



YoY
Chg

12-Mo.
Forecast

3.8%

Vacancy Rate

**853K**

YTD Net Absorption

**\$26.14**

Asking Rent, PSF

**2.2M**

Under Construction



Source: BLS (Economic Indicators are representative of specific county or MSA.)

U.S. ECONOMIC INDICATORS Q3 2022

YoY
Chg

12-Mo.
Forecast

7.9%

YOY Consumer Spending Growth

**2.8%**

Unemployment Rate

**8.9%**

Retail Sales Growth



Source: U.S. Bureau of Labor Statistics,
U.S. Department of Commerce

ECONOMY

Orlando, part of the Central Florida region and the state's major tourism market, had an unemployment rate of 2.8% in September 2022, 160 basis points (bps) lower than the region's rate from one year ago. Nonagricultural employment rose by 65,800 jobs, or 5.0%, year-over-year (YOY). Nearly every employment sector gained jobs in the last 12 months with the largest numbers coming from the Leisure & Hospitality sector, up 12.2%. The Trade, Transportation & Utility sector, which includes both wholesale and retail trade, was up 5.4% in the last 12 months.

DEMAND

Retail demand in Orlando and throughout Central Florida improved in 2022 as tourism continued to rebound, returning to largely normal pre pandemic numbers. Orlando led Florida in tourism recovery, largely attributed to Disney and the other theme parks driving national and international visits post Covid-19 shut down. Overall vacancy ended the third quarter at 3.8%, a modest 10 bps decrease YOY to the lowest vacancy rate in the last ten years. Through the first nine months of the year, net absorption was positive at 853,000 square feet (sf).

SUPPLY

Retail construction in Orlando remained restrained in 2022 as supply chain issues continued to lag new projects, with only 19,000 sf delivered during the third quarter. There was a total of 2.2 msf under construction at the end of the third quarter, the second highest in Florida behind only Miami. As Orlando travel increases, especially with the return of international tourists with higher discretionary spending, new retail concepts could be developed near area theme parks, as seen by the 4.8 msf lease for Universal Epic Universe.

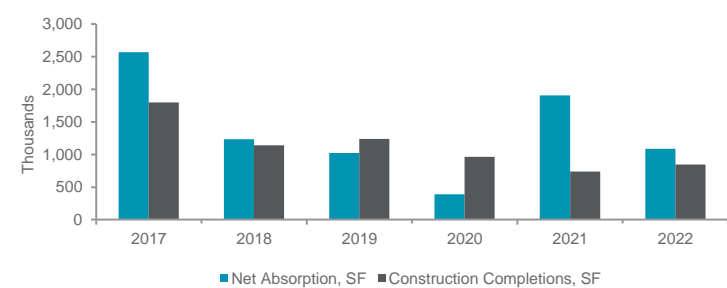
PRICING

The overall retail asking rent in Orlando was \$26.14 per square foot, triple net, an increase of 5.7% YOY. All retail asset types experienced gains and have surpassed historic highs. It is a testament to the resiliency and strengths of Central Florida's consumer market. The fastest pace of rent growth occurred in areas with high residential density such as Winer Park, St. Cloud, and Kissimmee.

OVERALL RENT / VACANCY RATE



SPACE DEMAND / DELIVERIES





MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SF)	NET ABSORPTION % OF INVENTORY	CONSTRUCTION COMPLETIONS (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Malls	14,069,517	831,075	6.7%	(30,538)	-0.2%	0	345,233	\$36.25
Power Center	10,545,560	487,636	3.6%	105,881	1.0%	0	0	\$26.53
Neighborhood Center	46,555,843	2,605,710	5.8%	(84,818)	-0.2%	0	322,892	\$24.79
Strip Center	9,256,253	371,023	3.6%	70,909	0.8%	0	370,866	\$24.71
General Retail	67,745,601	1,496,683	2.0%	753,020	1.1%	42,560	1,167,878	\$24.71
Other	3,426,816	117,608	2.2%	38,664	1.1%	0	0	\$33.74
TOTALS	151,599,590	5,909,735	3.8%	853,118	0.6%	42,560	2,206,869	\$26.14

Source: CoStar, 2022.

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS 2022 YTD

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
8815 Lockheed Martin Blvd	Tourist Corridor	Universal Epic Universe	4,791,600	New Lease
7586 W Irlo Bronson Memorial Hwy	Kissimmee	Undisclosed	183,478	New Lease
5775-5803 S US Highway 17-92	Casselberry	BJs Wholesale Club	103,111	New Lease
3111-3201 E Colonial Dr	436 Corridor	Spirit Halloween	62,725	New Lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS 2022 YTD

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
4601-4697 Millenia Plaza Way	Orlando Central Park	North American Realty Services LLLP/ Orion Real Estate Group	295,628	\$53.3M/\$180
14001-14211 W Colonial Dr	West Colonial	CORE Investment Properties Fund/ Andrew Mirmelli	132,273	\$24.5M/\$185
3040-3086 Dyer Blvd	Kissimmee	East Coast Acquisitions LLC/ Publix Super Markets Inc.	98,136	\$24.3M/\$248
101-241 Towne Center Blvd	Sanford	Apollo Commercial Real Estate Finance, Inc./ Greenberg Gibbons	218,250	\$23.6M/\$108

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