



# Office Market Report

## Jacksonville - FL

PREPARED BY



Katie Kirchner  
Partner



**OFFICE MARKET REPORT**

Market Key Statistics	1
Leasing	2
Rent	6
Construction	9
Under Construction Properties	11
Sales	13
Sales Past 12 Months	15
Economy	17
Market Submarkets	22
Supply & Demand Trends	25
Rent & Vacancy	27
Sale Trends	29

12 Mo Deliveries in SF

**833K**

12 Mo Net Absorption in SF

**(300K)**

Vacancy Rate

**10.0%**

12 Mo Rent Growth

**1.7%**

Large consolidations loosened Jacksonville's vacancy rate after levels plateaued throughout much of 2019-20. Rent growth has decelerated over the past two years in response to the slowing demand. Leasing activity in Jacksonville has slowed since the onset of the pandemic. And while the slowdown is weighting on the market, the absence of an elevated speculative pipeline will help keep vacancies from soaring.

Jacksonville had strong growth in the office market for most of the past decade thanks to a low cost of living, increased wages, lower office rents, and available land. Office-using employment an annual average increase of around 3% from 2010-19. After office-using job growth stagnated throughout 2018 and into 2019, job growth in the professional and business sector accelerated once again in early 2020. While the economic downturn caused initial job losses in the financial activities and professional and business services sectors, growth in these two sectors are close to reaching pre-pandemic

levels.

Financial services and professional and business services are key drivers of Jacksonville's office-using employment, primarily due to the prevalence of major firms such as Merrill Lynch, Citibank, Bank of America, and Wells Fargo. Jacksonville's white-collar workforce, along with its business-friendly environment, has been attractive to companies looking for new space and expansions across the metro.

While office investment slowed since the onset of the pandemic, the sale of several institutional-sized deals in 20Q1 boosted transaction activity last year. The roughly \$560 million invested in the market in 2020 is more than twice the market's long-term annual average, and annual volume has exceeded \$500 million for more than three years. Market pricing stands at \$142/SF, well below Atlanta and other Florida metros. Additionally, cap rates have held in the lower-8% range.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	17,911,057	13.9%	\$25.27	18.4%	(162,041)	79,751	688,939
3 Star	27,296,765	9.4%	\$22.45	13.0%	(102,981)	32,012	364,360
1 & 2 Star	21,177,684	7.4%	\$18.19	9.2%	(15,102)	0	0
<b>Market</b>	<b>66,385,506</b>	<b>10.0%</b>	<b>\$21.89</b>	<b>13.3%</b>	<b>(280,124)</b>	<b>111,763</b>	<b>1,053,299</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.6%	10.9%	10.1%	15.1%	2009 Q4	6.6%	2000 Q1
Net Absorption SF	(300K)	644,933	514,310	2,757,467	2006 Q3	(1,024,382)	2009 Q4
Deliveries SF	833K	829,424	837,909	2,034,757	2006 Q4	64,197	2015 Q1
Rent Growth	1.7%	1.3%	1.9%	8.7%	2007 Q3	-8.9%	2010 Q4
Sales Volume	\$313M	\$301.9M	N/A	\$990.6M	2020 Q1	\$44.8M	2001 Q2



Large tenant move-outs and slowing demand have defined the Jacksonville office market before and after the economic downturn, resulting in vacancies ticking upwards to 10.0%. Net absorption levels were negative in 2019 as several companies consolidated operations. While leasing activity is meager in the market, the limited amount of spec supply will not cause much supply-side pressure in Jacksonville.

SportsMEDIA Technology announced in March 2020 that the cancellation of sporting events due to coronavirus had adversely impacted its business, and the company furloughed about 100 employees based in Jacksonville's Southside. This is likely one example of multiple such cases around the market, which could see occupiers consolidating or closing certain office locations altogether due to the fallout from the pandemic.

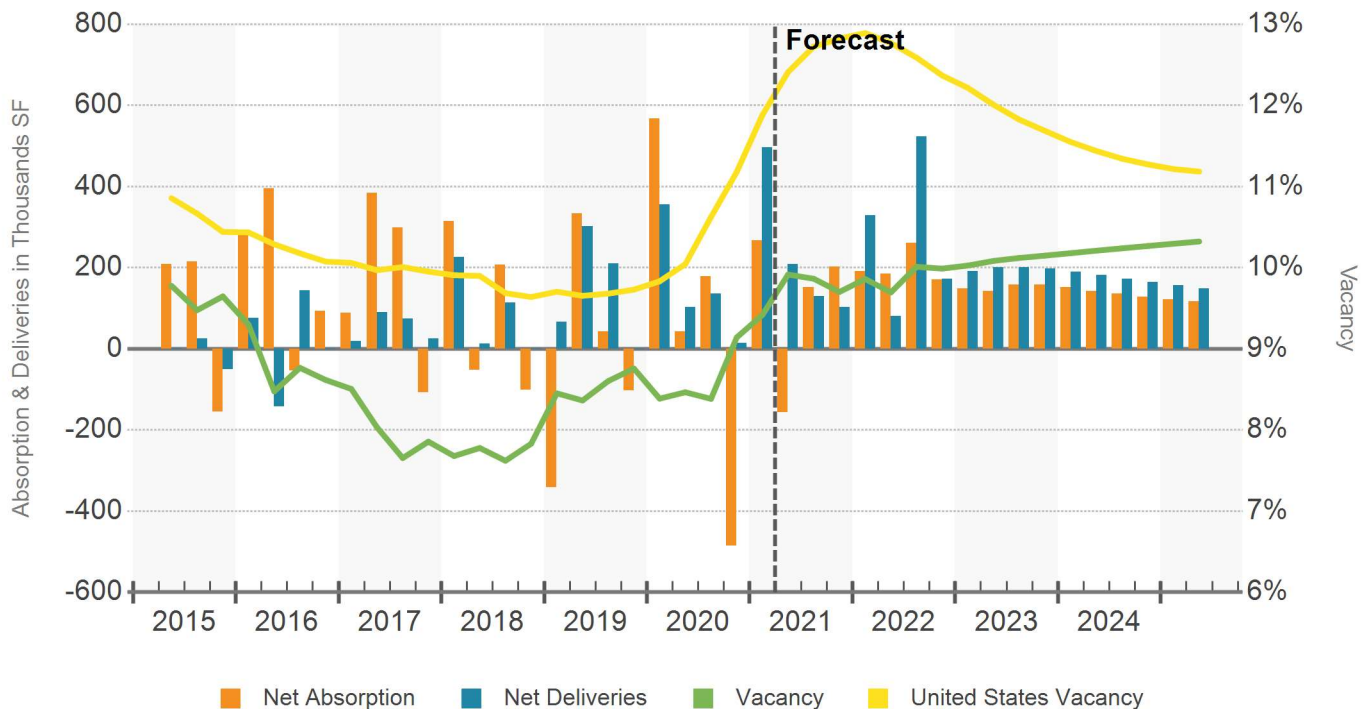
Several sizable tenants have already vacated office space in the Jacksonville market. State Farm closed its Baymeadows operations, relocating 600 employees to its

headquarters in Bloomington, Illinois, and other large offices in Atlanta, Dallas, and Phoenix. The move left over 120,000 SF vacant in 19Q4 and the space remains on the market for sublease.

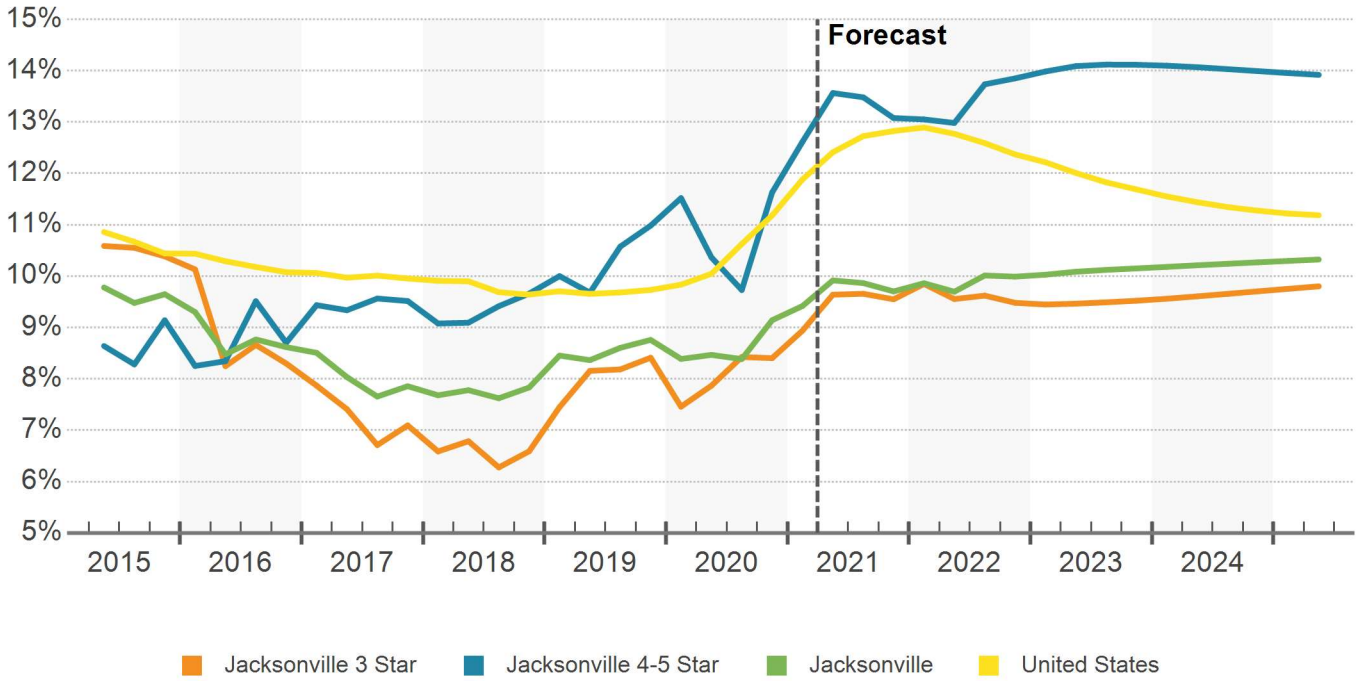
Still, there has been positive momentum in the office market. Business services company Intuition is occupying close to 40,000 SF of space at CSX's old campus, now called Innovation Park. SS&C Technology announced in 2019 the intent to add nearly 200 jobs in Jacksonville, and expanded its footprint at Gramercy Woods in Southside by about 30,000 SF, to a total of about 107,000 SF.

Build-to-suits have defined office development in the market in the past decade, comprising most of the market's largest deliveries. PGA Tour's 187,000-SF Global HQ in the Beaches Submarket is the largest office property in the submarket. In the Southside Submarket, McKesson Medical moved into its newly built 125,000-SF office in 2019.

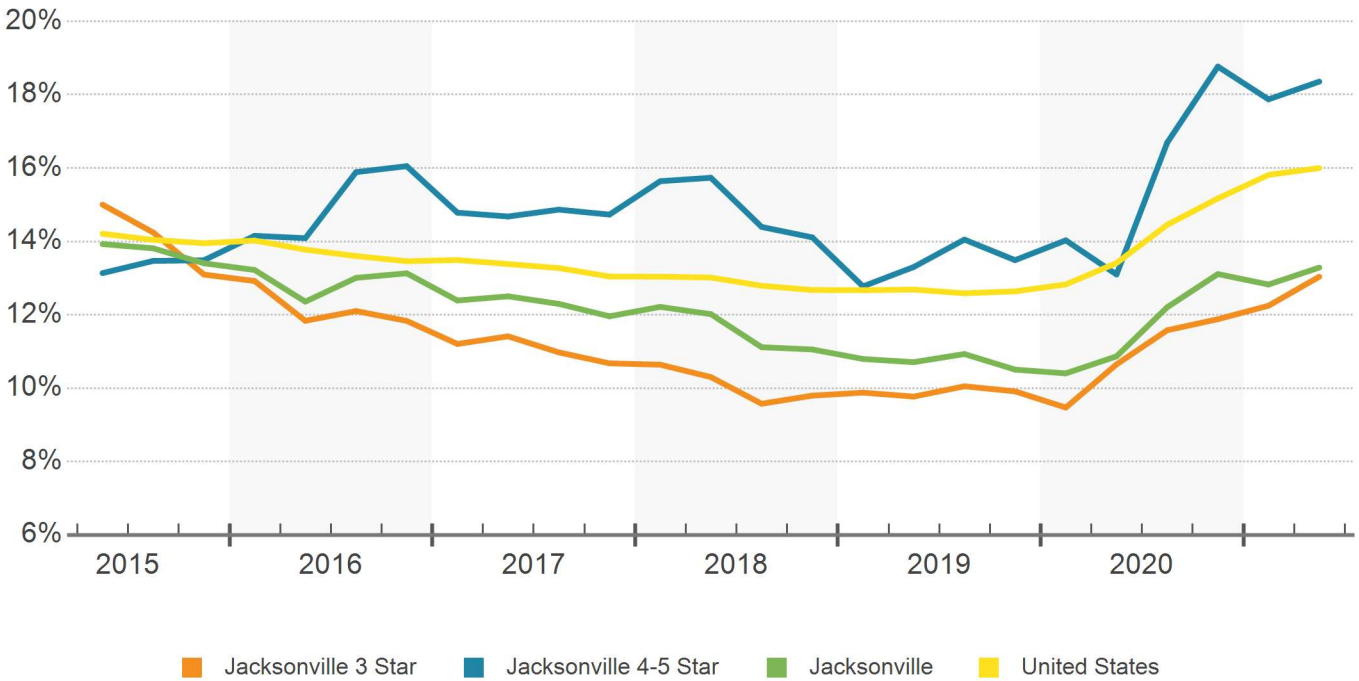
### NET ABSORPTION, NET DELIVERIES & VACANCY



