

MARKET FUNDAMENTALS

	YOY Chg	Outlook
10.8% Vacancy Rate	▲	▲
223K YTD Net Absorption, SF	▼	▼
\$19.30 Asking Rent, PSF <i>(Overall, All Property Classes)</i>	▬	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.09M Cleveland Employment	▲	▼
4.0% Cleveland Unemployment Rate	▲	▲
4.1% U.S. Unemployment Rate <i>Source: BLS</i>	▲	▲

DELAYS IN NEW CONSTRUCTION PROJECTS

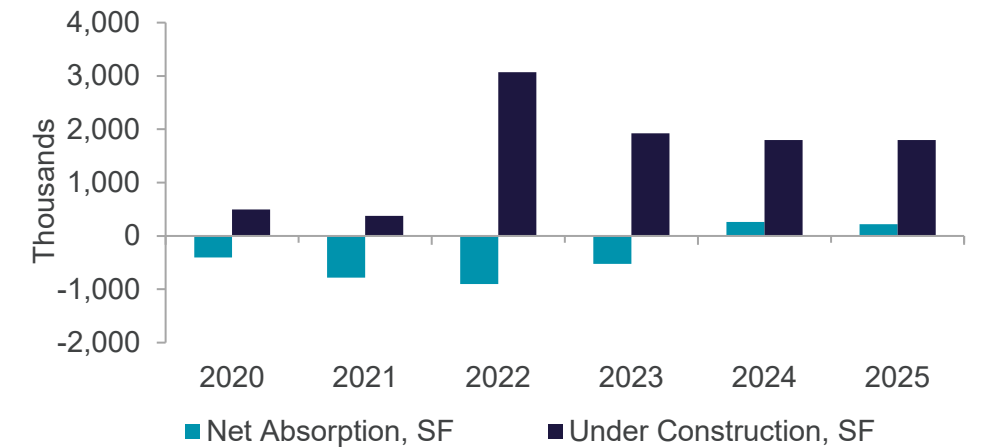
Cleveland’s office market has experienced minimal new development in recent years, and the limited projects currently underway are facing ongoing challenges. A prime example of this is the 1 million square foot (msf) Sherwin-Williams tower rising in downtown Cleveland. Despite the recent installation of its 100-foot-long signage, the project has encountered yet another setback. Reports indicate that move-in dates have been pushed back, again, this time to the end of 2025 for both the downtown headquarters and the Brecksville R&D center, following the application of incorrect fire protection materials by contractors. These persistent issues not only delay progress but also incite broader hesitancy around speculative office development in today’s uncertain economic climate. Along with this, hybrid work models and evolving tenant expectations have reshaped demand, further complicating underwriting for new developments. The market will continue to rely heavily on adaptive reuse and renovation of outdated inventory rather than bold new builds especially with the current difficulties for developers to secure financing and pre-leasing commitments.

MAJOR TRANSACTIONS TO KICK OFF 2025

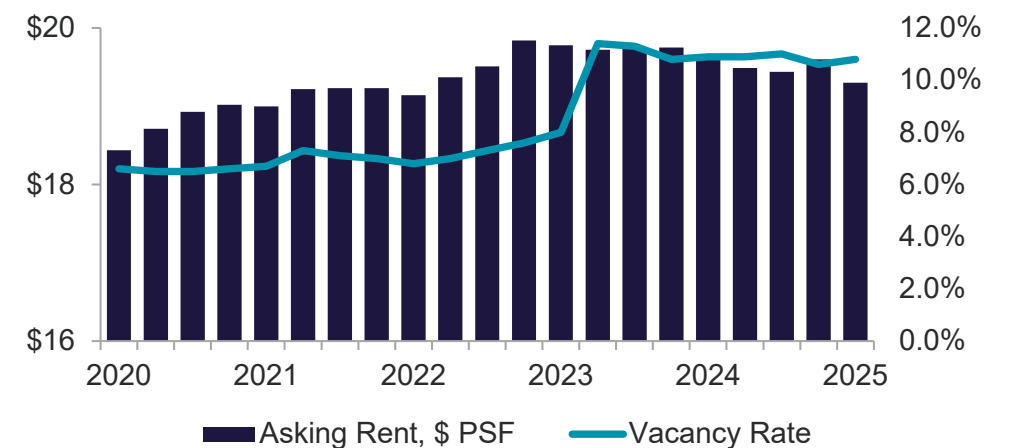
The start of the year saw a wave of significant real estate transactions. Reign capital made headlines by acquiring several former AT&T buildings through a structured sale-leaseback agreement totaling over \$49 million in Cleveland alone. Although AT&T will initially maintain occupancy, the company plans to gradually vacate as the copper-based infrastructure in these buildings becomes obsolete. Among the four properties acquired is the notable 392,000 square foot (sf) office building at 750 Huron Road East in downtown Cleveland.

