

U.S. ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy and the U.S. into recession. Policies initiated to “flatten the curve” of potential infection include the voluntary and mandated shutdown of large sectors and regions of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all grinded to a halt while customers self-quarantine and practice social distancing.

RECORD-SETTING LAYOFFS, DECLINING EMPLOYMENT

Over the last two weeks (ending on March 28th), a cumulative 10 million people have applied for unemployment benefits—by far the largest number of applications in history since record-keeping began in 1967. Initial unemployment claims are a highly reliable leading indicator of trends in labor markets and therefore the economy at large. Given the size of the increase, along with other high-frequency data trends that are similarly bleak, it is widely believed that the U.S. economy has entered a recession. This was reinforced in early April when the Labor Department reported that payroll employment in the U.S. fell by 701,000 jobs in March, one of the largest declines in history. It's all but certain that even more jobs will be lost in the months ahead.

Given the way these events have unfolded and the huge number of layoffs, the current thinking among economic forecasters is that the second quarter of 2020 will see one of the largest real GDP declines in U.S. history. What is less clear is what the economic trajectory will be following Q2. As of this writing (4-7-2020), hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work in certain areas, but many unknowns remain. It is too soon to say if these signs are sustainable and how they will impact the trajectory of the economy.

We continue to monitor developments extremely closely and are working around the clock to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

TRENDS AND INSIGHTS

Cushman & Wakefield Covid-19 Webinar Replay

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**.

[Click to Replay](#)

COVID-19: A Wholly Unprecedented Policy Response

On March 27, 2020, an enormous \$2.2 trillion emergency coronavirus stimulus package was signed into law by President Trump. The legislative package—the Coronavirus Aid, Relief and Economic Security (CARES) Act—is the largest rescue package in U.S. history. [Click for Summary](#)

Lessons From Landlords In China's Post Covid-19 Recovery Phase

With local infections down, China is getting back to work. As the lights are turned back on in offices across the country, landlords and tenants alike are inevitably finding themselves in a new paradigm. [Click for Article](#)

2020 Asia Pacific Office Outlook

In this report, you will find detailed but succinct analysis of the trends in each of the region's key Grade A office markets over the next two years that we hope will help refine your organization's CRE strategy.

[Click for Article](#)

CUSHMAN & WAKEFIELD
WEEKLY COVID-19 UPDATES

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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (WD)
CBD/Winter Park/Maitland	3,917,373	73,174	1.9%	-4,910	-4,910	100,000	0	N/A	\$7.50	\$11.73
Silver Star/Apopka	18,252,218	1,812,304	9.9%	21,086	21,086	1,149,200	221,216	\$5.75	\$8.87	\$7.02
Altamonte/Longwood	5,309,930	318,478	6.0%	67,427	67,427	0	0	\$7.25	\$9.00	\$6.62
Lake Mary/Sanford	8,848,304	692,688	7.8%	116,626	116,626	232,100	146,000	\$5.18	\$7.77	\$6.61
E.Orange/University/Forsyth	4,421,227	121,646	2.8%	33,956	33,956	0	0	\$10.00	\$13.87	\$9.06
NE/Winter Springs/Oviedo	1,070,987	61,656	5.8%	2,346	2,346	0	0	\$8.80	\$8.72	\$7.50
Michigan/So. Orange Ave.	2,743,321	61,261	2.2%	-30,766	-30,766	0	0	N/A	N/A	\$7.19
Airport/Lake Nona	19,738,791	2,647,332	13.4%	252,415	252,415	1,378,401	105,500	N/A	\$14.29	\$5.66
33rd Street/LB McLeod	5,102,990	258,919	5.1%	-20,441	-20,441	0	0	N/A	\$12.97	\$6.91
Regency/Turnpike	18,612,757	528,942	2.8%	-21,619	-21,619	887,240	0	\$12.50	\$9.00	\$6.14
Orlando Central Park	21,573,056	1,454,720	6.7%	37,692	37,692	95,206	462,621	N/A	\$10.80	\$5.78
Osceola/Kissimmee	5,211,379	57,880	1.1%	3,977	3,977	0	0	\$8.83	\$16.00	\$9.31
West Orange/Winter Garden	3,408,844	232,474	6.8%	125,019	125,019	402,582	0	N/A	N/A	\$6.84
Davenport	6,685,599	350,754	5.2%	450,000	450,000	0	0	N/A	N/A	\$5.48
ORLANDO TOTALS	124,896,776	8,672,228	6.9%	1,032,808	1,032,808	4,244,729	935,337	\$7.22	\$10.24	\$6.16

