

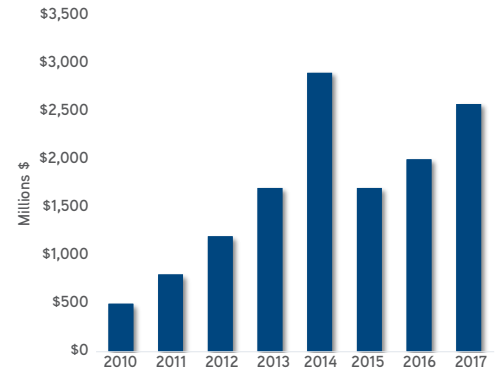
2017 Year-End Market Summary

According to Real Capital Analytics, Jacksonville-area investment sales (over \$5 million) for the year 2017 totaled about \$2.57 billion, up about 29% from 2016 and just off the peak of 2014's total of \$2.9 billion.

- > As in recent year's past, local sales were led by multifamily (apartment) sales at \$1.56 billion, about 61% of the total
- > Warehouse sales came in second place in 2017 totaling a staggering \$315 million (12% of the total), or \$49/SF; approximately 85% of this total was from five portfolio sales to purchasers including Blackstone (\$76 million), Ivanhoe Cambridge (\$73 million), DRA Advisors (\$48 million), MDH Partners (\$38 million) and Stag (\$31 million)
- > Shopping center/retail sales (including single-tenant retail/commercial assets) totaled \$239 million (9% of the total volume) involving approximately 22 local assets
 - \$17.5 million of this figure accounted for three single-tenant Walgreens
 - Five sales included Regency's purchase of Equity One REIT that aggregated to about \$95 million locally
 - The remaining 14 sales totaled about \$139 million for about 1.1 million SF and an average price of \$132/SF
- > Office building sales commanded the fourth-most investment dollars at \$228 million (also 9% of the total)
 - 12 buildings traded, totaling approximately 1.82 million SF
 - Prices per square foot averaged \$126, ranging from about \$48/SF at One Enterprise Center to as much as \$423/SF for Emerson Medical Plaza
 - The biggest transaction of 2017 was Gramercy Property Trust's sale of Gramercy Woods (Bank of America office campus on Southside Blvd.) to Ladder Capital for \$115 million
- > Hotel sales were at 9% of the total with \$231 million traded, or \$112,000/key, led by the \$119 million sale of the mammoth Hyatt Regency in downtown

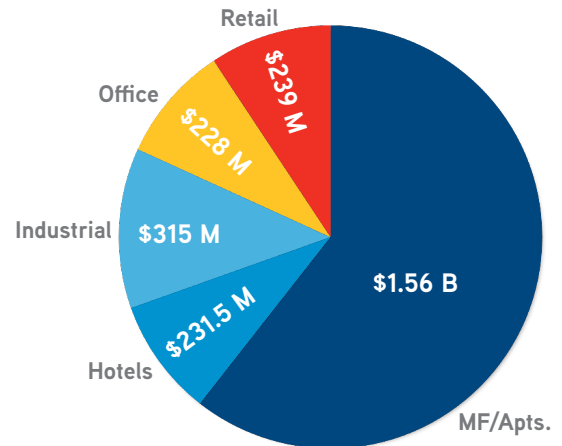
In 2018, we expect stronger interest in hard assets as interest rates stay low and tenant demand remains robust, and as Jacksonville continues to have strong job and population growth.

JACKSONVILLE INVESTMENT SALES BY YEAR



Source: Real Capital Analytics 2018

2017 JACKSONVILLE INVESTMENT VOLUME BY ASSET TYPE



Source: Real Capital Analytics 2018

MARKET CONTACT



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