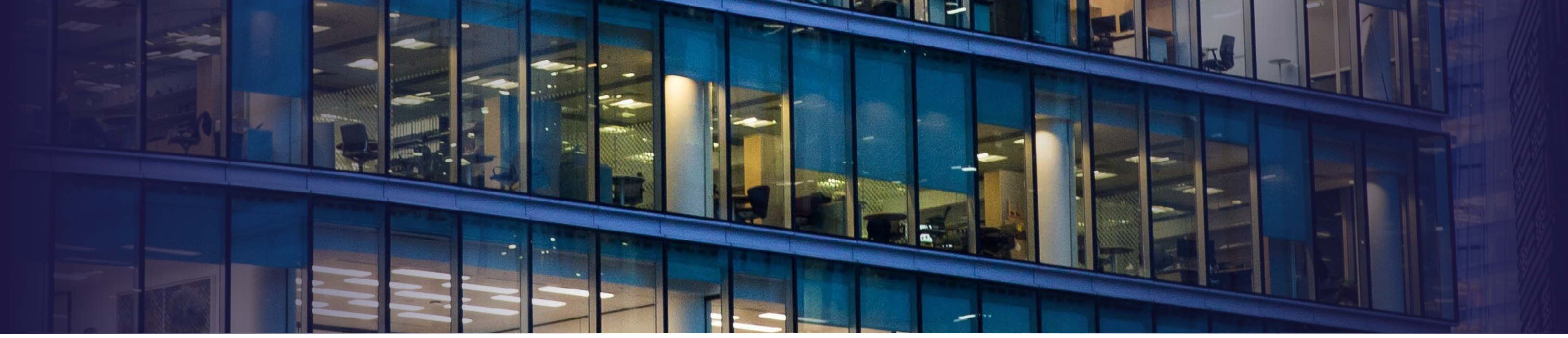
MARKETBEAT
CLEVELAND
OFFICE Q2 2026



MARKET FUNDAMENTALS

	YOY Chg	Outlook
13.7% Vacancy Rate**	▲	—
-1.85M YTD Net Absorption, SF	▼	▼
$19.52 Asking Rent, PSF *(Overall, All Property Classes)*	▲	—

*** Data does not match national statistics*

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.1M Cleveland Employment*	▲	▼
3.6% Cleveland Unemployment Rate*	▼	▲
4.2% U.S. Unemployment Rate	—	▲

Source: BLS
** 2026 Q2 data are based on latest available data*

LOOKING BACK Q2 2026

The Cleveland office market enters the back half of 2026 still working through a genuine supply-demand imbalance. Overall vacancy climbed to 13.7%, up 26% from Q1, as give-backs continued to outpace move-ins across most of the metro. YTD net absorption continues its negative trend, now standing at -1.85 million square feet (msf). The Northeast & Lake County submarket contributed heavily to this trend, while the Midtown submarket led the pack of three positive submarkets.

Asking rents have been resilient given the vacancy backdrop, actually increasing 50 bps from Q1, up to $19.52 per square foot (psf). Landlords appear to be defending them through concessions and TI packages, quietly softening effective rents while leaving the asking rates flat. Class A rents increased 80 bps to $21.91 psf, 12.2% higher than the overall average. This reinforces a demand for quality space that continues to reward the newer, amenity-rich buildings even as the older product absorbs most of the vacancy pain.

Activity held up for leasing and dropped substantially for sales. Leasing totaled 208 deals covering 1,052,329 sf, led by AmTrust North America's 195,016 sf renewal at 800 Superior Avenue East. Sales Activity was lighter than Q1, with only 59 trades totaling 1,329,757 sf. Sales were led by K&D Real Estate Services purchasing 614 West Superior Avenue for $5.13 million and Jack Trocki Development Company purchasing 26000-26250 Euclid Avenue for $4.0 million.

