

MARKET FUNDAMENTALS

	YOY Chg	Outlook
\$88,523 Median HH Income	▲	▲
1.7% Population Growth	▲	▲
4.8% Unemployment Rate*	▲	▼

Source: BLS

U.S. ECONOMIC INDICATORS

	YOY Chg	Outlook
1.6% GDP Growth	▼	▲
1.5% Consumer Spending Growth	▲	▲
1.0% Retail Sales Growth	▼	▬

Source: BEA, Census Bureau

SUPPLY

Jacksonville retail development remained strong over the past 12 months, with 686,000 square feet (sf) of new deliveries, ranking it third in Florida behind Orlando and Tampa. With nearly 724,000 square feet (sf) remaining under construction, of which 84.0% was preleased. Current developments are concentrated in growth submarkets such as St. Johns County, Butler/Baymeadows and Arlington, with St. Johns County alone accounting for roughly half of new construction. Notable projects include Walmart developing two locations, a 179,000-sf store at Oakleaf Plantation in the Riverside submarket that delivered in Q3 2026 and a 200,000-sf store in the St. Johns County submarket scheduled for completion in Q4 2026. Other notable projects include approximately 83,000 sf, Publix-anchored neighborhood center in the Butler/Baymeadows submarket and a 61,000-sf Harris Teeter store in the Arlington submarket, with both set to deliver in early 2027. Vacancy rose to 4.9% up 30 basis points (bps) YOY, just above the U.S. average of 4.3%. This was led by power centers, where vacancy increased by more than 300 bps to 8.4%, as much of the large-block inventory consists of aging properties.

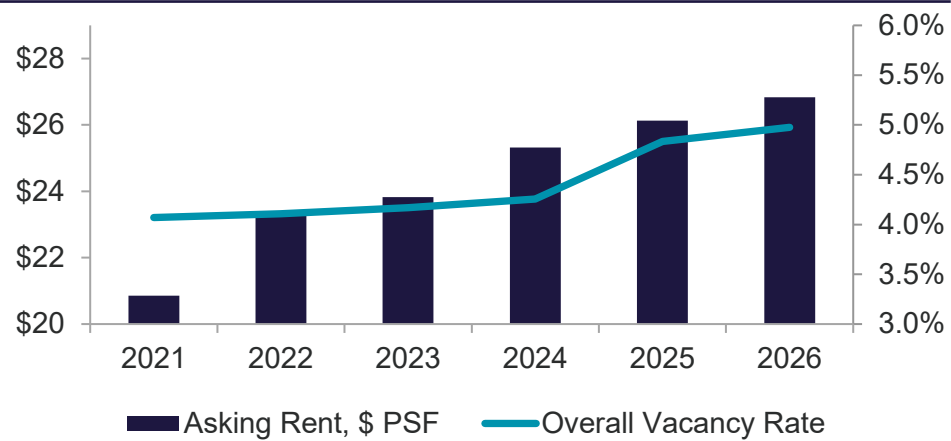
DEMAND

Retail demand strengthened in Q3 2026, the best paced quarter for this year with net absorption over 242,000 sf, primarily led by Walmart’s nearly 175,000 sf occupation in the Nassau submarket. Deal count and leasing activity both slowed YOY, but average lease size and term increased, as deals signed with terms longer than five years increased by more than 50 YOY. The Riverside submarket ranked second with nearly 240,000 sf of occupancy gains YTD, while more than half of the metro’s submarkets recorded flat or slight losses in absorption.

