DOWNTOWN ORLANDO CRA
2Q26 MARKET REPORT

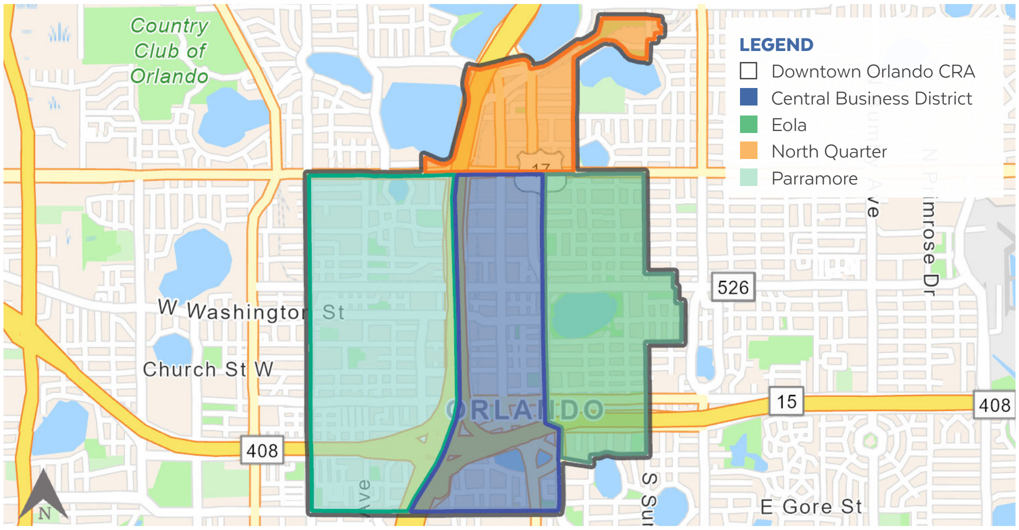
EXECUTIVE SUMMARY | AUGUST 2026

This executive summary highlights the key findings from the 2nd Quarter 2026 ("2Q26") Orlando Market Report produced by GAI Consultants, Inc. in August 2026. To note, the 2Q26 report reflects the period from April through June 2026. If you have questions regarding the information contained herein, or to request a copy of the full 2nd Quarter 2026 Orlando Market Report, please contact Michael Whiteman at 407.246.2102 or Michael.Whiteman@downtownorlando.com.

ABOUT THIS MARKET

The mission of the Orlando Downtown Development Board/Community Redevelopment Agency ("DDB/CRA") is to aggressively pursue redevelopment and revitalization activities within the 1,664-acre Downtown Redevelopment Area ("CRA"). The emphasis is on providing more housing and cultural arts opportunities, improving long-term transportation needs, and encouraging retail development.

The CRA is made up of several neighborhoods and unique districts, which have been assembled into four distinct planning areas. The planning areas are illustrated in the adjacent map.



BUSINESS MARKET TRENDS

The Downtown Orlando CRA has a population of approximately **23,150 people**, with nearly **96,947 employees** and **4,755 businesses** as of 2nd quarter 2026.

Business Licensure Activity

Business licensure data is a way of tracking concentration and composition of business activity and employment in the City of Orlando and the CRA.

In 2nd quarter 2026 ("2Q26"), the CRA issued 54 business licenses, composing 13.6% of the business licenses issued in the City at 397. Business licenses issued within the CRA experienced increases of 64% from the prior quarter, 1st quarter 2026, and 3.8% year-over-year, 2nd quarter 2025 to 2nd quarter 2026. The increase in business licensure activity within the CRA may reflect growing interest in establishing operations in this area, as well as expanded availability of suitable commercial spaces in the downtown area. Additionally, 19% of the licenses issued in the City and 35% in the CRA during 2Q26 were for professional establishments.

