



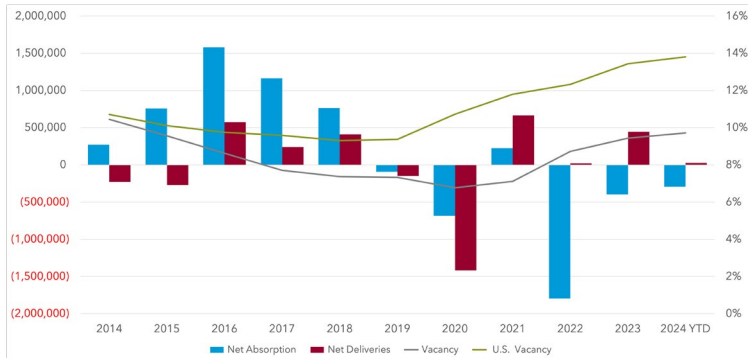
### OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Partner*

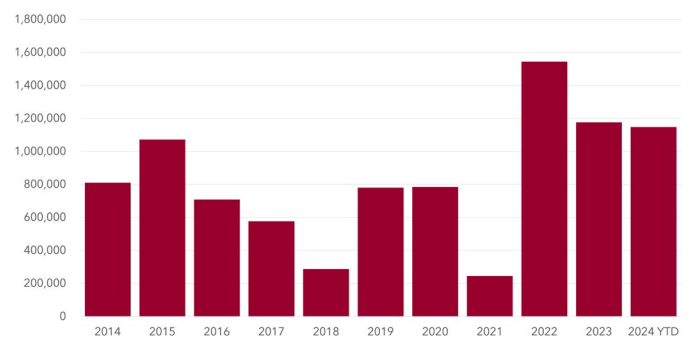
Office vacancy in Cleveland rose to 9.7% in Q2 2024, below the national benchmark of 13.8%. Despite years of limited new deliveries, vacancy remains lower than during the global financial crisis. Around 35,000 SF was returned to the market over the past year due to firms consolidating and adjusting their office spaces. New lease sizes decreased by 15%, averaging 2,800 SF. Downtown Cleveland saw significant space returns, while suburban areas like Chagrin Corridor and West submarkets maintained positive net absorption. Construction starts fell, with 1.1 million SF underway, representing 1% of market inventory. Rent growth remained steady at 1.3%, but rising vacancy may pressure rents negatively by mid-2024.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▼ 12 Mo. Net Absorption SF	(418,694)	280,060	(396,888)	(1,172,398)	(908,298)
▲ Vacancy Rate	9.7%	9.5%	9.4%	9.4%	9.1%
▲ Avg NNN Asking Rate PSF	\$19.61	\$19.59	\$19.52	\$19.54	\$19.37
▼ SF Under Construction	1,147,253	1,152,253	1,176,099	1,350,099	1,381,099
▲ Inventory SF	113,317,072	113,313,975	113,290,129	113,116,129	113,085,129

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
200 Public Square Cleveland, OH	1,287,001 SF	\$54,000,000 \$41.96 PSF	Namdar Realty Group DRA Advisors	Class A
747 Alpha Drive Mayfield, OH	230,000 SF	\$17,000,000 \$73.91 PSF	Park Place Technologies	Class A
1100 Graham Road Cuyahoga Falls, OH	27,144 SF	\$1,600,000 \$58.94 PSF	Caring For Kids, Inc. James Pulk	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1350 Euclid Avenue Cleveland, OH	38,000 SF	Renaissance Center	Cohen & Company	Accounting
6000 Lombardo Center Seven Hills, OH	12,000 SF	Genesis Building Ltd.	Yardi	Software
6150 Oak Tree Boulevard Independence, OH	10,556 SF	Park Center Plaza LP	LJB	Engineering