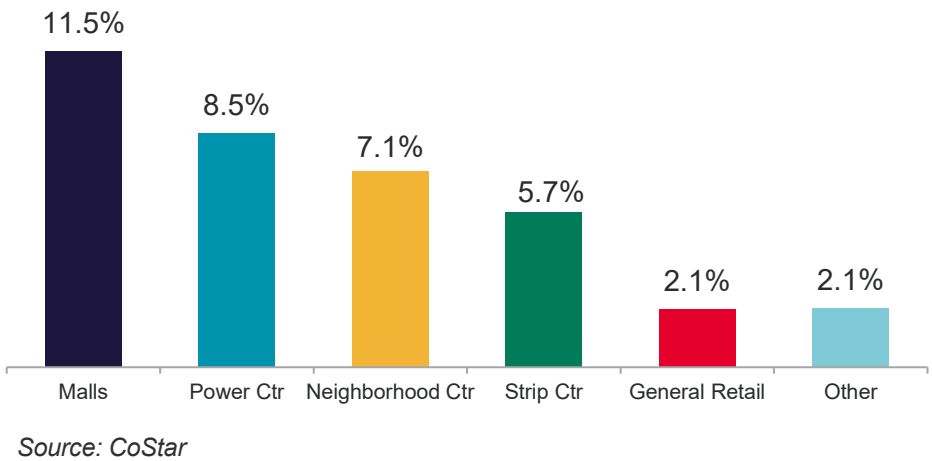
PRICING

Jacksonville’s retail rent growth remained steady in Q3, continuing a three-year trend of consistent gains. Market asking rent now averages \$26.83 per square foot (psf), with growth of 3.3% YOY. This was slightly above the U.S. average of \$26.25 psf. Rents range from \$37.90 psf in Butler/Baymeadows to \$17.14 psf in Northwest Jacksonville, the most affordable submarket. Every submarket still shows positive annual growth, between 2.3% and 4.0%. Newer, well-located space is scarce while most availabilities fall within older lower-tier retail properties. Looking forward, leasing growth is expected to ease toward the low 2.0% range after mid-2027

ASKING RENT & VACANCY RATE



VACANCY BY PRODUCT TYPE



INVESTMENT SALES

Jacksonville’s retail investment market remained active over the past year, supported by steady liquidity and continued investor interest. Approximately 290 transactions closed for 40.3 million sf with sales volume reaching \$580.4 million at an average of \$241 psf. This was above the five year average of \$505.3 million. Deal flow skewed toward smaller properties, with the average buildings sold slightly over the 10,000 sf threshold and more than half of all transactions closing below the \$2.0 million mark.

Investor demand has focused on smaller, fully leased neighborhood centers, with CVS at 8801 Southside Boulevard sold for \$10.3 million at \$664 psf. Those assets offer stable cash flow and are less sensitive to economic shifts. The largest sale over the past year was 661 Blanding Boulevard, a 158,270-sf, fully leased property that traded in Q2 2026 for \$18.6 million, or \$118 psf. Sale cap rates ranged between 6.5% and 7.5%, with the average being recorded at 7.1%. Private investors accounted for most of total volume YTD, with user-buyers making up roughly 20.0% of trades

KEY SALES TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	BUYER	SF	PRICE / \$ PSF
Countryside Village Center	Southside	The Vestcor Companies, Inc.	101,220	\$7.4M / \$74
Commonwealth Center	Northwest Jacksonville	Edgewood USA LLC	81,467	\$8.1M / \$99
11341 Normandy Blvd	Riverside	The Mount Vernon Company	58,691	\$20.7M / \$352

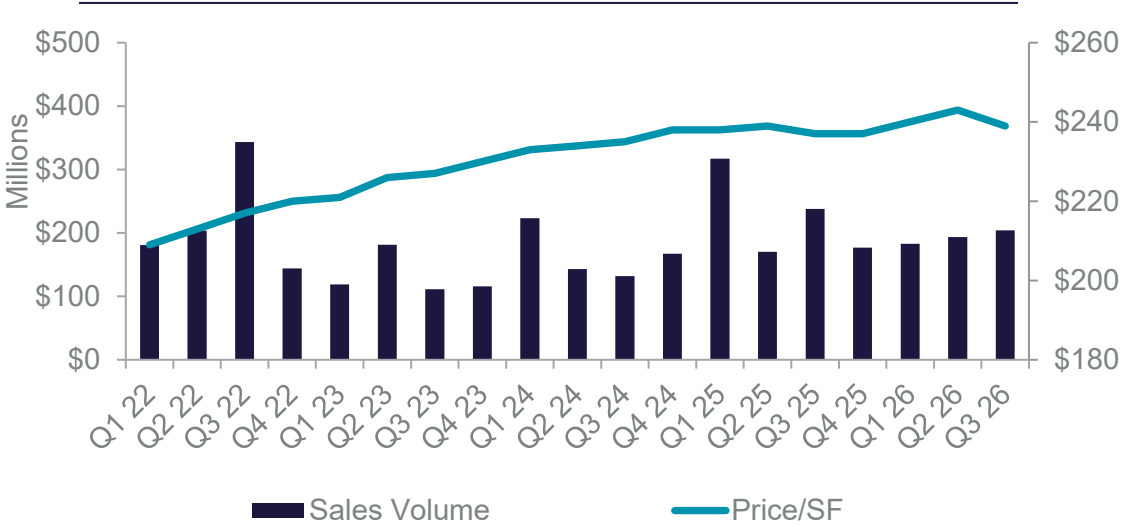
KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Riverplace Shopping Center	Mandarin	Burlington	28,020	New
1910 Wells Rd	Orange Park/Clay County	Sprouts Farmers Market	23,117	New
6612 Arlington Expy	Southside	Undisclosed	15,473	New
4711 Hwy 17 B1	Orange Park/Clay County	The Learning Experience	10,000	New

