LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

WE TRACK THE STUFF THAT MATTERS!

Q2 2026
ORANGE & SEMINOLE COUNTY
INDUSTRIAL MARKET REPORT

QUARTER LEE NOTE

The second quarter of 2026 marked a strong rebound for the Orlando industrial market, posting 996,347 SF of positive net absorption, the strongest quarterly performance since Q2 2025. This also increased rolling 12-month net absorption to approximately 850,000 SF, signaling improving market fundamentals following two consecutive quarters of negative absorption. While the quarter's results were supported by several larger lease transactions, including a 330,000 SF lease in the Northwest submarket, positive absorption was broad-based across multiple submarkets and tenant size ranges.

Vacancy remains steady at 9.90%, buoyed by recent deliveries, though the recent demand suggest some of the supply will get leased up in relatively short order. Digging further into the data, leasing activity remained concentrated among smaller users, with spaces under 10,000 SF accounting for approximately 63% of all transactions. The 10,000–50,000 SF segment represented an additional 28% of leasing activity, while transactions exceeding 50,000 SF comprised just under 10% of total deals but continued to account for a significant share of overall absorption.

As we move through the second half of 2026, market fundamentals continue to trend in a positive direction. New supply will continue to come online, but tenant demand seems to have picked up and has finally absorbed some long-standing vacancies. While quarterly absorption may continue to be influenced by larger transactions, the sustained level of leasing activity across a broad range of tenant sizes provides confidence that the Orlando industrial market remains on solid footing heading into the remainder of the year.

MARKET TRENDS: CHANGES FROM PREVIOUS QUARTER

ASKING RENTAL RATES	TOTAL MARKET VACANCY	TOTAL NET ABSORPTION	CONSTRUCTION PIPELINE
▲	▼	▲	▲
$10.20 PSF	9.90%	996,347 SF	4,240,352 SF

WHAT YOU NEED TO KNOW

- Total vacancy is steady at 9.90%
- Q2 net absorption totaled 996,347 square feet
- Overall asking rental rates increased to an average of $10.20/SF
- Sales pricing rose again this quarter and is now $168.97/SF

MARKET SNAPSHOT

COMPARISON RENTAL RATES PSF:

	2Q-26	1Q-26
FLEX	$16.11	$16.11
BULK/DISTRIBUTION	$9.13	$8.79
MANUFACTURING	$11.94	$12.62
OFFICE/WAREHOUSE	$12.34	$12.89
TOTAL MARKET	$10.20	$9.97

COMPARISON OF MARKET VACANCY:

	2Q-26	1Q-26
DIRECT	8.50%	8.95%
SUBLET	1.40%	1.40%
TOTAL MARKET	9.90%	10.36%

COMPARISON OF ABSORPTION IN SF:

	2Q-26	1Q-26
QUARTERLY AMOUNT	996,347	-49,274
YEAR-TO-DATE	947,073	-49,274

CONSTRUCTION PIPELINE: 20,000 SF+

	2Q-26	1Q-26
U/C (SPECULATIVE & BTS)	4,240,352	4,167,883
DELIVERED (BY QTR)	568,561	1,378,833
DELIVERED YTD	1,947,394	1,378,833

BUILDING SALES:

	2Q-26	1Q-26
QUARTERLY TOTAL	$143M	$379M
AVERAGE PRICE PSF	$169.00	$155.00

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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Q2 2026
QUARTER IN REVIEW

There is currently 1,864,152 SF of speculative development under construction or imminent. Notable buildings include:

- Chesterfield's at Lake Mary Technology Center - totaling 239,892 SF
- Venture One's Venture Park Beachline Buildings I & II - totaling 747,494 SF
- Strategic Real Estate Partners Camp Lake Commerce Center - totaling 379,315 SF
- Dalfen's SoDo Logistics Center - totaling 205,386 SF
- Tavistock's Synergy Park in Lake Nona - totaling 159,261 SF
- Atrium's ADG Business Park - totaling 86,065 SF

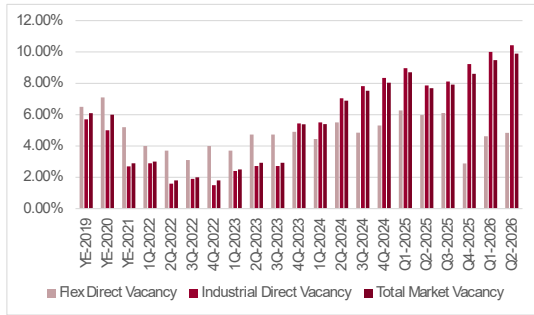
Notably, there is also 2,406,200 SF of build-to-suits under construction, the largest being 1,900,000 SF for a national retailer. Others include Fergusson, Addison HVAC, and Aggressive Appliances.

