

FIGURES | ORLANDO OFFICE | Q2 2026

Orlando Office Fundamentals Stabilize Amid Modest Demand

▼ 16.8%

Vacancy Rate

▼ 43,077

SF Net Absorption

▼ 0

SF Construction Delivered

▶ 40,000

SF Under Construction

▼ \$28.31

FSG/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

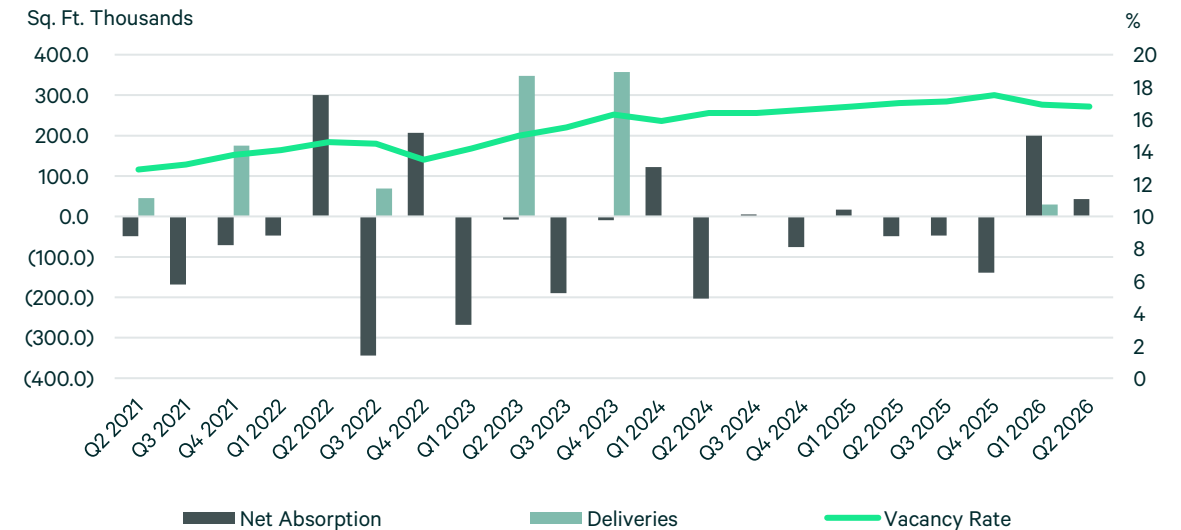
Market Overview

The market in Q2 2026 recorded positive net absorption of 43,000 sq. ft., a sharp moderation from the 200,000 sq. ft. gain in Q1 2026 but a clear improvement from the negative 49,000 sq. ft. in Q2 2025. Vacancy edged down by 10 basis points quarter-over-quarter to 16.8%, while the availability rate rose slightly to 20.5%, still below the 21.8% recorded in Q2 2025.

Year-to-date, the market has absorbed 243,000 sq. ft. through Q2 2026, a marked turnaround from the negative 32,000 sq. ft. over the same period in 2025, signaling materially stronger occupier demand. Construction activity is limited, with 40,000 sq. ft. under way and 30,000 sq. ft. delivered in Q1 2026, keeping new supply modest and placing more focus on re-leasing existing inventory for both occupiers and investors.

During the current quarter, the three largest new leases captured in this sample total 139,000 sq. ft., underscoring sizable tenant commitments across key suburban submarkets. In Lake Mary/Heathrow, a large finance company leased 44,000 sq. ft. and VentureX committed to 27,000 sq. ft., together accounting for 71,000 sq. ft. of new leasing in that submarket.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q2 2026

Vacancy

In Q2 2026, overall vacancy stood at 18.1% for Class A and 14.9% for Class B. Compared with Q1 2026, vacancy eased by 10 basis points for both classes, reflecting a slight quarter-over-quarter improvement. Year-over-year, Class A vacancy was 20 basis points higher while Class B was 80 basis points lower. Relative to Q2 2023, vacancy remains elevated by 190 basis points for Class A and 160 basis points for Class B.

Across submarkets, East Orlando posted the lowest overall vacancy at 8.5%, followed by Downtown Orlando at 12.2%. Airport/Lake Nona recorded the highest vacancy at 32.6%, significantly above other areas, with University/Research Park and Southwest Orlando also elevated at 20.4% and 18.4%, respectively.

