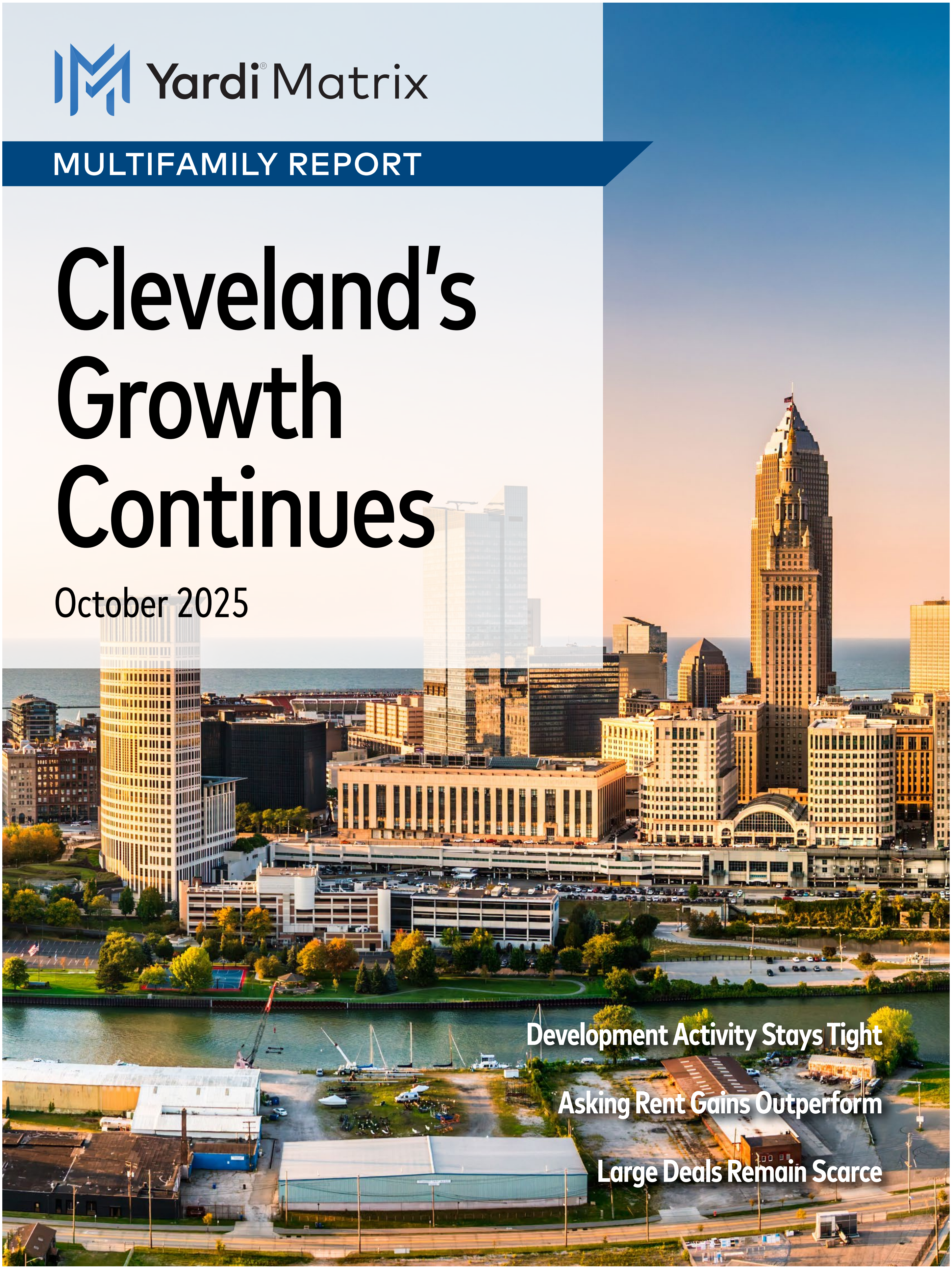
Yardi Matrix

MULTIFAMILY REPORT

Cleveland's Growth Continues

October 2025



Development Activity Stays Tight

Asking Rent Gains Outperform

Large Deals Remain Scarce

CLEVELAND MULTIFAMILY

Yardi Matrix

Rent Evolution Among Nation's Best

Cleveland advertised asking rents increased 0.4% on a trailing three-month basis through August, to $1,243, outpacing the national average, which recorded a more modest 0.1% uptick, to $1,755. With little supply and stable fundamentals, the market continues to see steady Midwestern growth. Year-over-year, asking rents were up 3.7% as of August, while the national figure was up 0.7%.

Cleveland employment improved 0.6% as of June, 20 basis points below the national rate. Education and health services led gains over the 12 months ending in, accounting for 7,300 of the 17,400 net positions added and marking a 2.4% yearly expansion. The area's unemployment rate stood at 5.2% as of July, according to data from the Bureau of Labor Statistics, above the 4.2% national figure. Plans are underway for a $2.4 billion stadium and a $1 billion mixed-use development in Brook Park, Ohio. The city council has approved the rezoning of 176 acres, with the groundbreaking ceremony scheduled for spring 2026.

