

YoY Chg 12-Mo. Forecast

7.0%

Vacancy Rate



-784K

Net Absorption, SF



\$19.23

Asking Rent, PSF



(Overall, All Property Classes)

ECONOMIC INDICATORS Q4 2021

YoY Chg 12-Mo. Forecast

965K

Cleveland Employment



3.7%

Cleveland Unemployment Rate



4.2%

U.S. Unemployment Rate



Source: BLS

ECONOMY: The Market Stabilized as More and More Return to Office

The return to office has continued despite the Delta Variant of COVID-19 readjusting some companies plans. With the increased return to office, the northeast Ohio office market has shown positive absorption this quarter and the suburbs are continuing to outperform the CBD. Many experts continue to remain optimistic that we will again reach pre-pandemic numbers of occupancy rates, asking rates, and leasing activity. This quarter tenants had the upper hand in negotiations due to work from home and hybrid work schedules impacting vacancy rates.

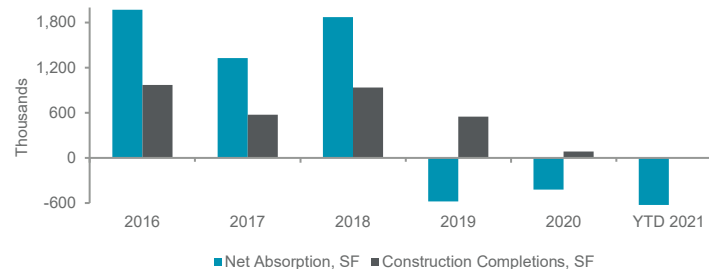
CBD UPDATE: Redevelopment and New Construction

Redevelopment projects continue to make news in the CBD area with Tower at Erieview, located at 1301 East 9th Street, being named a landmark and 45 Erieview Plaza earning state tax credits. In addition, Sherwin-Williams new headquarters broke ground in November and the project has received final design approvals.

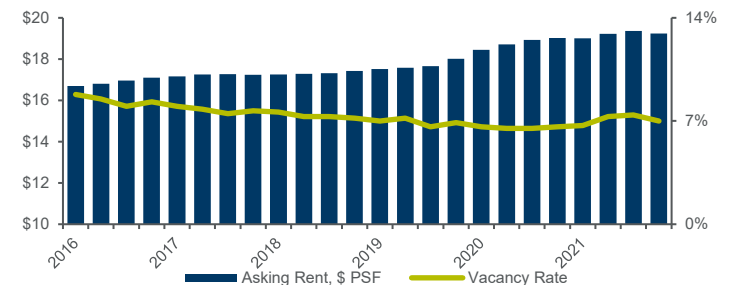
CHANGE IN OWNERSHIP: Deals Inked

The largest transfer of property in Q4 was once again in the Cleveland suburbs, which has been a consistent trend this year as office users continue to favor the suburbs. CLE1736Columbus LLC purchased 6000-6100 Rockside Road from the Cleveland Clinic for a total of \$3.5 million (\$66/PSF). The Chagrin, East, Lander corridor saw continued sales as the property at 23215 Commerce Park Road switched hands from Park Center Investment Company to Trailhead Biosystems for a total transfer price of \$2.5 million (\$70/PSF).

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION(SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
CBD	30,704,564	170,163	2,690,001	9.3%	84,917	-576,238	237,377	0	\$21.99	\$23.53
Akron	27,350,038	286,607	1,974,189	7.3%	-452,199	-402,780	77,680	43,000	\$18.81	\$20.76
Chagrin, East & Lander	15,128,199	26,901	1,198,739	7.9%	-174,297	-308,054	133,517	0	\$22.29	\$24.17
Stark County	13,320,970	33,233	1,055,817	7.9%	-2,497	-72,222	56,227	100,000	\$15.83	\$17.41
Rockside & South	9,596,809	22,964	992,771	10.3%	53,968	-114,078	182,734	0	\$19.16	\$22.49
West	9,842,706	28,904	596,318	6.1%	-38,045	6,984	102,580	50,000	\$17.09	\$17.22
Southwest	9,516,188	10,990	746,548	7.8%	42,031	-74,453	41,051	0	\$15.89	\$21.50
Northeast & Lake County	9,459,716	4,600	356,744	3.8%	137,083	229,302	20,272	0	\$14.80	-
Midtown	7,716,715	9,130	212,652	2.8%	18,478	34,259	28,247	0	\$19.02	\$25.36
Lorain County	6,254,245	4,488	200,797	3.2%	11,549	6,198	52,244	32,500	\$18.21	-
Fairlawn & Montrose	4,244,252	19,007	425,909	10.0%	3,351	-39,912	40,241	20,000	\$20.62	\$22.51
Portage & Geauga	4,268,575	0	166,699	3.9%	-3,785	30,995	16,013	0	\$16.78	-
Southeast	3,409,989	3,400	308,629	9.1%	-39,812	-95,849	12,877	130,000	\$19.98	\$21.37
Medina	3,372,730	0	167,944	5.0%	-2,050	-15,138	41,438	0	\$14.80	\$12.00
CLEVELAND TOTALS	154,176,965	629,382	10,723,380	7.4%	42,002	-1,078,163	1,595,615	375,500	\$19.36	\$21.29

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	SF	TYPE
600 Superior Avenue	CBD	Nurenberg, Paris, Heller & McCarthy Co., LPA	19,235	New Lease
5005 Rockside Road, Suite 700	Southeast	Reimer Law	18,668	New Lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
6000-6100 West Creek Road	Rockside Corridor	Cleveland Clinic/ CLE1736Columbus, LLC	52,992	\$3.5M / \$66
23215 Commerce Park Road	Chagrin, East & Lander	Park Center Investment Company/ Trailhead Biosystems	35,518	\$2.5M / \$70
5706 Turney Road	South	Derby Management Group LLC/ Pessy Capital Company LLC	20,250	\$817K / \$40
4635 Richmond Road	Southeast	Jefferson Park Properties/ LHA Foundations LLC	11,500	\$640K / \$56

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