

Jacksonville

Office market snapshot | Q2 2024

The Jacksonville unemployment rate stood at 3.0% as of May, 30 basis points lower than last quarter and 100 basis points lower than the national average of 4.0%. Nonfarm employment is up 2.1% year-over-year, driven by a 4.7% increase in education and health services employment and a 3.8% increase in leisure and hospitality employment over that same time.

59.8%

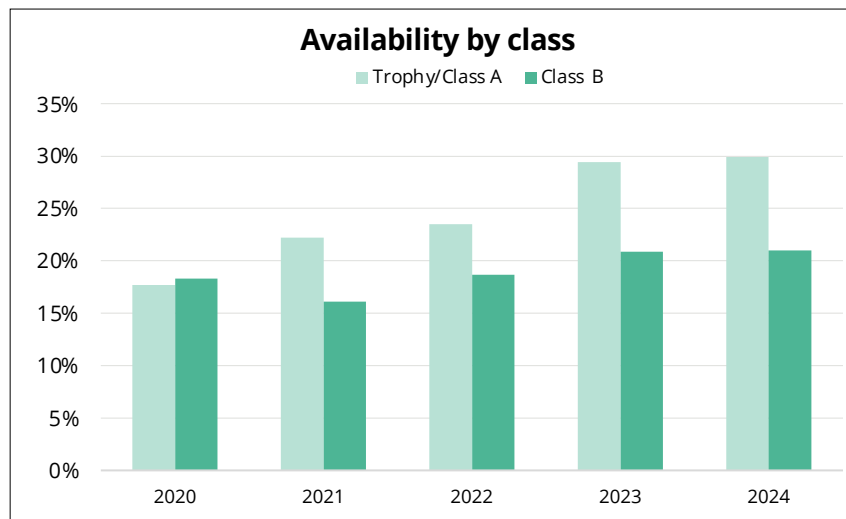
58 of the 97 large block availabilities over 20,000 square feet in Jacksonville are located in the I-95/9A Corridor.

-22.8%

The average lease size in Jacksonville this year is 6,230 square feet, down 22.8% year-over-year.

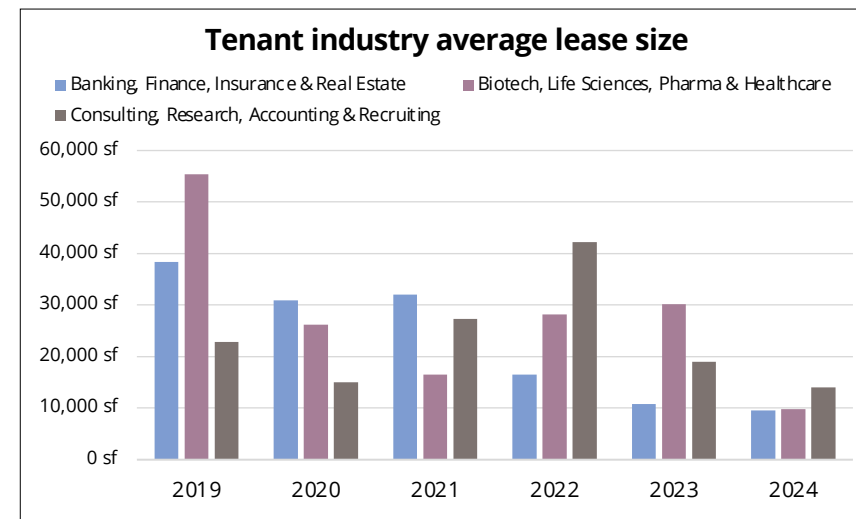
-82k sf

The Jacksonville office market witnessed its third consecutive quarter of negative absorption, bringing the year-to-date figure to -81,970 square feet.



The Jacksonville office market continues to experience corporate downsizing with the average lease size decreasing 22% year-over-year reaching 6,230 square feet. The result of this in the market can be seen with the consistent increase in Class A/Trophy availability, while tenants in class B assets have not shed as much space.

Source: AVANT by Avison Young, CoStar, U.S. Bureau of Labor Statistics

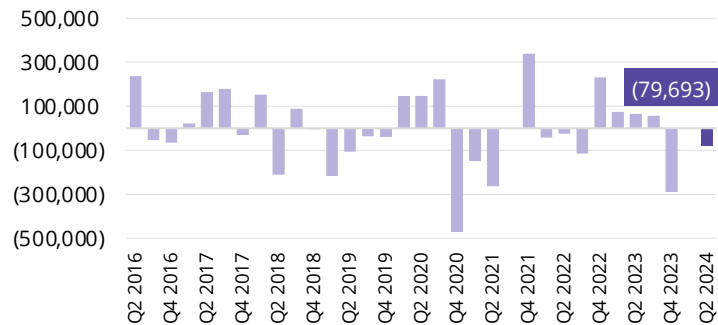


Jacksonville's overall leasing activity through the first half of 2024 is over 723,000 square feet, down 26% from the first half of last year. As a result, average lease sizes across Jacksonville's top three tenant industries are at a 5-year low. The biotech, life sciences, pharma, and healthcare industry has seen a notable 68% decrease in average lease size since last year.

