

JACKSONVILLE ON THE RISE, PART 3

Downtown/Entertainment District and Butler Boulevard Corridor



Hospitality Industry
Insights

NOVEMBER 2023

LEADING THE WAY
Hospitality Industry Insights

November 2023

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Since the township of Jacksonville was founded in 1822, municipal boundaries have gradually sprawled to make it the largest city by land mass in the United States. Downtown Jacksonville celebrates the city's storied history with museums and cultural centers that offer insight into the city's roots. In addition to these unique venues, Downtown is regarded as one of the city's primary entertainment hubs and is served by stadiums, arenas, and an array of cultural attractions. JAXPORT, Jacksonville's deepwater cargo port, is situated on the east side of Downtown and was recently ranked the number-one container port by volume in Florida. The port's success can be credited to Jacksonville's location on the Atlantic Coast and its status as a global gateway in the Southeast - more than 98 million U.S. consumers live within a day's drive of the city.



By **Andrew Pappas**
Vice President
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Jacksonville Center for the Performing Arts
Photo: Shutterstock

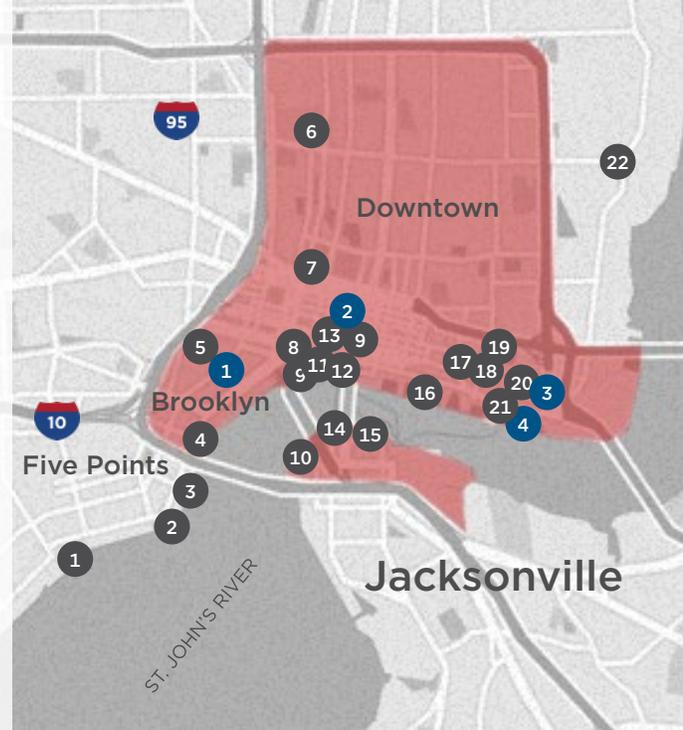
DOWNTOWN / ENTERTAINMENT DISTRICT

Downtown Jacksonville's Central Business District is home to three Fortune 500 headquarters: CSX Corp., Fidelity National Information Services, and Fidelity National Financial. Numerous hospitals and medical facilities are scattered throughout the Downtown area, including Baptist Health Jacksonville and UF Health Jacksonville. Downtown Jacksonville's ongoing shift from a sleepy, nine-to-five business district is being charged by an exciting revitalization of the area. Taking a page from Tampa's Water Street playbook, a local developer, Gateway Jax, has proposed new residences, retail, and commercial space in north Downtown. This unique district is slated to evolve into a multi-billion dollar, 22-acre mixed-use development and would catalyze the city's ongoing transformation.



