

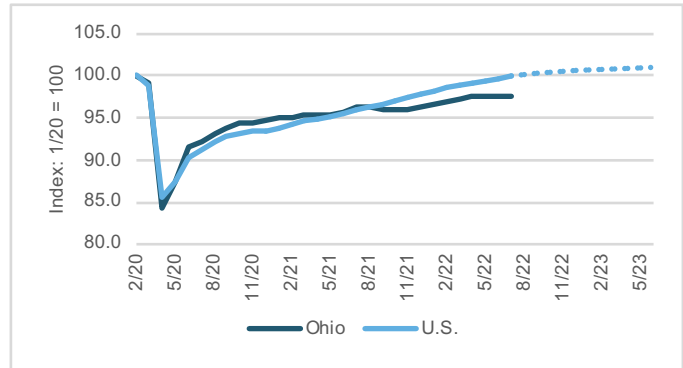
Employment and Unemployment

- **Ohio employment growth weakened over the past three months.** The chart to the right is plotted on an index basis to compare Ohio and U.S. payroll employment changes since the employment peak in February 2020. Employment increased 9,300 (0.2%) between April and July. U.S. employment increased 0.9%.
- **Economists have trimmed their employment growth forecasts.** The dashed line in the employment chart is the consensus employment forecast of 35 economists from the Philadelphia Fed's August Survey of Professional Forecasters. Employment recovered its 2020 losses several months earlier than expected but recession fears are growing.
- **The Ohio unemployment rate stood at 3.9% in July.** Ohio's rate is down from 4.0% in April. The April U.S. rate was 3.5%, down from 3.6%, and its lowest rate since December 1969.

The charts below compare the trends in labor force (the unemployment rate denominator) and employment. Ohio labor force increased 0.4% between April and July while U.S. labor force fell 0.1%. Labor force increases put upward pressure on the unemployment rate, but the 0.6% increase in the number of employed Ohioans more than offset this impact, allowing the unemployment rate to fall slightly.

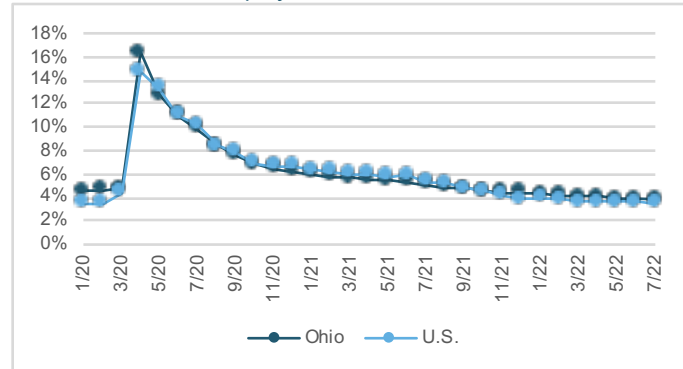
The marginal decrease in the U.S. labor force was accompanied by 0.1% increase in resident employment, far less than in Ohio. While the U.S. unemployment rate is less than Ohio's, the recent national trends have continued weaker than Ohio trends.

Payroll Employment Change, Including U.S. Forecast



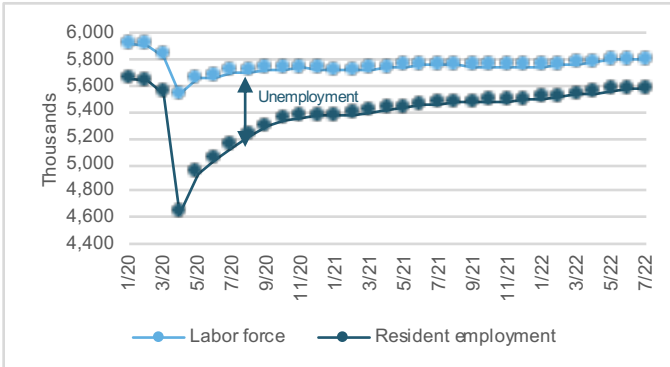
Source: U.S. Bureau of Labor Statistics, Philadelphia Federal Reserve.

Ohio and U.S. Unemployment Rates



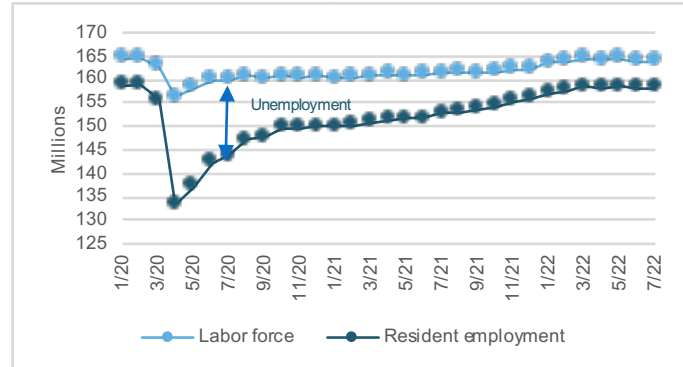
Source: Labor Force Statistics, U.S. Bureau of Labor Statistics.

Ohio Labor Force and Employment



Source: Local Area Unemployment Statistics, U.S. Bureau of Labor Statistics.

U.S. Labor Force and Employment

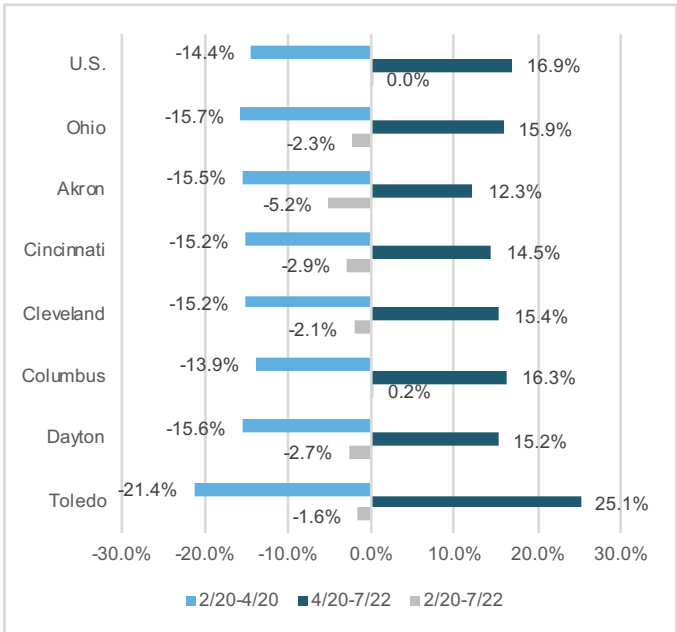


Source: Current Population Statistics, U.S. Bureau of Labor Statistics.

Employment Changes by Region and Sector

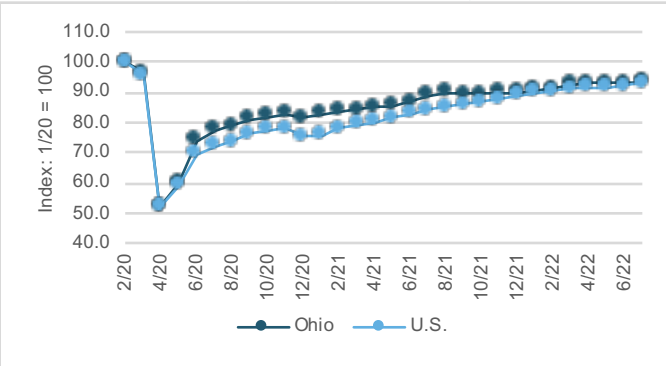
- **Employment growth in Ohio's large metros between April and July was mixed.** Akron's and Toledo's growth beat the U.S. average at 1.1% and 1.2%, respectively. Exceeding Ohio's 0.2% growth were Cleveland (0.4%), Columbus (0.7%), and Dayton (0.4%). Cincinnati lost 0.2%.
- **Ohio leisure and hospitality employment increased 0.6%, less than half the 1.5% U.S. average.** Ohio's leisure employment remains 6.5% less than in February 2020. U.S. employment is 7.1% less.
- **Employment grew in two of three office-using sectors.** Business services lost 1.2% in Ohio while gaining 1.1% nationally. Finance and insurance equaled the 0.3% U.S. gain. Healthcare gained 0.4% versus 1.2% nationwide.
- **Ohio real estate employment increased.** Ohio employment gained 1.2%, more than double the 0.5% U.S. growth.

