



MULTIFAMILY REPORT

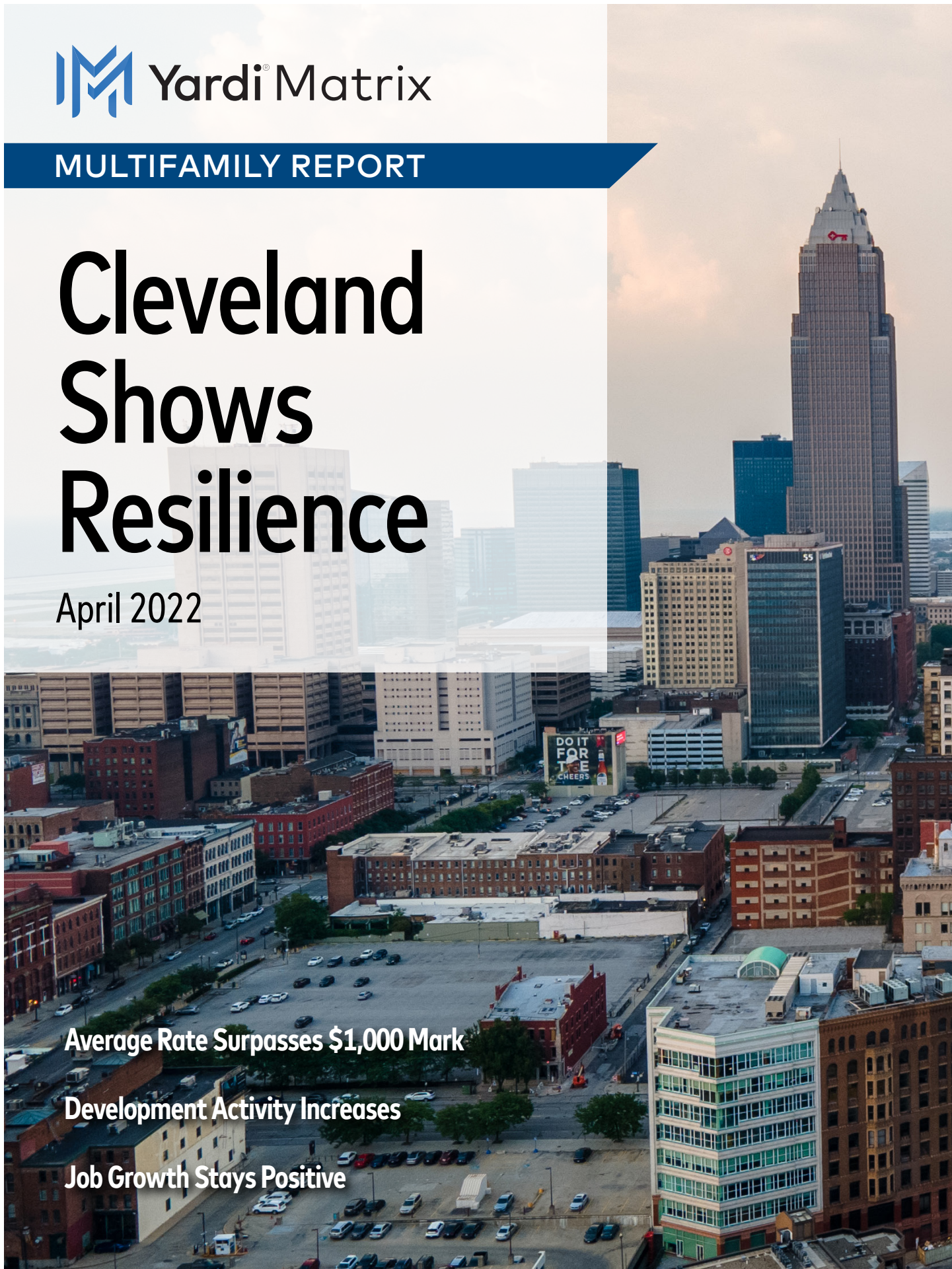
Cleveland Shows Resilience

April 2022

Average Rate Surpasses \$1,000 Mark

Development Activity Increases

Job Growth Stays Positive



CLEVELAND MULTIFAMILY



Multifamily Market Positioned for Growth

Cleveland continued to show resilience in the aftermath of the pandemic, with the multifamily market reaching a few milestones in the process. Average rates exceeded the \$1,000 mark for the first time in the metro and were up by 0.4% on a trailing three-month basis as of February, to \$1,068, 20 basis points below the U.S. rate. Cleveland's overall occupancy rate in stabilized assets was up 80 basis points year-over-year, to 96.2% in January.

The metro's economy improved in 2021, with the second half of the year posting positive gains for the first time since the onset of the crisis. Employment growth was at 2.3% as of December, still lagging the national rate of 4.4%. However, state-level efforts are being made to improve overall stability and attract more talent. In January, state officials announced nearly \$2 billion in incentives offered to Intel. The chipmaker will build two new semiconductor plants in New Albany, with an initial investment cost of \$20 billion. Reportedly, the factories would create thousands of new jobs once finished, as well as an estimated 7,000 construction positions. Intel announced that its investment in Ohio could potentially reach \$100 billion as it scales operations.

Cleveland multifamily development regained a healthy pace in 2021. The metro had 4,479 units under construction as of February, with more than half aimed at Lifestyle renters.

Market Analysis | April 2022

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Recent Cleveland Transactions

Parkview Estates



City: Cleveland
Buyer: Brown Gibbons Lang & Co.
Purchase Price: \$23 MM
Price per Unit: \$63,333

Crittenden Court



City: Cleveland
Buyer: Snively Group
Purchase Price: \$20 MM
Price per Unit: \$94,952

Brookside Oval



City: Cleveland
Buyer: Freeland Ventures
Purchase Price: \$8 MM
Price per Unit: \$65,231