



# Office Market Report

## Jacksonville - FL

PREPARED BY

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Associate



**OFFICE MARKET REPORT**

Market Key Statistics	<b>2</b>
Leasing	<b>3</b>
Rent	<b>7</b>
Construction	<b>10</b>
Under Construction Properties	<b>12</b>
Sales	<b>14</b>
Sales Past 12 Months	<b>15</b>
Economy	<b>17</b>
Market Submarkets	<b>20</b>
Supply & Demand Trends	<b>23</b>
Rent & Vacancy	<b>25</b>
Sale Trends	<b>27</b>

12 Mo Deliveries in SF

**785 K**

12 Mo Net Absorption in SF

**329 K**

Vacancy Rate

**9.3%**

12 Mo Rent Growth

**2.1%**

After large consolidations loosened Jacksonville's vacancy rate, levels have plateaued recently. Rent growth has decelerated over the past two years but remains strong, especially in Jacksonville's premier submarkets of Downtown Northbank and Southside. Leasing activity in Jacksonville has slowed since the onset of the pandemic. And while the slowdown will weight on the market, the absence of an elevated speculative pipeline will keep vacancies in check.

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 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 have boosted transaction activity for the year. The roughly \$554 million invested in the market in the past year is more than twice the market's long-term annual average, and annual volume has exceeded \$500 million for more than two years. Market pricing stands at \$141/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	17,618,539	11.9%	\$25.27	18.5%	(215,768)	180,000	758,459
3 Star	26,781,961	8.5%	\$22.20	12.1%	47,369	11,570	410,639
1 & 2 Star	21,269,239	8.1%	\$17.74	9.8%	(196,323)	0	11,000
<b>Market</b>	<b>65,669,739</b>	<b>9.3%</b>	<b>\$21.62</b>	<b>13.1%</b>	<b>(364,722)</b>	<b>191,570</b>	<b>1,180,098</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.6%	11.0%	9.4%	15.2%	2009 Q4	6.6%	2000 Q1
Net Absorption SF	329 K	659,788	516,850	2,805,640	2006 Q3	(1,029,123)	2009 Q4
Deliveries SF	785 K	826,430	800,627	2,045,459	2006 Q4	58,189	2015 Q1
Rent Growth	2.1%	1.3%	2.2%	8.8%	2007 Q3	-9.0%	2010 Q4
Sales Volume	\$550 M	\$289.4M	N/A	\$766.7M	2014 Q3	\$44.9M	2009 Q4



Large tenant move-outs and slowing demand have defined the Jacksonville office market leading up to the downturn, resulting in vacancies ticking upwards to 9.3%. 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.

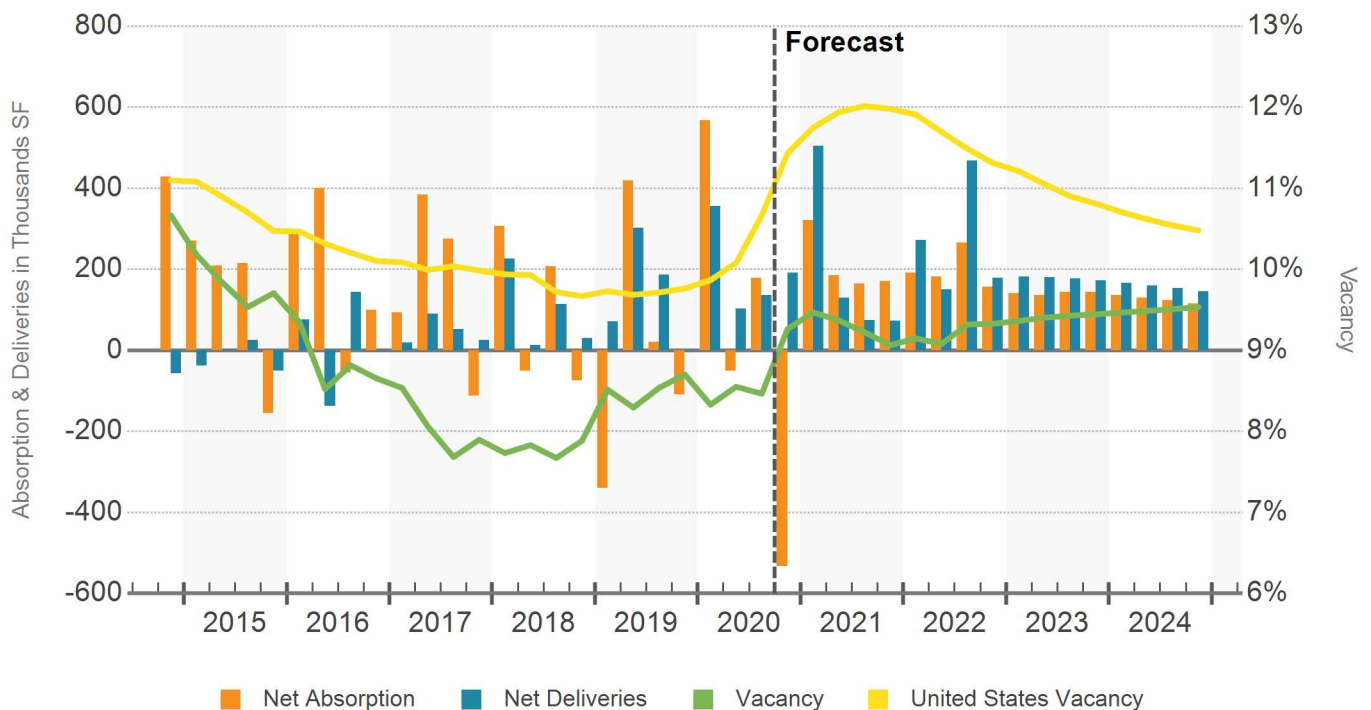
Still, there has been positive momentum in the office

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.

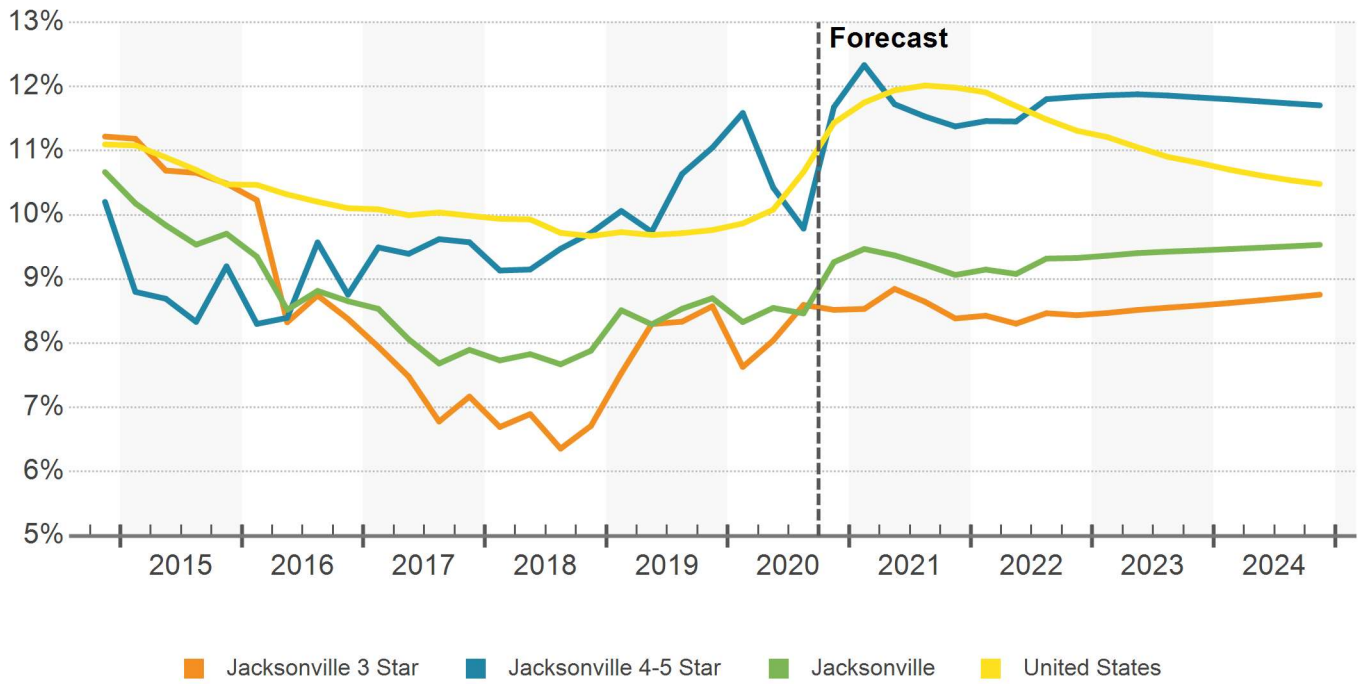
Speculative office development has largely been absent in Jacksonville over the past decade. While it has picked up a bit slightly, 60% of what is under construction is accounted for. The few speculative properties which have been built in recent years have had little trouble leasing. For instance, the 160,000-SF Town Center One was still in the early phases of site clearing in mid-2017, when it inked Availity to a 100,000-SF lease. The largest speculative office under construction is the 125,000-SF Park Place at Nocatee which is due to complete in 2021.

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 which is under construction in the Beaches Submarket, will be the largest office property in the submarket. In the Southside Submarket, McKesson Medical moved into its newly built 125,000-SF office in 2019.

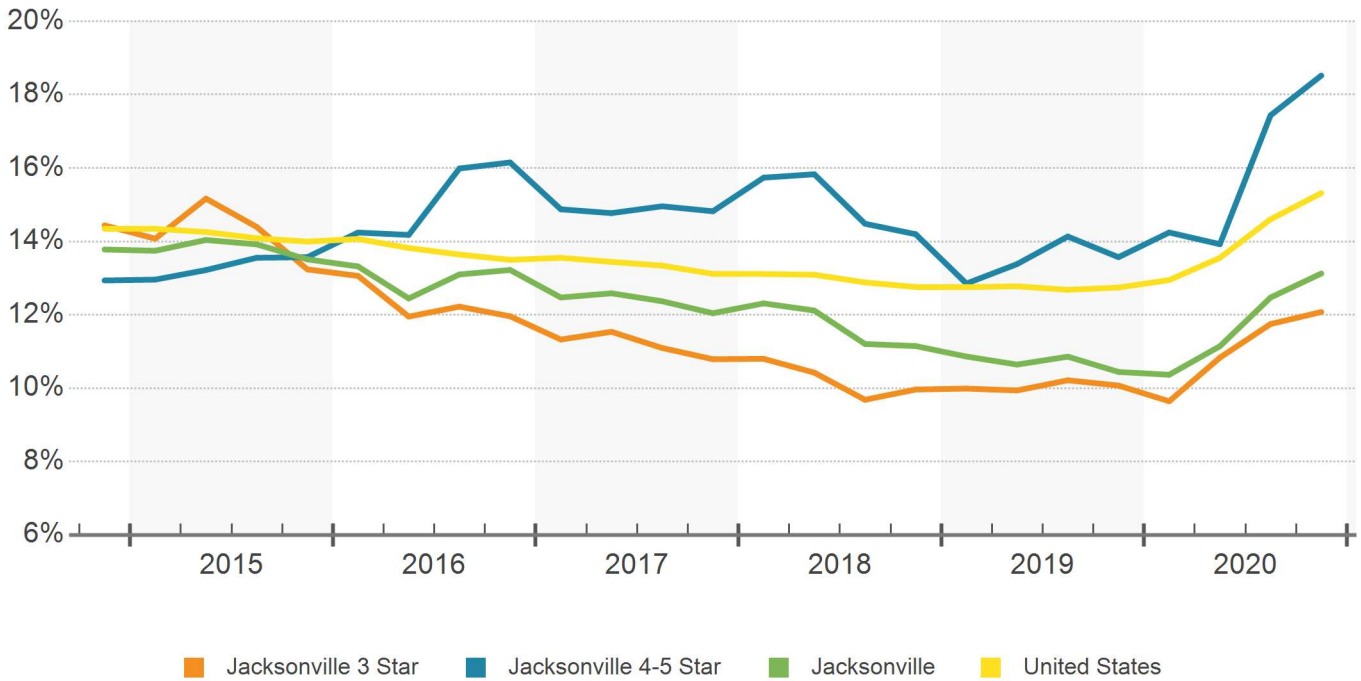
### NET ABSORPTION, NET DELIVERIES & VACANCY



