LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

WE TRACK THE STUFF THAT MATTERS!

# Q4 2025
## ORANGE & SEMINOLE COUNTY
# INDUSTRIAL MARKET REPORT

## QUARTER LEE NOTE

Wrapping up 2025, the market recorded 2,356,826 SF of positive net absorption. In Q4 2025, absorption turned negative by 239,994 SF, which at first glance may appear concerning. However, a closer review of the data shows that this figure was heavily influenced by two large move-outs—Walgreens (351,429 SF) and 1801 Cypress Lake (168,515 SF). Excluding these two transactions, the market would have posted approximately 280,000 SF of positive absorption for the quarter. When factoring in a few additional nuances, adjusted absorption would trend closer to 320,000 SF of positive absorption.

Vacancy increased to 8.61% driven by slightly increasing sublease vacancy and the bulk spaces given back this quarter. Asking rates showed a slight decrease, but rental rates overall remain fairly stable over the last 24 months.

2025 began amid heightened uncertainty and ultimately settled into a holding pattern as the market worked to establish a clearer direction. While conditions had the potential to deteriorate quickly, we are appreciative of the year that ultimately unfolded.

As we look to 2026, we believe the market may begin to move beyond this period of inactivity, with transactions that have remained on the sidelines over the past several years gradually re-entering the market. However, we do not anticipate a return to the transaction environment that market participants became accustomed to in recent years. We believe a more normalized, pre-COVID market is likely to persist, though it may take time for broader market sentiment to fully align with this reality.

## MARKET TRENDS: CHANGES FROM PREVIOUS QUARTER

| ASKING RENTAL RATES | TOTAL MARKET VACANCY | TOTAL NET ABSORPTION | CONSTRUCTION PIPELINE |
|---|---|---|---|
| ▼ $9.64 PSF | ▲ 8.61% | ▼ (239,994) SF | ▲ 3,301,351 SF |

## WHAT YOU NEED TO KNOW

- Total Vacancy increased to 8.61%, driven by higher sublease & continued bulk give-backs.
- 2025 year-to-date net absorption totaled 2,356,862 square feet. Q4 posted negative absorption of 239,994 SF. Accounting for some outliers and nuances, adjusted absorption would trend closer to 320,000 SF of positive absorption.
- Rental rates held relatively steady at $9.64/SF, while vacancy ticked up slightly. Overall, industrial activity remains active but uneven, with leasing momentum concentrated in select transactions and submarkets.

## MARKET SNAPSHOT

| COMPARISON RENTAL RATES PSF: | 4Q-25 | 3Q-25 |
|---|---|---|
| FLEX | $15.66 | $15.47 |
| BULK/DISTRIBUTION | $8.72 | $8.71 |
| MANUFACTURING | $11.20 | $11.06 |
| OFFICE/WAREHOUSE | $13.22 | $13.45 |
| TOTAL MARKET | $9.64 | $9.82 |

| COMPARISON OF MARKET VACANCY: | 4Q-25 | 3Q-25 |
|---|---|---|
| DIRECT | 7.73% | 7.23% |
| SUBLET | 0.88% | 0.69% |
| TOTAL MARKET | 8.61% | 7.92% |

| COMPARISON OF ABSORPTION IN SF: | 4Q-25 | 3Q-25 |
|---|---|---|
| QUARTERLY AMOUNT | -239,994 | 142,596 |
| YEAR-TO-DATE | 2,356,826 | 2,596,820 |

| CONSTRUCTION PIPELINE: 20,000 SF+ | 4Q-25 | 3Q-24 |
|---|---|---|
| U/C (SPECULATIVE & BTS) | 3,301,351 | 2,169,144 |
| DELIVERED (BY QTR) | 508,000 | 263,227 |
| DELIVERED YTD | 3,809,351 | 2,879,835 |

| BUILDING SALES: | 4Q-25 | 3Q-25 |
|---|---|---|
| QUARTERLY TOTAL | $527M | $101M |
| AVERAGE PRICE PSF | $154.48 | $157.26 |