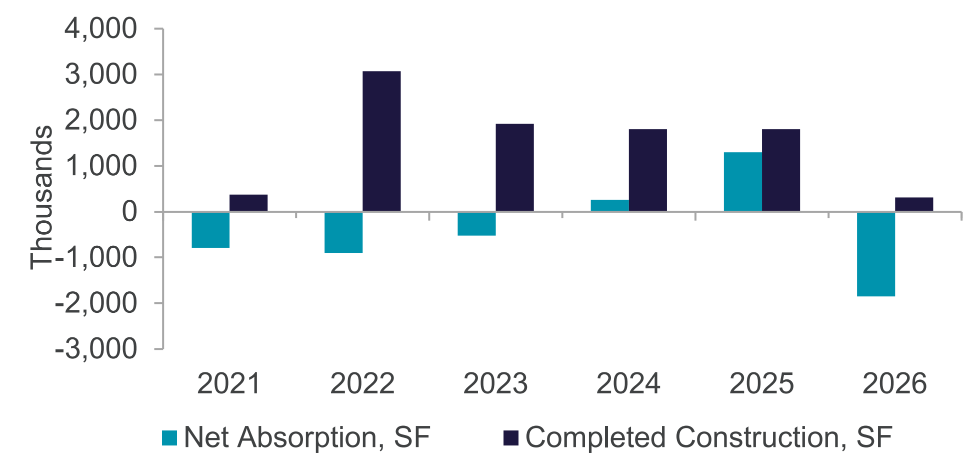
BROKER OPINION – LOOKING AHEAD

I was able to sit down with our highest-grossing broker this quarter, Jim Krivanek, to get an in-depth look at his thoughts on the market. The main thing he is seeing in the market is the same "flight-to-quality" that we mentioned above. "I think we've seen good product leasing up with good, stable landlords," he said. Good means spaces with updated carpet, lights, paint, with common areas that have been recently updated and are clean. He believes this trend will continue over the coming months, and he forecasts a challenge ahead. As highlighted by Jim, "There's only a limited supply of good product out there."

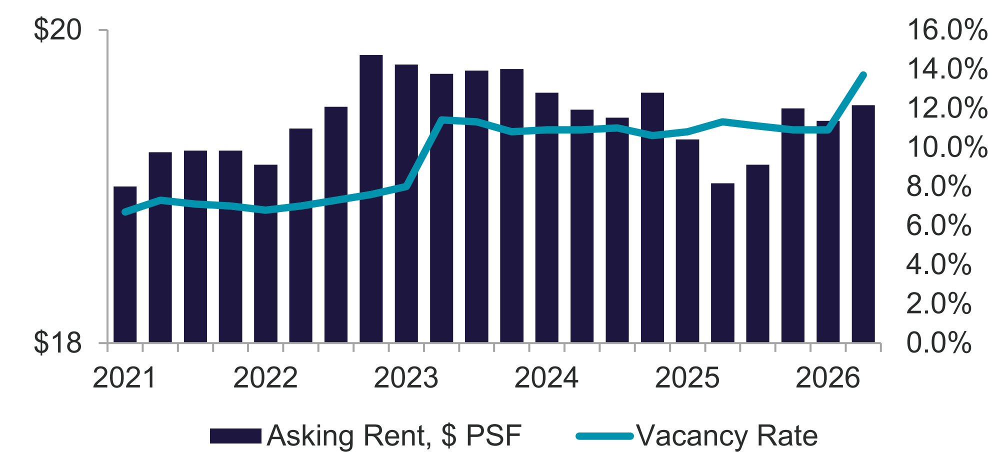
On the landlord side, he expects this challenge to be met with outdated office buildings trading at a lower value than before, leaving room for new ownership to make necessary improvements to add to the supply of this limited, premier space. On the tenant side, he forecasts tenants collaborating with new owners to curate spaces built just for them in exchange for long-term leases.

"I'd say that one of the most contributing factors is a level of long-term commitment, as opposed to the short-term renewals we have seen in years past," Jim said. Tenants are setting up to stay, and as companies push for a return to office, they are working with landlords to build out space designed around their workforce. Jim thinks there has been, and will continue to be, long-term commitment from tenants if they can find the right scenario, the right space, and the right landlord.

