

Orlando MSA Market Overview

July 2015

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Orlando MSA Market Overview

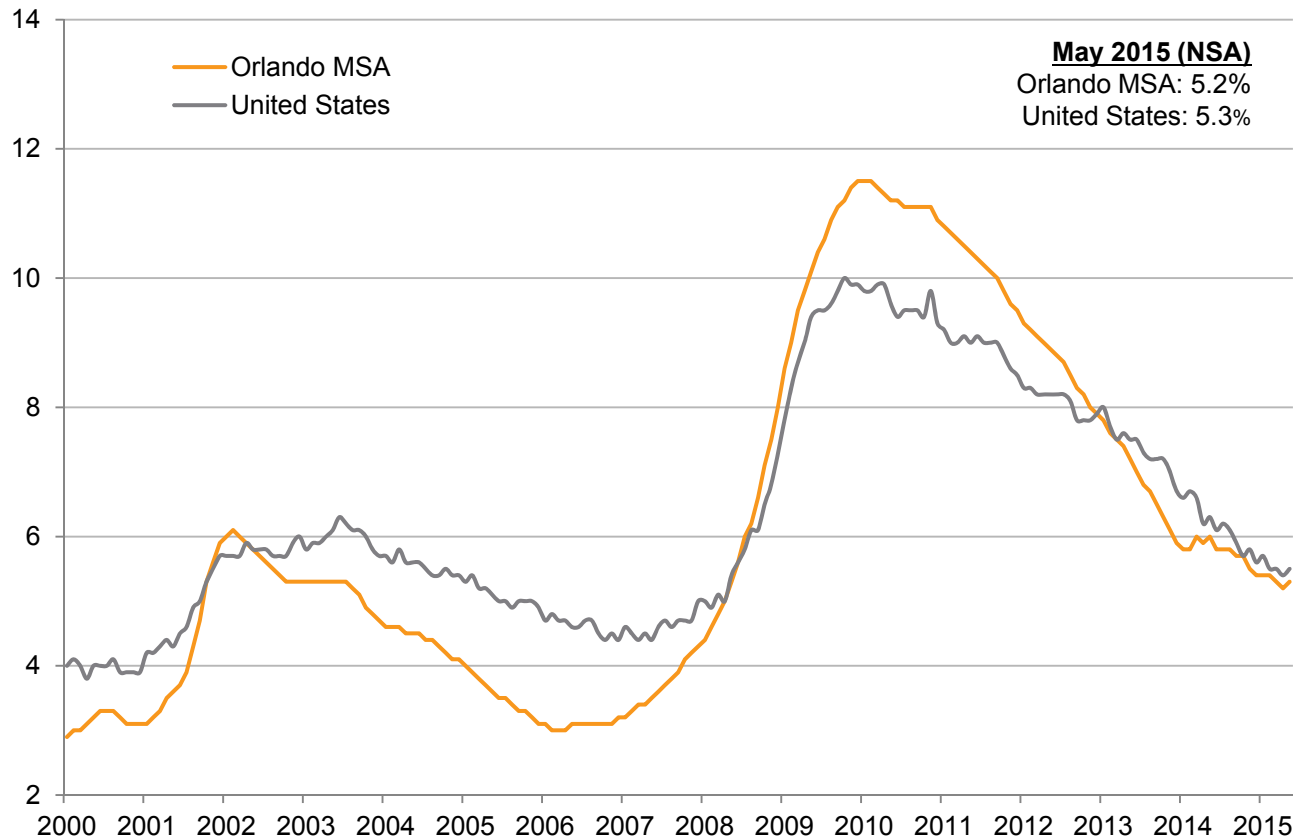
Overview

- Labor Market
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Labor Market

Orlando's unemployment rate has been below the national rate since early 2013. However, gains have largely flattened in recent months as improving job prospects begin to encourage people to rejoin or enter the labor force.

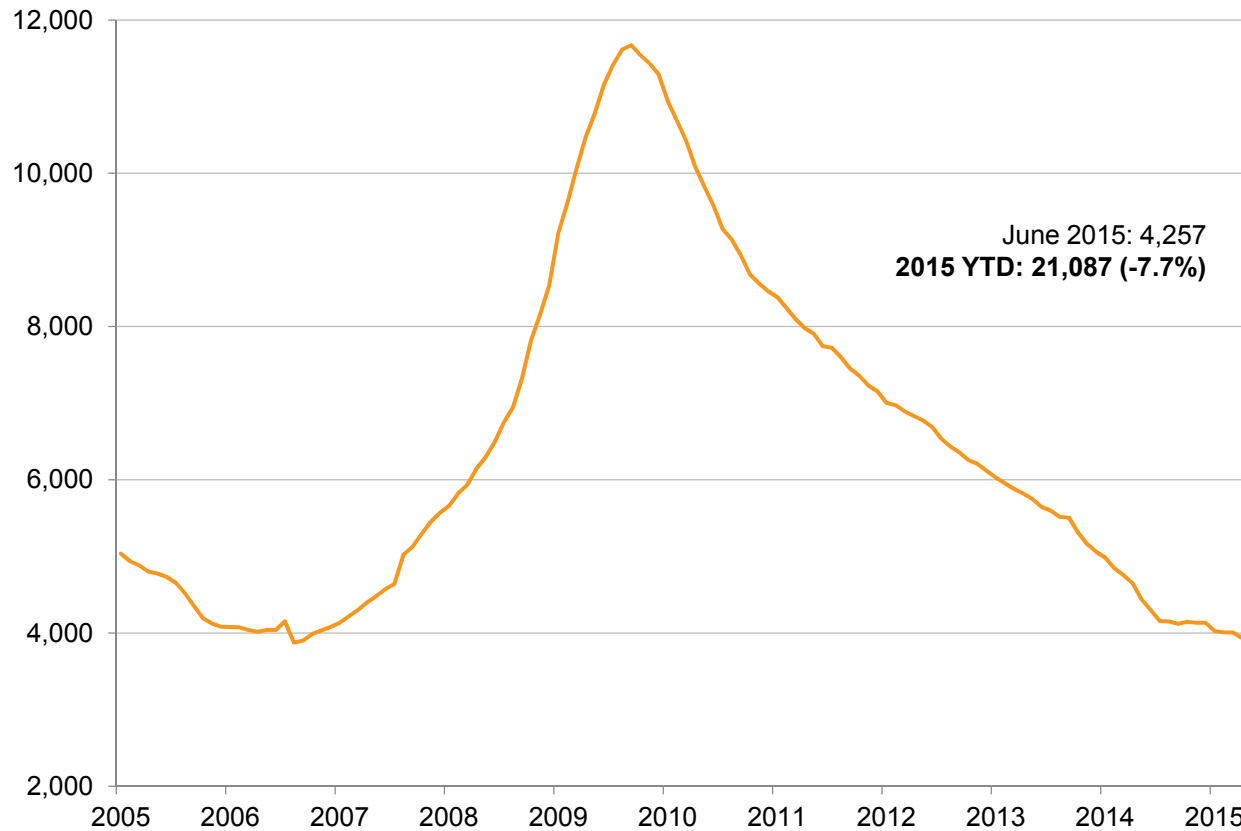
Unemployment Rate
Through May 2015, Seasonally Adjusted



Source: U.S. Department of Labor, Bureau of Labor Statistics

Labor Market

New Claims for Unemployment Insurance, Orlando MSA
Through June 2015, 12-Month Moving Average