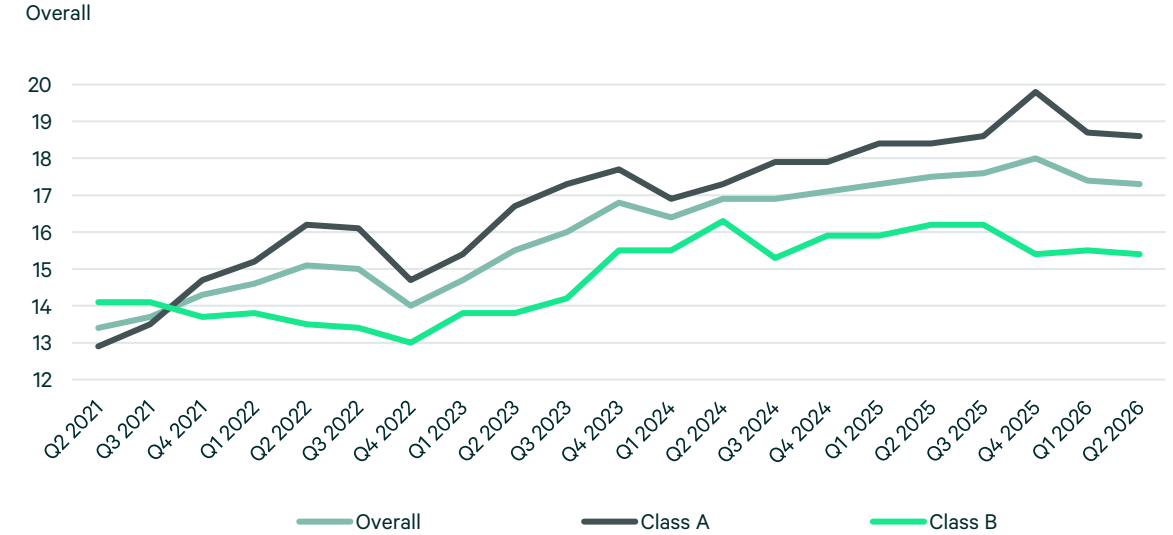
Sublease vacancy in Q2 2026 measured 2.6% for Class A and 1.2% for Class B, unchanged on a quarter-over-quarter basis with no basis point movement. Across the tracked submarkets, vacant sublease space totaled 761,000 sq. ft. in Q2 2026.

Asking Rent

In Q2 2026, the overall average asking rent reached \$28.31 per sq. ft., a negative 0.9% change quarter-over-quarter from \$28.58 per sq. ft. in Q1 2026 but 0.7% higher year-over-year than the \$28.12 per sq. ft. recorded in Q2 2025. Over the full period since Q2 2021, overall asking rents have increased 9.5% from \$25.86 per sq. ft., while Class A asking rents have risen 8.4% over the same span to \$31.45 per sq. ft. In Q2 2026, Class A rates also posted a 0.4% quarter-over-quarter and 2.4% year-over-year increase from \$31.34 and \$30.72 per sq. ft., respectively, reinforcing the premium positioning of higher-quality space.