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	24,964,249	4,061,147	130,199	16.8%	-145,779	-174,976	477,026	-	$20.05	$20.98
Akron	13,352,931	1,583,289	145,555	12.9%	8,028	-339,771	222,037	32,320	$19.60	$20.38
Chagrin, East & Lander	8,373,923	1,048,869	19,749	12.8%	-26,630	-311,318	209,629	-	$22.27	$24.30
Rockside & South	7,173,223	1,224,140	95,951	18.4%	-64,805	31,160	107,788	62,790	$18.12	$23.53
West	6,704,724	653,317	26,291	10.1%	13,611	-17,352	236,815	-	$17.80	$23.91
Stark County	6,612,256	1,177,929	28,008	18.2%	-578,455	-438,550	47,484	17,163	$14.61	$14.66
Southwest	5,195,583	465,790	19,241	9.3%	-121,345	-92,538	101,454	-	$16.80	$21.50
Midtown	4,767,160	317,401	22,990	7.1%	101,952	63,570	78,612	-	$20.61	$27.39
Northeast & Lake County	5,053,051	877,674	-	17.4%	-531,341	-542,750	58,914	-	$17.92	-
Fairlawn & Montrose	2,928,687	379,329	-	13.0%	-18,306	-22,525	24,315	-	$20.90	$21.14
Portage & Geauga	2,138,968	98,553	-	4.6%	-16,163	-11,763	9,773	-	$16.56	$17.71
Lorain County	2,064,070	65,729	-	3.2%	8,219	16,235	18,061		$17.82	-
Medina County	1,559,940	47,321	-	3.0%	-10,123	-7,100	20,474	-	$24.01	-
Southeast	1,778,442	186,787	2,865	10.7%	9,413	-5,850	78,546	-	$23.14	$21.28
CLEVELAND TOTALS	**92,667,207****	**12,187,275****	**490,849**	**13.7%****	**-1,371,724**	**-1,853,528**	**1,690,928**	**112,273**	**$19.52**	**$21.91**

*Rental rates reflect full service asking, **Data does not match National Statistics*