A total of 905 units, or 0.5% of stock, came online this year through August, 140 basis points behind the national rate of completions. The metro's five-year average clocked in at 1,960 apartments delivered yearly. Transaction activity remained slow, with just $96.1 million in deals recorded year-to-date through August, marking the slowest pace in Cleveland in a decade.

Recent Cleveland Transactions

West Creek Heights

City: Parma, Ohio
Buyer: Freeland Ventures
Purchase Price: $8 MM
Price per Unit: $81,567

Memorial Heights

City: Brooklyn, Ohio
Buyer: Freeland Ventures
Purchase Price: $5 MM
Price per Unit: $47,892

Market Analysis | October 2025

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On the cover: Photo by Ultima_Gaina/iStockphoto.com

RENT TRENDS

- Cleveland continued to see improvement in rent growth, with the average advertised asking rate up 0.4%, on a trailing three-month (T3) basis as of August, to $1,243. This was four times the U.S. pace, with the U.S. rate up 0.1%, to $1,755. The metro kept a positive streak over the past 12 months, with year-over-year growth clocking in at 3.7% as of August, placing Cleveland among the country's top performers.

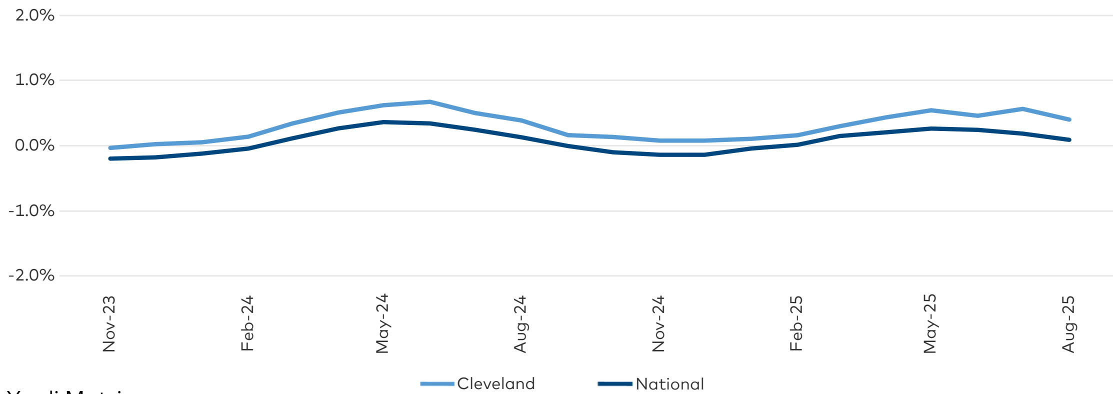
- Most job gains were in workforce housing. Rates in the working-class Renter-by-Necessity segment were up 0.5%, on a T3 basis, to $1,143. Meanwhile, rents in the upscale Lifestyle segment remained flat, at $1,817. The RBN segment maintained its positive momentum, with the rate as high as 0.7%, on a T3 basis, in July 2025. Rates haven't recorded any monthly contractions since late 2023.