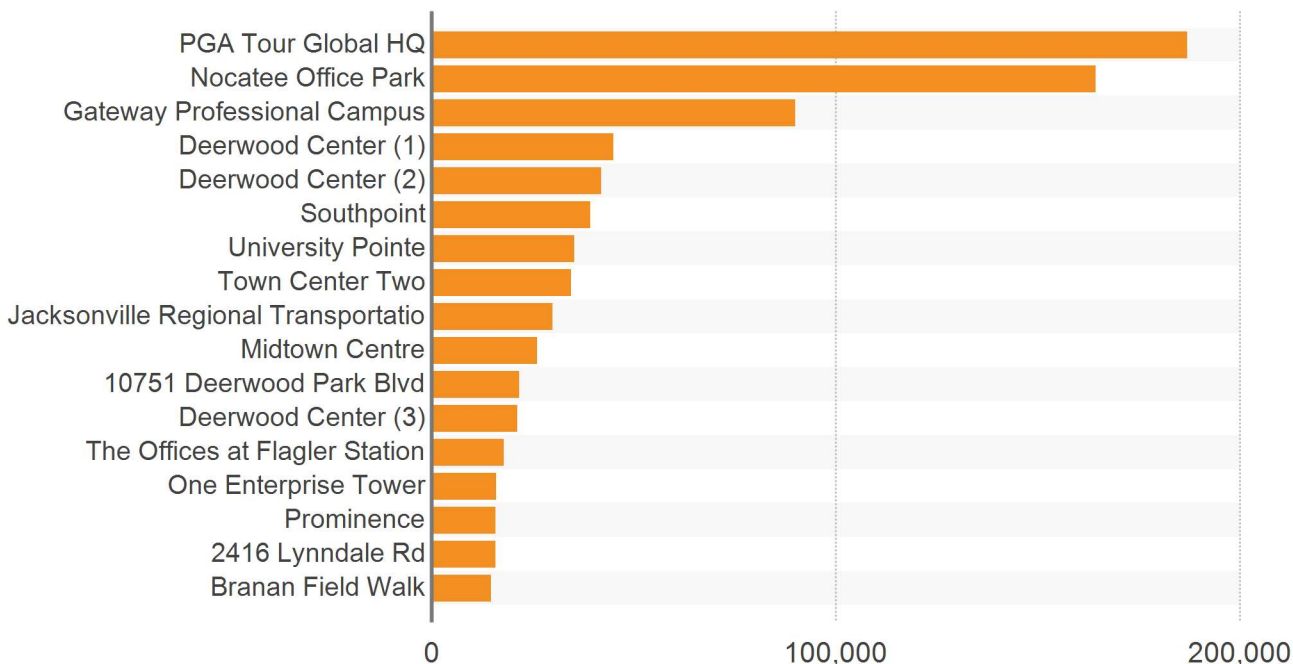
## VACANCY RATE



## AVAILABILITY RATE



### 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
PGA Tour Global HQ	Beaches	187,000	0	187,000	0	0	0	187,000
Nocatee Office Park	Butler/Baymeadows	164,300	0	164,300	0	0	0	164,300
Gateway Professional Campus	Southside	90,000	0	0	0	0	0	90,000
Deerwood Center (1)	Butler/Baymeadows	45,000	0	45,000	0	0	0	45,000
Deerwood Center (2)	Butler/Baymeadows	231,813	116,727	42,665	0	0	0	41,873
Southpoint	Southside	157,040	24,228	0	0	0	0	39,292
University Pointe	Southside	54,297	0	54,297	0	0	0	35,297
Town Center Two	Southside	218,700	6,157	0	0	0	0	34,447
Jacksonville Regional Transport...	Downtown Northbank	62,000	0	1,000	0	0	0	29,824
Midtown Centre	Southside	26,111	0	26,111	0	0	0	26,111
10751 Deerwood Park Blvd	Southside	99,592	4,025	0	0	0	0	21,649
Deerwood Center (3)	Butler/Baymeadows	62,877	35,021	(121)	0	0	0	21,109
The Offices at Flagler Station	Butler/Baymeadows	50,010	6,670	0	10,000	0	0	17,877
One Enterprise Tower	Downtown Northbank	317,577	206,535	0	0	0	0	15,927
Prominence	Butler/Baymeadows	103,691	38,045	12,496	0	0	0	15,837
2416 Lynndale Rd	Nassau County	30,000	0	0	0	0	0	15,824
Branan Field Walk	Orange Park/Clay C...	25,736	11,000	0	14,736	0	0	14,736
<b>Subtotal Primary Competitors</b>		<b>1,925,744</b>	<b>448,408</b>	<b>532,748</b>	<b>24,736</b>	<b>0</b>	<b>0</b>	<b>816,103</b>
Remaining Jacksonville Market		64,459,762	6,185,061	(265,411)	(304,860)	0	0	(1,116,470)
<b>Total Jacksonville Market</b>		<b>66,385,506</b>	<b>6,633,469</b>	<b>267,337</b>	<b>(280,124)</b>	<b>0</b>	<b>0</b>	<b>(300,367)</b>

### TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
8001 Baymeadows Way	Butler/Baymeadows	66,250	Q4 20	GuideWell Connect	JLL	-
Imeson Center *	Ocean Way	59,187	Q3 20	Maximus	Colliers	-
Imeson Center	Ocean Way	48,000	Q3 20	-	-	Newmark Phoenix Real...
Hampton Village	Butler/Baymeadows	47,625	Q3 20	The CSI Companies	Foundry	Ash Properties
Deerwood Center	Butler/Baymeadows	46,992	Q3 20	Freedom Mortgage	-	Foundry
Southbank *	Downtown Southbank	35,030	Q1 21	Macquarie	-	JLL
TIAA Bank	Downtown Northbank	29,126	Q1 21	-	-	Cushman & Wakefield...
Office Centre at Southpoint	Southside	25,300	Q1 21	-	-	7 Star Realty Inc
Gran Park at Avenues	Butler/Baymeadows	22,784	Q4 20	ModivCare	Addison Commercial...	CBRE
Deerwood Center	Butler/Baymeadows	21,553	Q4 20	NewRez	Pine Street/RPS, LLC	-
Southpoint	Southside	19,365	Q2 20	Ascension St. Vincent's	-	Newmark Phoenix Real...
Flagler Center	Butler/Baymeadows	19,015	Q1 21	-	-	JLL
3339 Highway 17	Orange Park/Clay County	18,705	Q3 20	Metabolic Research Center	-	-
Bank of America Tower *	Downtown Northbank	17,980	Q3 20	Akerman	JLL	-
Baymeadows Business Center *	Mandarin	17,866	Q3 20	Made in Space	-	NAI Hallmark
Midtown Centre	Southside	16,257	Q3 20	Midtown Centre Office Park	-	Midtown Centre Office...
One Enterprise Tower	Downtown Northbank	15,927	Q3 20	CSX	-	JLL
3316 S 3rd St *	Beaches	14,450	Q4 20	Surgery Partners	JLL	-
Greystone Park	Southside	14,440	Q3 20	-	-	Cushman & Wakefield...
Quadrant at Southpoint II	Southside	14,081	Q1 21	-	-	CBRE
11231 Philips Industrial Blvd	Butler/Baymeadows	14,000	Q2 20	-	-	Newmark Phoenix Real...
Deerwood Center	Butler/Baymeadows	13,609	Q4 20	-	-	Cushman & Wakefield...
Midtown Centre	Southside	12,388	Q4 20	Daniel Memorial	-	Midtown Centre Office...
Former Furchgott's Bldg	Downtown Northbank	12,306	Q3 20	De Real Ting Cafe	Prime Realty, Inc.	Prime Realty, Inc.
Oaks at Southpoint	Southside	12,221	Q1 21	-	-	NAI Hallmark
6740 Broadway Ave	West Side	12,000	Q2 20	-	-	Newmark Phoenix Real...
North Regency 1	Arlington	11,147	Q3 20	Circle K	JLL	Garnett Commercial Re...
San Marco East Plaza	San Marco	11,007	Q2 20	Baptist Health	-	NAI Hallmark
Veranda	Beaches	10,700	Q1 21	American Roll-on Roll-off...	-	Meridian Management
Deerwood Park	Southside	10,377	Q4 20	Gilbane Construction	-	Colliers
245 Riverside Ave	Downtown Northbank	10,097	Q3 20	-	-	JLL
The Offices at Flagler Station	Butler/Baymeadows	10,000	Q1 21	GAI Consultants	JLL	Ash Properties
200 N Ridgecrest Ln	St Johns County	9,903	Q3 20	IV Brown Academy	-	-
Liberty Business Park	Butler/Baymeadows	9,709	Q1 21	Greenshades	-	Newmark Phoenix Real...
Quadrant at Southpoint I	Southside	9,697	Q2 21	The Jim Morris Institute	-	CBRE
Waterview Office Park *	Southside	9,520	Q1 21	Danis Construction	Garnett Commercial...	-
Fleming Island Business Park	Orange Park/Clay County	9,036	Q3 20	-	-	Colliers
Summit Tower	Riverside	9,000	Q4 20	Honey Lake Farms	-	Summit Realty Partner...
Midtown Centre	Southside	8,965	Q4 20	-	-	Midtown Centre Office...
Prominence	Butler/Baymeadows	8,358	Q3 20	Radiology Partners	CBRE	JLL

Renewal

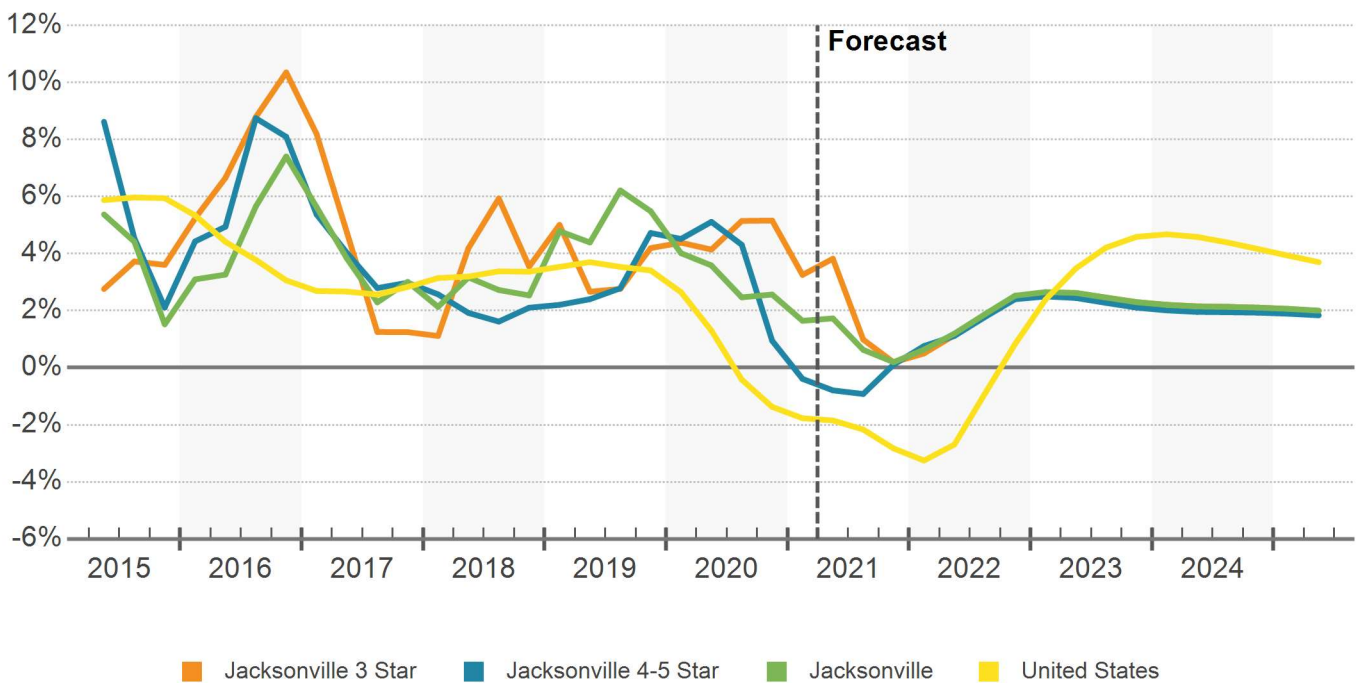
Despite decelerating in recent years, office rent growth in Jacksonville remains strong compared to the National Index and most other Florida markets. While at 1.7%, annual gains have fallen by more than 400 basis points since hitting a peak at the end of 2019. Still, rent growth is one of the highest in Florida and is well above the long-term historical average.

Even with the solid rent growth, Jacksonville represents a comparative bargain, with rent levels roughly 25% more affordable than Raleigh, Atlanta, and Charlotte. Among all metros in Florida, Jacksonville is among the

top five for rent growth, ahead of Miami and Orlando but behind Palm Beach.

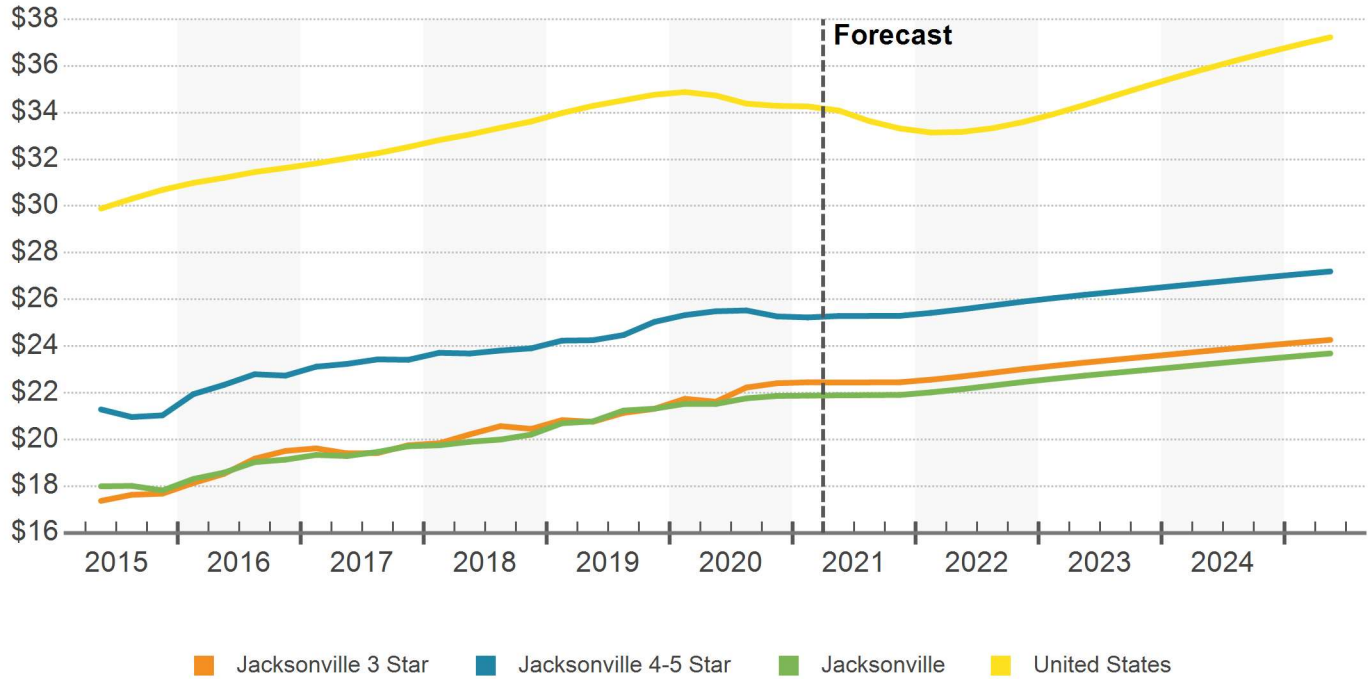
While Southside initially led in terms of rent growth, increases to rent have softened in the submarket. The market's more traditional CBD submarkets of Downtown Northbank and Downtown Southbank have also seen rent growth decelerate. The downtown submarkets have recently reached the \$22/SF and \$23/SF average rent benchmarks, respectively, as interest has reemerged for the downtown core.

