

# WHY ORLANDO

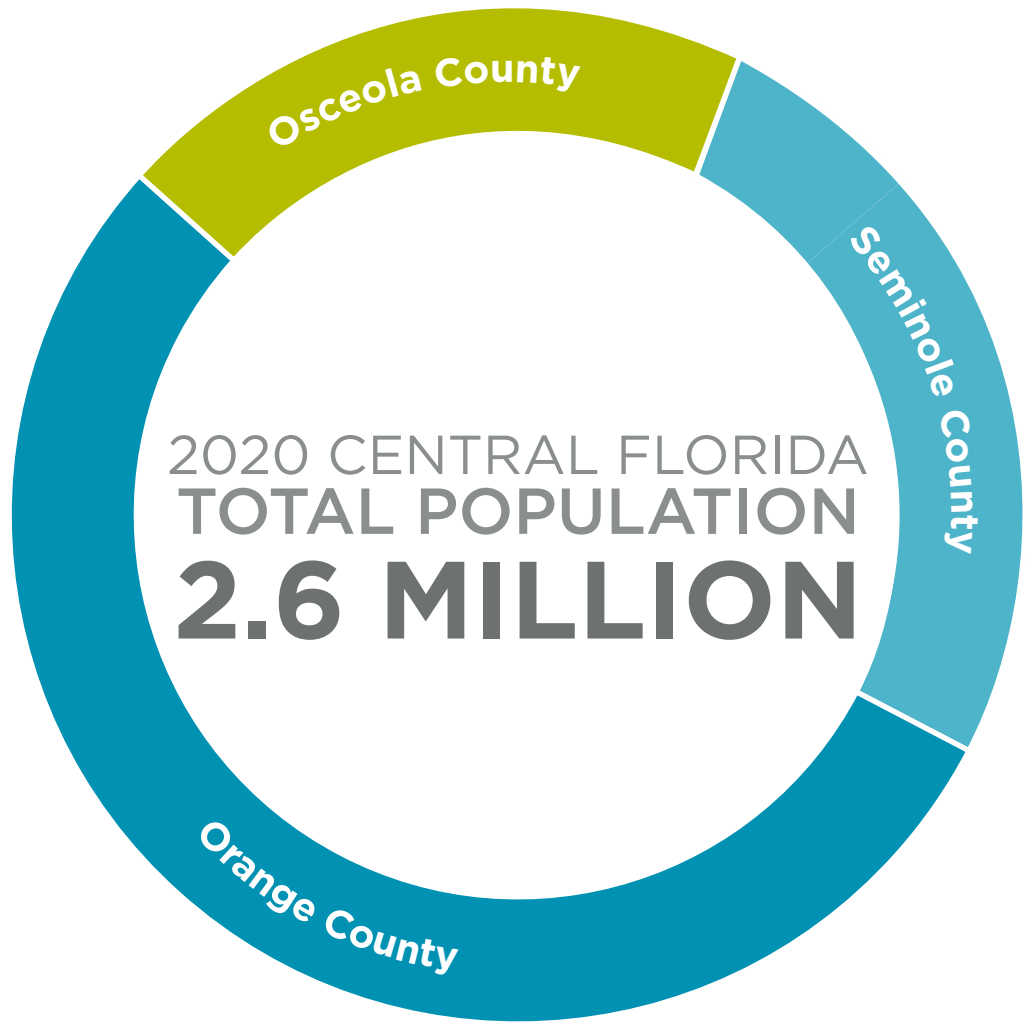
## Q4 21

DYNAMIC TRENDS DRIVING GROWTH  
*A Cushman & Wakefield Research Report*

WELCOME TO  
**WHAT'S  
NEXT**



# ORLANDO - YOU DON'T KNOW THE HALF OF IT



## LABOR POOL & TALENT

- #3 market for in migration
- 35 higher education institutions
- 550,000 students in a 100 mile radius
- 550 people move here each week



AVERAGE INCOME  
**\$81,600**

## BUSINESS ENVIRONMENT

- Diversified economy
- Cost-friendly location for business
- Business friendly regulatory environment



POPULATION  
GROWTH  
**8.3%**  
5-YEAR 2018-23



RENTER OCCUPIED  
HOUSING  
**39%**

## AFFORDABILITY & HOUSING

- Cost of living half of larger gateway markets
- Median home price 17% below national average
- No state income tax
- Low corporate tax rate



LABOR FORCE  
**1.5 MILLION**



BACHELOR OR  
HIGHER  
**29%**

## WORK/LIFE BALANCE

- Theme parks & attractions
- Arts & cultural events
- Professional sports teams



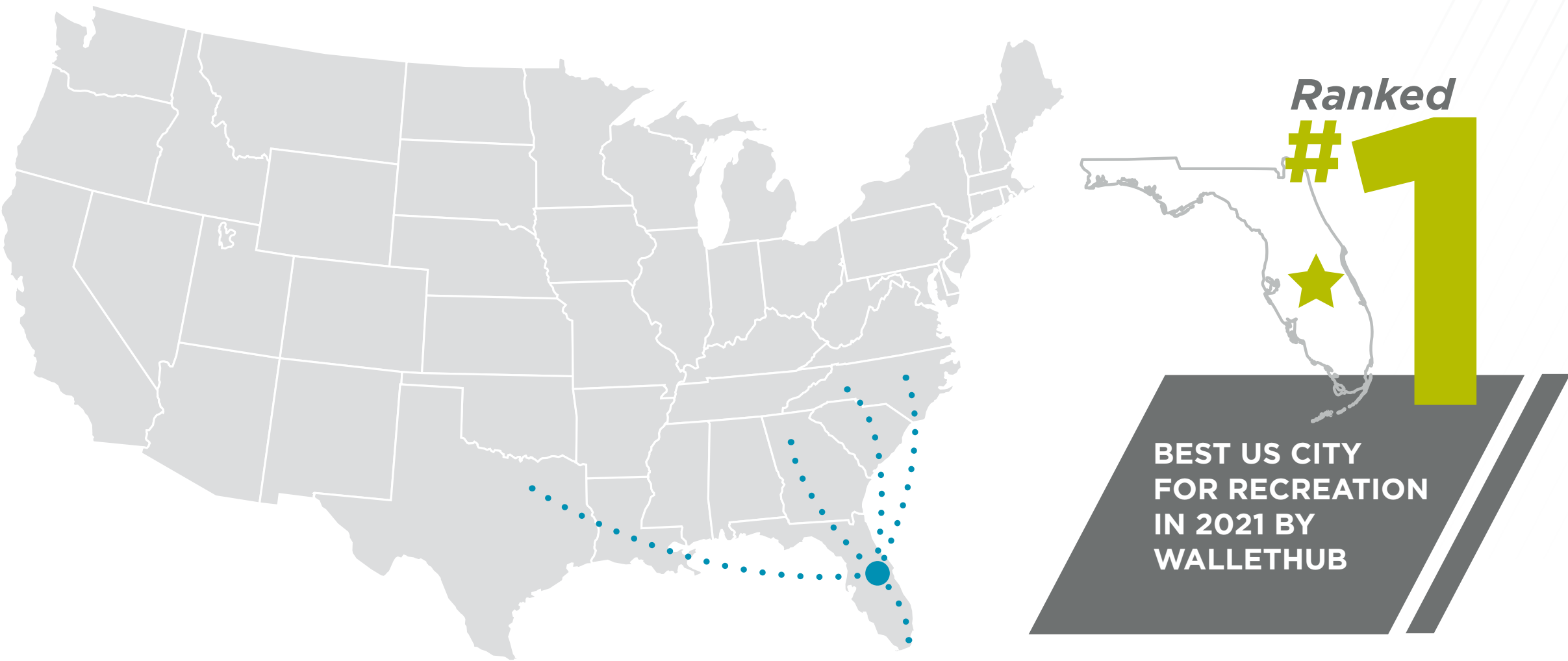
POPULATION  
AGE 20-34  
**22%**



# ADVANTAGE: CENTRAL FLORIDA



THE ORLANDO-KISSIMMEE-SANFORD MSA IS CENTRALLY LOCATED AND THE LARGEST TOURISM MARKET IN THE STATE.