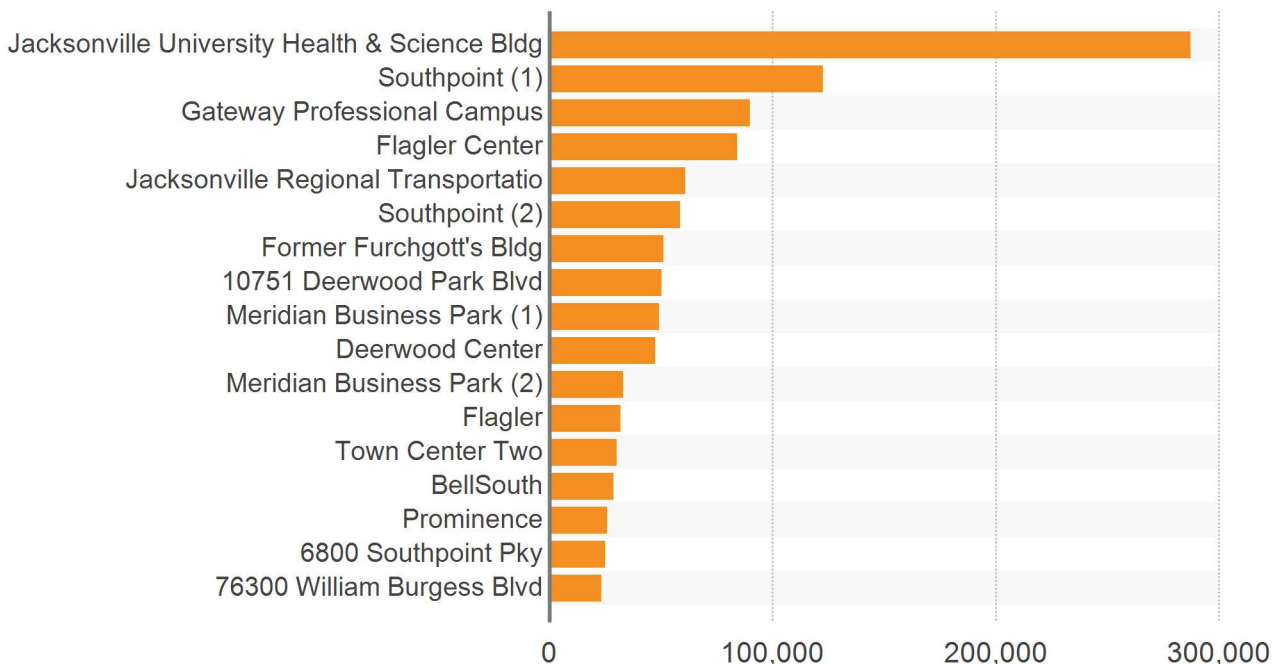
## VACANCY RATE



## 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
Jacksonville University Health &...	Arlington	287,496	0	287,496	0	0	0	287,496
Southpoint (1)	Southside	139,825	0	122,616	0	0	0	122,616
Gateway Professional Campus	Southside	90,000	0	0	0	90,000	0	90,000
Flagler Center	Butler/Baymeadows	117,000	0	84,229	0	0	0	84,229
Jacksonville Regional Transport...	Downtown Northbank	62,000	1,000	0	61,000	0	0	61,000
Southpoint (2)	Southside	157,040	24,228	0	36,040	22,263	0	58,519
Former Furchgott's Bldg	Downtown Northbank	63,000	0	51,000	0	0	0	51,000
10751 Deerwood Park Blvd	Southside	99,592	4,025	0	54,334	0	(4,025)	50,309
Meridian Business Park (1)	Southside	51,040	0	50,891	0	0	0	49,231
Deerwood Center	Butler/Baymeadows	47,454	0	47,454	0	0	0	47,454
Meridian Business Park (2)	Southside	34,000	0	34,000	0	0	0	32,891
Flagler	Butler/Baymeadows	106,349	21,002	31,788	0	0	0	31,788
Town Center Two	Southside	218,700	6,157	(42,607)	72,900	0	0	30,293
BellSouth	Arlington	28,590	0	28,590	0	0	0	28,590
Prominence	Butler/Baymeadows	108,799	2,411	(40,601)	66,517	0	0	25,916
6800 Southpoint Pky	Southside	91,604	16,791	0	26,648	(1,512)	0	25,136
76300 William Burgess Blvd	Nassau County	23,331	0	23,331	0	0	0	23,331
<b>Subtotal Primary Competitors</b>		<b>1,725,820</b>	<b>75,614</b>	<b>678,187</b>	<b>317,439</b>	<b>110,751</b>	<b>(4,025)</b>	<b>1,099,799</b>
Remaining Jacksonville Market		63,943,919	6,024,076	(110,106)	(367,805)	68,525	(360,697)	(771,082)
<b>Total Jacksonville Market</b>		<b>65,669,739</b>	<b>6,099,690</b>	<b>568,081</b>	<b>(50,366)</b>	<b>179,276</b>	<b>(364,722)</b>	<b>328,717</b>

### TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Compa...	Leasing Rep Company
Pinnacle Point at Gate Parkway 295	Butler/Baymeadows	180,000	Q4 20	CSI	-	Ash Properties
Cypress Point Business Park *	Butler/Baymeadows	59,500	Q2 20	Fanatics	-	Foundry Commercial
Cypress Point Business Park *	Butler/Baymeadows	58,000	Q2 20	Fanatics	-	Foundry Commercial
10751 Deerwood Park Blvd	Southside	54,000	Q1 20	Fortegra Financial	JLL	Ash Properties
Imeson Center	Ocean Way	48,000	Q3 20	-	-	Newmark Phoenix Real...
Hampton Village	Butler/Baymeadows	47,625	Q3 20	The CSI Companies	Foundry Commercial	Ash Properties
Deerwood Center	Butler/Baymeadows	46,992	Q3 20	Freedom Mortgage	-	Foundry Commercial
Memorial Healthcare Plaza *	Southside	43,032	Q1 20	Brooks Rehabilitation	NAI Hallmark	Phoenix Real Estate Gr...
Prominence	Butler/Baymeadows	33,323	Q1 20	Fidelity Information Services	-	JLL
Gran Park at Avenues	Butler/Baymeadows	22,784	Q4 20	-	-	CBRE
Southpoint	Southside	19,365	Q2 20	Ascension St. Vincent's	-	Newmark Phoenix Real...
Bank of America Tower *	Downtown Northbank	19,352	Q1 20	Morgan Stanley	JLL	-
Flagler Center *	Butler/Baymeadows	18,753	Q2 20	Kimley-Horn	Savills	JLL
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
The Offices at Flagler Station	Butler/Baymeadows	16,670	Q1 20	Office Evolutions	Cushman & Wakefie...	Ash Properties
Midtown Centre	Southside	16,257	Q4 20	-	-	Midtown Centre Office...
One Enterprise Tower	Downtown Northbank	15,927	Q3 20	CSX	-	JLL
Greystone Park	Southside	14,440	Q3 20	-	-	Cushman & Wakefield...
Belfort Park	Butler/Baymeadows	14,337	Q1 20	-	-	NAI Hallmark
1200 Riverplace	Downtown Southbank	14,081	Q1 20	Pond & Company Inc	JLL	JLL
11231 Philips Industrial Blvd	Butler/Baymeadows	14,000	Q2 20	-	-	Newmark Phoenix Real...
Deerwood South	Southside	13,726	Q1 20	-	-	Touchton Property Part...
Deerwood Center	Butler/Baymeadows	13,609	Q4 20	-	-	Cushman & Wakefield...
Deerwood Center	Butler/Baymeadows	13,146	Q1 20	AutoQuotes	-	CBRE
9523 Florida Mining Blvd	Mandarin	12,640	Q4 19	U.S. Xpress	-	-
Midtown Centre	Southside	12,388	Q4 20	-	-	Midtown Centre Office...
6740 Broadway Ave	West Side	12,000	Q2 20	-	-	Newmark Phoenix Real...
Harbour Village Shopping Center	Arlington	11,614	Q1 20	Lionshare Cowork	-	Phillips Edison & Comp...
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
Cypress Business Center *	Butler/Baymeadows	10,675	Q1 20	Claims Questions	Foundry Commercial	-
Deerwood Park	Southside	10,377	Q4 20	-	-	Colliers International N...
St Joe Building	Downtown Northbank	10,097	Q3 20	-	-	JLL
Prominence	Butler/Baymeadows	9,912	Q1 20	Celtic International	-	JLL
Quadrant at Southpoint I	Southside	9,897	Q1 20	-	-	CBRE
1543 Main St *	Beaches	9,856	Q1 20	Tecnico Corporation	-	Garnett Commercial Re...
North Regency 1 *	Arlington	9,267	Q1 20	Norton Lilly International Inc	-	Garnett Commercial Re...
Deerwood Park	Southside	9,226	Q2 20	Cantor Fitzgerald	Newmark Phoenix R...	JLL
Fleming Island Business Park	Orange Park/Clay County	9,036	Q3 20	-	-	Colliers International N...

