



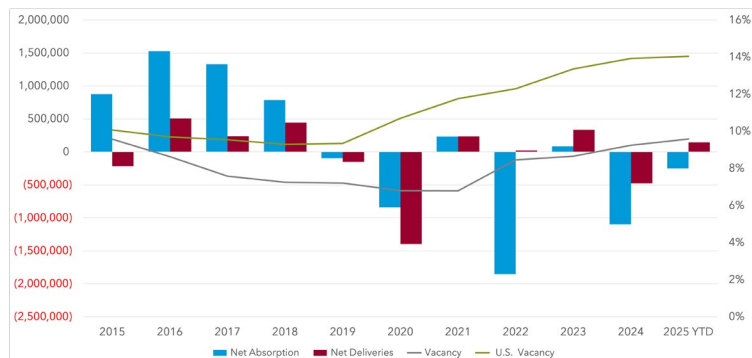
OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Partner*

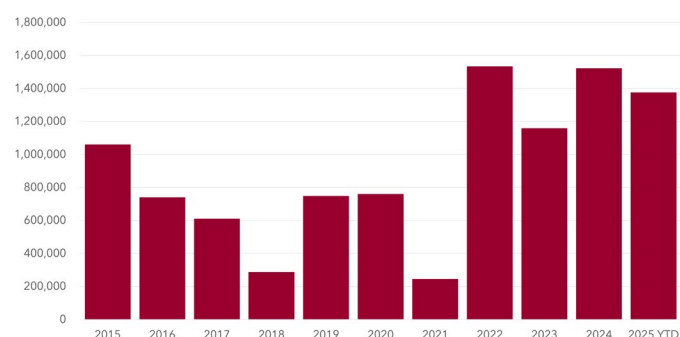
Cleveland's office vacancy stands at 9.6%, below the national 14.0%, but continues to rise gradually heading into late 2025. Leasing has slowed due to weak job growth, with renewals driving activity and new lease sizes down 24% from pre-pandemic levels. Smaller, client-facing tenants support demand, particularly in southern suburbs like Independence and Brecksville, where new development and accessible locations drive leasing. Newer properties built since 2020 have outperformed older stock, recording over 200,000 SF of net absorption in the past year. Rent growth remains negative at -0.2%, compared to flat growth nationally. With construction at historic lows, limited new supply should help stabilize conditions despite ongoing demand uncertainty.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▲ 12 Mo. Net Absorption SF	(471,271)	(840,621)	(890,127)	(1,097,507)	(813,263)
▲ Vacancy Rate	9.60%	9.50%	9.20%	9.30%	9.50%
▼ Avg NNN Asking Rate PSF	\$19.33	\$19.34	\$19.32	\$19.32	\$19.38
◀ ▶ Sale Price PSF	\$90.00	\$90.00	\$90.00	\$88.00	\$90.00
◀ ▶ Cap Rate	13.00%	13.00%	13.00%	13.10%	13.00%
◀ ▶ Under Construction SF	1,376,000	1,376,000	1,394,588	1,521,841	1,521,841
▲ Inventory SF	112,071,978	112,073,024	112,054,436	111,927,183	112,403,213

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
28501 Clemens Road Westlake, OH	69,558 SF	\$4,900,000 \$70.44 PSF	Achievement Centers for Children Premier Development	Class B
8401 Chagrin Road Bainbridge, OH	54,505 SF	\$5,212,000 \$95.62 PSF	5515 Brittmoore Road LLC 8401 Chagrin Road LLC	Class B
17747 Chillicothe Road Bainbridge, OH	17,786 SF	\$1,550,000 \$87.15 PSF	Pause LLC Bainbridge Real Estate LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1001 Lakeside Avenue E Cleveland OH	30,622 SF	Friedman Real Estate - Receiver	Jones Day	Legal
2301 Scranton Road Westlake, OH	14,900 SF	Scranton Averell	Fortaleza	Mental Health
8269 E. Washington Street Bainbridge, OH	12,000 SF	8269 Ewash LLC	Intelacomm	Marketing

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