

MARKET FUNDAMENTALS

	YOY Chg	Outlook
92.7% Stabilized Occupancy Rate	▼	▲
12,594 YTD Net Absorption, units	▲	▼
\$1,765 Effective Rent, PSF <small>(Overall, All Property Classes)</small>	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.5M Orlando Employment	▲	▲
3.3% Orlando Unemployment Rate	▲	▲
\$79,400 Orlando Median Household Income <small>Source: BLS</small>	▲	▲

ECONOMY

Orlando's population increased by more than 80,000 residents in 2024, bringing the total population to nearly 3.0 million. Nonfarm employment grew by 14,600 new jobs during the last twelve months, reflecting a 1.0% rise. The median household income posted a 3.0% year-over-year (YOY) gain, reaching \$79,400 by the end of Q4. Although the unemployment rate inched up by 20 basis points (bps) to 3.3%, it remained below the national average of 4.2%.

SUPPLY & DEMAND

In Q4, four buildings comprising 770 units were completed, bringing the year-to-date (YTD) total to 43 buildings and 12,570 units—matching 2023's record for units completed in a single year. However, the macroeconomic forces affecting development nationwide have impacted Orlando. At the close of 2024, only 15,526 units were under construction, reflecting a 33.0% decline compared to the same period one year ago. The I-Drive Orlando submarket remained the leader in new developments, accounting for 21.2% of active projects. As Florida's key tourism hub and a significant employment sector, Orlando has been one of the leaders in population growth throughout the state in recent years.

In 2024, demand in Orlando kept pace with the substantial new supply. Nearly 12,600 units were absorbed, up 96.4% YOY. This underscores the city's continued high demand for housing and its strong growth trajectory in the multifamily market. The I-Drive Orlando and Southwest Orlando submarkets collectively accounted for 44.5% of total renter demand in 2024. The stabilized occupancy rate, which excludes properties in their initial lease-up phase or those which have delivered within the last 18 months, decreased by 50 bps YOY to 92.7%. Orlando stands out as the only Florida market currently ranked among the top 10 U.S. multifamily markets for renter demand over the past year.

MARKET PRICING

By the end of Q4, effective rents averaged \$1,765 per unit, representing a slight dip of 0.9% YOY. However, rents have grown by 21.5% over the past five years. The downward pressure on rates has primarily affected newly constructed properties still in the lease-up phase, as landlords focus on attracting and retaining tenants. Class A properties commanded premium rents of \$1,943 per unit, 12.2% more expensive than Class B spaces.

DEMAND / DELIVERIES



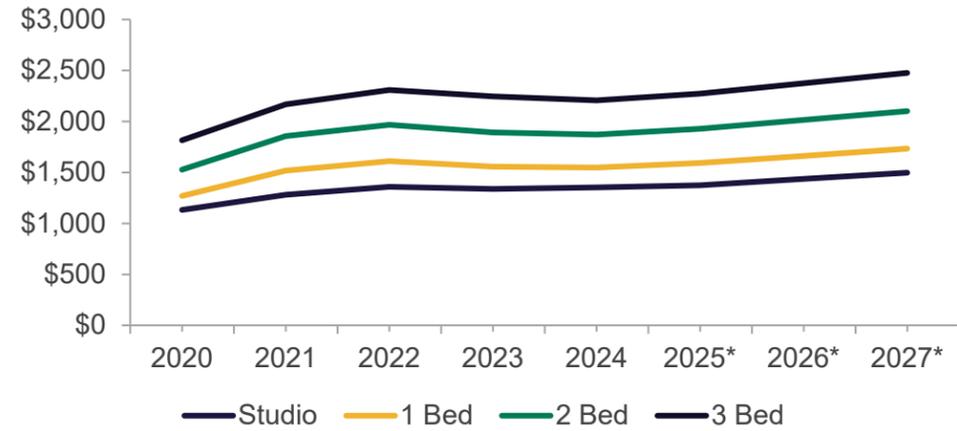
STABILIZED OCCUPANCY & EFFECTIVE RENT



Criteria: End of 4Q24 Data, Excludes Affordable Only Rents, Includes Properties with 100+ Units in Orlando Source: CoStar, Moody's Analytics