Renewal

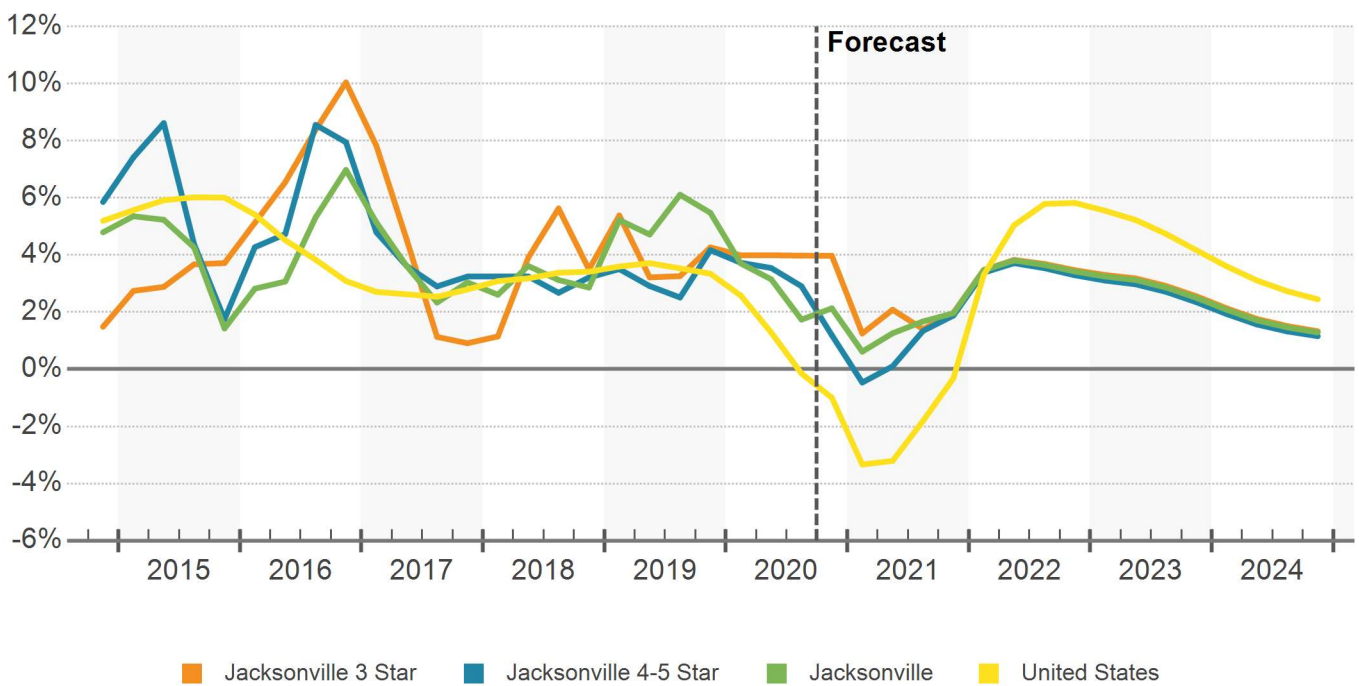
Despite decelerating in recent years, office rent growth in Jacksonville remains strong compared to the nation and Florida. While at 2.1%, annual gains have fallen by more than 200 basis points since the end of 2019. Still, they are some of the highest in Florida and are more than twice the market's long-term average. This has been led by rent growth in 4 & 5 Star properties, closely followed by 3 Star rent increases.

Even with this 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.

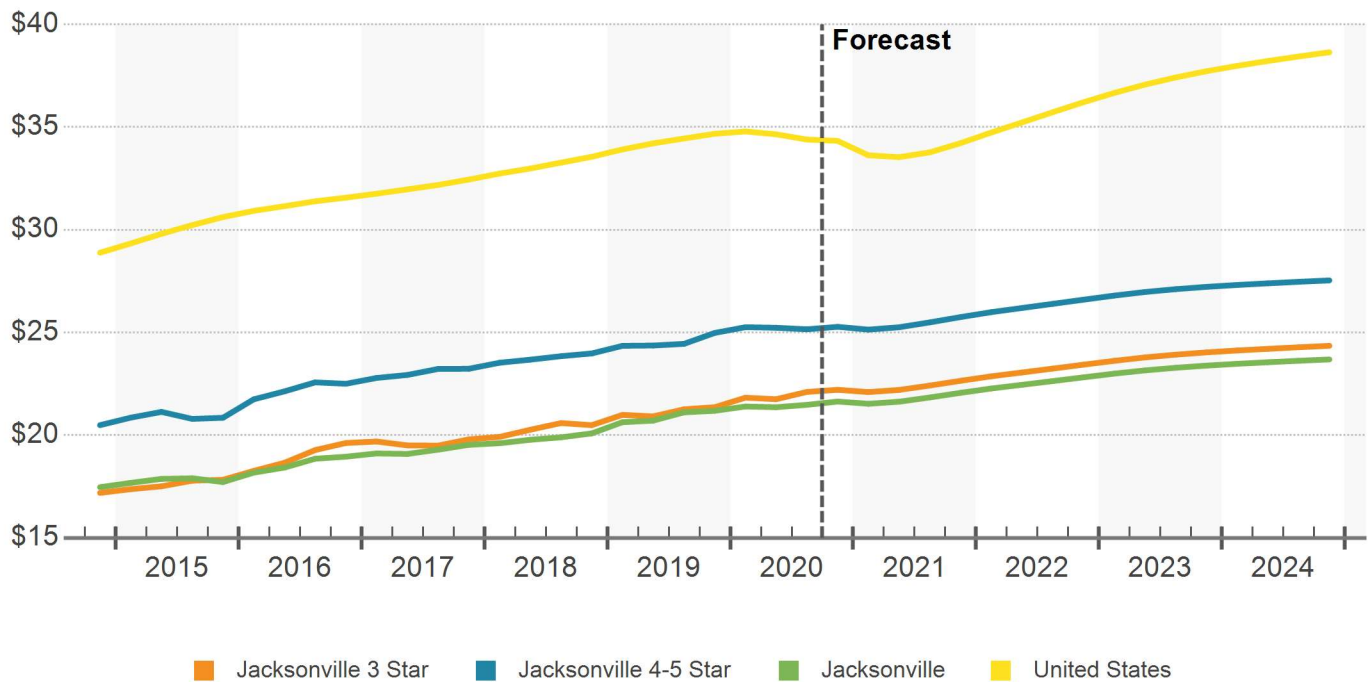
One of Jacksonville's most popular suburban submarkets, Southside, has posted some of the highest rent gains in the past year. The market's more traditional CBD submarkets of Downtown Northbank and Downtown Southbank have also enjoyed large rent gains in recent years. The downtown submarkets have recently 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	\$1.40	\$0.64	\$3.21	\$4.75	<b>\$10.71</b>
Arlington	\$0.53	\$1.18	\$0.59	\$2.01	\$6.22	<b>\$10.53</b>
Beaches	\$0.53	\$1.19	\$0.59	\$1.72	\$6.25	<b>\$10.28</b>
Butler/Baymeadows	\$0.57	\$1.25	\$0.59	\$3.02	\$4.83	<b>\$10.26</b>
Downtown Northbank	\$0.55	\$1.05	\$0.51	\$1.50	\$6.33	<b>\$9.94</b>
Downtown Southbank	\$1.20	\$1.74	\$0.82	\$2.33	\$2.03	<b>\$8.12</b>
Mandarin	\$0.53	\$1.18	\$0.59	\$3.22	\$5.87	<b>\$11.39</b>
Nassau County	\$0.53	\$1.18	\$0.59	\$1.63	\$6.22	<b>\$10.15</b>
Northeast Jacksonville	\$0.53	\$1.18	\$0.59	\$3.41	\$6.22	<b>\$11.93</b>
Northwest Jacksonville	\$0.53	\$1.18	\$0.59	\$1.80	\$6.22	<b>\$10.32</b>
Orange Park/Clay County	\$0.46	\$1.04	\$0.52	\$1.63	\$5.63	<b>\$9.28</b>
Riverside	\$0.53	\$1.18	\$0.59	\$2.27	\$6.22	<b>\$10.79</b>
San Marco	\$0.69	\$1.40	\$0.65	\$4.51	\$5.26	<b>\$12.51</b>
Southside	\$0.88	\$1.68	\$0.70	\$4.69	\$3.59	<b>\$11.54</b>
St Johns County	\$0.53	\$1.18	\$0.59	\$1.59	\$6.22	<b>\$10.11</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	\$1.19	\$0.53	\$2.34	\$3.85	<b>\$8.49</b>
Arlington	\$0.48	\$1.08	\$0.54	\$2.05	\$4.74	<b>\$8.89</b>
Baker County	\$0.50	\$1.12	\$0.56	\$1.77	\$4.91	<b>\$8.86</b>
Beaches	\$0.45	\$1.01	\$0.50	\$2.55	\$4.47	<b>\$8.98</b>
Butler/Baymeadows	\$0.46	\$1.04	\$0.52	\$2.73	\$3.23	<b>\$7.98</b>
Downtown Northbank	\$0.48	\$0.89	\$0.49	\$1.93	\$4.45	<b>\$8.24</b>
Downtown Southbank	\$1.10	\$1.57	\$0.75	\$2.50	\$0.99	<b>\$6.91</b>
Mandarin	\$0.47	\$1.05	\$0.52	\$2.18	\$4.54	<b>\$8.76</b>
Nassau County	\$0.47	\$1.06	\$0.52	\$1.62	\$4.62	<b>\$8.29</b>
Northeast Jacksonville	\$0.47	\$1.04	\$0.52	\$1.72	\$4.58	<b>\$8.33</b>
Northwest Jacksonville	\$0.50	\$1.12	\$0.56	\$1.25	\$4.91	<b>\$8.34</b>
Orange Park/Clay County	\$0.46	\$1.04	\$0.52	\$3.23	\$4.53	<b>\$9.78</b>
Riverside	\$0.49	\$1.10	\$0.54	\$2.31	\$4.71	<b>\$9.15</b>
San Marco	\$0.72	\$1.40	\$0.58	\$2.43	\$3.38	<b>\$8.51</b>
Southside	\$1.01	\$1.78	\$0.56	\$2.40	\$1.63	<b>\$7.38</b>
St Johns County	\$0.47	\$1.06	\$0.53	\$1.85	\$4.64	<b>\$8.55</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>	\$0.57	\$0.89	\$0.39	\$2.03	\$0.92	<b>\$4.80</b>
Arlington	\$0.46	\$0.92	\$0.40	\$1.33	\$0.39	<b>\$3.50</b>
Baker County	\$0.48	\$0.94	\$0.41	\$1.98	\$0.40	<b>\$4.21</b>
Beaches	\$0.48	\$0.95	\$0.41	\$2.72	\$0.26	<b>\$4.82</b>
Butler/Baymeadows	\$0.45	\$0.89	\$0.34	\$2.70	\$2.14	<b>\$6.52</b>
Downtown Northbank	\$0.31	\$0.59	\$0.45	\$1.71	\$3.50	<b>\$6.56</b>
Downtown Southbank	\$1.08	\$0.74	\$0.34	\$1.97	\$1.14	<b>\$5.27</b>
Mandarin	\$0.43	\$0.85	\$0.37	\$2.39	\$0.49	<b>\$4.53</b>
Nassau County	\$0.47	\$0.92	\$0.40	\$1.96	\$0.39	<b>\$4.14</b>
Northeast Jacksonville	\$0.47	\$0.94	\$0.41	\$2.32	\$0.40	<b>\$4.54</b>
Northwest Jacksonville	\$0.46	\$0.92	\$0.40	\$1.22	\$0.39	<b>\$3.39</b>
Orange Park/Clay County	\$0.47	\$0.94	\$0.41	\$2.09	\$0.40	<b>\$4.31</b>
Riverside	\$0.47	\$0.93	\$0.40	\$2.00	\$0.39	<b>\$4.19</b>
San Marco	\$0.72	\$0.92	\$0.37	\$1.97	\$0.85	<b>\$4.83</b>
Southside	\$0.99	\$0.94	\$0.36	\$2.11	\$1.38	<b>\$5.78</b>
St Johns County	\$0.48	\$0.94	\$0.41	\$2.09	\$0.40	<b>\$4.32</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, but levels are still behind the long-term average for the market. 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.