Employment Loss, Gain and Net Change

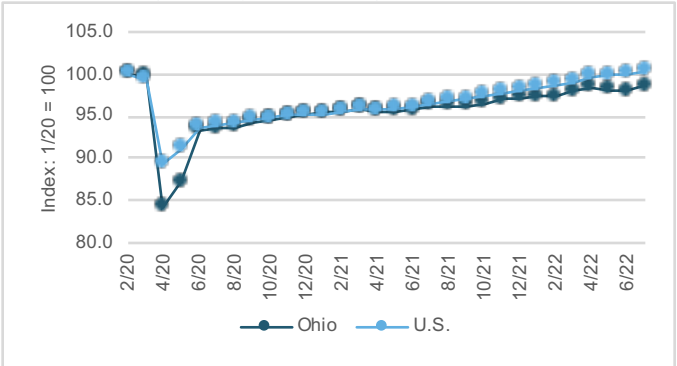


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

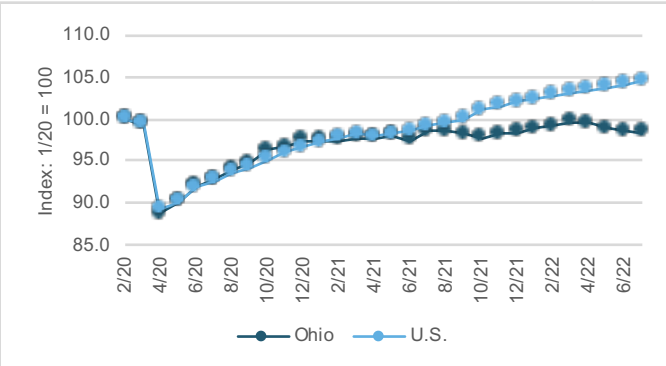
Leisure and Hospitality Employment Change



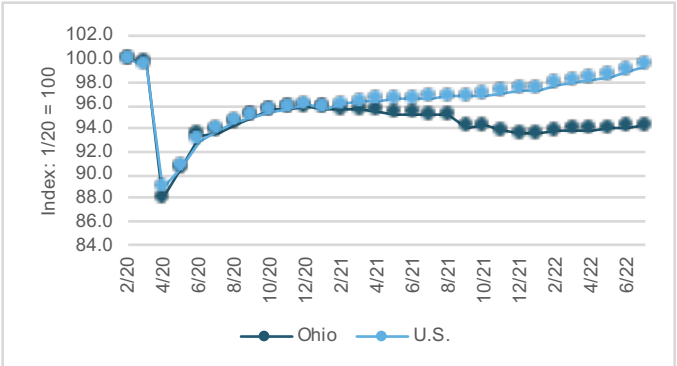
Manufacturing Employment Change



Professional & Business Services Employment Change

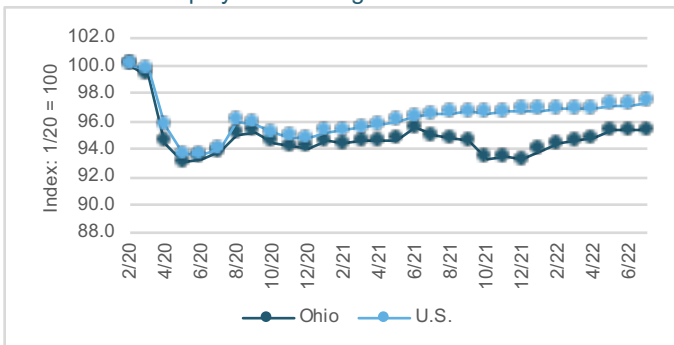


Healthcare & Social Assistance Employment Change

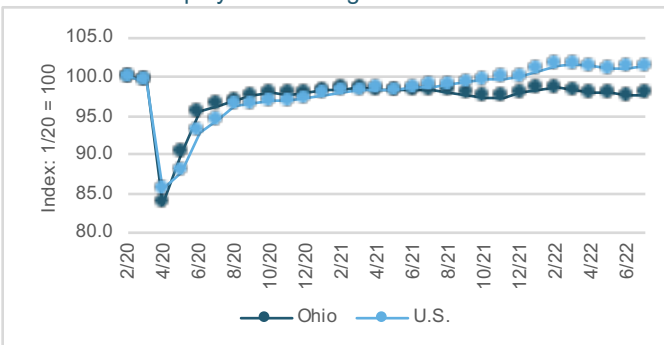


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

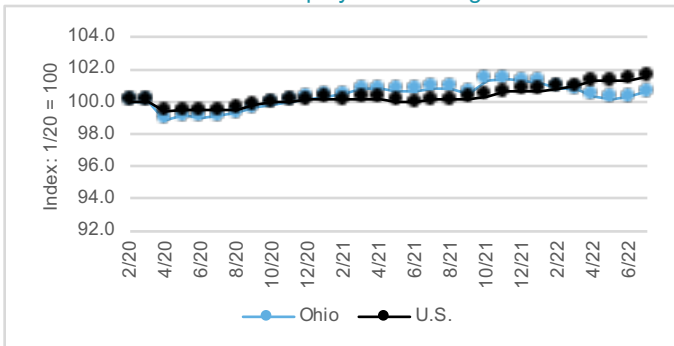
Government Employment Change



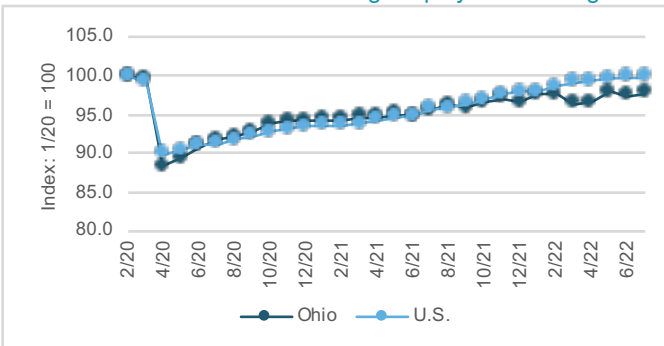
Retail Trade Employment Change



Finance and Insurance Employment Change



Real Estate and Rental & Leasing Employment Change

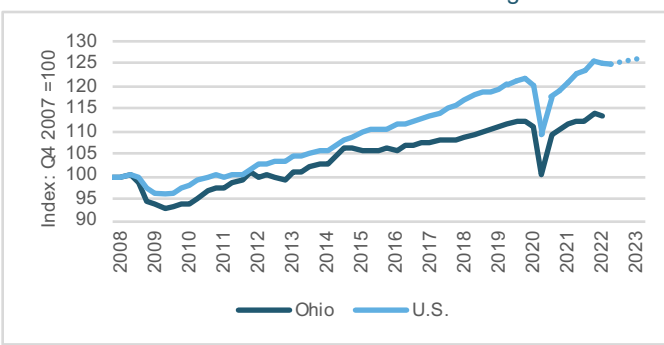


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

Broad Economic Indicators

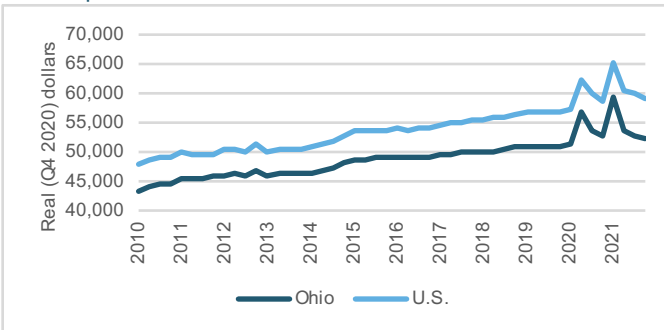
- **U.S. inflation-adjusted gross domestic product (GDP) fell an annualized 0.6% in the second quarter.** Two consecutive GDP declines do *not* mean that we are in a recession, that requires weakness in many economic indicators and a finding by the National Bureau of Economic Research. However, the recession risk has increased.
- **Ohio GDP fell 1.8% in the most recent quarter available.** Ohio's Q1 decline was only a little worse than that quarter's 1.6% U.S. decline.
- **Per-capita personal income (PCPI) suffered declines even before inflation.** Ohio's inflation-adjusted Q1 PCPI fell 12.7%, while the national loss was 10.2%.
- **First quarter inflation increased to 8.6% year-over-year.** Monthly inflation fell in July. The economists in the August Philadelphia Federal Reserve survey expect inflation to cool to 4.3% by year-end.
- **Consumer sentiment ticked up slightly in August.** Consumers noted the decreasing inflation, especially in gas prices.

U.S. and Ohio Gross Domestic Product Change



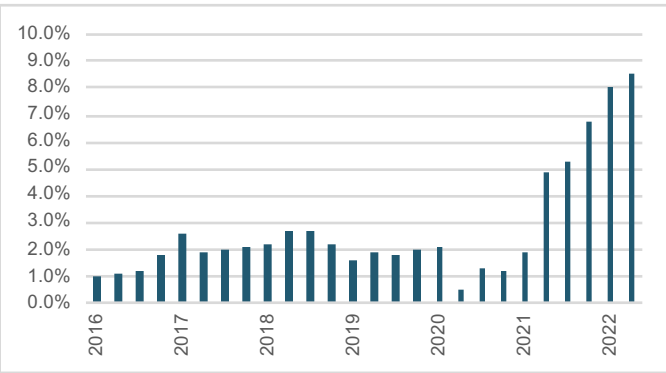
Source: U.S. Bureau of Economic Analysis; Philadelphia Federal Reserve.

