

Pinellas County Office Insights

Office Leasing

Pinellas County continues to experience the greatest leasing demand from tenants in healthcare, legal, financial services, and technology tenants. Landlords continue to compete for quality tenants by investing in capital improvements to their properties.

Office Sales

Office sales continue to improve. Low inventory is causing competition between buyers looking for quality product. Business owners are cautiously taking advantage of the continued low interest rates and are making the decision to relocate.

Not sure where to begin? Let us help!

Outgrowing your current space or looking to relocate your business? From the initial site selection process to the final contract negotiations, we are with you every step of the way.

Executive Summary

Pinellas County's office market has continued to strengthen over the prior four quarters. Positive, nationwide economic growth and a boost in Florida's employment sparked office activity. Tenants and buyers alike noticed a steady increase in rental rates and asking prices and were eager to lock in these lower lease rates and "asking prices".

By The Numbers

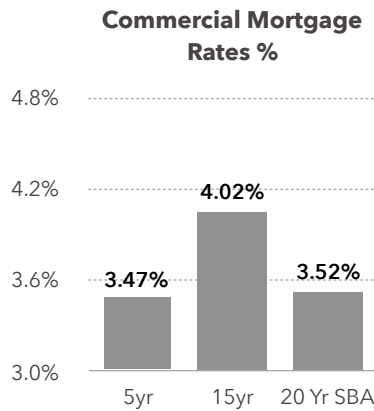
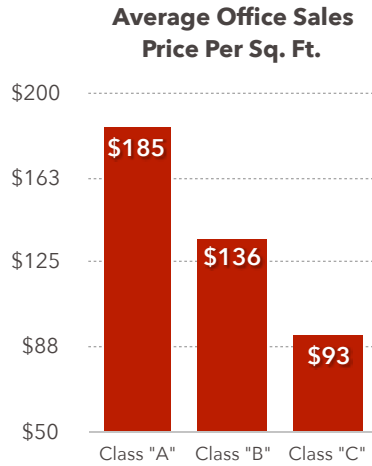
Average "asking" lease rates in Pinellas County increased 6.8%, year-to-date, on a full service basis. The overall vacancy rate declined, on average, 0.8%. As inventory for class "A" spaces continues to decrease, be prepared to see an increase in asking rents among all office class types.

Office sales continued to improve with the average sales price of class "A" office property making its way above \$185 per square foot. See chart on opposite side for comparison between office property classes and sale prices per square foot. As with lease rates, we would expect to see the asking price for office properties to continue to climb as inventory of quality product decreases.

What to expect moving forward

With positive employment numbers, signs pointing to a strengthening economy, and historically low interest rates, we expect both lease rates and sale prices to continue climb thorough-out the year. Expect the 2019 office market to continue with positive momentum through the remainder of the year.





Interest Rates & Lenders

Commercial mortgage rates are currently at historic lows. We continue to see a flow of money into the commercial market. As of August 2019, we saw the "all-in", fixed rate SBA loans as low as 3.526% on a 20 year term for owner-user acquisitions. Many SBA loans only require 10% down. Lenders are offering 3.47% for a 5 year fixed rate and 4.02% on a 10 year fixed rate conventional mortgage for qualified buyers. If you are a business owner interested in selling your property, now might be the perfect time as your prospective buyers will have the benefit of the low rates lenders are offering. If you are a buyer previously on the fence, now is the time to get into a property with these historically low rates.

FREE Market Value Analysis

Cornerstone Commercial offers a free market value analysis to perspective clients. Looking to sell and want to know the market value of your property? Looking to relocate and want to know what's available in the market? We have a proven track record and are here to help you.

We can assist you with purchasing a new office property, scaling down, expanding into new lease space, or simply renegotiating new lease terms with your current landlord. At Cornerstone Commercial, we handle the Sales and Leasing process from start to finish so that you can focus on what really matters ...YOUR business!

Attention: Buyers and Tenants

There is no fee for using our Services! Let our team find the perfect office space for your business!

Pinellas County Submarket Comparison

Submarket	Inventory Square Feet	Direct Vacancy %	Qtrly Net Absorption	Avg. Class "A" Asking Rate - Full Service
North Pinellas	3,403,396	9.4%	14,516	\$20.48
Mid Pinellas / Gateway	5,215,143	13.8%	-2,375	\$26.51
St. Petersburg CBD	2,815,356	8.6%	-1,398	\$31.28
Totals	11,433,895	10.6%	10,743	\$26.09

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