

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)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
CBD	7,280,567	49,164	848,859	12.3%	128,166	128,166	77,705	0	\$28.91	\$30.14
Maitland	5,619,050	47,359	503,050	9.8%	-65,313	-65,313	101,924	0	\$21.88	\$23.05
Altamonte	1,332,297	0	244,677	18.4%	-32,005	-32,005	20,774	0	\$18.45	\$21.84
Longwood	677,469	0	165,282	24.4%	-8,912	-8,912	2,146	0	\$19.36	N/A
Lee Road	896,897	1,950	66,864	7.7%	-8,749	-8,749	4,846	0	\$21.17	N/A
University	4,061,201	20,847	389,654	10.1%	-22,319	-22,319	86,306	25,209	\$23.26	\$26.75
436 Corridor	1,870,065	6,682	125,442	7.1%	-25,449	-25,449	16,592	0	\$19.82	N/A
Winter Park	1,380,311	0	69,554	5.0%	8,663	8,663	21,130	26,716	\$27.81	\$29.00
Airport/Lake Nona	1,217,382	3,526	105,674	9.0%	4,288	4,288	22,131	38,000	\$31.25	\$31.25
Tourist Corridor	5,948,480	14,994	264,105	4.7%	163,071	163,071	301,412	125,000	\$23.45	\$25.44
Lake Mary	4,552,838	68,273	364,831	9.5%	11,662	11,662	17,263	109,600	\$24.34	\$25.43
Millenia/Metrowest	2,034,968	14,273	86,779	5.0%	-21,944	-21,944	21,783	0	\$24.58	\$28.01
Non CBD	29,590,958	177,904	2,385,912	8.7%	2,993	2,993	616,307	324,525	\$22.65	\$25.51
ORLANDO TOTALS	36,871,525	227,068	3,234,771	9.4%	131,159	131,159	694,012	324,525	\$24.23	\$27.05

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
3500 Quadrangle Boulevard	University	Ocean Optics	52,125	Direct
1900 Summit Tower Boulevard	Maitland	Cole, Scott & Kissane	30,706	Renewal*
1060 Maitland Center Commons	Maitland	Power Engineers	24,169	Direct

*Renewals are not included in leasing activity

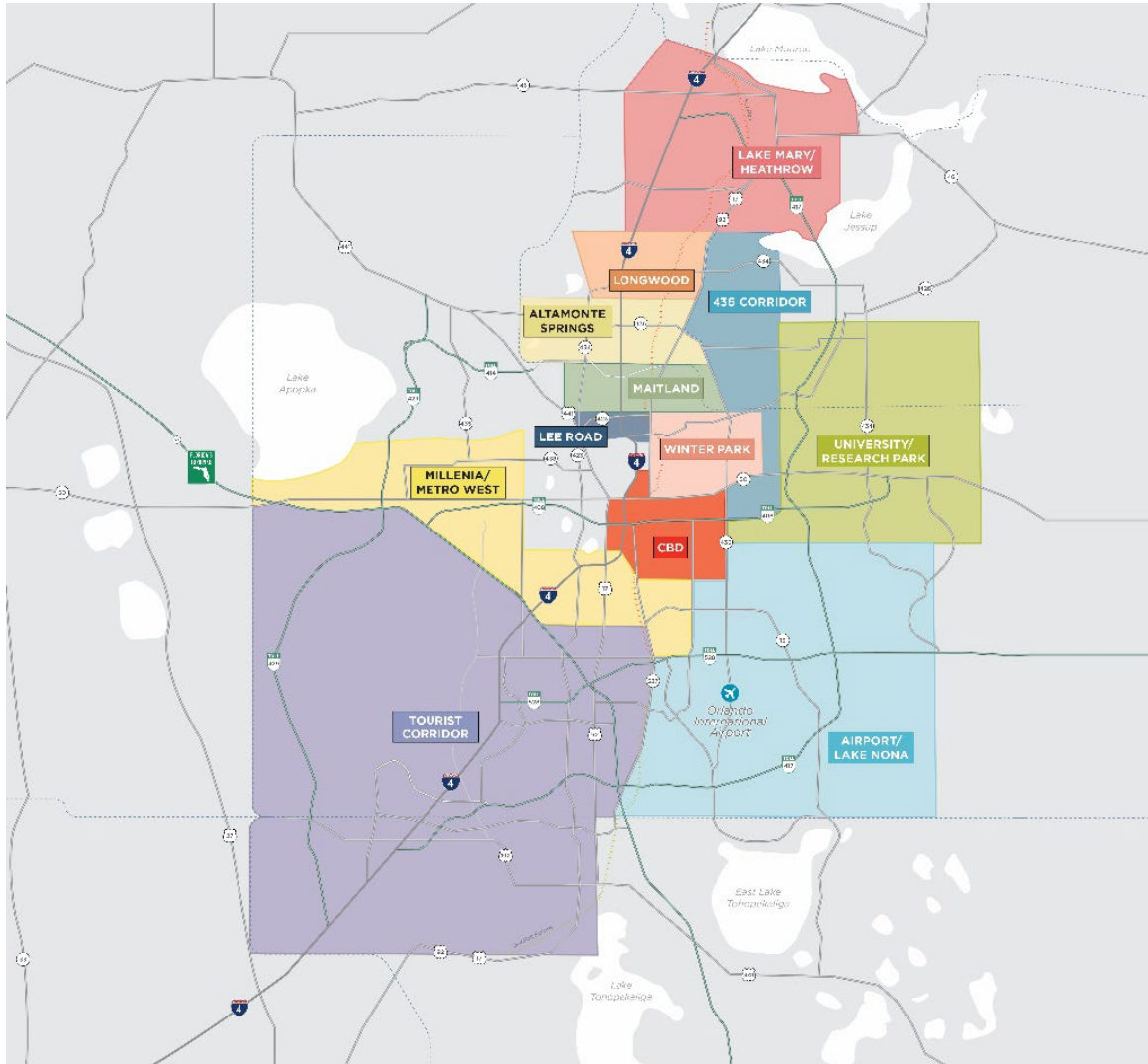
KEY SALES TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
851 Trafalgar Court	Maitland	Crocker Partners/Brightman & Gil	174,048	\$28,130,000/\$161

KEY CONSTRUCTION COMPLETIONS Q1 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
Truist Plaza at Church Street	CBD	Truist	214,800	Tremont Realty Capital

OFFICE SUBMARKETS



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