

FIGURES | JACKSONVILLE INDUSTRIAL | Q1 2026

Market Adjusts as Vacancy Climbs, Pipeline Contracts

▲ 11.3%

Vacancy Rate

▼ (317,205)

SF Net Absorption

▼ 109,614

SF Construction Delivered

▼ 901,104

SF Under Construction

▲ \$8.66

NNN/YR Direct Lease Rate

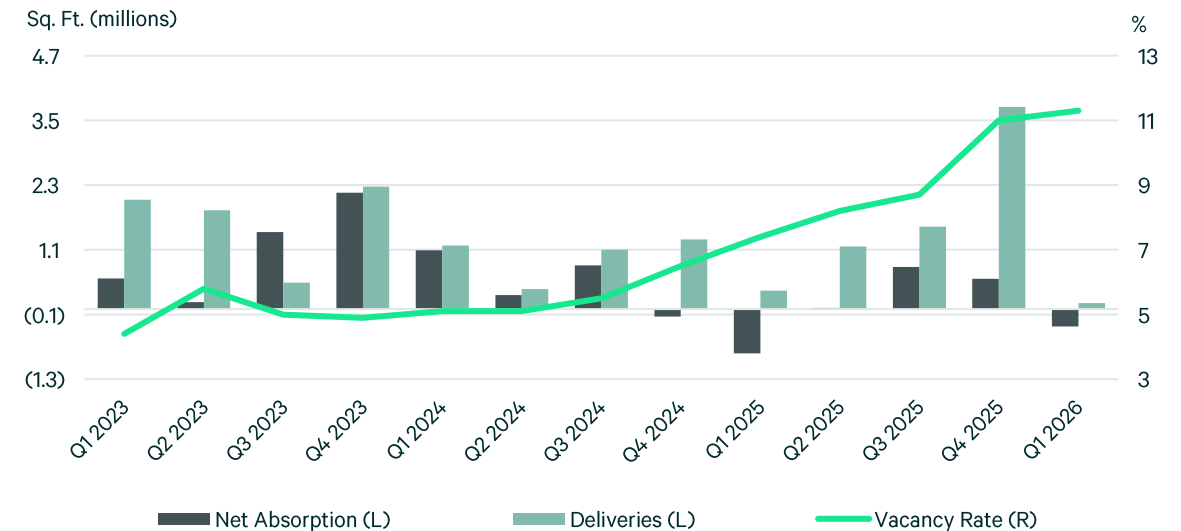
Note: Arrows indicate change from previous quarter.

Market Overview

By Q1 2026, vacancy reached 11.3%, up 30 basis points quarter-over-quarter and 390 basis points year-over-year, while availability was 13.3%, down 0.3 percentage points from Q4 2025 but 3.5 percentage points higher than in Q1 2025. Net absorption totaled negative 317,000 sq. ft., a decline of 881,000 sq. ft. from the 564,000 sq. ft. recorded in Q4 2025 but a 501,000 sq. ft. improvement relative to Q1 2025. Average asking rents increased 0.1% quarter-over-quarter and 0.9% year-over-year.

Construction activity in Q1 2026 stood at 901,000 sq. ft. under construction, down 10.9% from Q4 2025 and 83.1% below the 5.3 million sq. ft. underway in Q1 2025. The number of projects under construction declined from 5 to 3 quarter-over-quarter and from 22 a year earlier. Deliveries were 110,000 sq. ft., 97.1% lower than the 3.8 million sq. ft. completed in Q4 2025 and 67.3% below the 337,000 sq. ft. delivered in Q1 2025, with 2 properties completing versus 15 in the prior quarter and 1 a year earlier.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q1 2026

Availability Rate

The market availability rate finished Q1 2026 at 13.3%, a slight decrease from 13.6% in Q4 2025. Availability increased year-over-year from 9.8% in Q1 2025 to 13.3% in Q1 2026. Over the last three years, availability rose from 5.7% in Q1 2023 to 13.3% in Q1 2026, reflecting a substantial expansion in options across the market.

