MARKETBEAT

ORLANDO

MULTIFAMILY Q2 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
92.7% Stabilized Occupancy Rate	▼	▼
5,488 YTD Net Absorption, units	▼	▼
$1,801 Effective Rent, PSF *(Overall, All Property Classes)*	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.5M Orlando Employment	▲	▲
3.6% Orlando Unemployment Rate	▲	▲
$83,300 Orlando Median Household Income	▲	▲

Source: BLS

Criteria: End of Q2 2025 Data, Excludes Affordable Only Rents, Includes Properties with 100+ Units in Orlando
Sources: CoStar, Moody's Analytics

ECONOMY

Orlando's population continued to increase through the first half of 2025 and is projected to exceed 3.0 million by year-end. Nonfarm employment grew by 33,400 new jobs during the last 12 months, reflecting a 2.2% rise. The median household income posted a 3.6% year-over-year (YOY) gain, reaching $83,300 by the end of Q2. Although the unemployment rate inched up by 30 basis points (bps) to 3.6%, it remained below the national average of 4.2%.

SUPPLY & DEMAND

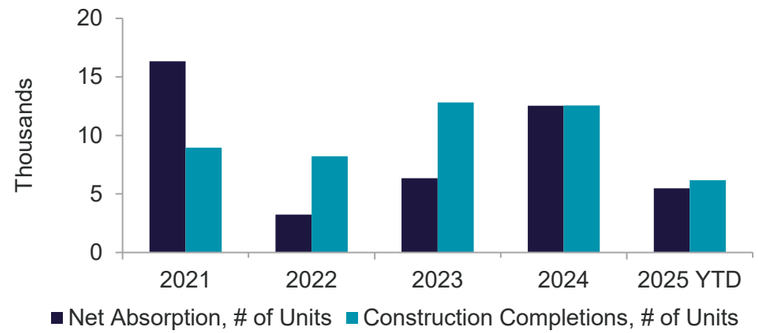
Orlando continued to rank among the top markets nationally for new development, with 12,262 units under construction at the end of Q2. Once completed, these projects will expand the region's inventory by 5.5%. However, this also represented the lowest construction volume since the start of the current building cycle in 2020. The slowdown could prove beneficial, allowing more time for the lease-up of the more than 56,000 units that have been built since 2020. In the first half of 2025, 6,173 units were delivered, a 13.0% decline compared to the same period last year. The Southwest Orlando submarket remained a focal point for development, with 1,752 units delivered year-to-date (YTD) and another 2,365 units underway.

Through mid-2025, the Orlando market absorbed 5,488 units, down 23.3% from the same period in 2024. The I-Drive and Southwest Orlando submarkets recorded the steepest occupancy gains, a positive indicator as both submarkets have the largest pipelines underway. Stabilized occupancy—which excludes properties still in initial lease-up or delivered within the past 18 months—declined by 70 bps YOY, ending Q2 at 92.7%, the lowest rate recorded since Q4 2020.

MARKET PRICING

At the end of Q2, effective average rents in Orlando stood at $1,801 per unit, reflecting a 1.2% YOY decline. However, the market recorded two consecutive quarters of growth, signaling a potential stabilization. The annual decrease was driven by rent declines across all asset classes. Class A product ended the quarter at $1,976 per unit, down 1.1% YOY, while Class B posted a larger decline of 1.3% YOY, averaging $1,770 per unit.