Annual Sales Tax Activity

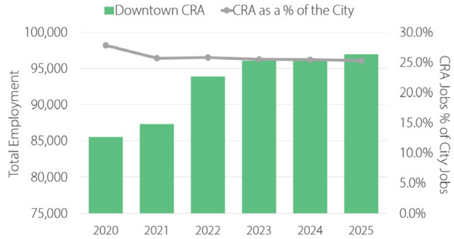
For year-end 2025, sales tax collections within the CRA were approximately $95.6 million ("M"), a decrease of approximately 5% from the prior year, 2024. Sales tax collections within the CRA were primarily stimulated by a sales tax levy against lodging ($27.2M), admissions/recreation services ($14.7M), and restaurants/catering services ($9.8M). The CRA captured 5.2% of the sales tax collections within the City at $1,854.8M as of year-end 2025.

Consumer Spending Behaviors

For year-to-date July 2026 estimates, total expenditures within the CRA were nearly $1,292.6M, with consumers spending about $440.3M on housing, $375.8M on retail goods, $161.6M on food, and $86.6M on health care. Total expenditures within the CRA made up approximately 9.0% of the consumer spending within the City.

Employment & Business Activity

The most current employment by sector data is based on year-end 2025 data produced by the Florida Department of Commerce ("Florida Commerce") and ESRI Business Analyst. As of year-end 2025, there were about 96,947 total employees within the CRA, composing 25% of the City's total employment. The primary employment sectors within the CRA were education (30%), public administration (24%), and professional services (16%). Total employment within the CRA increased 0.6%, from 96,353 employees as of year-end 2024.



HOSPITALITY AND TOURISM TRENDS

The Downtown Orlando CRA has approximately **2,205 hotel rooms**, with estimated visitation in 2nd quarter 2026 of approximately **342,480 guests**.

Total Inventory

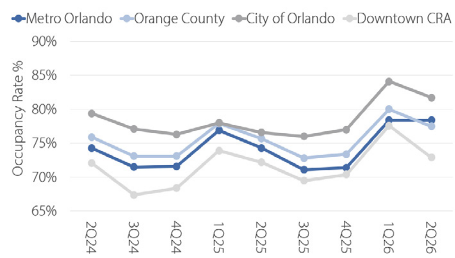
In 2nd quarter 2026 ("2Q26"), the CRA had a total of 2,205 hotel rooms, representing 1.7%, 2.1%, and 9.1% of the room supply within the Metro Orlando, the County, and the City's functioning hotel market, respectively. The CRA's hotel inventory declined 0.5% year-over-year, reflecting a 10-unit decrease at The Wellborn property in the CBD. In the CRA, the CBD[1] composes the majority at 50%, followed by Parramore, North Quarter, and Eola sub-markets with 24.9%, 24.6%, and 0.9%, respectively, of the total share.

Visitation[2]

About 342,481 guests were lodged in downtown CRA hotels during 2Q26; this represents about 1.6% of Metro Orlando's hotel visitation, at 21.0 million ("M") guests. This data excludes day visitors or people staying in locations outside of downtown. Year-over-year, visitation remained relatively unchanged in Metro Orlando and decreased by 3.6% within the CRA.

Occupancy Rate

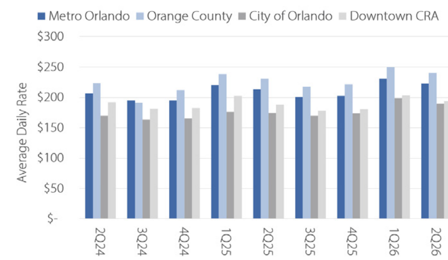
The occupancy rate for hotels within the CRA was 72.9% as of 2Q26; this represents a 1.0% increase year-over-year, 2Q25 to 2Q26, and a 6.1% decrease from the prior quarter, 1Q26. Additionally, the CRA's occupancy rate was smaller than that observed within Metro Orlando at 78.4%, the County at 77.5%, and the City at 81.7%, as of 2Q26. *Visit Orlando's* Orlando Central sub-market, which includes Downtown Orlando, had an occupancy level of 76.2%; slightly below Metro Orlando's average. To note, regional descriptions of Metro Orlando's sub-markets were revised in January 2026; the updated definitions are available by request in the full 2Q26 report.