There was a total of 568,561 SF delivered, which included:

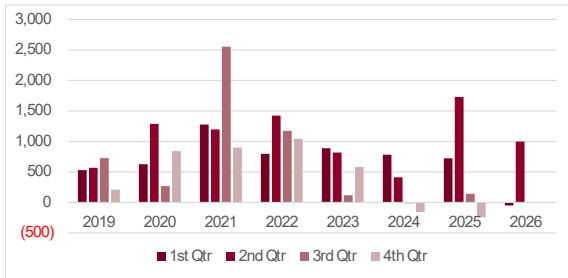
- Clarion's Gateway Logistics - totaling 220,329 SF
- Whitley Capital's Logistic Center in Sanford - totaling 115,982 SF
- First Industrial's Addison HVAC BTS at 5711 N Pine Hills Rd - totaling 112,000 SF
- McCraney's Ridge Commerce Center - totaling 100,000 SF

As a note, we are also tracking EastGroup's Northridge Trail Logistics Center in Davenport, totaling 229,064 SF (This is in Polk County and would increase the overall speculative development pipeline under construction to 2,093,216 SF)

VACANCY

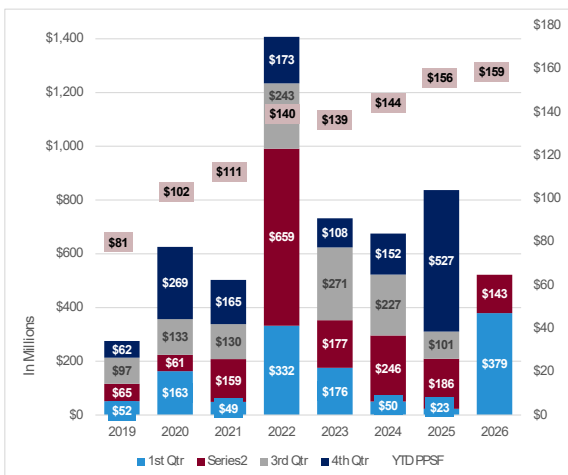


ABSORPTION



RENTAL RATES

SALES & AVERAGE PRICE PSF



TOP SECOND QUARTER LEASE TRANSACTIONS (RANKED BY SQUARE FEET)

BUILDING NAME	TENANT	TOTAL SF	SUBMARKET	TYPE
4600 Apopka Logistics Pkwy.	GOFO Inc.	329,739	Northwest	New
3200 Mercy Dr.	Whitecap	148,918	Silver Star	New
4545 Portier St.	JDL	144,684	Airport Southeast	New
10425 S Orange Ave	Waymo	130,400	Airport Southeast	New
1101 Old Lake Wilson Rd	Disney	104,635	Osceola	New
7150 LeeVista Blvd	Confidential	103,000	Airport Southeast	New
2500 Principal Row	1-800-Pack-Rat, LLC	69,002	Orlando Central Park	Renewal
601 Gills Drive	Leslie's Poolmart, Inc.	67,339	Airport Southeast	New
350 Gills Drive	Howard Fertilizer & Chemicals, LLC	54,000	Airport Southeast	New
2500 Principal Row	Cambria Compancy, LLC	51,813	Orlando Central Park	Renewal

TOP SECOND QUARTER SALE TRANSACTIONS (RANKED BY SQUARE FEET)