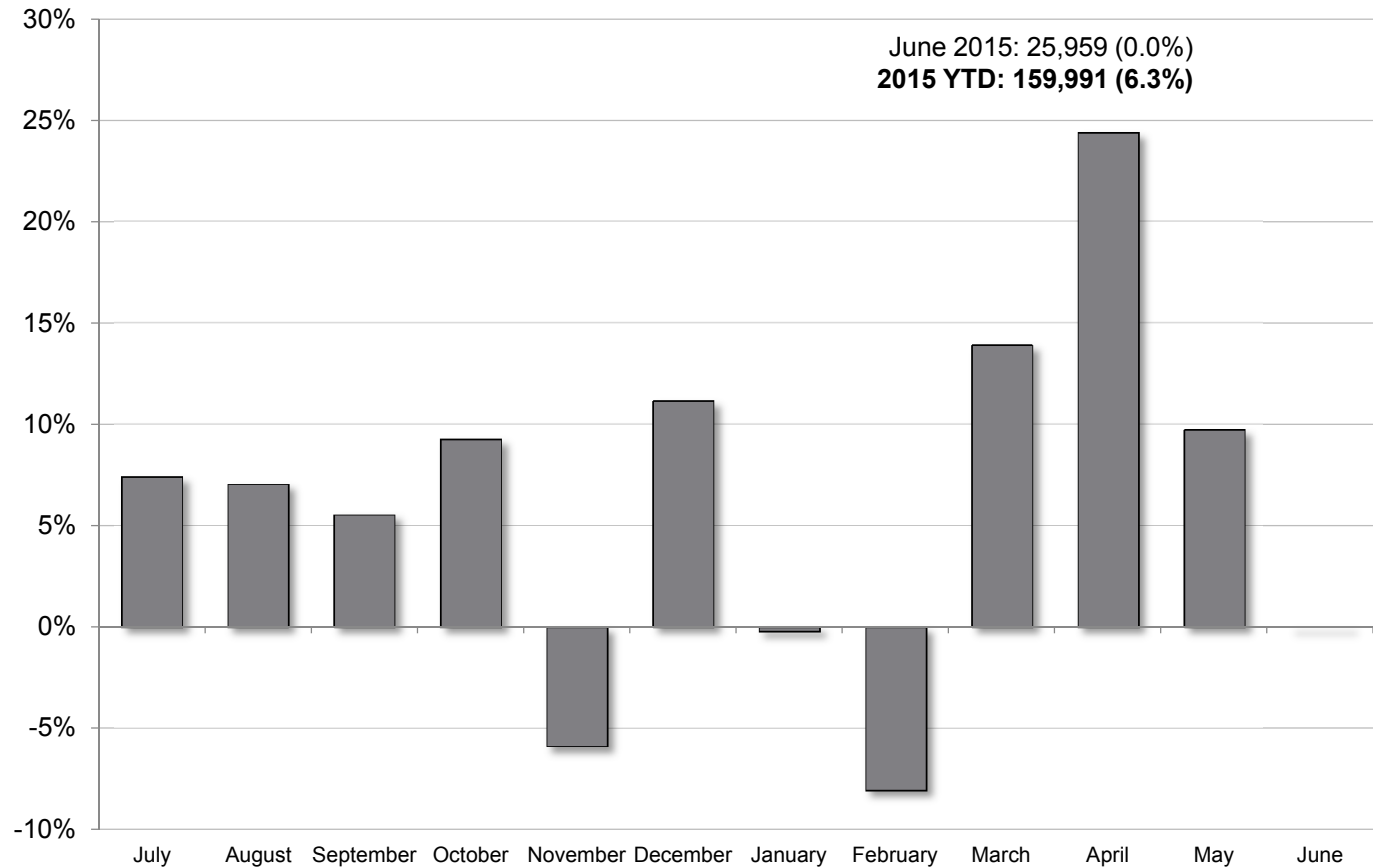
New claims for unemployment insurance are normalizing at a 12-month moving average of 3,987.

Source: Florida Department of Economic Opportunity, Labor Market Statistics Center

Labor Market

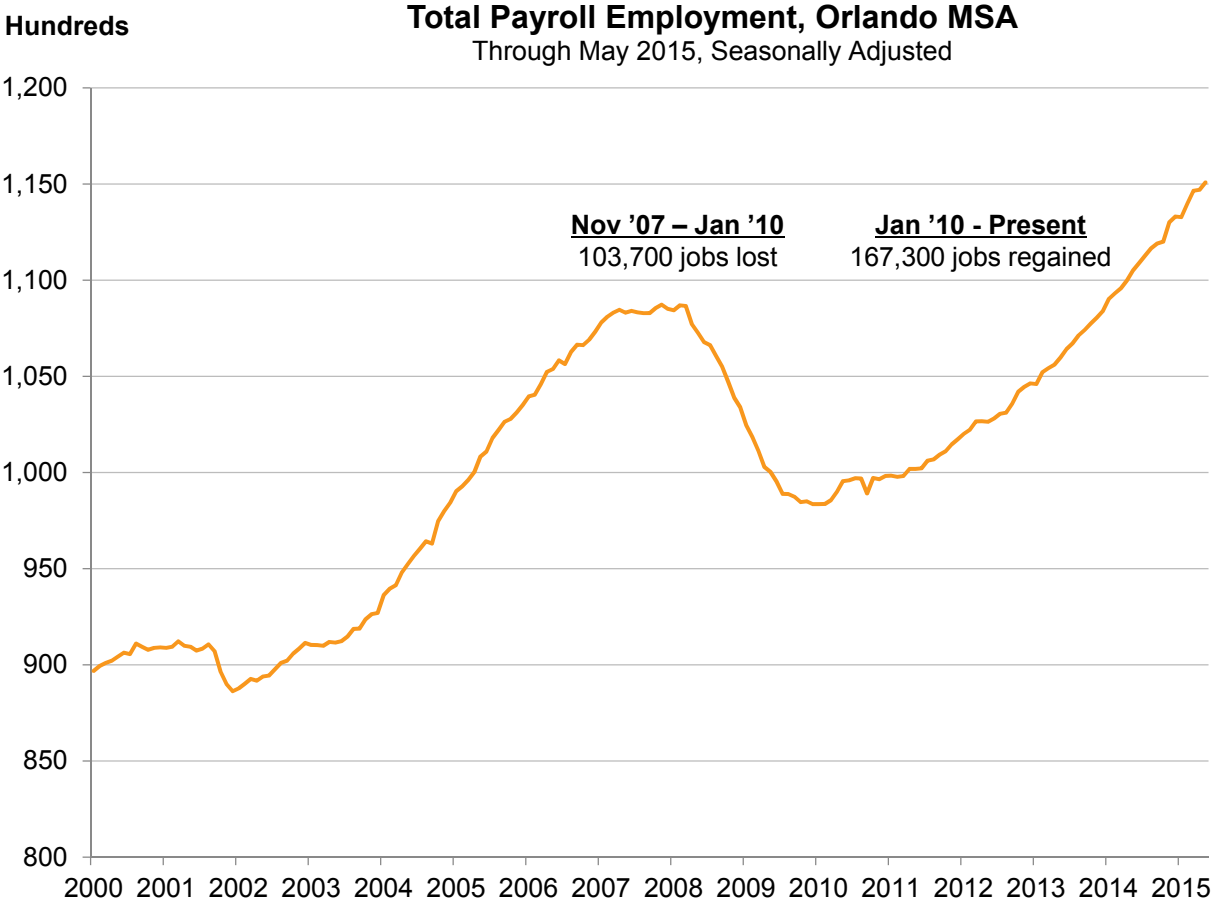
New Job Postings, Orlando MSA
Through June 2015, Y/Y % Change

Year-to-date labor demand in the region, measured by new online job postings, increased 6% year-over-year in June.