DEMAND / DELIVERIES

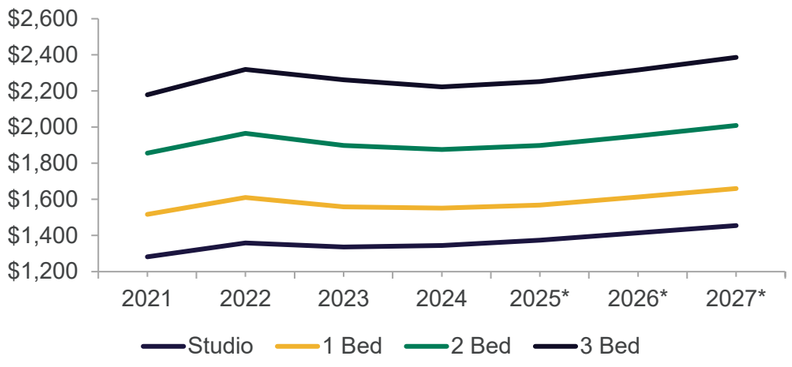


STABILIZED OCCUPANCY & EFFECTIVE RENT

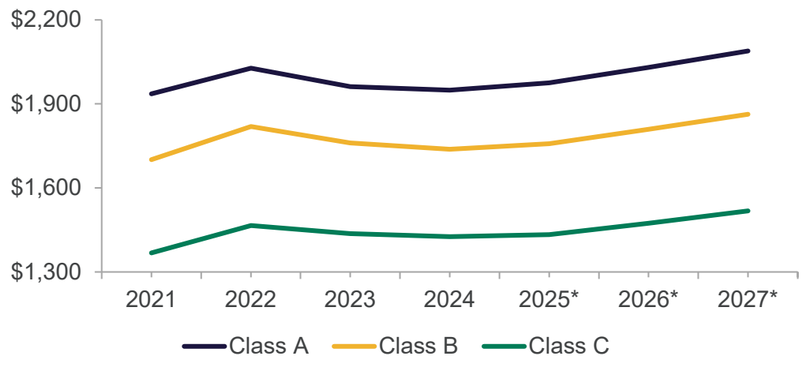
ORLANDO
MULTIFAMILY Q2 2025

MARKET STATISTICS

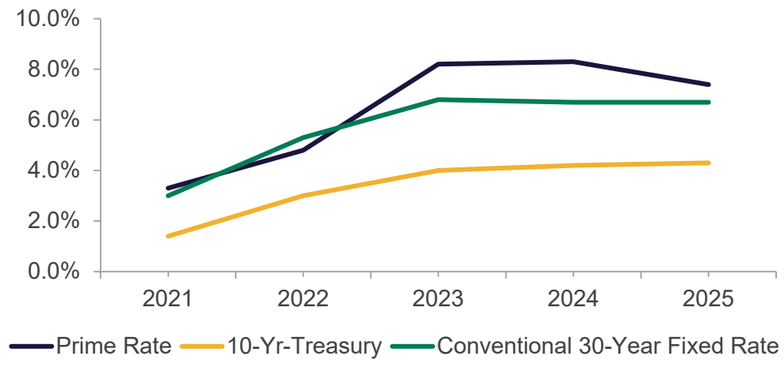
AVERAGE EFFECTIVE RENT PER UNIT BY BEDROOM



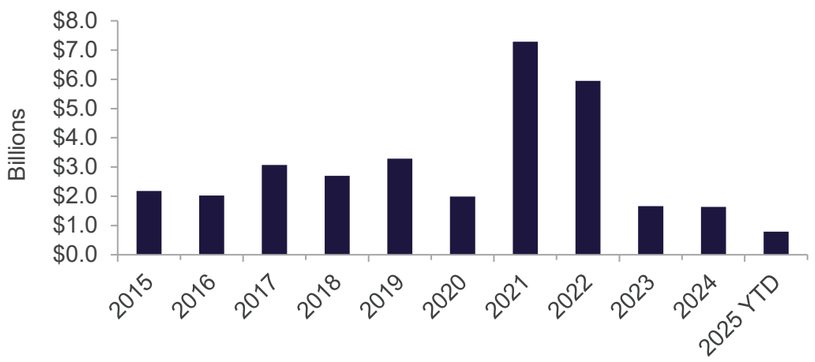
AVERAGE RENT PER UNIT BY CLASS



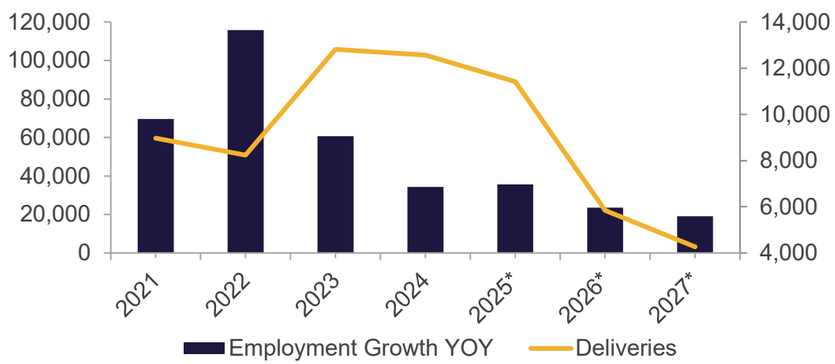
INTEREST RATES



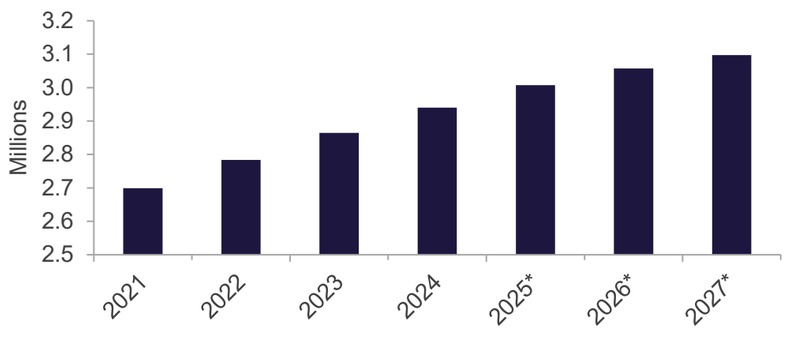
SALES TRANSACTION VOLUME



GROWTH IN JOBS VS UNITS DELIVERED



ORLANDO POPULATION



Source s: 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	12,082	345	2.9%	0	232	94.7%	$2,028	1.7%
East Orlando	22,034	0	0.0%	452	125	93.0%	$1,711	-0.2%
East Outlying	3,384	0	0.0%	252	85	94.6%	$2,043	0.9%
Eastside	11,949	223	1.9%	590	58	94.3%	$1,830	-1.4%
I-Drive Orlando	37,361	637	1.7%	4,125	1,170	91.7%	$1,891	-2.0%
Lake Nona	9,537	1,374	14.4%	761	390	90.2%	$2,047	-3.5%
North Orlando	38,416	662	1.7%	664	453	92.4%	$1,755	-1.2%
Northwest Orlando	12,436	928	7.5%	1,187	865	93.2%	$1,815	1.5%
South Orlando	28,517	252	0.9%	1,306	371	93.4%	$1,641	-0.4%
Southwest Orlando	23,267	1,752	7.5%	2,365	1,356	92.2%	$1,809	-2.5%
