



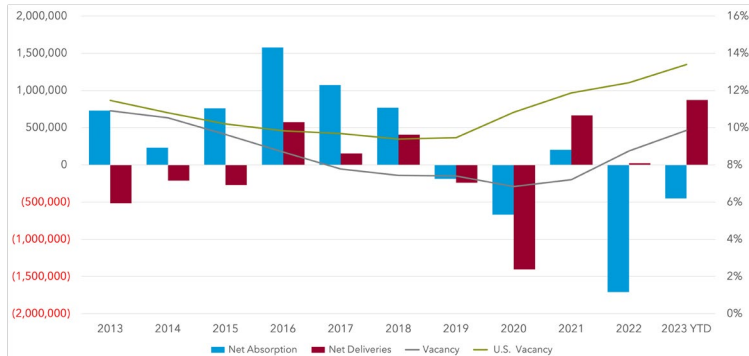
OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Senior Vice President*

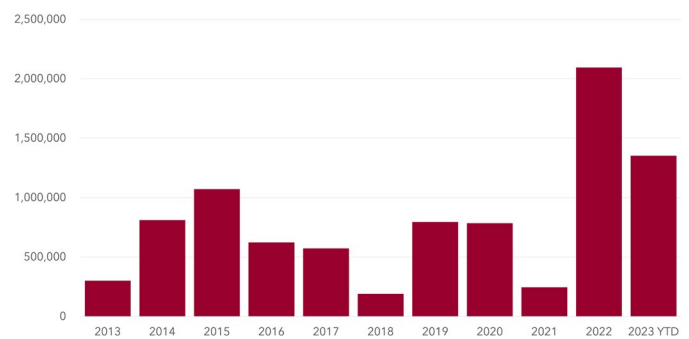
Much of Cleveland's Central Business District is either in foreclosure, receivership, or listed for sale. Some buildings are also actively working on loan extensions at lower market values to avoid a foreclosure. Certainly, this is a tremendously concerning sign as remote and hybrid work are now the norm, coupled with higher interest rates, and an exodus to the suburbs, the negative feelings toward Cleveland CBD begin to snowball. Conversely, the suburban office markets have a relatively positive outlook, with many companies relocating to the Rockside Road Corridor from the CBD to provide for a central location with less traffic, parking costs, and being closer to their employees' homes.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(1,035,899)	(848,071)	(2,464,056)	(1,709,930)	(889,085)
▲ Vacancy Rate	9.8%	9.2%	9.4%	8.8%	8.2%
▲ Avg NNN Asking Rate PSF	\$19.34	\$19.31	\$19.21	\$19.07	\$19.12
▼ SF Under Construction	1,353,099	1,942,625	2,048,072	2,094,763	2,113,893
▲ Inventory SF	112,807,646	112,218,120	111,980,420	111,935,319	111,916,189

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
28925 Fountain Parkway Solon, OH	100,000 SF	\$5,747,620 \$57.48 PSF	CLESolon LLC JP's Aquisitions LLC	Class B
21111 Chagrin Boulevard Beachwood, OH	32,083 SF	\$2,884,000 \$89.89 PSF	Dmitry Belkin Don Frankel	Class C
805 Columbia Road Westlake, OH	14,099 SF	\$2,425,000 \$172.00 PSF	CHCT Ohio LLC Columbia Westlake LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
24600 Center Ridge Road Westlake, OH	77,828 SF	Westlake KJ3 LLC	Receivables Management Partners	Financial Services
1500 W. Third Street Cleveland, OH	45,000 SF	K&D	Walter Haverfield	Legal
1001 Lakeside Avenue Cleveland, OH	10,110 SF	Hertz Investment Group	Stantec	Engineering

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