### *UNDERSTANDING THE REPORT*

We do not track ancillary smaller buildings. Lee & Associates tracks all industrial buildings 20,000 square feet and greater within Orange and Seminole counties. Condominium and self-storage properties are not included in this report. Among the buildings tracked, there are four categories: flex, bulk/distribution, manufacturing and office/warehouse. Flex space is defined as a building that provides a configuration allowing tenants a flexible amount of office/showroom area in combination with manufacturing, warehouse and distribution space. Flex buildings will have a higher parking ratio than office/warehouse or bulk buildings, are typically grade level and have an office finish greater than 30 percent. Bulk/distribution is defined as a building which has a clear height of 22' or greater, has a minimum depth of 160' and typically has less than 10 percent office finish. Manufacturing denotes a property used for conversion or assembly of raw or partially raw materials into goods/products. Office/warehouse is defined as buildings that have a clear height of up to 21', have a maximum depth of up to 160' and typically have a higher office finish of 10-25 percent more than bulk buildings. The term "industrial" combines all categories with the exception of flex space, which is tracked and reported separately.

All rental rates reported do not include operating expenses or CAM charges and are reported on a triple net basis. In addition, sublet space is not included in the overall absorption or weighted average rental rates. Buildings that are partially pre-leased are included in positive absorption at the time construction begins. Lee & Associates tracks over 2,000 buildings in Orange and Seminole County which total approximately 139 million square feet. The flex inventory makes up 11 percent of the total space within the market, while the industrial product makes up 89 percent. We end our statistical gathering of data approximately one week prior to the end of each quarter.


If you have any questions regarding this report, please contact:

| | | | | | | | | |
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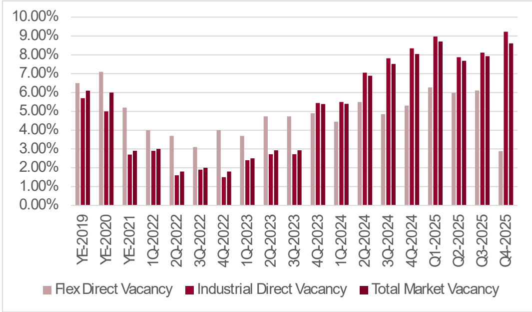
**There is currently 3,301,351 SF of speculative development under construction or imminent. These buildings include:**

- McCraney's 603 Hennis Road - Buildings 100, 200 & 300 totaling 187,754 SF
- Ambrose's Orlando Logistics Park at Lee Vista - Buildings III totaling 219,000 SF
- Constellation's Tract D at AIPO - Buildings 100, 200, Building and 300, totaling 972,079 SF
- Whitley Capital's Logistics Center - totaling 115,982 SF
- Clarion's Gateway Logistics- totaling 220,329 SF
- McCraney's Ridge Commerce Center- totaling 100,000 SF
- Cooper's 357 W 4th Street- totaling 20,250 SF
- ROIAVE Development's 10263 John Young Pkwy totaling- 30,000 SF
- Hickman's 395 Hickman Drive- totaling 16,750 SF
- Venture One's Venture Park Beachline Buildings I & II- totaling 747,494 SF
- Link's Mahogany Pointe Logistics building 300 (A-D)- totaling 671,713 SF

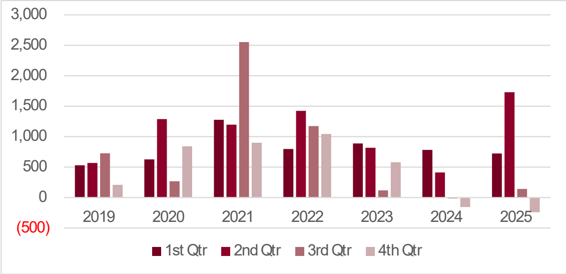
**There was a total of 508,000 SF delivered, which included:**