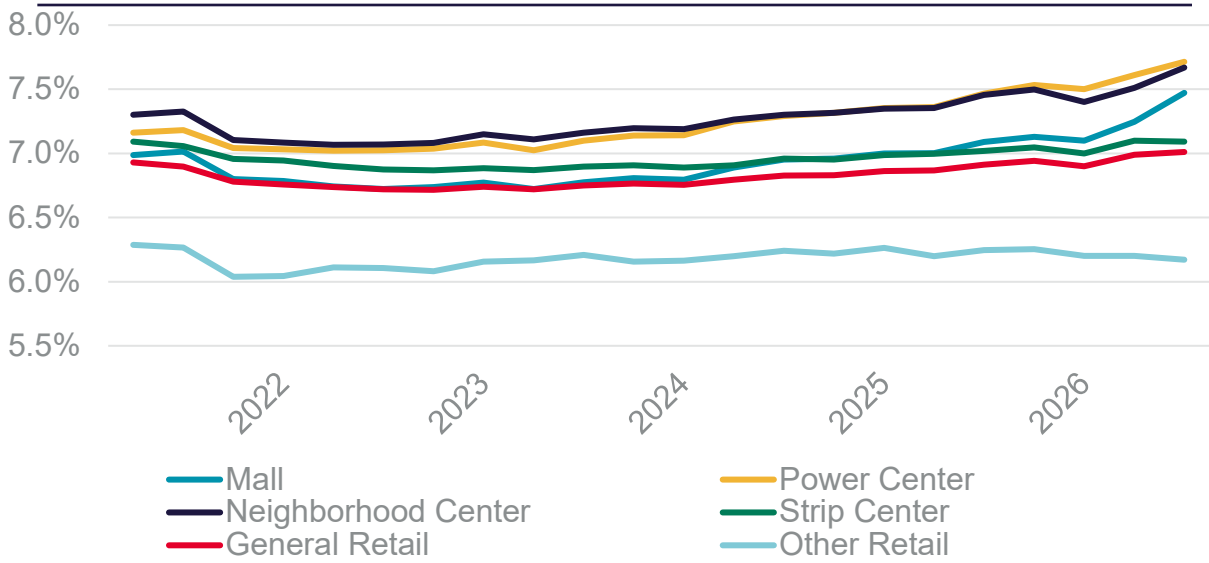
KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	SF	DELIVERY	DEVELOPER
3405 international Golf Pky	St. Johns County	200,000	Q4 2026	Walmart Inc.
The Village at Seven Pines	Butler / Baymeadows	82,500	Q1 2027	Regency Center
Atlantic North	Arlington	61,204	2Q 2027	Sileman Enterprise