MARKET STATISTICS

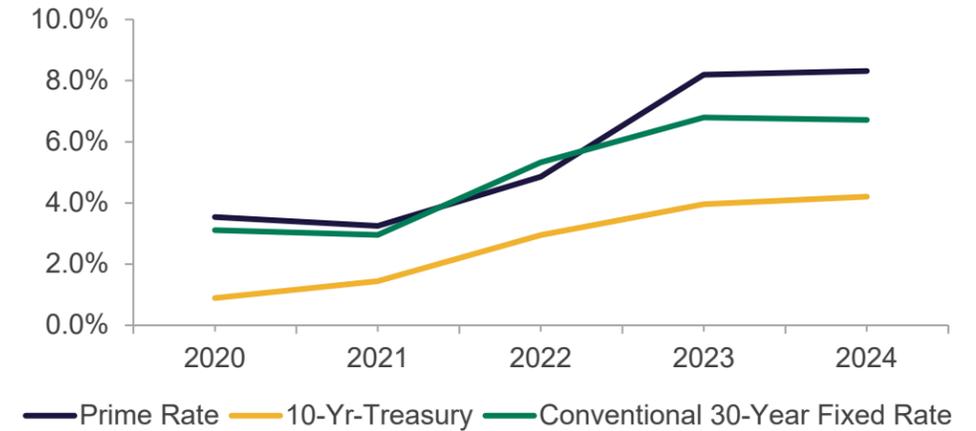
AVERAGE EFFECTIVE RENT PER UNIT BY BEDROOM



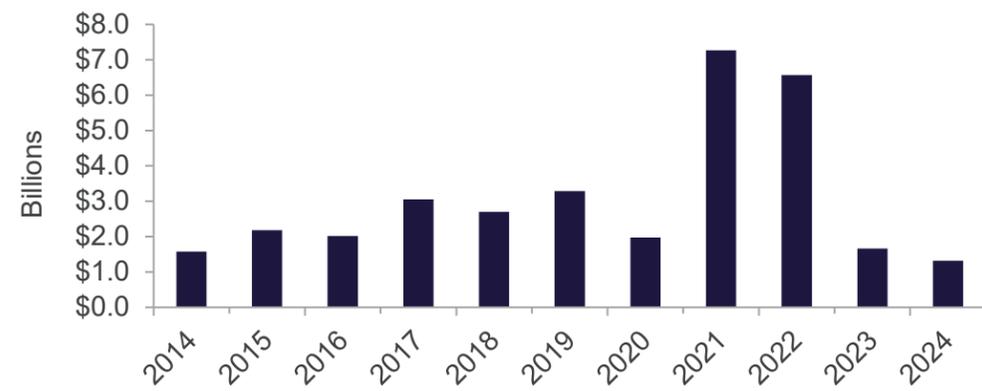
AVERAGE RENT PER UNIT BY CLASS



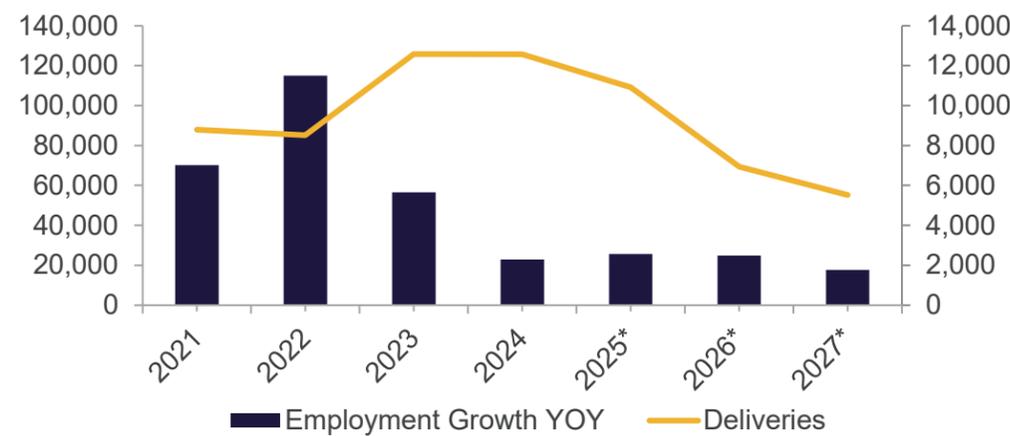
INTEREST RATES



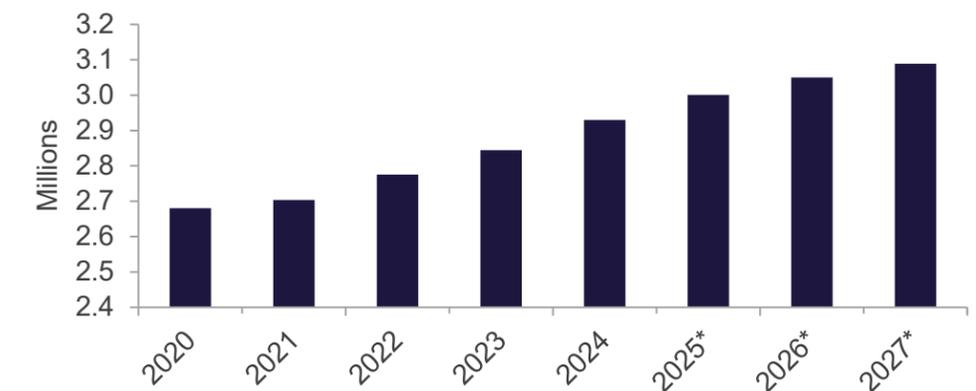
SALES TRANSACTION VOLUME



GROWTH IN JOBS VS UNITS DELIVERED



ORLANDO POPULATION



Source: CoStar, Moody's Analytics *Forecasted Data

MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YOY % ADDED TO INVENTORY	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	STABILIZED OCCUPANCY RATE	AVG EFFECTIVE RENT / UNIT	YOY % EFFECTIVE RENT GROWTH
Downtown Orlando	11,737	462	3.9%	350	282	93.7%	\$1,941	-0.6%
East Orlando	22,034	1,150	5.2%	200	959	92.3%	\$1,655	0.3%
East Outlying	3,384	300	8.9%	0	172	93.4%	\$1,879	-5.2%
Eastside	11,726	0	0.0%	457	174	93.8%	\$1,774	0.5%
I-Drive Orlando	36,316	3,289	9.1%	3,774	3,113	91.2%	\$1,859	-2.3%
Lake Nona	8,163	0	0.0%	3,162	464	93.3%	\$2,030	-0.6%
North Orlando	38,196	672	1.8%	1,326	1,478	92.8%	\$1,714	0.5%
Northwest Orlando	11,508	1,644	14.3%	1,355	2,092	93.2%	\$1,796	-0.8%
South Orlando	28,568	445	1.6%	1,558	736	94.2%	\$1,637	-0.8%
Southwest Orlando	22,006	3,635	16.5%	2,944	2,488	92.4%	\$1,776	-3.4%
West Orlando	16,905	240	1.4%	400	335	91.8%	\$1,589	0.2%
Windermere	5,645	733	13.0%	0	301	92.6%	\$2,059	0.7%
ORLANDO TOTAL	216,188	12,570	5.8%	15,526	12,594	92.7%	\$1,765	-0.9%