## MARKET RENT GROWTH (YOY)





### MARKET RENT PER SQUARE FEET



### 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Jacksonville</b>	\$0.71	\$1.42	\$0.65	\$3.41	\$4.84	<b>\$11.03</b>
Arlington	\$0.53	\$1.20	\$0.60	\$2.04	\$6.31	<b>\$10.68</b>
Beaches	\$0.54	\$1.20	\$0.60	\$2.19	\$6.34	<b>\$10.87</b>
Butler/Baymeadows	\$0.58	\$1.27	\$0.61	\$3.18	\$4.99	<b>\$10.63</b>
Downtown Northbank	\$0.56	\$1.06	\$0.52	\$1.66	\$6.41	<b>\$10.21</b>
Downtown Southbank	\$1.20	\$2.04	\$0.85	\$2.45	\$2.36	<b>\$8.90</b>
Mandarin	\$0.53	\$1.20	\$0.60	\$3.50	\$5.96	<b>\$11.79</b>
Nassau County	\$0.53	\$1.20	\$0.60	\$4.25	\$6.31	<b>\$12.89</b>
Northeast Jacksonville	\$0.53	\$1.20	\$0.60	\$3.34	\$6.31	<b>\$11.98</b>
Northwest Jacksonville	\$0.53	\$1.20	\$0.60	\$1.80	\$6.31	<b>\$10.44</b>
Orange Park/Clay County	\$0.49	\$1.11	\$0.55	\$1.76	\$5.87	<b>\$9.78</b>
Riverside	\$0.53	\$1.20	\$0.60	\$2.32	\$6.31	<b>\$10.96</b>
San Marco	\$0.70	\$1.42	\$0.66	\$4.55	\$5.33	<b>\$12.66</b>
Southside	\$0.89	\$1.69	\$0.71	\$4.98	\$3.60	<b>\$11.87</b>
St Johns County	\$0.50	\$1.12	\$0.56	\$1.40	\$5.99	<b>\$9.57</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Jacksonville</b>	\$0.58	\$1.20	\$0.54	\$2.42	\$3.97	<b>\$8.71</b>
Arlington	\$0.49	\$1.10	\$0.55	\$1.99	\$4.81	<b>\$8.94</b>
Baker County	\$0.51	\$1.14	\$0.57	\$1.16	\$4.98	<b>\$8.36</b>
Beaches	\$0.46	\$1.04	\$0.52	\$2.76	\$4.55	<b>\$9.33</b>
Butler/Baymeadows	\$0.47	\$1.05	\$0.53	\$2.95	\$3.28	<b>\$8.28</b>
Downtown Northbank	\$0.49	\$0.90	\$0.50	\$1.94	\$4.51	<b>\$8.34</b>
Downtown Southbank	\$1.08	\$1.80	\$0.76	\$2.52	\$1.14	<b>\$7.30</b>
Mandarin	\$0.47	\$1.06	\$0.53	\$2.21	\$4.60	<b>\$8.87</b>
Nassau County	\$0.49	\$1.09	\$0.55	\$1.94	\$4.79	<b>\$8.86</b>
Northeast Jacksonville	\$0.47	\$1.06	\$0.53	\$1.87	\$4.65	<b>\$8.58</b>
Northwest Jacksonville	\$0.51	\$1.14	\$0.57	\$1.23	\$4.98	<b>\$8.43</b>
Orange Park/Clay County	\$0.48	\$1.07	\$0.53	\$2.91	\$4.68	<b>\$9.67</b>
Riverside	\$0.49	\$1.10	\$0.55	\$2.41	\$4.82	<b>\$9.37</b>
San Marco	\$0.73	\$1.42	\$0.59	\$2.39	\$3.42	<b>\$8.55</b>
Southside	\$1.02	\$1.81	\$0.57	\$2.55	\$1.67	<b>\$7.62</b>
St Johns County	\$0.48	\$1.08	\$0.54	\$2	\$4.72	<b>\$8.82</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Jacksonville</b>	\$0.58	\$0.91	\$0.40	\$2.07	\$0.93	<b>\$4.89</b>
Arlington	\$0.47	\$0.93	\$0.41	\$1.34	\$0.39	<b>\$3.54</b>
Baker County	\$0.48	\$0.95	\$0.41	\$1.89	\$0.40	<b>\$4.13</b>
Beaches	\$0.48	\$0.95	\$0.41	\$3.01	\$0.26	<b>\$5.11</b>
Butler/Baymeadows	\$0.46	\$0.91	\$0.34	\$2.80	\$2.18	<b>\$6.69</b>
Downtown Northbank	\$0.31	\$0.60	\$0.46	\$1.72	\$3.55	<b>\$6.64</b>
Downtown Southbank	\$1.06	\$0.85	\$0.35	\$2.02	\$1.30	<b>\$5.58</b>
Mandarin	\$0.44	\$0.87	\$0.37	\$2.36	\$0.50	<b>\$4.54</b>
Nassau County	\$0.48	\$0.94	\$0.41	\$2.06	\$0.40	<b>\$4.29</b>
Northeast Jacksonville	\$0.48	\$0.95	\$0.41	\$2.33	\$0.40	<b>\$4.57</b>
Northwest Jacksonville	\$0.47	\$0.93	\$0.40	\$1.20	\$0.39	<b>\$3.39</b>
Orange Park/Clay County	\$0.48	\$0.95	\$0.41	\$2.01	\$0.40	<b>\$4.25</b>
Riverside	\$0.48	\$0.94	\$0.41	\$2.02	\$0.40	<b>\$4.25</b>
San Marco	\$0.73	\$0.93	\$0.38	\$1.99	\$0.86	<b>\$4.89</b>
Southside	\$1.01	\$0.96	\$0.37	\$2.21	\$1.40	<b>\$5.95</b>
St Johns County	\$0.48	\$0.95	\$0.42	\$2.12	\$0.40	<b>\$4.37</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

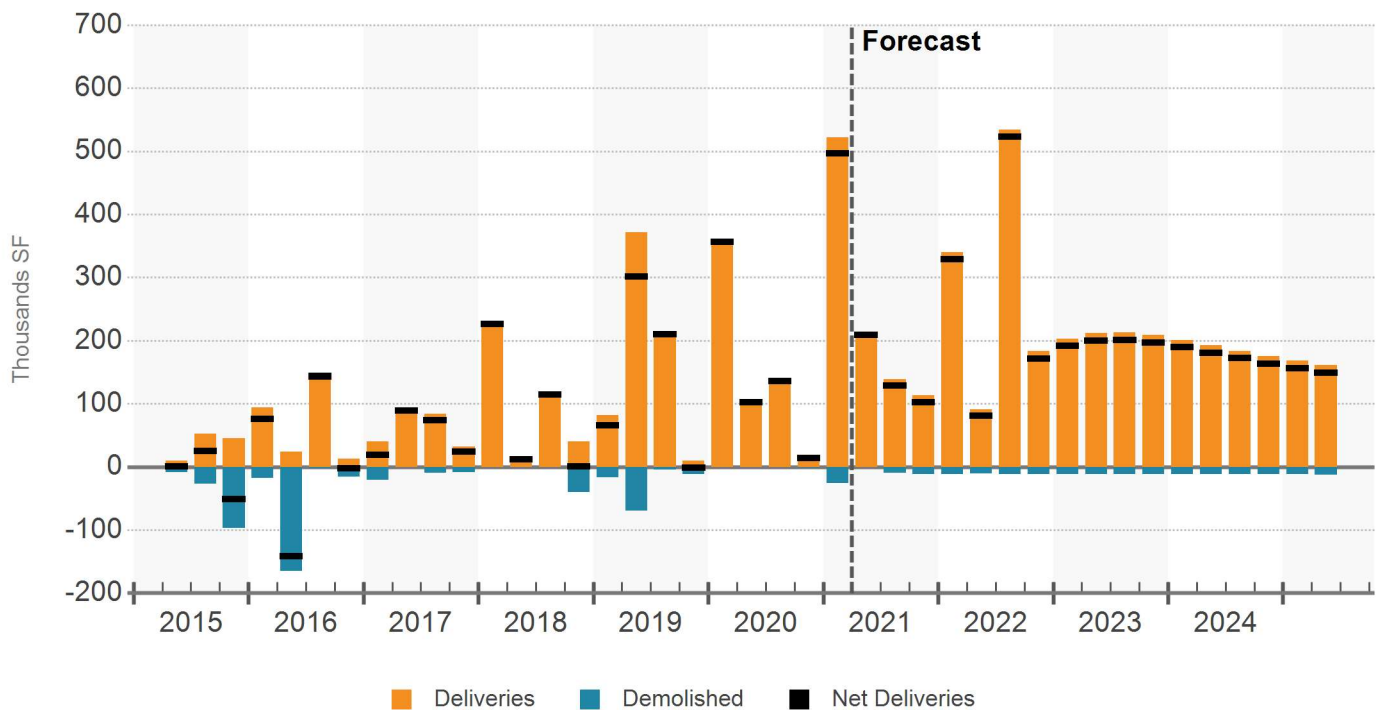
Construction activity has picked up in Jacksonville in recent years. The increase in development is not likely to impact the market's vacancy rate much in the near term, as 60% of the space under construction is leased, and the larger speculative buildings are still months away from completion. Office properties over 100,000 SF which were built more than 30 years ago remain among Jacksonville's biggest obstacles, as evidenced by the recent move-outs of several large companies. Many of these properties are in need of renovations to better accommodate the changing workforce.

Around 1.1 million SF of office space is under construction in Jacksonville, about 1.6% of inventory. A large chunk of this office space is the build-to-suit 300,000-SF office for Fidelity Information Services in

Downtown. As far as speculative supply goes, the 157,000-SF Italian Renaissance-style Barnett Building in Downtown Northbank was renovated in 2019 and leased to UNF in 19Q2. Nearby, the Classic Revival Laura Street Trio brings almost 100,000 SF of newly renovated space to the market. The largest speculative office underway is the 125,000-SF Park Place at Nocatee in the Butler/Bayeadows Submarket.

New 4 & 5 Star construction in Jacksonville is typically suburban office properties, either medical or build-to-suit, and new builds average about 30,000 SF. Among 3 Star properties, projects built over the past decade usually average about 15,000 SF, with over half being medical office.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Downtown Northbank	2	540	540	100%	1	34,516	269,807	1
2	Southside	1	138	138	100%	1	21,890	138,085	2
3	St Johns County	7	92	69	75.1%	7	6,987	13,173	8
4	Northwest Jacksonville	1	69	5	6.5%	9	6,354	69,348	3
5	Butler/Baymeadows	4	68	49	71.8%	8	38,447	17,000	6
6	Orange Park/Clay County	2	61	61	100%	1	8,366	30,734	5
7	Beaches	3	41	33	82.6%	6	8,896	13,514	7
8	Mandarin	1	32	32	100%	1	8,383	31,618	4
9	Northeast Jacksonville	1	10	0	0%	10	7,761	10,000	9
10	Riverside	1	2	2	100%	1	4,760	2,417	10
	All Other	0	-	-	-		8,930	-	
<b>Totals</b>		<b>23</b>	<b>1,053</b>	<b>929</b>	<b>88.2%</b>		<b>13,648</b>	<b>45,796</b>	



