's performance in the fourth quarter of 2025, highlighting key data on vacancy, leasing, sales, and recent developments that underscore the county's strong fundamentals.

Market Overview

The industrial market in Pinellas County is a landlord-favorable market, with a vacancy rate of just 4.7% in the third quarter of 2025, a decrease of 40 basis points year-over-year. This is significantly lower than the overall Tampa Bay vacancy rate of 6.8% and Hillsborough County's rate of 7.7%. The tight market conditions are a direct result of strong demand from a diverse range of tenants and a constrained supply of available industrial space. Asking rents in Pinellas County have responded accordingly, posting a 2.1% increase to $11.23 per square foot.

Market Indicator	Pinellas County	Tampa Bay
Vacancy Rate	4.7%	6.8%
YTD Net Absorption	-78,366 SF	759K SF
Asking Rent (PSF)	$9.63	$10.32
Inventory (SF)	36,971,728	124,538,180
Under Construction (SF)	473,342	1,446,010

Notable Trends

A key trend in Pinellas County is the scarcity of developable land, which has severely limited new construction and contributed to the low vacancy rates. This has led to a highly competitive environment for tenants and has driven up rental rates. The county has actively supported industrial development through its Employment Sites Program, which has facilitated several key projects, including the expansion of Wendover Art Group's facility in Largo. The market is also seeing a trend of companies relocating to Pinellas County, such as SMP Nutra, which moved its headquarters from New York to Largo.

Leasing Activity

Leasing activity in Pinellas County remains healthy, with 657,329 square feet of leasing activity in the third quarter of 2025. The Gateway-Mid Pinellas submarket has been particularly active, accounting for the majority of leasing in the county. Notable lease transactions include a new lease for Sensor Systems at 2800 Laurel Rd (75,588 SF) and an expansion/renewal for Fulfillment Advantage Ventures, Inc. at 390 Corporate Center (84,000 SF).

Sales Activity

Investor demand for industrial properties in Pinellas County remains strong, driven by the market's tight fundamentals and potential for rent growth. While specific sales data for Q4 2025 is not yet fully available, the recent sale of a 52,000-square-foot industrial facility in Pinellas Park to New Jersey-based investors highlights the continued interest from out-of-state buyers. Additionally, a $12.1 million sale of 12 acres of heavy industrial land in Pinellas County was one of the largest land transactions in the region, signaling confidence in the future of the industrial market. Average cap rates in the Tampa Bay industrial market were approximately 7.3% in Q2 2025.

Notable Transactions & Developments

SMP Nutra Headquarters Relocation

In a significant win for Pinellas County, supplement manufacturer SMP Nutra relocated its headquarters from New York to a new 100,000+ square-foot facility at 12333 Enterprise Blvd. in Largo in July 2025. The move brought 100 jobs to the area and underscores the county's attractiveness to out-of-state companies. This state-of-the-art facility serves as the company's new operational hub.

Wendover Art Group Expansion

Largo-based Wendover Art Group completed a $13.5 million, 69,000-square-foot expansion of its manufacturing facility in December 2025, nearly doubling its footprint to almost 200,000 square feet. The project, supported by Pinellas County's Employment Sites Program, will allow the company to double its manufacturing capacity. The expansion included improvements like enhanced dock access, rear loading manufacturing space, a new stormwater system, and a showroom.

New Construction

New construction in Pinellas County is limited due to the scarcity of land. As of the third quarter of 2025, there was 473,342 square feet of industrial space under construction in the county, all of which was located in the Gateway-Mid Pinellas submarket. This is in stark contrast to Hillsborough County, which has 967,668 square feet under construction. The limited new supply in Pinellas is expected to keep vacancy rates low and put upward pressure on rental rates.

Market Outlook

The outlook for the Pinellas County industrial market is very positive. The county's strong fundamentals, including its low vacancy rate, limited new supply, and diverse tenant base, are expected to continue to drive rent growth and attract investor interest. The scarcity of land will remain a challenge for new development, but it will also protect the market from oversupply and ensure that it remains one of the top-performing industrial markets in the Tampa Bay region. With North Pinellas maintaining an extremely tight vacancy rate of just 1.9%, the market is poised for continued strength in 2026.