

INDUSTRIAL MARKET FOCUS

Record breaking activity characterized the Jacksonville Industrial Market in Q4 2023. Gildan's 872,000 SF lease and Stellar Energy's 510,000 SF lease - on the Northside and Westside respectively - demonstrate continued strong demand for industrial space. The Vacancy Rate at 3.3%, paced by 3.5 MSF of new absorption in Q4 2023, bodes well for the continued vitality of Jacksonville's industrial market heading into 2024.

Additional leases of note include two Southside transactions; Woodsman leased a combined 145,873 SF, while Suncoast Roofing leased 53,759 SF on Salisbury Rd.

Along with 6.5 MSF of new development deliveries in 2023 at 84% occupancy, the average asking rate for industrial space now stands at \$9.34 per SF; a healthy 12.1% year over year increase.

In spite of economic headwinds and constricted capital markets affecting the underwriting of new projects, new development of speculative warehouse projects continues with 5.8 MSF currently under construction.

Sales in 2023 remain modest, however, Massy Distribution and Bluerock both executed significant Q4 purchases on the Northside and Westside respectively. Massy spent \$24.5m to acquire 172,136 SF at \$142 PSF on Yeager Rd, while Bluerock spent \$12.6m to acquire 142,030 SF at \$88 PSF on Ellis Rd N. These sales and others illustrate the continued demand for industrial properties in the greater Jacksonville market.

Locally, the Jacksonville market is bolstered by a healthy employment environment and a growing population base. Jacksonville's 3% unemployment rate (as of November 2023) underscores the City's attractiveness to talent in construction, healthcare, logistics and leisure & hospitality.



TOP LEASE TRANSACTIONS

TENANT	SF	MARKET	ADDRESS
GILDAN	872,000	NS	11530 N BERLIN RD
WOODSMAN	145,873	SS	VARIOUS
STELLAR ENERGY	510,000	WS	12970 NORMANDY BLVD
SUNCOAST ROOFING	53,759	SS	7529 SALISBURY RD

NOTABLE SALES

PROPERTY	MARKET	SF	SALE PRICE/PSF	BUYER
WOODSMAN PORTFOLIO	SS	145,893	\$21M/\$144	INLIGHT
10775 YEAGER RD	NS	172,136	\$24.5M/\$142	MASSY DISTRIBUTION
1030 ELLIS RD N	WS	142,030	\$12.6M/\$88	BLUEROCK

STATS & FACTS



3.3%
VACANCY



134 MSF
INVENTORY



\$9.34 PSF
AVERAGE ASKING
RENTAL RATE



3.5 MSF
Q4 NET
ABSORPTION

WE'VE GOT MORE DATA...



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