The Downtown Jacksonville submarket had the lowest availability rate in the metro at 1.5%, followed by Beaches at 1.7%. St. Johns County recorded the highest availability rate at 43.2%, well above Clay County at 16.2% and Westside at 13.3%.

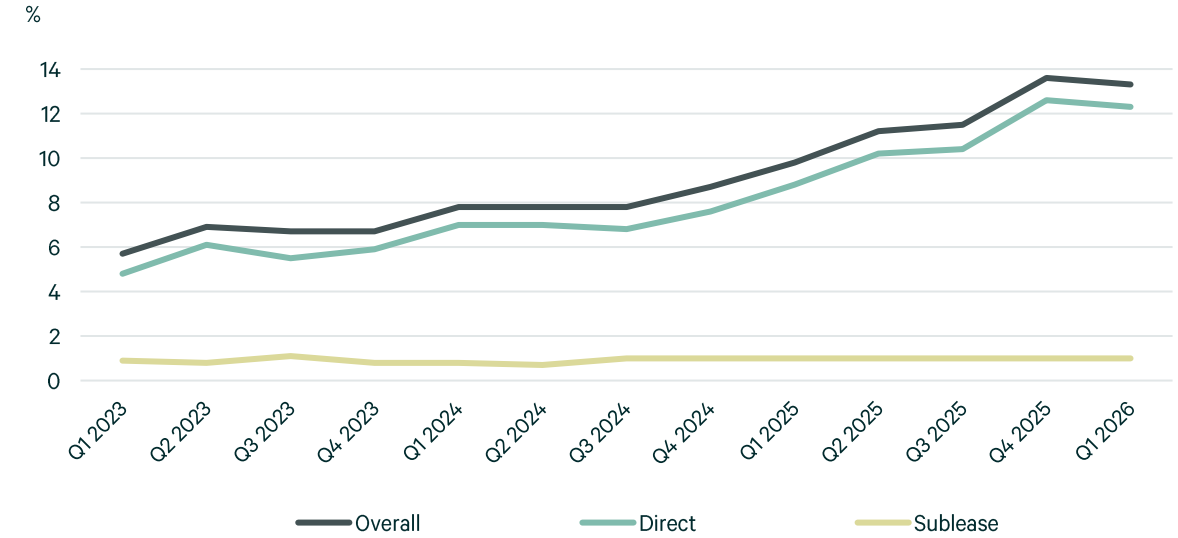
Sublease availability held steady in Q1 2026 at 1.0%, unchanged from Q4 2025. In total, there was 1.3 million sq. ft. of sublease space on the market in Q1 2026, concentrated in Westside, Northside, and St. Johns County.

Asking Rent

In Q1 2026, the overall market average asking rent was \$8.66 per sq. ft. Average asking rent increased 0.1% quarter-over-quarter and 0.9% year-over-year. From Q1 2023 to Q1 2026, the quarterly average asking rent rose 18.5%.