Source: WantedAnalytics

Payroll Employment



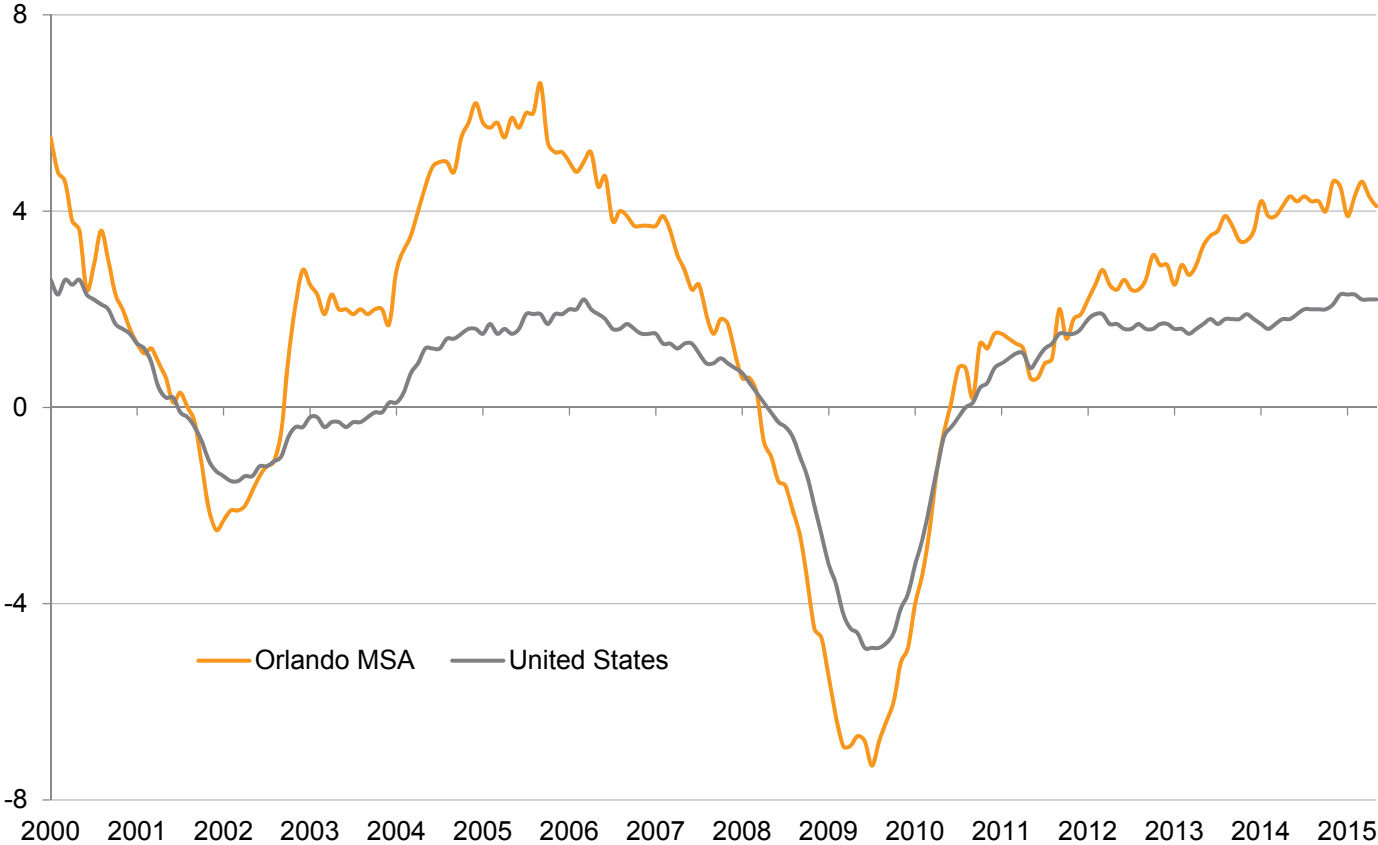
In purely employment terms, Orlando’s job market has fully recovered. In early 2014, the region became the first major MSA in the state to regain all jobs lost during the recession.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Payroll Employment

Change in Payroll Employment
Through May 2015, Y/Y % Change, Seasonally Adjusted

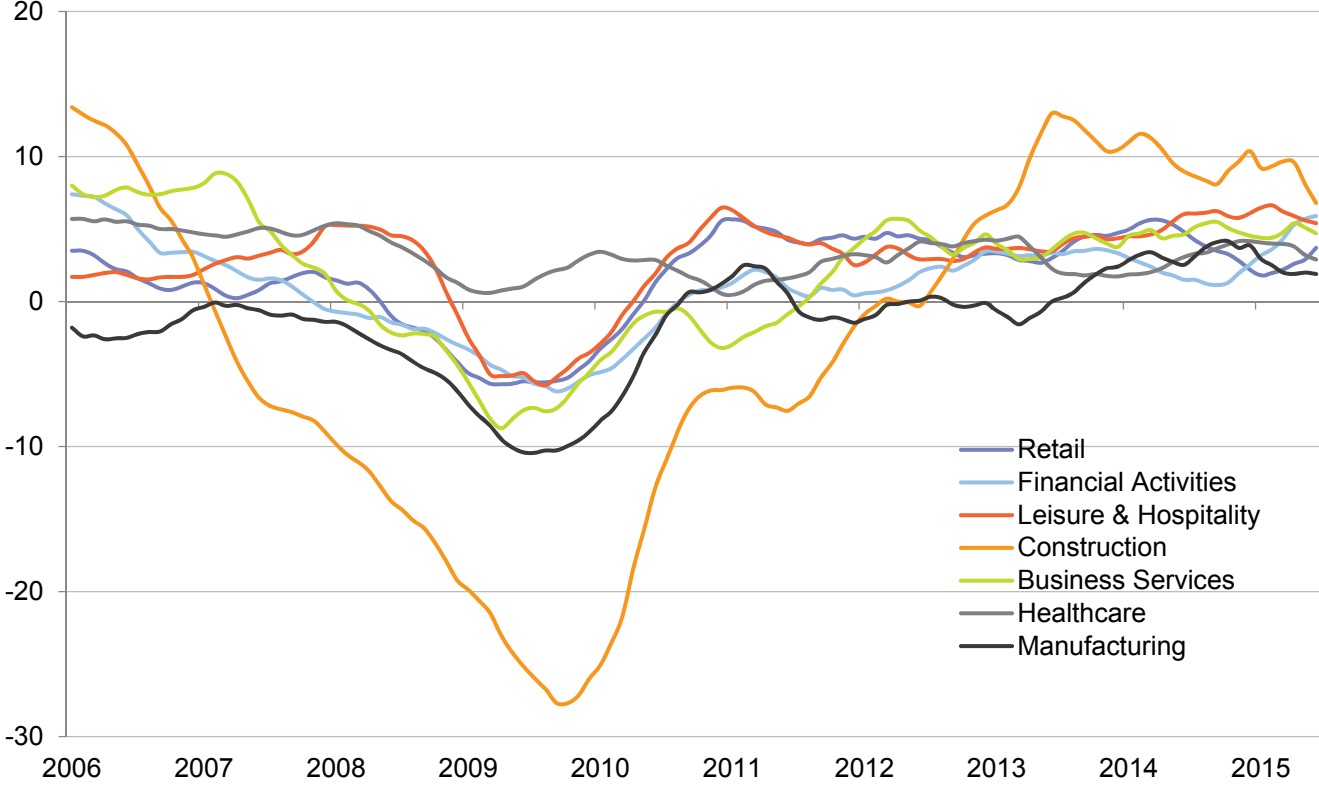
Local year-over-year job growth has exceeded the nation's rate for 43 consecutive months.



Source: U.S. Department of Labor, Bureau of Labor Statistics

Payroll Employment

Employment Growth, Orlando MSA
Through June 2015, Y/Y % Change, 3-Month Moving Average
Not Seasonally Adjusted



All major sectors are on a positive trajectory.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Payroll Employment

Current year-over-year employment growth of 4.0% is third among the 30 MSAs with an employment base of over 1 million jobs.