Average Daily Rate

The average daily rate ("ADR") for CRA hotels was $193.89 as of 2Q26; this represents an increase of 3.2% year-over-year and a decrease of 4.6% from the prior quarter. As of 2Q26, the ADR for CRA hotels is higher than that observed within the City at $189.02, but lower than that of Metro Orlando at $222.51 and the County at $240.47, largely driven by the significantly higher ADR within the convention/resort-style hotels located in the Lake Buena Vista sub-market.

In 2Q26, all hotel markets are attaining occupancy and ADR levels higher than those achieved prior to the COVID-19 pandemic.



(1) *The number of hotel rooms within the CBD sub-district was corrected as of the 2nd Quarter 2026 report; the Wellborn (previously the Courtyard at Lake Lucerne) has been corrected to reflect 20 hotel rooms total.*
(2) *Visitation figures were updated as of 4th quarter 2025 to incorporate Visit Orlando's average of 2.5 persons per room. Historical data, which had previously calculated occupied room nights rather than total visitation, has been revised to ensure more accurate year-over-year and quarterly comparisons.*

RETAIL MARKET TRENDS

The Downtown Orlando CRA has approximately **1.12 million square feet of retail space**, with an estimated **occupancy rate of 92.3%** and an **average rental rate per square foot of $30.75** as of the 2nd quarter 2026.

Total Inventory

In 2Q26, the CRA had a total of 1,123,149 square feet of retail space, composing 1.3% and 4.0% of the total retail space within the County at 84.0M square feet and City at 28.2M square feet, respectively. Total inventory of retail space within the CRA increased 1.7% year-over-year and 1.0% from the prior quarter. The CRA's retail space inventory is comprised of rentable square footage in the CBD (64%), Parramore (22%), Eola (9.9%), and North Quarter (4.5%) sub-markets.

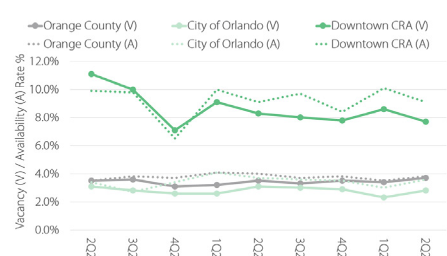
Gross Absorption

In 2Q26, the CRA experienced 9,004 square feet of retail space absorption, a significant year-over-year increase from the zero square feet of absorption observed in the prior year. The increase in gross absorption across all retail markets reflects more new leases being signed, which may be due to new tenants or expanding occupied space, while overall leasing activity remains strong.

Vacancy & Availability Rate

The CRA retail market had a vacancy rate of 7.7% and an availability rate of 9.1% for 2Q26, indicating there is a greater amount of space which may be either physically vacant but still has an active lease and therefore is available for sub-lease, or currently occupied but will be vacant in the near future and therefore is available for leasing. The CRA's retail market vacancy rate experienced decreases of 7.2% year-over-year and 10% from the previous quarter.

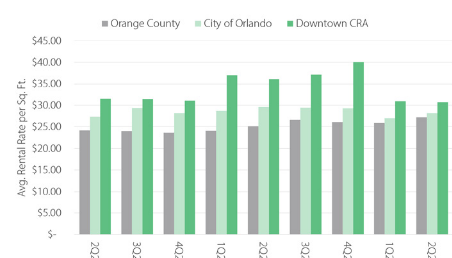
During 2Q26, the CRA's vacancy rate was significantly higher than that observed within the County at 3.7% and City at 2.8%.



Average Rental Rate

In 2Q26, the CRA's average rental rate per square foot for its retail market was $30.75, representing decreases of 15% year-over-year and 0.8% from the prior quarter. The year-over-year decline in average rental rates coupled with decreasing vacancy rates in the CRA may suggest localized shifts in market conditions, such as reduced tenant demand, an increase in available retail space, or a changing mix of leased properties.

During 2Q26, average rental rates within the CRA's retail market were significantly greater than those observed in the County at $27.26 and the City at $28.26.