- Ambrose's Orlando Logistics Park at Lee Vista Buildings I & II totaling- 454,000 SF
- Mapletree's 350 Gills Drive Totaling- 54,000 SF

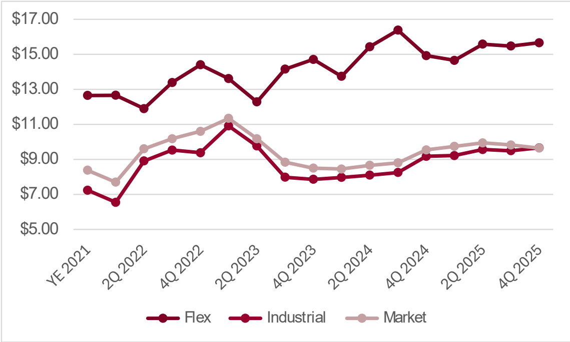
### VACANCY



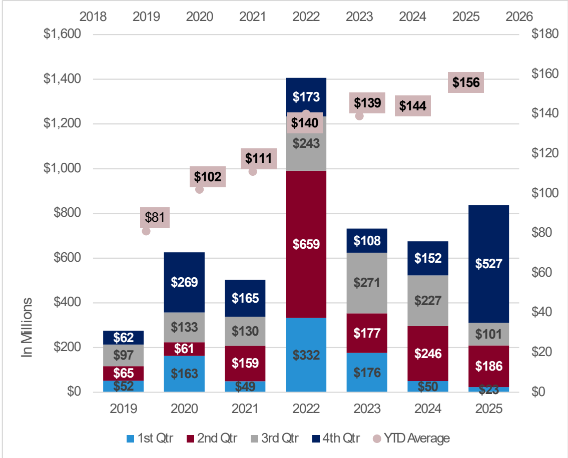

### ABSORPTION




### RENTAL RATES




### SALES & AVERAGE PRICE PSF



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# Q4 2025
## QUARTER IN REVIEW

## TOP FOURTH QUARTER LEASE TRANSACTIONS (RANKED BY SQUARE FEET)

| BUILDING NAME | TENANT | TOTAL SF | SUBMARKET | TYPE |
|---|---|---|---|---|
| 2901 Titan Row LEE & ASSOCIATES | Performance Food Group | 182,055 | Orlando Central Park | Renewal |
| 7469 Brokerage Drive | Darden | 133,424 | Orlando Central Park | Renewal/Expansion |
| 2490 Principal Row LEE & ASSOCIATES | Theme Park User | 76,350 | Southwest | New |
| 3057 Tradeport Drive | Siemens | 73,247 | Airport Southeast | New |
| 1260 Northland Lane | Thyssenkrupp | 68,849 | Northwest | New |
| 3503 St. Johns Parkway LEE & ASSOCIATES | OnSight Industries, LLC | 65,280 | Longwood/Lk Mary/Sanford | New |
| 3851 Center Loop | AAA AC Supplies | 63,166 | Silver Star | New |
| 3325 Silver Star Road | Aggressive Appliances | 63,000 | Silver Star | New |
| 1315 Jack Junction Way LEE & ASSOCIATES | Emelody Worldwide, Inc. | 58,162 | Northwest | New |