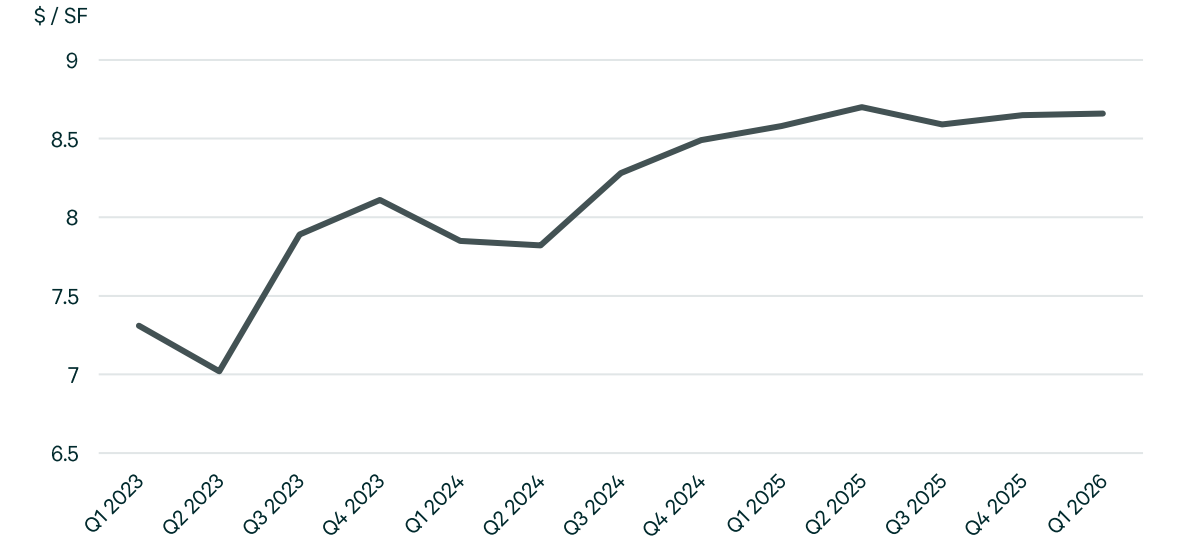
In Q1 2026, the Beaches submarket posted the highest average asking lease rate at \$16.00 per sq. ft., followed by Clay County at \$10.83 per sq. ft., both above the overall market average. Southside (\$10.22 per sq. ft.), St. Johns County (\$9.46 per sq. ft.), Northside (\$8.62 per sq. ft.), and Westside (\$7.63 per sq. ft.) also recorded positive average asking lease rates.

Figure 2: Availability Rates



Source: CBRE Research, Q1 2026

Figure 3: Average Direct Asking Rate



Source: CBRE Research, Q1 2026

Net Absorption

The market posted negative 317,000 sq. ft. of net absorption in Q1 2026, down from positive 564,000 sq. ft. in Q4 2025 and breaking a three-quarter stretch of positive demand. Q1 2026 net absorption still exceeded the negative 818,000 sq. ft. recorded in Q1 2025; over the last year, net absorption totaled 1.0 million sq. ft., and cumulative absorption over the last three years reached 6.0 million sq. ft. Major tenants vacating space included Kroger and Malnove (186,000 sq. ft.) vacated 1 Imeson Park Building 200, RoadOne Logistics (130,400 sq. ft.) vacated 560 Zoo Parkway and iRocker (40,190 sq. ft.) vacated 3750 W Cisco Dr.

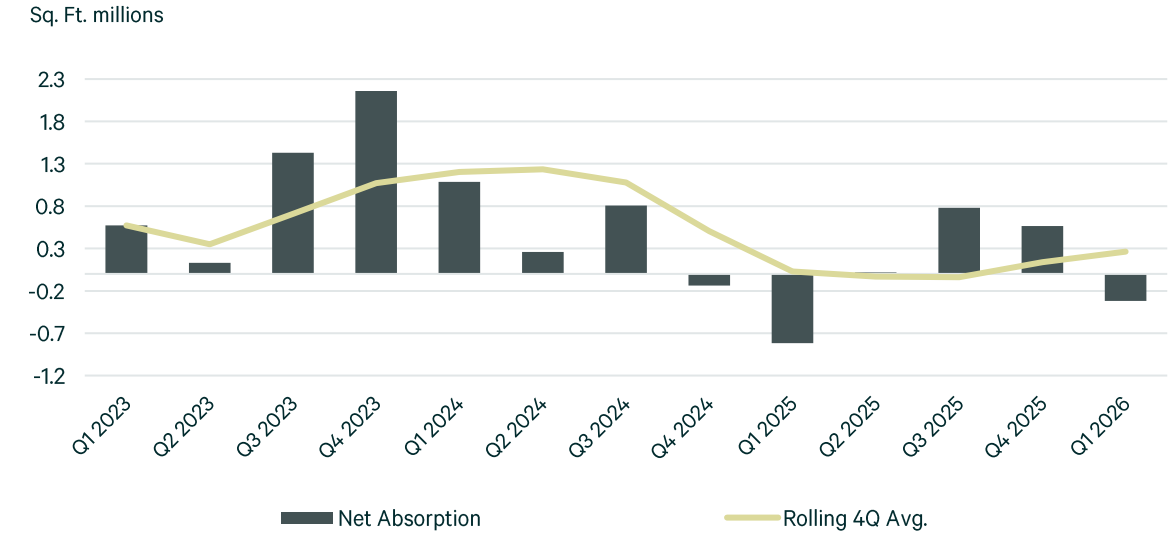
Positive net absorption for Q1 2026 was concentrated primarily in the Southside submarket with 110,000 sq. ft. for the quarter, and the St. Johns County submarket with 58,000 sq. ft. Three submarkets recorded negative net absorption, Northside with negative 407,000 sq. ft., Westside with negative 72,000 sq. ft., and Clay County with negative 6,000 sq. ft. Major tenants occupying space included Miller Electric (154,326 sq. ft.), Predator Group (41,958 sq. ft.) and Han-Mill (40,000 sq. ft.).

