

Driven by strong economic fundamentals and healthy leasing activity, Gainesville's office market sees another steady performance.

Here's our take on some of the most prevalent real estate trends in the Gainesville office market this quarter.

Gainesville's office market continues to tighten during the second quarter



Economy

Gainesville's economic recovery is impressive. The unemployment rate declined to 2.3% in May 2022, down 660 basis points from the height of the pandemic.



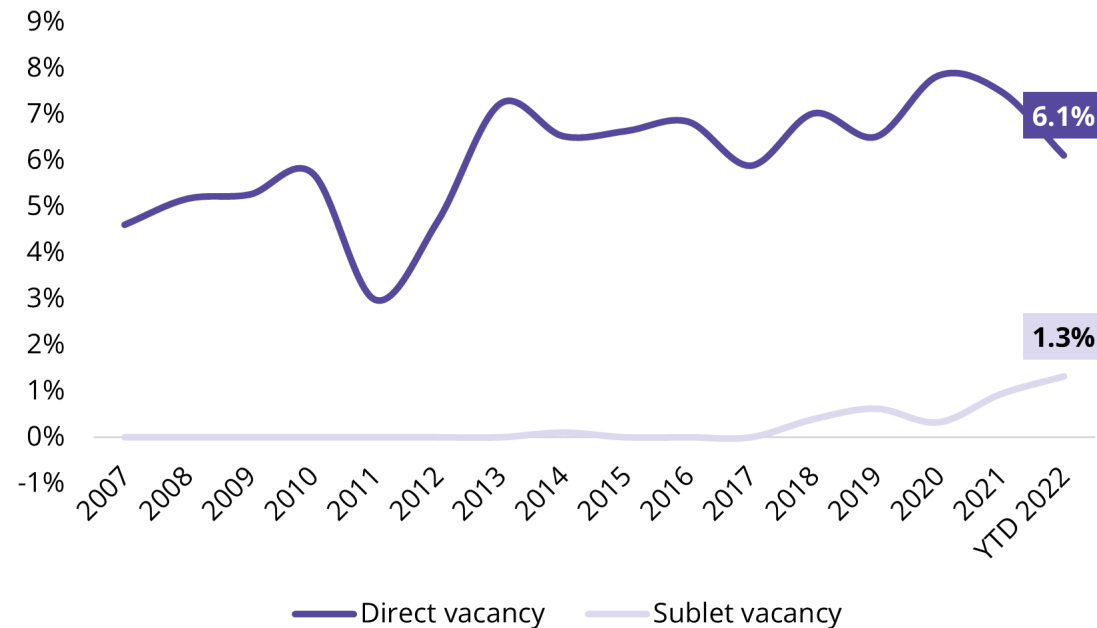
Absorption

Net absorption is on track for a strong year, recording positive 38,829 sf for the year-to-date. Net absorption during 2022 has already reached 63% of the total recorded during 2019.



Rents

Tightening market fundamentals have pushed the overall direct average asking rate to \$20.86 psf, an increase of 4.7% from last quarter.



Direct vacancy sees a steady decline post-pandemic while some sublease space still makes its way back to the market



Gainesville's office market has experienced a steady decline in direct vacancy after reaching a peak of 7.8% during the pandemic. Healthy leasing activity and strong economic fundamentals have fueled a steady performance of the market. Still, sublease vacancy rose during the second quarter due to 13,000 sf coming back online at Foundation Park.

For more market info and insights, visit [avisonyoung.com](https://www.avisonyoung.com)

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