- The metro's average overall occupancy rate in stabilized properties stood at 94.7% as of July, down 30 basis points year-over-year. The RBN segment saw a 20-basis-point decrease, to 95.1%. Meanwhile, the Lifestyle figure recorded a steeper slide, down 50 basis points, to 92.9%.

- Most of Cleveland's 81 submarkets recorded yearly asking rent increases, with smaller, suburban areas leading growth. Asking rents in Broadview Heights were up 21.4% to $1,428, followed by Fairview Park (12.3% to $1,294) and Rocky River (11.0% to $1,469).

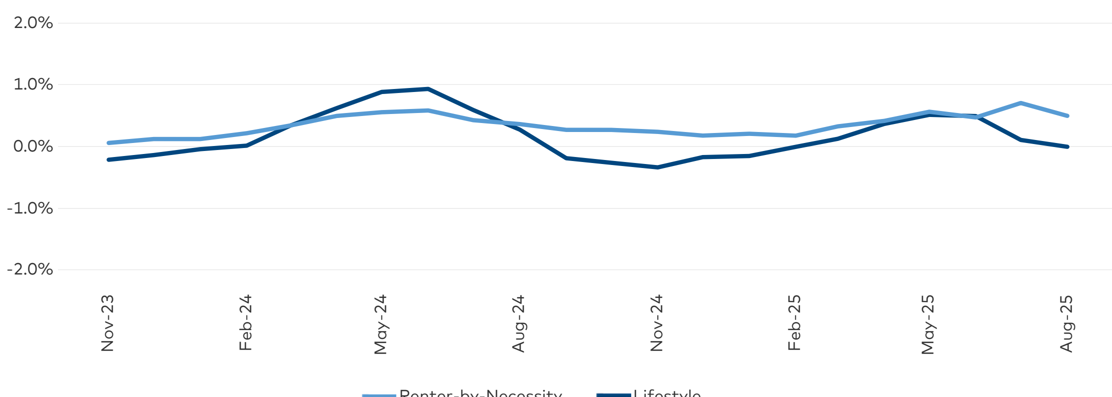
- Cleveland's SFR/BTR segment saw a 0.8% contraction in asking rents year-over-year, to $2,010. Meanwhile, occupancy dropped 40 basis points, to 94.9%.

Cleveland vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Cleveland Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Cleveland employment rose 0.6% through June, 20 basis points below the U.S. rate. Education and health services led growth—in line with nationwide trends—accounting for 7,300 of the 17,400 net positions added. Construction (3,600) and leisure and hospitality (3,300) also contributed significantly. Cleveland lost 2,700 jobs across two sectors, with the sharpest slide in trade, transportation and utilities (-2,300).

- Cleveland's unemployment rate stood at 5.2% as of July, according to data from the Bureau of Labor Statistics. Akron's rate was slightly higher, clocking in at 5.6%. Both were higher than the 4.2% national figure, and also above the Ohio average, which clocked in at 5.0%.

- Brook Park City Council has approved the rezoning of 176 acres for the Browns stadium project, which is planned for the former Ford site. The development will comprise a $2.4 billion stadium and $1 billion in private investment in a mixed-use component with retail, restaurants, housing, hotels and office space. Groundbreaking is scheduled for next spring, with the stadium and most of the mixed-use portion expected to come online between 2028 and 2029. The project is set to generate 5,000 construction jobs and 5,000 full-time jobs.