# Under Construction Properties

Jacksonville Office

Properties

Square Feet

Percent of Inventory

Released

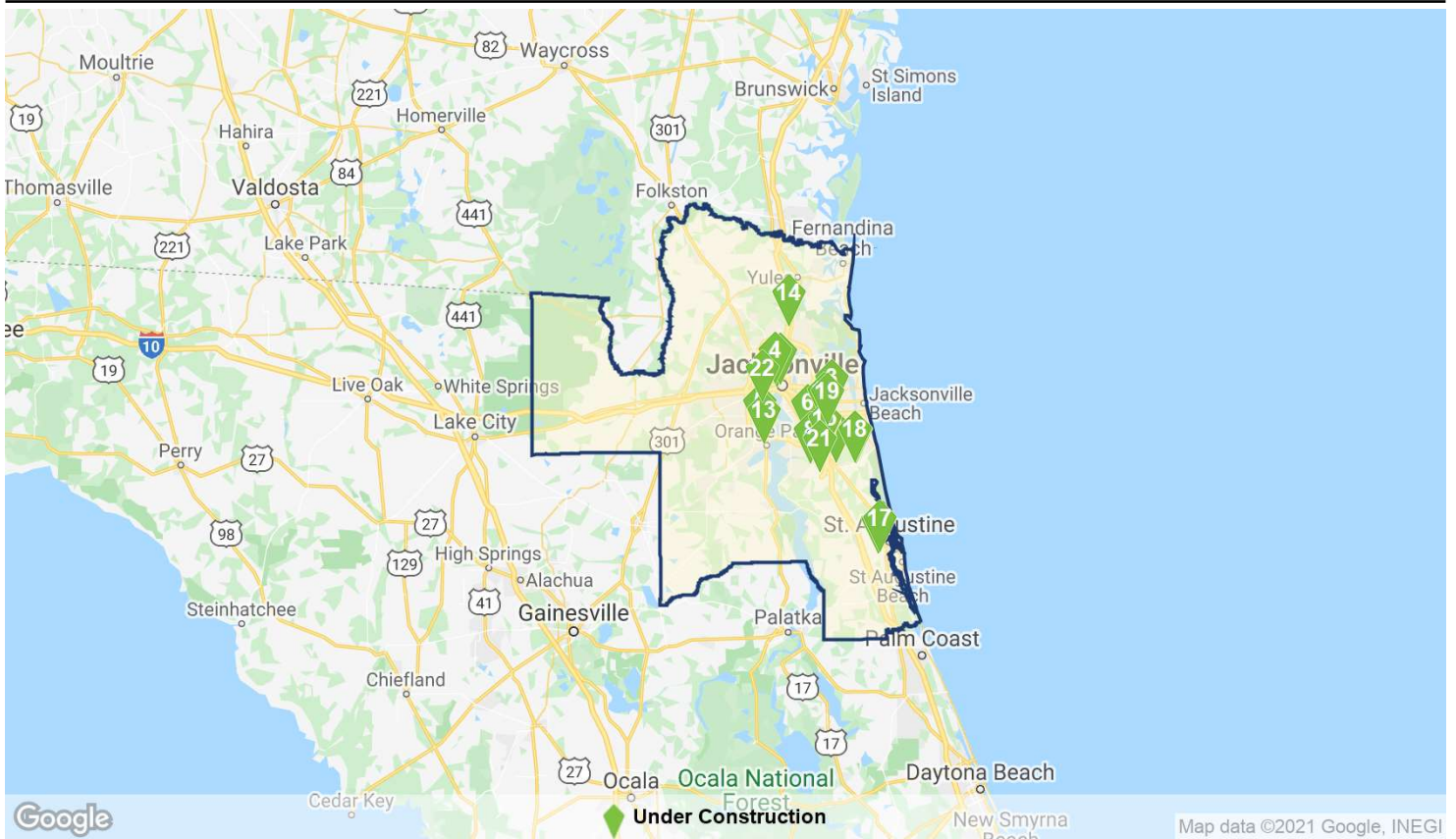
22

1,043,299

1.6%

88.1%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>FIS HQ</b> 347 Riverside Ave	★★★★★	386,613	12	Jul 2020	Jun 2022	Hines Fidelity National Financial, Inc.
2 <b>JEA HQ</b> 325 W Adams St	★★★★☆	153,000	7	Oct 2020	Jan 2022	Ryan Companies City of Jacksonville, Real Estate...
3 <b>5191 First Coast Tech Pky</b>	★★★★☆	138,085	1	Jan 2021	Dec 2021	Dana B. Kenyon Real Estate Ser... Jacksonville Spine Center
4 <b>Dennis + Ives 5.75 AC -...</b> 1505 Dennis St	★★★★☆	69,348	1	Dec 2019	Oct 2021	- Finnegan Development Company...
5 <b>1731 Wells Rd</b>	★★★★☆	45,468	2	Jul 2020	Jun 2021	Precise Construction Asset Exchange Company
6 <b>5520 Florida Mining Blvd S</b>	★★★★☆	31,618	-	Feb 2021	Feb 2022	- -
7 <b>Phase II</b> 14797 Philips Hwy	★★★★☆	29,000	3	Sep 2020	Sep 2021	- John F Glatting Jr

# Under Construction Properties

Jacksonville Office

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 3635 Race Track Rd	★★★★☆	25,000	2	Mar 2020	Jul 2021	- Onicx
9 190 Markerside Ave	★★★★☆	25,000	2	Oct 2020	Aug 2021	- -
10 Palms Professional Park 2050 St Johns Pky	★★★★☆	24,000	1	Sep 2020	Aug 2021	Custom Builders Custom Builders
11 Point Meadows Offices 8100 Point Meadows Dr	★★★★☆	24,000	2	Feb 2020	Jun 2021	- Cross Regions Real Estate
12 St. Augustine VA Clinic State Road 207	★★★★☆	18,708	1	Jul 2020	Jul 2021	- Construction Managers Inc
13 Kingsley Ave	★★★★☆	16,000	1	Jul 2020	Aug 2021	- Digestive Disease Consultants
14 15482 Max Legget Pky	★★★★☆	10,000	1	May 2021	Sep 2021	- OM Ventures Realty, LLC
15 Springs at Flagler Center... 12585 Flagler Center Blvd	★★★★☆	10,000	2	Nov 2020	Dec 2021	- Continental Properties Company,...
16 Building 400 380 Town Plaza Ave	★★★★☆	9,542	1	Apr 2020	Jun 2021	- Morgar Realty, Inc.
17 State Road 207 Rd	★★★★☆	8,000	1	Dec 2020	Aug 2021	- Borland-Groover Clinic
18 68 Tavernier Dr	★★★★☆	6,000	1	Nov 2020	Jun 2021	- -
19 9010 RG Skinner Pky	★★★★☆	5,000	1	Feb 2021	Nov 2021	- Richard Skinner & Associates
20 80 Durbin Ct	★★★★☆	3,500	1	Jan 2021	Aug 2021	- -
21 175 Durbin Station Ct	★★★★☆	3,000	1	Dec 2020	Jun 2021	- -
22 D 4405 Roosevelt Blvd	★★★★☆	2,417	1	Jan 2020	Jun 2021	- Dewberry Group

While transaction volume has remained limited since the economic downturn, office sales in 2020 did not drop off in Jacksonville as drastically as it did in many other markets. This was helped along by a strong 20Q1, when quarterly volume was nearly as much as typically trades in the market in an entire year.

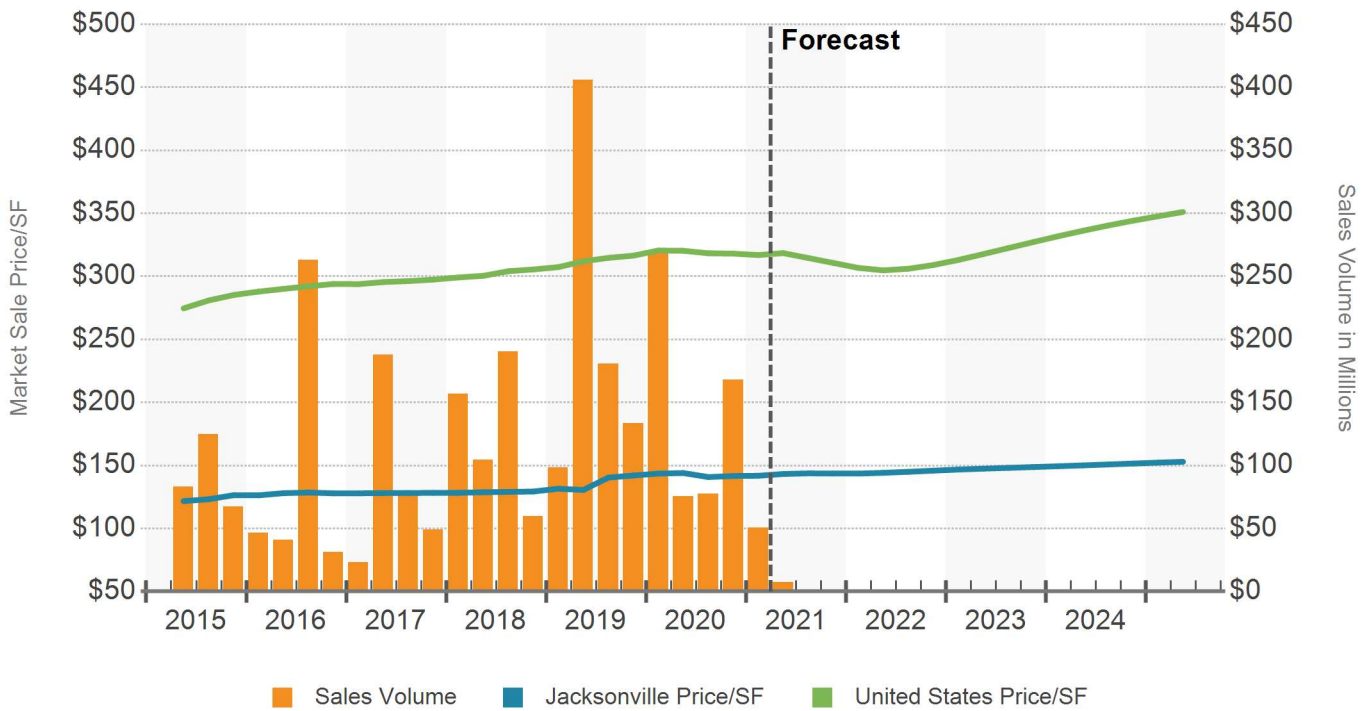
One of the largest deals recently came amid the pandemic, when Ally Financial bought two offices it occupies at Flagler Center in the Butler/Baymeadows Submarket in May 2020. Crocker Partners sold the two buildings, which total 246,000 SF, to the tenant for \$49 million, or about \$199/SF.

One of the sales that helped push 20Q1 volume was the February sale of One Call tower on the Southbank. ShareMD acquired the roughly 500,000-SF building for

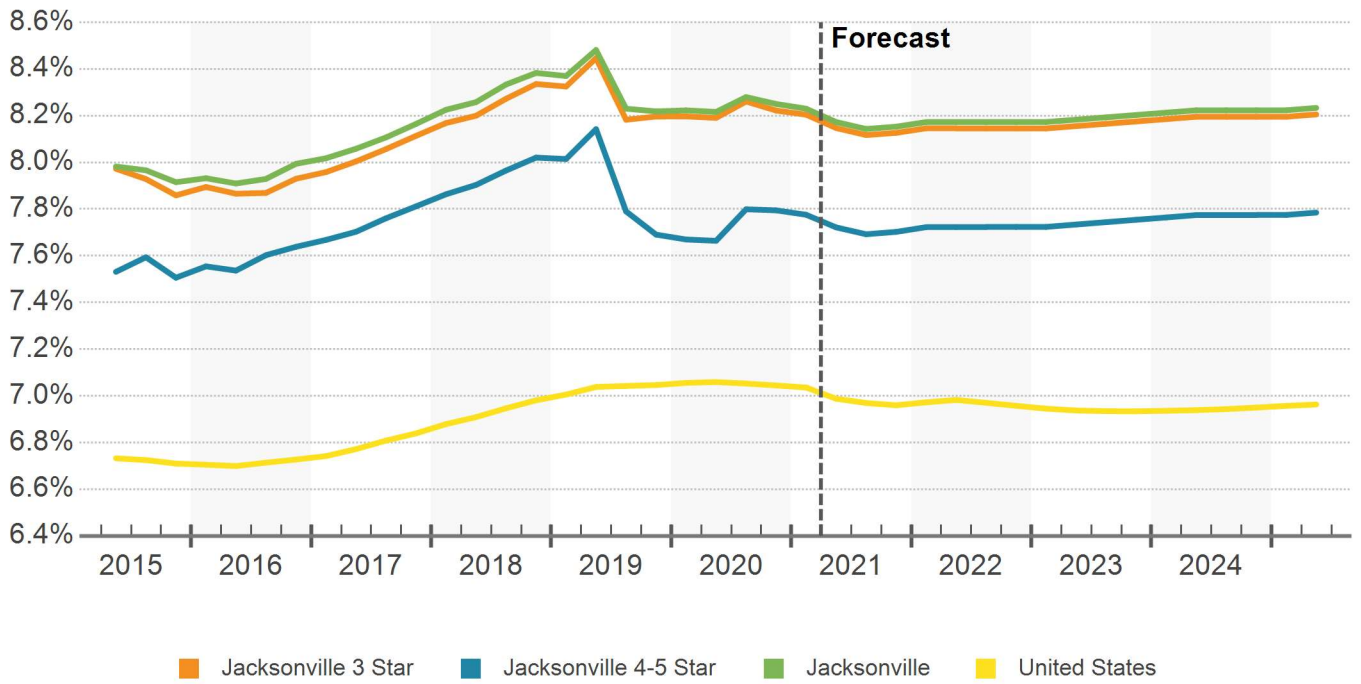
\$67 million, the highest price for a single office asset in Jacksonville in almost six years. Chicago-based GEM Realty Capital sold the property 80% leased after investing \$6 million in renovations. The company had bought the building for \$55.5 million in 2013.

In another large deal in recent years, developer Hines sold McKesson's newly built Southside office in September 2019. Louisville, Colorado-based Real Capital Solutions purchased the 120,000-SF property for \$42.3 million, or just over \$350/SF. Also in the Southside Quarter, San Francisco-based TPG acquired Town Center One & Two for \$107.1 million. Kansas City-based VanTrust Real Estate sold the two buildings which were built in 2018 and 2019 and total 379,000 SF for just over \$280/SF.

**SALES VOLUME & MARKET SALE PRICE PER SF**



## MARKET CAP RATE





# Sales Past 12 Months

Jacksonville Office

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

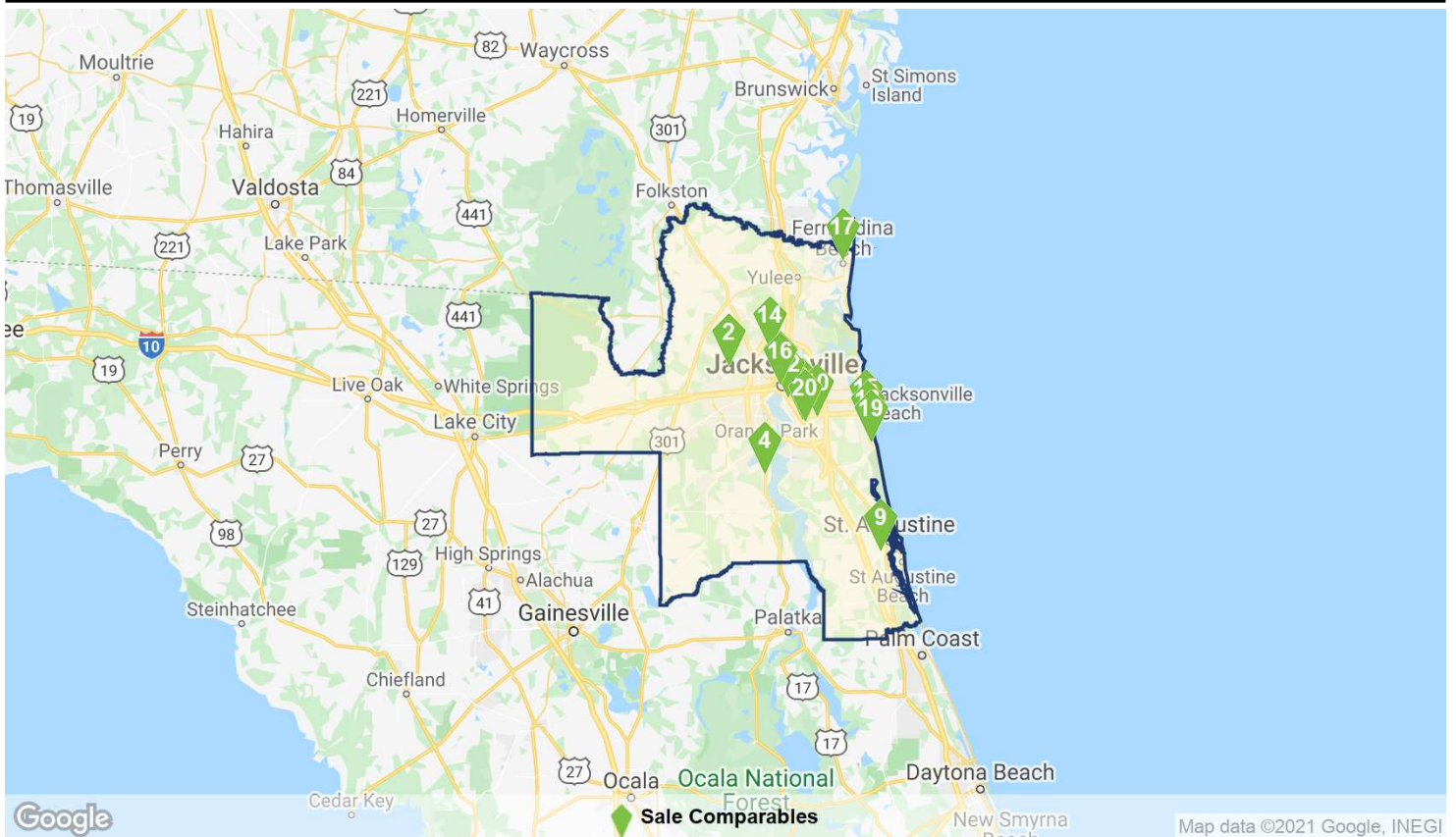
**358**

**7.7%**

**\$102**

**8.4%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$60,000	\$1,657,512	\$525,000	\$64,367,631
Price/SF	\$0.60	\$102	\$144	\$728
Cap Rate	5.8%	7.7%	7.5%	13.5%
Time Since Sale in Months	0.0	6.3	6.6	11.9
Property Attributes	Low	Average	Median	High
Building SF	380	13,196	3,172	699,000
Stories	1	2	1	42
Typical Floor SF	380	6,213	2,628	283,000
Vacancy Rate At Sale	0%	8.4%	0%	100%
Year Built	1882	1970	1974	2020
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.3	★ ★ ★ ★ ★	★ ★ ★ ★ ★