Elsewhere, downtown Akron witnessed a noteworthy acquisition at 1 Cascade Plaza where Pleasant Valley Corporation purchased the 237,450 sf building from the Summit County Land Reutilization corporation for \$2.8 million. With the building currently 45% vacant, the company aims to restore it as a central fixture in the Akron skyline. Additionally, two nearby hotels were recently sold with plans to convert them into residential apartments—part of a broader effort to rejuvenate the Cascade Plaza area.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET 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	23,076,363	2,646,470	258,315	12.6%	54,367	54,367	20,630	1,003,000	\$20.05	\$20.61
Akron	13,427,342	938,977	178,448	8.3%	26,734	26,734	43,848	-	\$18.71	\$21.07
Chagrin, East & Lander	8,594,737	910,423	8,932	10.7%	35,514	35,514	42,961	23,846	\$22.11	\$24.84
Rockside & South	7,023,708	1,277,115	48,124	18.9%	127,713	127,713	52,969	600,000	\$23.22	\$19.11
West	6,981,244	494,991	31,724	7.5%	82,501	82,501	75,040	-	\$17.71	\$20.93
Stark County	6,765,965	996,576	3,920	14.8%	-126,536	-126,536	32,011	-	\$14.19	\$11.37
Southwest	5,142,089	618,793	13,076	12.3%	80,851	80,851	10,010	17,600	\$15.01	\$21.50
Midtown	4,684,875	317,151	22,990	7.3%	145,293	145,293	500	-	\$22.12	\$26.70
Northeast & Lake County	4,565,074	317,215	5,652	7.1%	-18,177	-18,177	9,154	-	\$19.81	\$20.73
Fairlawn & Montrose	2,992,612	284,505	45,372	11.0%	-5,750	-5,750	6,259	-	\$19.84	\$21.27
Portage & Geauga	2,089,632	102,353	-	4.9%	-16,389	-16,389	6,822	135,645	\$12.88	-
Lorain County	2,045,813	79,231	-	3.9%	807	807	5,832	-	\$20.07	-
Medina County	1,760,987	30,281	-	1.7%	4,009	4,009	9,146	20,000	\$23.30	-
Southeast	1,719,802	175,124	-	10.2%	5,466	5,466	24,289	-	\$20.92	\$20.93
CLEVELAND TOTALS	90,870,243	9,189,205	616,553	10.8%	223,383	223,383	339,471	1,800,091	\$19.30	\$21.46