OFFICE MARKET TRENDS

The Downtown Orlando CRA has approximately **12.37 million square feet of office space**, with an estimated **occupancy rate of 90.2%** and an **average rental rate per square foot of $33.13** as of the 2nd quarter 2026.

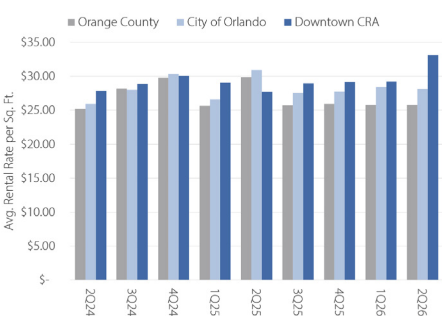
Total Inventory

In 2Q26, the CRA had a total of 12,370,873 square feet of office space, composing 17% and 39% of the total office space within the County at 72.2M square feet and City at nearly 32.1M square feet, respectively. Total inventory of office space within the CRA decreased 2.7% year-over-year and remained unchanged from the prior quarter. The CRA's office space inventory is comprised of rentable square footage within the CBD (60%), Eola (20%), North Quarter (10%), and Parramore (10%) sub-markets.

Average Rental Rate

The average rental rate per square foot observed in the CRA's office market for 2Q26 was $33.13; representing increases of 20% year-over-year and 13% from the prior quarter. Annual increases in average rental rates across the CRA's office market may be a result of constrained supply of downtown office space, subsequently driving rental rates and occupancy rates up.

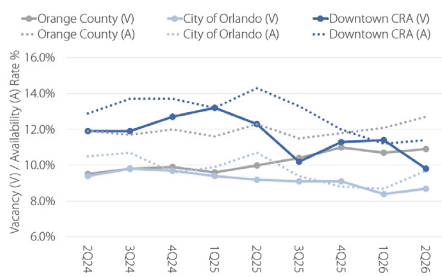
During 2Q26, average rental rates within the CRA's office market were greater than those observed in the County at $25.77 and the City at $28.10.



Vacancy & Availability Rate

The CRA office market had a vacancy rate of 9.8% and an availability rate of 11.4% for 2Q26, indicating that there is a greater amount of office space which may be either physically vacant but is available for sub-lease, or will be vacant in the near future. Vacancy within the CRA office market experienced decreases of 21% year-over-year and 14% from the prior quarter. Decreases in vacancy may be driven by an increase in desirable rentable office space within the CRA.

In 2Q26, the CRA's vacancy rate was higher than that observed within the City at 8.7% but lower than the County's vacancy rate at 10.9%.



Gross Absorption

In 2Q26, the CRA saw 291,314 square feet of office gross absorption, accounting for 22% and 51% of the total office gross absorption within the County and City, respectively. Gross absorption within the CRA's office market increased 84% year-over-year and 5.1% from the prior quarter. An increase in gross absorption year-over-year may be attributed to an increase in the amount of office space being leased than what was vacated/supplied in the market.

Class of Space

During 2Q26, Class A space composed 55% of the total office space within the CRA, followed by Class B space with 28% and Class C space with 16% of this total share. Occupancy levels for Class A space (87.9%) were lower than the occupancy observed in Class B space (92.5%) and Class C space (94.1%), as of 2Q26. In addition, average rental rates per square foot for Class A space ($33.37) were greater compared to Class B space ($25.46) and Class C space ($21.78) within the CRA office market for 2Q26.

Downtown Major Office Buildings

In 2Q26, there were 37 office buildings that met the size criteria within the CRA (properties with 100,000 square feet or greater). These major office properties account for 9.01M square feet of office space, which represents nearly 73% of the entire supply of office space within the CRA.

These major office properties represent an average occupancy of 91.1%, which is 0.9 percentage points higher than that observed in the overall CRA. Additionally, the properties for which rental rates were available have rents approximately $1.80 per square foot higher than the CRA's overall total office space. The occupancy rates within these major downtown office buildings increased 3.1% year-over-year, while rental rates also increased 0.6%. Rising occupancy rates alongside annual rent increases suggest a bifurcating office market, with demand focused on newer, high-quality spaces, allowing landlords of premium properties to raise rents even as overall market conditions remain soft.