West Orlando	17,049	0	0.0%	300	133	92.1%	$1,607	-1.4%
Windermere	5,645	0	0.0%	260	250	93.6%	$2,036	-3.8%
ORLANDO TOTAL	**221,677**	**6,173**	**2.8%**	**12,262**	**5,488**	**92.7%**	**$1,801**	**-1.2%**

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)	9,190	1,860	20.2%	454	500	90.0%	$1,540	-0.2%
Volusia County (Daytona Beach)	22,180	1,798	8.1%	748	866	92.1%	$1,568	-1.4%
Brevard County (Melbourne)	26,137	944	3.6%	2,267	791		$1,668	-0.2%

**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	Q3 2025	MIR Developments
Northhaven	North Orlando	420	Q3 2025	Royal Palm Companies

KEY SALE TRANSACTIONS 2025 YTD

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE | $ UNIT *	YEAR BUILT
Bell Avalon Park	East Orlando	Blackstone | Bell Partners	487	$137.0M | $281K	2008
The Colburn	I-Drive Orlando	Cortland | Heitman	300	$120.5M | $402K	2023
Corban Freedom Apartments	I-Drive Orlando	Wood Partners | Bonaventure Realty Group	297	$90.0M | $303K	2023

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

Sources: CoStar, Moody's Analytics

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