KEY LEASE TRANSACTIONS Q2 2026

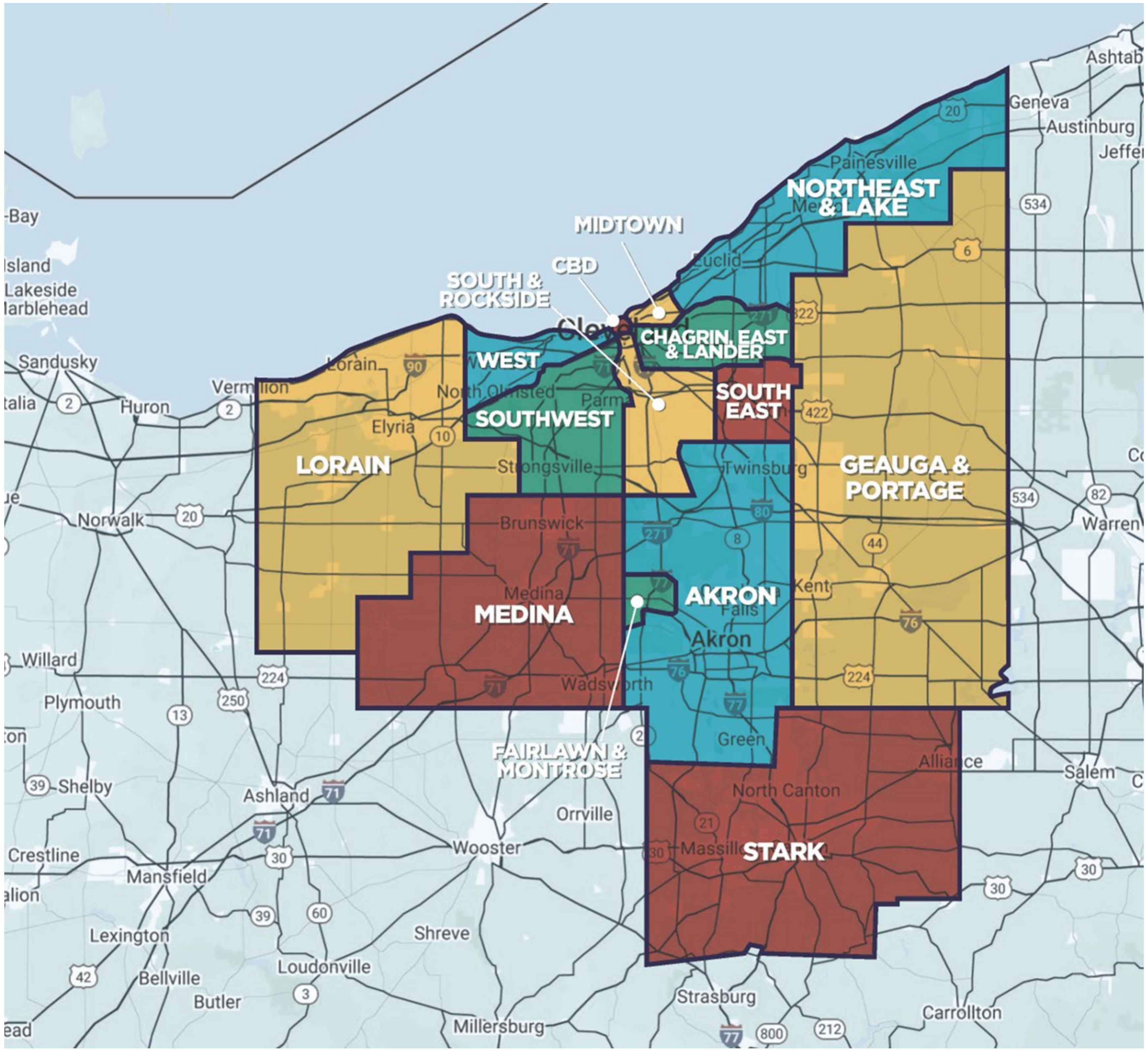
PROPERTY	SUBMARKET	TENANT	SF	TYPE
800 Superior Avenue East	CBD	AmTrust North America, Inc	195,016	Renewal
24200 Chagrin Boulevard	Chagrin, East & Lander	Signature Health, Inc.	34,574	Renewal
1975 East 61st Street	Midtown	Cleveland-Cuyahoga County Workforce Development Board	28,609	New
1 American Boulevard West	West	Sequoia Financial Group LLC	24,298	New
30825 Aurora Road	Southeast	Loan Protector Insurance Services	20,069	New

KEY SALE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
614 W Superior Avenue	CBD	BridgeInvest / K&D Real Estate Services	304,586	$5.13M / $16.84 PSF
26000-26250 Euclid Avenue	Northeast	MAN Holdings / Jack Trocki Development Company	199,152	$4.0M / $20.09 PSF
25300 Al Moen Drive	Southwest	Moen Incorporated / Western Reserve Area Agency On Aging	122,421	$7.7M / $62.90 PSF
25435 Harvard Road	Chagrin, East & Lander	Synthomer / University Hospitals	59,168	$9.1M / $159.65 PSF
24200 Chagrin Boulevard	Chagrin, East & Lander	RL Beachwood I, LLC / 24200 Chagrin RE Holdings, LLC	40,888	$2.5M / $61.14 PSF

CLEVELAND
OFFICE Q2 2026

OFFICE SUBMARKETS



DEAN MIMMS
Finance & Research Analyst
Tel: +1 216 525 1465
dmimms@crescorealestate.com

JIM KRIVANEK
Vice President
Tel: +1 216 525 1498
jkrivanek@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 occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of $10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that *Better never settles*, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.