Construction Activity

In Q1 2026, the market recorded 901,000 sq. ft. under construction and 110,000 sq. ft. of deliveries, compared with 5.3 million sq. ft. under construction and 337,000 sq. ft. delivered in Q1 2025. Under construction volume declined 10.9% quarter-over-quarter and 83.1% year-over-year, while deliveries dropped 97.1% from Q4 2025 and 67.4% from the same quarter a year ago.

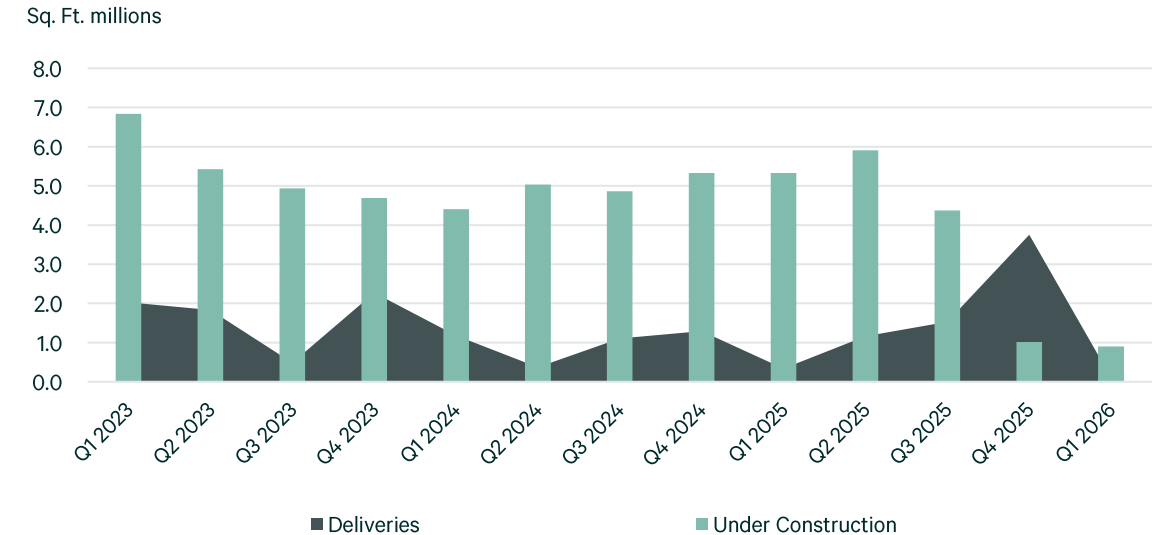
In Q1 2026, all 901,000 sq. ft. of active construction is concentrated in the Northside submarket. The pipeline is led by Imeson Park South - Building D at 547,000 sq. ft. of distribution/logistics space and the fully pre-leased 205,000 sq. ft. Imeson Park South - Building B2, both slated for Q3 2026 delivery. Wildlight Commerce Park - Building 3 adds 149,000 sq. ft. of speculative distribution/logistics space at 0.0% pre-leased, and no other submarkets currently register projects under construction.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q1 2026