*Orlando’s competitive advantages has made it a magnet for young talent as well as for traditional and cutting edge industries to locate, thrive and grow.*




**550**  
PEOPLE PER WEEK  
are added to the population



**Logistics Powerhouse**  
with a major east/west interstate, the north/south Florida Turnpike and 60 minutes from a deep water container port at Port Canaveral



**\$2.3 Bil**  
I-4 ULTIMATE PROJECT  
that reconfigures and reimagines car travel through the region



**\$1.5 Mil**  
STRONG WORKFORCE  
with 1 out 5 jobs in Tourism & Hospitality



**Cost of Living is 6.4% Less**  
compared to national average



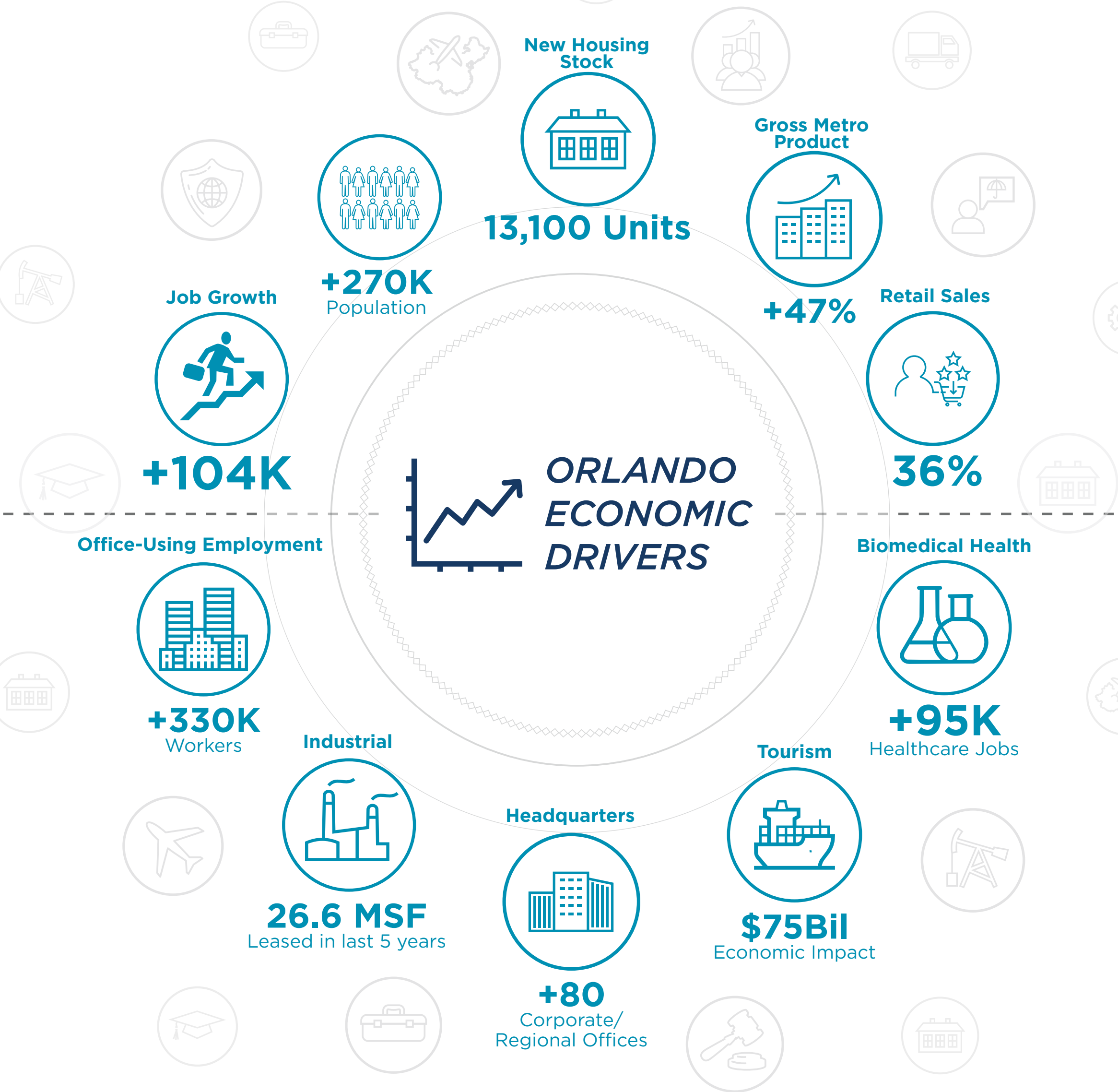
**4 Major Colleges**  
and universities in the region with almost 70,000 students

**Largest university by enrollment in the Southeast and 2nd largest in the nation (University of Central Florida)**

**9 international airports within 100 miles and non-stop air service to more than 175+ domestic and international destinations**



# CENTRAL FLORIDA'S ECONOMIC DRIVERS



FIVE YEAR PROJECTIONS  
**2020-2024**

SOURCE: MOODY'S ANALYTICS, 2021

**USERS IN THE MARKET**



# ECONOMIC DIVERSITY

ORLANDO IS MORE THAN TOURISM AND THEME PARKS. ITS ABILITY TO TAP INTO A DYNAMIC AND TALENTED WORKFORCE ATTRACTS LEADING COMPANIES TO SET UP OPERATIONS AND THRIVE IN THE REGION.



## AEROSPACE & DEFENSE

Rich history in aerospace dates back to initial moon landings in the 1960s. Sunny weather supports a cluster of flight training schools. Seven of the largest defense firms have operations in Orlando.



## BUSINESS SERVICES

The Orlando area has long been home to regional and company headquarters who come to tap into the incredible talent pipeline available.



## HEALTHCARE & LIFE SCIENCES

Two large health care systems providing birth to death care are headquartered in Central Florida, including 5 of the largest US hospitals by numbers of beds in the nation, employing over 112,000 workers.



## INNOVATION TECHNOLOGY

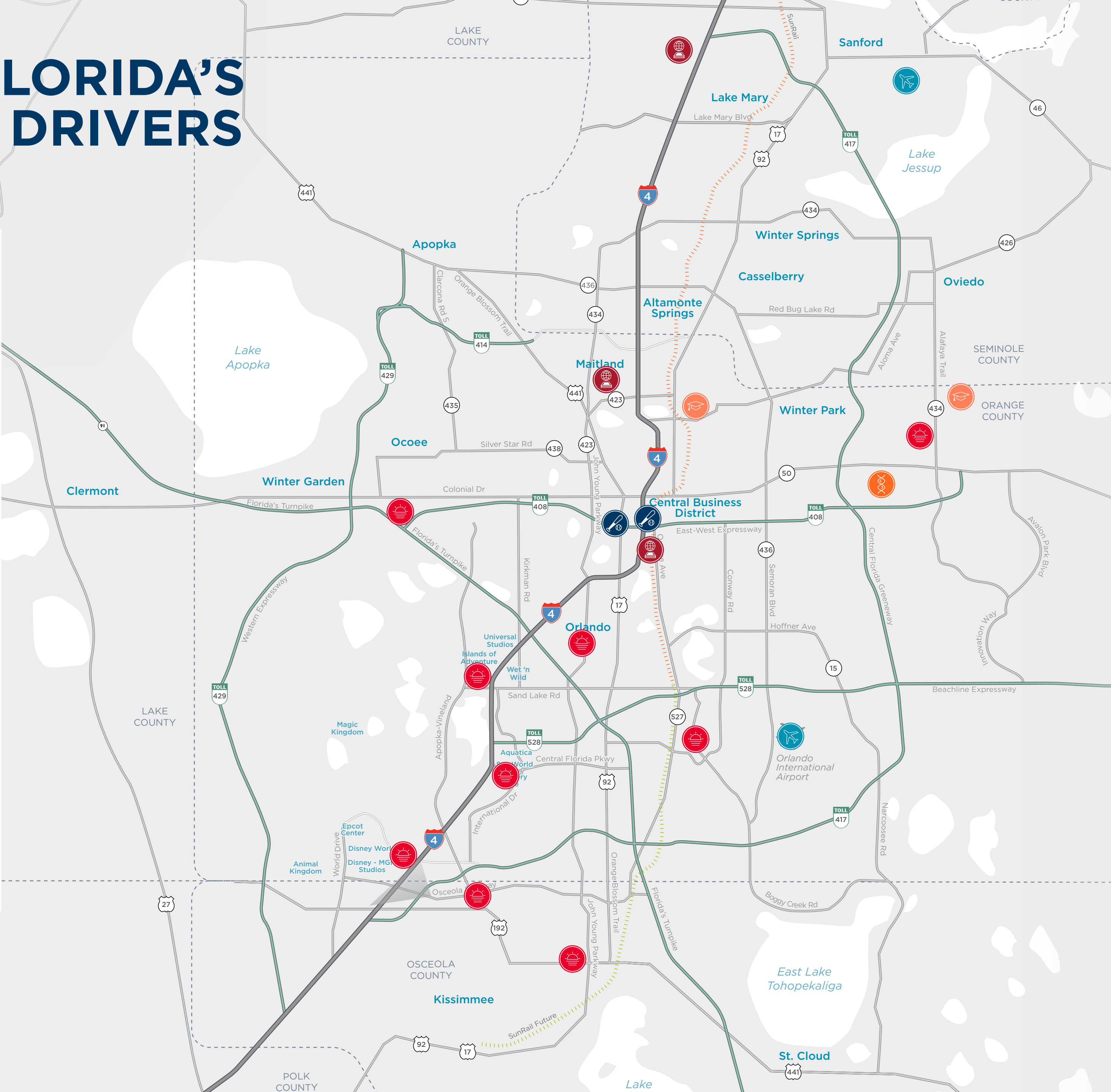
One of the country's top metros for STEM job growth, a top notch research university (UCF) and 68-acre High-Tech cluster downtown centered in Creative Village.