Per-Capita Personal Income



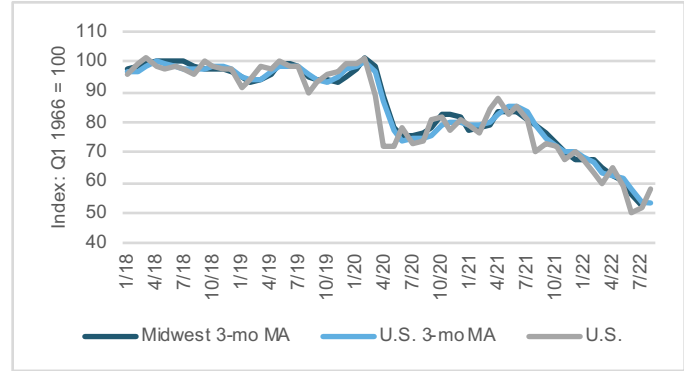
Source: U.S. Bureau of Economic Analysis.

Year-over-Year Consumer Price Inflation



Source: Consumer Price Index, U.S. Bureau of Labor Statistics

Consumer Sentiment Index

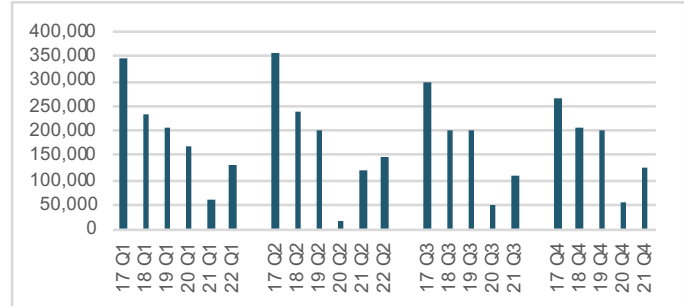


Source: Survey Research Center, University of Michigan.

Passengers at Primary Regional Airports

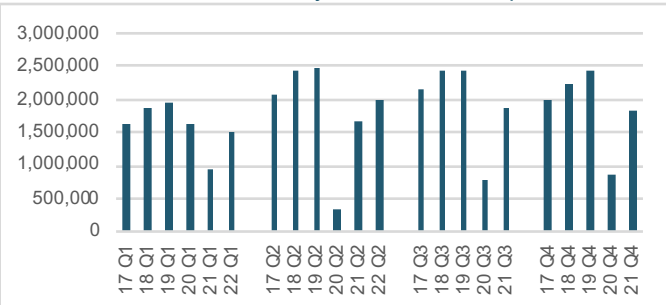
- Ohio-serving airport traffic continued to recover in the second quarter. The six airports achieved a 25% gain from Q2 2021. Airport gains ranged from 15% at Toledo to 36% at Columbus. (May and June total traffic at Dayton was estimated from enplanements.)
- The net decline from the second quarter of 2019 for the six airports was 16%. Akron-Canton was off 27%, Cincinnati traffic was off 19%, Cleveland was off 13%, Columbus was off 11%, Dayton was off 30%, and Toledo was off 26%.

Akron-Canton Airport



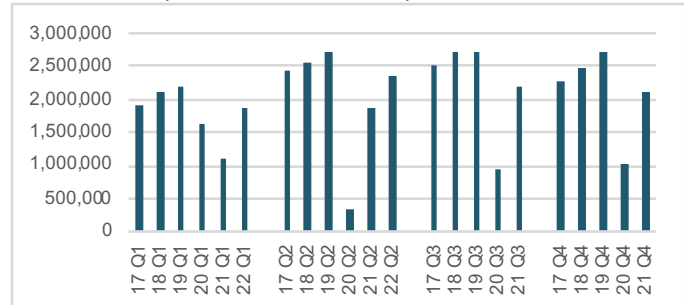
Source: Akron-Canton Airport.

Cincinnati-Northern Kentucky International Airport



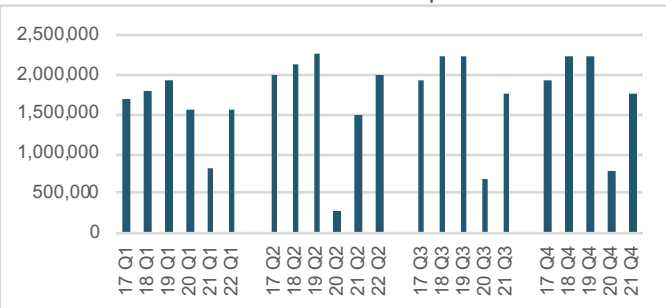
Source: Cincinnati-Northern Kentucky International Airport.

Cleveland Hopkins International Airport



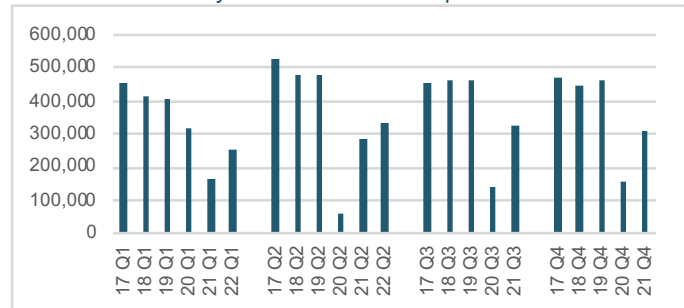
Source: Cleveland Airport System.

John Glenn Columbus International Airport



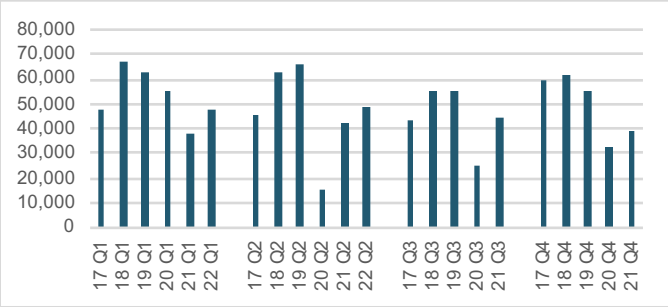
Source: Columbus Regional Airport Authority.

James M. Cox Dayton International Airport



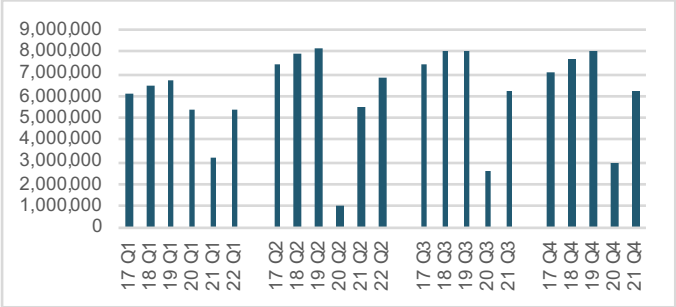
Source: Dayton International Airport (May and June 2022 traffic estimated).

Eugene F. Kranz Toledo Express Airport



Source: Toledo-Lucas County Port Authority.

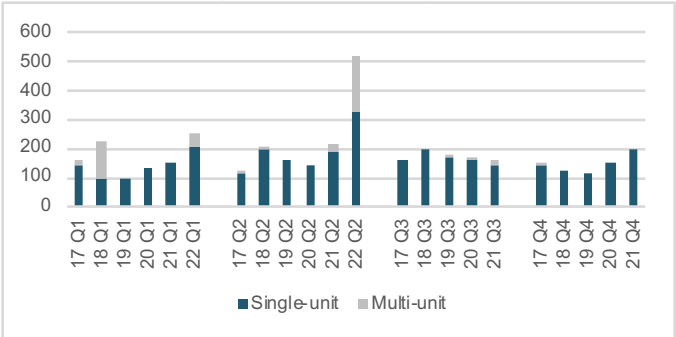
Six Airport Total



Residential Real Estate

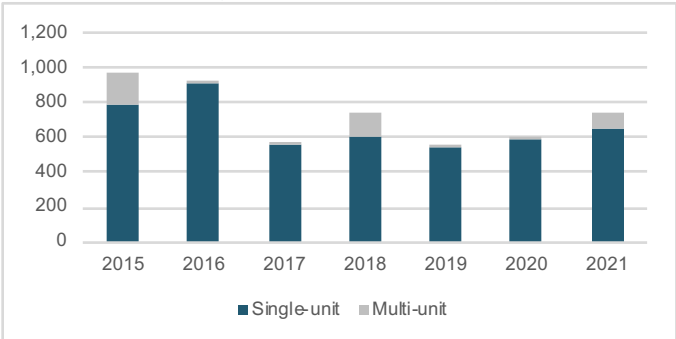
- **Second quarter Ohio housing permits were up 6.6% from a year ago because of the volatile multi-unit segment.** Single-unit permits statewide were down 16%. U.S. single-unit permits were off 3.1%; total permits were up 18%
- **Second quarter changes in the state's large metros were mixed.** Akron's permits were up 145% from Q2 2021, and single-unit permits were up 77%. Cincinnati permits overall were down 1.9%; single-unit permits were down 24%. Overall permitting in Cleveland increased 52%, with single-unit permits down 8.5%. Columbus single-unit permits were up 14% and total permits were up 45%. Dayton single-unit permits were up 15% and total permits were up 46%. Toledo single-unit permits were down 52% and total permits were down 49%.
- **The Federal Housing Finance Authority's House Price Index showed gains for Ohio and its MSAs in the second quarter.** Ohio house prices were up 6.7% from Q1, compared to 6.8% nationally. Akron was up 6.8%, Cincinnati was up 7.5%, Cleveland was up 7.2%, Columbus was up 7.6%, Dayton was up 5.5%, and Toledo was up 6.1%.