## TOP FOURTH QUARTER SALE TRANSACTIONS (RANKED BY SQUARE FEET)

| BUILDING NAME | SUBMARKET | TOTAL SF | BUYER | SELLER | SALE PRICE | PSF |
|---|---|---|---|---|---|---|
| Apopka Commerce Center | Northwest | 546,848 SF | Advent Health | EQT Real Estate | $84,250,000 | $154.06 |
| McCoy Logistics Center | Airport/Southeast | 837,115 SF | Cabot Properties | Brookfield Properties | $131,000,000 | $156.49 |
| CVS Distribution Center | Orlando Central Park | 713,585 SF | MG3 Group | PBV Logistics Center | $57,000,000 | $79.88 |
| Sunport Center | Airport/Southeast | 148,164 SF | MC Sunport LLC | Penn-Florida Realty Corporation | $25,225,000 | $170.25 |
| Monroe Commerce Park | Longwood | 118,680 SF | Trinity Family Builders | Charles Wayne Properties | $20,410,000 | $171.98 |
| Midtown Commerce Center | Silverstar | 111,575 SF | TIAA | Cabot Properties | $27,000,000 | $241.99 |
| Sand Lake Business Center | Orlando Central Park | 112,352 SF | Midtown Capital Partners | Inter & Co | $26,000,000 | $231.42 |
| Princeton Oaks | Silverstar | 510,615 SF | RREEF | Princeton Oaks Industrial Investors | $103,000,000 | $201.72 |
| Live Oaks Commerce Center | North Central | 97,031 SF | Private Buyer | Private Seller | $13,300,000 | $137.07 |
| Vineland Buisness Center | 33rd Street | 65,385 SF | CenterSquare Investment Management | Helanco Properties | $14,500,000 | $221.76 |
| Northwest Commerce Center | Silverstar | 53,960 SF | Trinity Family Builders | Lowrie Brown Investment Company | $8,175,000 | $151.50 |
| Rosemont Commerce Park | Silverstar | 20,720 SF | 6025 Cinderlane LLC | Private Seller | $3,900,000 | $188.22 |

LEE & ASSOCIATES * Logo reflects transactions that Lee & Associates participated in.