# CENTRAL FLORIDA'S ECONOMIC DRIVERS

-  TOURIST
-  INTERNATIONAL AIRPORTS
-  PROFESSIONAL SPORTS
-  GLOBAL HEADQUARTERS
-  HIGHER EDUCATION
-  MILITARY BASES
-  RESEARCH PARK

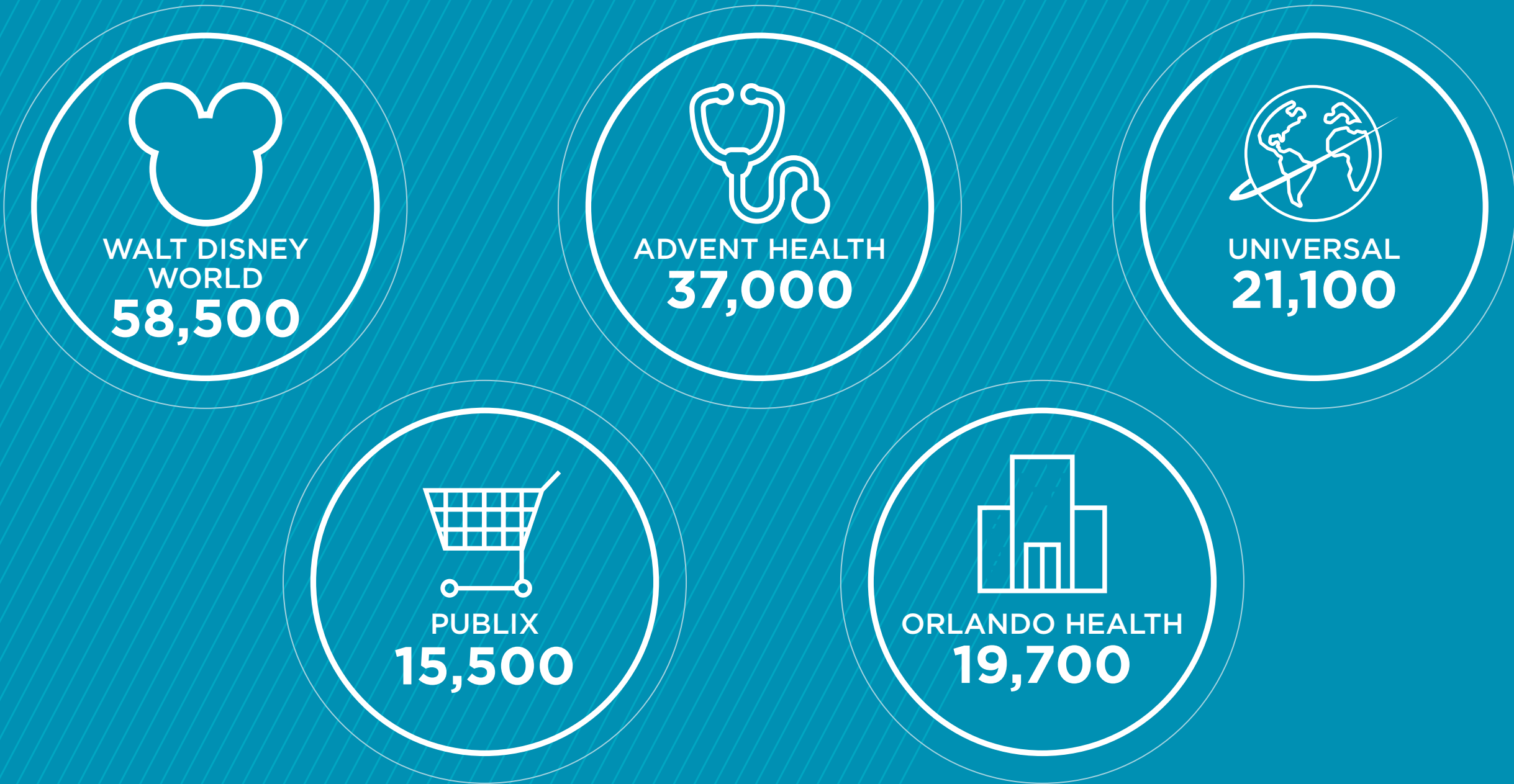




# TOP EMPLOYERS / CENTRAL FLORIDA

THE REGION IS A JOB GENERATOR FOR THE PAST 20 YEARS DRIVEN BY EXPANSION IN HEALTHCARE, TOURISM AND BUSINESS SERVICES.

## ORLANDO'S TOP EMPLOYERS - 2020



ORLANDO INTERNATIONAL AIRPORT	15,800
UNIVERSITY OF CENTRAL FLORIDA	12,350
LOCKHEED MARTIN CORP.	10,000
MARRIOTT VACATIONS WORLDWIDE	4,200
JETBLUE	2,700
SEAWORLD PARKS & ENTERTAINMENT	2,700
VALENCIA COLLEGE	4,200
SIEMENS ENERGY	554
ROSEN HOTELS & RESORTS	2,700
WESTGATE RESORTS	5,000
RITZ-CARLTON ORLANDO	3,850
TRAVEL & LEISURE, CO	2,500
US MILITARY COMMANDS	2,950
SOUTHWEST AIRLINES	3,000



# TRANSPORTATION STATISTICS



**\$615 MILLION INVESTMENT**

THE SUNRAIL PASSENGER RAIL SYSTEM RUNS 34 TRAIN TRIPS PER DAY ALONG 61.5 MILES.



## AIRPORT EXPANSION

**\$ 3.5 BILLION**

NEW SOUTH  
TERMINAL



**+16**  
GATES  
COMPLETE BY 2021



**Ticket Lobby  
Expansion &  
Refurbishment**



**Improved  
Baggage Handling  
Systems**



**Airside 4  
International Passenger  
Processing Improvements**



**Ground  
Transportation  
Improvements**



*Orlando Sanford  
International Airport  
is quickly becoming an  
alternative to flying out of  
busy Orlando International,  
especially regionally and to  
the Caribbean.*