Akron MSA Housing Units Permitted by Quarter



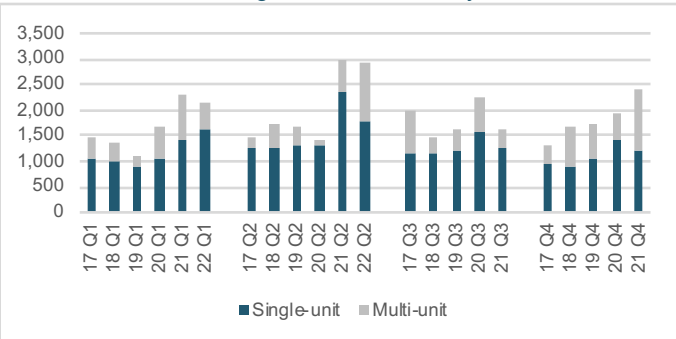
Source: U.S. Census Bureau

Akron MSA Housing Units Permitted Annually



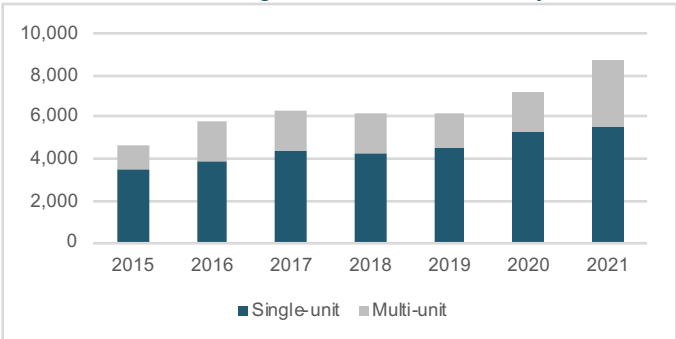
Source: U.S. Census Bureau

Cincinnati MSA Housing Units Permitted by Quarter



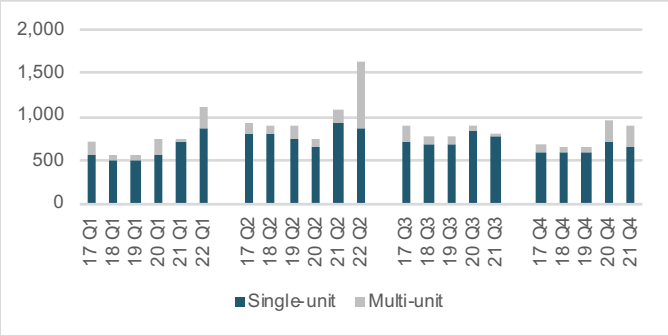
Source: U.S. Census Bureau

Cincinnati MSA Housing Units Permitted Annually



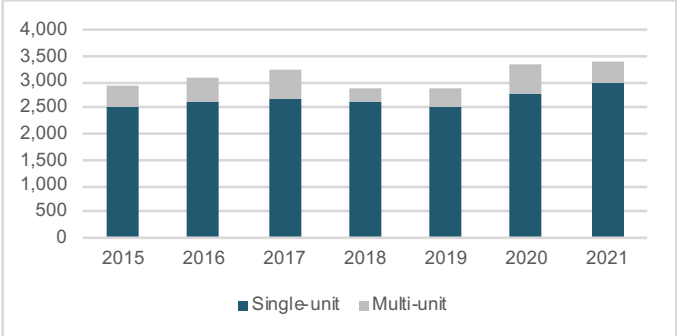
Source: U.S. Census Bureau

Cleveland MSA Housing Units Permitted by Quarter



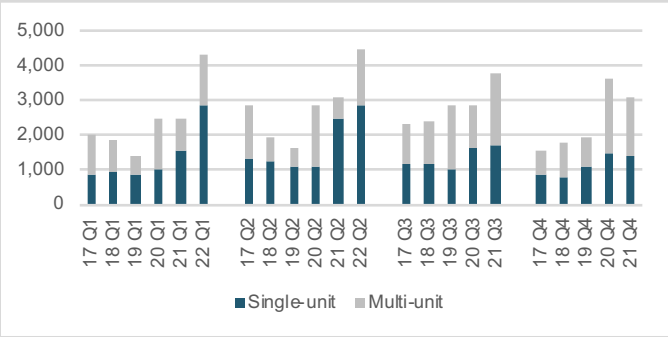
Source: U.S. Census Bureau

Cleveland MSA Housing Units Permitted Annually



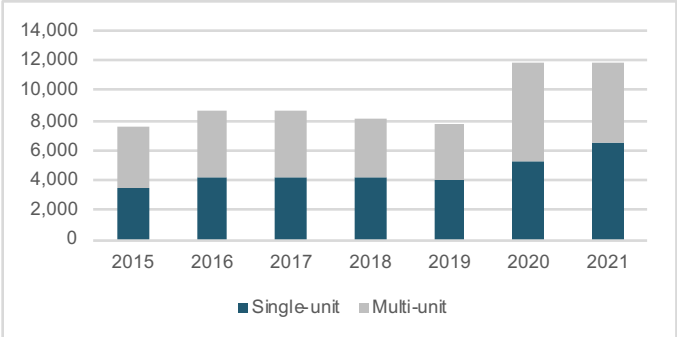
Source: U.S. Census Bureau

Columbus MSA Housing Units Permitted by Quarter



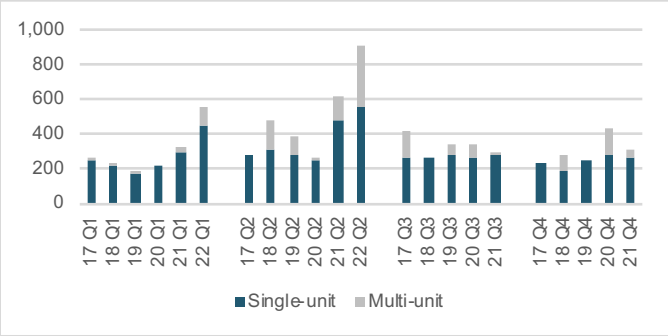
Source: U.S. Census Bureau

Columbus MSA Housing Units Permitted Annually



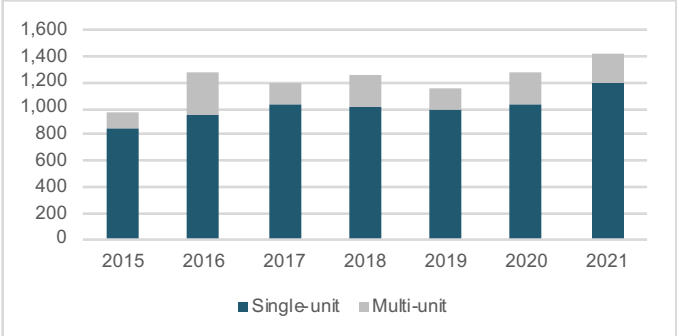
Source: U.S. Census Bureau

Dayton MSA Housing Units Permitted by Quarter



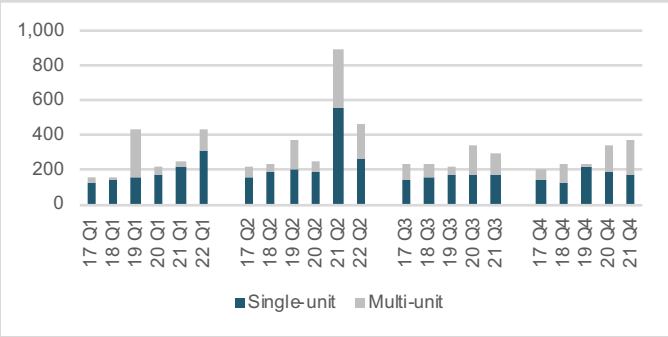
Source: U.S. Census Bureau

Dayton MSA Housing Units Permitted Annually



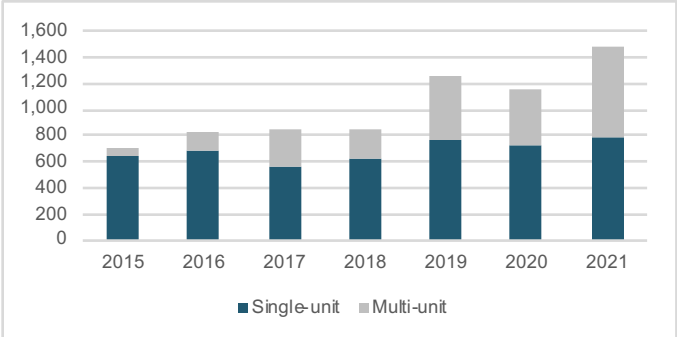
Source: U.S. Census Bureau

Toledo MSA Housing Units Permitted by Quarter



