

MARKET SNAPSHOT: **TAMPA BAY**

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THE PLASENCIA GROUP
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TAMPA BAY'S EMERGENCE

As with the broader state of Florida, Tampa Bay's emergence, and the ongoing growth of the local hotel industry, has been dramatic and well-publicized over the past two years. In addition to the friendly business climate, relatively lower cost of living, and temperate weather enjoyed by much of the state, several unique factors have propelled the Tampa Bay area forward, making it an attractive destination for real estate investment, especially in the hospitality arena.

BOOMING POPULATION GROWTH

The population growth Tampa Bay enjoyed in recent years has only accelerated since the onset of the COVID-19 pandemic. According to the U.S. Census Bureau, nearly 120,000 Americans relocated to the Tampa Bay area between 2018 and 2021, ranking fourth nationally. The region is also growing younger by attracting working-age talent from places like New York, Philadelphia, and Chicago, while also retaining its home-grown workforce.

INFRASTRUCTURE TAKING OFF

Tampa International Airport has long been recognized among the top airports in the nation and is the beneficiary of a recent capital infusion of nearly \$1 billion to streamline operations. The next phase, an \$800 million re-concepting of Airside D, was recently green-lit by the airport's aviation authority, allowing for enhanced capacity focused on international flights. On the roadways, improvements are also in process. For example, \$1.2 billion has been allocated to enhance interstate connectivity between Tampa and Pinellas County. Rail, a historically underserved transportation medium in the region, has also enjoyed progress with the announcement of federal funding earmarked for an extension of the Brightline railroad line between Tampa and Orlando, ultimately allowing for a rail link between Tampa and Miami. Additionally, in the near future, the DoubleTree Westshore Hotel, acquired by the Florida Department of Transportation in early 2016, will be razed in order to construct a car-bus-train intermodal hub.

Florida Brightline Railroad
Linking Tampa to Miami



Source: gobrightline.com





Photo: shutterstock

BENEFICIAL SUPPLY PICTURE

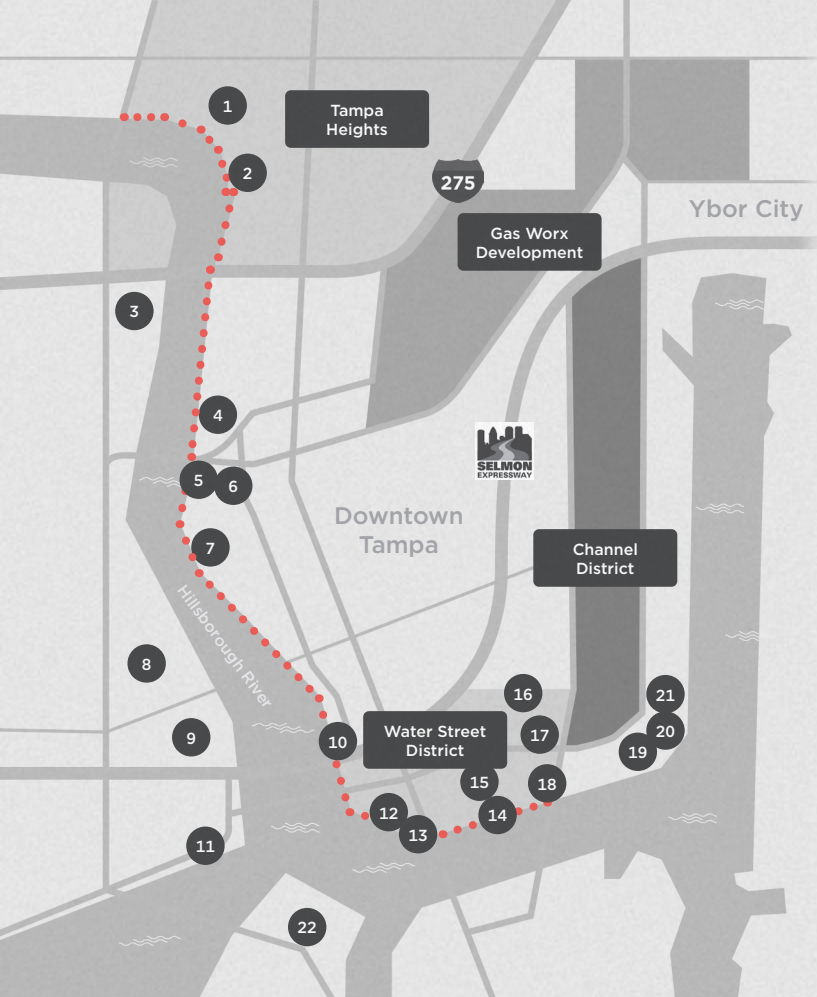
The Tampa Bay area hotel community has benefited from limited supply in recent years, and, perhaps more importantly, the supply that has been delivered is accretive to market-wide ADR. The JW Marriott Water Street, opened in late 2020, is perhaps the most prominent recent addition to the market, but projects like the CURRENT Hotel Autograph Collection and the Aloft/Element Tampa Midtown, have also lifted local rates. The Tampa EDITION Hotel is anticipated to open in September 2022, and the Pendry Tampa, projected to open in 2024, will give Tampa a first taste of true luxury hotel product.