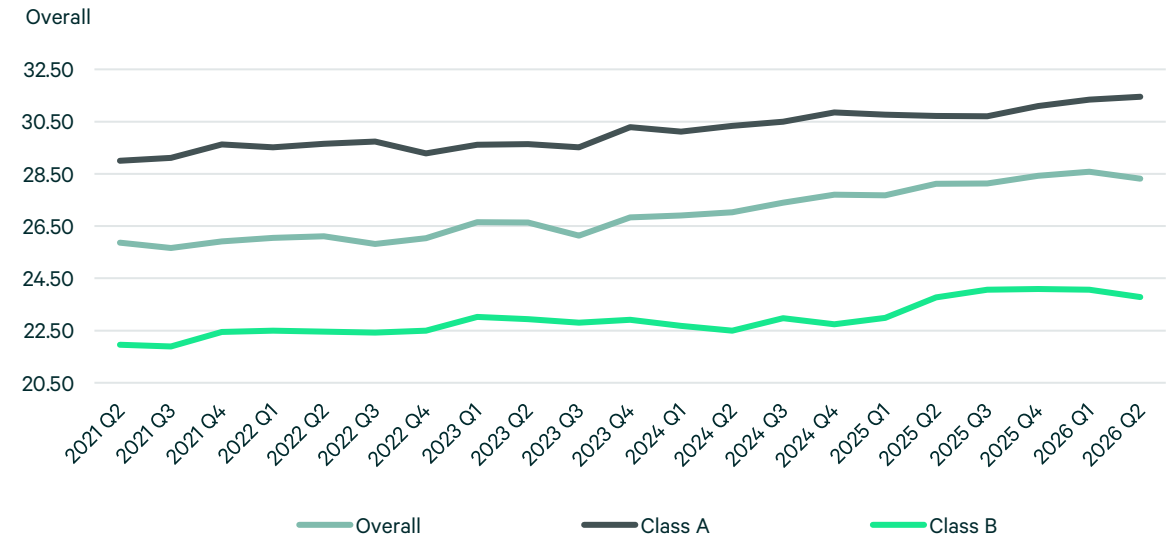
At the submarket level in Q2 2026, Class A asking rents were highest in East Orlando at \$43.07 per sq. ft., followed by Downtown Orlando at \$35.05 per sq. ft., while North Orlando and Maitland Center marked the lower end of the Class A range at \$26.00 and \$26.03 per sq. ft., respectively. Other Class A submarkets, including Southwest Orlando, South Orlando, Airport/Lake Nona, University/Research Park, and Lake Mary/Heathrow, recorded asking rents between \$27.69 and \$32.76 per sq. ft. Class B asking rents ranged from \$19.75 per sq. ft. at University/Research Park to \$30.40 per sq. ft. in Downtown Orlando, with Lake Mary/Heathrow, Maitland Center, North Orlando, South Orlando, and Southwest Orlando posting rates between \$20.57 and \$25.29 per sq. ft.

Figure 2: Vacancy Rates by Class



Source: CBRE Research, Q2 2026

Figure 3: Average Direct Asking Rate by Class



Source: CBRE Research, Q2 2026

Net Absorption

In Q2 2026, total market net absorption reached 43,000 sq. ft. This was below the 199,000 sq. ft. recorded in Q1 2026, a quarter-over-quarter decline of 156,000 sq. ft. However, net absorption exceeded Q2 2025 levels by 92,000 sq. ft., improving from negative 49,000 sq. ft. on a year-over-year basis. Class A contributed 32,000 sq. ft. of net absorption in Q2 2026, while Class B added 11,000 sq. ft., indicating gains were present in both quality tiers.

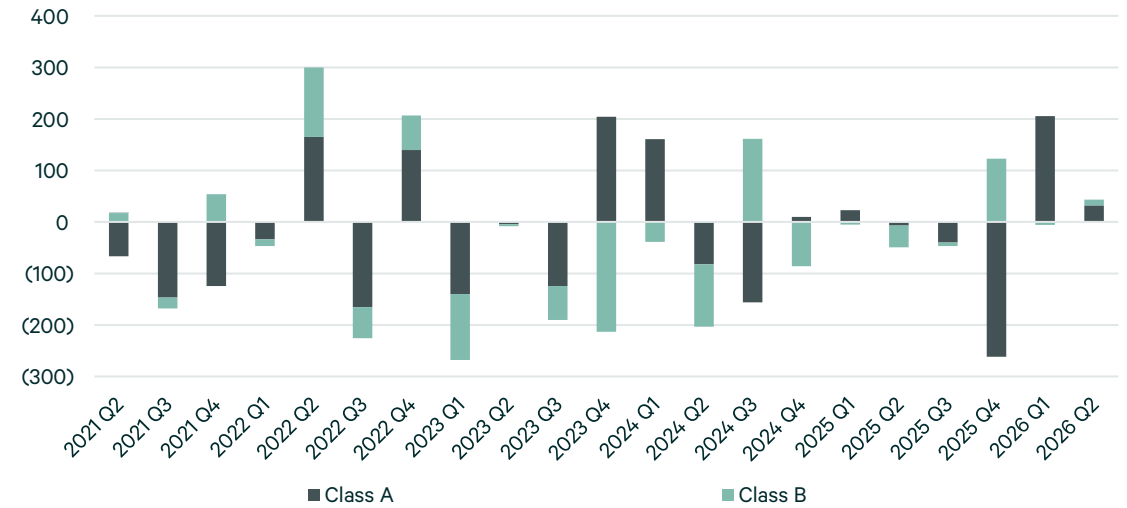
By submarket segment, the highest quarterly gains were in Southwest Orlando and East Orlando, where the top-ranked tracked segments posted 38,000 sq. ft. and 33,000 sq. ft. of net absorption, respectively. Among the remaining areas, the next largest positive contribution came from a Lake Mary/Heathrow segment at 17,000 sq. ft. of net absorption, with additional but smaller increases of 3,000 sq. ft. or less across individual tracked segments in Downtown Orlando, North Orlando, Airport/Lake Nona and South Orlando. On the downside, the weakest results were in University/Research Park, where two tracked segments recorded net absorption of negative 13,000 sq. ft. and negative 12,000 sq. ft., respectively.