Downtown/Entertainment District Points of Interest

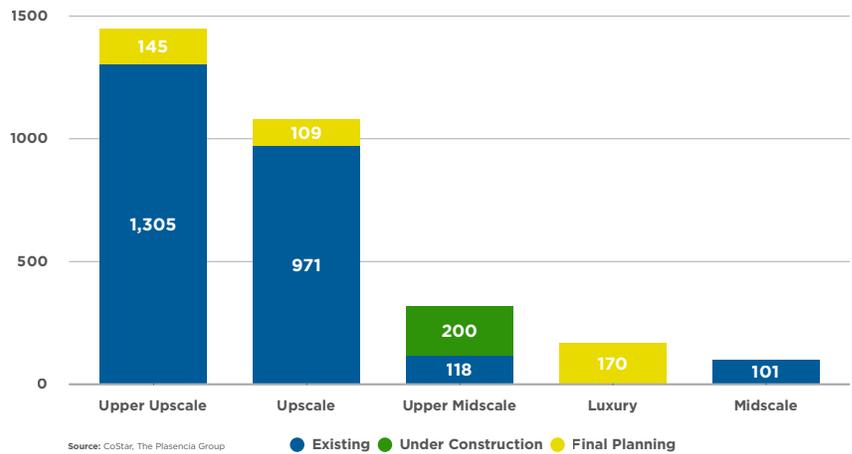
- | | |
|-----------------------------------------------------------|----------------------------------------------------------------------|
| 1 Ascension St. Vincent's
Riverside Hospital | 16 USS Orleck Naval Museum |
| 2 Memorial Park | 17 VyStar Veterans Memorial Arena |
| 3 Cummer Museum of Art & Gardens | 18 121 Financial Ballpark |
| 4 Fidelity National Title Headquarters | 19 Jacksonville Fairgrounds |
| 5 Prime F. Osborn III Convention Ctr. | 20 TIAA Bank Field |
| 6 UF Health Jacksonville | 21 Daily's Place Amphitheater |
| 7 Florida State College at Jacksonville | 22 Jacksonville Port Authority
(JAXPORT) |
| 8 Duval County Courthouse | |
| 9 CSX Corporation | Planned: |
| 10 Jacksonville Center for the
Performing Arts | 1 Park Street Development |
| 11 Riverfront Plaza | 2 Pearl Street District Development |
| 12 Baptist Medical Center Jacksonville
Downtown Campus | 3 Site of Future Jaguars Stadium
& Entertainment District (Lot J) |
| 13 The Elbow | 4 Four Seasons (final planning) |
| 14 MOSH (Museum of Science & Ind.) | |
| 15 Southbank Riverwalk | |



On the southwest side of Downtown, the Brooklyn area is gaining momentum amid its development renaissance. Jacksonville-based Trevato Development has announced a six-acre, mixed-use development that would deliver over 1,000 new apartments and nearly 40,000 square feet of commercial space in the Park Street area of Brooklyn.

To position Downtown as a live-work-play destination, the Jacksonville Jaguars are designing a new stadium that will include a 70,000-seat venue and a futuristic concourse to entertain generations of football fans. When complete, the Jaguars' new stadium should position Jacksonville as a recurring Super Bowl host city. Along with the stadium, Jaguars' owner and auto parts magnate Shad Khan is developing Jacksonville's first luxury hotel, a brand-new, 170-room Four Seasons, along the riverfront in Downtown. The Jaguars' current stadium, TIAA Bank Field, is surrounded by a series of professional athletic facilities for minor league teams, including the Jacksonville Jumbo Shrimp (Triple-A affiliate of the Miami Marlins), the Jacksonville Icemen (East Coast Hockey League affiliate of the Buffalo Sabres), and the Jacksonville Sharks of the Indoor Football League.

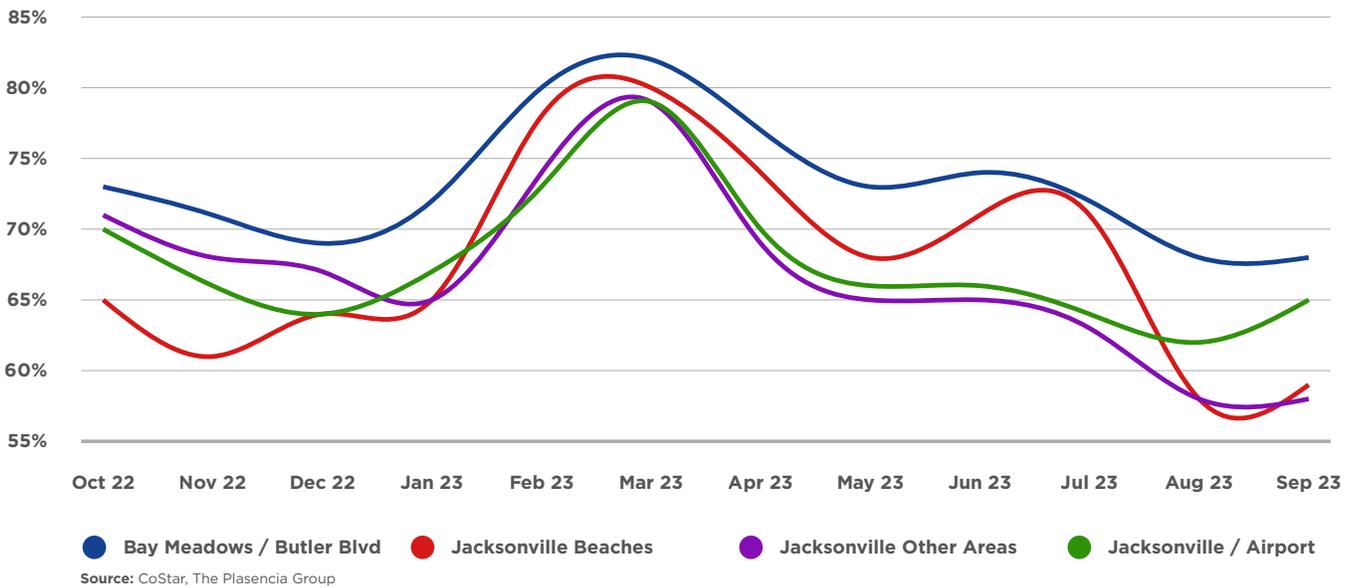
Downtown Jacksonville Lodging Inventory (Rooms by Chain Scale as of September 2023)