Figure 5: Construction Activity



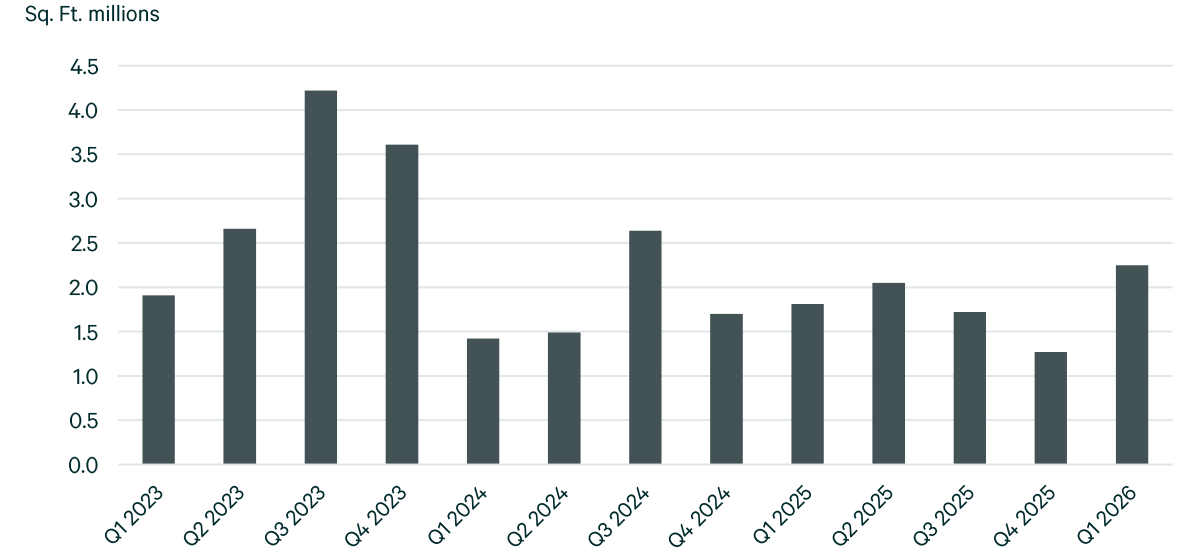
Source: CBRE Research, Q1 2026

Leasing Activity

At the close of Q1 2026, leased area was 2.3 million sq. ft., up 77.7% quarter-over-quarter and up 24.5% year-over-year. Over the past four quarters, leasing totaled 7.3 million sq. ft., while cumulative activity since Q1 2023 reached 28.7 million sq. ft., below the Q3 2023 peak of 4.2 million sq. ft. in a single quarter.

By submarket, Westside has the highest positive leasing activity at 1.4 million sq. ft., followed by Northside at 616,000 sq. ft. Additional positive leasing was recorded in Southside at 141,000 sq. ft. and St. Johns County at 56,000 sq. ft.

Figure 6: Leasing Activity Trend



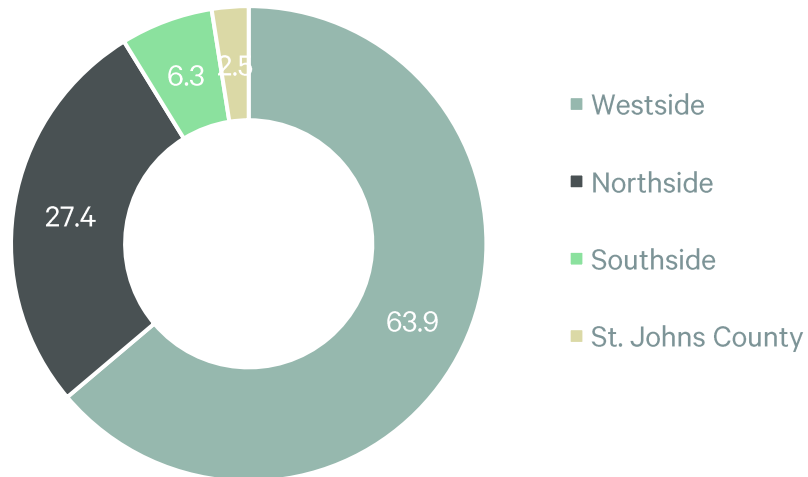
Source: CBRE Research, Q1 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Aldi Foods	1,200,000	New Lease	15500 W Beaver St	Westside
Samsonite Corp.	402,000	New Lease	1 Imeson Park Blvd	Northside
Biagi Bros.	135,000	Renewal	460 Ellis Rd N	Westside
Natural Life	104,000	New Lease	13225 Vantage Way	Northside
Wisembaker Builder Services	56,000	New Lease	5 Accolade Ave	St. Johns County
Baker Sports Marketing	53,000	Expansion	5245 Commonwealth Ave	Westside
Biagi Brothers Transportation	50,000	New Lease	500 N Ellis Rd	Westside
Austin Hose	35,000	New Lease	2690 Port Industrial Dr	Northside

