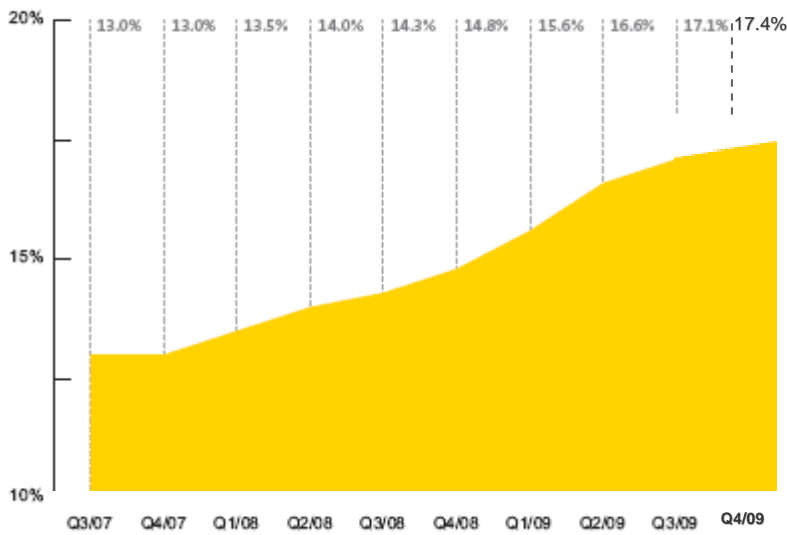


# OFFICE MARKET TRENDS JACKSONVILLE, FL

Grubb & Ellis Research | Fourth Quarter 2009



US OFFICE VACANCY RATE\*



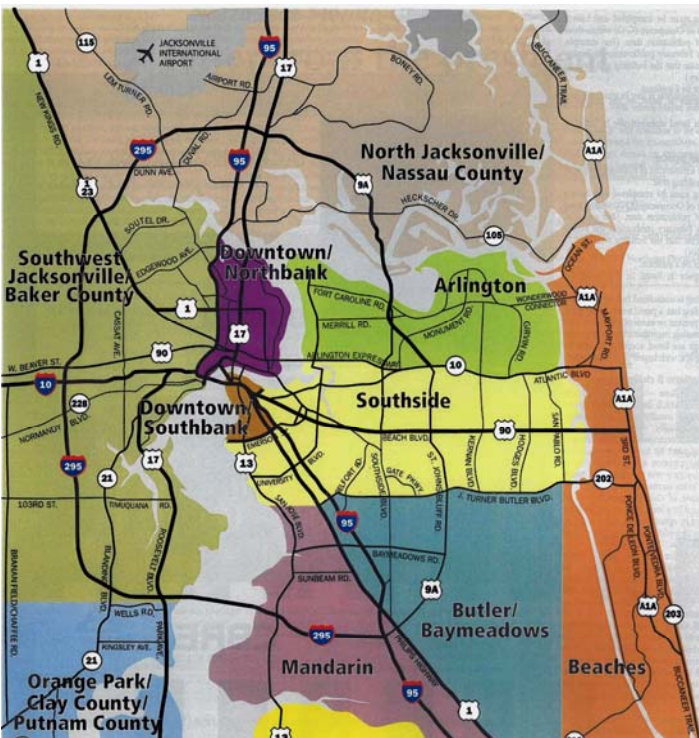
\* All classes of space

The Jacksonville office market continues to see a decrease in leasing activity throughout the 4<sup>th</sup> quarter of 2009. Although brokers are reporting that activity has increased, the amount of actual deals signed has decreased. The year ended with a negative absorptency of almost 1 million square feet.

From the third quarter to the fourth quarter of 2009 Tenant concessions continued to be aggressive. Tenants have received up to a year of free rent for a sizeable 5 year deal and generous Tenant Improvement packages.

As we move into the first quarter of 2010 Landlord concessions will remain aggressive at least until the second quarter. The office market is expected to stabilize in the third quarter

## OFFICE SUBMARKET MAP



## Market Highlights:

- 150,000 SF leased to FDIC at 7777 Baymeadows Way
- 106,000 SF leased to Comcast at 4600 Touchton Road
- 44,428 SF leased to Xorail at The Carlton Building
- 40,000 SF leased to State Farm at Cypress Business Park Bldg. #100
- Sale of half of 76 S. Laura Street to Atlanta Group

## Market Snapshot NE Florida 4th Quarter 2009

Submarket	Total SF	Vacant SF	Vacancy Rate	Average Asking Rate
Downtown	11,963,374	1,875,053	16.1%	\$19.00
Suburban	25,238,632	5,565,851	22.0%	\$18.82

For More Information, please Contact  
 Jim Sebesta, VP – [jsebesta@phoenixrealty.net](mailto:jsebesta@phoenixrealty.net)  
 Bert Smith, VP – [bsmith@phoenixrealty.net](mailto:bsmith@phoenixrealty.net)  
 Heather Prediletto, Office Specialist – [hprediletto@phoenixrealty.net](mailto:hprediletto@phoenixrealty.net)  
 Dana Canto, Office Specialist – [dcanto@phoenixrealty.net](mailto:dcanto@phoenixrealty.net)

### Jacksonville Office Market Trends

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 To obtain additional copies, please contact:  
**Betty Fastenberg**, Director of Marketing  
 Email: [bfastenberg@phoenixrealty.net](mailto:bfastenberg@phoenixrealty.net)

**Grubb & Ellis|Phoenix Realty Group**  
 10739 Deerwood Park Boulevard #103 | Jacksonville, FL 32256  
 Phone: 904.39.5222 | Fax: 904.399.0330  
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