# Sales Past 12 Months

Jacksonville Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 <b>Bank of America Tower</b> 50 N Laura St	★★★★★	1990	699,000	26.8%	12/15/2020	\$64,367,631	\$92	-
2 <b>Southeast Toyota</b> 9985 Pritchard Rd	★★★★★	2003	283,000	0%	11/16/2020	\$17,600,000	\$62	-
3 <b>Miller Electric Company</b> 6805 Southpoint Pky	★★★★★	1989	117,870	0%	7/15/2020	\$15,400,000	\$131	-
4 <b>2310 Village Square Pky</b>	★★★★★	2001	85,000	0%	12/14/2020	\$13,100,000	\$154	-
5 <b>The Jax Nap</b> 421 W Church St	★★★★★	1959	238,129	0%	7/31/2020	\$10,758,383	\$45	-
6 <b>Center Building</b> 7825 Baymeadows Way	★★★★★	1976	107,554	0%	7/31/2020	\$10,500,000	\$98	-
7 <b>95 Corporate Center</b> 6675 Corporate Center Pky	★★★★★	1987	62,413	12.9%	12/21/2020	\$9,400,000	\$151	-
8 <b>First Coast Orthopedic S...</b> 4035 Southpoint Blvd	★★★★★	2020	12,000	0%	7/8/2020	\$8,730,000	\$728	-
9 <b>1 News PI</b>	★★★★★	2001	34,567	0%	10/28/2020	\$7,535,000	\$218	-
10 <b>Carrier Bldg</b> 7595 Centurion Pky	★★★★★	1991	50,080	0%	11/25/2020	\$6,120,000	\$122	-
11 <b>The Parkwood Bldg</b> 8160 Baymeadows Way W	★★★★★	1986	43,406	0%	2/4/2021	\$4,870,252	\$112	-
12 <b>3401 Philips Hwy</b>	★★★★★	2005	39,788	0%	3/30/2021	\$4,559,286	\$115	-
13 <b>Corners of Sawgrass</b> 151 Sawgrass Corners Dr	★★★★★	1998	20,800	22.4%	1/18/2021	\$4,310,000	\$207	-
14 <b>Fresenius Medical Care</b> 10614 Lem Turner Rd	★★★★★	1999	10,000	0%	5/7/2021	\$3,000,000	\$300	5.8%
15 <b>510 A1A N</b>	★★★★★	1994	9,701	0%	1/8/2021	\$3,000,000	\$309	-
16 <b>Bank of America Tower...</b> 135 W Bay St	★★★★★	1970	35,881	51.9%	12/15/2020	\$2,980,028	\$83	-
17 <b>402 Centre St</b>	★★★★★	1959	13,797	0%	3/22/2021	\$2,750,000	\$199	7.1%
18 <b>First Atlantic Bank</b> 100 Corridor Rd S	★★★★★	2001	15,300	20.3%	11/4/2020	\$2,700,000	\$176	-
19 <b>1030 N A1A Blvd</b>	★★★★★	2004	6,044	19.5%	6/12/2020	\$2,675,000	\$443	8.0%
20 <b>7898 Baymeadows Way</b>	★★★★★	1980	45,000	0%	3/24/2021	\$2,575,000	\$57	-

According to the most recent report by the Bureau of Labor and Statistics (BLS), Jacksonville had recovered about 80% of the nearly 78,000 jobs lost in the early months of the coronavirus pandemic. While the pandemic has caused significant economic disruption in Jacksonville, the market may be one of those best poised for a strong recovery in Florida. While the proportion of the workforce in the retail trade and leisure and hospitality sectors exceeds 27% in most Florida metros, jobs in those sectors make up merely 22% of Jacksonville's employment. Due in part to its port, Jacksonville's largest employment sector is trade, transportation, and utilities, accounting for 19% of jobs. Healthcare and education jobs make up 18% of the work force and the sector has continued to grow over the past year.

According to the U.S. Census Bureau, Jacksonville had the fifth highest population growth in the country in 2019. The booming population growth, for which the metro ranks 12th over the past decade, has been supported by job gains, which have outpaced the nation for seven years. Overall job growth in Jacksonville in the past year has been more than four times national job growth.

Some of the metro's largest employers are healthcare providers like Baptist Health and Mayo Clinic, but the metro's largest employer is the U.S. Navy. Naval Air Station Jacksonville is a southern hub and employs more than 50,000 civilian employees, contractors, and active-duty personnel.

Jacksonville's Mayo Clinic, one of three such destination medical centers in the U.S., has been expanding rapidly in recent years. Over the past five years, the clinic has invested about \$500 million into the Jacksonville campus, adding hundreds of jobs. Amazon has also been rapidly expanding in the metro. In January 2020, the company announced plans for a sixth area facility shortly after announcing in December 2019 that the company planned to build a distribution hub at a former Westside Kmart site. All of this comes quickly on the heels of the completion of two new Jacksonville fulfillment centers, which total over 3 million SF. Altogether, Amazon's recent commitment to Jacksonville is expected to bring about 2,500 jobs to the city.

The low cost of doing business has attracted financial heavyweights including Bank of America Merrill Lynch, Citibank, JPMorgan Chase, Wells Fargo, and Deutsche Bank. The metro area is also home to Fortune 500

company Fidelity National, which acquired WorldPay in early 2019 and is due to break ground on a new \$145 million headquarters building downtown next month.

Ernst & Young expanded its presence in 2016–17, creating roughly 450 jobs in the metro. Around the same time, Citibank announced 800 jobs on top of the 500 positions that were filled the year before. The expansion brought Citibank's Jacksonville employment to 4,500, making it one of the area's largest employers. VyStar Credit Union purchased the former SunTrust Tower in Downtown Northbank with the goal of relocating the corporate headquarters to the tower. The credit union is bringing 900 jobs to the office building. More recently, Fidelity Information Services is expected to create up to 500 new positions at its new headquarters in downtown Jacksonville. The project is expected to be completed in June 2022. Jacksonville's other Fortune 500 company, Fidelity Investments, is hiring 200 employees in the metro area. Additionally, California-based SoFi is hiring 300 new employees at its new outpost at Town Center Two. The personal loan products company is looking to fill all positions by the end of 2021.

Even so, office-using employment growth slowed leading up to the economic downturn, and there have been some consolidations in recent years. In 19Q1, TIAA Bank laid off around 170 employees across all three campuses in Jacksonville. As part of its consolidation efforts, State Farm laid off 300 employees at the end of 2019 while simultaneously vacating its office in Butler/Baymeadows.

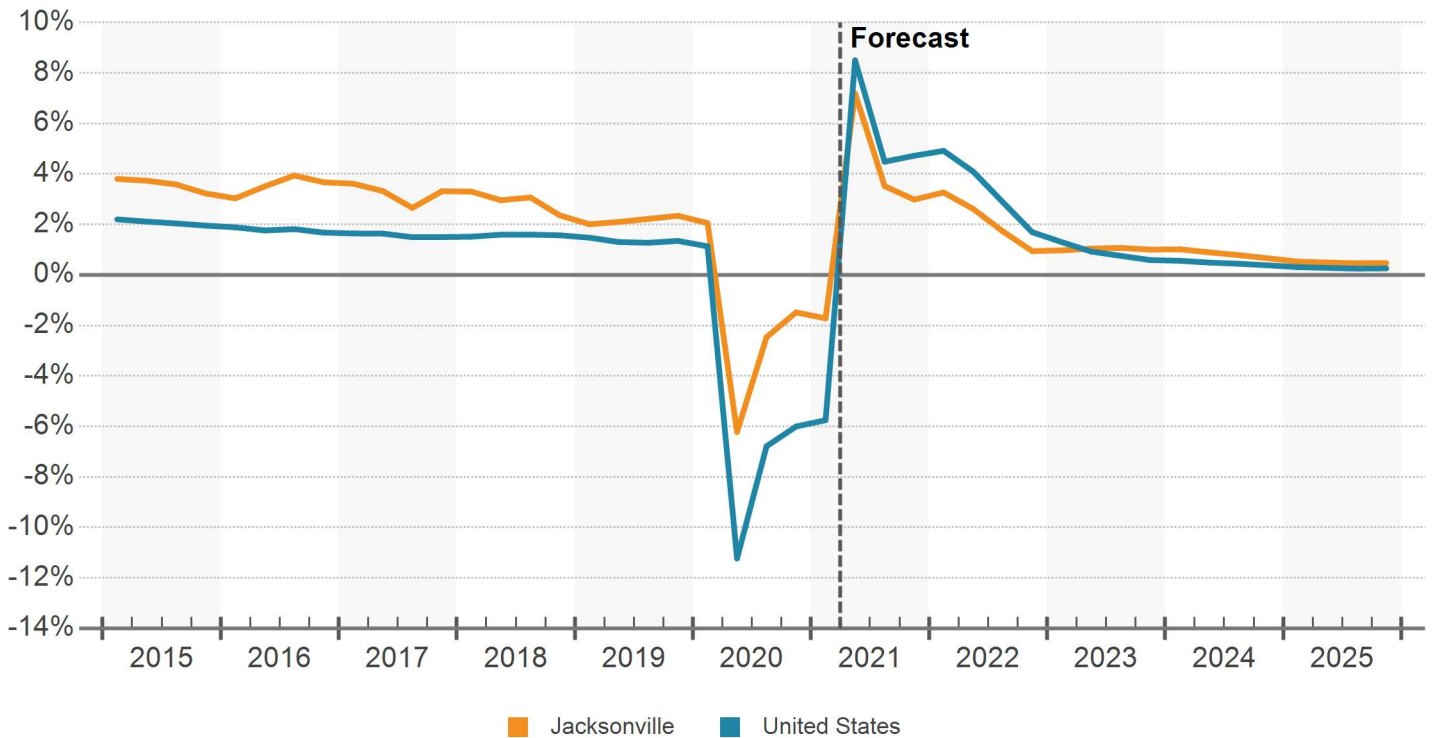
Port trade is booming in Jacksonville. JAXPORT recorded 1.28 million 20-foot equivalent units (TEU) passing through the port in 2020. While this is a slowdown compared to the 1.3 million TEUs going through the port in 2019, Jacksonville is still Florida's largest container port. Already the nation's second-largest vehicle port, Jacksonville will add over 100 acres of process space to increase vehicle capacity by 25%. JAXPORT has fully funded a three-mile channel deepening and widening effort, out of a total 11-mile project, to bring more traffic to the Blount Island Terminal. This will allow the port to remain competitive with other East Coast ports and should attract new business. The City of Jacksonville is also committed to becoming a more walkable, accessible city. This is evident in some of the recently delivered infrastructure projects such as the \$225 million Interstate 95 Overland Bridge Project, opening in mid-2018.

## JACKSONVILLE EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	33	0.5	-0.57%	0.92%	1.75%	0.52%	-0.54%	0.28%
Trade, Transportation and Utilities	155	1.1	2.03%	2.95%	2.26%	0.88%	0.69%	0.50%
Retail Trade	80	1.0	2.44%	4.44%	1.52%	0.44%	0.80%	0.40%
Financial Activities	71	1.6	3.63%	0.62%	2.05%	1.34%	0.41%	0.59%
Government	76	0.7	-0.51%	-2.74%	-0.01%	-0.32%	0.79%	0.98%
Natural Resources, Mining and Construction	48	1.2	4.46%	1.58%	5.80%	2.51%	0.87%	0.97%
Education and Health Services	112	1.0	2.52%	1.17%	2.62%	1.52%	1.74%	1.68%
Professional and Business Services	113	1.1	5.18%	2.46%	2.50%	1.88%	1.63%	1.39%
Information	9	0.7	-0.77%	-0.62%	-0.95%	0.20%	0.31%	2.04%
Leisure and Hospitality	79	1.1	5.04%	4.29%	1.85%	0.43%	2.81%	4.05%
Other Services	27	1.0	3.70%	3.72%	1.77%	0.34%	0.41%	1.09%
<b>Total Employment</b>	<b>722</b>	<b>1.0</b>	<b>2.85%</b>	<b>1.39%</b>	<b>2.12%</b>	<b>0.93%</b>	<b>1.17%</b>	<b>1.32%</b>