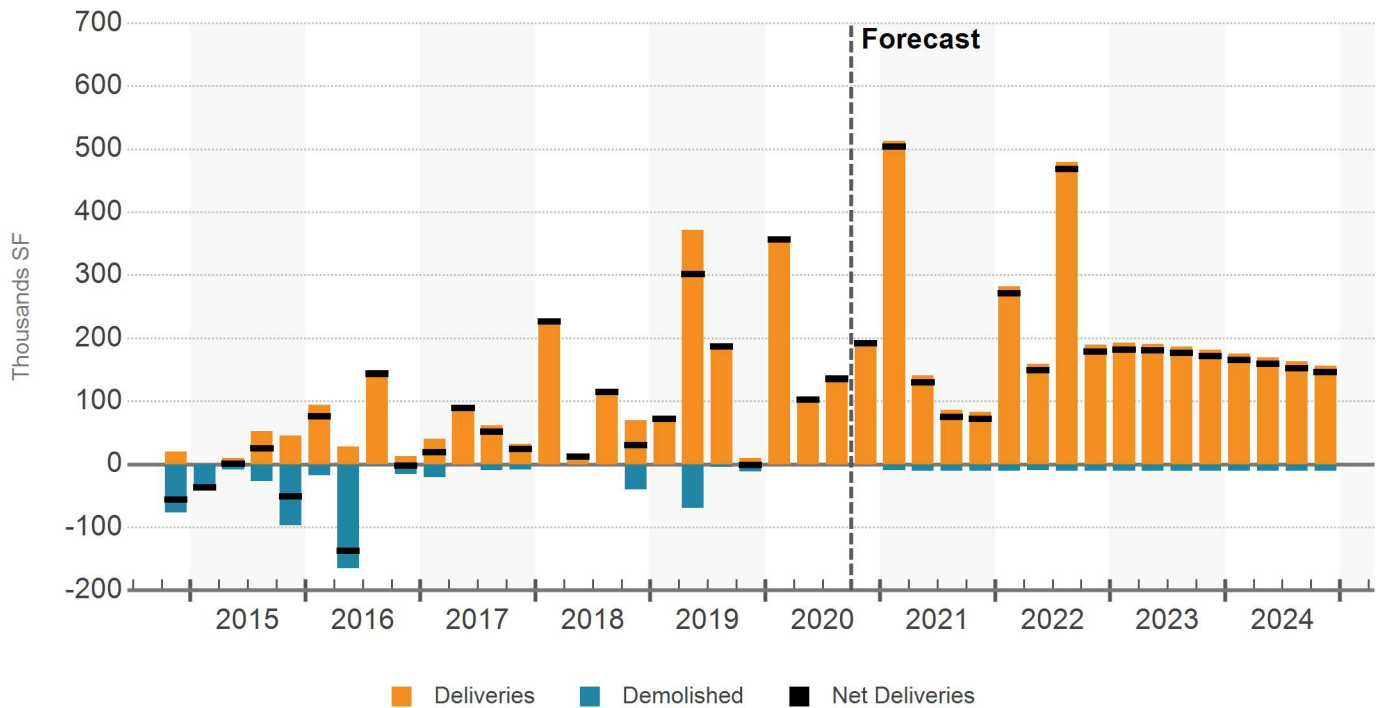
Around 1.2 million SF of office space is under construction in Jacksonville, about 1.8% of inventory. A large chunk of this office space is the build-to-suit 300,000-SF office for Fidelity Information Services in Downtown and the 187,000-SF PGA Tour Global HQ in Ponte Vedra Beach. As far as speculative 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.

Among submarkets, Beaches has the most amount of space under construction as percent of inventory. This is almost exclusively due to the fact that the new PGA Tour Global HQ is being built in the 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	453	453	100%	1	34,126	226,500	1
2	Beaches	4	266	187	70.4%	6	8,332	66,392	3
3	Butler/Baymeadows	4	175	45	25.7%	7	37,895	43,723	4
4	St Johns County	6	97	72	74.7%	5	6,977	16,109	6
5	Orange Park/Clay County	3	87	74	85.2%	4	8,320	29,068	5
6	Northwest Jacksonville	1	69	5	6.5%	8	6,376	69,348	2
7	Southside	2	20	20	100%	1	21,956	10,008	7
8	Riverside	2	13	13	100%	1	4,772	6,709	8
9	Arlington	0	-	-	-	-	8,405	-	-
10	Baker County	0	-	-	-	-	4,042	-	-
	All Other	0	-	-	-		8,929	-	
<b>Totals</b>		<b>24</b>	<b>1,180</b>	<b>869</b>	<b>73.7%</b>		<b>13,560</b>	<b>49,171</b>	



# Under Construction Properties

Jacksonville Office

Properties

Square Feet

Percent of Inventory

Released

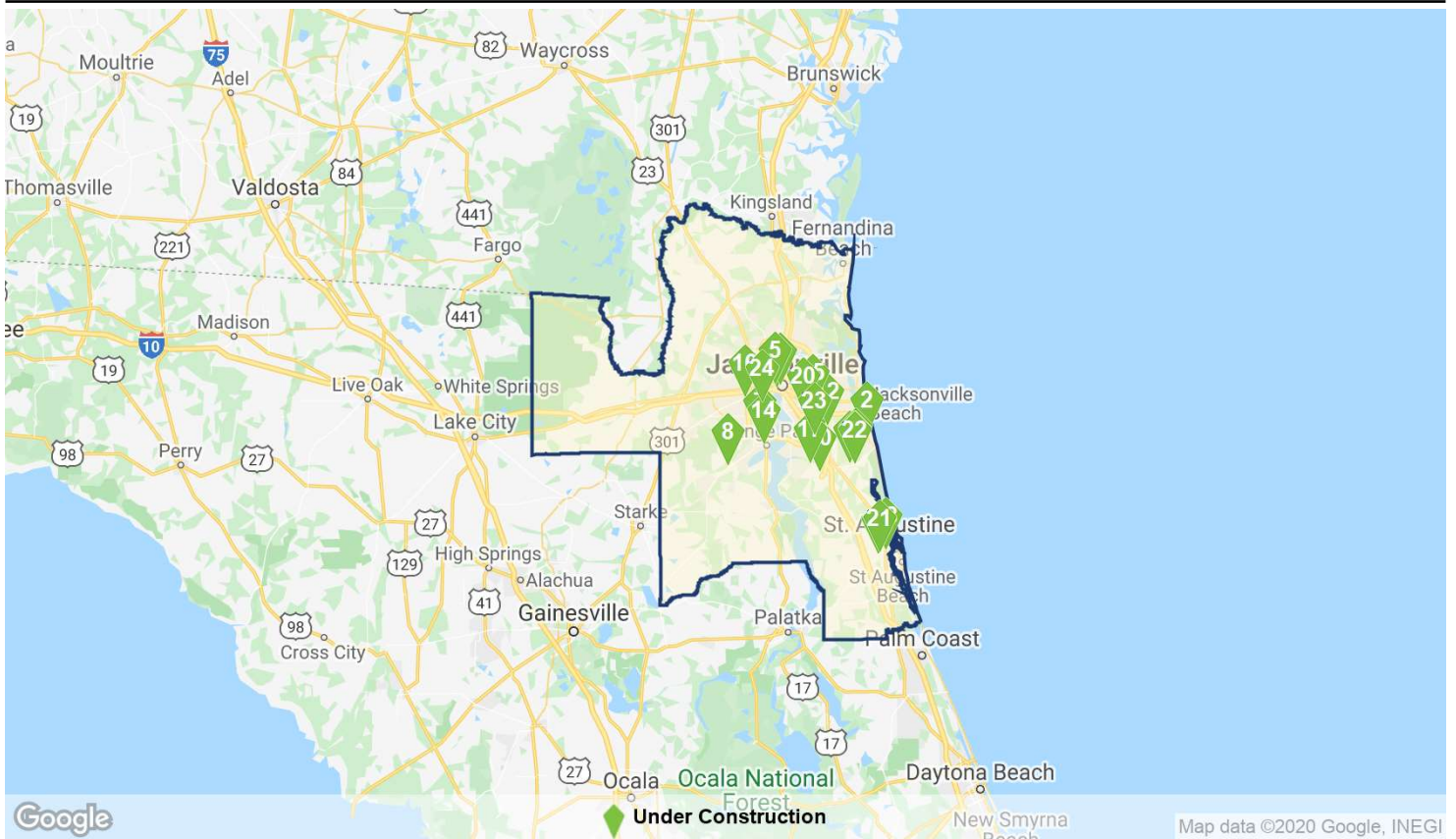
24

1,180,098

1.8%

73.7%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>FIS HQ</b> 323 Riverside Ave	★★★★★	300,000	12	Jul 2020	Jun 2022	Hines Fidelity National Financial, Inc.
2 <b>PGA Tour Global HQ</b> 5450 Palm Valley Rd	★★★★☆	187,000	3	Jan 2019	Jan 2021	- PGA Tour Inc.
3 <b>JEA HQ</b> 325 W Adams St	★★★★☆	153,000	7	Oct 2020	Jan 2022	Ryan Companies City of Jacksonville, Real Estate...
4 <b>Park Place At Nocatee</b>	★★★★☆	125,000	4	Apr 2020	Jan 2021	- VanTrust Real Estate, LLC
5 <b>Dennis + Ives 5.75 AC - ...</b> 1505 Dennis St	★★★★☆	69,348	1	Dec 2019	Mar 2021	- Finnegan Development Company...
6 <b>Building III</b> 153 Fort Wade Rd	★★★★☆	62,751	3	Jan 2020	Jan 2021	- International Management Comp...
7 <b>1731 Wells Rd</b>	★★★★☆	45,468	2	Jul 2020	Apr 2021	Precise Construction Asset Exchange Company

# Under Construction Properties

Jacksonville Office

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 1811 Blanding	★ ★ ★ ★ ★	25,736	2	Aug 2020	Mar 2021	-
9 3635 Race Track Rd	★ ★ ★ ★ ★	25,000	2	Mar 2020	Jul 2021	- Onicx
10 Palms Professional Park 2050 St Johns Pky	★ ★ ★ ★ ★	24,000	1	Sep 2020	Jun 2021	Custom Builders Custom Builders
11 Point Meadows Offices 8100 Point Meadows Dr	★ ★ ★ ★ ★	24,000	2	Feb 2020	Feb 2021	- Cross Regions Real Estate
12 Baymeadows Rd	★ ★ ★ ★ ★	23,000	2	Aug 2019	Jan 2021	- Richard Skinner & Associates
13 St. Augustine VA Clinic State Road 207	★ ★ ★ ★ ★	18,708	1	Jul 2020	Feb 2021	- Construction Managers Inc
14 Kingsley Ave	★ ★ ★ ★ ★	16,000	1	Jul 2020	Jan 2021	- Digestive Disease Consultants
15 9722 Touchton Rd	★ ★ ★ ★ ★	12,015	2	Jan 2019	Feb 2021	- Platinum Realty Group LLC
16 1524 Normandy Village P...	★ ★ ★ ★ ★	11,000	1	Apr 2020	Jan 2021	- Plaza Properties Corporation
17 3635 Race Track Rd	★ ★ ★ ★ ★	10,944	1	Nov 2019	Jan 2021	- AccuBuild Development Corporat...
18 1650 US Highway 1 S	★ ★ ★ ★ ★	10,000	2	Oct 2020	Aug 2021	- Creekview Investments LLC
19 Building 400 380 Town Plaza Ave	★ ★ ★ ★ ★	9,542	1	Apr 2020	Jan 2021	- Morgar Realty, Inc.
20 Lineage Church 6851 Southpoint Pky	★ ★ ★ ★ ★	8,000	1	Jun 2019	Jan 2021	- Southside Assembly Of God Inc
21 State Road 207 Rd	★ ★ ★ ★ ★	8,000	1	Dec 2020	Aug 2021	- Borland-Groover Clinic
22 Bldg 300 320 Town Plaza Ave	★ ★ ★ ★ ★	6,276	1	Jul 2020	Jul 2021	- D.D.I., Inc.
23 Aspen Dental 9920 Southside Blvd	★ ★ ★ ★ ★	2,893	1	Apr 2020	Jan 2021	- CORE Investment Properties Fund
24 D 4405 Roosevelt Blvd	★ ★ ★ ★ ★	2,417	1	Jan 2020	Jan 2021	- Dewberry Group

While transaction volume has declined since the downturn, quarterly office sales in 20Q2 and 20Q3 did not drop off in Jacksonville as drastically as it did in many other markets. This comes after a strong 20Q1, when quarterly volume was nearly as much as typically trades in the market in an entire year.