New Supply in Hillsborough & Pinellas Counties, September 2022

Property	Rooms	Opening	City	Status	Chain Scale
The Tampa EDITION	172	2022	Tampa	Under Construction	Luxury
Holiday Inn Express Tampa Stadium Area	100	2022	Tampa	Under Construction	Upper Midscale
AC St. Petersburg Downtown	172	2023	St. Petersburg	Under Construction	Upscale
JW Marriott Tampa Clearwater Beach	166	2023	Clearwater Beach	Under Construction	Luxury
Cambria Tampa East	103	2023	Tampa	Under Construction	Upscale
SpringHill Suites Tampa Downtown	168	2023	Tampa	Under Construction	Upscale
The Hiatus Hotel, Curio Collection by Hilton Clearwater Beach	88	2023	Clearwater Beach	Under Construction	Luxury
Embassy Suites Clearwater Beach	180	2024	Clearwater Beach	Under Construction	Upper Upscale
MOXY St. Petersburg Downtown	161	2024	St. Petersburg	Final Planning	Upper Midscale

Disclaimer: The Plasencia Group has compiled the above information from sources deemed reliable, and the information is presumed to be accurate. However, The Plasencia Group does not warrant that the information is accurate, up-to-date or complete.





REDISCOVER THE RIVER

Tampa Waterfront Points of Interest

• • • Tampa Riverwalk

- 1 Armature Works
- 2 Water Works Park
- 3 Julian B. Lane Park
- 4 Straz Center for the Performing Arts
- 5 Tampa Museum of Art
- 6 Glazer Children's Museum
- 7 Curtis Hixon Waterfront Park
- 8 University of Tampa
- 9 Related Group Development Site
- 10 Pendry Development Site
- 11 Bayshore Boulevard
- 12 Tampa Convention Center
- 13 The Sail Pavilion
- 14 Cotanchobee Park
- 15 Amalie Arena
- 16 Water Street Development
- 17 USF Morsani College of Medicine
- 18 Tampa Bay History Center
- 19 Sparkman Wharf
- 20 The Florida Aquarium
- 21 Port Tampa Bay Cruise Terminal
- 22 Tampa General Hospital

The Riverwalk is a highly popular amenity that offers unique pedestrian connectivity among many of Downtown Tampa's premier attractions.

Presently a 2.4-mile course along the eastern bank of the Hillsborough River, the Riverwalk is a highly popular amenity that offers unique pedestrian connectivity among many of Downtown Tampa's premier attractions, including Amalie Arena, the Tampa Convention Center, the Straz Center for Performing Arts, and Armature Works, not to mention several of the area's major hotels. The uniquely walkable, elevated path is a focal point for the city. It has been the backdrop for multiple Stanley Cup parades and Tom Brady's infamous toss of the NFL's Lombardi Trophy, and is undoubtedly a key factor in attracting full-time residents to the Downtown submarket. The Riverwalk is also catalyzing growth on the west side of the river. In addition to the 400-unit Arabelle Riverwalk, which recently sold for \$560,000 per unit, Miami's Related Group has announced plans to develop another 1,000 units along the river's western shore, a project that will also include an expansion of the Riverwalk to that side of the river.