Source: Oxford Economics  
LQ = Location Quotient

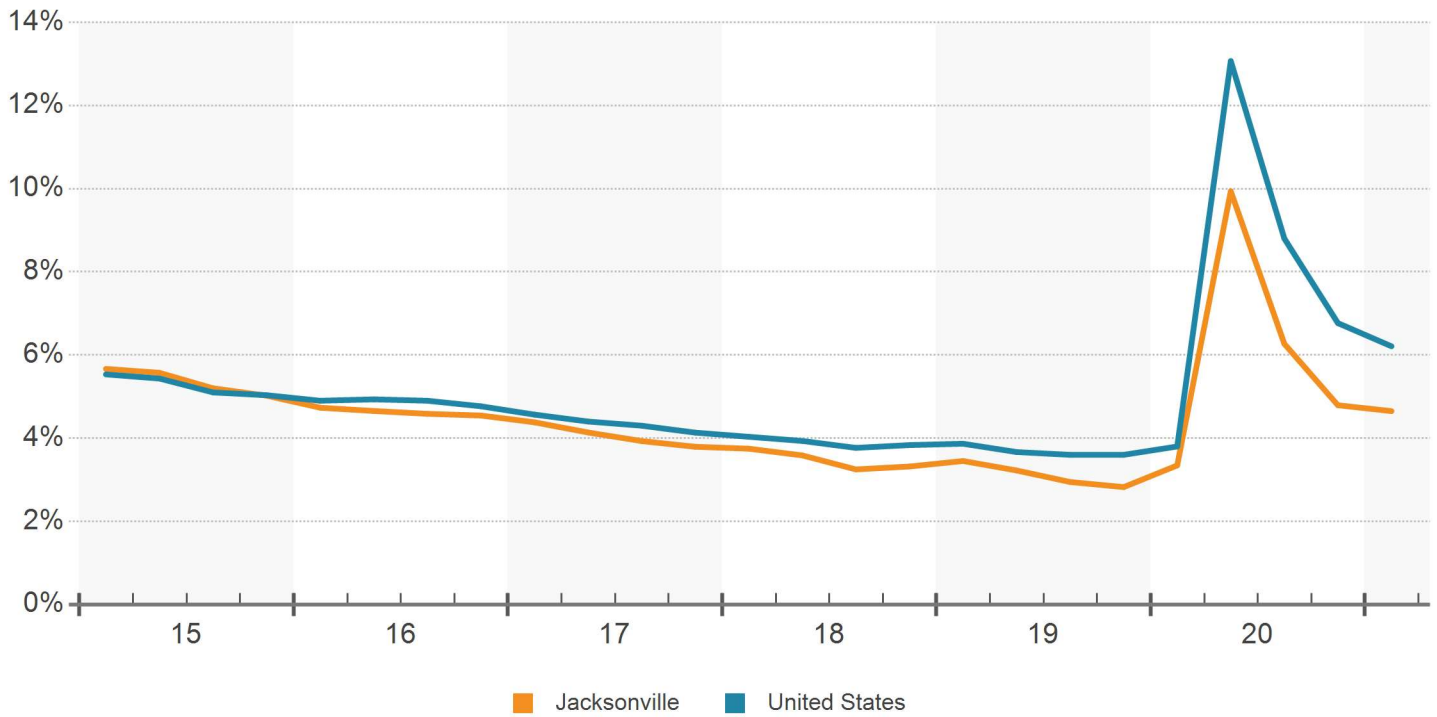
## JOB GROWTH (YOY)



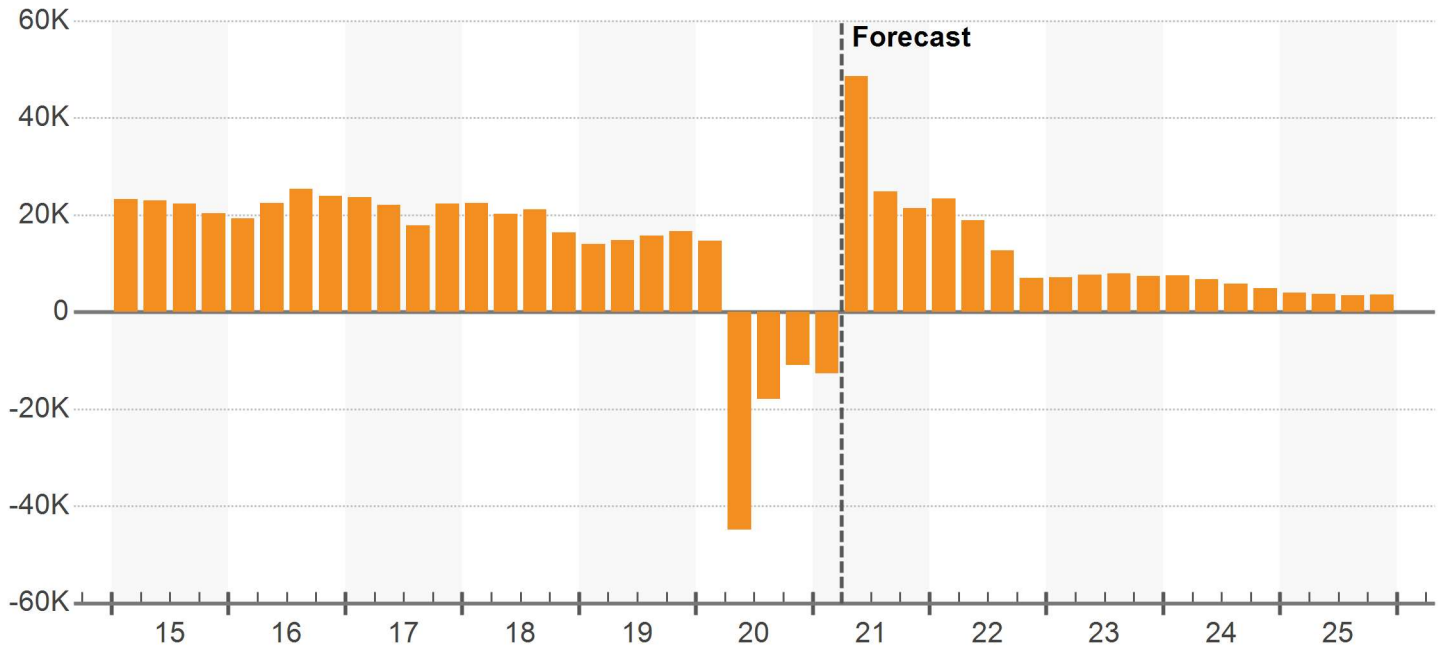
Source: Oxford Economics



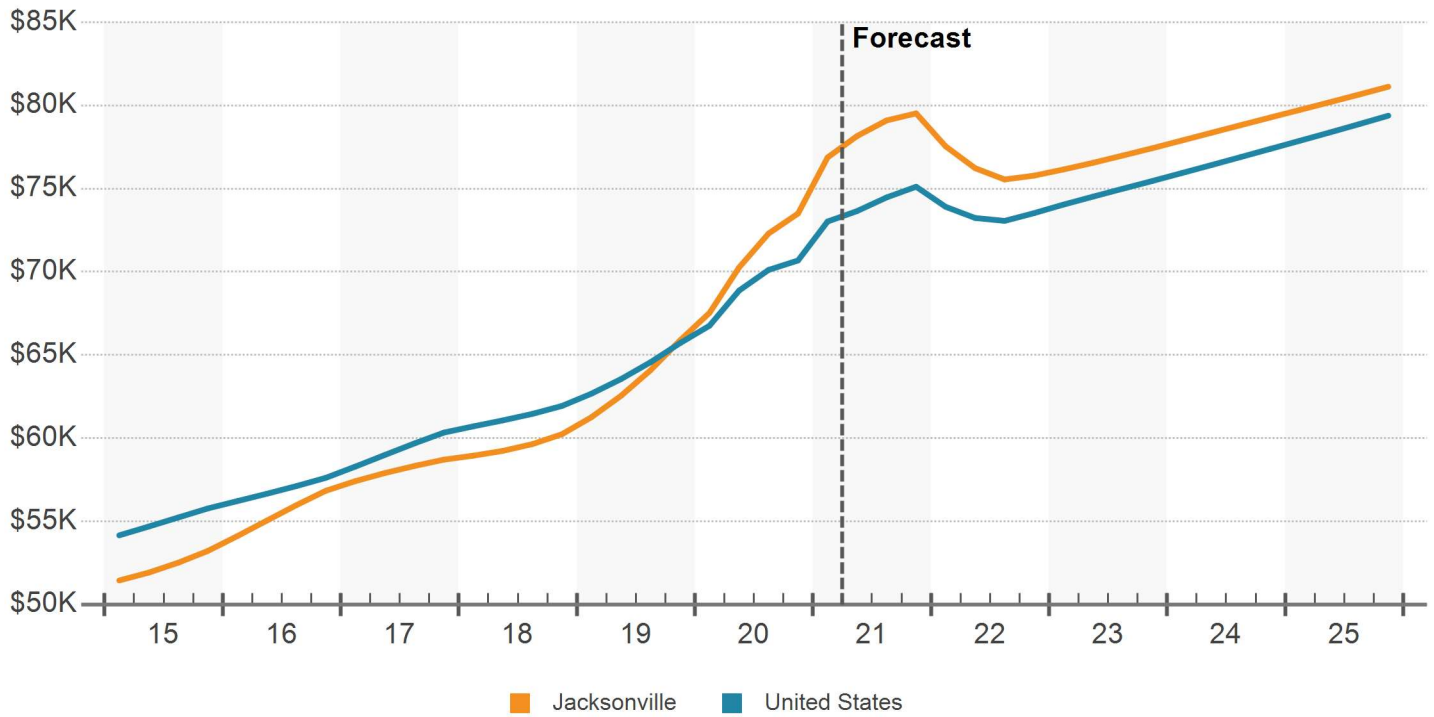
## UNEMPLOYMENT RATE (%)



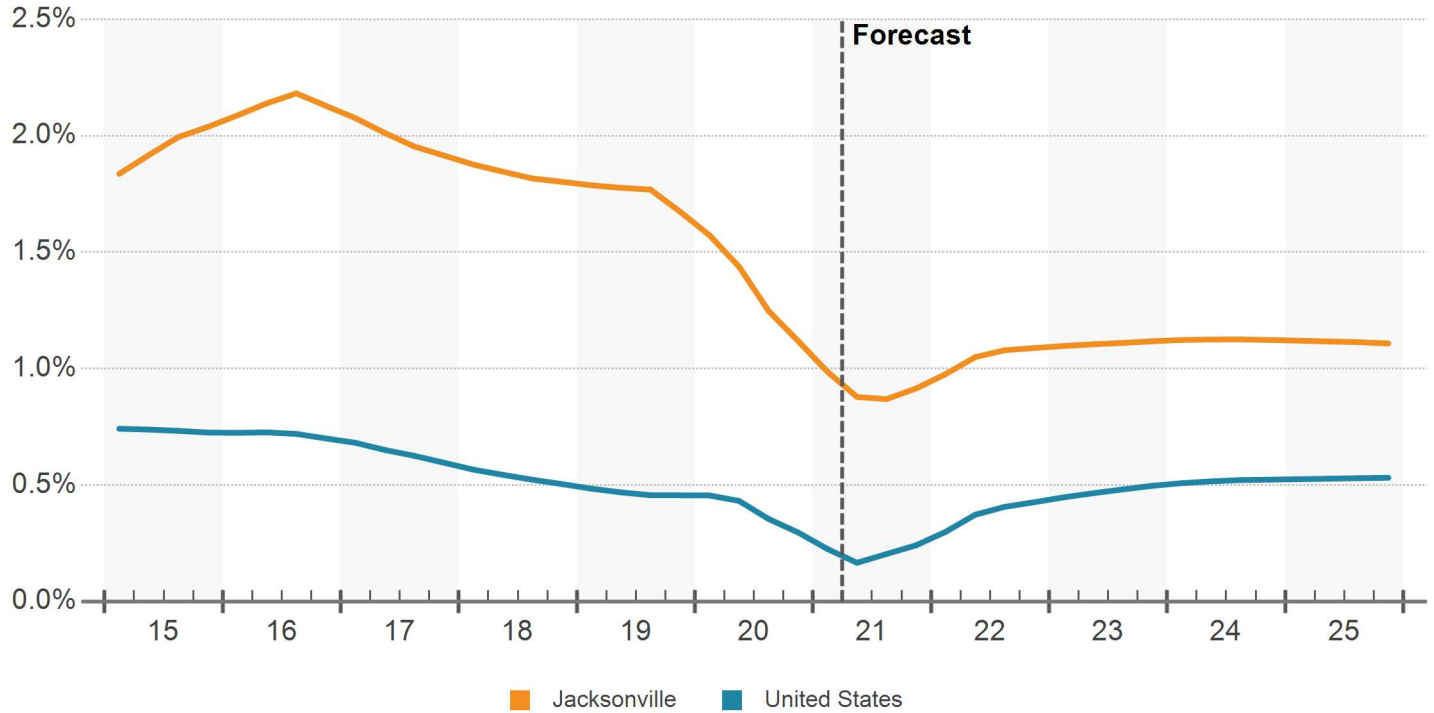
## NET EMPLOYMENT CHANGE (YOY)



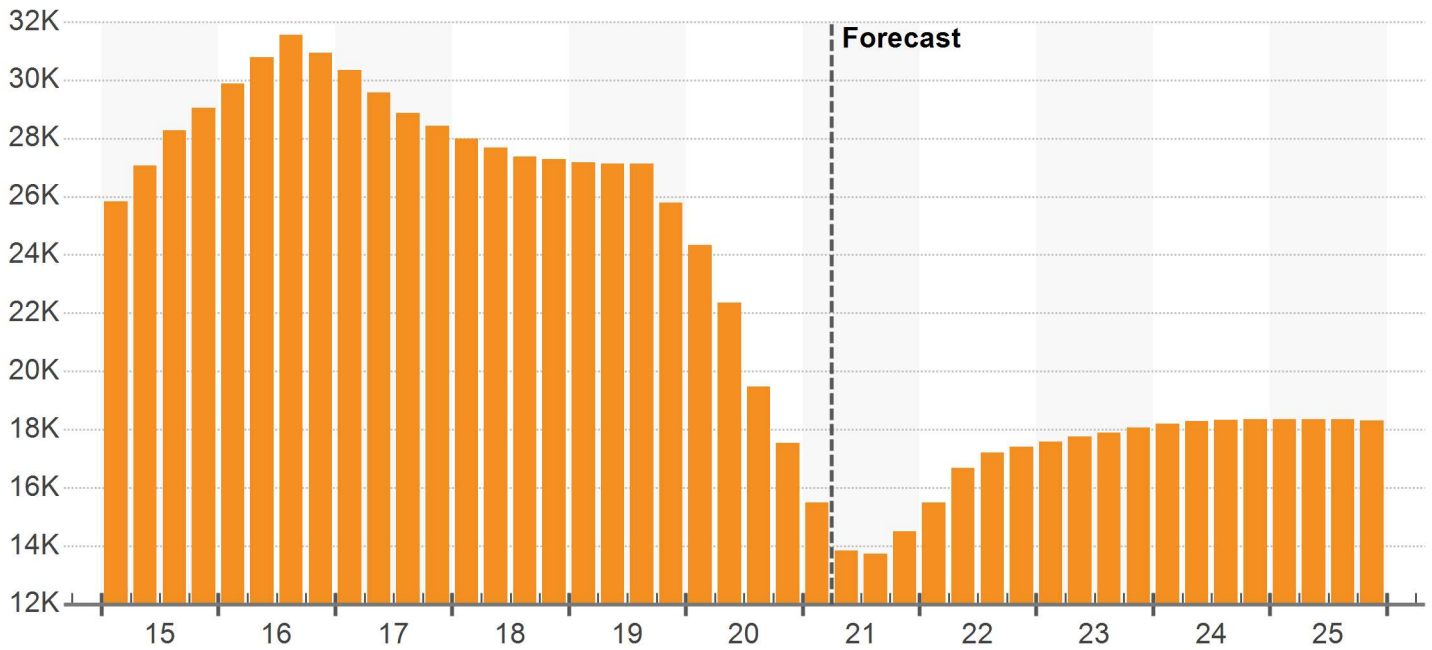
## MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