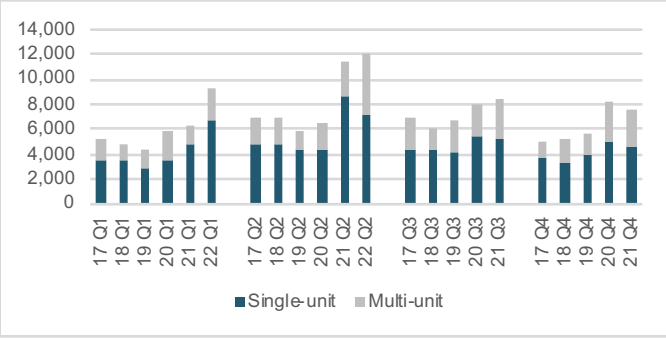
Source: U.S. Census Bureau

Toledo MSA Housing Units Permitted Annually



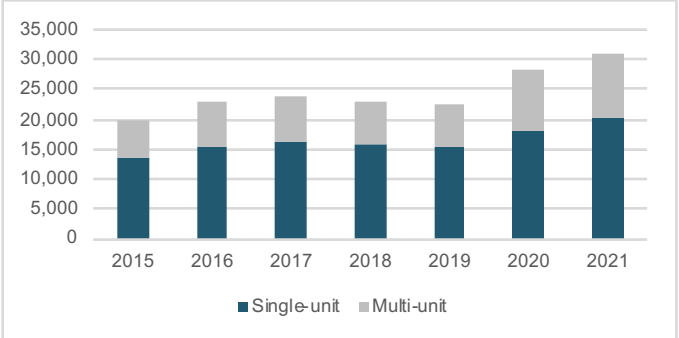
Source: U.S. Census Bureau

Ohio Housing Units Permitted by Quarter



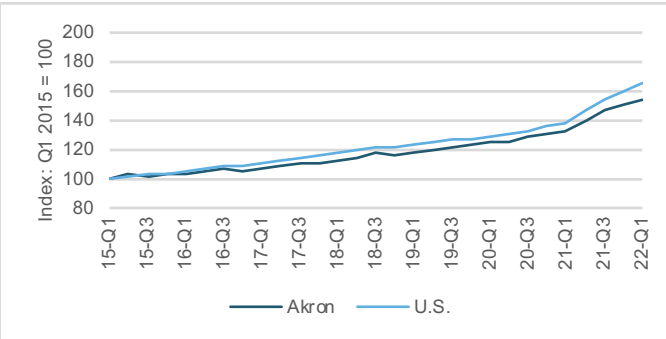
Source: U.S. Census Bureau

Ohio Housing Units Permitted Annually



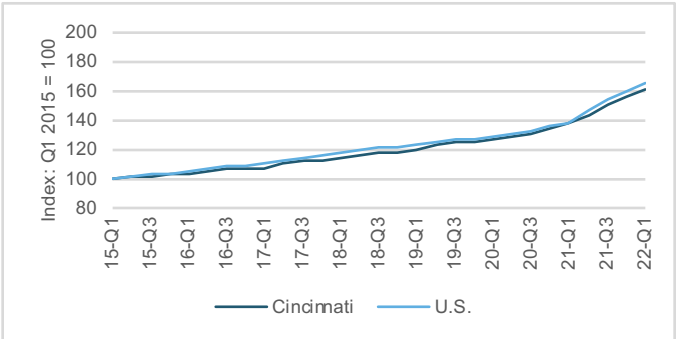
Source: U.S. Census Bureau

Akron MSA and U.S. FHFA House Price Index



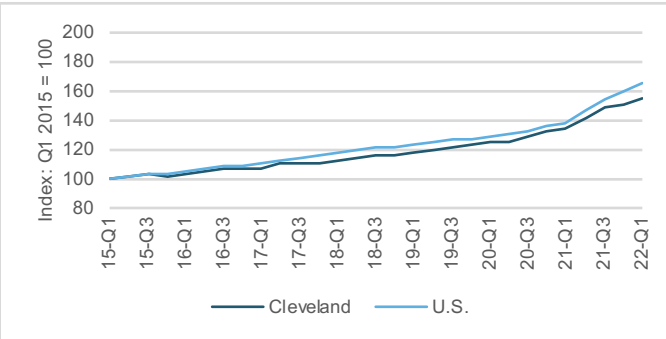
Source: Federal Housing Finance Agency.

Cincinnati MSA and U.S. FHFA House Price Index



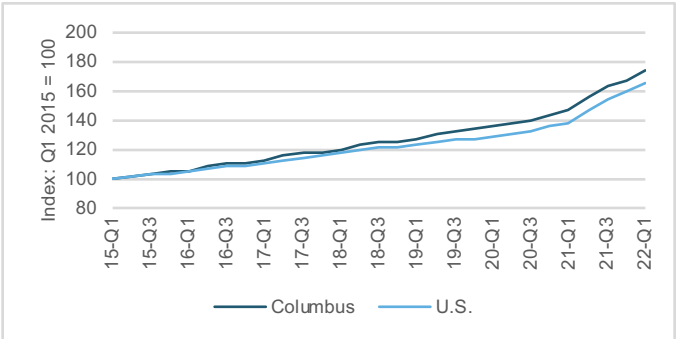
Source: Federal Housing Finance Agency.

Cleveland MSA and U.S. FHFA House Price Index



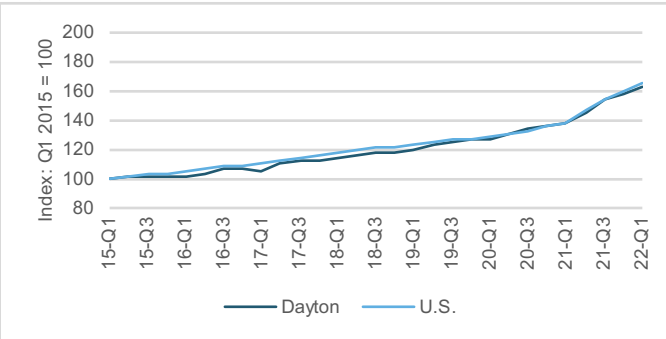
Source: Federal Housing Finance Agency.

Columbus MSA and U.S. FHFA House Price Index



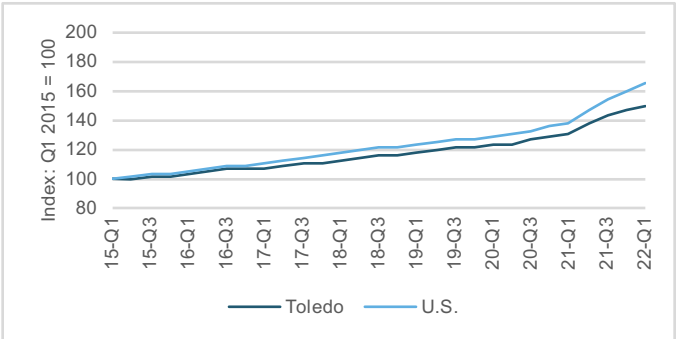
Source: Federal Housing Finance Agency.

Dayton MSA and U.S. FHFA House Price Index



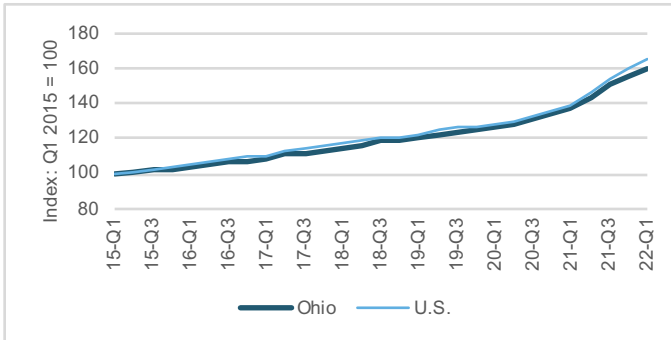
Source: Federal Housing Finance Agency.

Toledo MSA and U.S. FHFA House Price Index



Source: Federal Housing Finance Agency.

Ohio and U.S. FHFA House Price Index

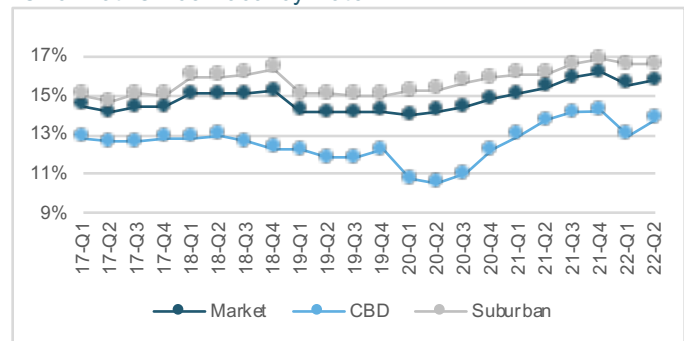


Source: Federal Housing Finance Agency.