BUILDING NAME	SUBMARKET	TOTAL SF	BUYER	SELLER	SALE PRICE	PSF
Cypress Park Portfolio 9500-9901 Satellite Blvd	Airport / Southeast	256,838 SF	Midtown Capital	Harbert	$56,100,000	$218.43
Longwood Commerce Park 1225 Bennett Drive	Longwood / Lake Mary / Sanford	110,200 SF	Workbay	Z Asset Management	$15,500,000	$140.65
Aloma Forsyth Center 3500 Aloma Ave	East Side/University	85,000 SF	Henry McClane	Great American Land Management, Inc.	$7,810,000	$91.88
Regency 10303 General Druive	Airport / Southeast	64,400 SF	McAlear Group	Sun-tek Industries Limited Partners	$10,000,000	$155.28
Ocoee Business Park 567 Ocoee Business Pky	Northwest	63,158 SF	Box Equities	Empire Office	$11,000,000	$174.17
14748 W. Colonial Dr.	Northwest	35,806 SF	La Familia, LLC	Colonial Holding Group LLC	$6,500,000	$181.53
3600 Parkway Center Ct	Silverstar	33,667 SF	Leather Impressions, Inc.	Storage Mco LLC	$5,500,000	$163.36
2100 W Central	Central Orlando	30,000 SF	Mindful Capital Group	Lowrie Brown Investment Company	$4,600,000	$153.33
4427 John Young Parkway	Silverstar	25,610 SF	4427 N. John Young Pkwy. LLC	Brewland Properties LLC	$6,250,000	$244.05

* Logo reflects transactions that Lee & Associates participated in.