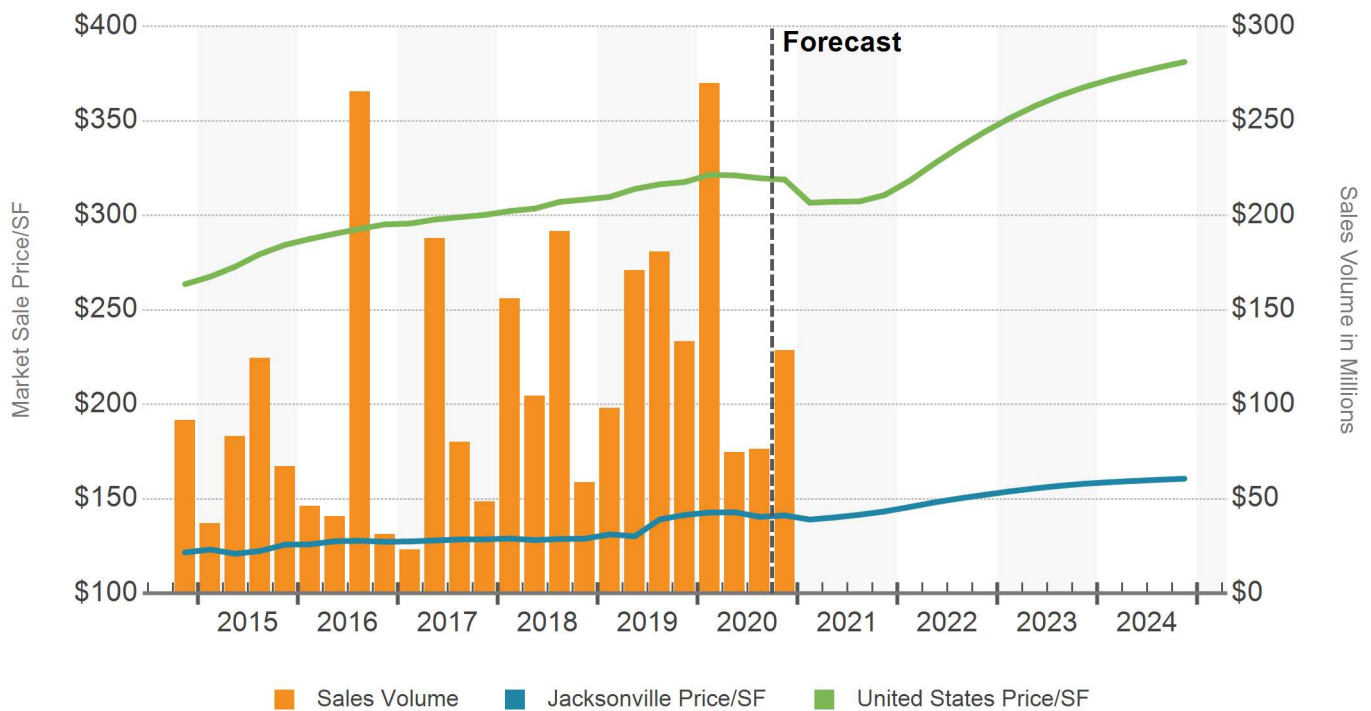
Jacksonville's office sector may be more insulated from the effects of coronavirus pandemic as the market is less exposed than most Florida markets to the leisure and hospitality sectors. In fact, many of the offices to sell in Jacksonville in recent years have been medical office buildings or offices occupied by financial institutions.

One of the largest deals year to date came amid the pandemic, when Ally Financial bought two offices it occupies at Flagler Center in the Butler/Baymeadows Submarket. 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 the past year, 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



# Sales Past 12 Months

Jacksonville Office

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

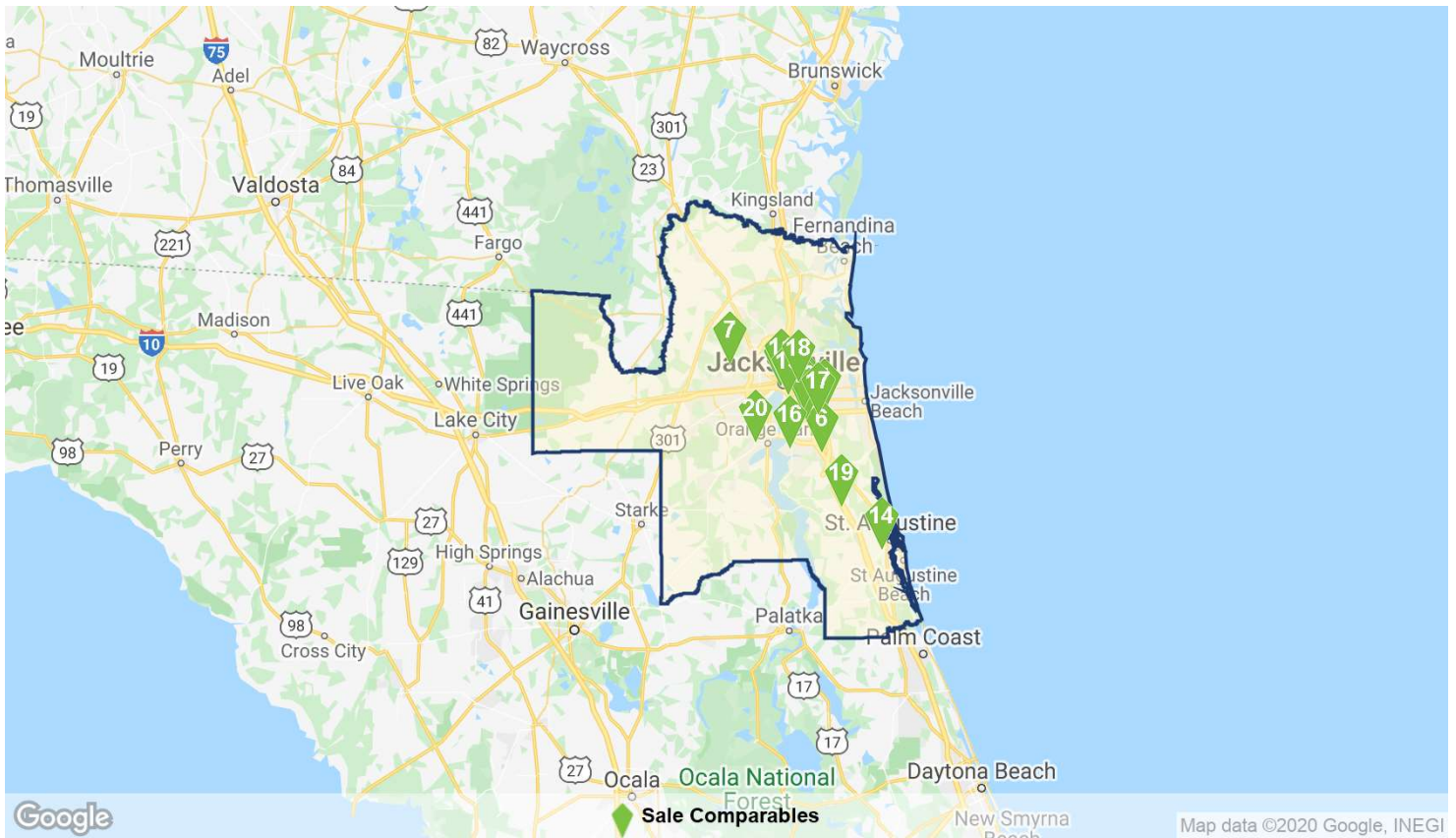
**358**

**7.9%**

**\$131**

**10.5%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$60,000	\$3,110,284	\$546,849	\$67,000,000
Price/SF	\$0.60	\$131	\$133	\$1,229
Cap Rate	6.1%	7.9%	7.8%	10.0%
Time Since Sale in Months	0.1	5.9	5.1	12.0
Property Attributes	Low	Average	Median	High
Building SF	380	16,486	3,197	699,000
Stories	1	2	1	42
Typical Floor SF	380	6,803	2,576	283,000
Vacancy Rate At Sale	0%	10.5%	0%	100%
Year Built	1900	1973	1980	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
<b>1</b> <b>Eight Forty One</b> 841 Prudential Dr	★★★★★	1955	498,317	17.9%	2/21/2020	\$67,000,000	\$134	7.9%
<b>2</b> <b>Bank of America Tower</b> 50 N Laura St	★★★★★	1990	699,000	26.8%	12/15/2020	\$64,367,631	\$92	-
<b>3</b> <b>Town Center Two</b> 5335 Gate Pky	★★★★★	2019	218,700	36.1%	1/10/2020	\$61,864,900	\$283	-
<b>4</b> <b>Town Center One</b> 5555 Gate Pky	★★★★★	2018	160,000	9.7%	1/10/2020	\$45,260,100	\$283	-
<b>5</b> <b>Lakeside IV</b> 12850 Gran Bay Pky W	★★★★★	1999	129,000	0%	5/13/2020	\$25,695,112	\$199	-
<b>6</b> <b>Lakeside Three</b> 12808 Gran Bay Pky W	★★★★★	2007	117,000	0%	5/13/2020	\$23,304,888	\$199	-
<b>7</b> <b>Southeast Toyota</b> 9985 Pritchard Rd	★★★★★	2003	283,000	0%	11/16/2020	\$17,600,000	\$62	-
<b>8</b> <b>Miller Electric Company</b> 6805 Southpoint Pky	★★★★★	1989	117,870	0%	7/15/2020	\$15,400,000	\$131	-
<b>9</b> <b>Southside Cancer Center</b> 5742 Booth Rd	★★★★★	2000	24,169	0%	2/3/2020	\$13,168,000	\$545	-
<b>10</b> <b>Bldg 700</b> 12276 San Jose Blvd	★★★★★	2007	75,000	32.8%	1/21/2020	\$11,634,938	\$155	-
<b>11</b> <b>The Jax Nap</b> 421 W Church St	★★★★★	1959	102,136	0%	7/31/2020	\$10,711,909	\$105	-
<b>12</b> <b>Center Building</b> 7825 Baymeadows Way	★★★★★	1976	107,554	0%	7/31/2020	\$10,500,000	\$98	-
<b>13</b> <b>First Coast Orthopedic S...</b> 4035 Southpoint Blvd	★★★★★	2020	12,000	0%	7/8/2020	\$8,730,000	\$728	-
<b>14</b> <b>1 News Pl</b>	★★★★★	2001	34,567	0%	10/28/2020	\$7,535,000	\$218	-
<b>15</b> <b>Mac Papers Bldg</b> 3300 Philips Hwy	★★★★★	1990	45,000	0%	3/25/2020	\$6,422,014	\$143	-
<b>16</b> <b>Bldg 400</b> 12276 San Jose Blvd	★★★★★	2004	39,900	8.8%	1/21/2020	\$6,189,787	\$155	-
<b>17</b> <b>Carrier Bldg</b> 7595 Centurion Pky	★★★★★	1991	50,080	0%	11/25/2020	\$6,120,000	\$122	-
<b>18</b> <b>900 Building</b> 900 N University Blvd	★★★★★	1982	78,500	0%	5/6/2020	\$5,800,000	\$74	9.6%
<b>19</b> <b>Gateway Commons</b> 475 West Town Pl	★★★★★	2000	50,188	7.5%	2/17/2020	\$5,114,429	\$102	-
<b>20</b> <b>Orange Park Cancer Cen...</b> 2161 Kingsley Ave	★★★★★	1999	18,965	5.8%	3/24/2020	\$5,000,000	\$264	8.0%

As of the October report by the Bureau of Labor and Statistics (BLS), Jacksonville had recovered about 64% of the nearly 90,000 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 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.

