



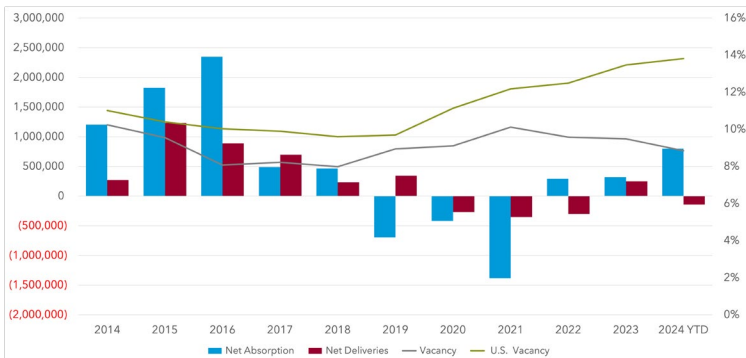
OFFICE MARKET OVERVIEW

WILLIAM SCHNELLER, *Senior Vice President*

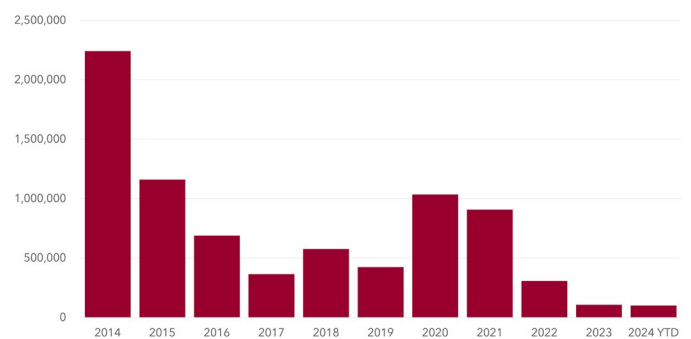
In Q3 2024, the Cincinnati office market held a stable 8.8% vacancy rate, below the national 13.9% average. While net absorption remained positive, leasing activity slowed, and average lease sizes dropped 34% from pre-pandemic levels. Rent growth aligned with national trends at 1.6% year-over-year, and construction remained low with 100,000 square feet underway. Tenant demand shifted to new mixed-use developments like Montgomery Quarter and Ovation I. Activity has risen as employers require returns to the office. Major relocations include Taft Law to Great American Tower, where Great American Insurance also renewed but downsized. Stability is expected to continue in coming quarters.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	881,743	661,700	856,593	319,795	(9,462)
▼ Vacancy Rate	8.81%	9.16%	9.33%	9.49%	9.70%
▲ Avg NNN Asking Rate PSF	\$21.17	\$21.14	\$21.08	\$20.93	\$20.82
▲ Sale Price PSF	\$99.16	\$99.13	\$97.26	\$97.47	\$98.83
▼ Cap Rate	11.35%	11.36%	11.43%	11.36%	11.18%
◀ ▶ Under Construction SF	100,700	100,700	106,700	106,700	157,352
◀ ▶ Inventory SF	105,135,013	105,135,013	105,242,905	105,242,905	105,192,253

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1945 Cei Drive Cincinnati, OH	108,100 SF	\$40,000,000 \$370.03 PSF	Varde Partners, Inc. Healthpeak Properties, Inc.	Class B
9403 Kenwood Road Blue Ash, OH	58,156 SF	\$2,500,000 \$42.99 PSF	Leased Investment Group Hills Properties	Class B
9395 Kenwood Road Blue Ash, OH	34,052 SF	\$2,500,000 \$73.42 PSF	Leased Investment Group Hills Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8044 Montgomery Road Cincinnati, OH	24,500 SF	DRA Advisors	J.P. Morgan Private Bank	Security Brokers
4540 Cooper Road Blue Ash, OH	18,538 SF	Silverman & Co., Inc.	CareStar	Professional, Scientific, and Technical Services
5181 Natorp Boulevard Mason, OH	11,949 SF	Apollo Management Holdings LP	Dassault Systèmes	Computer, Packaged Software

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