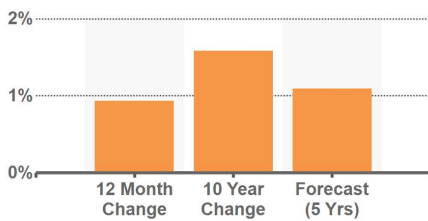


## DEMOGRAPHIC TRENDS

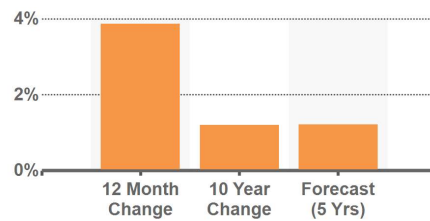
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	1,589,300	330,041,531	0.9%	0.2%	1.6%	0.6%	1.1%	0.5%
Households	594,960	123,303,438	0.9%	0.1%	1.6%	0.7%	1.1%	0.4%
Median Household Income	\$77,561	\$73,359	12.4%	8.1%	4.4%	3.9%	1.1%	1.8%
Labor Force	786,461	160,664,375	3.9%	-0.1%	1.2%	0.5%	1.2%	0.7%
Unemployment	4.7%	6.2%	-2.2%	-2.5%	-0.5%	-0.3%	-	-

Source: Oxford Economics

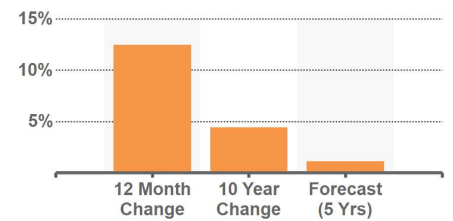
### POPULATION GROWTH



### LABOR FORCE GROWTH

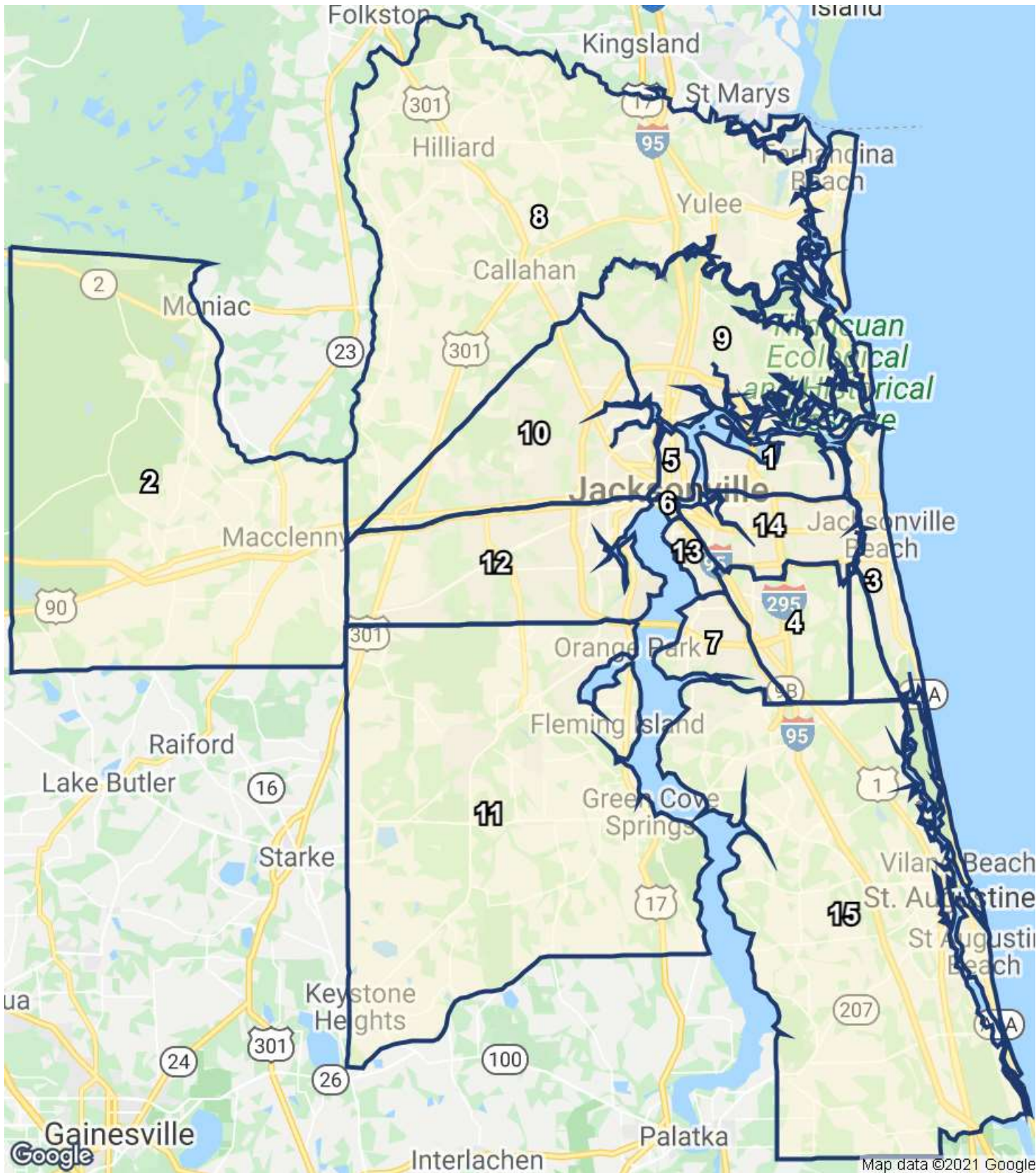


### INCOME GROWTH



Source: Oxford Economics

## JACKSONVILLE SUBMARKETS





## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Arlington	218	1,828	2.8%	10	1	7	0.4%	8	0	-	-	-
2	Baker County	34	137	0.2%	15	0	0	0%	-	0	-	-	-
3	Beaches	390	3,469	5.2%	5	7	301	8.7%	1	3	41	1.2%	7
4	Butler/Baymeadows	273	10,496	15.8%	3	4	297	2.8%	2	4	68	0.6%	5
5	Downtown Northbank	370	12,771	19.2%	2	1	29	0.2%	4	2	540	4.2%	1
6	Downtown Southbank	136	2,984	4.5%	8	0	0	0%	-	0	-	-	-
7	Mandarin	308	2,582	3.9%	9	1	5	0.2%	9	1	32	1.2%	8
8	Nassau County	251	1,356	2.0%	12	0	0	0%	-	0	-	-	-
9	Northeast Jacksonville	79	613	0.9%	14	0	0	0%	-	1	10	1.6%	9
10	Northwest Jacksonville	192	1,220	1.8%	13	0	0	0%	-	1	69	5.7%	4
11	Orange Park/Clay County	440	3,681	5.5%	4	1	26	0.7%	5	2	61	1.7%	6
12	Riverside	647	3,079	4.6%	7	1	11	0.4%	7	1	2	0.1%	10
13	San Marco	271	1,820	2.7%	11	0	0	0%	-	0	-	-	-
14	Southside	777	17,008	25.6%	1	5	137	0.8%	3	1	138	0.8%	2
15	St Johns County	478	3,340	5.0%	6	2	19	0.6%	6	7	92	2.8%	3

## SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Arlington	\$18.29	14	2.6%	4	-0.3%	12
2	Baker County	\$17.96	15	2.4%	7	-0.5%	14
3	Beaches	\$27.40	1	2.5%	6	-0.5%	15
4	Butler/Baymeadows	\$21.93	7	2.1%	9	1.0%	1
5	Downtown Northbank	\$22.25	5	1.3%	11	0.3%	6
6	Downtown Southbank	\$22.95	2	0.2%	15	0.9%	3
7	Mandarin	\$20.35	9	2.9%	1	-0.4%	13
8	Nassau County	\$22.41	4	2.5%	5	-0.2%	10
9	Northeast Jacksonville	\$20.32	10	1.6%	10	0.1%	7
10	Northwest Jacksonville	\$19.53	11	0.9%	14	0.3%	5
11	Orange Park/Clay County	\$21.14	8	2.7%	3	0%	9
12	Riverside	\$19.02	12	2.4%	8	-0.3%	11
13	San Marco	\$19.01	13	0.9%	13	0%	8
14	Southside	\$21.98	6	1.2%	12	0.6%	4
15	St Johns County	\$22.62	3	2.8%	2	0.9%	2



## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Arlington	161,293	8.8%	10	5,022	0.3%	8	1.4
2	Baker County	5,483	4.0%	2	6,341	4.6%	7	-
3	Beaches	245,049	7.1%	8	203,850	5.9%	1	1.5
4	Butler/Baymeadows	1,543,751	14.7%	15	95,471	0.9%	2	3.1
5	Downtown Northbank	1,315,610	10.3%	11	(198,034)	-1.6%	14	-
6	Downtown Southbank	326,243	10.9%	12	(132,017)	-4.4%	13	-
7	Mandarin	124,634	4.8%	7	26,513	1.0%	4	-
8	Nassau County	38,562	2.8%	1	(4,742)	-0.3%	9	-
9	Northeast Jacksonville	24,964	4.1%	3	6,940	1.1%	6	-
10	Northwest Jacksonville	143,809	11.8%	13	(15,992)	-1.3%	10	-
11	Orange Park/Clay County	282,255	7.7%	9	(81,489)	-2.2%	12	-
12	Riverside	148,194	4.8%	6	(45,471)	-1.5%	11	-
13	San Marco	86,061	4.7%	5	33,735	1.9%	3	-
14	Southside	2,047,457	12.0%	14	(223,048)	-1.3%	15	-
15	St Johns County	140,104	4.2%	4	22,554	0.7%	5	0.8

# Supply & Demand Trends

Jacksonville Office

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	69,898,446	585,178	0.8%	455,970	0.7%	1.3
2024	69,313,268	706,085	1.0%	558,440	0.8%	1.3
2023	68,607,183	789,540	1.2%	607,051	0.9%	1.3
2022	67,817,643	1,104,446	1.7%	808,370	1.2%	1.4
2021	66,713,197	935,650	1.4%	462,562	0.7%	2.0
YTD	66,385,506	607,959	0.9%	(12,787)	0%	-
2020	65,777,547	607,684	0.9%	302,572	0.5%	2.0
2019	65,169,863	575,856	0.9%	(67,055)	-0.1%	-
2018	64,594,007	389,510	0.6%	368,205	0.6%	1.1
2017	64,204,497	367,066	0.6%	663,909	1.0%	0.6
2016	63,837,431	74,825	0.1%	724,831	1.1%	0.1
2015	63,762,606	(12,744)	0%	538,103	0.8%	-
2014	63,775,350	(20,530)	0%	643,655	1.0%	-
2013	63,795,880	183,392	0.3%	670,396	1.1%	0.3
2012	63,612,488	137,002	0.2%	652,906	1.0%	0.2
2011	63,475,486	48,797	0.1%	682,427	1.1%	0.1
2010	63,426,689	22,678	0%	559,595	0.9%	0
2009	63,404,011	360,772	0.6%	(1,024,382)	-1.6%	-

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	21,253,621	633,465	3.1%	573,222	2.7%	1.1
2024	20,620,156	753,630	3.8%	672,370	3.3%	1.1
2023	19,866,526	836,354	4.4%	667,543	3.4%	1.3
2022	19,030,172	1,001,407	5.6%	723,191	3.8%	1.4
2021	18,028,765	486,759	2.8%	168,954	0.9%	2.9
YTD	17,911,057	369,051	2.1%	(82,471)	-0.5%	-
2020	17,542,006	140,298	0.8%	11,586	0.1%	12.1
2019	17,401,708	502,160	3.0%	229,541	1.3%	2.2
2018	16,899,548	61,003	0.4%	23,819	0.1%	2.6
2017	16,838,545	279,287	1.7%	(41,781)	-0.2%	-
2016	16,559,258	169,777	1.0%	226,702	1.4%	0.7
2015	16,389,481	105,643	0.6%	208,455	1.3%	0.5
2014	16,283,838	40,184	0.2%	54,402	0.3%	0.7
2013	16,243,654	154,621	1.0%	351,585	2.2%	0.4
2012	16,089,033	48,574	0.3%	336,375	2.1%	0.1
2011	16,040,459	11,600	0.1%	(182,951)	-1.1%	-
2010	16,028,859	78,763	0.5%	442,750	2.8%	0.2
2009	15,950,096	31,446	0.2%	(45,087)	-0.3%	-

# Supply & Demand Trends

Jacksonville Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	27,675,987	(32)	0%	(51,957)	-0.2%	-
2024	27,676,019	(31)	0%	(50,722)	-0.2%	-
2023	27,676,050	(31)	0%	(11,213)	0%	-
2022	27,676,081	148,056	0.5%	152,895	0.6%	1.0
2021	27,528,025	459,168	1.7%	90,147	0.3%	5.1
YTD	27,296,765	227,908	0.8%	(69,751)	-0.3%	-
2020	27,068,857	468,912	1.8%	431,662	1.6%	1.1
2019	26,599,945	157,336	0.6%	(337,523)	-1.3%	-
2018	26,442,609	327,008	1.3%	437,055	1.7%	0.7
2017	26,115,601	110,476	0.4%	415,914	1.6%	0.3
2016	26,005,125	(75,930)	-0.3%	474,374	1.8%	-
2015	26,081,055	(68,836)	-0.3%	126,184	0.5%	-
2014	26,149,891	(39,613)	-0.2%	354,560	1.4%	-
2013	26,189,504	95,568	0.4%	163,473	0.6%	0.6
2012	26,093,936	90,133	0.3%	183,986	0.7%	0.5
2011	26,003,803	41,939	0.2%	643,102	2.5%	0.1
2010	25,961,864	34,774	0.1%	17,820	0.1%	2.0
2009	25,927,090	288,388	1.1%	(421,506)	-1.6%	-

