

Orlando

Industrial market snapshot | Q3 2024

In August, Orlando's unemployment rate stood at 3.6%—up 30 basis points year over year, yet still below the national average of 4.2%. Total nonfarm employment has risen 1.6% over the past year, with the construction sector seeing a robust 6.9% increase, while employment in trade, transportation, and utilities grew by 1.1%.

\$10.86 psf

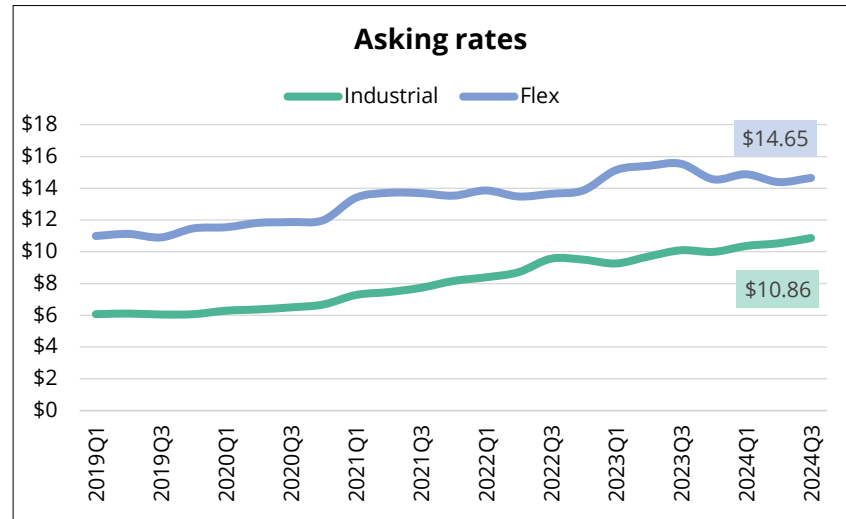
Industrial asking rates continue to experience strong growth—up 7.6% year over year to \$10.86 per square foot NNN.

-17.1%

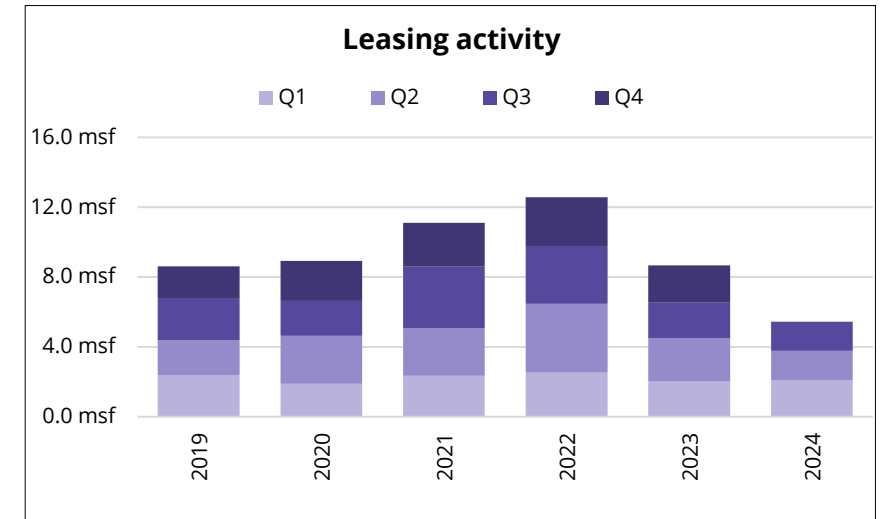
Leasing activity in Orlando totaled just over 5.4 million square feet at the end of the third quarter, trailing last year's levels by 17%.

3.8 msf

The industrial development pipeline in Orlando continues its strong momentum, with 3.8 million square feet delivered so far this year.