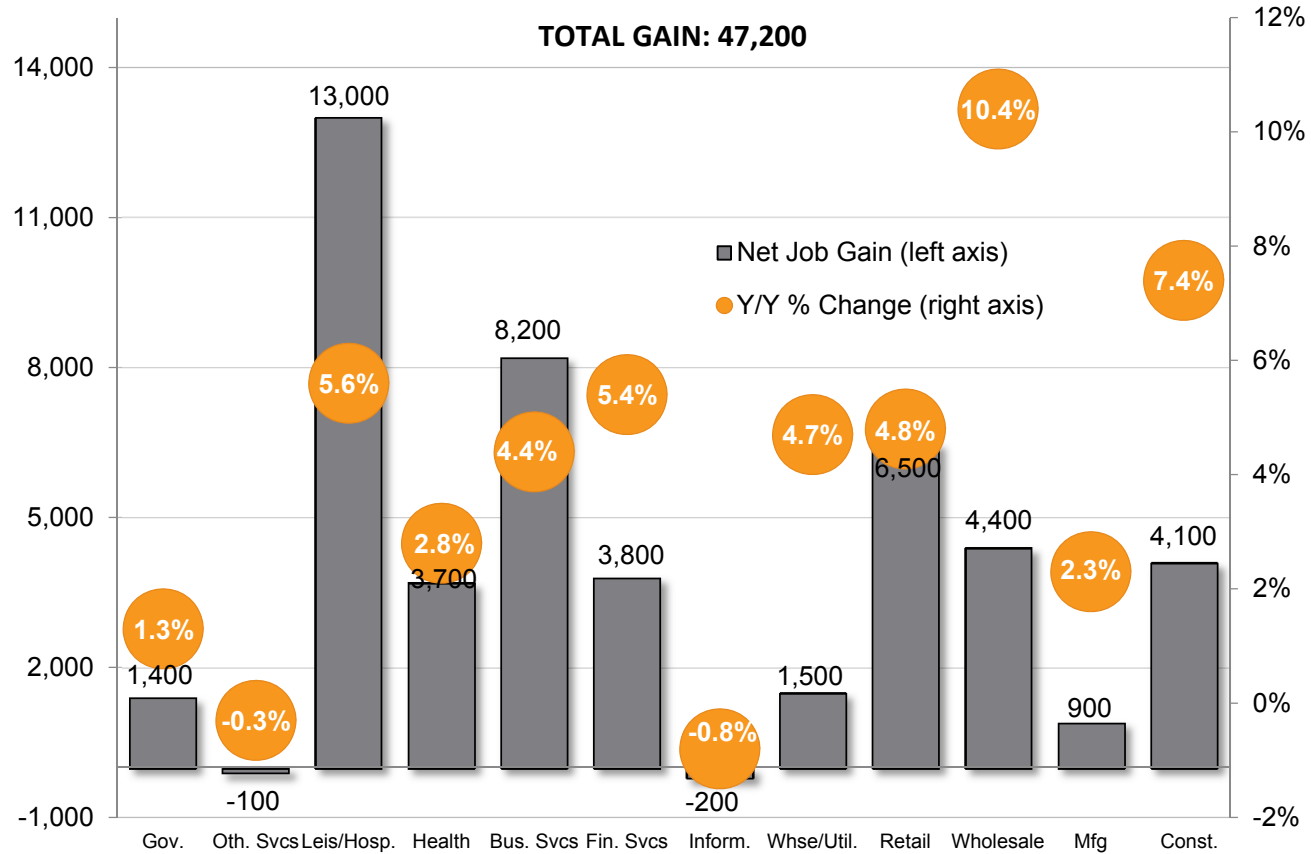
% Change in Payroll Employment, MSAs > 1 Million Jobs
May 2014 – May 2015, Not Seasonally Adjusted

Rank	MSA	% Change
1	San Jose, CA	5.7%
2	Riverside, CA	4.1%
3	Orlando, FL	4.0%
4	Seattle, WA	3.7%
5	Dallas, TX	3.4%
6	Charlotte, NC	3.3%
7	Atlanta, GA	3.2%
8	San Diego, CA	3.2%
9	Denver, CO	3.1%
10	Miami, FL	3.1%

Source: U.S. Department of Labor, Bureau of Labor Statistics

Payroll Employment

Job Gains by Industry, Orlando MSAJ
June 2014 – June 2015, Not Seasonally Adjusted



Of the 22 metros in Florida, Orlando reported the largest over-the-year gains in May in absolute terms (+47,200 jobs). The region's recovery is evolving and employment gains are now proving more broad-based.

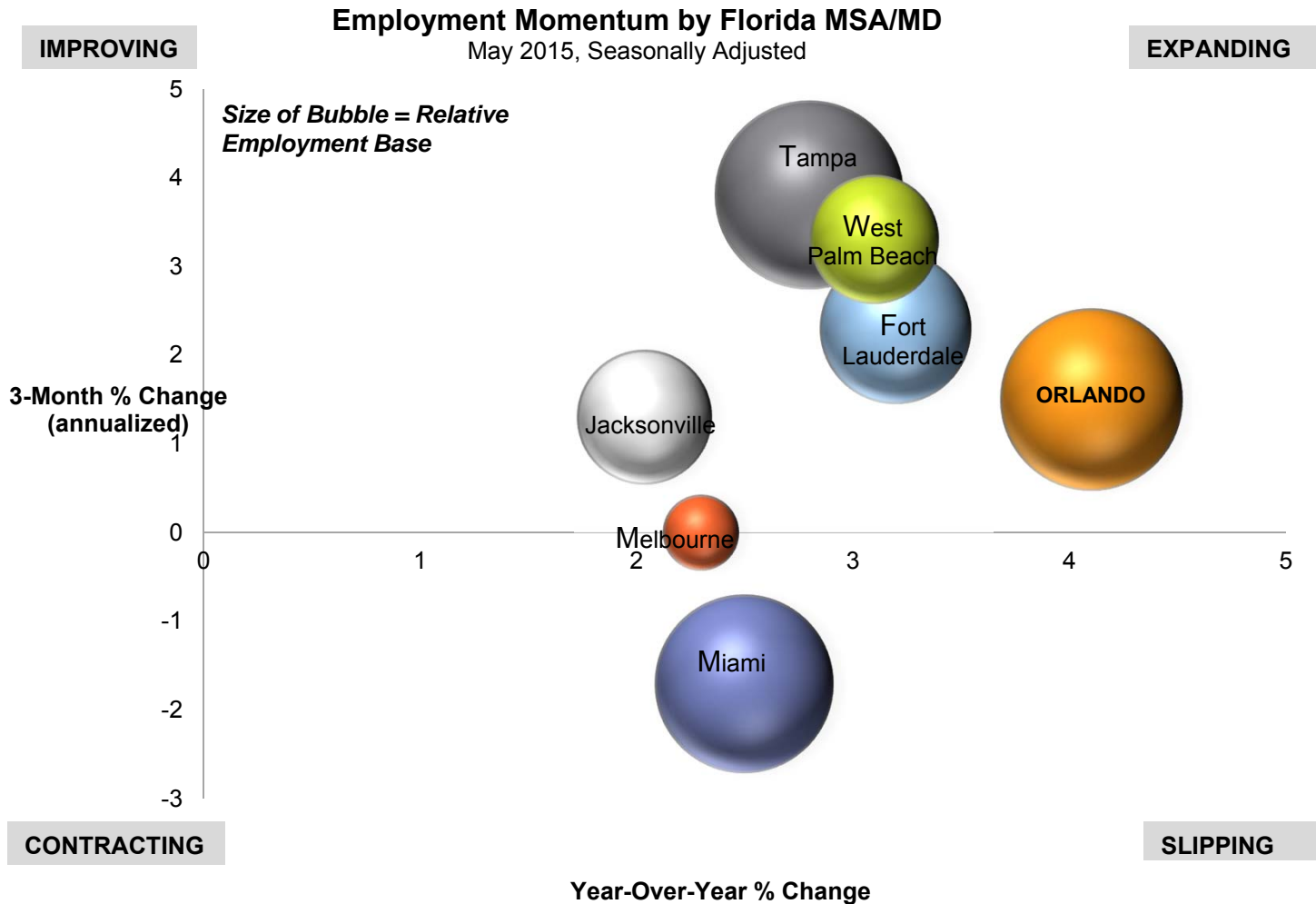
Source: U.S. Department of Labor, Bureau of Labor Statistics