Photo: nathan mullet via unsplash

NEW LIVE-WORK-PLAY DEVELOPMENTS

Over the past several years, three high-profile, mixed-use projects have been introduced to Tampa: Water Street Tampa, in southern Downtown Tampa; Tampa Heights, just north of Downtown Tampa; and Midtown Tampa, on the eastern edge of Tampa's Westshore submarket. These developments feature Class-A office space, some of the priciest apartments in town, and a variety of restaurant, grocery, and retail options. Gas Worx, another mixed-use development set to ultimately comprise 5.9 million square feet across 34 acres, should substantially conjoin Downtown Tampa and historic Ybor City. Water Street, Tampa Heights, Midtown Tampa, and Gas Worx are emblematic of where development (and redevelopment) in Tampa is heading: highly-walkable and amenitized destinations that cater to Tampa's emerging workforce and appeal to the new class of visitors to the market.

EMERGENCE OF EAST TAMPA

While recent developments in Downtown Tampa have rightfully been celebrated, other parts of the market are also experiencing major growth. In particular, the eastern portion of the city, centered on the recently expanded Hard Rock Hotel and Casino and Busch Gardens and the University of South Florida (USF), has been incredibly resilient over the course of the pandemic. Moving forward, the submarket is primed for growth. USF achieved a record enrollment for the 2022 academic year and just unveiled plans for a multimillion-dollar athletics district, the crown jewel of which is an on-campus football stadium (the USF Bulls presently play off-campus at Raymond James Stadium). Additionally, the ongoing conversion of a 100-acre shopping mall site into Rithm At Uptown, a mixed-use development effectively across the street from USF, will further elevate the submarket with a potential seven million square feet of retail, restaurant, educational, office, and multifamily uses.



With our firm's headquarters in Tampa, we have front-row seats to our home region's maturation, and we are proud to play a recurring role in the ongoing progress of the local hospitality industry. The Tampa Bay area has grown by leaps and bounds over the last decade, overcome the COVID-19 pandemic, and we truly believe the best is yet to come. Leisure demand in the market has entered a "new-normal" era, transcending pre-pandemic norms, and growth in corporate and group demand continues to accelerate weekly. The market is well-positioned to grow and prosper for the foreseeable future.

Tampa Bay Transactions Executed (2021 & 2022)

 Transactions Facilitated by The Plasencia Group

	Sale	Property	City	State	Rooms
	Jul '22	DoubleTree Beach Resort Tampa Bay North Redington Beach	North Redington Beach	FL	125
	May '22	Dolphin Beach Resort	St. Pete Beach	FL	173
	Apr '22	Aloft Element Tampa Midtown	Tampa	FL	226
	Mar '22	Wyndham Grand Clearwater Beach	Clearwater Beach	FL	343
	Mar '22	Postcard Inn On The Beach	St. Pete Beach	FL	196
	Mar '22	Saddlebrook Resort	Tampa	FL	519
	Feb '22	Hampton Inn & Suites Tampa Busch Gardens Area	Tampa	FL	84
	Dec '21	The CURRENT Hotel, Autograph Collection	Tampa	FL	180
	Oct '21	Residence Inn SpringHill Suites Clearwater Beach	Clearwater	FL	255
	Oct '21	Floridan Palace Hotel BW Premier Collection	Tampa	FL	212
	Sep '21	Westin Tampa Waterside	Tampa	FL	309
	Aug '21	The Godfrey Hotel & Cabanas Tampa	Tampa	FL	276
	Jul '21	The BeachView Hotel	Clearwater Beach	FL	69
	Jul '21	Hampton Inn Home2 Suites Tampa Channel District	Tampa	FL	213
	Jun '21	Thunderbird Beach Resort	Treasure Island	FL	106
	Mar '21	Alden Suites Beach Resort	St. Pete Beach	FL	141
	Jan '21	Hilton St. Petersburg Carillon Park	St. Petersburg	FL	227

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In addition to investment advisory work, our firm also offers active asset management and development consulting divisions. Please let us know if our array of services may be of interest to you.

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Get in touch with one of our Florida lodging investment professionals to discuss your hotel and resort ownership needs.

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