LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
CLEVELAND, OH

INDUSTRIAL MARKET OVERVIEW

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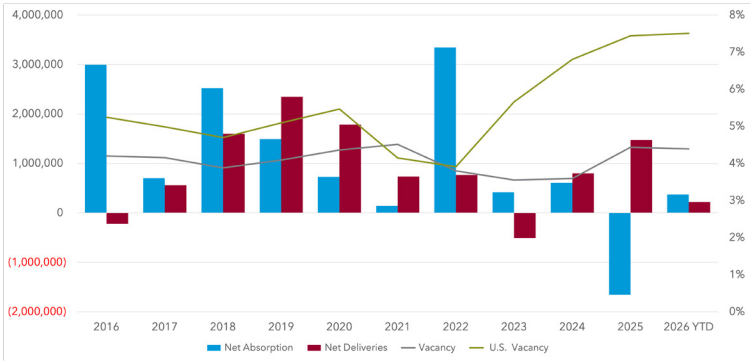
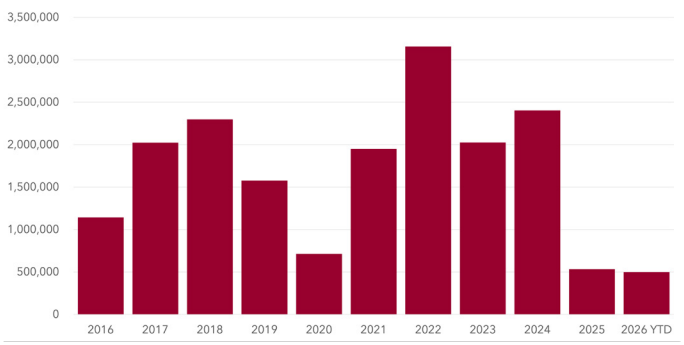
Cleveland's industrial market remains stable despite softer leasing activity. Vacancy is low at 4.4%, supported by limited new construction rather than strong tenant expansion. Although new lease volume has declined 25% year over year and many tenants are choosing renewals, positive absorption in early 2026 suggests conditions are stabilizing. Supply constraints, limited developable land, and a slow construction pipeline continue to support the market. Asking rents increased 4.3% to approximately $6.80/SF, with newer distribution facilities achieving higher rates. Looking ahead, low vacancy, constrained supply, and Ohio's growing manufacturing and logistics sectors are expected to support steady long-term market performance despite ongoing economic uncertainty.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Net Absorption SF	(119,102)	(868,894)	(1,652,676)	(1,423,535)	(1,401,870)
▲ Vacancy Rate	4.37%	4.35%	4.43%	4.15%	4.21%
▲ Avg NNN Asking Rate PSF	$6.80	$6.69	$6.66	$6.58	$6.55
▲ Sale Price PSF	$54.38	$53.39	$51.33	$50.50	$49.55
▼ Cap Rate	10.38%	10.44%	10.61%	10.65%	10.70%
▲ Under Construction SF	498,804	338,204	534,049	1,442,149	1,171,779
▲ Inventory SF	367,186,628	367,147,228	366,966,292	366,121,222	366,731,578

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
20001 Euclid Avenue Euclid, OH	882,853 SF	$18,500,000 $20.95 PSF	Euclid OH, LLC 20001 Euclid Industrial, LLC	Class B
7005 Cochran Road Glenwillow, OH	458,000 SF	$28,600,000 $62.45 PSF	OPLTD Glenwillow, LLC NK-Glenwillow Property, LLC	Class A
8989 Lake Road Seville, OH	456,000 SF	$48,210,000 $105.72 PSF	Glen Una Investment & Mgmt Co. Stonemont Financial Group	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6800 Center Road Ashtabula, OH	198,400 SF	JM Eagle	Luminary Logistics	Logistics
26300 Miles Road Bedford Heights, OH	113,669 SF	Premier Development Partners	American Spring Wire Corp	Manufacturing
26801 Fargo Avenue Bedford Heights, OH	104,528 SF	STAG Industrial, Inc.	Supply One	Distribution

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