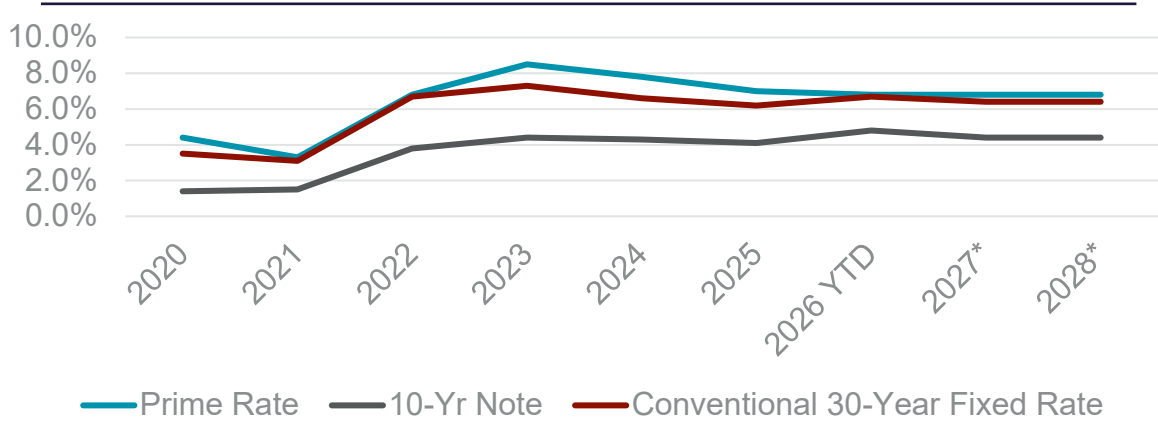
SALES VOLUME AND MARKET PRICE/SF



CAP RATES BY PROPERTY TYPE



INTEREST RATES



Source: CoStar, Moody’s

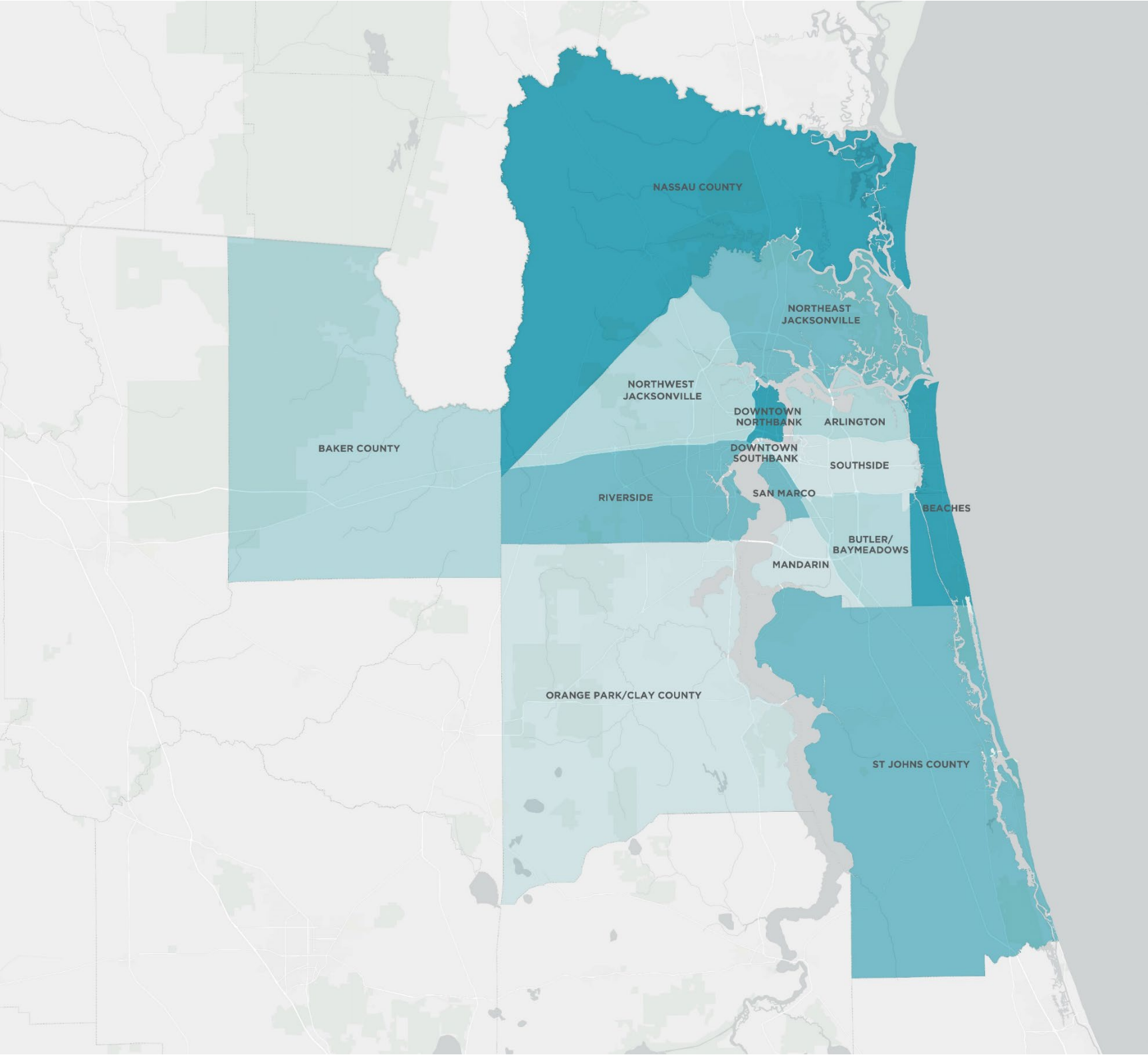
MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	OVERALL AVG ASKING RENT*	YOY RENT GROWTH %	UNDER CNSTR (SF)	YTD ABSORPTION (SF)
Arlington	7,846,845	799,896	10.2%	\$20.69	3.3%	61,204	(39,167)
Baker County	1,380,132	17,953	1.3%	\$18.18	2.5%	-	18,710
Beaches	5,458,174	184,176	3.4%	\$33.96	3.4%	-	(53,431)
Butler/Baymeadows	6,080,035	362,480	6.0%	\$37.90	3.4%	224,873	93,515
Downtown Northbank	4,260,116	297,676	7.0%	\$18.22	3.5%	-	106,618
Downtown Southbank	687,193	39,633	5.8%	\$27.99	4.0%	-	(3,947)
Mandarin	4,979,336	287,939	5.8%	\$30.62	3.1%	21,860	101,451
Nassau County	6,133,916	319,681	5.2%	\$24.60	2.4%	25,992	(47,470)
Northeast Jacksonville	4,077,316	256,701	6.3%	\$25.33	2.7%	13,400	(660)
Northwest Jacksonville	4,649,922	339,031	7.3%	\$17.14	2.8%	-	(12,644)
Orange Park/Clay County	11,165,125	397,416	3.6%	\$26.78	3.7%	12,750	110,574