**ORLANDO  
INTERNATIONAL  
AIRPORT MCO**

**ORLANDO  
INTERNATIONAL  
AIRPORT**

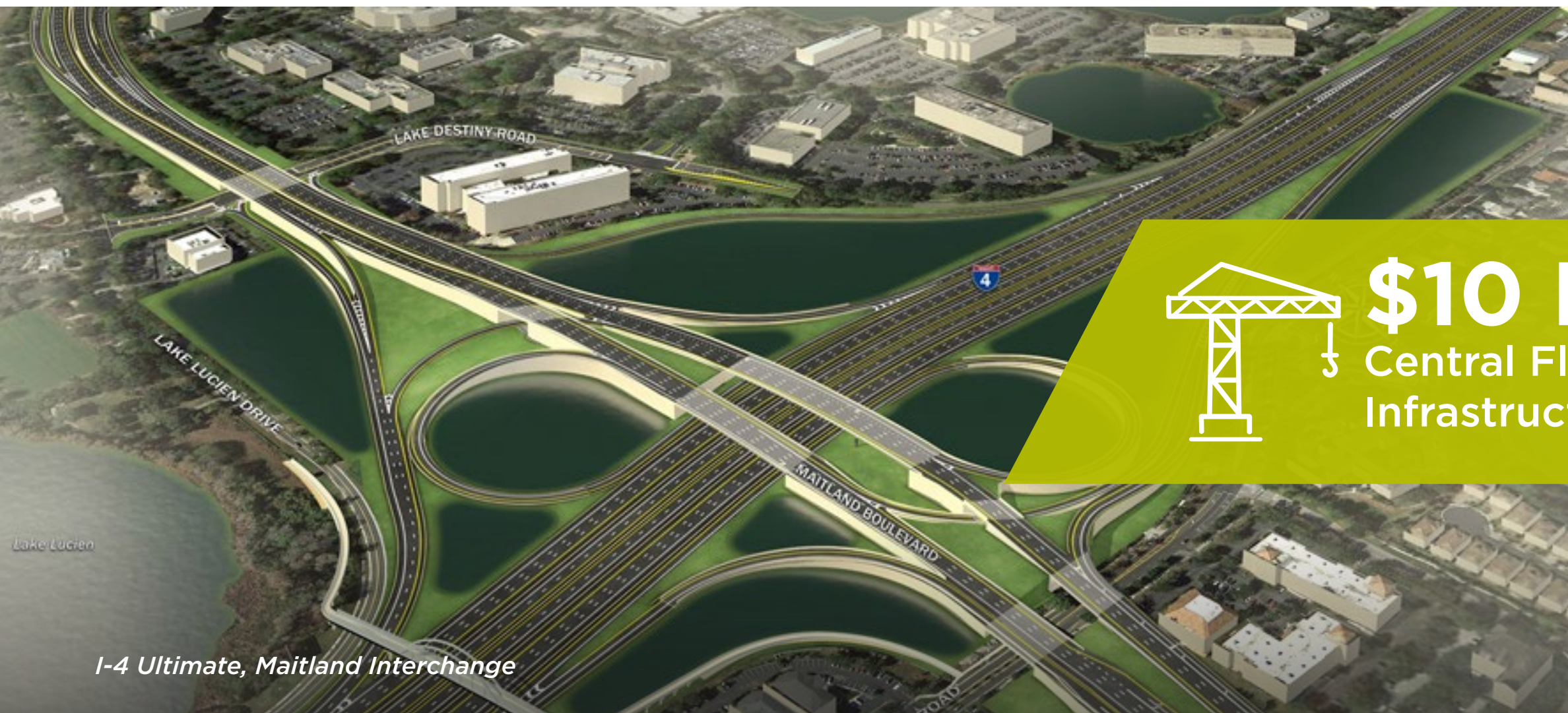
14TH LARGEST & 13TH  
BUSIEST IN THE US



Orlando International  
Airport Expansion



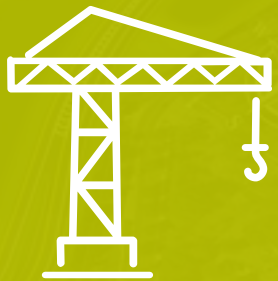
# INFRASTRUCTURE - PLANNING FOR THE FUTURE



I-4 Ultimate, Maitland Interchange



Orlando International Airport Intermodal Center



**\$10 Billion**  
Central Florida  
Infrastructure Investment

## THE FUTURE OF TRANSPORTATION IN CENTRAL FLORIDA



Florida's Brightline Trains



I-4 Ultimate Downtown

### FLORIDA'S BRIGHTLINE TRAINS

(Finish 2022)

Phase I was a \$1.5 billion project that began in 2015 that connected major markets in South Florida. Phase II, started in 2019, will cover 235 miles between Orlando and Miami and cost \$2.7 billion. The Orlando terminus will be at the Orlando International Airport's New Intermodal Center.

### I-4 ULTIMATE IMPROVEMENT PROJECT

(Finish 2022)

\$2.3 billion reconstruction of 21-miles of I-4 from Kirkman Road in Orange County to State 434 in Seminole County.

- Reconstruction of bridges along the corridor—13 to be widened, 74 replaced, and 53 added—for a total of 140 permanent bridges.
- Addition of two express lanes in each direction
- Speed to be increased from 50 to 55 mph.

### AIRPORT INTERMODAL CENTER

(Opened 2018)

Part of 3.1 billion Capital Improvement Program, includes 200,000 SF of terminal space accommodating:

- South Automated People Mover (APM)
- SunRail
- Brightline Trains Station
- Ground Transportation (taxis, shuttle buses, and public bus operations)



# MAJOR DOWNTOWN DEVELOPMENTS

## CENTRAL BUSINESS DISTRICT



### UCF DOWNTOWN

- \$75.5 million investment
- Home to 7,700 students
- 14 degree programs
- Located in the heart of Creative Village
- Opened Fall 2019



### CREATIVE VILLAGE

- 68 Acre mixed -use
- 750,000 SF Education Space
- 150,000 SF of retail/commercial space
- 1,500 Residential units
- 200-key hotel



### DOWNTOWN SPORTS & ENTERTAINMENT DISTRICT

- \$200 million development
- Six-story office building
- Parking garage
- 250- room hotel
- 250- unit residential tower & retail space



**85,000+**  
Jobs in Downtown  
Orlando





# ORLANDO'S TOURISM DYNAMICS



## TOURISM IMPACTS



**75 MILLION**  
ANNUAL  
VISITORS



**\$75 BILLION**  
ECONOMIC  
DEVELOPMENT



**50 MILLION**  
AIRLINE  
PASSENGERS



**126,400**  
HOTEL ROOMS

## MAJOR ATTRACTIONS



**6 MAJOR**  
THEME PARKS  
**63 MILLION**  
VISITORS



**2.3 MSF**  
CONVENTION  
CENTER



**PORT CANAVERAL**  
CRUISE  
OPERATIONS



**SPORTS**  
TOURISM



# RECENT TOURISM DEVELOPMENTS



## WALT DISNEY WORLD

- Star Wars Galaxy Edge – themed area inspired by movies, opened in 2019
- Star Wars: Galactic Starcruiser – high-end fully immersive Star Wars-themed hotel set to open in 2022
- Harmonious/Enchantment - New nighttime laser and pyrotechnics spectacular over main lagoon
- Remy’s Ratatouille Adventure – New 4-D ride
- Guardians of the Galaxy: Cosmic Rewind - enclosed roller coaster
- Reimagined EPOC main entrance, fountain and light show
- TRON - coaster-style attraction with two-wheel Lightcycles



## UNIVERSAL ORLANDO RESORT

- Dreamworks Destination - interactive character experience
- Jurassic World VelociCoaster – massive ride with speeds of 70 mps and 155-foot hill
- Epic Universe – New Park with Super Nintendo World, opening in 2025
- Redeveloped retail option in CityWalk



## SEAWORLD & AQUATICA ORLANDO

- Rosita’s Harmony Hills, Slimey’s Slider and Elmo’s Choo Choo Train opened in 2019
- Updated front entrance with iconic lighthouse
- Revamped food and menu options throughout park
- Ice Breaker – Newest roller coaster – Florida’s steepest
- Riptide Race – Dueling slide that brings competitive racing to water rides



## THEME PARK CAPITAL OF THE WORLD

### Ranking Based on Attendance

1. Magic Kingdom Disney
2. Disney Animal Kingdom
3. Epcot at Walt Disney World
4. Universal Studios Florida
5. Disney Hollywood Studios
6. Universal Islands of Adventure
7. SeaWorld Orlando
8. Volcano Bay Universal
9. Aquatica SeaWorld
10. Disney Blizzard Beach