# Q4 2025
## QUARTER IN REVIEW

| Submarket | # of Bldgs | Total RSF | Direct Vacant SF | Direct Vacancy | Sublet Vacant SF | Sublet Vacancy | Total Vacancy | Quarterly Absorption | Dir Wtd Avg. Asking Rate |
|---|---|---|---|---|---|---|---|---|---|
| NORTHWEST | | | | | | | | | |
| Bulk/Distribution | 48 | 12,092,269 SF | 3,753,401 SF | 31.04% | 265,890 SF | 2.20% | 33.24% | 185,954 SF | $7.77 |
| Flex | 22 | 499,077 SF | 19,377 SF | 3.88% | 0 SF | 0.00% | 3.88% | -450 SF | $15.41 |
| Manufacturing | 18 | 1,238,395 SF | 114,832 SF | 9.27% | 0 SF | 0.00% | 9.27% | -3,000 SF | $18.00 |
| Office/Warehouse | 114 | 6,719,770 SF | 583,949 SF | 8.69% | 78,021 SF | 1.16% | 9.85% | 18,761 SF | $13.68 |
| *Submarket Total* | 202 | 20,549,511 SF | 4,471,559 SF | 21.76% | 343,911 SF | 1.67% | 23.43% | 201,265 SF | $8.13 |
| AIRPORT / SOUTHEAST | | | | | | | | | |
| Bulk/Distribution | 137 | 25,284,524 SF | 2,266,629 SF | 8.96% | 312,115 SF | 1.23% | 10.20% | -251,604 SF | $9.79 |
| Flex | 80 | 3,206,546 SF | 45,955 SF | 1.43% | 7,200 SF | 0.22% | 1.66% | 36,776 SF | $17.09 |
| Office/Warehouse | 271 | 17,988,620 SF | 205,646 SF | 1.14% | 51,044 SF | 0.28% | 1.43% | 17,162 SF | $13.69 |
| *Submarket Total* | 488 | 46,479,690 SF | 2,518,230 SF | 5.42% | 370,359 SF | 0.80% | 6.21% | -197,666 SF | $10.27 |
| SOUTHWEST | | | | | | | | | |
| Bulk/Distribution | 17 | 3,019,987 SF | 151,994 SF | 5.03% | 99,496 SF | 3.29% | 8.33% | -133,482 SF | $11.52 |
| Flex | 17 | 764,292 SF | 9,819 SF | 1.28% | 0 SF | 0.00% | 1.28% | 17,742 SF | $18.00 |
| Office/Warehouse | 35 | 3,407,805 SF | 41,408 SF | 1.22% | 0 SF | 0.00% | 1.22% | -36,608 SF | $17.50 |
| *Submarket Total* | 69 | 7,192,084 SF | 203,221 SF | 2.83% | 99,496 SF | 1.38% | 4.21% | -152,348 SF | $12.27 |
| ORLANDO CENTRAL PARK | | | | | | | | | |
| Bulk/Distribution | 52 | 8,710,706 SF | 1,335,196 SF | 15.33% | 69,066 SF | 0.79% | 16.12% | -405,141 SF | $9.74 |
| Flex | 37 | 1,420,437 SF | 38,189 SF | 2.69% | 0 SF | 0.00% | 2.69% | 13,111 SF | $16.61 |
| Manufacturing | 1 | 64,146 SF | 0 SF | 0.00% | 0 SF | 0.00% | 0.00% | 0 SF | $0.00 |
| Office/Warehouse | 78 | 4,928,448 SF | 41,302 SF | 0.84% | 3,959 SF | 0.08% | 0.92% | 3,598 SF | $15.73 |
| *Submarket Total* | 168 | 15,123,737 SF | 1,414,687 SF | 9.35% | 73,025 SF | 0.48% | 9.84% | -388,432 SF | $10.16 |
| NORTH CENTRAL | | | | | | | | | |
| Flex | 35 | 945,035 SF | 37,965 SF | 4.02% | 0 SF | 0.00% | 4.02% | 16,910 SF | $14.10 |
| Manufacturing | 9 | 393,189 SF | 38,603 SF | 9.82% | 0 SF | 0.00% | 9.82% | -16,703 SF | $0.00 |
| Office/Warehouse | 45 | 1,595,195 SF | 82,117 SF | 5.15% | 0 SF | 0.00% | 5.15% | -16,212 SF | $13.97 |
| *Submarket Total* | 89 | 2,933,419 SF | 158,685 SF | 5.41% | 0 SF | 0.00% | 5.41% | -16,005 SF | $14.07 |
| CENTRAL ORLANDO | | | | | | | | | |
| Flex | 10 | 330,496 SF | 1,100 SF | 0.33% | 0 SF | 0.00% | 0.33% | 0 SF | $18.00 |
| Manufacturing | 16 | 811,387 SF | 42,192 SF | 5.20% | 0 SF | 0.00% | 5.20% | 0 SF | $0.00 |
| Office/Warehouse | 89 | 3,431,474 SF | 251,229 SF | 7.32% | 0 SF | 0.00% | 7.32% | -65,598 SF | $12.16 |