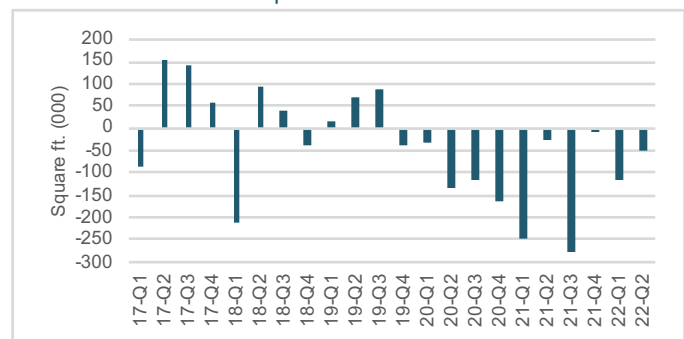
Ohio Office Real Estate Markets

- **Columbus office statistics were unavailable. Those charts are not updated.**
- **Office vacancy rates were stable to higher.** Cincinnati's vacancy increased slightly, driven by the CBD. Cleveland and Akron rates were stable, while Dayton vacancy increased to 20.7%, its highest rate in three years.
- **Absorption was mixed.** Cincinnati's absorption improved but remained negative. Northeast Ohio absorption decreased but remained positive. Dayton's negative absorption worsened.
- **Inflation-adjusted rent declines continued.** Market rents, after adjusting for inflation, fell 0.8% in Akron, 2.4% in Cincinnati, 1.2% in Cleveland, and 9.3% in Dayton. Class A performance was generally somewhat better.