Source AECOM/TEA, 2020

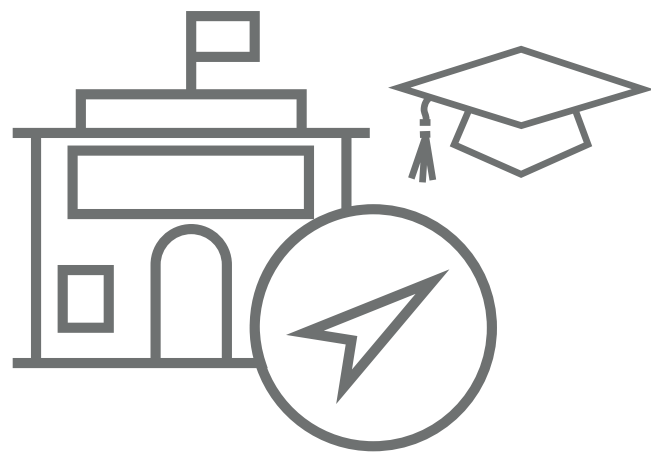


# HIGHER EDUCATION FUNDAMENTALS

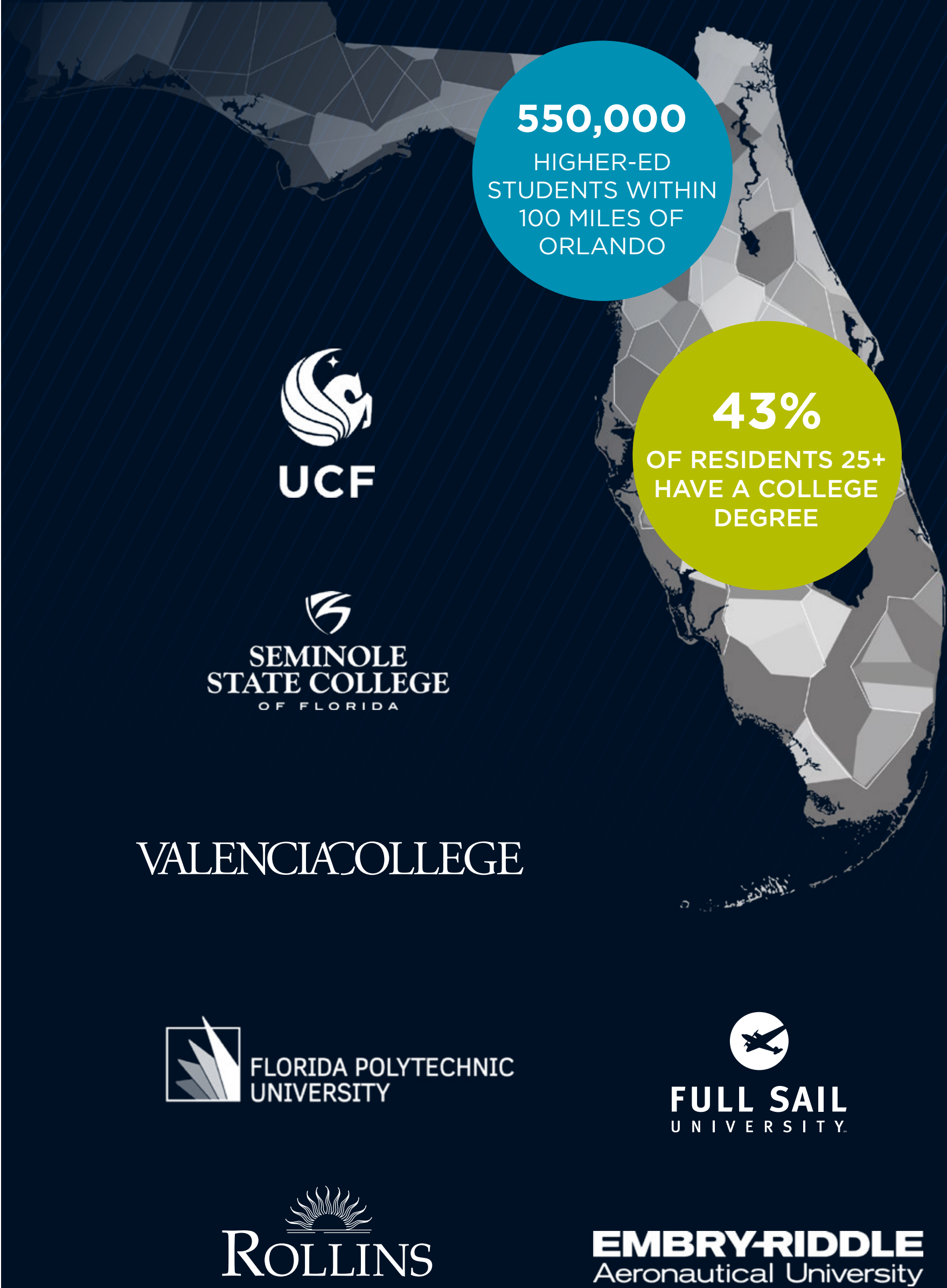


## TOP COLLEGES BY ENROLLMENT (2020)

1	UNIVERSITY OF CENTRAL FLORIDA	72,000
2	VALENCIA COLLEGE	66,000
3	SEMINOLE STATE COLLEGE	29,000
4	FULL SAIL UNIVERSITY	19,000
5	LAKE SUMTER STATE COLLEGE	6,000
6	FLORIDA INSTITUTE OF TECHNOLOGY	3,600
7	ROLLINS COLLEGE	2,600
8	FLORIDA POLYTECHNIC INSTITUTE	1,350



*More than 35 colleges, universities, technical schools, and private institutions with over 190,700 students.*

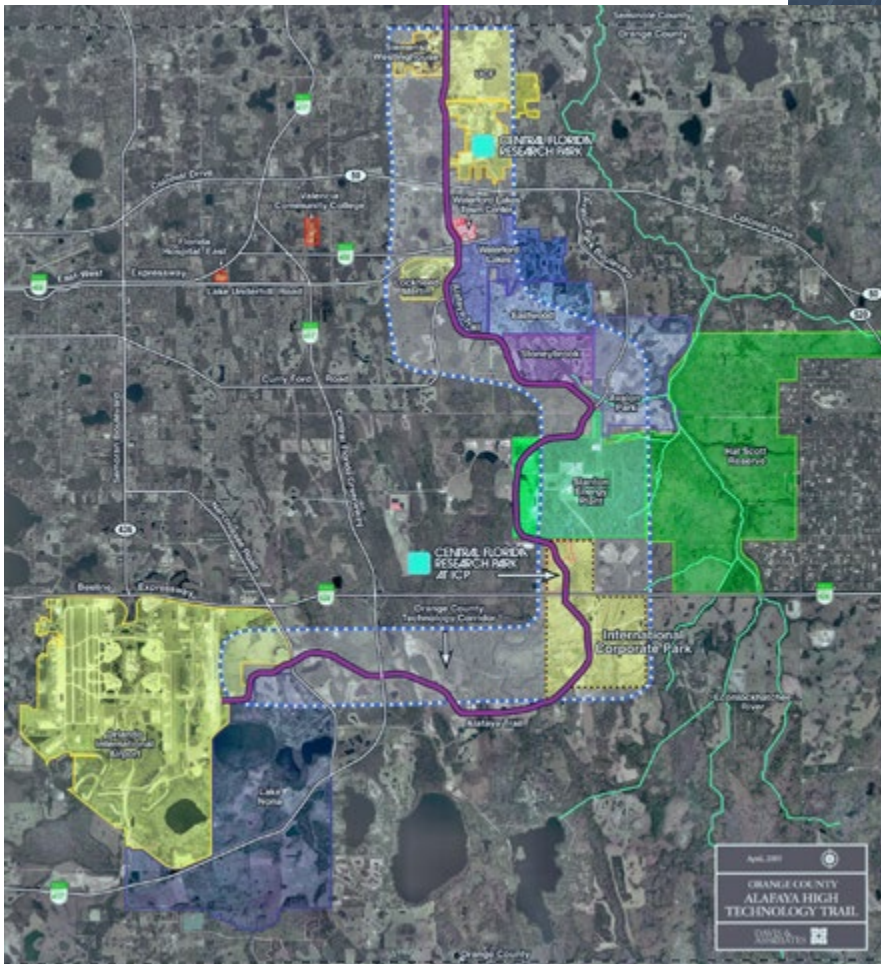




# CENTRAL FLORIDA RESEARCH PARK

THE CENTRAL FLORIDA RESEARCH PARK, LOCATED ADJACENT TO UCF, IS HOME TO CUTTING EDGE FIRMS IN THE FOREFRONT OF TECH SIMULATION AND SCIENTIFIC STUDY.

Tenants collaborate with UCF through technology transfer and student employment programs as well as use of computer resources and laboratory facilities.



## DRIVERS FOR THE RESEARCH PARK

**University of Central Florida** Total undergraduate enrollment of 72k (Fall 2020) campus size is 1,415 acres

**Pipeline of Talent from UCF** +18k graduates a year, heavily weighted towards STEM related degrees

**Research Park Incubator** 48,000 sf facility with flexible leases, shared office space, equipment and laboratories

**Aerospace & Defense** Top recipient for research dollars from the U.S. government, adjacent to over 230 companies in the defense/aerosapce sector

**UCF is the #1 Supplier of Graduates to Defense and Aerospace Industries** 29% of employees at NASA's Kennedy Space enter are UCF graduates

**Gaming Industry** recognized as the leading modeling and simulation hub in the world with \$11.6 billion statewide conomic impact

**Firms in modeling, simulation and training** and generate \$6 billion to the State's GDP.

## CENTRAL FLORIDA RESEARCH PARK FACTS

  
**1,027 Acre**  
Campus-Like Office Park

  
**65**  
Buildings

  
Direct Access to  
**408 Expy**

  
**125**  
Companies

  
Approx.  
**10,000**  
Employees

  
On-Site  
**Hotels & Bank**



*Home to the Army, Air Force, Navy and Marines simulation operations, the Central Florida Research Park serves as the modeling, simulation and training capital of the world, per the Orlando EDC.*