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Payroll Employment

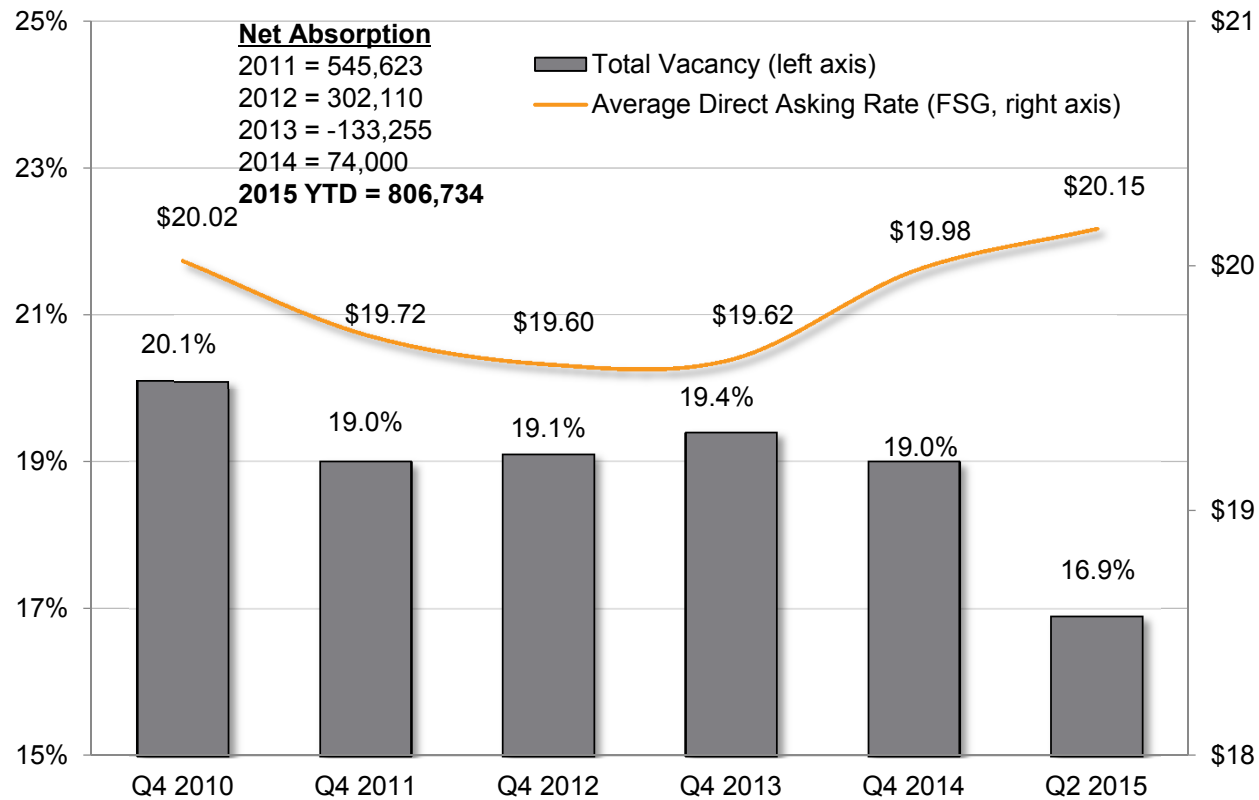
The region is showing positive employment momentum in the second quarter of 2015 and continues to outperform on long-term momentum.



Source: U.S. Department of Labor, Bureau of Labor Statistics

Commercial Real Estate

Office Market, Orlando MSA
Through 2nd Quarter 2015



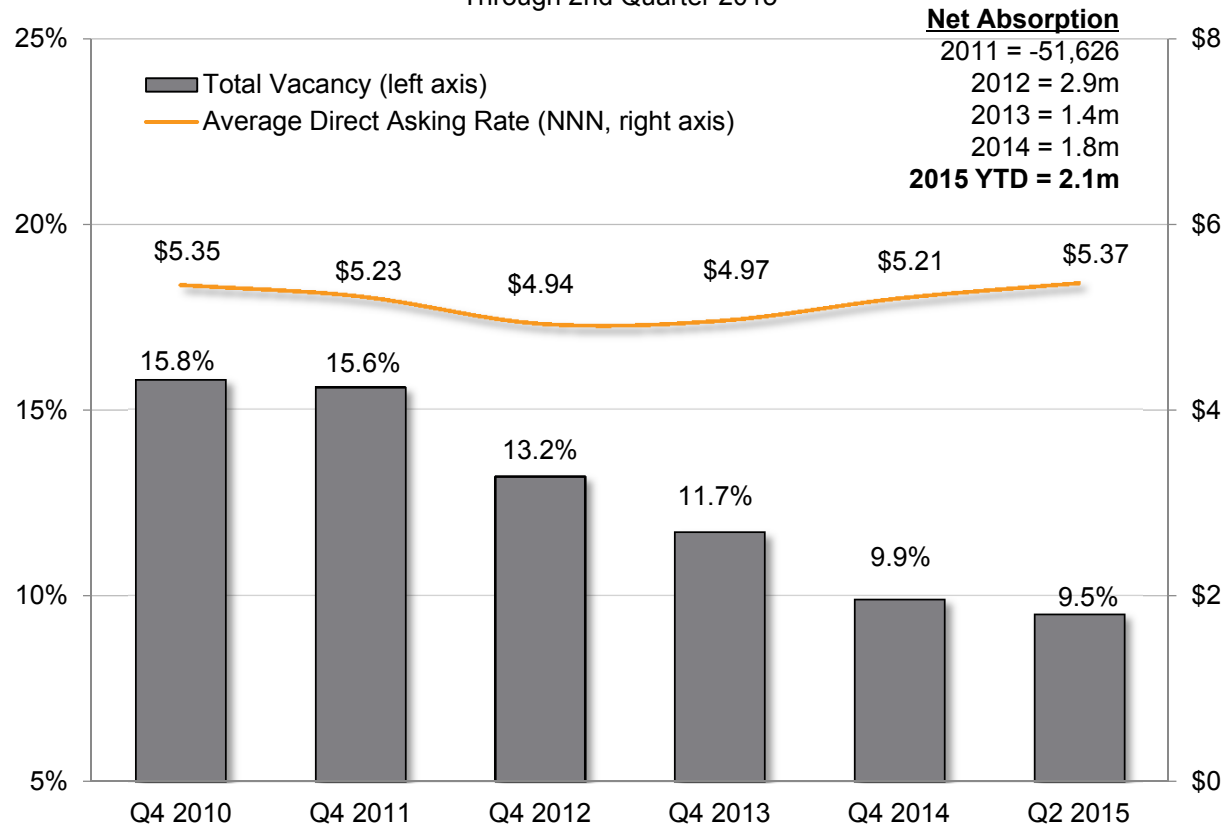
Orlando's office market fundamentals continue to strengthen; net absorption of 614,000 square feet in the second quarter of 2015 represented the market's highest in eight quarters.

Source: CBRE

Commercial Real Estate

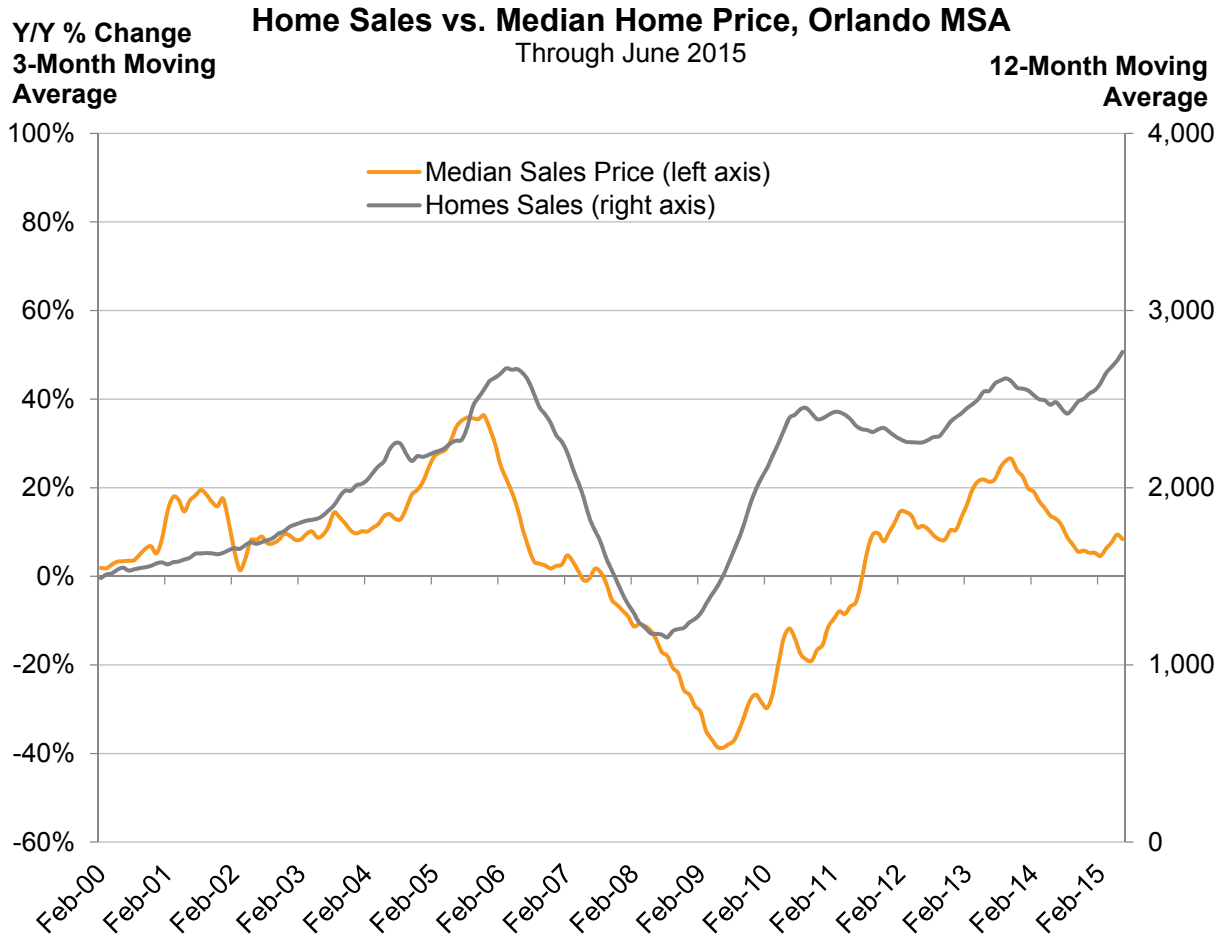
Delivery and occupancy of a 1 million-square-foot Publix Distribution Center in Southeast Orange County propelled the industrial market to year-to-date net absorption of 2.1 million square feet. Overall vacancy continues to decline.