BUTLER BOULEVARD CORRIDOR & ST. JOHNS TOWN CENTER

Downtown may be considered Jacksonville’s urban core; however, most of the area’s blue-chip employers, world-class medical centers, universities, luxury shopping options, and affluent suburbs are located south of the city’s high rises along the prominent Butler Boulevard corridor. The concentration of attractions along Butler Boulevard positions the area as one of the most favorable submarkets for lodging investment in North Florida. While many institutions and entities have long-standing operations in Jacksonville, numerous corporate and medical campuses are in the midst of multi-phase expansions to accommodate regional growth. Aside from these qualities, Butler Boulevard also serves as the primary east-west thoroughfare connecting most of the city with Jacksonville Beach and Ponte Vedra. As a relatively land-constrained area, the submarket boasts the highest occupancy of any pocket within the Jacksonville metro and benefits from mitigated seasonality compared to most coastal regions of Florida. This attribute allows hoteliers to push ADR year-round.

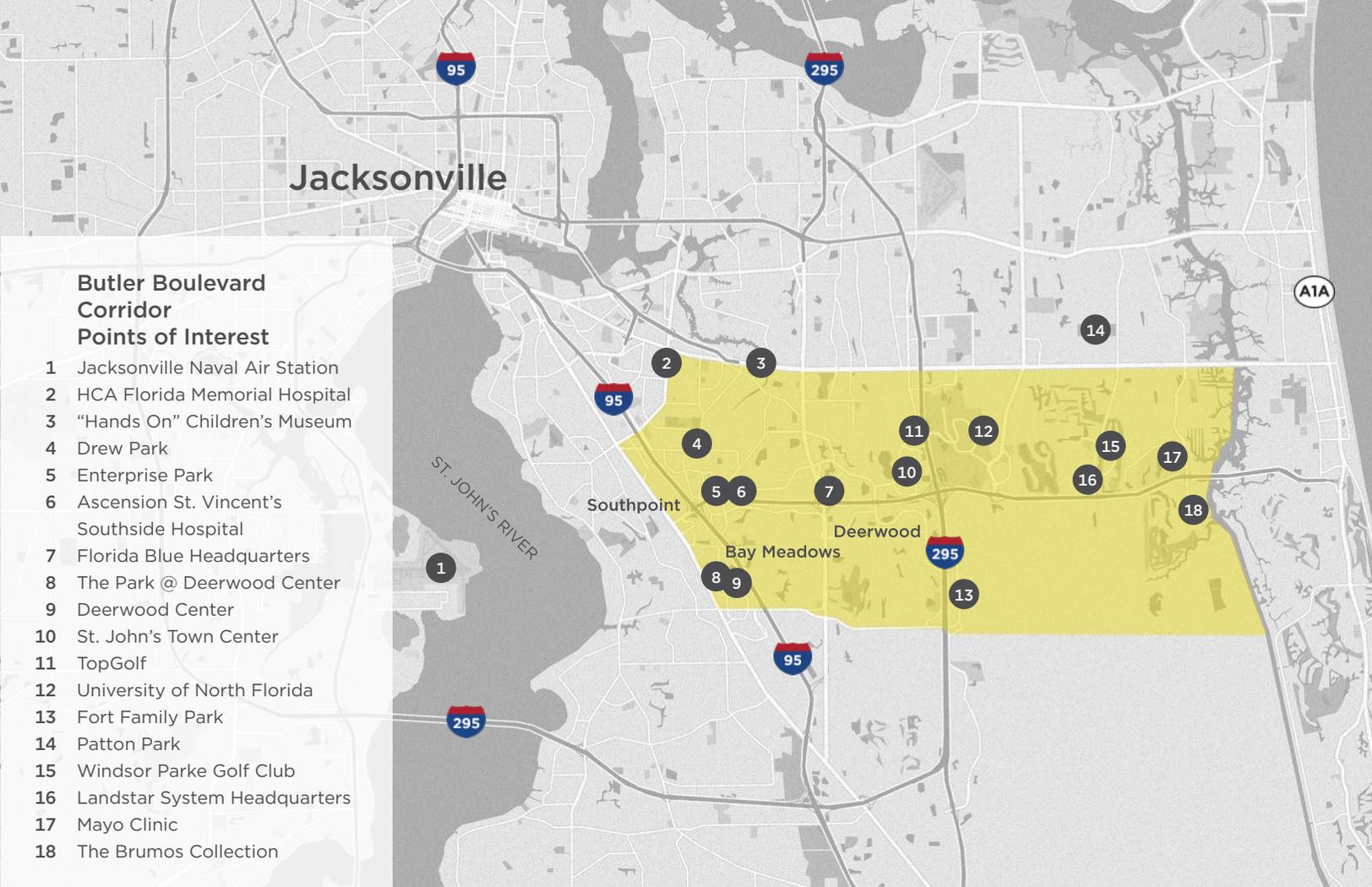
Jacksonville Area Submarkets
Occupancy by Month - September 2023 TTM