# HEALTHCARE COVERAGE

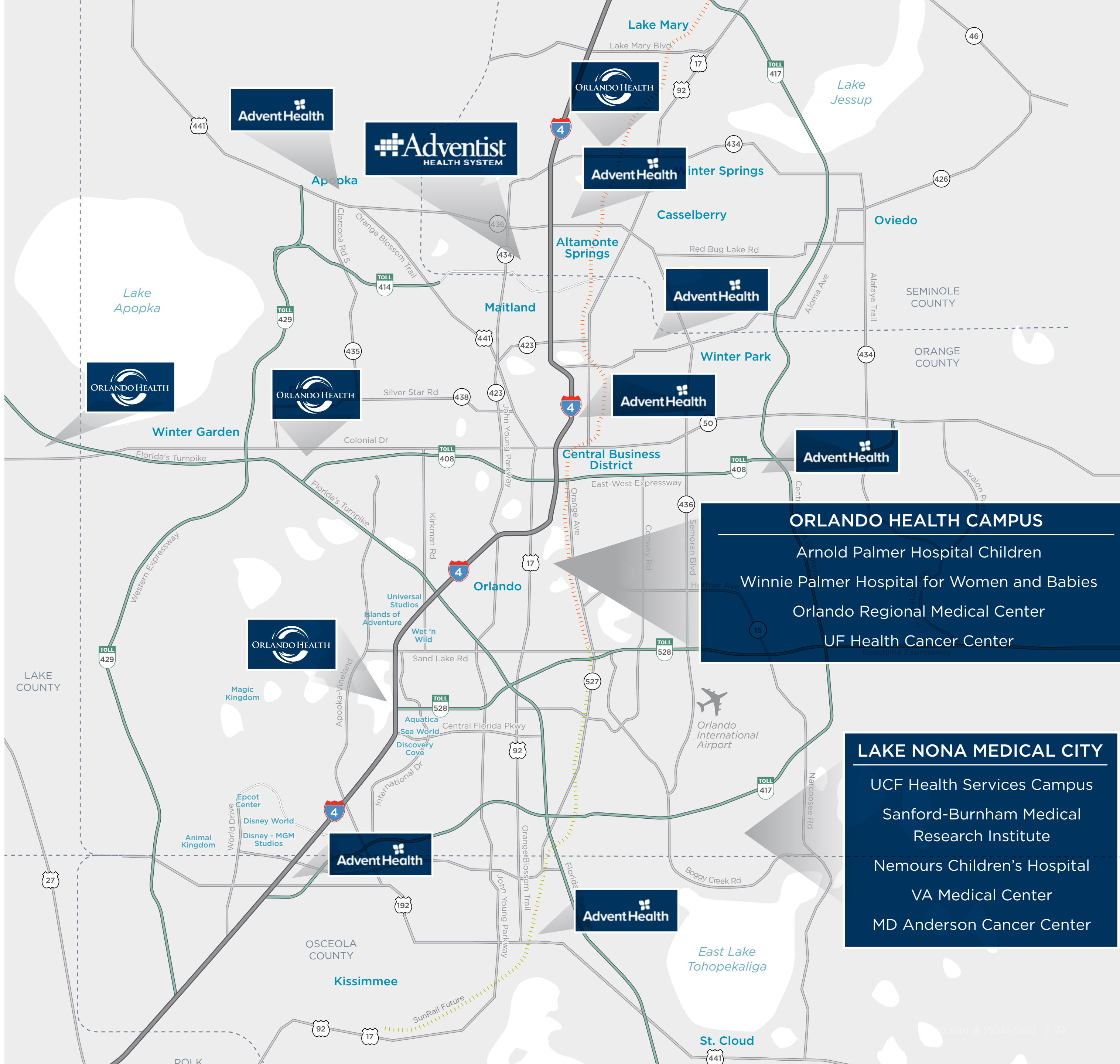
## CENTRAL FLORIDA



7,600+ LICENSED  
HOSPITAL BEDS



26 INPATIENT  
HOSPITALS





# DEFENSE & AEROSPACE SPENDING

CENTRAL FLORIDA, INCLUDING THE SPACE COAST, IS A MAJOR PLAYER IN THE DEFENSE INDUSTRY WITH OVER \$6 BILLION PLUS IN GOVERNMENT CONTRACTS AWARDED EACH YEAR.



## DEFENSE ACTIVITY



Source: Florida Defense Industry Economic Analysis Report, 2020.

