



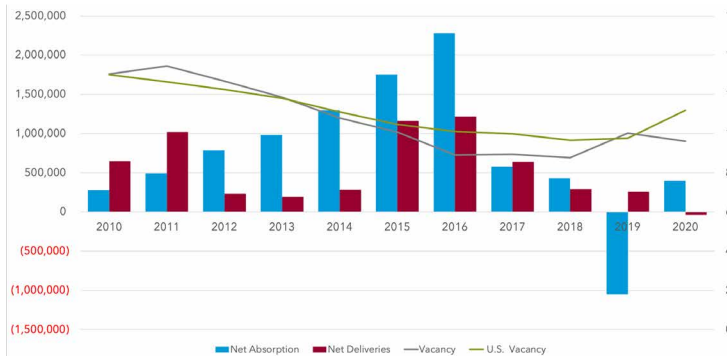
OFFICE MARKET OVERVIEW

DAN MCDONALD, *Senior Vice President*

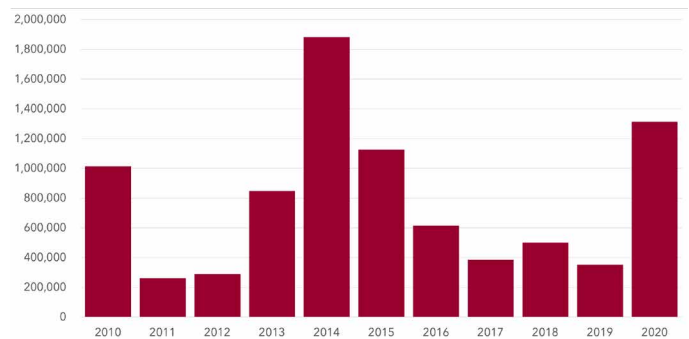
Downsizing will remain a theme as companies seek to reduce real estate costs in the wake of the pandemic and recession. One of Cincinnati's largest office using employers, Fifth Third Bank, announced plans to vacate 200,000 SF at 580 Walnut Street, in the CBD Submarket, by the end of Q1 2021. This is part of an initiative to reduce office space by 20%, made possible by the increased adoption of remote working. The longer-term outlook for most office users will be incorporation of a flexible work from home schedule combined with a flexible floor plans at work for maximum employee experience. In person collaboration is a must have for most, just not an everyday need.

MARKET INDICATORS	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
▲ Net Absorption	398,520 SF	(173,660) SF	141,415 SF	(856,454) SF	(1,049,124) SF
▼ Vacancy Rate	9.61%	9.89%	9.47%	9.88%	10.03%
▲ Avg NNN Asking Rate	\$19.69 PSF	\$19.47 PSF	\$19.50 PSF	\$19.53 PSF	\$19.42 PSF
▲ Under Construction	1,312,935 SF	1,312,752 SF	1,214,809 SF	551,755 SF	351,814 SF
▲ Inventory	102,877,593 SF	102,862,276 SF	102,851,419 SF	102,860,606 SF	102,917,228 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
530 Walnut Street Cincinnati, OH	60,078 SF	\$2,200,000.00 \$36.62 PSF	Urban Sites Properties Fifth Third Bank	Class B
4300 Rossplain Drive Cincinnati, OH	52,384 SF	\$1,175,000.00 \$22.43 PSF	Undisclosed	Class C
7765-7793 E Kemper Road Sycamore Twp., OH	45,000 SF	\$2,800,000.00 \$62.22 PSF	Belcan Belcan Engineering	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
50 E Rivercenter Blvd Covington, KY	66,684 SF	Corporex	Protective Life Insurance	Insurance, Life
Viox Rd Erlanger, KY	33,361 SF	Schrudde & Zimmerman, Inc.	Atlas Air	Air Transportation
100 E Rivercenter Blvd Covington, KY	16,745 SF	Corporex	Gravity Diagnostics	Professional, Scientific, and Technical Services

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