

# INVESTMENT FORECAST

Multifamily  
Tampa-St. Petersburg

IPA  
INSTITUTIONAL  
PROPERTY  
ADVISORS

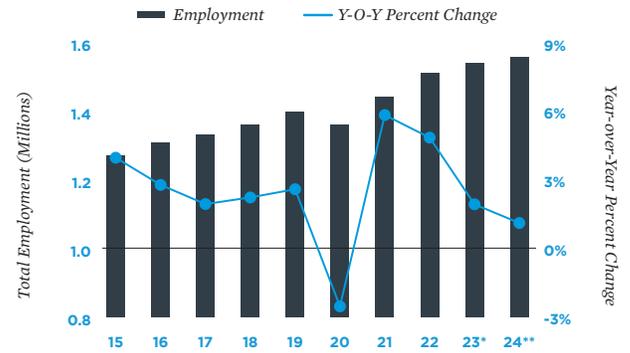
2026

## Slowing Construction and In-Migration Influence Fundamental Outlook

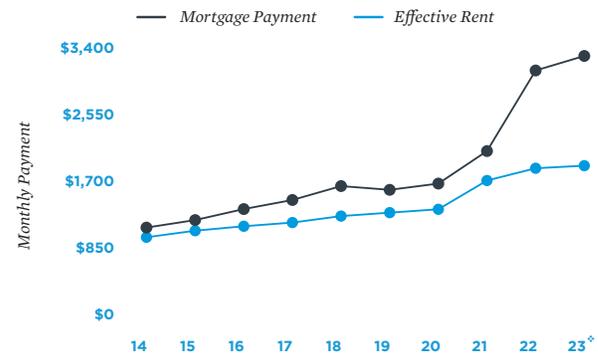
**Transitioning conditions take shape.** Tampa's apartment market is rebalancing as shifts in supply and demand take hold. On the demand side, select submarkets, such as Hernando and Pasco counties, continue to attract an outside share of new residents. But the broader slowdown in Sun Belt in-migration is evident in the metro, which is projected to post its slowest annual population growth since 2011. This cooling has already contributed to sharply reduced net absorption figures in the second half of 2025, following six consecutive quarters above 2,000 units. The trend was most apparent in Class B/C assets, as Class A properties recorded a steeper vacancy decline in 2025, despite all tiers remaining in the 5 percent to 6 percent range heading into 2026. On the supply side, slowing deliveries should bring relief to areas that faced heavy construction in recent years, including West Pasco County-Hernando, the Peninsula, and South St. Petersburg. Conversely, submarkets such as Central Tampa and New Tampa-East Pasco County will continue to see elevated completions, likely pushing local vacancy rates higher through 2026. In both cases, however, no deliveries are currently scheduled for 2027, offering a more favorable longer-term outlook.

**North St. Petersburg investment appeal stands out.** Tampa's buyer mix leaned further toward private capital as institutions pulled back some in 2025 amid an uptick in transaction velocity fueled by both Class B and C deals under \$10 million. This trend may continue in the near term, particularly in Class C, where rent growth has outperformed the other tiers in recent years. Since 2022, the mean Class C rent has climbed 11 percent, compared with a 6 percent increase in Class A properties and a modest decline in Class B. Across submarkets, central Pinellas and North Tampa continued to account for the largest share of trades exceeding \$20 million. However, North St. Petersburg could see higher-capital investment activity increase. The area recorded one of the steepest Class A vacancy declines and fastest rent growth rates among submarkets in the segment in 2025. Additionally, ongoing improvements to the Howard Franklin Bridge and Interstate 275 are enhancing connectivity, which may further strengthen demand and bolster investor confidence in the corridor.