## MAJOR DEFENSE CONTRACTORS





# OFFICE SNAPSHOT | 4Q 2021



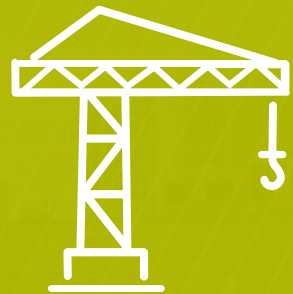
TOTAL INVENTORY  
**36.8 MSF**



CLASS A  
**21.3 MSF**



CLASS B  
**13.9 MSF**



**499,518 SF**  
Under Construction



DIRECT ASKING RENT  
**\$25.30**  
PSF/YEAR/FS



DIRECT VACANCY  
**12.3%**



YTD LEASING  
ACTIVITY  
**1.9 MSF**

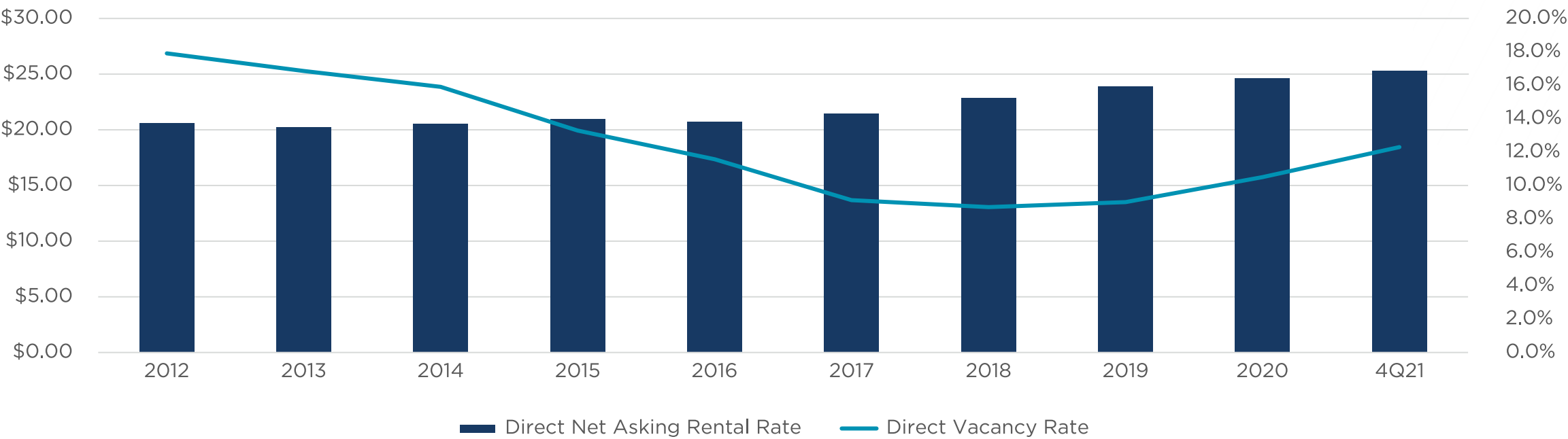


YTD DIRECT NET  
ABSORPTION (SF)  
**-1.3 MSF**

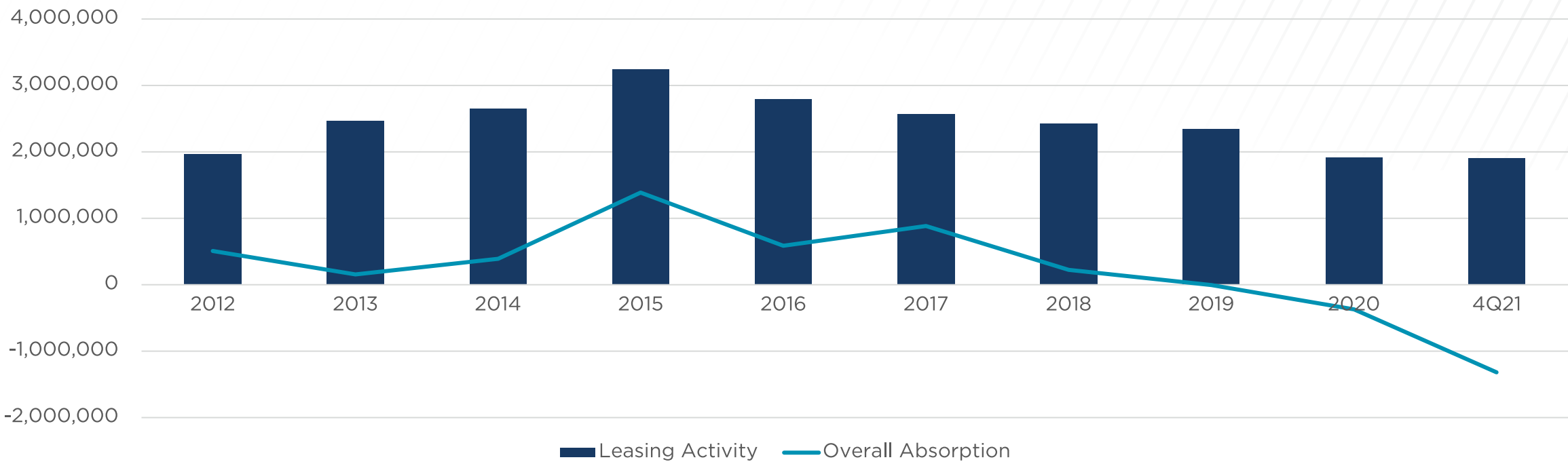


SUBLEASE SPACE  
**2.1%**

DIRECT VACANCY AND RENTAL RATES



DIRECT LEASING ACTIVITY AND ABSORPTION





# INDUSTRIAL SNAPSHOT | 4Q 2021



TOTAL INVENTORY  
**117.9 MSF**



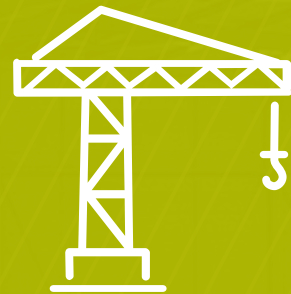
WAREHOUSE/ DISTRIBUTION  
**92.5 MSF**



MANUFACTURING  
**13.2 MSF**



OFFICE SERVICE  
**12.2 MSF**



**2.8 MSF**  
Under Construction



DIRECT ASKING RENT  
**\$8.26**  
PSF/YEAR/NNN



DIRECT VACANCY  
**5.7%**

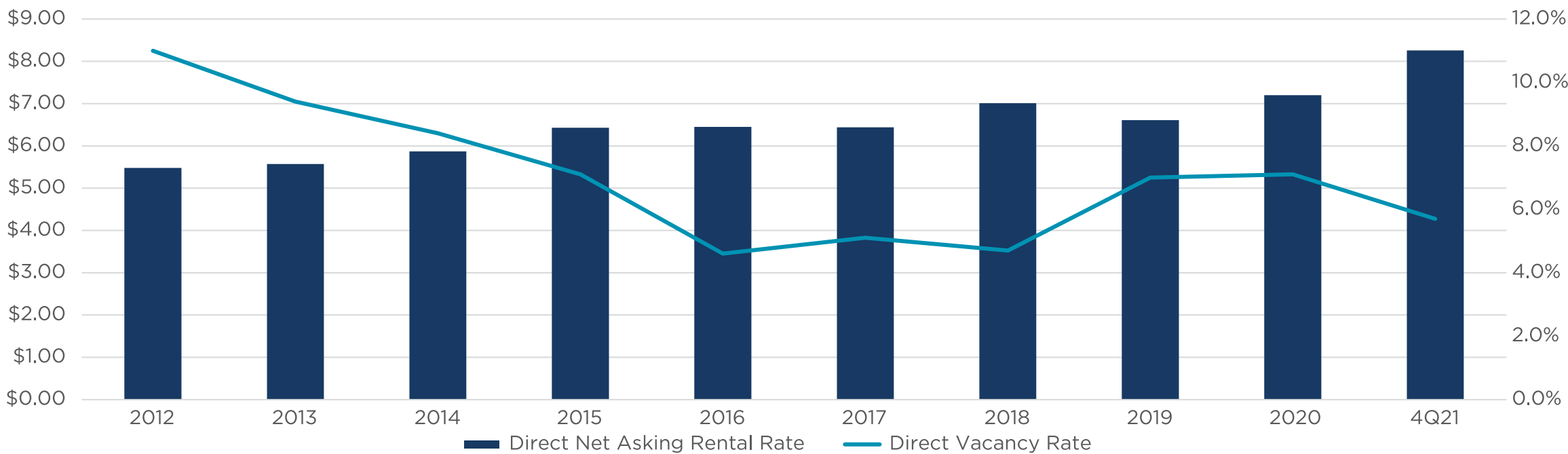


YTD LEASING  
ACTIVITY  
**9.2 MSF**

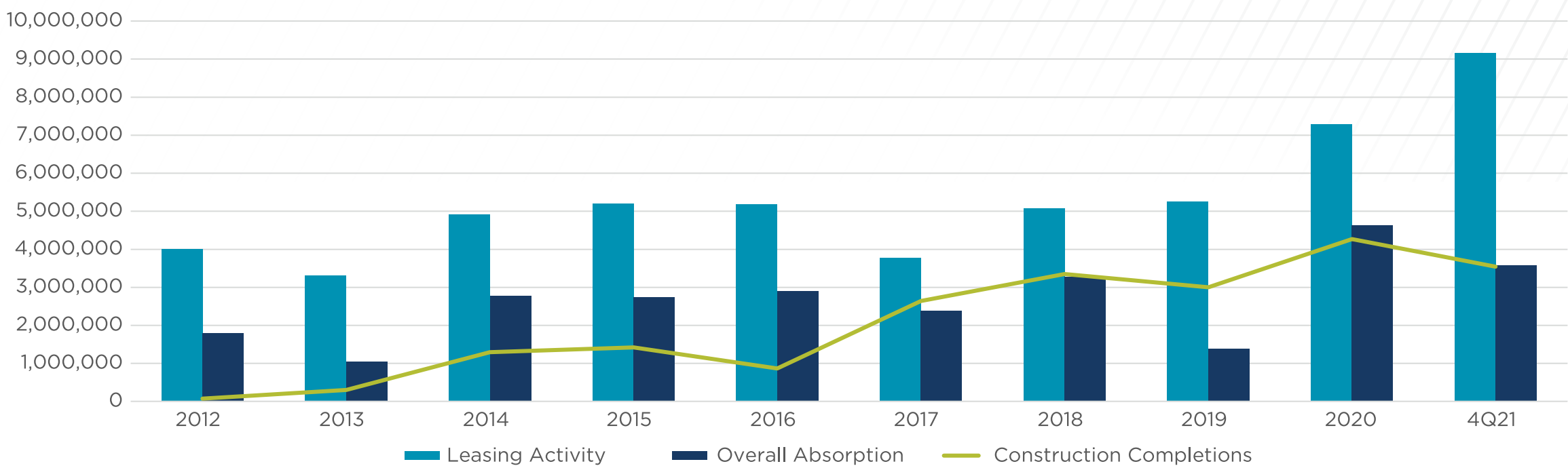


YTD DIRECT NET  
ABSORPTION (SF)  
**3.6 MSF**

DIRECT VACANCY AND RENTAL RATES



LEASING ACTIVITY/ABSORPTION/COMPLETIONS





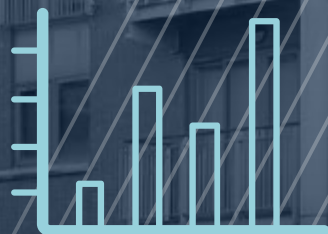
