



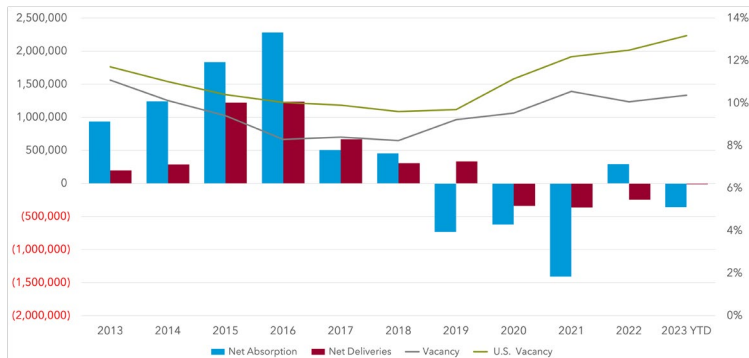
OFFICE MARKET OVERVIEW

WILLIAM SCHNELLER, *Senior Vice President*

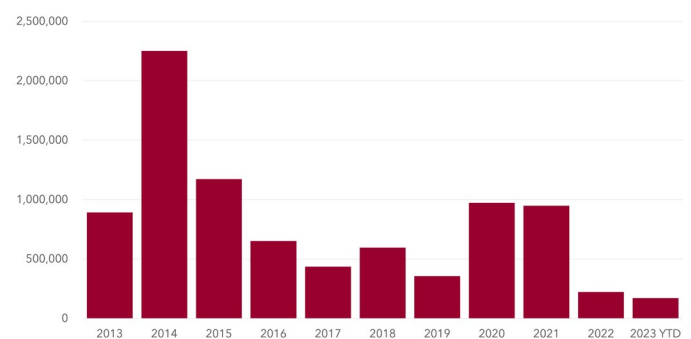
While office-using employment recovered relatively quickly in Cincinnati, many firms are still downsizing, which is weighing on demand moving through 2023. Net absorption remains volatile from one quarter to the next and is flirting with zero on a 12-month basis. Vacancy is now 10.3%, in line with prior-year levels. These tepid demand trends sit in contrast to a solid rebound in leasing activity, which returned to pre-crisis levels in 2022 and has accelerated further year-to-date. In line with most major office markets, tenants are increasingly selective about their space and its surroundings, often choosing to move up the quality spectrum.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(283,639)	(339,472)	292,447	226,342	(555,167)
▼ Vacancy Rate	10.3%	10.5%	10.1%	10.3%	10.4%
▲ Avg NNN Asking Rate PSF	\$20.51	\$20.47	\$20.42	\$20.29	\$20.17
▼ SF Under Construction	171,738	198,896	222,396	222,396	208,502
▲ Inventory SF	104,557,748	104,530,590	104,569,711	105,015,153	105,007,309

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7550-7576 Bales Street Liberty Township, OH	100,000 SF	\$16,200,000 \$162.00 PSF	Realife Real Estate Group The Daimler Group, Inc.	Class A
1 Crowne Point Court Sharonville, OH	74,110 SF	\$3,125,000 \$42.17 PSF	Experimental Holdings, Inc. Neyer Properties, Inc.	Class A
16 Spiral Drive Florence, KY	29,000 SF	\$1,211,076 \$41.76 PSF	William Newton STNL Development	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9999 Carver Road Blue Ash, OH	18,564 SF	VanTrust Real Estate LLC	STACK Construction Technologies	Construction
138 E. Court Street Cincinnati, OH	15,948 SF	Hamilton County Ohio	Hamilton County Ohio	Public Administration
3600-3700 Park 42 Drive Sharonville, OH	12,500 SF	Experimental Holdings, Inc.	LifeSafer Ignition Interlock	Manufacturing

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