DOWNTOWN BENCHMARKS

For the 2Q26 Market Report, comparison of retail and office space characteristics in the Downtown Orlando CRA versus downtown business districts in four major Florida metro areas (Jacksonville, Tampa, Ft. Lauderdale, and Miami) were also analyzed.

Retail Market Benchmarks

In 2Q26, the Orlando CRA and Jacksonville retail market had the lowest occupancy rate at 92.3% each. Ft. Lauderdale, Tampa, and Miami retail business districts had greater occupancies at 93.6%, 93.5%, and 93.3%, respectively.

In addition, the Orlando CRA had the third-highest retail average rental rate per square foot at $30.75, as of 2Q26. Miami and Ft. Lauderdale's retail business districts had higher average rental rates per square foot at $47.94 and $42.80, respectively; while Tampa and Jacksonville had lower average rental rates per square foot at $28.87 and $18.62, respectively, as of 2Q26.

Office Market Benchmarks

In 2Q26, the Orlando CRA's office market recorded an occupancy rate of 90.2%, ranking first, followed by Tampa at 90.1%. Jacksonville, Ft. Lauderdale, and Miami followed with occupancy rates of 89.5%, 86.9%, and 85.4%, respectively.

In addition, the Orlando CRA had the fourth-highest average rental rate per square foot for office space at $33.13, as of 2Q26. Miami, Ft. Lauderdale, and Tampa's office business districts had significantly higher average rental rates per square foot at $60.23, $41.00, and $36.31, respectively; whereas Jacksonville's office business district had a lower average rental rate per square foot of $23.10 observed in 2Q26.

RESIDENTIAL MARKET TRENDS | FOR-SALE HOUSING

The Downtown Orlando CRA had approximately **49 total residential unit sales** in 2nd quarter 2026, representing an **average sales price of $333 per square foot.**

Total Annual Inventory

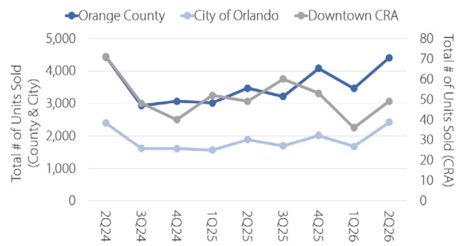
As of year-end 2025, the CRA had a total of 3,857 residential units (838 single-family units and 3,019 condo units); representing 1.0% and 4.7% of the total residential units within the County and City, respectively. Total inventory of residential units decreased 1.0% from the prior year, 2024.

Inventory of total CRA residential units is comprised of residential units within the Eola (45%), CBD (29%), North Quarter (16%), and Parramore (9%) sub-markets.

Total Unit Sales

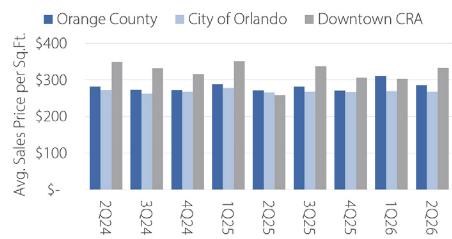
During 2Q26, the CRA had 49 total residential sales; 86% condo unit sales and 14% single-family unit sales. Total residential unit sales within the CRA remained unchanged year-over-year and increased 36% from the prior quarter, as illustrated in the following figure.

The total residential unit sales within the CRA composed 1.1% and 2.0% of the total residential sales within the County at 4,411 units sold and City at 2,423 units sold, respectively, as of 2Q26.



Average Sales Price Trends

During 2Q26, total residential unit sales within the CRA had an average sales price per square foot of $333, which was greater than that achieved in the County and City at $286 and $268, respectively. Year-over-year, average residential sales price per square foot within the CRA increased by 29% from 2Q25 to 2Q26.



