



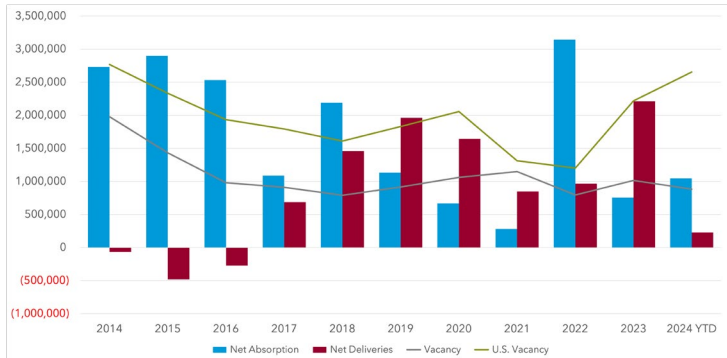
INDUSTRIAL MARKET OVERVIEW

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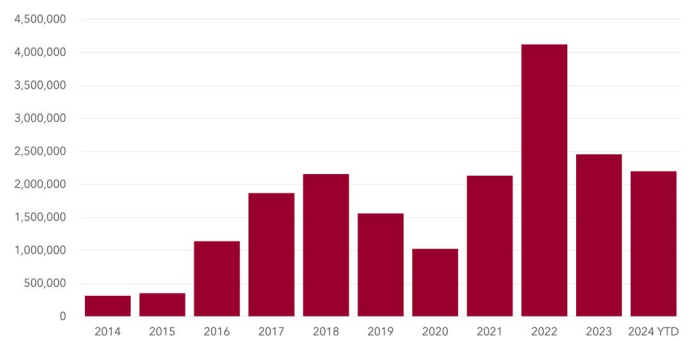
Cleveland's industrial market remains balanced, but slower leasing and negative net absorption are raising vacancy rates as 2024 begins. Despite this, vacancy is still low at 3.3%, compared to the national 6.5%. Limited modern industrial space impacts leasing, with Cleveland's availability at 4.9% versus the national 8.9%. Q4 2023 leasing was around 840,000 SF, half the pre-pandemic average. High interest rates are slowing construction, with 2.2 million SF underway, representing 0.6% of inventory. Rent growth remains strong, with year-over-year gains at 5.8% in Q2 2024. Investment activity is robust, with \$110 million traded in Q4 2023, double the pre-pandemic average.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▼ 12 Mo. Net Absorption SF	353,718	615,178	756,691	1,240,451	3,082,122
▲ Vacancy Rate	3.30%	3.70%	3.60%	3.50%	3.40%
▲ Avg NNN Asking Rate PSF	\$6.55	\$6.46	\$6.40	\$6.30	\$6.20
▼ SF Under Construction	2,197,894	2,269,894	2,456,657	3,182,769	3,970,388
▲ Inventory SF	356,109,749	356,037,749	355,882,972	355,169,460	354,104,720

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7501 Performance Lane North Ridgeville, OH	347,205 SF	\$36,500,000 \$105.13 PSF	Royal Oak Realty Trust LCN Capital Partners	Class A
4505-4665 Beidler Road Willoughby, OH	323,906 SF	\$4,500,000 \$13.89 PSF	The Macomb Group Woodhill Supply, Inc.	Class C
30500 Bruce Industrial Parkway Solon, OH	151,659 SF	\$9,750,000 \$64.29 PSF	Diamond Properties ICP LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3960 Summit Road Barberton, OH	99,832 SF	3960 Warehouse LLC	JendEx Services	Logistics
6611 W. Snowville Road Brecksville, OH	50,545 SF	Ray Fogg Corporate Properties LLC	Lumitex	Manufacturing/ Distribution
8844 Mayfield Road Chesterland, OH	44,000 SF	Tierra Associates Ltd	Darrah Electric	Manufacturing