Cleveland Employment Share by Sector

		Current Employment	
Code	Employment Sector	(000)	% Share
65	Education and Health Services	315.2	18.6%
15	Mining, Logging and Construction	75.8	4.5%
70	Leisure and Hospitality	184.4	10.9%
60	Professional and Business Services	224.8	13.3%
55	Financial Activities	100.4	5.9%
90	Government	207.4	12.2%
80	Other Services	63.7	3.8%
30	Manufacturing	197.8	11.7%
50	Information	19.4	1.1%
40	Trade, Transportation and Utilities	305.5	18.0%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Between 2019 and 2022, Cleveland gained 22,861 people, for a 1.1% uptick. Meanwhile, the U.S. expanded 2.0%.

- The Cleveland MSA had reached more than 2,170,000 people as of mid-2024, according to the most recent Census estimates. This points to additional population gains.

Cleveland vs. National Population

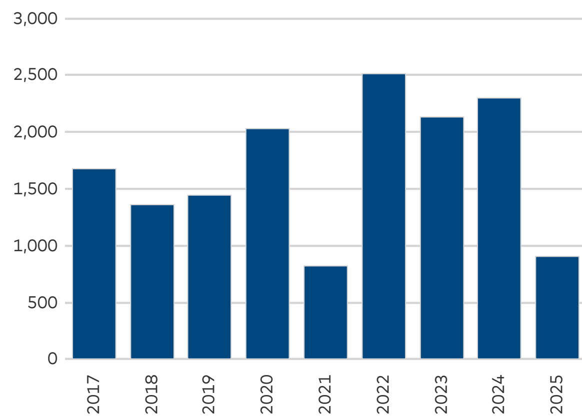
	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Cleveland Metro	2,056,898	2,053,137	2,084,462	2,079,759

Source: U.S. Census

SUPPLY

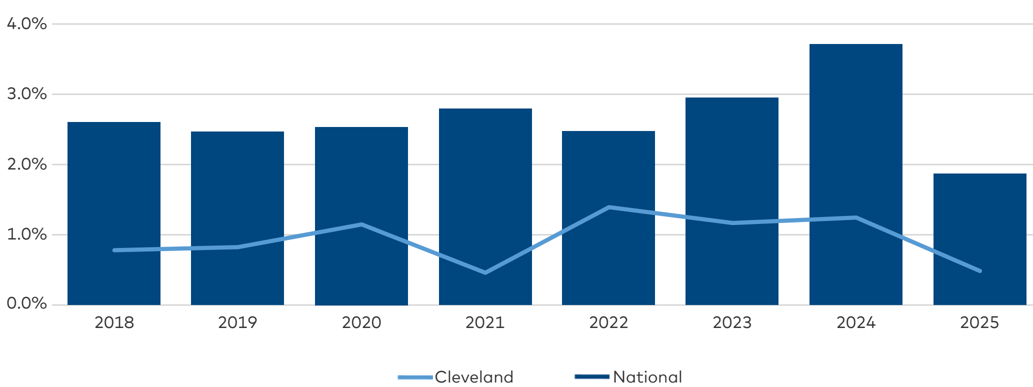
- Cleveland developers completed 905 units in the first eight months of 2025. That accounted for 0.5% of existing stock and was about one-quarter of the national pace of completions. All but two properties that came online were in the Lifestyle segment. Multifamily stock expanded by 2,301 units in 2024, in line with the previous two years but significantly above the 822 units brought online in 2021. Cleveland's latest five-year average clocked in at 1,960 apartments.
- The under-construction pipeline in Cleveland included 3,008 units as of August. Another 19,000 units were in the planning and permitting stages. Construction is concentrated in upscale projects, with 72.2% of units underway in Lifestyle communities. RBN and fully affordable projects accounted for the remaining 27.8%.
- Cleveland recorded an acceleration in project starts this year, bucking the overall national trend. The market registered 1,353 units across 10 projects breaking ground in the first eight months of 2025. Last year, developers began work on 841 apartments across five projects during the same time frame.
- Of the 81 submarkets tracked by Yardi Matrix, only 12 had at least one project of more than 50 units underway. Broadway led construction activity in Greater Cleveland, with 748 units underway. Other submarkets with significant pipelines included Cleveland–Downtown (531 units) and Cleveland Heights (470 units).
- Richmond Heights boasts the largest project underway. DealPoint Merrill is developing Belle Oaks Marketplace, a 367-unit community, slated for delivery in June 2027.