*Rental rates reflect weighted net asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
2491 Principals Row	Regency/Turnpike	Walmart	118,250	Direct
4501 Home Run Boulevard	Davenport	C&C Associates	110,604	Renewal*

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2020

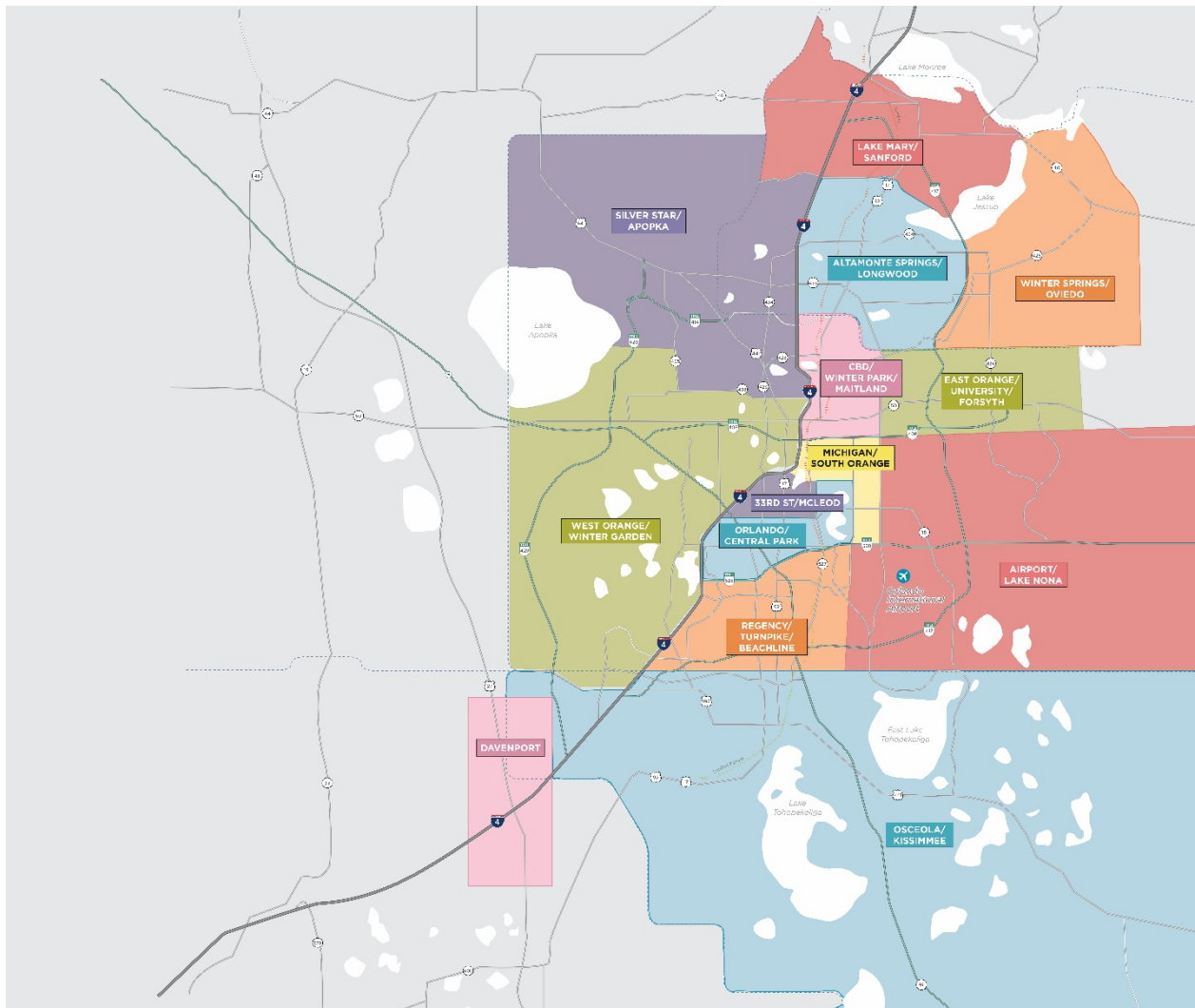
PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
8201 Chancellor Drive	Orlando Central Park	Kinsey Equities/Albany Road RE Partners	713,585	\$41,150,000/\$58
1400 Grand Street (Amazon Fulfillment Center)	CBD/Winter Park/Maitland	Seefried/CBREI	115,280	\$32,600,000/\$282

KEY CONSTRUCTION COMPLETIONS Q1 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
7705 Winegard Road	Orlando Central Park	N/A	150,913	McDonald Development
Narcissus Avenue – Building One	Lake Mary	N/A	146,000	Scannell Properties



INDUSTRIAL SUBMARKETS

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RESEARCH PUBLICATION**

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