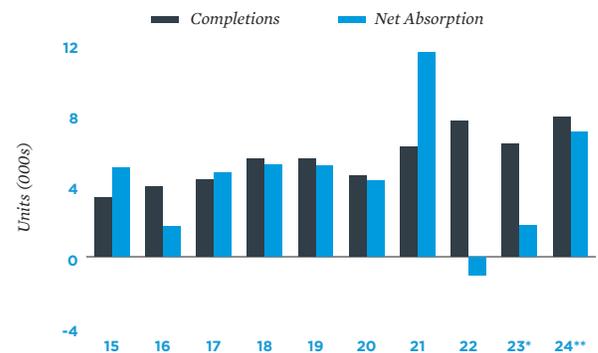
### Employment Trends



### Housing Affordability Gap



### Supply and Demand



18.8%

2025 share of local population between 20 and 34 years old



31.4%

of local population hold bachelor's degree or higher\*



\$394,900

2025 median home price\*

\* Estimate \*\* Forecast \* Through 3Q  
\*2025: 25+ years old

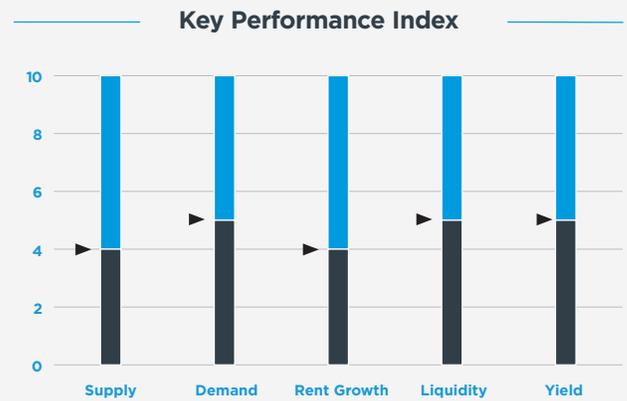
Sources: IPA Research Services; BLS; Freddie Mac; National Association of Realtors; RealPage, Inc.

## Investment Outlook

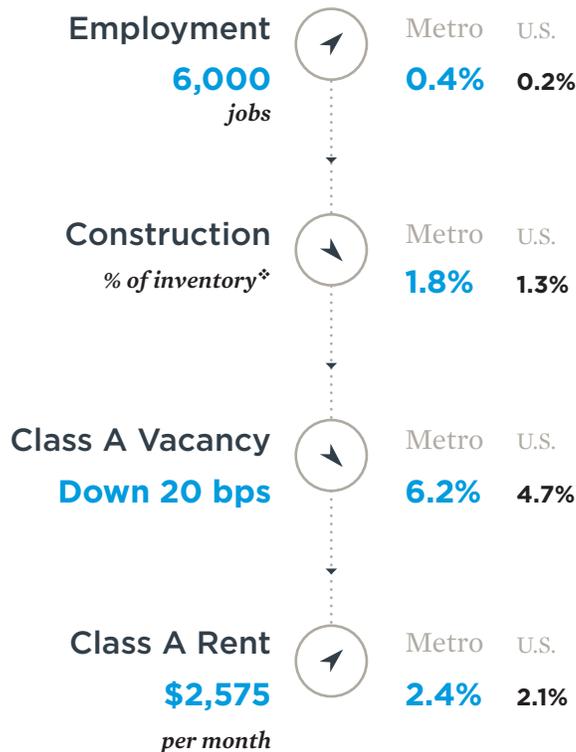
Operational KPIs improve across the board in Tampa-St. Petersburg this year relative to 2025, as a five-year-low delivery slate leads to the third consecutive annual vacancy decline. The resulting supply score of 4 and demand score of 5 align with a rent score of 4, reflecting an increase in the monthly rate above the U.S. pace.

As with the other major Florida markets, Tampa receives KPI ratings for liquidity and yield near the middle of the spectrum, at 5 for both. The metro boasts a similar mean cap rate to West Palm Beach, but at a lower average entry cost.

*Note: The Key Performance Index provides a metro-level relational benchmark scaled from 1-10 for five key metrics.*



## 2026 INVESTMENT OUTLOOK



IPA Multifamily

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\* Estimate \*\* Forecast  
\* Arrow reflects completions trend compared with 2025

Sources: IPA Research Services; CoStar Group, Inc.; RealPage, Inc.; Real Capital Analytics