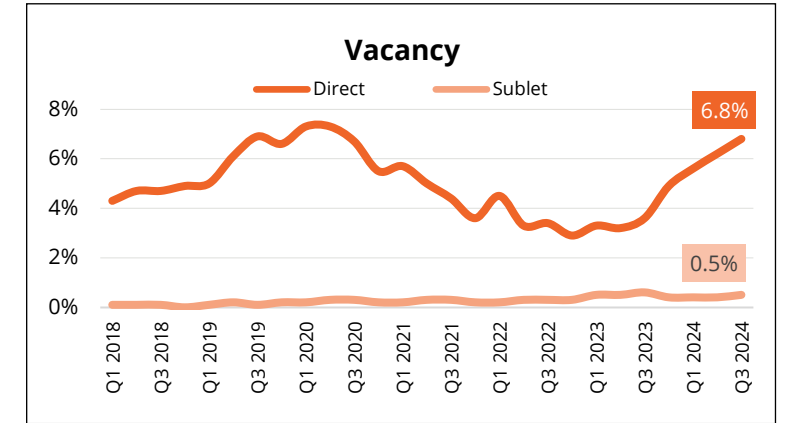
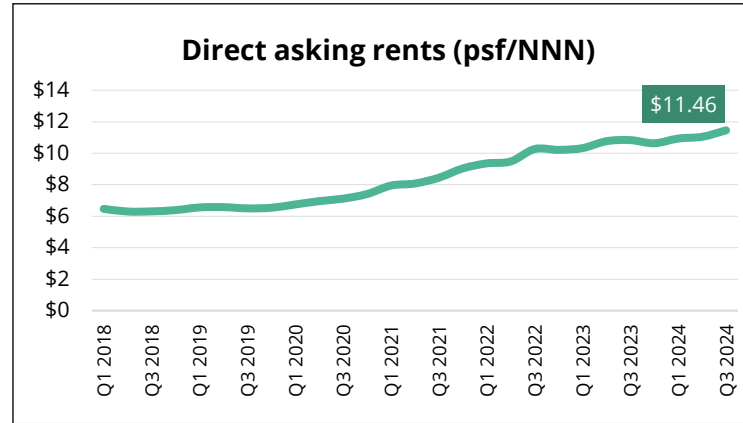
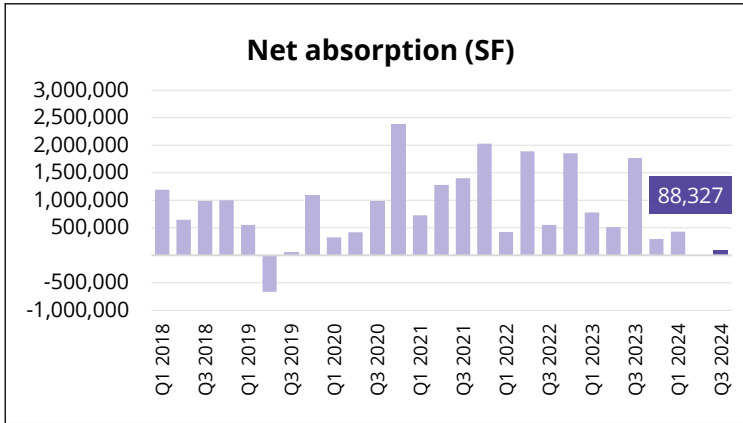
The Orlando industrial market continues to experience steady rent growth, with asking rates rising 8% year over year to \$10.86 per square foot NNN. In contrast, flex space rates have stabilized, with the current average of \$14.65 per square foot NNN, reflecting a 6% decline compared to last year.



The Orlando industrial market has seen its slowest leasing activity in the first three quarters in five years, with a total of 5.4 million square feet leased—a 17.1% decline year over year. Despite economic uncertainty and fewer large tenants in the market, demand remains strong for smaller spaces under 50,000 square feet.

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Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Aerospace One	7650 Amsterdam Dr	220,853	New	Direct
Evolution Electric Vehicles	2351 Investors Row	156,000	New	Direct
Rexel	7445 Southland Blvd	151,800	Renewal	Direct
Victory Packaging	1264 La Quinta Dr	91,394	New	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Principal Financial Group	5010 & 5030 Industrial Ln	\$54,600,000	\$194	Inlight Real Estate Partners
IP Capital Partners	2292 W Sand Lake Rd	\$40,800,000	\$273	Banner Property Group/AGM
LaSalle Investment Management	8670 & 8679 Transport Dr	\$38,125,000	\$145	Oaktree Capital Management

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Location	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (3Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Airport-Southeast	40,392,455	1,424,416	676,678	6.6%	0.4%	6.9%	4.6%	120,935	(170,487)	\$12.51
Orlando Central Park	20,740,910	-	100,000	2.5%	0.4%	2.9%	0.5%	164,103	(153,209)	\$12.73
Northwest	16,925,980	1,106,198	619,750	21.4%	0.7%	22.1%	12.5%	(7,801)	86,452	\$9.58
Longwood/Lake Mary/Sanford	13,196,658	189,406	-	7.1%	0.5%	7.6%	1.7%	(213,991)	(132,474)	\$10.55
NE Orange County Ind	11,820,287	-	-	3.0%	1.8%	4.8%	1.3%	(36,851)	(101,901)	\$9.53
North Central	11,218,072	-	-	4.8%	0.1%	4.8%	1.0%	(132,505)	(99,317)	\$11.99
Southwest	10,999,344	188,400	-	3.1%	0.2%	3.4%	1.5%	19,260	29,035	\$20.11
Silver Star Corridor	10,357,723	-	315,774	2.6%	0.7%	3.3%	(2.3%)	63,155	218,289	\$12.60
Osceola County	7,645,020	524,060	84,886	6.1%	0.0%	6.1%	(2.8%)	77,176	646,146	\$13.21
Davenport	6,013,590	80,000	-	5.7%	0.0%	5.7%	1.9%	30,400	30,400	\$9.15
University/East Side	5,753,413	246,580	-	10.3%	0.1%	10.4%	5.7%	(26,953)	136,599	\$16.77
33rd Street	1,619,675	-	-	0.5%	0.7%	1.2%	(0.8%)	31,399	11,211	\$16.00
Market total	156,683,127	3,759,060	1,797,088	6.8%	0.5%	7.3%	3.1%	88,327	500,744	\$11.46

Type	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (3Q24)	Net absorption (YTD)	Annual direct asking rent psf NNN
Warehouse/Distribution	140,562,328	3,759,060	1,797,088	6.9%	0.5%	7.4%	3.3%	149,019	642,363	\$10.86
Flex	16,120,799	-	-	5.8%	0.3%	6.1%	1.0%	(60,692)	(141,619)	\$14.65
Market total	156,683,127	3,759,060	1,797,088	6.8%	0.5%	7.3%	3.1%	88,327	500,744	\$11.46