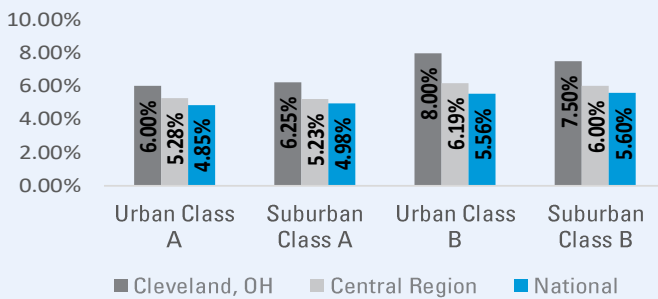


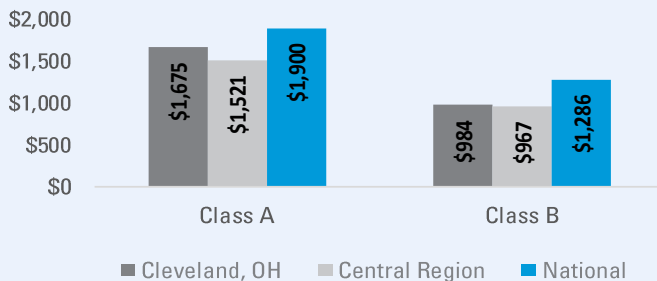
Market Rate Indicators (Y/Y)

Categories	Class A	Class B
Going In Cap Rate (%)	▼	▲
Asking Rent (\$/Unit)	▲	▲
Vacancy Rate (%)	▼	◄►

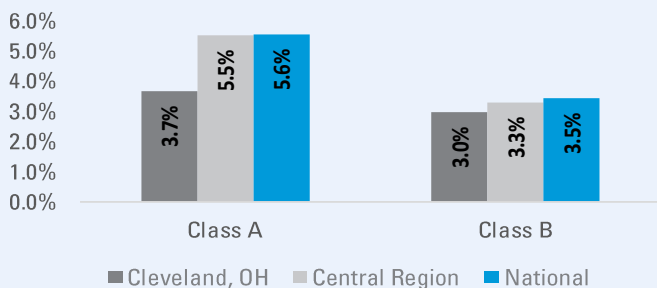
Going In Cap Rate Comparisons (%)



Asking Rents (\$/Unit)



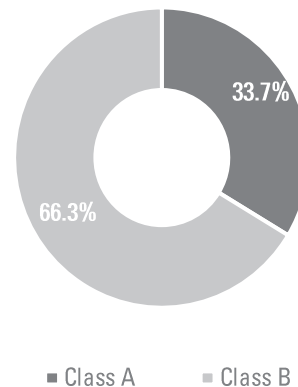
Vacancy Rates (%)



Cleveland, OH Multifamily Market Overview

Cleveland's multifamily market remains strong overall with good occupancy levels. Construction starts were slowing during the pandemic but have picked up in advanced planning stages. Most of the construction is within the City of Cleveland. Due to the City's recent change in legislation to its tax abatement program, many developers are attempting to begin development before the 100% abatement is no longer. As such, there is some potential for an oversupply in the next 2-3 years once these projects come online. Suburban construction has seen much less new inventory, but recent developments at Pinecrest and Van Aken are of note. During the early goings of the pandemic, downtown Cleveland/CBD vacancy saw a sharp increase. However, by the end of 2021 and into 2022 vacancy within the CBD compressed significantly and back to stabilized levels. Concessions are few and far between within the entire Cleveland Metro. Although the rental market remains strong, there is always a threat from renters moving into home ownership. However, due to the significant rise in mortgage rates, that threat is beginning to be less of a concern. Additionally, there is still a historically low inventory of homes available throughout the market. This threat is most glaring within the City of Cleveland limits, with an abundance of affordable for sale offerings coupled with the City's tax abatement. Looking out over the next 12-24 months, multifamily is anticipated to see some increase in vacancies due to the supply coming online, resulting in potentially longer lease-up periods for new construction.

Distribution of Total Inventory



121,026 Units
Multifamily Inventory

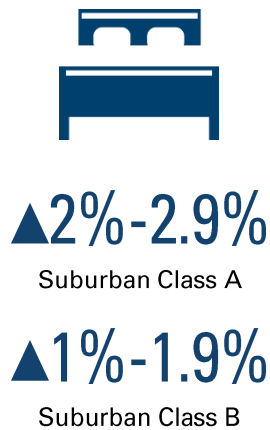
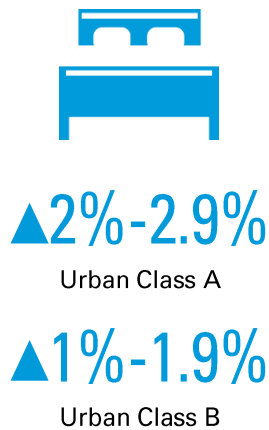
0.83% - 12 Mo. Proj.
Construction/Inventory

2023 CLEVELAND, OH MULTIFAMILY ANNUAL REPORT

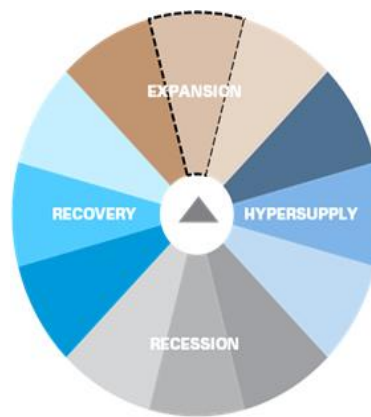
An Integra Realty Resources Publication / irr.com



Change In Value Next 12 Months



Market Cycle: Expansion Stage 2



- Moderate/High New Construction
- Med/High Rental Rate Growth
- High Absorption
- Decreasing Vacancy Rates
- Moderate/High Employment Growth

Forecasts

Cleveland, OH 12-Month Multifamily Forecasts

Categories	Urban Class A	Urban Class B	Suburban Class A	Suburban Class B
Going-In Cap Rates	Increase 25-49 bps	Increase 50-74 bps	Increase 25-49 bps	Increase 50-74 bps
Discount Rate	Increase 25-49 bps	Increase 50-74 bps	Increase 25-49 bps	Increase 50-74 bps
Reversion Rate	Increase 25-49 bps	Increase 50-74 bps	Increase 25-49 bps	Increase 50-74 bps
Construction (Units)	1,007			
Market Rent Change	+2.00%	+2.00%	+2.00%	+2.00%
Expense Rate Change	+2.00%	+2.00%	+2.00%	+2.00%
Years to Balance	In Balance			

Cleveland, OH 36-Month Multifamily Forecasts

Categories	Urban Class A	Urban Class B	Suburban Class A	Suburban Class B
Market Rent Change	+11.90%			
Change in Value	Increase 2%-2.9%	Increase 1%-1.9%	Increase 2%-2.9%	Increase 1%-1.9%

Integra Realty Resources (IRR) is the largest independent commercial real estate valuation and consulting firm in North America, with over 165 MAI-designated members of the Appraisal Institute among 600+ professionals based in our 50+ offices throughout the United States and the Caribbean. Founded in 1999, the firm specializes in real estate appraisals, feasibility and market studies, expert testimony, and related property consulting services across all local and national markets. Our valuation and counseling services span all commercial property types and locations, from individual properties to large portfolio assignments.

For more information, visit www.irr.com.