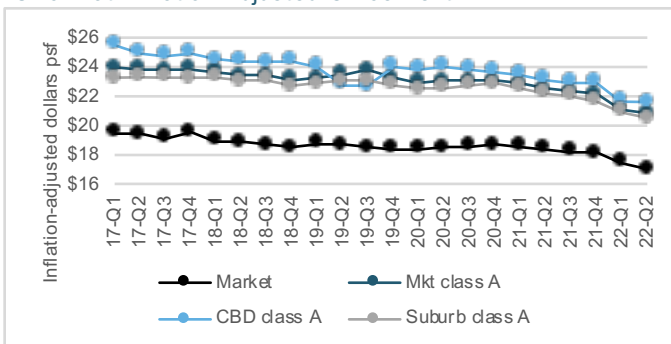
Cincinnati Office Vacancy Rate



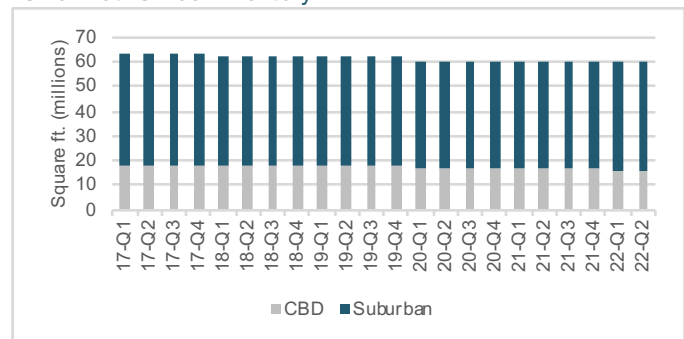
Cincinnati Office Absorption



Cincinnati Inflation-Adjusted Office Rent

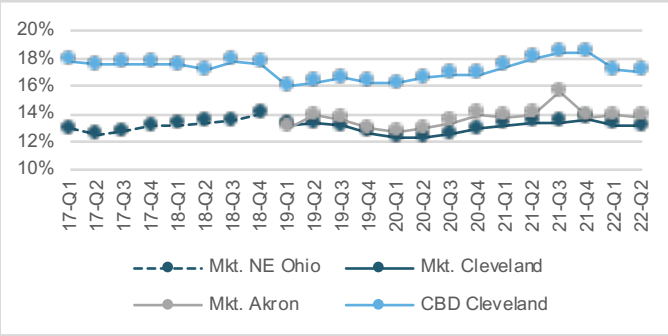


Cincinnati Office Inventory



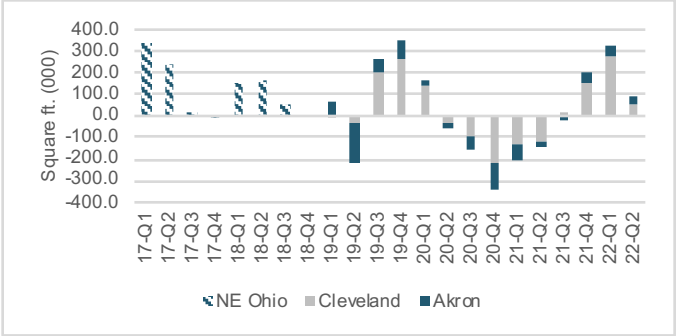
Source: Colliers International

Cleveland/Northeast Ohio Office Vacancy Rate



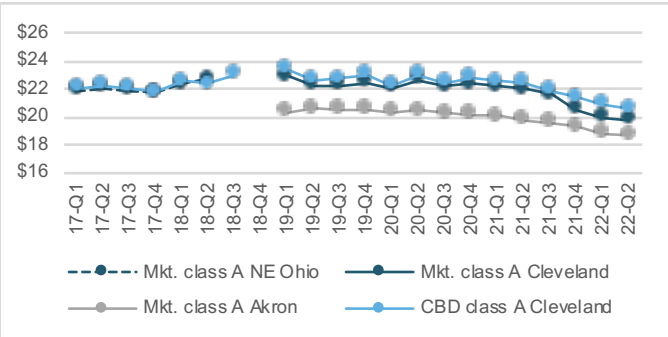
Source: Colliers International

Cleveland/Northeast Ohio Office Absorption



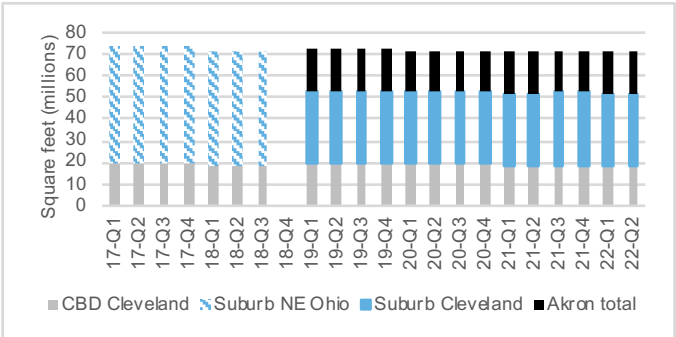
Source: Colliers International

Cleveland/Northeast Ohio Inflation-Adjusted Office Rent



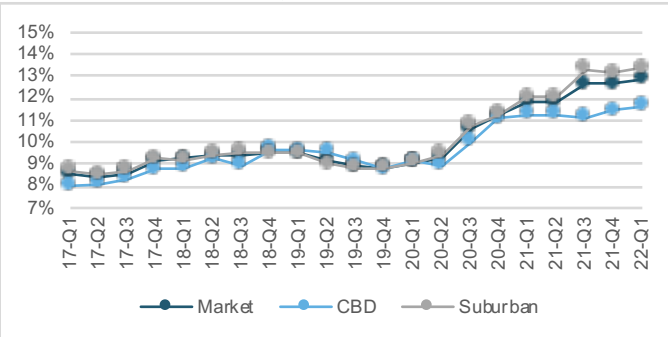
Source: Colliers International

Cleveland/Northeast Ohio Office Inventory



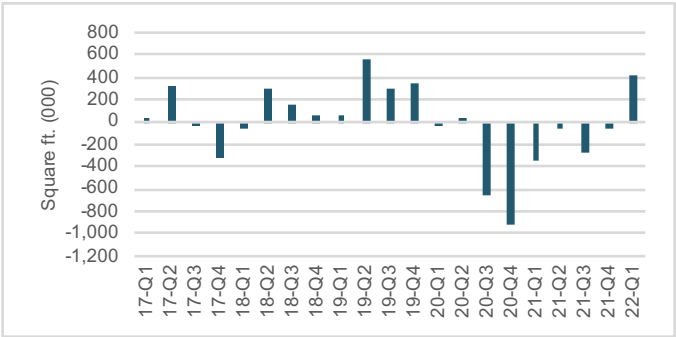
Source: Colliers International

Columbus Office Vacancy Rate



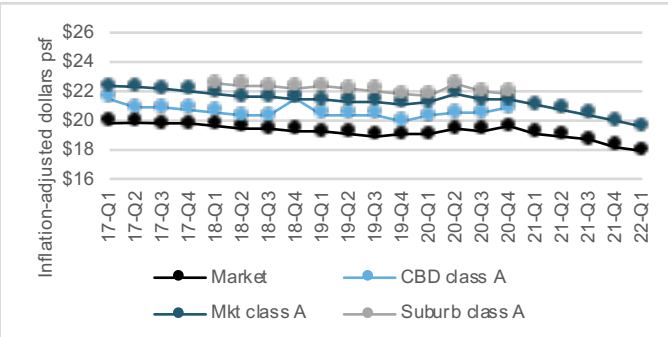
Source: Colliers International

Columbus Office Absorption



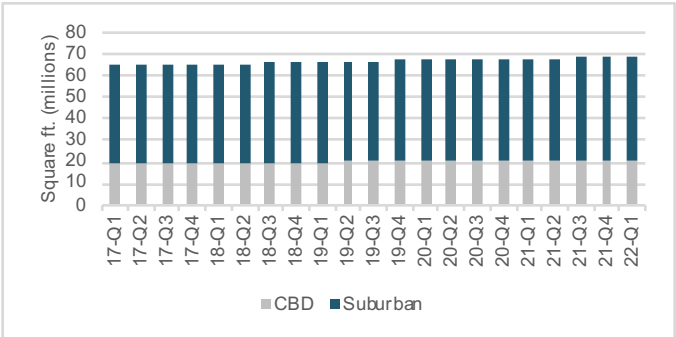
Source: Colliers International

Columbus Inflation-Adjusted Office Rent



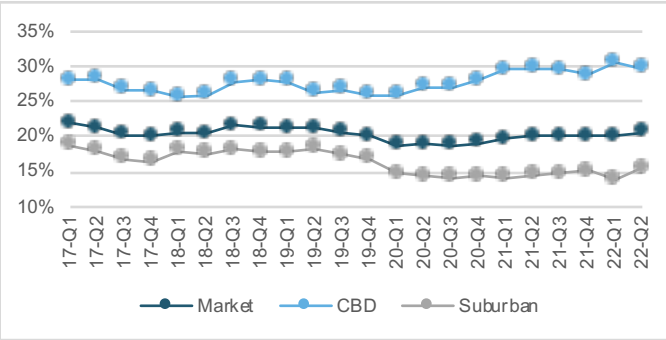
Source: Colliers International

Columbus Office Inventory



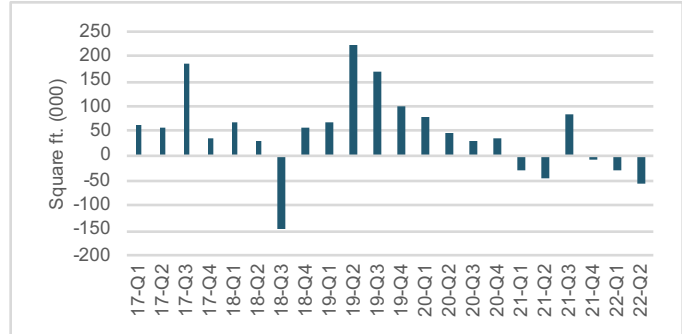
Source: Colliers International

Dayton Office Vacancy Rate



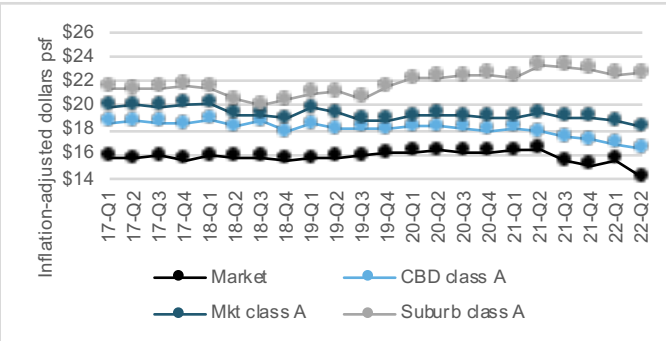
Source: Colliers International

Dayton Office Absorption



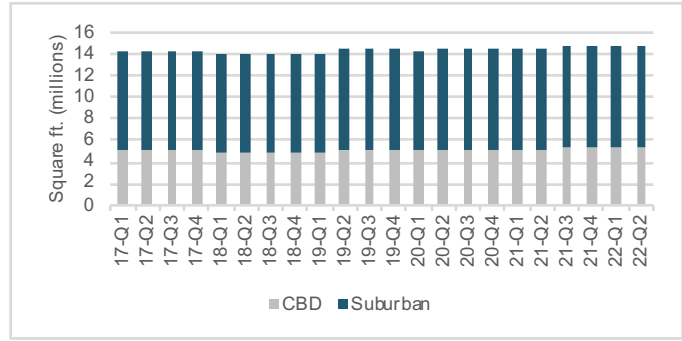
Source: Colliers International

Dayton Inflation-Adjusted Office Rent



Source: Colliers International

Dayton Office Inventory

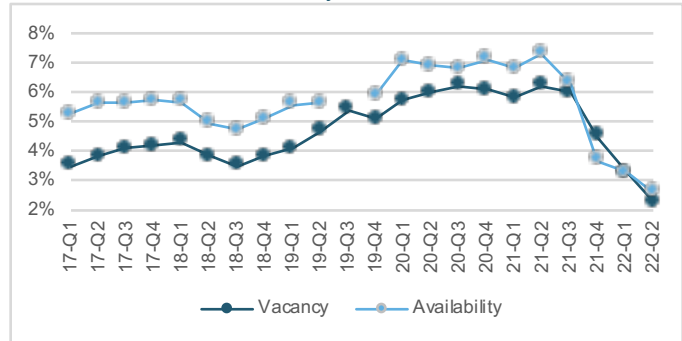


Source: Colliers International

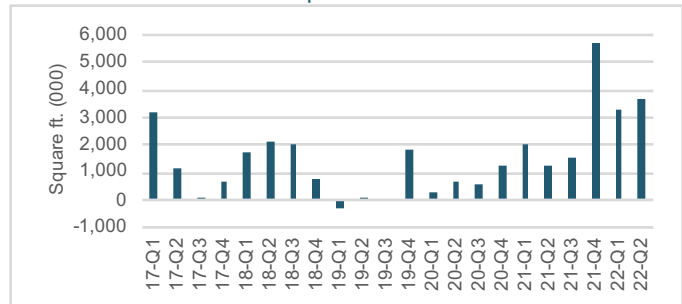
Ohio Industrial Real Estate Markets

- o **Columbus industrial statistics were unavailable. Those charts are not updated.**
- o **Industrial vacancy rates were stable to lower.** Cincinnati's vacancy rate was 2.3%; it was 6.2% a year ago. Vacancy in Northeast Ohio fell slightly to 4.2%, and remained stable at 3.7% in Dayton.
- o **Absorption remained positive in all markets.** Absorption in Cincinnati increased to 3.6 million square feet and 569,000 square feet in Northeast Ohio. Absorption fell to a still high 1.4 million square feet in Dayton.
- o **Inflation-adjusted rent changes were mixed.** Cincinnati rents increased another 2.4% after inflation. Rents decreased 0.6% in Northeast Ohio and 1.9% in Dayton.