| *Submarket Total* | 115 | 4,573,357 SF | 294,521 SF | 6.44% | 0 SF | 0.00% | 6.44% | -65,598 SF | $12.20 |
| 33RD STREET | | | | | | | | | |
| Bulk/Distribution | 6 | 792,091 SF | 0 SF | 0.00% | 0 SF | 0.00% | 0.00% | 0 SF | $0.00 |
| Flex | 32 | 1,012,581 SF | 21,315 SF | 2.11% | 0 SF | 0.00% | 2.11% | 50,221 SF | $14.85 |
| Office/Warehouse | 81 | 3,724,055 SF | 237,262 SF | 6.37% | 79,729 SF | 2.14% | 8.51% | -96,118 SF | $12.27 |
| *Submarket Total* | 119 | 5,528,727 SF | 258,577 SF | 4.68% | 79,729 SF | 1.44% | 6.12% | -45,897 SF | $12.59 |
| SILVER STAR | | | | | | | | | |
| Bulk/Distribution | 18 | 3,745,938 SF | 191,718 SF | 5.12% | 85,610 SF | 2.29% | 7.40% | 55,000 SF | $10.17 |
| Flex | 30 | 1,087,017 SF | 34,428 SF | 3.17% | 0 SF | 0.00% | 3.17% | 10,746 SF | $15.13 |
| Manufacturing | 24 | 2,020,660 SF | 10,500 SF | 0.52% | 0 SF | 0.00% | 0.52% | 0 SF | $15.49 |
| Office/Warehouse | 184 | 9,473,579 SF | 279,885 SF | 2.95% | 113,702 SF | 1.20% | 4.15% | 3,538 SF | $13.21 |
| *Submarket Total* | 256 | 16,327,194 SF | 516,531 SF | 3.16% | 199,312 SF | 1.22% | 4.38% | 69,284 SF | $12.23 |
| LONGWOOD / LAKE MARY / SANFORD | | | | | | | | | |
| Bulk/Distribution | 22 | 2,726,637 SF | 83,124 SF | 3.05% | 0 SF | 0.00% | 3.05% | 150,592 SF | $9.92 |
| Flex | 74 | 2,731,541 SF | 111,695 SF | 4.09% | 0 SF | 0.00% | 4.09% | 156,020 SF | $13.97 |
| Manufacturing | 49 | 3,178,710 SF | 126,272 SF | 3.97% | 0 SF | 0.00% | 3.97% | -35,272 SF | $10.25 |
| Office/Warehouse | 169 | 6,875,122 SF | 170,336 SF | 2.48% | 20,650 SF | 0.30% | 2.78% | -15,605 SF | $12.59 |
| *Submarket Total* | 314 | 15,512,010 SF | 491,427 SF | 3.17% | 20,650 SF | 0.13% | 3.30% | 255,735 SF | $11.91 |
| EAST SIDE | | | | | | | | | |
| Bulk/Distribution | 6 | 904,402 SF | 283,340 SF | 31.33% | 0 SF | 0.00% | 31.33% | 54,292 SF | $0.00 |
| Flex | 40 | 1,584,560 SF | 65,333 SF | 4.12% | 0 SF | 0.00% | 4.12% | 45,376 SF | $21.35 |
| Manufacturing | 13 | 602,309 SF | 20,091 SF | 3.34% | 0 SF | 0.00% | 3.34% | 0 SF | $0.00 |
| Office/Warehouse | 55 | 2,246,056 SF | 91,303 SF | 4.07% | 43,350 SF | 1.93% | 6.00% | 0 SF | $14.75 |
| *Submarket Total* | 114 | 5,337,327 SF | 460,067 SF | 8.62% | 43,350 SF | 0.81% | 9.43% | 99,668 SF | $16.50 |
| TOTALS | | | | | | | | | |
| **TOTAL BULK** | 306 | 57,276,554 SF | 8,065,402 SF | 14.08% | 832,177 SF | 1.45% | 15.53% | -344,389 SF | $8.72 |
| **TOTAL FLEX** | 377 | 13,581,582 SF | 385,176 SF | 2.84% | 7,200 SF | 0.05% | 2.89% | 346,452 SF | $15.66 |
| **TOTAL MANUFACTURING** | 130 | 8,308,796 SF | 352,490 SF | 4.24% | 0 SF | 0.00% | 4.24% | -54,975 SF | $11.20 |
| **TOTAL OFFICE/WAREHOUSE** | 1,121 | 60,390,124 SF | 1,984,437 SF | 3.29% | 390,455 SF | 0.65% | 3.93% | -187,082 SF | $13.22 |
| **TOTAL MARKET** | 1,934 | 139,557,056 SF | 10,787,505 SF | 7.73% | 1,229,832 SF | 0.88% | 8.61% | -239,994 SF | $9.64 |
| **TOTAL INDUSTRIAL SPACE** | 1,557 | 125,975,474 SF | 10,402,329 SF | 8.26% | 1,222,632 SF | 0.97% | 9.23% | -586,446 SF | $9.66 |

***Note that total industrial space excludes Flex**