

The O-Town West project transaction handled by Daryl M. Carter, President of Maury L. Carter & Associates, Inc. on behalf of the Sellers, Maury L. Carter & Associates, Inc. investors.

SunTrust's big office lease drives major changes in downtown's skyline

Dec 27, 2018, 8:51am EST

Central Florida's largest bank is moving around the corner from the iconic tower that has long carried its name, which will have massive implications for downtown Orlando next year.

Atlanta-based SunTrust Banks Inc. (NYSE: STI) is relocating to a 90,000-square-foot space in the future 28-story SunTrust Plaza at Church Street Station in August. The lease signing set off a chain reaction of anchor tenant deals that are transforming Orlando's skyline — making it one of the most significant commercial real estate transactions in 2018.

Terms of the deal weren't disclosed, but Dallas-based Lincoln Property Co. is building the new tower on the northeast corner of South Street and Garland Avenue. Johns Creek, Ga.-based Piedmont Office Realty Trust Inc. (NYSE: PDM) is SunTrust Center's landlord, and JLL (NYSE: JLL) is the leasing agent.

"The bank wanted to refresh its image, and we wanted a tenant of that magnitude," said [Austin Stahley](#), Florida region director of Lincoln Property Co. "It's a good fit for our building."

The move, which was announced in June, opened up 250,000 square feet of office space between Central Florida's tallest building, SunTrust Center, and the adjacent 10-story, 200 South Orange building.

So far, New York-based co-working giant WeWork reportedly is in talks to lease 70,000 square feet of space in the SunTrust Center. This would be WeWork's first Central Florida operation, which shows new companies are interested in opening offices in the region and creating jobs. However, no tenants have signed any leases yet to backfill the space in either building.

Meanwhile, Bank of America, which at one time was rumored to be interested in SunTrust Center space, terminated its lease at the Bank of America Center at 390 N. Orange Ave. to move in second-quarter 2019 into 300 South Orange. The relocation will put two of the bank's downtown offices under one roof. It also opens an estimated 36,000 square feet of office space in Bank of America's eponymous tower.

Going into 2019, these prominent spaces and naming rights for those buildings will be up for grabs. All the while, plans for new towers are brewing downtown that could bring more office space and apartment units to the central business district.

O-Town West

Orlando-based Unicorp National Developments Inc. announced plans to build the \$1 billion mixed-use O-Town West on 200 acres near Palm and Daryl Carter parkways, close to Walt Disney World.

Parties involved: Unicorp, developer; Daryl Carter of Orlando-based Maury L. Carter & Associates Inc., landowner; Kimley-Horn & Associates Inc., project engineer; Miami-based Zyscovich Architects, project architect; Altamonte Springs-based Roger B. Kennedy Inc., project general contractor

Timing: Land sale is expected to close in second-quarter 2019 with groundbreaking shortly thereafter; project to open in holiday season 2020

Why it matters: Let's set aside the fact that it's the largest deal that Unicorp, one of Orlando's most prominent developers, has announced and sought approvals for in Central Florida. The project will create thousands of full-time jobs and temporary construction work. Additionally, O-Town West reflects the strength and demand in Orlando's growing tourism industry, which hosted a record 72 million visitors in 2017.

"I want to brand that area. O-Town will be known as a place to go visit."

— Chuck Whittall, president of Orlando-based Unicorp National Developments Inc.

Lake Mary Wellness & Technology Park

Parkway Properties Inc. secured approvals from the city of Lake Mary needed to move forward on a 153-acre mixed-use development.

Cost: Estimated \$750 million

Parties involved: City of Lake Mary, Orlando-based real estate investment trust Parkway, developer; Winter Park-based Chesterfield LLC, office developer; Orlando Health, hospital developer; New Century Development, current landowner

Timing: Construction has started on the \$42 million, 30-acre Orlando Health new emergency room and medical pavilion. Meanwhile, the 300,000-square-foot office could break ground in early 2019.

Why it matters: The project encompasses the largest office project announced in Orlando this year, and also may include a hotel, medical office space and an assisted-living facility. In addition, it will create new full-time jobs in the fast-growing Lake Mary area, and will be a positive fiscal impact for the city, county and region in the form of new tax revenue.

"The timing couldn't be any better. There's no large piece of property that's developable with the current rights we have in Lake Mary."

— Rich Toomey, principal, New Century Development I LLC/New Century Development II LLC

Tavistock grows Lake Nona

Timing: Sale closed on May 17; the land is currently going through approvals in Orange County

Why it matters: The deal further expands Lake Nona, one of Central Florida's fastest-growing communities that continues to attract new investment, development and corporate relocations. The planned development, called Poitras, is approved for 2,973 homes, 100,000 square feet of commercial use and a school on 25 acres. With this purchase, Lake Nona now stretches more than 11,000 acres and 17 square miles.

Infinity Park

Lake Nona developer Tavistock Development Co. LLC and West Palm Beach-based McCraney Property Co. plan to build 1.3 million square feet of distribution and logistics facilities near John Young Parkway just north of State Road 528 in southwest Orlando.

Estimated cost: \$117 million-plus

Parties involved: Tavistock and McCraney, co-developers; CBRE Group Inc., leasing for industrial space; Tavistock, leasing for retail, hospitality and office space

Timing: Unknown. Construction hasn't started, and a general contractor hasn't been selected.

Why it matters: Infinity Park is roughly 10 minutes away from the Orange County Convention Center, which makes it a prime site for convention service companies and others looking to serve Orlando's record-setting 72 million visitors.

"The timing is right for development at the best located, undeveloped mixed-use location in metro Orlando. At a time when the need for e-commerce and logistics space is driving demand, we are pleased to be partnering with the Tavistock team, collectively focused on bringing this expansive project to fruition."

— Steven McCraney, president/CEO, McCraney Property Co.

Jack Witthaus

Staff Writer

Orlando Business Journal