SECONDARY MARKETS*	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YOY % ADDED TO INVENTORY	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	STABILIZED OCCUPANCY RATE	AVG EFFECTIVE RENT / UNIT	YOY % EFFECTIVE RENT GROWTH
Marion County (Ocala)	7,144	444	6.2%	2,542	1,118	93.2%	\$1,542	5.3%
Volusia County (Daytona Beach)	20,620	1,815	8.8%	855	1,347	92.0%	\$1,562	-1.5%
Brevard County (Melbourne)	25,136	2,212	8.8%	1,115	1,264	91.9%	\$1,648	0.7%

*Not included in overall stats

KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	UNITS	DELIVERY	DEVELOPER
Catchlight Crossings	I-Drive Orlando	1,000	Q1 2026	Wendover Housing Partners
Millenia Park	South Orlando	960	Q2 2025	MIR Developments
Ascend Nona West	Lake Nona	796	Q1 2025	DHI Communities

KEY SALE TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE \$ UNIT *	YEAR BUILT
The Retreat at Windermere	Windermere	Gateway Windemere LLC Eagle Property Capital	332	\$83M \$249K	2013
The Ivy Residences at Health Village	Downtown Orlando	Frankforter Group Inc. LivCor LLC	248	\$50M \$200K	2014
Perla Gem Lake	North Orlando	Aventon Companies RREEF Property Trust, Inc.	247	\$95M \$386K	2023

* Many transactions are now implementing tax strategies whereby the recorded sale price is not reflective of the actual sale price.

Source: CoStar, Moody's Analytics

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