Total Sales Price

The CRA's residential unit sales for 2Q26 had a total sales volume of $20.7M, composing 0.8% and 1.7% of the sales volume within the County at $2.5 billion and City at $1.2 billion, respectively. The CRA's total sales volume decreased 3.9% year-over-year.

Downtown Major Condominiums

In 2Q26, there were 34 total sales within the CRA's major condo buildings (market rate properties with 50 units or more). Total sales within these properties decreased 5.6% year-over-year and increased 36% from the prior quarter.

In 2Q26, the CRA's major condo sales were made up of sales within Eola (47%), CBD (26%), and North Quarter (26%) sub-markets. Parramore continues to have zero major condo properties. The sales that occurred within the CRA's major condo properties had an average sales price per square foot of $329, $3.41 less than that observed for total condo sales within the CRA at $333 per square foot, as of 2Q26.

RESIDENTIAL MARKET TRENDS | RENTAL APARTMENT HOUSING

During 2nd quarter 2026, approximately **81%** of the apartment properties in the Downtown Orlando CRA had **occupancy rates above 90%,** with **42%** of the properties having **occupancy rates above 95%.**

Total Inventory

In 2Q26, the CRA had a total of 7,680 apartment units in 26 buildings that met the minimum criteria (market rate, mixed-income, and senior housing properties having at least 50 units or more). Total units increased by 0.6% year-over-year and remained unchanged from the prior quarter. The CRA's rental apartment housing is comprised of rentable units within the CBD (47%), Eola (21%), Parramore (20%), and North Quarter (12%) sub-markets.

Gross Absorption

In 2Q26, the CRA recorded positive absorption of 20 units, representing a decline from the 12 units absorbed during 2Q25.

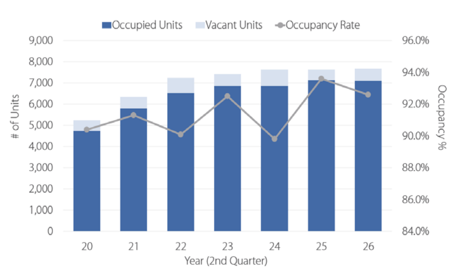
Rental Concessions

In 2Q26, 92% of the CRA's rental apartment properties offered concessions to incentivize new lease contracts and renewals. The Ridley on Main and NORA Apartments were the only buildings to not offer rental concessions during 2Q26.

Occupancy Rate

In 2Q26, the CRA rental apartment market had an occupancy rate of 92.6%; representing a decrease of 1.1% from the previous year and an increase of 0.3% from the prior quarter, as illustrated in the figure below.

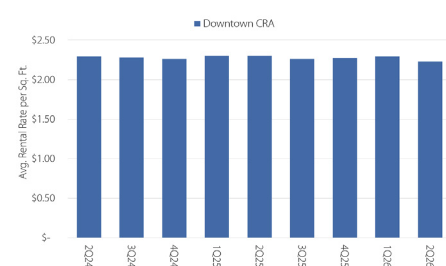
Amelia Court at Creative Village, Parramore Oaks, Lexington Court, City View, and Orlando Lutheran Towers are apartment properties offering income-restricted or senior housing units in 2Q26; if these properties were excluded, occupancy would be at 93.0%, slightly lower than the rate observed in 1Q26 at 93.2% using the same calculation parameters.



Average Rental Rate

The overall average monthly rent for all rental apartment properties within the CRA is $1,972 per month, which decreased by 3.5% year-over-year and 2.6% from the prior quarter. Additionally, the average rental rate per square foot for all rental apartment properties in the CRA is $2.23, which represents decreases of 3.2% year-over-year and 2.6% from the previous quarter, as illustrated in the figure below.

In 2Q26, Camden Lake Eola and Aspire Orlando had the highest average monthly rents among market-rate rental apartments at $2,616 and $2,546, respectively.