Construction Activity

In Q2 2026, the market has 40,000 sq. ft. under construction and no space delivered. Under construction space is unchanged quarter-over-quarter from Q1 2026 and up 33.3% year-over-year from 30,000 sq. ft. in Q2 2025. Deliveries recorded a negative 100.0% quarter-over-quarter change after 30,000 sq. ft. completed in Q1 2026 and remain in line with the lack of deliveries in Q2 2025.

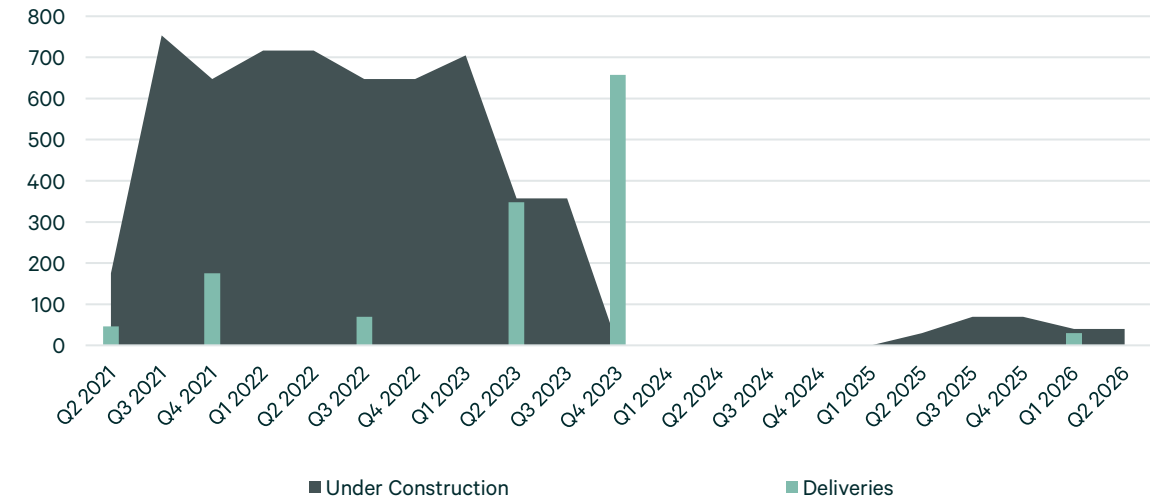
Construction activity in Q2 2026 is concentrated in North Orlando, where a single general office project at 2255 S Orange Blossom Trail totals 40,000 sq. ft. and is scheduled for delivery in Q3 2026. The project is fully available, with a 0.0% pre-leased rate, and no other submarkets currently have space under construction.

Figure 4: Net Absorption Trend
Sq. Ft. Thousands



Source: CBRE Research, Q2 2026

Figure 5: Construction Activity
Sq. Ft. Thousands



Source: CBRE Research, Q2 2026

Leasing Activity

Leasing activity in Q2 2026 totaled 666,000 sq. ft., compared with 2.6 million sq. ft. of transactions recorded across 2025. Market volume increased 38.2% quarter-over-quarter from 482,000 sq. ft. in Q1 2026 and 8.3% year-over-year from 615,000 sq. ft. in Q2 2025.

Lake Mary/Heathrow and University/Research Park posted the highest leasing volumes in Q2 2026, at 202,000 sq. ft. and 170,000 sq. ft., respectively; Lake Mary/Heathrow included 149,000 sq. ft. of Class A and 53,000 sq. ft. of Class B space, while University/Research Park activity was entirely in Class B product. Positive but lower levels of activity were recorded in Southwest Orlando (138,000 sq. ft.), Maitland Center (129,000 sq. ft.), and Downtown Orlando (27,000 sq. ft.), each supported by a mix of Class A and Class B commitments where both were present.

Economic Overview

The U.S. economy enters mid-2026 navigating crosscurrents but growing at a healthy pace, with CBRE projecting GDP growth averaging 2.2%, broadly in line with 2025. The AI investment boom is certainly a key driver of this expansion. Concerns surrounding the sustainability of this growth are valid, but we expect AI-related business investment to continue.