Riverside	13,802,315	617,390	4.5%	\$24.31	3.7%	2,000	240,194
San Marco	2,962,364	198,302	6.7%	\$23.07	3.7%	-	(100,222)
Southside	15,318,823	762,770	5.0%	\$27.95	3.4%	19,759	(154,971)
St Johns County	14,036,337	248,217	1.8%	\$31.20	3.2%	361,584	122,567
JACKSONVILLE TOTALS	102,837,949	5,129,261	5.0%	\$26.83	3.3%	743,422	381,117

PROPERTY TYPE STATISTICS Q3 2026

PROPERTY TYPE	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	OVERALL AVG ASKING RENT*	YOY RENT GROWTH %	UNDER CNSTR (SF)	YTD ABSORPTION (SF)
Malls	6,698,939	771,512	11.5%	\$33.0	3.8%	-	20,877
Power Center	4,447,340	379,187	8.5%	\$33.0	3.4%	-	(5,325)
Neighborhood Center	33,656,615	2,403,113	7.1%	\$27.74	3.7%	347,477	(265,020)
Strip Center	7,871,190	445,464	5.7%	\$23.73	2.8%	60,860	28,044
General Retail	49,755,980	1,121,278	2.3%	\$25.32	3.0%	335,085	611,248
Other	407,885	8,707	2.1%	\$28.24	4.1%	-	(8,707)
JACKSONVILLE TOTALS	102,837,949	5,129,261	5.0%	\$26.83	3.3%	743,422	381,117

RETAIL SUBMARKETS



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