Industrial Market, Orlando MSA
Through 2nd Quarter 2015



Source: CBRE

Residential Real Estate



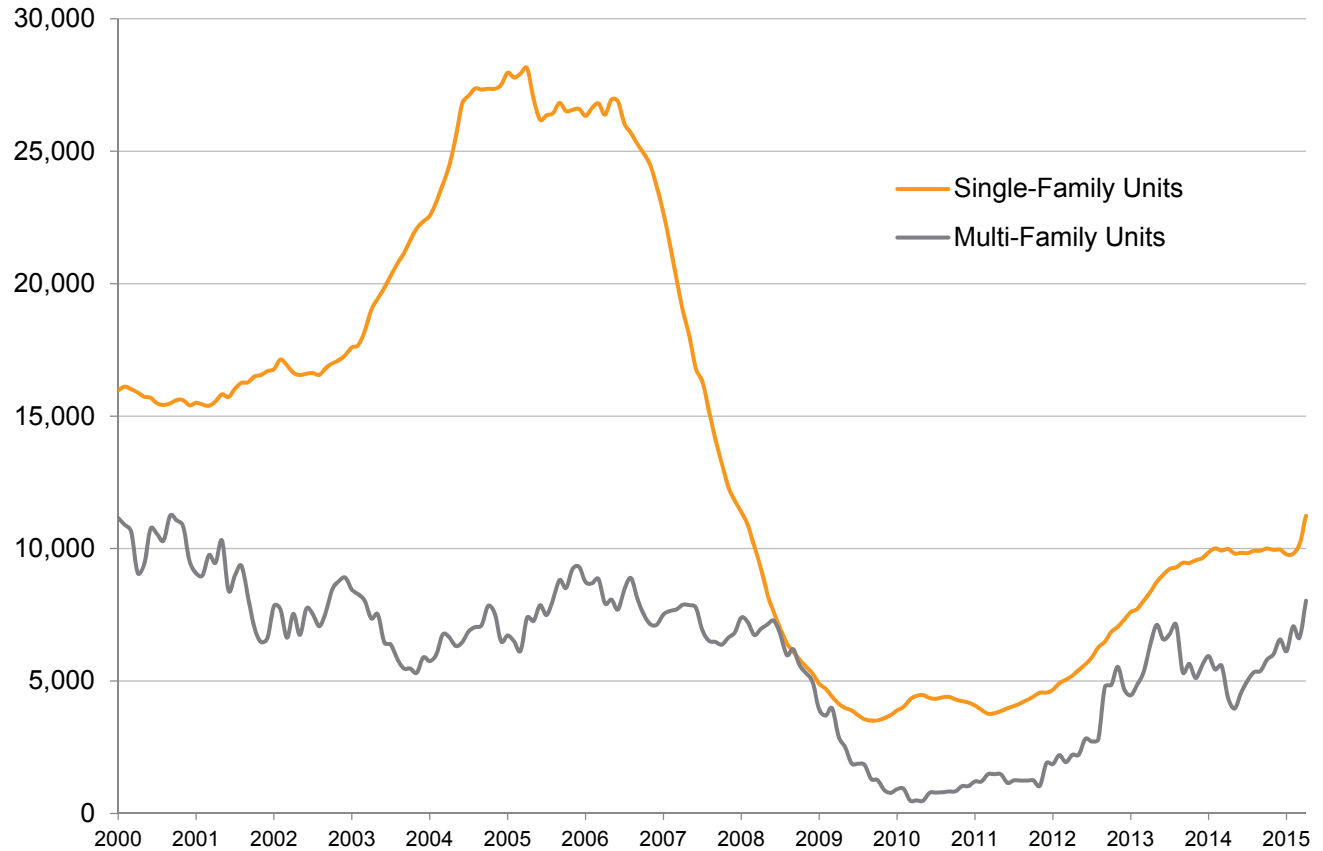
Home sales have an opportunity over the next 12 months to settle into a pattern of more traditional growth as the impact of both institutional investment and distressed sales wanes.

Source: Orlando Regional Realtor Association

Residential Real Estate

Reports of a construction bubble appear premature. Although multi-family permitting is on the rise, total activity remains below historic norms.

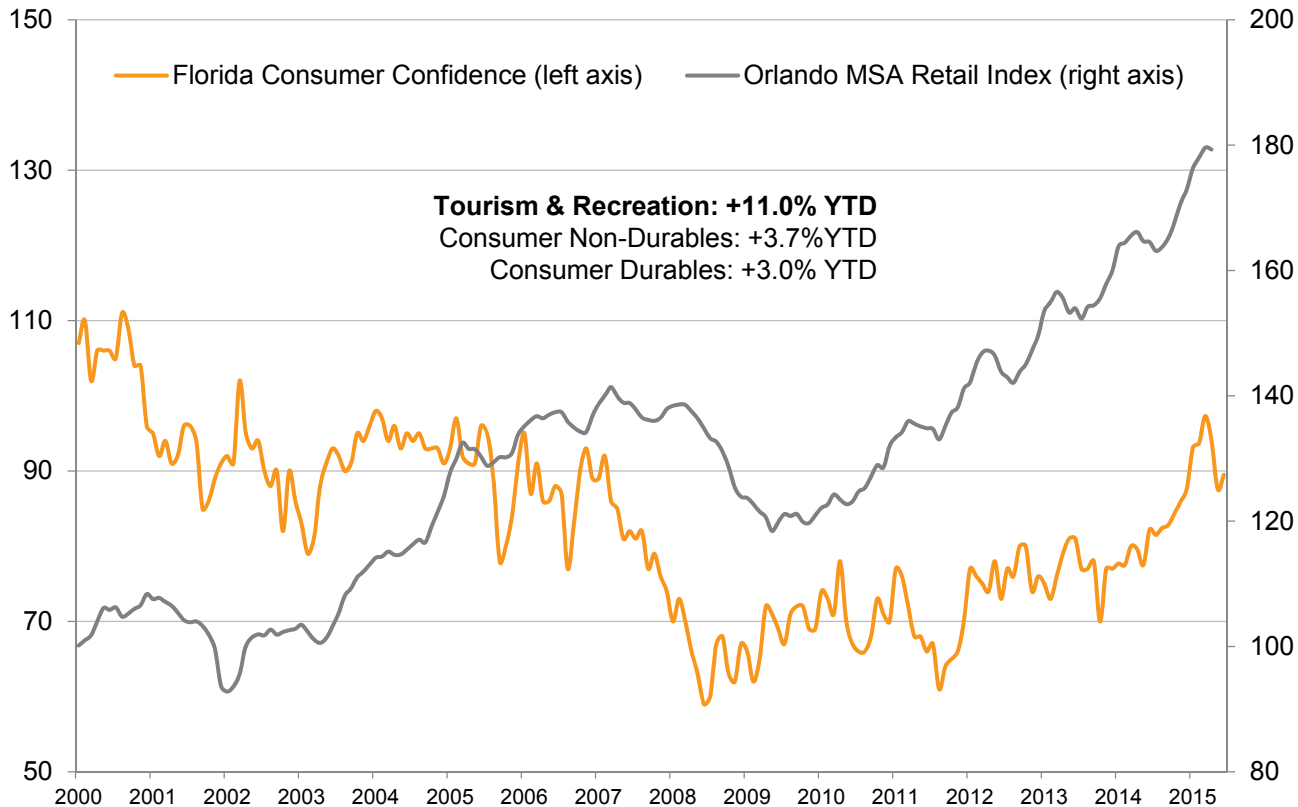
Housing Permits, Orlando MSA
Units Authorized, Through May 2015
12-Month Moving Average Annualized Rate



Source: U.S. Census Bureau

Consumer Spending

Orlando MSA Retail Index vs. Florida Consumer Confidence
Through April 2015



Buoyed by strong tourism gains, consumer spending in the region is outperforming statewide consumer confidence.