Cleveland Completions (as of August 2025)



Source: Yardi Matrix

Cleveland vs. National Completions as a Percentage of Total Stock (as of August 2025)

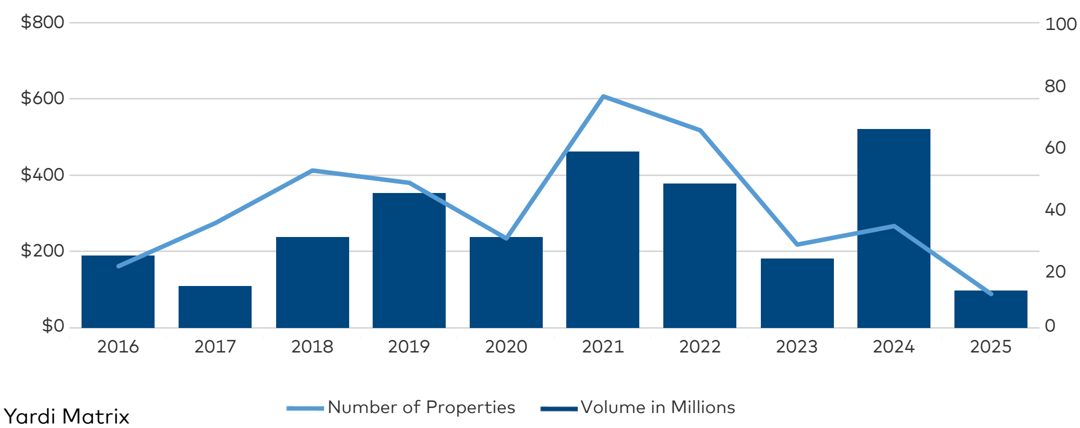


Source: Yardi Matrix

TRANSACTIONS

- Cleveland's transaction volume reached just $96 million during the first eight months of this year, with 13 assets of 50-plus units changing hands. This marks the metro's slowest investment pace in a decade. It also follows the $520 million recorded in 2024, which was Cleveland's peak volume in the past 10 years.
- Following historical trends and in line with the metro's inventory, the majority of sales involved RBN assets, with the segment accounting for 12 of 13 sales. The average price per unit slid to $74,103, mostly in line with recent local trends, but on the heels of the record $100,649 figure registered in 2024. The price was also well below the $209,364 U.S. figure.
- Multifamily investors traded $286 million in assets during the 12 months ending in August. Only 19 of the metro's 81 submarkets saw investor activity. Strongsville led gains ($66 million), followed by Parma ($59 million) and Solon ($32 million) rounding out the top three.

Cleveland Sales Volume and Number of Properties Sold (as of August 2025)



Source: Yardi Matrix

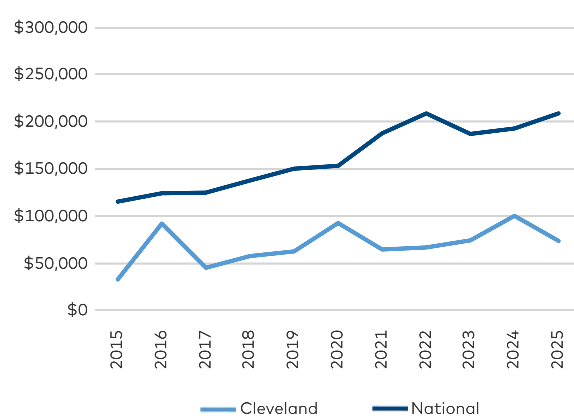
Top Submarkets for Transaction Volume[1]