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	3,275,113 SF	27.08%	443,289 SF	3.67%	30.75%	360,252 SF	$7.82
Flex	22	499,077 SF	15,467 SF	3.10%	0 SF	0.00%	3.10%	-4,500 SF	$16.36
Manufacturing	18	1,238,395 SF	27,145 SF	2.19%	0 SF	0.00%	2.19%	-1,500 SF	$16.22
Office/Warehouse	122	7,027,772 SF	915,906 SF	13.03%	70,325 SF	1.00%	14.03%	-32,936 SF	$12.20
Submarket Total	210	20,857,513 SF	4,233,631 SF	20.30%	513,614 SF	2.46%	22.76%	321,316 SF	$8.59
AIRPORT / SOUTHEAST									
Bulk/Distribution	138	25,580,352 SF	2,358,565 SF	9.22%	315,836 SF	1.23%	10.45%	291,259 SF	$9.91
Flex	80	3,206,546 SF	102,698 SF	3.20%	10,984 SF	0.34%	3.55%	23,286 SF	$16.56
Office/Warehouse	275	19,186,589 SF	1,510,805 SF	7.87%	87,870 SF	0.46%	8.33%	55,724 SF	$12.42
Submarket Total	493	47,973,487 SF	3,972,068 SF	8.28%	414,690 SF	0.86%	9.14%	370,269 SF	$10.41
SOUTHWEST									
Bulk/Distribution	17	3,019,987 SF	119,144 SF	3.95%	99,496 SF	3.29%	7.24%	0 SF	$10.39
Flex	17	764,292 SF	44,959 SF	5.88%	12,315 SF	1.61%	7.49%	-8,280 SF	$20.97
Office/Warehouse	35	3,407,805 SF	48,808 SF	1.43%	0 SF	0.00%	1.43%	0 SF	$12.11
Submarket Total	69	7,192,084 SF	212,911 SF	2.96%	111,811 SF	1.55%	4.51%	-8,280 SF	$12.78
ORLANDO CENTRAL PARK									
Bulk/Distribution	52	8,710,706 SF	1,245,574 SF	14.30%	316,858 SF	3.64%	17.94%	112,605 SF	$10.49
Flex	37	1,420,437 SF	51,773 SF	3.64%	0 SF	0.00%	3.64%	-27,316 SF	$16.64
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	8,080 SF	0.16%	28,372 SF	0.58%	0.74%	0 SF	$12.33
Submarket Total	168	15,123,737 SF	1,305,427 SF	8.63%	345,230 SF	2.28%	10.91%	85,289 SF	$10.70
NORTH CENTRAL									
Flex	35	945,035 SF	91,243 SF	9.65%	0 SF	0.00%	9.65%	-1,050 SF	$16.54
Manufacturing	9	393,189 SF	20,488 SF	5.21%	0 SF	0.00%	5.21%	0 SF	$10.72
Office/Warehouse	45	1,595,195 SF	99,615 SF	6.24%	2,000 SF	0.13%	6.37%	-14,111 SF	$13.38
Submarket Total	89	2,933,419 SF	211,346 SF	7.20%	2,000 SF	0.07%	7.27%	-15,161 SF	$14.61
CENTRAL ORLANDO									
Flex	10	330,496 SF	8,776 SF	2.66%	0 SF	0.00%	2.66%	2,000 SF	$15.00
Manufacturing	16	811,387 SF	42,192 SF	5.20%	0 SF	0.00%	5.20%	0 SF	$12.59
Office/Warehouse	89	3,431,474 SF	209,838 SF	6.12%	0 SF	0.00%	6.12%	9,189 SF	$11.88
Submarket Total	115	4,573,357 SF	260,806 SF	5.70%	0 SF	0.00%	5.70%	11,189 SF	$12.06
33RD STREET									
Bulk/Distribution	6	792,091 SF	0 SF	0.00%	20,505 SF	2.59%	2.59%	0 SF	$0.00
Flex	32	1,012,581 SF	52,387 SF	5.17%	7,752 SF	0.77%	5.94%	5,048 SF	$14.91
Office/Warehouse	81	3,724,055 SF	285,202 SF	7.66%	85,829 SF	2.30%	9.96%	-30,135 SF	$12.62
Submarket Total	119	5,528,727 SF	337,589 SF	6.11%	114,086 SF	2.06%	8.17%	-25,087 SF	$12.98
SILVER STAR									
Bulk/Distribution	19	3,809,172 SF	42,800 SF	1.12%	131,010 SF	3.44%	4.56%	149,152 SF	$7.00
Flex	30	1,087,017 SF	62,522 SF	5.75%	7,526 SF	0.69%	6.44%	-1,777 SF	$15.10
Manufacturing	24	2,020,660 SF	0 SF	0.00%	0 SF	0.00%	0.00%	10,500 SF	$0.00
Office/Warehouse	185	9,585,579 SF	336,523 SF	3.51%	231,652 SF	2.42%	5.93%	5,685 SF	$11.52
Submarket Total	258	16,502,428 SF	441,845 SF	2.68%	370,188 SF	2.24%	4.92%	163,560 SF	$11.61
LONGWOOD / LAKE MARY / SANFORD									
Bulk/Distribution	22	2,726,637 SF	117,980 SF	4.33%	0 SF	0.00%	4.33%	11,416 SF	$10.47
Flex	74	2,731,541 SF	129,878 SF	4.75%	4,900 SF	0.18%	4.93%	36,468 SF	$13.86
Manufacturing	48	2,950,681 SF	132,100 SF	4.48%	0 SF	0.00%	4.48%	-32,100 SF	$10.00
Office/Warehouse	170	6,991,014 SF	278,376 SF	3.98%	53,078 SF	0.76%	4.74%	14,955 SF	$12.89
Submarket Total	314	15,399,873 SF	658,334 SF	4.27%	57,978 SF	0.38%	4.65%	30,739 SF	$11.87
EAST SIDE									
Bulk/Distribution	6	904,402 SF	248,744 SF	27.50%	0 SF	0.00%	27.50%	34,596 SF	$11.44
Flex	40	1,584,560 SF	47,833 SF	3.02%	6,750 SF	0.43%	3.44%	-5,786 SF	$18.75
Manufacturing	13	602,309 SF	32,091 SF	5.33%	0 SF	0.00%	5.33%	-12,000 SF	$16.00
Office/Warehouse	55	2,246,056 SF	55,600 SF	2.48%	43,350 SF	1.93%	4.41%	45,703 SF	$14.16
Submarket Total	114	5,337,327 SF	384,268 SF	7.20%	50,100 SF	0.94%	8.14%	62,513 SF	$13.07
TOTALS									
TOTAL BULK	308	57,635,616 SF	7,407,920 SF	12.85%	1,326,994 SF	2.30%	15.16%	959,280 SF	$9.13
TOTAL FLEX	377	13,581,582 SF	607,536 SF	4.47%	50,227 SF	0.37%	4.84%	18,093 SF	$16.11
TOTAL MANUFACTURING	129	8,080,767 SF	254,016 SF	3.14%	0 SF	0.00%	3.14%	-35,100 SF	$11.94
TOTAL OFFICE/WAREHOUSE	1,135	62,123,987 SF	3,748,753 SF	6.03%	602,476 SF	0.97%	7.00%	54,074 SF	$12.34
TOTAL MARKET	**1,949**	**141,421,952 SF**	**12,018,225 SF**	**8.50%**	**1,979,697 SF**	**1.40%**	**9.90%**	**996,347 SF**	**$10.20**
TOTAL INDUSTRIAL SPACE	**1,572**	**127,840,370 SF**	**11,410,689 SF**	**8.93%**	**1,929,470 SF**	**1.51%**	**10.44%**	**978,254 SF**	**$10.25**

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