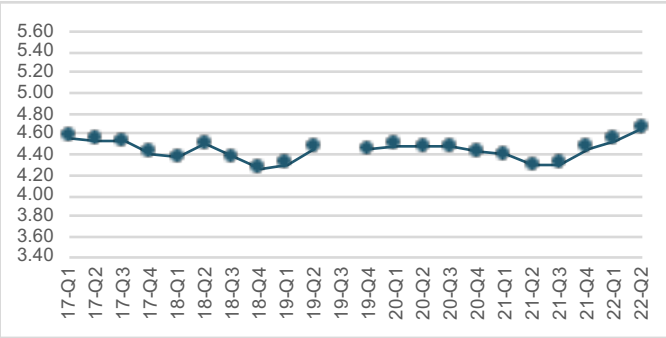
Cincinnati Industrial Vacancy Rate



Cincinnati Industrial Absorption

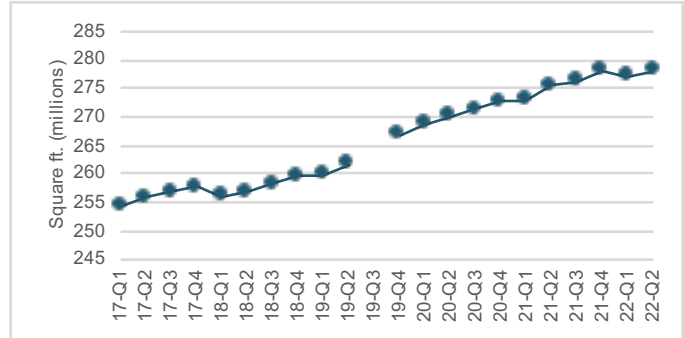


Cincinnati Inflation-Adjusted Industrial Rent



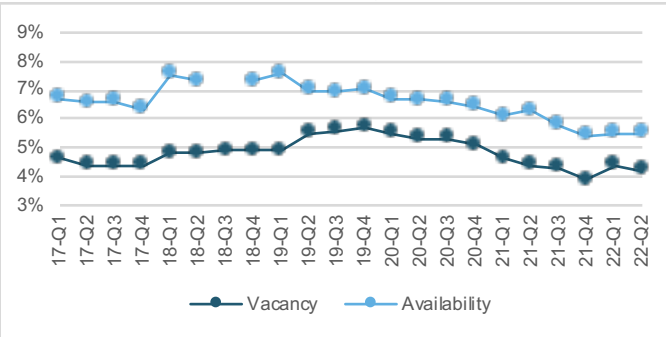
Source: Colliers International

Cincinnati Industrial Inventory



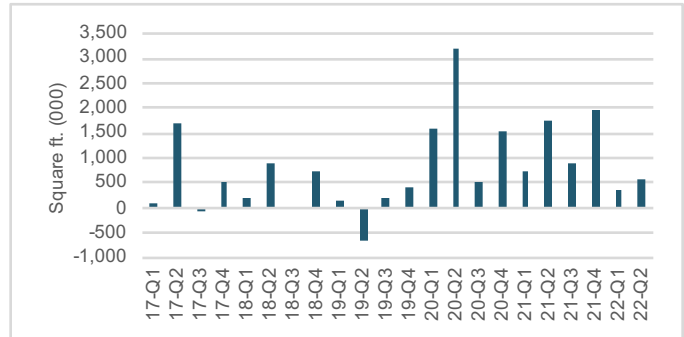
Source: Colliers International

Northeast Ohio Industrial Vacancy Rate



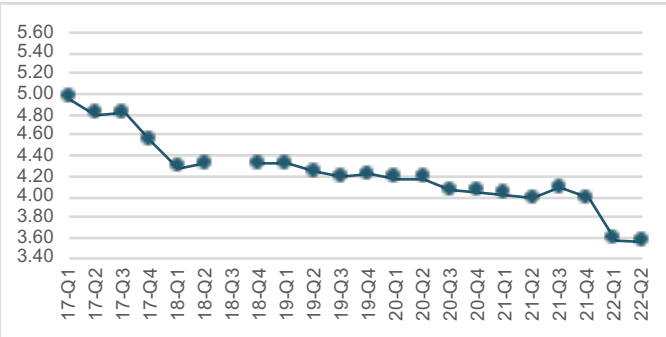
Source: Colliers International

Northeast Ohio Industrial Absorption



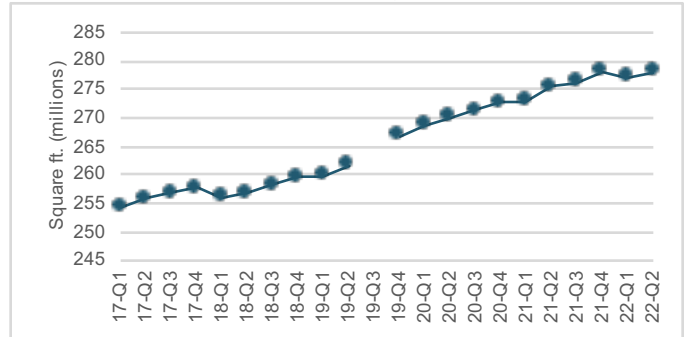
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Northeast Ohio Inflation-Adjusted Industrial Rent



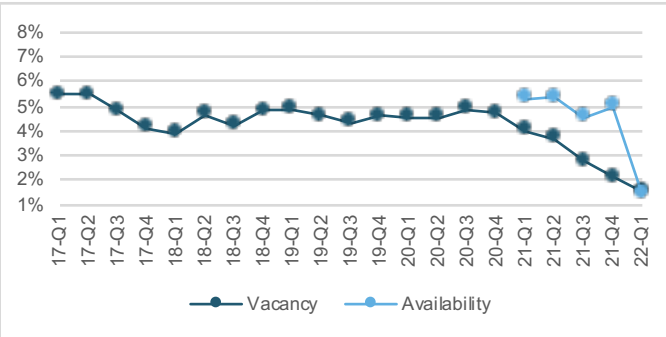
Source: Colliers International

Northeast Ohio Industrial Inventory



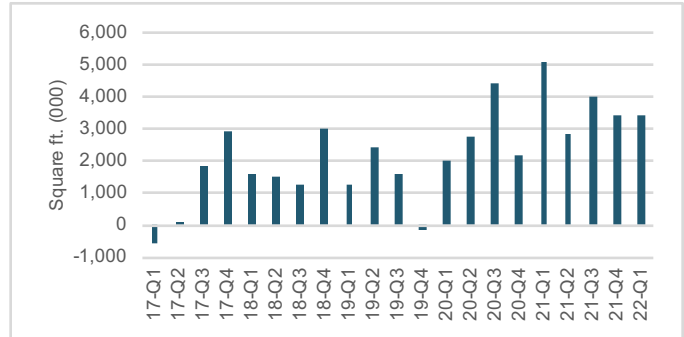
Source: Colliers International

Columbus Industrial Vacancy Rate



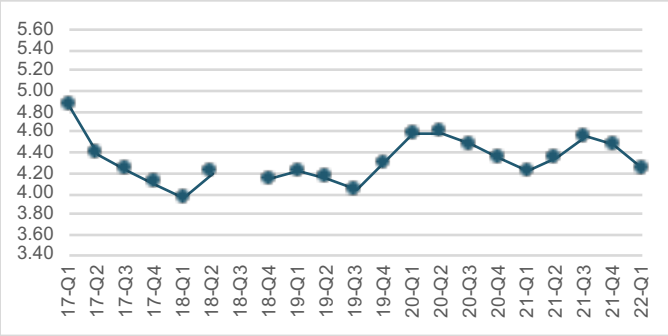
Source: Colliers International

Columbus Industrial Absorption



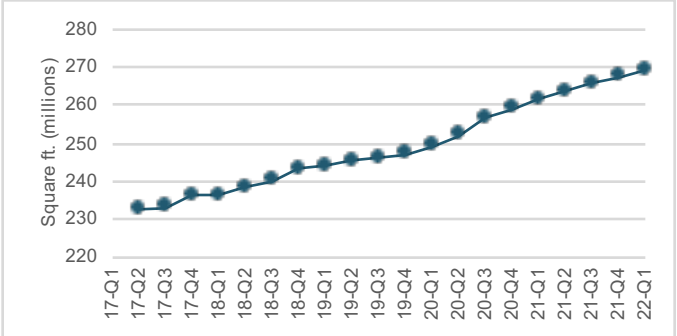
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Columbus Inflation-Adjusted Industrial Rent



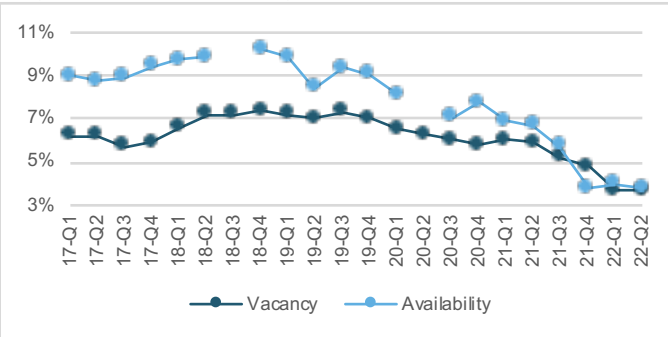
Source: Colliers International

Columbus Industrial Inventory



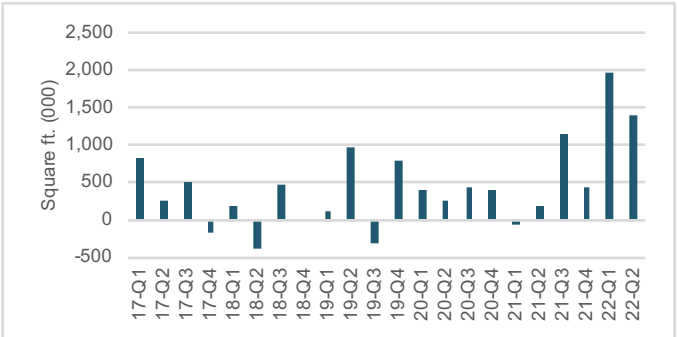
Source: Colliers International

Dayton Industrial Vacancy Rate



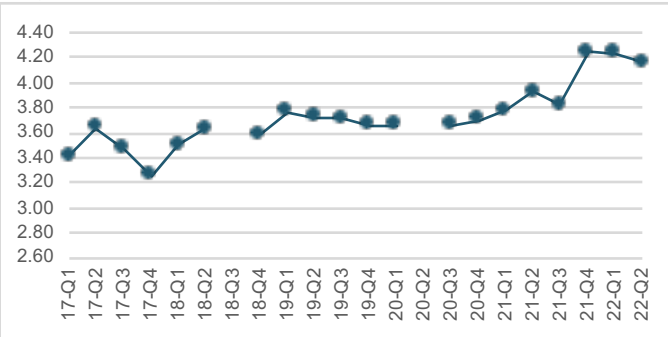
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Dayton Industrial Absorption



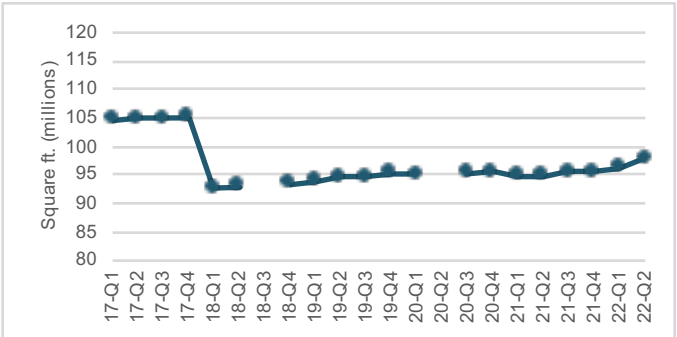
Source: Colliers International

Dayton Inflation-Adjusted Industrial Rent



Source: Colliers International

Dayton Industrial Inventory



Source: Colliers International