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	20,968,838	(48,255)	-0.2%	(65,295)	-0.3%	-
2024	21,017,093	(47,514)	-0.2%	(63,208)	-0.3%	-
2023	21,064,607	(46,783)	-0.2%	(49,279)	-0.2%	-
2022	21,111,390	(45,017)	-0.2%	(67,716)	-0.3%	-
2021	21,156,407	(10,277)	0%	203,461	1.0%	-
YTD	21,177,684	11,000	0.1%	139,435	0.7%	0.1
2020	21,166,684	(1,526)	0%	(140,676)	-0.7%	-
2019	21,168,210	(83,640)	-0.4%	40,927	0.2%	-
2018	21,251,850	1,499	0%	(92,669)	-0.4%	-
2017	21,250,351	(22,697)	-0.1%	289,776	1.4%	-
2016	21,273,048	(19,022)	-0.1%	23,755	0.1%	-
2015	21,292,070	(49,551)	-0.2%	203,464	1.0%	-
2014	21,341,621	(21,101)	-0.1%	234,693	1.1%	-
2013	21,362,722	(66,797)	-0.3%	155,338	0.7%	-
2012	21,429,519	(1,705)	0%	132,545	0.6%	-
2011	21,431,224	(4,742)	0%	222,276	1.0%	-
2010	21,435,966	(90,859)	-0.4%	99,025	0.5%	-
2009	21,526,825	40,938	0.2%	(557,789)	-2.6%	-

### OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$23.90	121	1.9%	9.3%	7,252,511	10.4%	0.1%
2024	\$23.46	119	2.1%	7.3%	7,117,289	10.3%	0.1%
2023	\$22.98	116	2.3%	5.1%	6,963,475	10.1%	0.2%
2022	\$22.46	114	2.5%	2.7%	6,774,809	10.0%	0.3%
2021	\$21.91	111	0.2%	0.2%	6,472,615	9.7%	0.6%
YTD	\$21.89	111	0.1%	0.1%	6,633,469	10.0%	0.9%
2020	\$21.87	111	2.6%	0%	6,012,723	9.1%	0.4%
2019	\$21.32	108	5.5%	-2.5%	5,707,611	8.8%	0.9%
2018	\$20.21	102	2.5%	-7.6%	5,058,523	7.8%	0%
2017	\$19.71	100	3.0%	-9.9%	5,044,227	7.9%	-0.8%
2016	\$19.14	97	7.4%	-12.5%	5,501,070	8.6%	-1.0%
2015	\$17.82	90	1.5%	-18.5%	6,151,076	9.6%	-1.0%
2014	\$17.55	89	4.6%	-19.7%	6,759,583	10.6%	-1.1%
2013	\$16.77	85	0.5%	-23.3%	7,437,022	11.7%	-0.8%
2012	\$16.69	84	0.6%	-23.7%	7,924,026	12.5%	-0.8%
2011	\$16.59	84	-0.9%	-24.1%	8,439,930	13.3%	-1.0%
2010	\$16.74	85	-8.9%	-23.5%	9,068,598	14.3%	-0.9%
2009	\$18.38	93	-7.0%	-16.0%	9,605,515	15.1%	2.1%

### 4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$27.42	129	1.7%	8.5%	2,944,851	13.9%	-0.1%
2024	\$26.96	126	1.9%	6.7%	2,884,934	14.0%	-0.1%
2023	\$26.45	124	2.1%	4.7%	2,803,998	14.1%	0.3%
2022	\$25.91	121	2.4%	2.5%	2,635,537	13.8%	0.8%
2021	\$25.30	119	0.1%	0.1%	2,357,641	13.1%	1.4%
YTD	\$25.27	119	0%	0%	2,491,355	13.9%	2.3%
2020	\$25.27	118	0.9%	0%	2,039,833	11.6%	0.6%
2019	\$25.04	117	4.7%	-0.9%	1,911,121	11.0%	1.3%
2018	\$23.91	112	2.1%	-5.4%	1,632,325	9.7%	0.1%
2017	\$23.41	110	3.0%	-7.4%	1,602,150	9.5%	0.8%
2016	\$22.74	107	8.1%	-10.0%	1,441,082	8.7%	-0.4%
2015	\$21.04	99	2.1%	-16.8%	1,498,007	9.1%	-1.0%
2014	\$20.60	97	5.9%	-18.5%	1,650,829	10.1%	-0.2%
2013	\$19.46	91	2.2%	-23.0%	1,678,301	10.3%	-1.3%
2012	\$19.04	89	1.4%	-24.6%	1,875,265	11.7%	-1.8%
2011	\$18.78	88	-2.3%	-25.7%	2,163,066	13.5%	1.2%
2010	\$19.22	90	-4.2%	-23.9%	1,968,515	12.3%	-2.3%
2009	\$20.06	94	-5.9%	-20.6%	2,332,502	14.6%	0.5%

### 3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$24.48	119	1.9%	9.2%	2,737,502	9.9%	0.2%
2024	\$24.04	117	2.1%	7.3%	2,685,576	9.7%	0.2%
2023	\$23.54	114	2.3%	5.0%	2,634,884	9.5%	0%
2022	\$23.01	112	2.5%	2.7%	2,623,698	9.5%	-0.1%
2021	\$22.45	109	0.2%	0.2%	2,628,536	9.5%	1.1%
YTD	\$22.45	109	0.2%	0.2%	2,572,182	9.4%	1.0%
2020	\$22.41	109	5.2%	0%	2,274,523	8.4%	0%
2019	\$21.31	104	4.2%	-4.9%	2,237,273	8.4%	1.8%
2018	\$20.46	99	3.5%	-8.7%	1,742,414	6.6%	-0.5%
2017	\$19.76	96	1.2%	-11.9%	1,852,461	7.1%	-1.2%
2016	\$19.51	95	10.3%	-12.9%	2,157,899	8.3%	-2.1%
2015	\$17.68	86	3.6%	-21.1%	2,708,203	10.4%	-0.7%
2014	\$17.07	83	1.3%	-23.8%	2,903,223	11.1%	-1.5%
2013	\$16.85	82	2.5%	-24.8%	3,297,396	12.6%	-0.3%
2012	\$16.43	80	1.4%	-26.7%	3,365,301	12.9%	-0.4%
2011	\$16.21	79	-1.2%	-27.7%	3,459,154	13.3%	-2.3%
2010	\$16.40	80	-12.4%	-26.8%	4,055,355	15.6%	0%
2009	\$18.72	91	-9.1%	-16.5%	4,038,401	15.6%	2.6%

### 1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$20.04	116	2.1%	10.3%	1,570,158	7.5%	0.1%
2024	\$19.64	113	2.3%	8.1%	1,546,779	7.4%	0.1%
2023	\$19.19	111	2.5%	5.6%	1,524,593	7.2%	0.1%
2022	\$18.72	108	2.7%	3.0%	1,515,574	7.2%	0.2%
2021	\$18.22	105	0.3%	0.3%	1,486,438	7.0%	-1.0%
YTD	\$18.19	105	0.2%	0.2%	1,569,932	7.4%	-0.6%
2020	\$18.17	105	0.5%	0%	1,698,367	8.0%	0.7%
2019	\$18.07	104	8.5%	-0.5%	1,559,217	7.4%	-0.6%
2018	\$16.65	96	1.5%	-8.3%	1,683,784	7.9%	0.4%
2017	\$16.41	95	5.9%	-9.7%	1,589,616	7.5%	-1.5%
2016	\$15.49	89	2.1%	-14.8%	1,902,089	8.9%	-0.2%
2015	\$15.17	88	-2.2%	-16.5%	1,944,866	9.1%	-1.2%
2014	\$15.50	89	8.4%	-14.7%	2,205,531	10.3%	-1.2%
2013	\$14.31	83	-4.4%	-21.2%	2,461,325	11.5%	-1.0%
2012	\$14.96	86	-1.3%	-17.6%	2,683,460	12.5%	-0.6%
2011	\$15.15	87	1.1%	-16.6%	2,817,710	13.1%	-1.1%
2010	\$15	87	-8.9%	-17.5%	3,044,728	14.2%	-0.8%
2009	\$16.45	95	-5.0%	-9.4%	3,234,612	15.0%	2.8%



### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$154.22	148	8.2%
2024	-	-	-	-	-	-	\$151.54	146	8.2%
2023	-	-	-	-	-	-	\$148.74	143	8.2%
2022	-	-	-	-	-	-	\$145.87	140	8.2%
2021	-	-	-	-	-	-	\$143.63	138	8.2%
YTD	96	\$57.9M	1.2%	\$998,621	\$137.11	7.7%	\$142.34	137	8.2%
2020	391	\$591.6M	7.7%	\$2,956,113	\$125.49	7.9%	\$141.64	136	8.3%
2019	398	\$818.4M	10.2%	\$3,510,590	\$127.74	8.0%	\$142.03	137	8.2%
2018	372	\$510.5M	8.3%	\$2,754,527	\$119.01	8.6%	\$129.34	125	8.4%
2017	287	\$338.9M	5.5%	\$2,269,184	\$110.39	7.5%	\$128.25	123	8.2%
2016	308	\$381.4M	6.8%	\$2,179,197	\$117.98	8.8%	\$127.91	123	8.0%
2015	430	\$312.4M	5.8%	\$1,584,871	\$104.63	8.9%	\$126.40	122	7.9%
2014	345	\$562.6M	11.2%	\$3,096,235	\$90.38	8.3%	\$122.14	118	7.9%
2013	307	\$551.8M	8.5%	\$3,079,589	\$107.49	8.5%	\$116.63	112	8.1%
2012	229	\$131.5M	3.2%	\$1,197,053	\$71.23	8.8%	\$112.30	108	8.3%
2011	139	\$96.1M	2.4%	\$1,464,151	\$77.99	11.1%	\$109.31	105	8.4%
2010	142	\$169.9M	3.3%	\$2,218,443	\$116.89	10.5%	\$98.39	95	9.1%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### 4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$173.97	148	7.8%
2024	-	-	-	-	-	-	\$171.23	146	7.8%
2023	-	-	-	-	-	-	\$168.38	143	7.8%
2022	-	-	-	-	-	-	\$165.49	141	7.7%
2021	-	-	-	-	-	-	\$163.18	139	7.7%
YTD	-	-	-	-	-	-	\$161.51	137	7.8%
2020	11	\$278.9M	11.6%	\$34,615,204	\$137.38	7.8%	\$160.70	137	7.8%
2019	29	\$463.3M	17.4%	\$17,146,855	\$152.97	7.4%	\$164.73	140	7.7%
2018	17	\$152.3M	8.2%	\$21,753,609	\$137.13	7.0%	\$144.15	123	8.0%
2017	11	\$39.4M	2.3%	\$9,851,045	\$108.48	5.4%	\$142.95	122	7.8%
2016	18	\$242.1M	12.6%	\$17,253,266	\$135.15	8.0%	\$142.96	122	7.6%
2015	124	\$143.3M	10.1%	\$11,841,927	\$108.68	7.5%	\$143.24	122	7.5%
2014	13	\$267.2M	22.0%	\$22,267,923	\$77.42	8.1%	\$139.02	118	7.5%
2013	23	\$341M	17.3%	\$15,501,544	\$123.48	8.9%	\$133.84	114	7.6%
2012	3	\$16.4M	0.3%	\$8,080,000	\$298.60	6.8%	\$128.58	109	7.8%
2011	4	\$43M	2.6%	\$21,501,230	\$116.64	11.1%	\$124.83	106	8.0%
2010	4	\$69.3M	1.9%	\$34,347,570	\$223.71	-	\$111.97	95	8.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

# Sale Trends

Jacksonville Office

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$150.72	145	8.2%
2024	-	-	-	-	-	-	\$148.14	143	8.2%
2023	-	-	-	-	-	-	\$145.41	140	8.2%
2022	-	-	-	-	-	-	\$142.62	138	8.1%
2021	-	-	-	-	-	-	\$140.48	136	8.1%
YTD	34	\$21.4M	1.8%	\$1,853,325	\$159.88	6.4%	\$139.40	134	8.2%
2020	150	\$227.4M	7.3%	\$3,495,698	\$119.75	8.4%	\$138.82	134	8.2%
2019	150	\$210M	6.3%	\$3,299,874	\$130.90	8.1%	\$138.52	134	8.2%
2018	122	\$248.2M	9.0%	\$4,488,227	\$125.74	8.7%	\$127.51	123	8.3%
2017	101	\$237M	8.1%	\$4,678,729	\$116.22	8.4%	\$126.49	122	8.1%
2016	107	\$78M	3.8%	\$1,488,763	\$105.95	7.8%	\$126.55	122	7.9%
2015	97	\$97.1M	2.9%	\$2,433,563	\$165.71	9.5%	\$124.67	120	7.9%
2014	135	\$248M	10.6%	\$5,423,735	\$114.64	8.6%	\$119.91	116	7.9%
2013	96	\$109.4M	5.3%	\$3,306,496	\$84.69	7.9%	\$115.36	111	8.0%
2012	85	\$63.8M	4.6%	\$2,163,408	\$57.31	9.6%	\$110.60	107	8.2%
2011	53	\$38.5M	2.9%	\$1,706,530	\$56.92	-	\$108.18	104	8.4%
2010	65	\$79.9M	5.5%	\$3,158,718	\$96.87	10.5%	\$97.40	94	9.0%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$141.32	153	8.7%
2024	-	-	-	-	-	-	\$138.59	151	8.7%
2023	-	-	-	-	-	-	\$135.71	147	8.6%
2022	-	-	-	-	-	-	\$132.78	144	8.6%
2021	-	-	-	-	-	-	\$130.47	142	8.6%
YTD	62	\$36.5M	1.6%	\$799,853	\$126.53	8.1%	\$129.24	140	8.7%
2020	230	\$85.3M	5.1%	\$648,150	\$108.64	7.6%	\$128.47	140	8.7%
2019	219	\$145M	9.2%	\$949,743	\$81.79	8.1%	\$126.56	137	8.7%
2018	233	\$110.1M	7.5%	\$866,082	\$91.31	8.8%	\$118.65	129	8.8%
2017	175	\$62.5M	4.6%	\$647,628	\$93.61	7.4%	\$117.55	128	8.5%
2016	183	\$61.3M	6.0%	\$538,403	\$86.93	9.6%	\$116.37	126	8.4%
2015	209	\$72M	6.2%	\$497,882	\$66.60	9.0%	\$113.76	124	8.3%
2014	197	\$47.4M	3.6%	\$371,069	\$77.72	8.2%	\$110.13	120	8.3%
2013	188	\$101.4M	5.6%	\$781,908	\$93.87	9.2%	\$103.08	112	8.6%
2012	141	\$51.3M	3.7%	\$651,059	\$75.70	8.6%	\$100.14	109	8.7%
2011	82	\$14.6M	1.5%	\$335,048	\$77.94	-	\$97.07	105	9.0%
2010	73	\$20.8M	1.7%	\$409,592	\$65.03	-	\$87.67	95	9.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.