

FIGURES | JACKSON OFFICE | 2023

Vacancy rate trends downward across most submarkets.

▼ 17.8%

Vacancy Rate

▲ 116.8K

SF Net Absorption

▶ 0

SF Under Construction

▶ 0K

SF Completions

▼ \$19.67

Lease Rate

Note: Arrows indicate change from previous bi-annual reporting period.

Key Takeaways

- The Jackson Mississippi office market recorded 116,825 square feet of positive absorption in 2023 led by the Highland Colony submarket.
- The vacancy rate decreased 120-basis points to 17.8% year-over-year, with 1,166,206 square feet currently vacant market-wide.
- The average asking rental rate decreased 90 basis points year-over-year to \$19.67 per square foot.

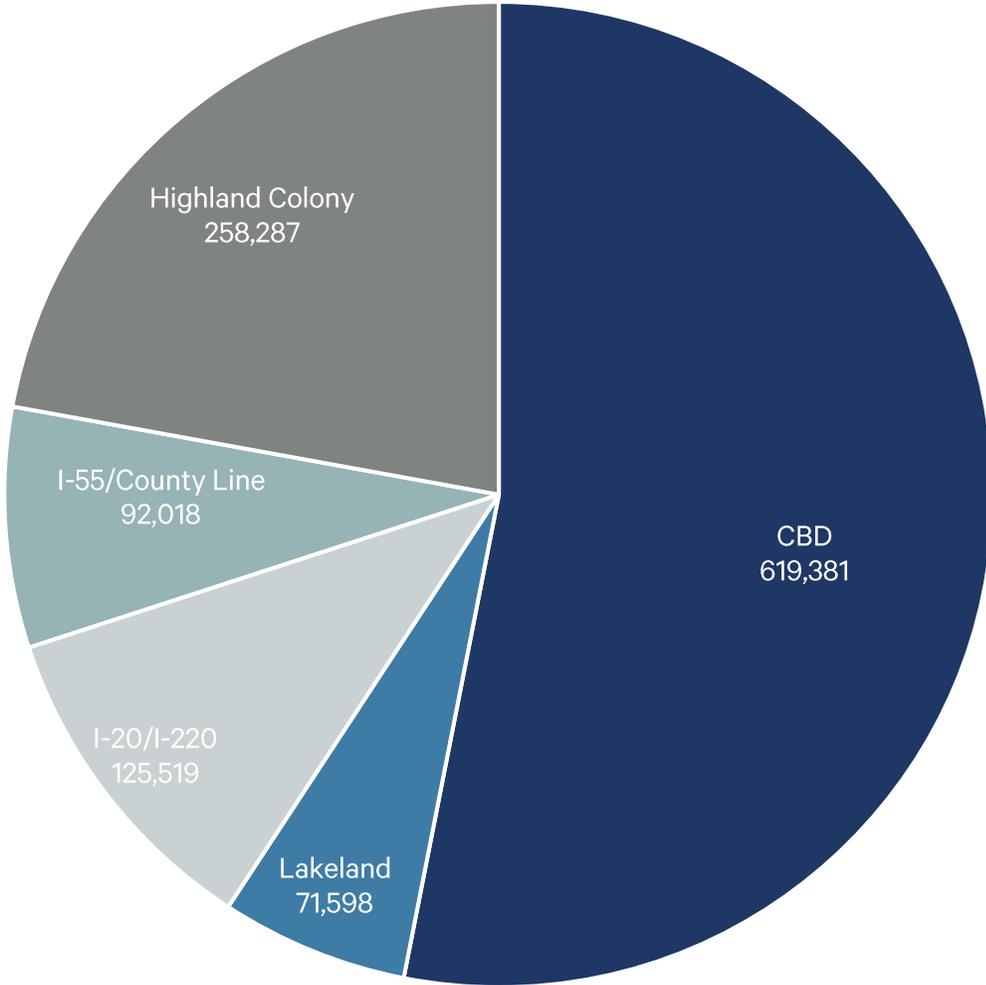
The Jackson office market's fundamentals strengthened in 2023, as absorption tilted positive throughout the year ending at 116,825 square feet. The Highland Colony submarket led positive absorption with 81,840 square feet of positive absorption compressing the vacancy rate 540-basis points to 15.1%. Additionally, the Paragon Centre, comprised of three buildings totaling 150,000 square feet, sold to an owner-occupier which could help stabilize other existing assets in the Highland Colony submarket. Four of the five submarkets experienced positive absorption in 2023, resulting in a decline in vacancy in each of these respective areas, with the I20/I220 submarket being the only submarket to record negative absorption. The office market could continue to experience stabilization in 2024, as return to office plans solidify.

FIGURE 1: Vacancy vs. Asking Rate



Source: CBRE Research, 2023

FIGURE 2: Jackson MSA Vacant Space by Submarket



Source: CBRE Research, 2023

FIGURE 3: Jackson MSA Office Market Statistics

Submarket	Inventory (sq. ft.)	Total Vacancy Rate (%)	2023 Net Absorption (sq. ft.)	Weighted Avg. Rent (\$/SF/Year)	2023 Deliveries
CBD	2,264,997	27.4%	13,783	19.04	0
Lakeland	810,240	9.3%	9,598	21.96	0
I-55/County Line	1,040,269	8.4%	51,242	19.58	0
Highland Colony	1,711,831	15.1%	81,840	22.32	0
I-20/I-220	727,504	17.3%	-39,638	17.09	0
Jackson MSA	6,554,841	17.8%	116,825	19.79	0

Source: CBRE Research, 2023

FIGURE 4: Key Leasing Transactions

Tenant	Location	Size (sq. ft.)	Submarket
City of Jackson	633 N State Street	47,294	CBD
DHS	200 S Lamar Street	26,000	CBD
Cintas	106 Business Park Drive	12,300	I-220
Codoray Construction	605 Crescent Street	11,449	Highland Colony
Keesler Federal Credit Union	1300 Meadowbrook Street	10,000	I-55

Source: CBRE Research, 2023

Market Area Overview



Survey Criteria

The Jackson Office MarketView reports provide statistics based on a revised set of inventory consisting of office properties in the following submarkets: Central Business District, Lakeland, I-55/County Line, Highland Colony Parkway/ Madison and I-20/I-220. All properties are Class A or B, are greater than 10,000 sq. ft. and are not owner occupied. Properties used primarily for medical and government purposes have been removed from the data set. Historical data in all figures is reflective of the current set of inventory rather than previously published report figures.

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