Source: CBRE Research, Q1 2026

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q1 2026

Market Statistics by Size

Figure 9

Size Range	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Under 100,000 sq. ft.	38.09	6.8	7.9	7.4	0.5	10.17	(39,000)	(39,000)	110,000	-
100,000-199,999 sq. ft.	28.02	13.2	13.9	12.9	1.0	8.56	(117,000)	(117,000)	-	149,000
200,000-299,999 sq. ft.	17.61	17.7	23.1	21.3	1.8	8.45	7,000	7,000	-	205,000
300,000-499,999 sq. ft.	18.92	13.0	17.7	16.0	1.7	8.00	114,000	114,000	-	-
500,000-749,999 sq. ft.	13.26	19.9	19.5	18.2	1.3	5.75	(186,000)	(186,000)	-	547,000
750,000 sq. ft.	16.83	3.0	4.1	4.1	-	-	(96,000)	(96,000)	-	-
Total	132.73	11.3	13.3	12.3	1.0	8.66	(317,000)	(317,000)	110,000	901,000

Source: CBRE Research, Q1 2026

Market Statistics by Product Type

Figure 10

Product Type	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Distribution/Logistics	106.12	12.7	14.6	13.5	1.1	8.48	(329,000)	(329,000)	68,000	696,000
Manufacturing - General	17.67	4.9	6.7	6.7	0.0	5.77	15,000	15,000	-	205,000
R&D/Flex	8.95	8.0	10.3	8.9	1.4	12.39	(4,000)	(4,000)	42,000	-
Total	132.73	11.3	13.3	12.3	1.0	8.66	(317,000)	(317,000)	110,000	901,000