The more pressing concern in recent months has been the U.S./Iran conflict and its impact on world energy prices, which recently pushed U.S. inflation to 4.2%. Should the prospective peace deal announced in June come to fruition, inflation would fall to the upper 3% range by year-end as energy prices slowly decrease. Stickier inflation has pushed Treasury yields well above 4%, complicating real estate markets. On the upside, the prospect for peace and normal trade flows in the Persian Gulf could refresh the optimism the CRE market felt at the beginning of the year.

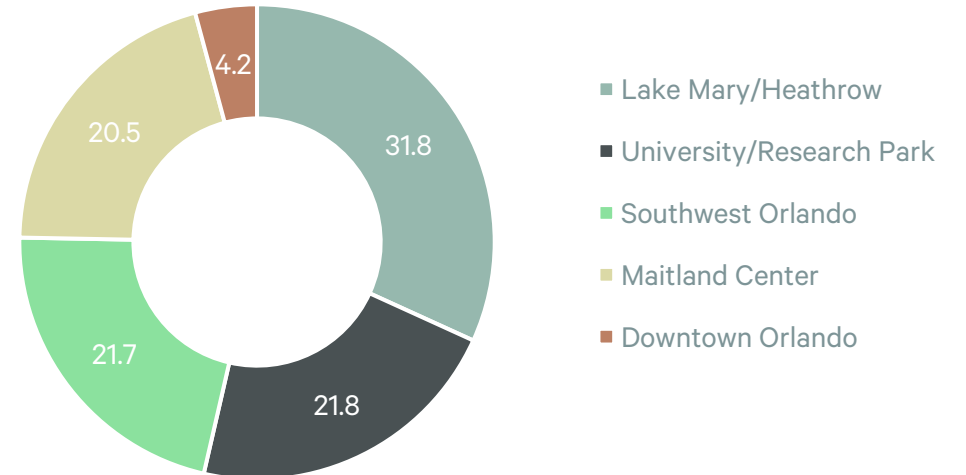
Figure 6: Leasing Activity Trend

Sq. Ft. Thousands



Source: CBRE Research, Q2 2026

Figure 7: Leasing by Submarket (% of Total Activity)



Source: CBRE Research, Q2 2026

Market Statistics by Class

Figure 9: Metro Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	22.40M	18.1	21.3	16.8	4.4	31.45	32,000	237,000	-	40,000
Class B	15.97M	14.9	19.4	17.5	1.9	23.78	11,000	5,000	-	-
Total	38.37M	16.8	20.5	17.1	3.4	28.31	43,000	243,000	-	40,000

Source: CBRE Research, Q2 2026

Market Statistics

Figure 10: Suburban Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	15.86M	20.4	24.2	18.4	5.8	29.64	39,000	171,000	-	40,000
Class B	14.39M	15.2	20.2	18.1	2.1	23.11	8,000	(53,000)	-	-
Total	30.25M	18.0	22.3	18.2	4.0	26.47	47,000	118,000	-	40,000

Source: CBRE Research, Q2 2026

Figure 11: Urban Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	6.54M	12.4	14.2	13.1	1.1	35.05	(7,000)	67,000	-	-
Class B	1.57M	11.7	12.3	12.3	-	30.40	3,000	58,000	-	-
Total	8.11M	12.2	13.8	12.9	0.9	34.30	(4,000)	125,000	-	-