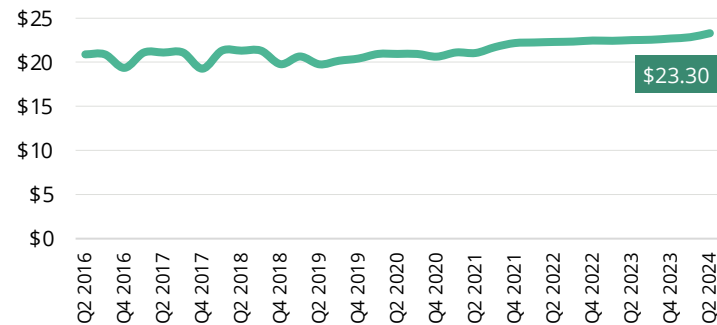
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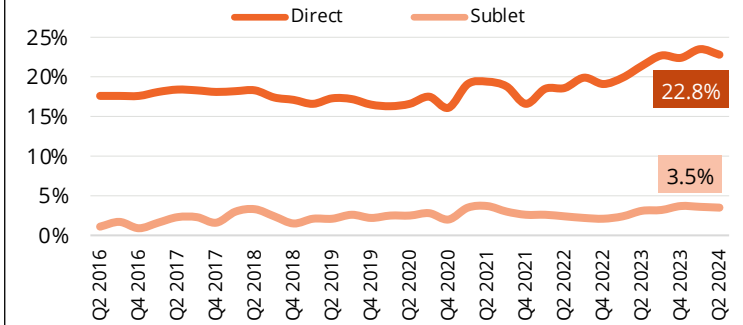
Net absorption (SF)



Direct asking rents (psf/FS)



Availability



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Dark Matter	6651 Gate Pky	30,101	New	Direct
Selene Finance	6651 Gate Pky	30,101	New	Direct
Terracon	8001 Baymeadows Way	22,501	New	Sublease
IQ Fiber	6410 Southpoint Pky	21,900	New	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Woodside Capital Partners	Greystone Park at Deerwood - 5 bldg. portfolio	\$19,200,000	\$90	Taurus Investment Holdings

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Get in touch

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Location	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (2Q24)	Net absorption (YTD)	Annual direct asking rent psf FS
I-95/9A Corridor	13,642,406	-	48,408	18.3%	4.0%	22.3%	3.2%	(106,199)	(128,940)	\$22.88
Northbank	4,894,241	-	-	18.4%	1.4%	19.8%	(0.1%)	(3,083)	19	\$24.10
Southbank	2,172,825	-	-	16.3%	3.9%	20.2%	2.5%	(58,928)	(48,380)	\$22.80
Southside	1,662,499	-	-	8.7%	0.0%	8.7%	3.2%	(39,068)	(46,437)	\$20.46
Arlington	1,117,736	-	-	19.4%	0.0%	19.4%	(10.7%)	46,713	72,935	\$25.28
Westside	915,324	-	-	8.5%	0.0%	8.5%	(5.9%)	24,640	32,968	\$24.90
Beaches	696,691	-	22,932	4.3%	0.0%	4.3%	1.1%	4,340	(6,355)	\$38.17
Clay County	600,465	-	-	2.2%	0.0%	2.2%	0.6%	6,965	3,083	\$22.10
Mandarin	521,252	-	-	8.7%	0.0%	8.7%	0.7%	(1,966)	(10,817)	\$22.40
St. John's County	385,046	-	-	2.1%	0.0%	2.1%	(4.8%)	2,197	5,258	\$28.05
Nocatee	351,152	-	-	10.5%	0.0%	10.5%	(14.7%)	42,826	42,826	\$30.00
Northside	114,608	-	-	17.5%	0.0%	17.5%	4.3%	1,870	1,870	\$26.79
Market total	27,074,245	-	71,340	16.0%	2.6%	18.6%	1.1%	(79,693)	(81,970)	\$23.30

Type	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (2Q24)	Net absorption (YTD)	Annual direct asking rent psf FS
Trophy	2,421,832	-	-	17.6%	2.9%	20.5%	(1.0%)	(1,408)	15,992	\$25.50
Class A	11,190,695	-	46,932	19.3%	2.8%	22.1%	2.5%	6,393	(14,873)	\$24.62
Class B	13,461,718	-	24,408	13.0%	2.4%	15.4%	0.5%	(84,678)	(83,089)	\$20.96
Market total	27,074,245	-	71,340	16.0%	2.6%	18.6%	1.1%	(79,693)	(81,970)	\$23.30