# MULTIFAMILY SNAPSHOT | 4Q 2021



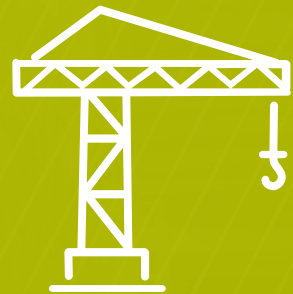
TOTAL INVENTORY  
**187,600**



PRICE PSF  
**\$197,600**



CAP RATE  
**4.4%**



**15,000** UNITS  
Under Construction



AVERAGE RENT/UNIT  
**\$1,668**



DIRECT VACANCY  
**5.1%**

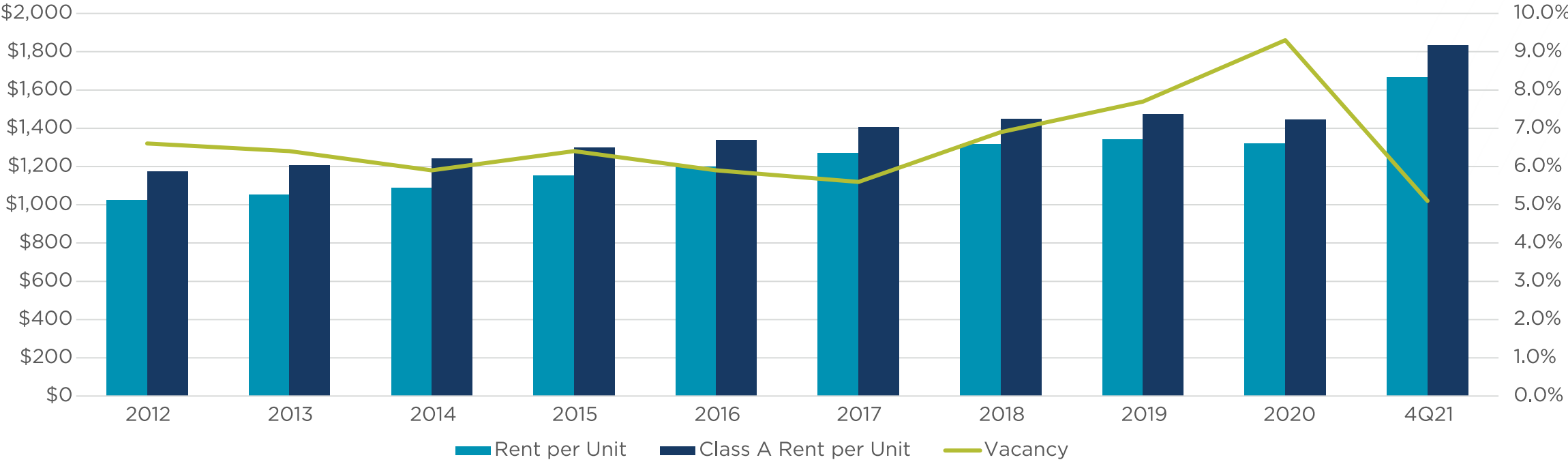


YTD COMPLETIONS  
**8,235 UNITS**

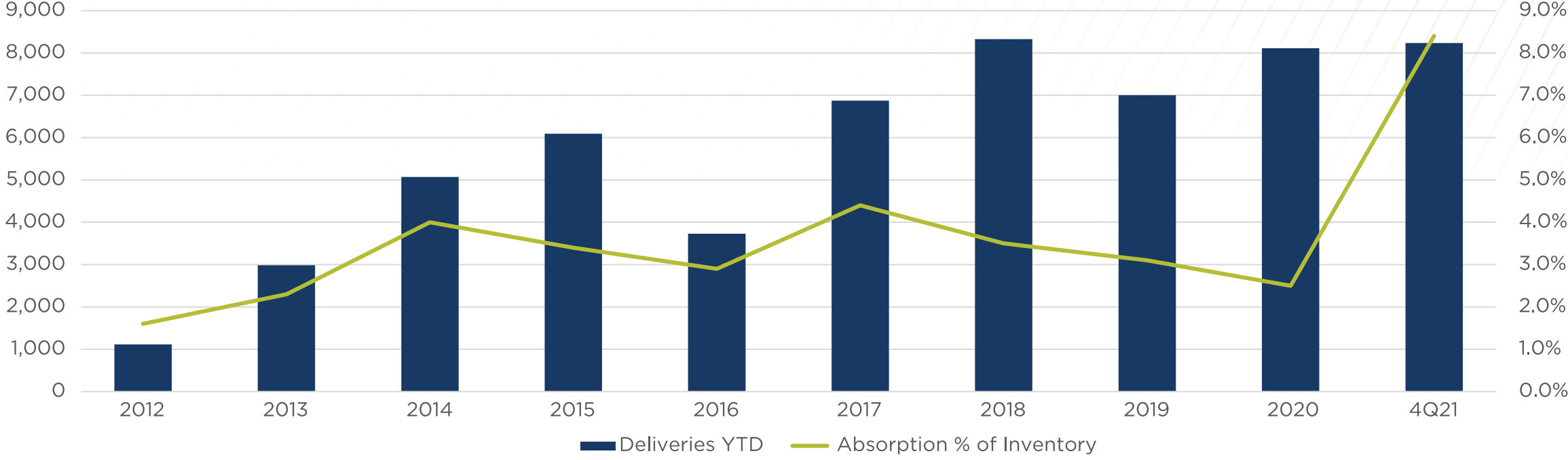


YTD ABSORPTION  
**15,700 UNITS**

RENTAL RATE/UNIT AND VACANCY



DELIVERIES AND ABSORPTION RATE





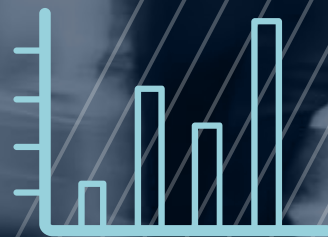
# RETAIL SNAPSHOT | 4Q 2021



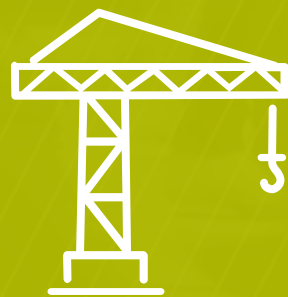
TOTAL INVENTORY  
**150.0 MSF**



PRICE PSF  
**\$253 PSF**



CAP RATE  
**6.8%**



**1.1 MSF**  
Under Construction



DIRECT ASKING RENT  
**\$24.65**  
PSF/YEAR



DIRECT VACANCY  
**3.9%**

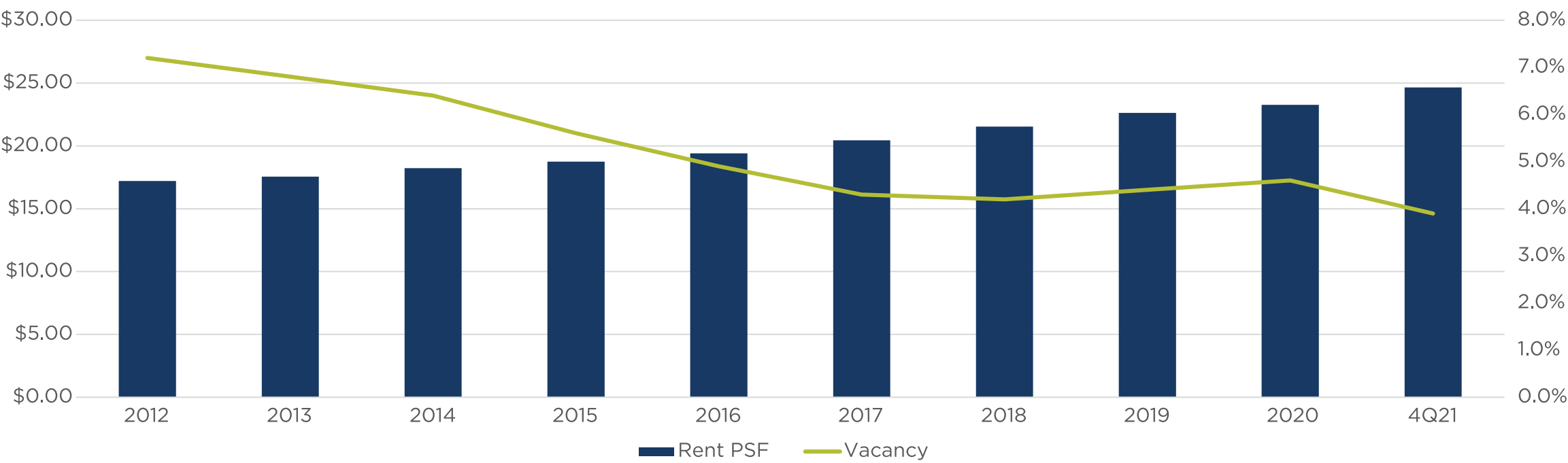


YTD LEASING  
ACTIVITY  
**1.7 MSF**

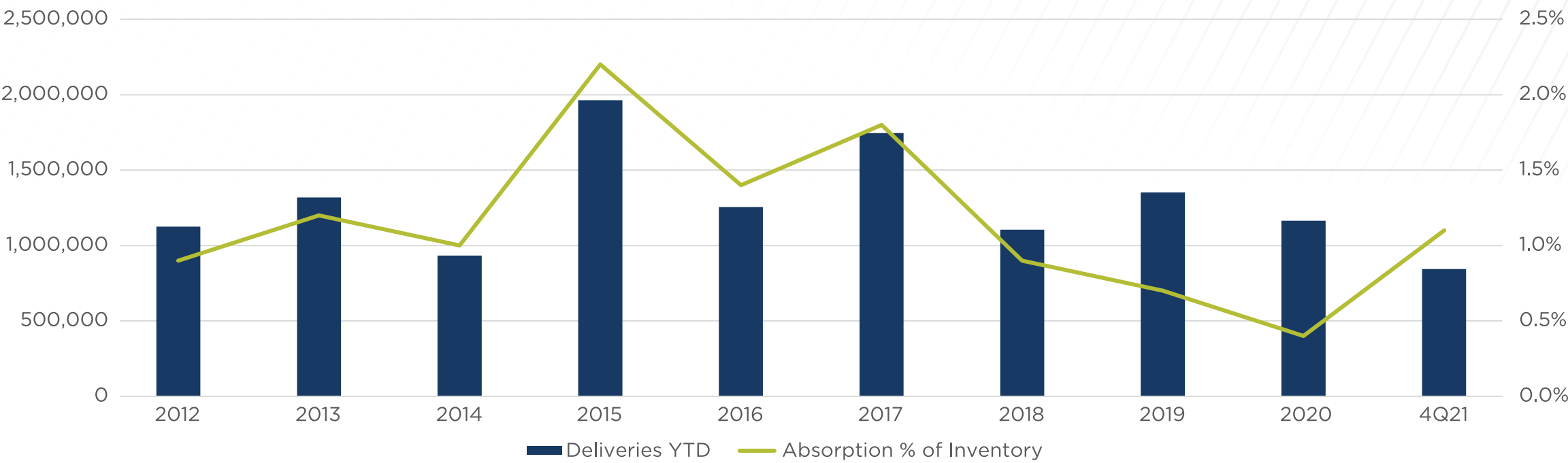


YTD DIRECT NET  
ABSORPTION (SF)  
**1.7 MSF**

ASKING RENT PSF AND VACANCY



DELIVERIES & ABSORPTION RATE





# WHY ORLANDO

DYNAMIC TRENDS DRIVING GROWTH  
*A Cushman & Wakefield Research Report*

## Q4 21

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AT THE  
CENTER OF  
**WHAT'S**  
**NEXT**

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