Source: CBRE Research, Q2 2026

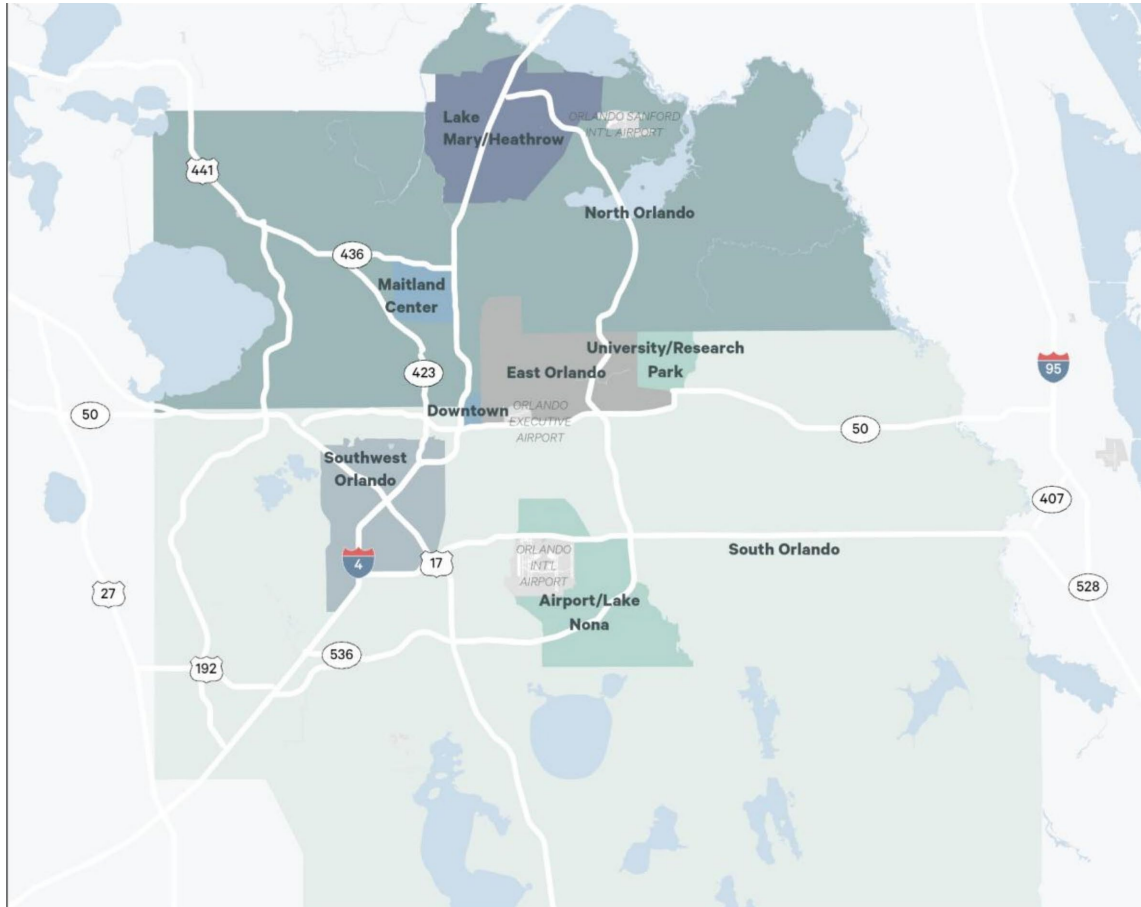
Market Statistics by Submarket

Figure 12

Submarket	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate	Class A Asking Rent (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Airport/Lake Nona	1.46M	32.6	20.5	20.5	-	32.00	32.00	(3,000)	(6,000)	-	-
Downtown Orlando	8.11M	12.2	13.8	12.9	0.9	34.30	35.05	(4,000)	125,000	-	-
East Orlando	2.09M	8.5	11.7	11.4	0.4	26.53	43.07	32,000	32,000	-	-
Lake Mary/Heathrow	5.61M	18.2	24.4	23.0	1.4	26.01	27.69	15,000	8,000	-	-
Maitland Center	4.69M	16.8	19.9	16.8	3.0	23.23	26.03	(3,000)	24,000	-	-
North Orlando	2.95M	17.8	20.0	18.2	1.8	23.95	26.00	(6,000)	39,000	-	40,000
South Orlando	2.71M	14.0	14.2	13.9	0.3	31.46	32.06	2,000	8,000	-	-
Southwest Orlando	6.42M	18.4	23.0	16.7	6.3	29.32	32.76	34,000	(1,000)	-	-
University/Research Park	4.32M	20.4	33.4	21.1	12.3	29.24	29.52	(24,000)	15,000	-	-
Total	38.37M	16.8	20.5	17.1	3.4	28.31	31.45	43,000	243,000	-	40,000

Source: CBRE Research, Q2 2026

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

Survey Criteria

Includes all competitive Class A and Class B office buildings 10,000 sq. ft. and greater in size in Orlando. Excludes: government and medical buildings

Contacts

Kyle Koller

Research Manager
+1 8132738422
kyle.koller@cbre.com

Kennedy Parrish

Senior Research Analyst
+1 4074045074
kennedy.parrish@cbre.com

Marc L. Miller

Research Director
+1 3053816428
marc.miller1@cbre.com