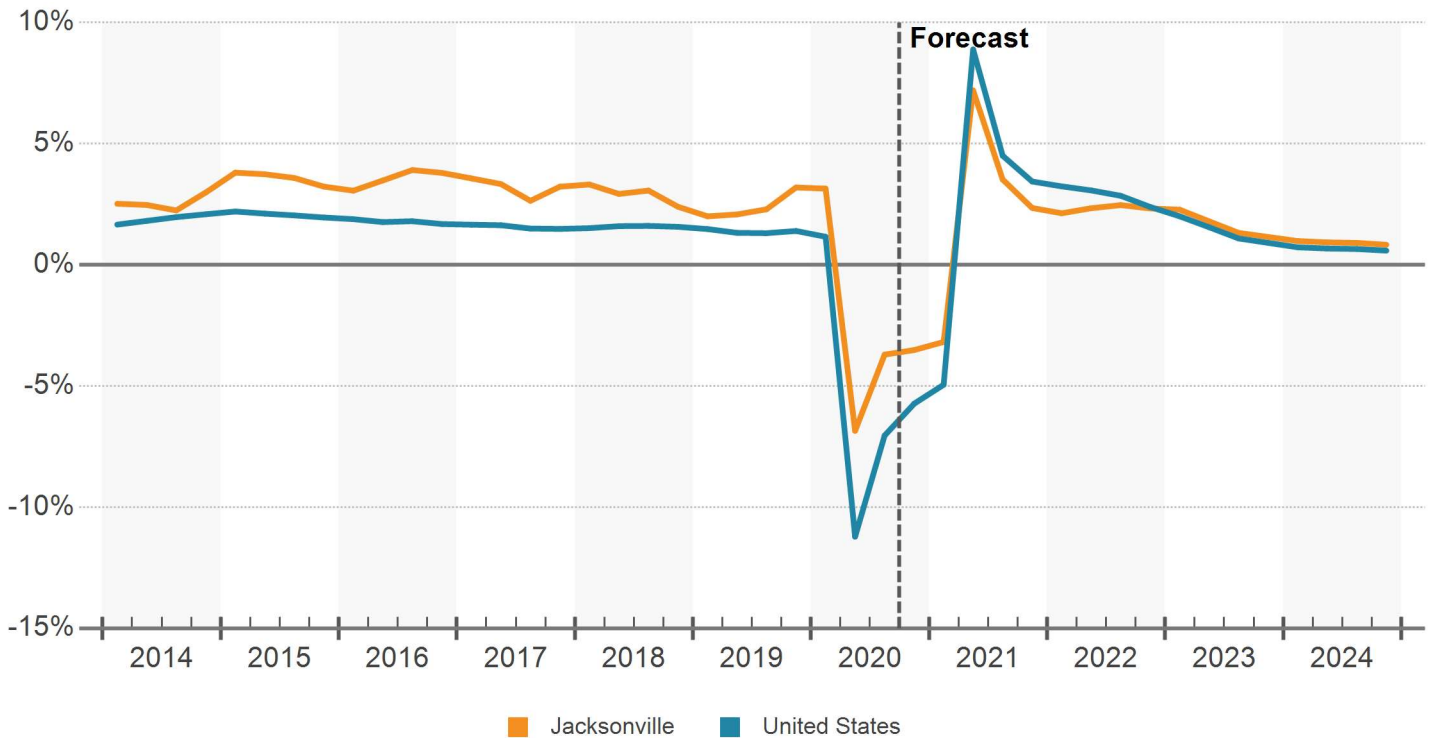
Port trade is booming in Jacksonville. JAXPORT had a record year in 2019, with 1.3 million 20-foot equivalent units (TEU) passing through the port. This is up 5% over the prior year's numbers, keeping Jacksonville as the largest container port in Florida. Already the nation's second-largest vehicle port, 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 Level		12 Month Change		10 Year Change		5 Year Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	33	0.5	-1.71%	-3.75%	1.73%	0.66%	-0.23%	0.46%
Trade, Transportation and Utilities	152	1.1	-4.54%	-3.26%	2.04%	0.86%	1.04%	0.69%
Retail Trade	77	1.0	-6.29%	-2.84%	1.21%	0.48%	1.28%	0.66%
Financial Activities	69	1.6	-0.58%	-1.25%	1.85%	1.24%	0.86%	0.76%
Government	76	0.7	-2.15%	-4.12%	-0.06%	-0.25%	0.90%	0.82%
Natural Resources, Mining and Construction	47	1.2	-1.86%	-3.32%	5.13%	2.53%	0.86%	1.17%
Education and Health Services	114	1.0	0.73%	-4.14%	2.79%	1.53%	1.46%	1.95%
Professional and Business Services	110	1.1	-3.10%	-4.64%	2.51%	1.88%	2.27%	1.66%
Information	8	0.6	-9.90%	-6.07%	-2.32%	0.04%	2.60%	2.18%
Leisure and Hospitality	78	1.2	-12.16%	-20.42%	1.80%	0.14%	3.13%	4.75%
Other Services	27	1.0	-3.30%	-7.08%	1.42%	0.28%	0.80%	1.44%
<b>Total Employment</b>	<b>711</b>	<b>1.0</b>	<b>-3.52%</b>	<b>-5.75%</b>	<b>2.00%</b>	<b>0.91%</b>	<b>1.44%</b>	<b>1.53%</b>

Source: Oxford Economics  
LQ = Location Quotient

## YEAR OVER YEAR JOB GROWTH



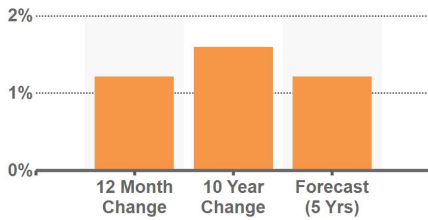
Source: Oxford Economics

## DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	1,584,742	330,420,094	1.2%	0.5%	1.6%	0.6%	1.2%	0.5%
Households	595,370	123,512,438	1.2%	0.4%	1.7%	0.7%	1.2%	0.5%
Median Household Income	\$65,478	\$67,418	6.4%	6.1%	2.7%	3.0%	2.0%	2.1%
Labor Force	799,670	161,344,234	0%	-1.9%	1.3%	0.5%	1.3%	0.8%
Unemployment	9.3%	9.0%	6.5%	5.5%	-0.1%	-0.1%	-	-

Source: Oxford Economics

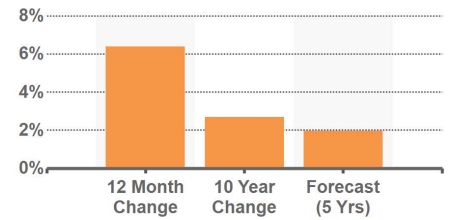
### POPULATION GROWTH



### LABOR FORCE GROWTH



### INCOME GROWTH

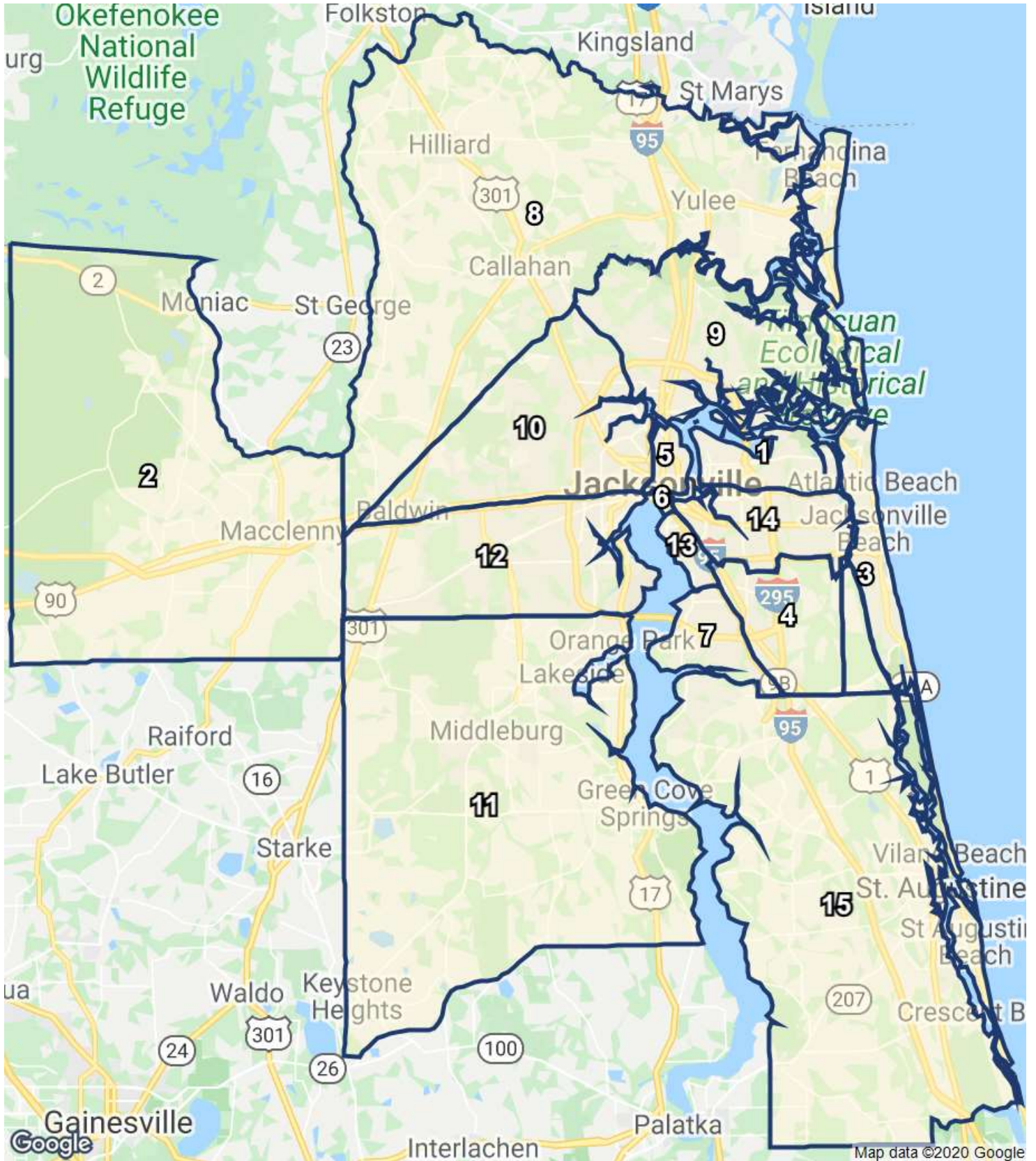


Source: Oxford Economics



# Submarkets

## 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	217	1,824	2.8%	10	2	295	16.2%	1	0	-	-	-
2	Baker County	34	137	0.2%	15	0	0	0%	-	0	-	-	-
3	Beaches	385	3,208	4.9%	6	6	64	2.0%	4	4	266	8.3%	2
4	Butler/Baymeadows	274	10,383	15.8%	3	2	184	1.8%	2	4	175	1.7%	3
5	Downtown Northbank	368	12,558	19.1%	2	1	62	0.5%	5	2	453	3.6%	1
6	Downtown Southbank	136	2,978	4.5%	8	0	0	0%	-	0	-	-	-
7	Mandarin	308	2,591	3.9%	9	2	11	0.4%	8	0	-	-	-
8	Nassau County	252	1,348	2.1%	12	2	28	2.1%	6	0	-	-	-
9	Northeast Jacksonville	79	613	0.9%	14	0	0	0%	-	0	-	-	-
10	Northwest Jacksonville	192	1,224	1.9%	13	0	0	0%	-	1	69	5.7%	6
11	Orange Park/Clay County	436	3,627	5.5%	4	0	0	0%	-	3	87	2.4%	5
12	Riverside	644	3,073	4.7%	7	0	0	0%	-	2	13	0.4%	8
13	San Marco	271	1,810	2.8%	11	0	0	0%	-	0	-	-	-
14	Southside	774	16,994	25.9%	1	4	118	0.7%	3	2	20	0.1%	7
15	St Johns County	473	3,300	5.0%	5	5	24	0.7%	7	6	97	2.9%	4

## SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Arlington	\$18.76	13	2.3%	6	3.0%	11
2	Baker County	\$17.48	15	1.4%	12	4.8%	1
3	Beaches	\$26.71	1	2.4%	5	3.3%	8
4	Butler/Baymeadows	\$21.69	7	2.2%	7	2.4%	14
5	Downtown Northbank	\$21.94	4	2.0%	9	2.5%	12
6	Downtown Southbank	\$22.83	2	1.1%	14	2.3%	15
7	Mandarin	\$19.84	10	3.0%	1	3.1%	9
8	Nassau County	\$21.78	6	2.9%	2	3.6%	6
9	Northeast Jacksonville	\$20.20	9	1.1%	13	3.7%	5
10	Northwest Jacksonville	\$19.06	12	0.4%	15	3.8%	4
11	Orange Park/Clay County	\$20.54	8	2.6%	4	3.1%	10
12	Riverside	\$18.43	14	1.6%	11	4.1%	2
13	San Marco	\$19.54	11	1.9%	10	3.9%	3
14	Southside	\$21.87	5	2.0%	8	2.5%	13
15	St Johns County	\$22.17	3	2.6%	3	3.4%	7

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Arlington	139,245	7.6%	10	338,685	18.6%	1	0.9
2	Baker County	5,483	4.0%	3	6,266	4.6%	7	-
3	Beaches	189,286	5.9%	9	7,427	0.2%	6	8.6
4	Butler/Baymeadows	1,585,939	15.3%	15	(5,080)	0%	11	-
5	Downtown Northbank	1,106,183	8.8%	11	36,858	0.3%	3	1.7
6	Downtown Southbank	316,526	10.6%	12	(130,245)	-4.4%	15	-
7	Mandarin	129,050	5.0%	7	18,103	0.7%	5	0.6
8	Nassau County	43,581	3.2%	1	2,145	0.2%	10	13.0
9	Northeast Jacksonville	28,008	4.6%	5	5,241	0.9%	8	-
10	Northwest Jacksonville	138,332	11.3%	14	(5,470)	-0.4%	12	-
11	Orange Park/Clay County	210,356	5.8%	8	(29,208)	-0.8%	14	-
12	Riverside	110,060	3.6%	2	(12,947)	-0.4%	13	-
13	San Marco	88,242	4.9%	6	4,722	0.3%	9	-
14	Southside	1,871,931	11.0%	13	55,436	0.3%	2	2.1
15	St Johns County	137,468	4.2%	4	36,785	1.1%	4	0.7

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	68,851,699	623,043	0.9%	504,285	0.7%	1.2
2023	68,228,656	710,282	1.1%	564,898	0.8%	1.3
2022	67,518,374	1,068,008	1.6%	793,489	1.2%	1.3
2021	66,450,366	780,627	1.2%	841,087	1.3%	0.9
2020	65,669,739	785,130	1.2%	164,027	0.2%	4.8
YTD	65,669,739	785,130	1.2%	332,269	0.5%	2.4
2019	64,884,609	558,206	0.9%	(10,723)	0%	-
2018	64,326,403	418,510	0.7%	386,989	0.6%	1.1
2017	63,907,893	344,714	0.5%	639,293	1.0%	0.5
2016	63,563,179	78,933	0.1%	739,620	1.2%	0.1
2015	63,484,246	(12,744)	0%	539,848	0.9%	-
2014	63,496,990	(43,193)	-0.1%	705,561	1.1%	-
2013	63,540,183	193,856	0.3%	603,993	1.0%	0.3
2012	63,346,327	137,002	0.2%	654,224	1.0%	0.2
2011	63,209,325	48,797	0.1%	683,917	1.1%	0.1
2010	63,160,528	22,678	0%	551,335	0.9%	0
2009	63,137,850	360,772	0.6%	(1,029,123)	-1.6%	-
2008	62,777,078	1,569,419	2.6%	635,616	1.0%	2.5

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	20,546,405	664,755	3.3%	610,881	3.0%	1.1
2023	19,881,650	752,741	3.9%	665,055	3.3%	1.1
2022	19,128,909	1,109,714	6.2%	895,178	4.7%	1.2
2021	18,019,195	400,656	2.3%	407,653	2.3%	1.0
2020	17,618,539	320,298	1.9%	(5,993)	0%	-
YTD	17,618,539	320,298	1.9%	128,946	0.7%	2.5
2019	17,298,241	502,160	3.0%	229,541	1.3%	2.2
2018	16,796,081	61,003	0.4%	23,819	0.1%	2.6
2017	16,735,078	279,287	1.7%	(41,781)	-0.2%	-
2016	16,455,791	169,777	1.0%	226,702	1.4%	0.7
2015	16,286,014	105,643	0.7%	208,455	1.3%	0.5
2014	16,180,371	40,184	0.2%	55,862	0.3%	0.7
2013	16,140,187	154,621	1.0%	351,585	2.2%	0.4
2012	15,985,566	48,574	0.3%	336,375	2.1%	0.1
2011	15,936,992	11,600	0.1%	(184,411)	-1.2%	-
2010	15,925,392	78,763	0.5%	442,750	2.8%	0.2
2009	15,846,629	31,446	0.2%	(45,087)	-0.3%	-
2008	15,815,183	611,194	4.0%	286,082	1.8%	2.1



# Supply & Demand Trends

Jacksonville Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	27,192,600	0	0%	(46,150)	-0.2%	-
2023	27,192,600	0	0%	(40,888)	-0.2%	-
2022	27,192,600	0	0%	(13,706)	-0.1%	-
2021	27,192,600	410,639	1.5%	411,943	1.5%	1.0
2020	26,781,961	464,832	1.8%	435,598	1.6%	1.1
YTD	26,781,961	464,832	1.8%	456,170	1.7%	1.0
2019	26,317,129	133,531	0.5%	(365,894)	-1.4%	-
2018	26,183,598	356,008	1.4%	450,038	1.7%	0.8
2017	25,827,590	88,124	0.3%	393,162	1.5%	0.2
2016	25,739,466	(71,822)	-0.3%	478,265	1.9%	-
2015	25,811,288	(68,836)	-0.3%	127,942	0.5%	-
2014	25,880,124	(45,621)	-0.2%	348,368	1.3%	-
2013	25,925,745	106,032	0.4%	172,037	0.7%	0.6
2012	25,819,713	90,133	0.4%	183,386	0.7%	0.5
2011	25,729,580	41,939	0.2%	643,602	2.5%	0.1
2010	25,687,641	34,774	0.1%	18,521	0.1%	1.9
2009	25,652,867	288,388	1.1%	(420,506)	-1.6%	-
2008	25,364,479	887,305	3.6%	571,223	2.3%	1.6

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	21,112,694	(41,712)	-0.2%	(60,446)	-0.3%	-
2023	21,154,406	(42,459)	-0.2%	(59,269)	-0.3%	-
2022	21,196,865	(41,706)	-0.2%	(87,983)	-0.4%	-
2021	21,238,571	(30,668)	-0.1%	21,491	0.1%	-
2020	21,269,239	0	0%	(265,578)	-1.2%	-
YTD	21,269,239	0	0%	(252,847)	-1.2%	-
2019	21,269,239	(77,485)	-0.4%	125,630	0.6%	-
2018	21,346,724	1,499	0%	(86,868)	-0.4%	-
2017	21,345,225	(22,697)	-0.1%	287,912	1.3%	-
2016	21,367,922	(19,022)	-0.1%	34,653	0.2%	-
2015	21,386,944	(49,551)	-0.2%	203,451	1.0%	-
2014	21,436,495	(37,756)	-0.2%	301,331	1.4%	-
2013	21,474,251	(66,797)	-0.3%	80,371	0.4%	-
2012	21,541,048	(1,705)	0%	134,463	0.6%	-
2011	21,542,753	(4,742)	0%	224,726	1.0%	-
2010	21,547,495	(90,859)	-0.4%	90,064	0.4%	-
2009	21,638,354	40,938	0.2%	(563,530)	-2.6%	-
2008	21,597,416	70,920	0.3%	(221,689)	-1.0%	-

### OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$23.69	121	1.3%	11.8%	6,564,169	9.5%	0.1%
2023	\$23.39	119	2.5%	10.4%	6,444,748	9.4%	0.1%
2022	\$22.82	116	3.4%	7.7%	6,298,678	9.3%	0.3%
2021	\$22.06	112	2.0%	4.1%	6,023,557	9.1%	-0.2%
2020	\$21.64	110	2.1%	2.1%	6,083,449	9.3%	0.6%
YTD	\$21.62	110	2.1%	2.1%	6,099,690	9.3%	0.6%
2019	\$21.19	108	5.5%	0%	5,646,829	8.7%	0.8%
2018	\$20.09	102	2.9%	-5.2%	5,071,723	7.9%	0%
2017	\$19.53	99	3.0%	-7.8%	5,047,211	7.9%	-0.8%
2016	\$18.95	97	7.0%	-10.5%	5,501,790	8.7%	-1.1%
2015	\$17.72	90	1.4%	-16.4%	6,162,477	9.7%	-1.0%
2014	\$17.47	89	4.8%	-17.5%	6,772,729	10.7%	-1.2%
2013	\$16.67	85	0.5%	-21.3%	7,534,737	11.9%	-0.7%
2012	\$16.59	85	0.5%	-21.7%	7,944,874	12.5%	-0.8%
2011	\$16.51	84	-0.7%	-22.1%	8,462,096	13.4%	-1.0%
2010	\$16.63	85	-9.0%	-21.5%	9,092,254	14.4%	-0.8%
2009	\$18.28	93	-6.9%	-13.7%	9,620,911	15.2%	2.1%
2008	\$19.63	100	-1.2%	-7.3%	8,231,016	13.1%	1.2%