Source: CBRE Research, Q1 2026

Market Statistics by Submarket

Figure 11

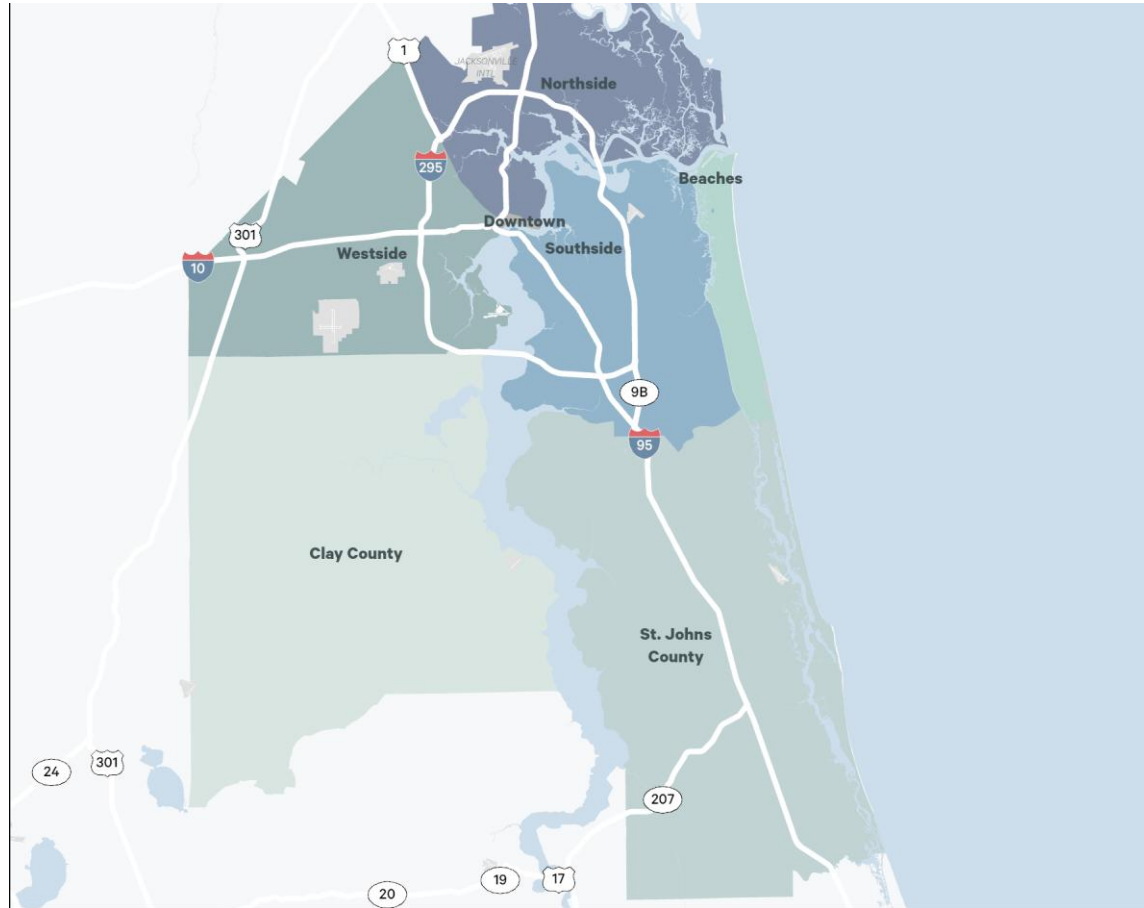
Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Beaches	0.16	1.7	1.7	1.7	-	16.00	-	-	-	-
Clay County	2.89	6.4	16.2	16.2	-	10.83	(6,000)	(6,000)	-	-
Downtown Jacksonville	0.81	-	1.5	1.5	-	-	-	-	-	-
Northside	48.27	11.0	12.7	12.0	0.7	8.62	(407,000)	(407,000)	68,000	901,000
Southside	22.54	6.8	9.4	8.9	0.5	10.22	110,000	110,000	42,000	-
St. Johns County	3.80	43.0	43.2	34.8	8.4	9.46	58,000	58,000	-	-
Westside	54.25	11.7	13.3	12.4	0.9	7.63	(72,000)	(72,000)	-	-
Total	132.73	11.3	13.3	12.3	1.0	8.66	(317,000)	(317,000)	110,000	901,000

Source: CBRE Research, Q1 2026

Economic Overview

The current business cycle may be five years old, but U.S. growth appears resilient, despite clear risks on the horizon. GDP growth should average 2.1%, matching 2025 and exceeding peer economies. America’s aggressive build-out of AI infrastructure is a unique edge. Hyperscaler capex is nearing 3% of GDP—just below residential investment. Concerns about the sustainability of this growth and its broader impact are rattling both credit and equity markets. Operation Epic Fury and global energy prices are also a concern. Assuming the conflict is resolved quickly, and U.S. oil prices stay in the \$80/bbl range, the impact on U.S. growth should be minimal. The impact on headline inflation, which is forecast to average 3.2% this year, up from the mid-2% range in February, will be material. Should the conflict escalate, this would elevate inflation and long-term yields and would likely impact the commercial real estate market.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

Survey Criteria

Survey Criteria: Includes all competitive industrial buildings 10,000 sq. ft. and greater in size in Clay, Duval and St. Johns counties.

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