St. Johns Town Center is a super-regional, open-air mall centrally located along the corridor at the intersection of I-295 and Butler Boulevard. The mall offers nearly 1.4 million square feet of retail space, highlighted by upscale shops such as Louis Vuitton, Gucci, Tiffany & Co, Apple, Restoration Hardware and more. According to a report commissioned by Visit Jacksonville, more than 20% of all visitors to Jacksonville stopped at St. Johns Town Center in 2022. Among these visitors, approximately 71% are likely to record an overnight stay in the area.

Across from St. Johns Town Center on I-295 sits the University of North Florida, which educated more than 16,000 students in 2022, based on reported enrollment figures. Its athletic department fields numerous teams, known as the North Florida Ospreys, for competition in the NCAA’s Division I Atlantic Sun Conference. The university is poised for exponential growth over the next decade, and plans are underway to further develop the 1,381-acre campus as its space needs evolve for efficient, world-class facilities.





Butler Boulevard Corridor Points of Interest

- 1 Jacksonville Naval Air Station
- 2 HCA Florida Memorial Hospital
- 3 "Hands On" Children's Museum
- 4 Drew Park
- 5 Enterprise Park
- 6 Ascension St. Vincent's Southside Hospital
- 7 Florida Blue Headquarters
- 8 The Park @ Deerwood Center
- 9 Deerwood Center
- 10 St. John's Town Center
- 11 TopGolf
- 12 University of North Florida
- 13 Fort Family Park
- 14 Patton Park
- 15 Windsor Parke Golf Club
- 16 Landstar System Headquarters
- 17 Mayo Clinic
- 18 The Brumos Collection

The presence of a major university in Jacksonville allows for meaningful synergies with the area's leading medical institutions and employers. Among the most notable entities is the Mayo Clinic, a revolutionary cancer treatment and research facility synonymous with medical innovation. The Mayo Clinic's 400-acre campus in Jacksonville was voted the best hospital in Florida by U.S. News in 2022. Served by over 8,000 highly skilled employees, the Mayo Clinic is one of the largest employers in the metro area and will offer more than 1.4 million square feet of medical space when its current expansion phase concludes in 2026. In addition to major medical campuses, millions of square feet of Class-A office space sit along Butler Boulevard serving as home to finance, insurance, logistics, and government interests. Florida Blue, Deutsche Bank, Landstar Systems, and the Federal Bureau of Investigation all maintain notable footprints or headquarters in the area.

Prominent Butler Boulevard Corridor Tenants



OVER THIRTY YEARS OF CLIENT SUCCESS

The Plasencia Group's investment sales team has completed nearly thirty successful hotel transactions and financings throughout the United States over the last two years, including establishing a price-per-key sale record in Jacksonville in April 2022. It would be our pleasure to assist you in evaluating, acquiring, selling, or financing your hospitality properties, whether in the Jacksonville area or across the country.

In addition to our investment advisory practice, our firm also provides ownership representation services as well as development and renovation consulting expertise to hotel and resort owners. If we can assist with any detail of your hotel, resort, or property portfolio investment, please call us at (813) 932-1234 to start the discussion.

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About The Plasencia Group

In 1993, The Plasencia Group was formed to provide hotel and resort owners investment advisory services at a personal level. Thirty years and hundreds of engagements later, we still have the privilege of making our clients successful with the passion, access, and certainty they've come to expect. Our firm offers investment sales, asset management, development and renovation management, debt and equity sourcing, and advisory services to hotel and resort owners throughout North America.

Contact us today if our experienced advisory team can assist you in evaluating your current portfolio and strategizing for the weeks and months ahead. We look forward to the opportunity to serve you.

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