Submarket	Volume ($MM)
Strongsville	66
Parma	59
Solon	32
Parma Heights	28
Hough	21
Copley	17
Euclid	9

Source: Yardi Matrix

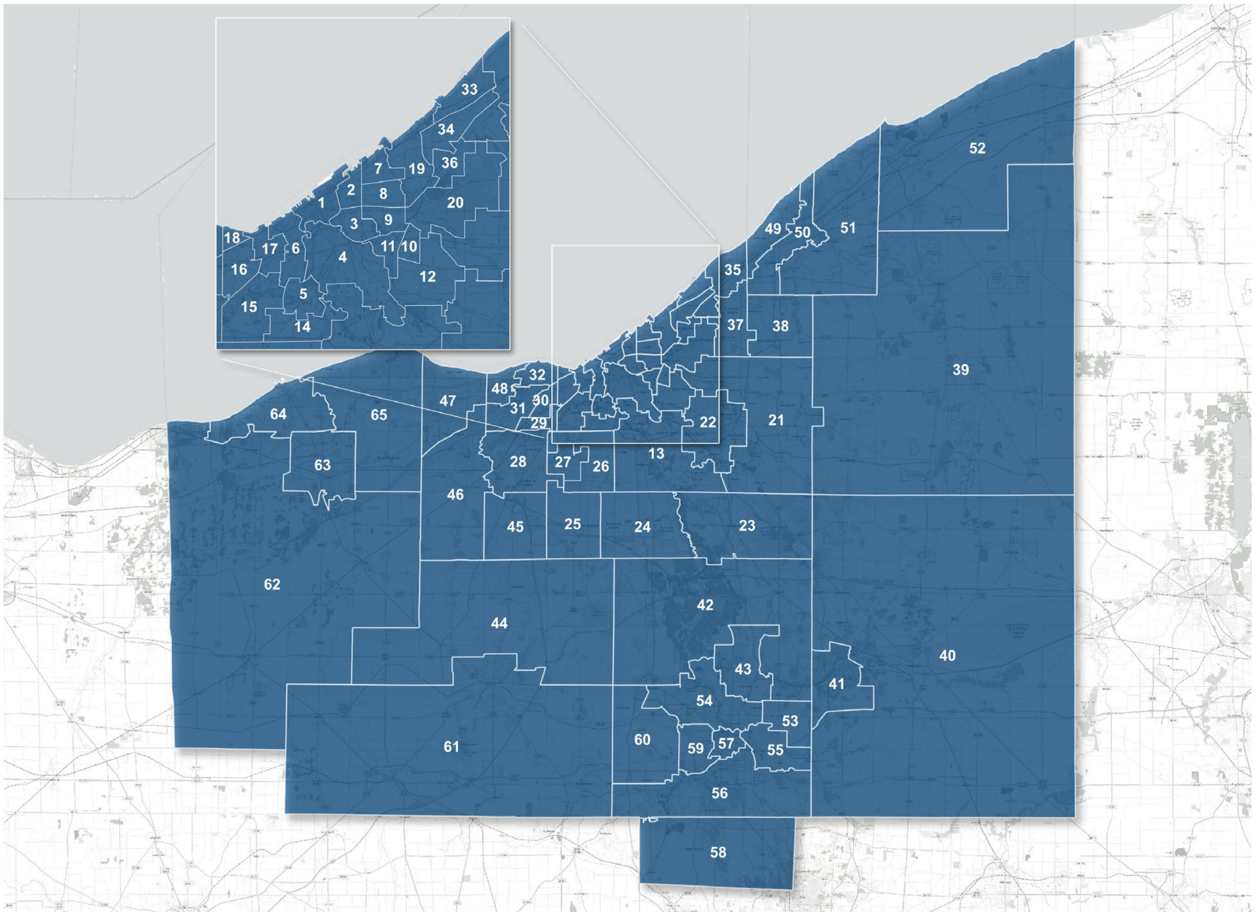
[1] From September 2024 to August 2025

Cleveland vs. National Sales Price per Unit



Source: Yardi Matrix

CLEVELAND SUBMARKETS



Area No.	Submarket
1	Cleveland–Downtown
2	Goodrich–Kirtland Park
3	Central
4	Broadway
5	Brooklyn Centre
6	Ohio City
7	St. Claire–Superior
8	Hough
9	Fairfax
10	Woodland Hills
11	Kinsman
12	Shaker Heights
13	Garfield Heights
14	Old Brooklyn
15	Brooklyn
16	Cudell
17	Shoreway
18	Edgewater
19	Glenville
20	Cleveland Heights
21	Solon
22	Bedford

Area No.	Submarket
23	Twinsburg
24	Broadview Heights
25	North Royalton
26	Parma
27	Parma Heights
28	Brookpark
29	Puritas
30	Jefferson
31	Fairview Park
32	Lakewood
33	North Collinwood
34	South Collinwood
35	Euclid
36	Cleveland–East
37	Richmond Heights
38	Mayfield
39	Geauga
40	Portage
41	Kent
42	Summit
