

U.S. ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy and the U.S. into recession. Policies initiated to “flatten the curve” of potential infection include the voluntary and mandated shutdown of large sectors and regions of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all grinded to a halt while customers self-quarantine and practice social distancing.

RECORD-SETTING LAYOFFS, DECLINING EMPLOYMENT

Over the last two weeks (ending on March 28th), a cumulative 10 million people have applied for unemployment benefits—by far the largest number of applications in history since record-keeping began in 1967. Initial unemployment claims are a highly reliable leading indicator of trends in labor markets and therefore the economy at large. Given the size of the increase, along with other high-frequency data trends that are similarly bleak, it is widely believed that the U.S. economy has entered a recession. This was reinforced in early April when the Labor Department reported that payroll employment in the U.S. fell by 701,000 jobs in March, one of the largest declines in history. It's all but certain that even more jobs will be lost in the months ahead.

Given the way these events have unfolded and the huge number of layoffs, the current thinking among economic forecasters is that the second quarter of 2020 will see one of the largest real GDP declines in U.S. history. What is less clear is what the economic trajectory will be following Q2. As of this writing (4-7-2020), hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work in certain areas, but many unknowns remain. It is too soon to say if these signs are sustainable and how they will impact the trajectory of the economy.

We continue to monitor developments extremely closely and are working around the clock to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

TRENDS AND INSIGHTS

Cushman & Wakefield Covid-19 Webinar Replay

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**.

[Click to Replay](#)

COVID-19: A Wholly Unprecedented Policy Response

On March 27, 2020, an enormous \$2.2 trillion emergency coronavirus stimulus package was signed into law by President Trump. The legislative package—the Coronavirus Aid, Relief and Economic Security (CARES) Act—is the largest rescue package in U.S. history. [Click for Summary](#)

Lessons From Landlords In China's Post Covid-19 Recovery Phase

With local infections down, China is getting back to work. As the lights are turned back on in offices across the country, landlords and tenants alike are inevitably finding themselves in a new paradigm. [Click for Article](#)

2020 Asia Pacific Office Outlook

In this report, you will find detailed but succinct analysis of the trends in each of the region's key Grade A office markets over the next two years that we hope will help refine your organization's CRE strategy.

[Click for Article](#)

CUSHMAN & WAKEFIELD
WEEKLY COVID-19 UPDATES

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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Downtown	7,406,626	24,250	0.3%	-20,702	-20,702	0	0	\$2.90	N/A	\$0.00
Northside	25,534,755	3,599,582	14.1%	5,325	5,325	156,000	874,696	N/A	N/A	\$5.06
Westside	52,056,147	3,239,121	6.2%	-55,325	-55,325	0	487,500	N/A	N/A	\$4.07
Southside	23,726,831	743,106	3.1%	-176,258	-176,258	31,095	0	\$4.96	\$10.47	\$6.64
Orange Park Clay	2,173,048	41,479	1.9%	0	0	107,000	0	N/A	\$11.50	\$0.00
Beaches	879,111	46,000	5.2%	9,000	9,000	0	0	N/A	N/A	\$12.00
St Johns County	1,616,422	10,950	0.7%	0	0	0	0	N/A	N/A	\$5.48
JACKSONVILLE TOTALS	113,392,940	7,704,488	6.8%	-237,960	-237,960	294,095	1,362,196	\$4.44	\$10.61	\$4.93

*Rental rates reflect weighted net asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS 1Q 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
11001 Pritchard Road	Westside	Suddath Global	240,000	Renewal*
775 Whittaker Road	Northside	Iron Mountain	100,720	Renewal*
5515 West 5 th Street	Westside	Cardinal Straws	100,000	Renewal*

