

Orlando

Industrial market snapshot | Q1 2024

The unemployment rate in Orlando sat at 3.2% as of February 2024, up 10 basis points from the start of the fourth quarter, but still outperforming the national average of 3.9%. Total nonfarm employment is up 1.8% year-over-year, with the construction sector also seeing a 1.2% increase in employment since last year.

\$11.01

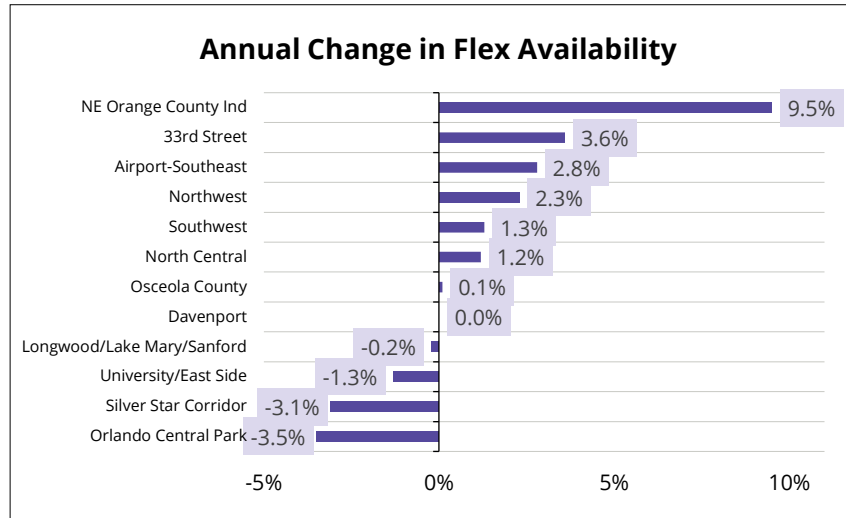
During the first quarter of 2024, asking rates rose 9.8% since 2023, to an average of \$11.01 NNN.

7.3%

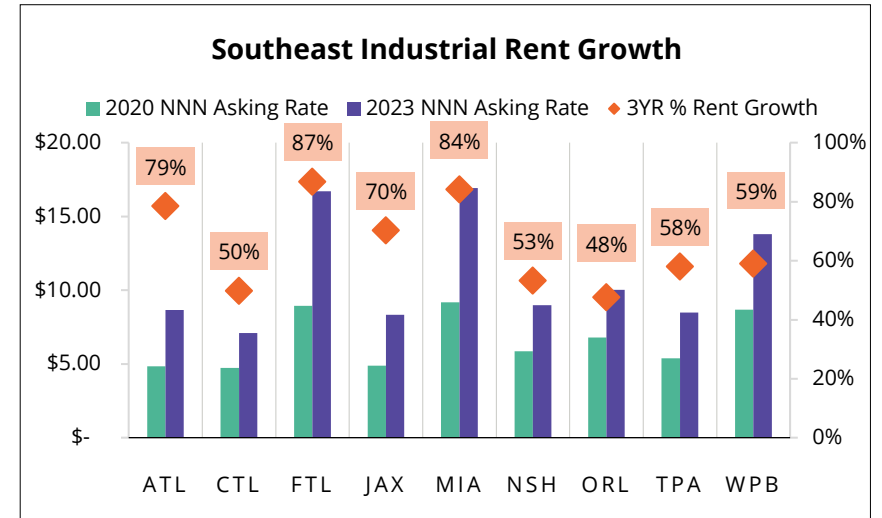
Overall availability for flex buildings sat at 7.3% at the end of the first quarter, up from 6.3% at the same time last year.

1.6 msf

Over 1.6 million square feet has already been delivered in 2024 with an additional 2.5 million square feet underway, signaling another strong year of development.