Source: University of Florida, Bureau of Economic & Business Research; Florida Legislature, Office of Economic & Demographic Research

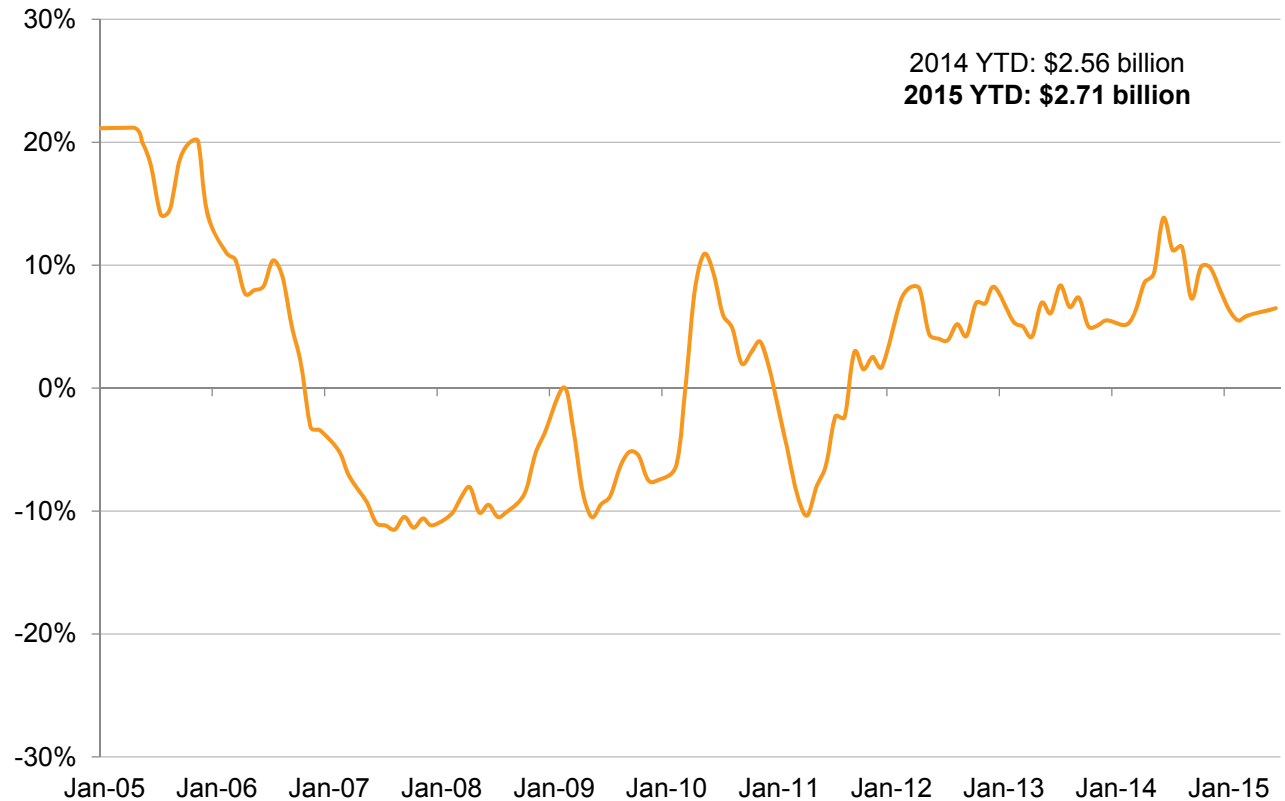
Business Sentiment

Renewed confidence among local business in the future is also evident. Year to date, local business investment (in equipment and technology, for example) is up 5.9%