*Renewals are not including in Leasing Activity

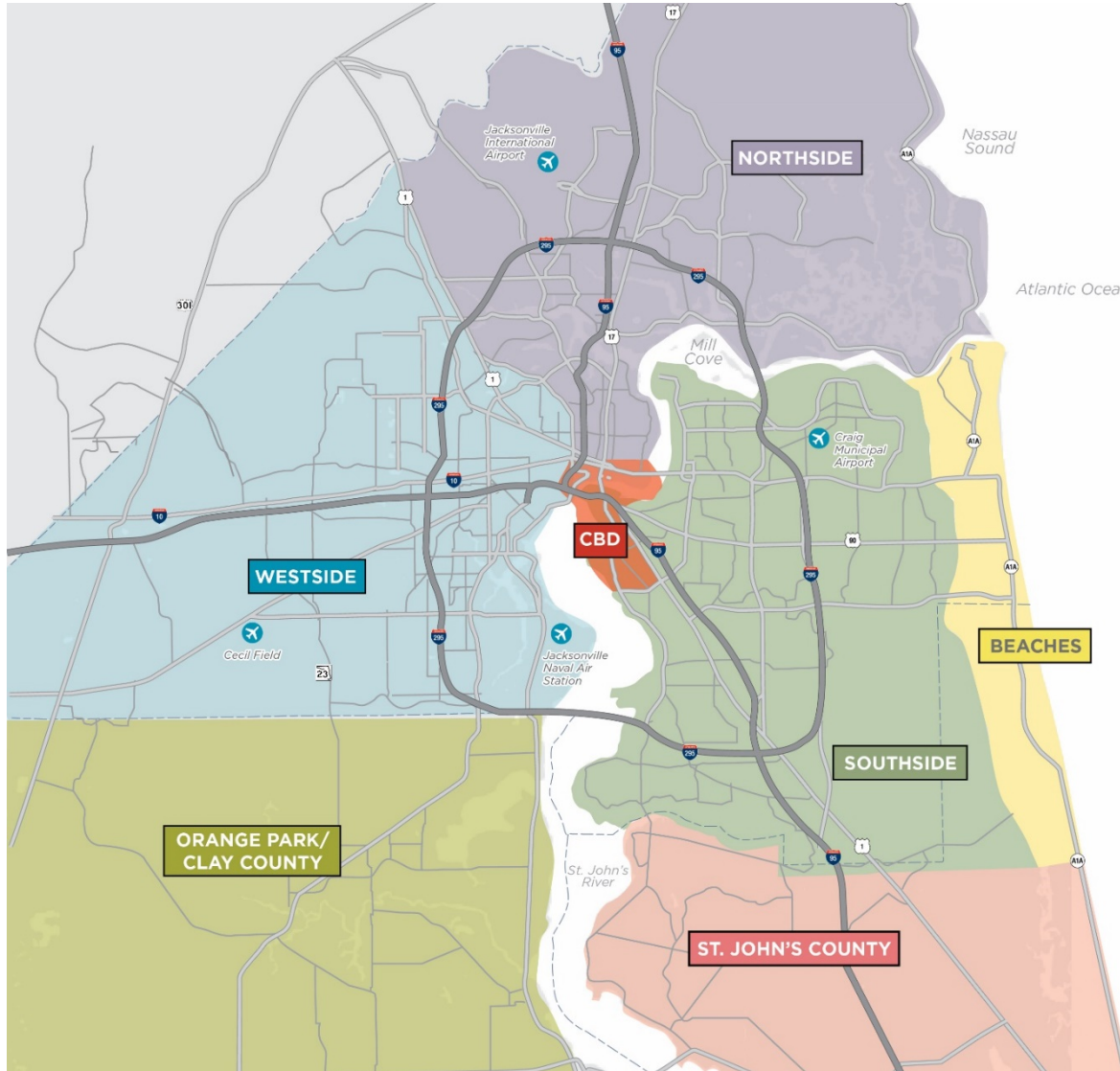
KEY SALES TRANSACTIONS 1Q 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
6590 Pritchard Road	Westside	Republic Property Company/Blackstone	297,000	\$24,500,000/\$86
109 Stevens Street	Westside	Atlantic Safety Products/FWP Real Estate Holdings	168,800	\$4,250,000/\$25
12128 New Berlin Road	Northside	Pattillo Industrial/TRUaire	163,615	\$13,960,000/\$85

KEY CONSTRUCTION COMPLETIONS 1Q 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
9950 Pritchard Road	Westside	N/A	487,500	Pattillo Industrial
250 E Busch Boulevard	Northside	N/A	477,946	Webb International

INDUSTRIAL SUBMARKETS



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Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

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