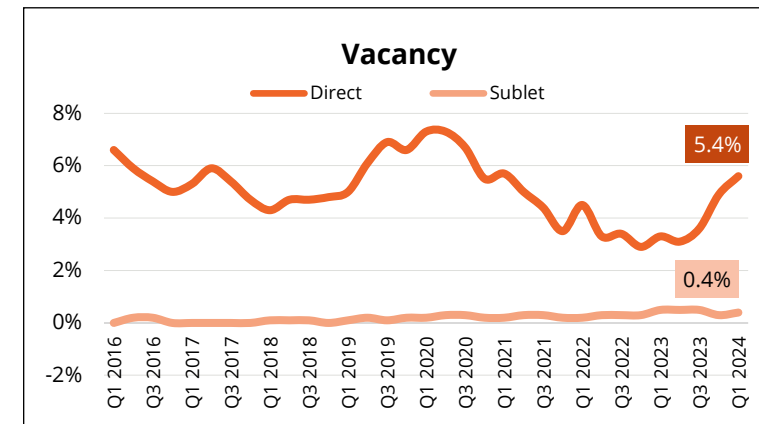
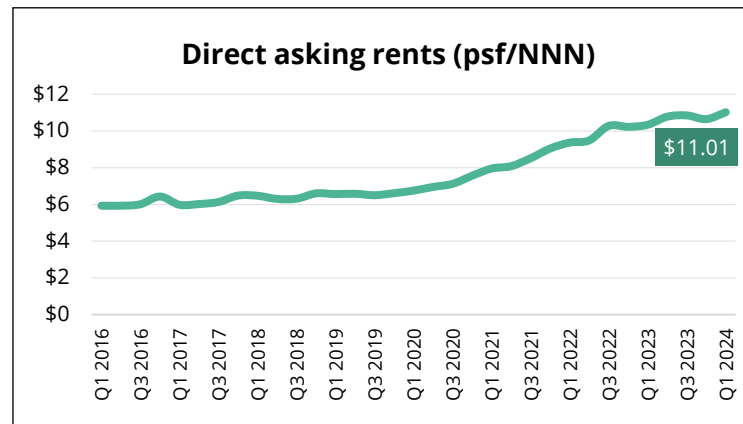
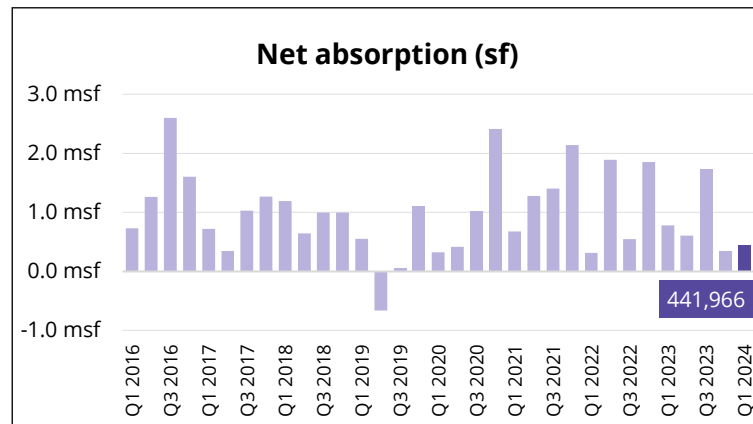
NE Orange County saw the largest jump in flex availability rate out of any submarket, now sitting at 13.8% for the first quarter. Meanwhile, tenant demand has increased in Orlando Central Park and the Silver Star Corridor, leading to a 3.5% and 3.1% decrease in availability year-over-year.



Orlando's industrial market continues to pace North Florida in asking rates, sitting at just over \$10 NNN at the end of 2023. Despite this premium, Orlando still saw a 47.6% three-year increase in asking rates from 2020-2023. Industrial rates continue to increase, up 4% through the first quarter of 2024.

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Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Pinto Transport	901 Mid Florida Dr	167,242	New	Direct
CORT	8550 McCoy Rd	151,791	Renewal	Direct
Best Cheer Stone	1091 Gills Dr	141,680	New	Direct
Grimco	8550 McCoy Rd	110,671	New	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Surefire Properties	70 Keyes Ct	\$8,150,000	\$147	Kemco Properties
Louwer-Lite	102 Semoran Commerce Pl	\$6,500,000	\$127	Grimco
McNulty Group	301 Northstar Ct	\$5,250,000	\$292	Jason Kimbrell
Sunlight Solar	1106 W Central Blvd	\$5,100,000	\$223	PatMin

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Airport-Southeast	39,537,136	377,831	1,436,843	4.4%	0.3%	4.7%	1.1%	(262,799)	(262,799)	\$11.43
Orlando Central Park	21,007,344	-	-	3.5%	0.4%	3.9%	(0.1%)	(327,192)	(327,192)	\$11.38
Northwest	16,589,817	748,435	466,631	20.1%	0.6%	20.7%	13.5%	44,257	44,257	\$9.36
Longwood/Lake Mary/Sanford	13,167,592	139,906	-	5.3%	0.0%	5.3%	2.7%	123,918	123,918	\$10.95
NE Orange County Ind	11,869,246	-	-	2.6%	1.5%	4.1%	0.3%	(17,839)	(17,839)	\$9.20
North Central	11,249,502	-	-	4.0%	0.0%	4.0%	(0.5%)	(5,635)	(5,635)	\$11.18
Southwest	10,810,944	-	188,400	1.5%	0.2%	1.7%	0.6%	28,472	28,472	\$14.02
Silver Star Corridor	10,385,232	-	80,000	2.4%	0.4%	2.8%	(1.0%)	175,125	175,125	\$12.18
Osceola County	7,538,879	395,364	86,580	5.3%	0.0%	5.3%	(1.3%)	582,630	582,630	\$14.64
Davenport	5,933,590	-	80,000	3.8%	0.0%	3.8%	3.8%	-	-	\$9.23
University/East Side	5,548,555	-	246,580	6.5%	0.2%	6.7%	2.8%	115,122	115,122	\$15.16
33rd Street	1,731,703	-	-	2.1%	0.4%	2.6%	1.4%	(14,093)	(14,093)	\$16.00
Market total	155,369,540	1,661,536	2,585,034	5.6%	0.4%	6.0%	2.2%	441,966	441,966	\$11.01

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse/Distribution	139,067,482	1,661,536	2,585,034	5.6%	0.4%	6.0%	2.4%	502,548	502,548	\$10.39
Flex	16,302,058	-	-	5.4%	0.2%	5.6%	1.1%	(60,582)	(60,582)	\$14.88
Market total	155,369,540	1,661,536	2,585,034	5.4%	0.4%	5.8%	2.2%	441,966	441,966	\$11.01