



8787

BAYPINE

AT DEERWOOD CENTER

JACKSONVILLE, FL | EXECUTIVE SUMMARY



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INVESTMENT "SNAPSHOT"



VALUE-ADD OPPORTUNITY



PRICED BELOW
REPLACEMENT COST



HIGHLY SOUGHT-AFTER ASSET



PREMIER DEERWOOD OFFICE
CENTER LOCATION



EXCELLENT REGIONAL
CONNECTIVITY



HIGH BARRIERS
TO ENTRY



AMPLE PARKING & INTEGRATED
PARKING GARAGE
1,490 PARKING SPACES
6.5 / 1,000 RSF



STABLE JACKSONVILLE ECONOMY

EXECUTIVE SUMMARY

JLL capital markets ("JLL"), is pleased to exclusively offer the opportunity to acquire 8787 Baypine (the "property" or "building"), a 231,021 square foot office building located in Jacksonville, Florida's highly sought-after suburban office submarket, Butler/Baymeadows. The property is currently 63.1% occupied providing a rare value-add opportunity in a well-performing office submarket priced well below replacement cost.

From 2017 to 2020, the submarket has experienced over 4.3 million square feet of leasing activity, which is the submarket's most square footage leased in any three-year time period since 2006 – illustrating the submarket's strong demand. Leasing slowed at the onset of the pandemic, however, forecasts predict that Jacksonville will continue to thrive as a target for corporate headquarters post pandemic. **The Building is strategically situated in Deerwood Center with waterfront views** adjacent to I-95 (VPD) and J. Turner Butler Boulevard (VPD), providing convenient access. Additionally, the Property boasts a **parking ratio of 6.5 spaces per 1,000 SF of GLA** via a surface parking lot in addition to a connected parking garage with covered, direct access to the building. The Property includes a **premier on-site amenity base** including a fitness center, cafe (currently inactive) and lakeside boardwalk in addition to numerous restaurants, retailers and hotels in the trade area. As a result, 8787 Baypine provides Tenants with a type of institutional campus feel that is in high demand for today's modern companies. **Ownership has spent over \$2.8 million in capital and tenant improvements** over the last year alone including, but not limited to, extensive lobby renovations, roof upgrades, resealing windows, restriping the parking garage and landscaping.

This property offers investors a unique opportunity to purchase a recently renovated, Class A office asset that is currently below market occupancy. The building is offered well below replacement cost with two tenants in place, Freedom Mortgage and Florida Coastal School of Law.



RARE, VALUE-ADD OPPORTUNITY

IMMEDIATE UPSIDE THROUGH LEASE-UP WITH STRONG MARKET RENT GROWTH

63.1%

LEASED



CONSECUTIVE POSITIVE RENT GROWTH (SINCE 2013)



FAVORABLY LOCATED IN DEERWOOD CENTER OFFICE PARK

3.6%

ANNUAL RENT GROWTH (2019 YOY - CLASS A)

35.2%

RENT GROWTH (SINCE 2013)

BUTLER/BAYMEADOWS – SIGNIFICANT LEASING MOMENTUM

STRONG DEMAND FROM NATIONAL & REGIONAL TENANTS

7.9M+ SF

OF LEASING (SINCE 2015)

A+ LOCATION

EPICENTER OF JACKSONVILLE'S SUBURBAN CLASS A PRODUCT

70%

OCCUPIED BY "WHITE COLLAR" EMPLOYERS - Finance, Business, Health / Medical Industries

RECENTLY EXECUTED LEASES FROM NOTABLE TENANTS 50,000+ SF (SINCE 2016)



J.P. Morgan



ALLEGIS GROUP



Patriot Rail



State Farm



Availity



Aetna



BANK OF AMERICA



Miller



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STRATEGICALLY LOCATED IN DEERWOOD CENTER WITH A SUPERB AMENITY BASE

Located in the southwest quadrant of I-95 and Baymeadows Blvd, Deerwood Center is Jacksonville's premier corporate office park with excellent connectivity to popular metro destinations, transportation, affluent residential communities, sought after schools, beaches and other dynamic employment hubs. Additionally, the trade area boasts a massive amalgamation of upscale retail and restaurants, which entails 16.4 msf of retail space within a five-mile radius including dominant retail destinations such as St. John's Town Center, The Markets at Town Center and The Avenues.



sonville Jaguars Stadium



ohns Town Center



North Florida



Beach Pier



JACKSONVILLE'S MEGA, SUBURBAN EMPLOYMENT HUB

The Butler/Baymeadows submarket is Jacksonville's mega employment district with over 70,000 employees, which is more than double the size of the MSA's second largest suburban employment hub. Within a five-mile radius of the Property is approximately 24 million square feet of office space, cemented by the region's largest and highest paying employers which includes six Fortune 500/1000 companies.

BUTLER/BAYMEADOWS OFFICE STATS

70,000 EMPLOYEES

DOUBLE THE SIZE OF THE MSA'S 2ND LARGEST
SUBURBAN EMPLOYMENT HUB

23.8M SF

OF OFFICE SPACE WITHIN A 5-MILE RADIUS

740K SF

OF POSITIVE NET ABSORPTION SINCE 2010

**LIMITED CONSTRUCTION
PIPELINE**

NO COMPARABLE BUILDINGS UNDER
CONSTRUCTION IN THE SUBMARKET



OUTSTANDING PROPERTY FUNDAMENTALS



WELL-MAINTAINED WITH RECENT RENOVATIONS

Recent completion of \$2.8 million in capex and tenant improvements (e.g. lobby renovations, roof upgrades, restriping parking garage, landscaping, resealed windows).



HIGH BARRIERS TO ENTRY

Rising construction costs and the lack of available sites will limit new multi-tenant/speculative development.



ATTRACTIVE COST BASIS

Expected sale at below replacement cost (+/- 275 PSF) providing an excellent basis and a competitive future economic advantage.



INSTITUTIONAL QUALITY

Located in Deerwood Center Office Park with a beautiful lakefront setting surrounded by walking trails with highly efficient floor plates.



INTEGRATED PARKING GARAGE

Integrated parking garage in addition to surface parking. Robust 6.5 spaces per 1,000 RSF - one of the submarket's strongest parking ratios.



ROBUST BUSINESS HUB

Fifth fastest-growing market in America and a top city for Millennials with a current working population exceeding 837,000 people.





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