43	Cuyahoga Falls
44	Brunswick

Area No.	Submarket
45	Strongsville
46	Olmsted
47	Westlake
48	Rocky River
49	Eastlake
50	Willoughby
51	Mentor
52	Lake
53	Tallmadge
54	Akron–North
55	Akron–East
56	Akron–South
57	Akron–Downtown
58	Uniontown
59	Akron–West
60	Copley
61	Medina
62	Lorain
63	Elyria
64	Lorain–Downtown
65	Avon

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students,* who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households,* composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households,* which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.

Yardi Matrix

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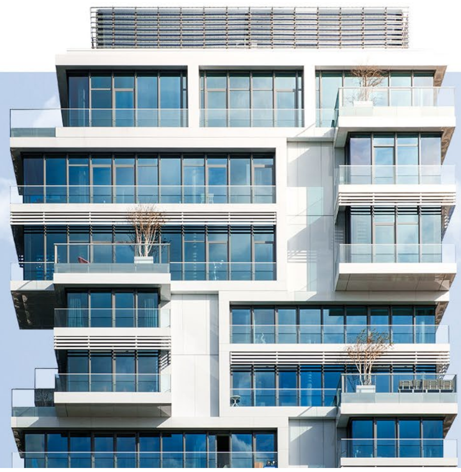
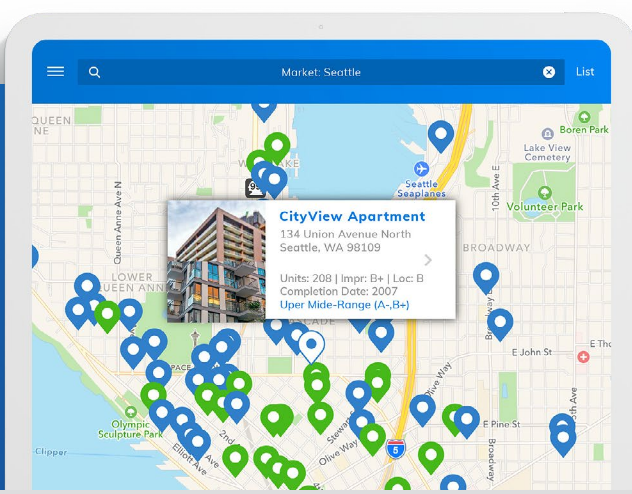


MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily provides accurate data on nearly **23 million units**, covering over **92% of the U.S. population.**

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