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2025

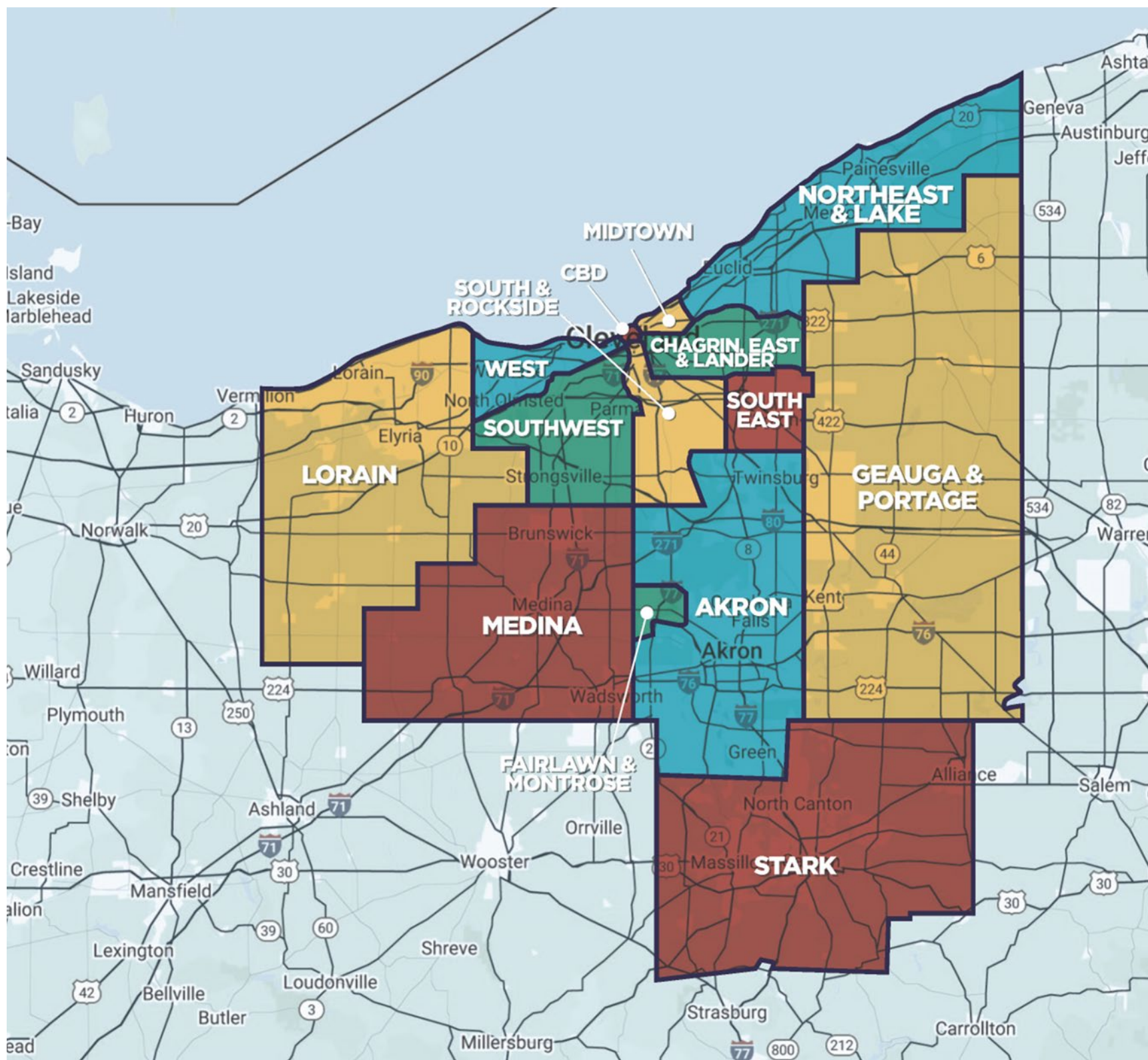
PROPERTY	SUBMARKET	TENANT	SF	TYPE
5876 Darrow Road	Akron	Ascent Global Logistics	16,400	Renewal*
6133-6155 Rockside Road	Rockside & South	Total Quality Logistics	14,311	Renewal*
701 White Pond Drive	Akron	Summa Health System	11,960	Renewal*
4141 Rockside Road	Rockside & South	Avtron Power Solutions	11,270	New
668 Euclid Avenue	CBD	Junior Achievement of Greater Cleveland	10,900	New

*Renewals not included in leasing statistics

KEY SALE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
4 Property Portfolio		AT&T Inc./ Reign Capital	918,367	\$64.3M / \$70.06
1 Cascade Plaza	Akron	Summit County Land Reutilization Corp/ Pleasant Vally Corp	237,450	\$2.8M / \$11.79
3401 Enterprise Parkway	Chagrin, East, & Lander	Goldberg Companies/ Benjamin Levi	130,000	\$15M / \$115.38
200 Park Avenue E	Chagrin, East, & Lander	Fairmount Properties/ Tanger Factory Outlet	107,759	\$30.6M / \$284.06
7000 Whipple Avenue NW	Stark County	OrthoUnited/ Montecito Medical Real Estate	51,980	\$27M / \$520.76

OFFICE SUBMARKETS



GEORGE POFOK, JR.
 Research Analyst
 Tel: +1 216 232 4103
gpofokjr@crescorealestate.com

Independently Owned and Operated (A Member of the Cushman & Wakefield Alliance)

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

©2025 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.