DOWNTOWN DEVELOPMENT ACTIVITY

As of 2Q26, there are 20 planned and proposed projects within the CRA. These include a mixture of residential, hotel, retail, office, and mixed-use projects or properties located within the various sub-districts within the CRA. In total, where data is available, there are approximately 3,480 residential units, 1,331 hotel rooms, 682,285 square feet of retail space, 602,000 square feet of office space, and 224,605 square feet of additional amenity and ancillary space within these planned and proposed projects as of 2Q26, as detailed in the following table. In addition, there are six (6) projects currently under construction representing approximately $1,195M in current investment and $375.8M in proposed investment as of 2Q26.

Planned and Proposed Downtown Orlando CRA Projects

Project Name	Residential Units	Hotel Rooms	Retail (SF)	Office (SF)	Other (SF)[1]	Status	Investment (Millions)
10 Degrees	252	-	7,864	-		Proposed	$-
170 E. Washington Street	252	-	-	-	-	Proposed	$-
550 Shoma	223	-	11,000	-	-	Proposed	$58.8
68 S. Ivanhoe Blvd.	312	-	6,239	-	-	Proposed	$8.0
802 W. Church Street	-	-	2,500	9,500	-	Proposed	$5.0
934 N. Magnolia Ave	350	-	3,300	-	-	Proposed	$-
The Canopy	-	209	-	-	9.75 AC[2]	Proposed	$30.0
The Edge at Church Street Station	230	-	2,500	200,000	60,000	Under Construction	$275.0
Bumby Arcade at Church Street Station	-	-	18 Food Stalls (300-1,000 SF)[3]	-	16,000	Under Construction	$-
Beacon at Creative Village	115	-	-	-	-	Under Construction	$40.0
Parcel X, Pacrcel X-1 and Parcel Y	326	180	460,000	185,000	5,000	Construction Paused[4]	$320.0
Parcel H	112	-	14,500	7,500		Under Construction	$60.0
Lutheran Towers	167	-	-	-	-	Proposed	$98.0
Mariposa Groves	138	-	10,500	-	-	Proposed	$50.0
Pine and Lake Mixed-Use Tower	129	228	11,500	-	63,605	Proposed	$60.0
Society Orlando Phase II	242	-	7,000	-	-	Proposed	$-
Vive on Eola	244	-	12,536	-	-	Proposed	$36.0
Westcourt - Sports and Entertainment District (SED)	273	261	125,000	200,000	80,000	Under Construction	$500.0
Westmoreland Square	115	-	6,790	-	-	Proposed	$30
Yotel Hotel	-	253	1,056	-	-	Proposed	$-
Totals	**3,480 Units**	**1,331 Rooms**	**682,285 SF**	**602,000 SF**	**224,605 SF**	**-**	**$1,570.8M**

Sources: Orlando Downtown Development Board (DBB); Orlando Crane Watch; Orlando Business Journals; The Daily City; Orlando Bungalower; GAI Consultants, Inc. Notes: SF represents square feet. All above values may be subject to change based on changes to the development programs and master plans. (1) Represents additional amenity and ancillary space within the above planned/proposed projects. (2) The Canopy represents 9.75 acres featuring sports courts, vendor areas, performance spaces, play areas and more; therefore, this space is not included in the total square footage represented for the entire Downtown Orlando CRA projects. (3) Bumby Arcade at Church Street Station is expected to feature 18 food stalls, each ranging from 300 to 1,000 square feet; therefore, this space is not included in the total square footage represented for the entire Downtown Orlando CRA projects. (4) Progress on Parcel X, Parcel X-1, and Parcel Y at Creative Village are on hold as of May 2023, as the developer cites higher interest rates, high construction prices and capital market uncertainty. As a result, there is currently no planned start date or completion date for this project, although drawings and permits have all been approved.

Contact:

If you have questions regarding the information contained herein, or to request a copy of the full Market Report, please contact:

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Sources:
Florida Department of Revenue
Florida Commerce
Visit Orlando Metro Orlando Lodging Statistics
Smith Travel Research
MicroDecisions
Downtown Orlando Development Board
Orange County Property Appraiser 2025 Tax Roll
CoStar Group, Inc.
GAI Consultants