### 4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$27.53	130	1.2%	10.2%	2,405,354	11.7%	-0.1%
2023	\$27.22	129	2.3%	9.0%	2,351,805	11.8%	0%
2022	\$26.60	126	3.3%	6.5%	2,264,445	11.8%	0.5%
2021	\$25.75	122	1.9%	3.1%	2,050,247	11.4%	-0.3%
2020	\$25.27	119	1.2%	1.2%	2,057,410	11.7%	0.6%
YTD	\$25.27	119	1.2%	1.2%	2,102,473	11.9%	0.9%
2019	\$24.98	118	4.2%	0%	1,911,121	11.0%	1.3%
2018	\$23.98	113	3.2%	-4.0%	1,632,325	9.7%	0.1%
2017	\$23.23	110	3.2%	-7.0%	1,602,150	9.6%	0.8%
2016	\$22.50	106	7.9%	-9.9%	1,441,082	8.8%	-0.4%
2015	\$20.85	98	1.7%	-16.5%	1,498,007	9.2%	-1.0%
2014	\$20.49	97	5.9%	-18.0%	1,650,829	10.2%	-0.2%
2013	\$19.36	91	2.3%	-22.5%	1,679,761	10.4%	-1.3%
2012	\$18.93	89	1.4%	-24.2%	1,876,725	11.7%	-1.8%
2011	\$18.66	88	-2.2%	-25.3%	2,164,526	13.6%	1.2%
2010	\$19.09	90	-4.2%	-23.6%	1,968,515	12.4%	-2.4%
2009	\$19.92	94	-5.9%	-20.2%	2,332,502	14.7%	0.5%
2008	\$21.17	100	1.3%	-15.2%	2,255,969	14.3%	1.6%

### 3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$24.35	117	1.3%	14.0%	2,381,377	8.8%	0.2%
2023	\$24.03	116	2.6%	12.5%	2,335,227	8.6%	0.2%
2022	\$23.43	113	3.5%	9.7%	2,294,339	8.4%	0.1%
2021	\$22.65	109	2.0%	6.0%	2,280,633	8.4%	-0.1%
2020	\$22.21	107	4.0%	4.0%	2,281,937	8.5%	-0.1%
YTD	\$22.20	107	3.9%	3.9%	2,265,835	8.5%	-0.1%
2019	\$21.36	103	4.3%	0%	2,257,173	8.6%	1.9%
2018	\$20.49	99	3.5%	-4.1%	1,757,748	6.7%	-0.5%
2017	\$19.80	96	0.9%	-7.3%	1,851,778	7.2%	-1.2%
2016	\$19.62	95	10.0%	-8.2%	2,156,816	8.4%	-2.1%
2015	\$17.83	86	3.7%	-16.5%	2,706,903	10.5%	-0.7%
2014	\$17.19	83	1.5%	-19.5%	2,903,681	11.2%	-1.5%
2013	\$16.94	82	2.4%	-20.7%	3,297,670	12.7%	-0.3%
2012	\$16.54	80	1.3%	-22.6%	3,363,675	13.0%	-0.4%
2011	\$16.33	79	-1.1%	-23.6%	3,456,928	13.4%	-2.3%
2010	\$16.51	80	-12.5%	-22.7%	4,053,629	15.8%	0%
2009	\$18.86	91	-9.0%	-11.7%	4,037,376	15.7%	2.6%
2008	\$20.73	100	-1.3%	-3.0%	3,328,482	13.1%	0.8%

### 1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$19.52	115	1.4%	10.4%	1,777,438	8.4%	0.1%
2023	\$19.25	114	2.6%	8.8%	1,757,716	8.3%	0.1%
2022	\$18.77	111	3.5%	6.1%	1,739,894	8.2%	0.2%
2021	\$18.13	107	2.0%	2.5%	1,692,677	8.0%	-0.2%
2020	\$17.77	105	0.4%	0.4%	1,744,102	8.2%	1.2%
YTD	\$17.74	105	0.3%	0.3%	1,731,382	8.1%	1.2%
2019	\$17.69	105	9.1%	0%	1,478,535	7.0%	-0.9%
2018	\$16.21	96	1.4%	-8.3%	1,681,650	7.9%	0.4%
2017	\$15.99	95	6.3%	-9.6%	1,593,283	7.5%	-1.4%
2016	\$15.04	89	1.1%	-15.0%	1,903,892	8.9%	-0.2%
2015	\$14.87	88	-2.3%	-15.9%	1,957,567	9.2%	-1.2%
2014	\$15.21	90	8.6%	-14.0%	2,218,219	10.3%	-1.6%
2013	\$14.01	83	-4.3%	-20.8%	2,557,306	11.9%	-0.6%
2012	\$14.63	87	-1.6%	-17.3%	2,704,474	12.6%	-0.6%
2011	\$14.87	88	1.5%	-15.9%	2,840,642	13.2%	-1.1%
2010	\$14.65	87	-9.1%	-17.2%	3,070,110	14.2%	-0.8%
2009	\$16.11	95	-4.7%	-8.9%	3,251,033	15.0%	2.8%
2008	\$16.90	100	-3.5%	-4.4%	2,646,565	12.3%	1.3%

### 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
2024	-	-	-	-	-	-	\$160.72	156	7.8%
2023	-	-	-	-	-	-	\$158.06	153	7.8%
2022	-	-	-	-	-	-	\$152.19	147	7.9%
2021	-	-	-	-	-	-	\$143.42	139	8.1%
2020	-	-	-	-	-	-	\$141.33	137	8.2%
YTD	351	\$549.5M	7.1%	\$3,106,082	\$128.08	7.9%	\$141.47	137	8.1%
2019	398	\$583.2M	10.2%	\$2,587,550	\$115.00	8.0%	\$141.55	137	8.1%
2018	372	\$510.8M	8.2%	\$2,756,085	\$120.46	8.6%	\$129.01	125	8.3%
2017	288	\$339.7M	5.5%	\$2,259,088	\$110.57	7.5%	\$128.67	125	8.0%
2016	309	\$383.7M	6.9%	\$2,179,899	\$116.88	8.8%	\$127.39	123	7.9%
2015	430	\$312.1M	5.8%	\$1,583,271	\$104.53	8.9%	\$125.86	122	7.9%
2014	344	\$562.3M	11.2%	\$3,112,399	\$90.49	8.3%	\$121.75	118	7.9%
2013	306	\$551.5M	8.4%	\$3,095,541	\$108.01	8.5%	\$116.58	113	8.1%
2012	230	\$131.2M	3.2%	\$1,197,053	\$71.16	8.8%	\$112.26	109	8.3%
2011	139	\$95.9M	2.1%	\$1,461,255	\$87.50	11.1%	\$108.84	105	8.5%
2010	142	\$174.3M	3.3%	\$2,278,259	\$120.57	10.5%	\$98.10	95	9.1%
2009	94	\$44.9M	1.1%	\$643,907	\$78.80	10.4%	\$88.76	86	10.0%

(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.

### 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
2024	-	-	-	-	-	-	\$182.25	156	7.3%
2023	-	-	-	-	-	-	\$179.42	153	7.3%
2022	-	-	-	-	-	-	\$172.90	148	7.4%
2021	-	-	-	-	-	-	\$162.95	139	7.6%
2020	-	-	-	-	-	-	\$160.57	137	7.7%
YTD	10	\$265.8M	11.0%	\$37,688,804	\$136.65	7.8%	\$160.65	137	7.6%
2019	29	\$237.2M	17.4%	\$13,928,960	\$137.53	7.4%	\$163.51	140	7.6%
2018	17	\$152.3M	8.2%	\$21,753,609	\$137.13	7.0%	\$143.19	122	7.9%
2017	10	\$39.4M	2.2%	\$9,851,045	\$108.48	5.4%	\$143.49	122	7.7%
2016	18	\$240.8M	12.5%	\$17,162,506	\$136.31	8.0%	\$142.41	122	7.6%
2015	124	\$143M	10.1%	\$11,817,383	\$108.45	7.5%	\$142.96	122	7.5%
2014	13	\$268M	22.1%	\$22,334,911	\$77.65	8.1%	\$138.94	119	7.4%
2013	23	\$340.4M	17.3%	\$15,472,592	\$124.17	8.9%	\$133.96	114	7.6%
2012	3	\$16.4M	0.3%	\$8,080,000	\$298.60	6.8%	\$128.71	110	7.8%
2011	4	\$42.8M	2.7%	\$21,410,002	\$116.15	11.1%	\$124.66	106	7.9%
2010	4	\$69.3M	1.9%	\$34,347,570	\$223.71	-	\$111.99	96	8.6%
2009	1	\$5.8M	1.2%	-	\$29.62	-	\$100.39	86	9.4%

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(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
2024	-	-	-	-	-	-	\$157.65	152	7.8%
2023	-	-	-	-	-	-	\$155.02	150	7.8%
2022	-	-	-	-	-	-	\$149.23	144	7.9%
2021	-	-	-	-	-	-	\$140.60	136	8.1%
2020	-	-	-	-	-	-	\$138.59	134	8.2%
YTD	137	\$210.6M	6.5%	\$3,598,426	\$129.13	8.4%	\$138.84	134	8.1%
2019	150	\$200.7M	6.4%	\$3,193,490	\$127.71	8.1%	\$138.19	133	8.1%
2018	122	\$247M	8.9%	\$4,465,196	\$128.20	8.7%	\$127.26	123	8.3%
2017	102	\$237M	8.3%	\$4,678,729	\$116.48	8.4%	\$127.12	123	8.0%
2016	107	\$79.3M	3.8%	\$1,514,695	\$107.67	7.8%	\$126.40	122	7.9%
2015	97	\$97.2M	2.9%	\$2,435,428	\$165.83	9.5%	\$124.57	120	7.9%
2014	134	\$245.8M	10.4%	\$5,498,496	\$117.85	8.6%	\$119.96	116	7.9%
2013	96	\$109.5M	5.3%	\$3,310,234	\$85.18	7.9%	\$116.02	112	8.0%
2012	85	\$63.8M	4.6%	\$2,163,408	\$57.35	9.6%	\$111.26	107	8.2%
2011	53	\$38.5M	2.4%	\$1,706,530	\$71.25	-	\$108.26	104	8.4%
2010	65	\$84.3M	5.5%	\$3,343,148	\$103.20	10.5%	\$97.70	94	9.0%
2009	40	\$19.7M	1.0%	\$988,607	\$123.53	-	\$89.22	86	9.8%

(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
2024	-	-	-	-	-	-	\$145.92	161	8.2%
2023	-	-	-	-	-	-	\$143.38	158	8.2%
2022	-	-	-	-	-	-	\$137.98	152	8.3%
2021	-	-	-	-	-	-	\$130.04	143	8.5%
2020	-	-	-	-	-	-	\$128.10	141	8.6%
YTD	204	\$73.2M	4.6%	\$636,743	\$102.40	7.6%	\$128.13	141	8.6%
2019	219	\$145.4M	9.2%	\$951,993	\$81.88	8.1%	\$126.74	140	8.5%
2018	233	\$111.6M	7.4%	\$878,796	\$92.71	8.8%	\$118.93	131	8.6%
2017	176	\$63.3M	4.6%	\$648,983	\$93.85	7.4%	\$117.75	130	8.4%
2016	184	\$63.6M	6.4%	\$554,564	\$81.56	9.6%	\$115.60	128	8.3%
2015	209	\$72M	6.1%	\$497,439	\$66.54	9.0%	\$112.63	124	8.3%
2014	197	\$48.5M	3.9%	\$380,659	\$71.64	8.2%	\$109.10	120	8.3%
2013	187	\$101.6M	5.6%	\$790,164	\$94.17	9.2%	\$102.18	113	8.6%
2012	142	\$50.9M	3.7%	\$651,059	\$75.47	8.6%	\$99.24	109	8.8%
2011	82	\$14.6M	1.5%	\$335,048	\$77.94	-	\$95.82	106	9.0%
2010	73	\$20.8M	1.7%	\$409,592	\$65.03	-	\$86.54	95	9.7%
2009	53	\$19.5M	1.1%	\$506,027	\$90.21	10.4%	\$78.07	86	10.6%

(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.