Taxable Sales – Business Investment, Orlando MSA

Through April 2015

Y/Y % Change, 3-Month Moving Average



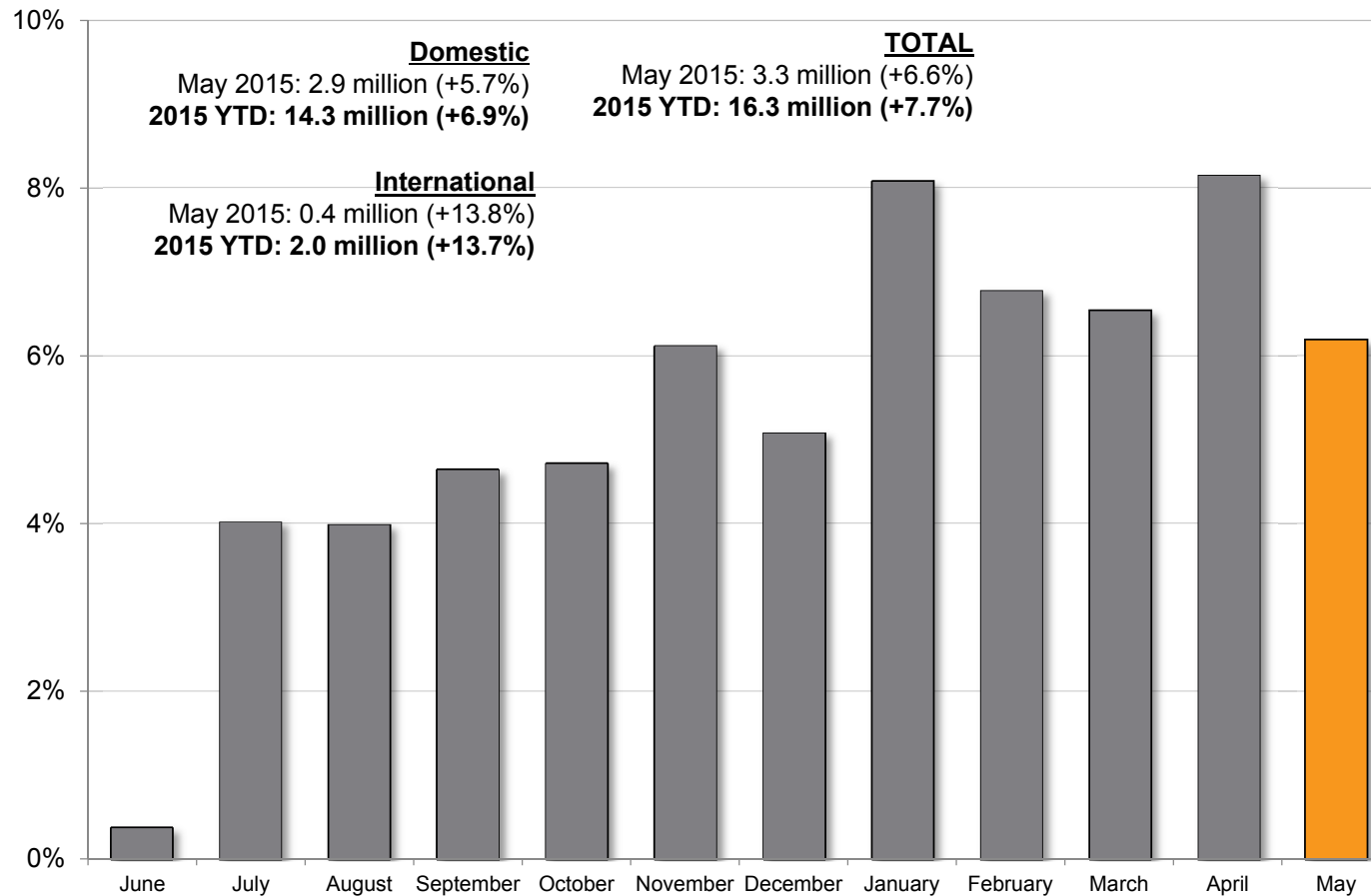
Source: Florida Department of Revenue

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Transportation

Passengers - Orlando International Airport Through May 2015, Y/Y % Change



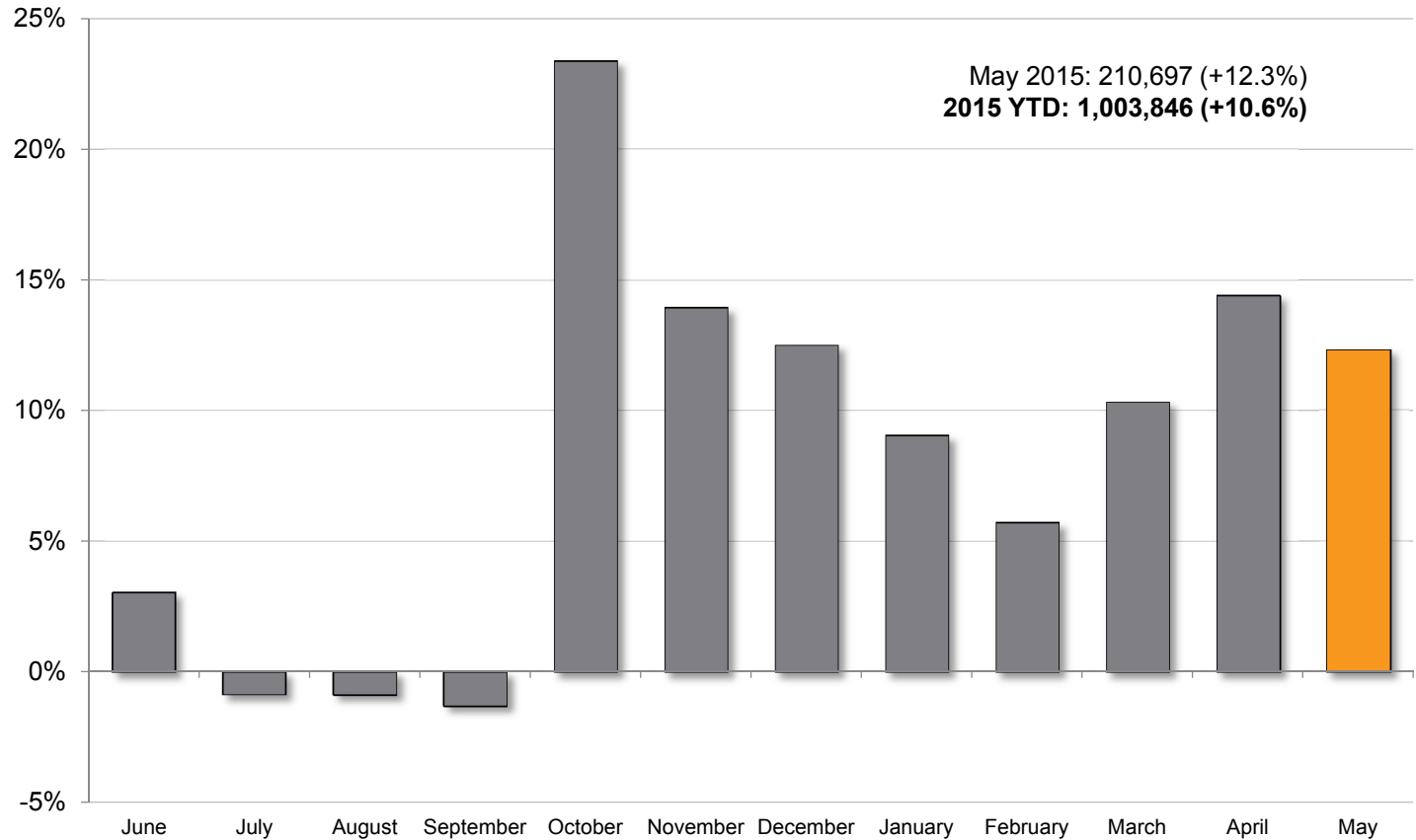
Passenger traffic through Orlando International is up 7.7% year-to-date. International traffic is up 13.7% year-to-date, driven by new service from Azul, Silver and Sunwing Airlines.

Source: Greater Orlando Aviation Authority

Transportation

Passengers - Orlando Sanford International Airport
Through May 2015, Y/Y % Change

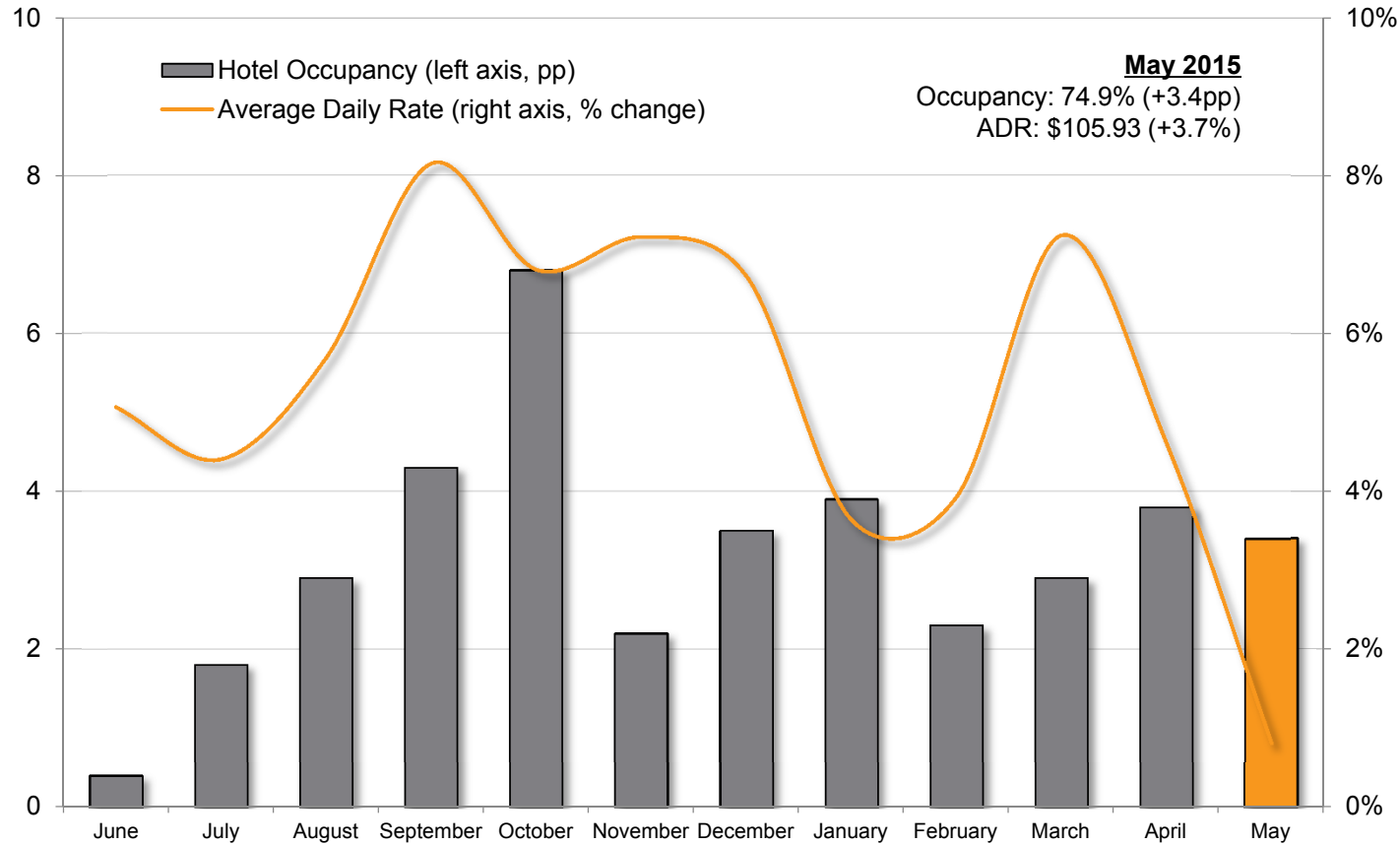
May 2015 marked the eighth consecutive monthly year-over-year increase in passengers through Orlando Sanford, increasing 12% from May 2014.



Source: Sanford Airport Authority

Visitor Industry

Hotel Occupancy vs. Average Daily Rate, Orlando MSA
Through May 2015, Y/Y Change



In late March, Visit Orlando announced that Central Florida retained its title as the most visited destination in the country with over 62 million travelers in 2014. Gains in both hotel occupancy and average daily rate continue.

Source: Visit Orlando

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