

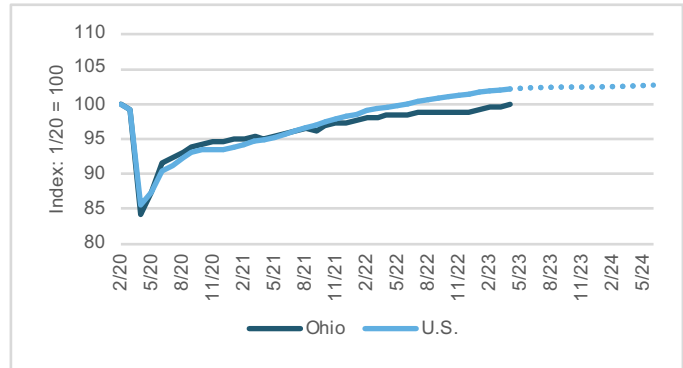
Employment and Unemployment

- **Ohio employment growth from December through April exceeded the national average.** 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. Ohio employment increased 53,900 (1%) between December and April. U.S. employment increased 0.7%.
- **This update reflects revised employment estimates.** The impact of these revisions on state and local employment trends are charted at the end of the report.
- **Economists are still divided on whether a recession will occur later in the year.** The dashed line in the employment chart is the consensus employment forecast of 45 economists from the National Association for Business Economics' (NABE) May Outlook Survey. There was a wide range in individual forecasts but the median is for growth near zero later in 2023.
- **The Ohio unemployment rate stood at 3.7% in April,** down from 4.1% in December. The December U.S. rate was 3.4%, down from December's 3.5%.

The charts below compare the trends in labor force (the unemployment rate denominator) and employment. Ohio labor force rose 1% between December and April, matching the U.S. increase. The number of employed Ohioans rose 1.5%, though, causing the unemployment rate to fall.

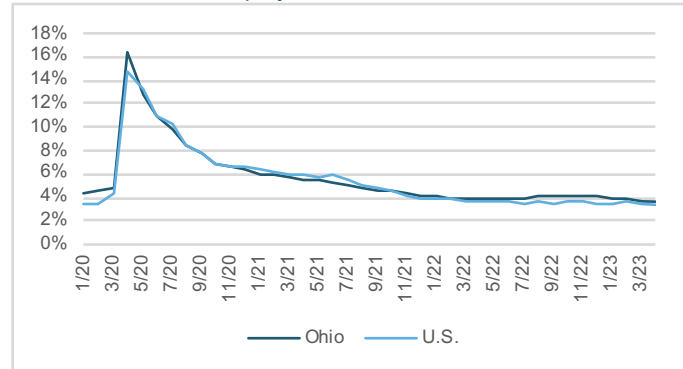
The increase in the U.S. labor force was accompanied by slightly larger 1.1% increase in resident employment, resulting in the decline in the U.S. unemployment rate.

Payroll Employment Change, Including U.S. Forecast



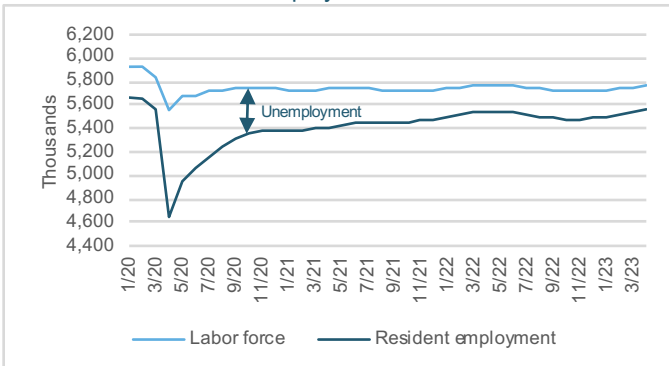
Source: U.S. Bureau of Labor Statistics, National Assn. for Business Economics.

Ohio and U.S. Unemployment Rates



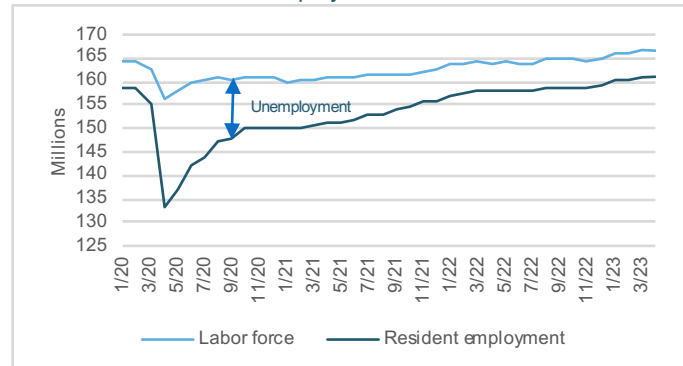
Source: Labor Force Statistics, U.S. Bureau of Labor Statistics.

Ohio Labor Force and Employment



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

U.S. Labor Force and Employment

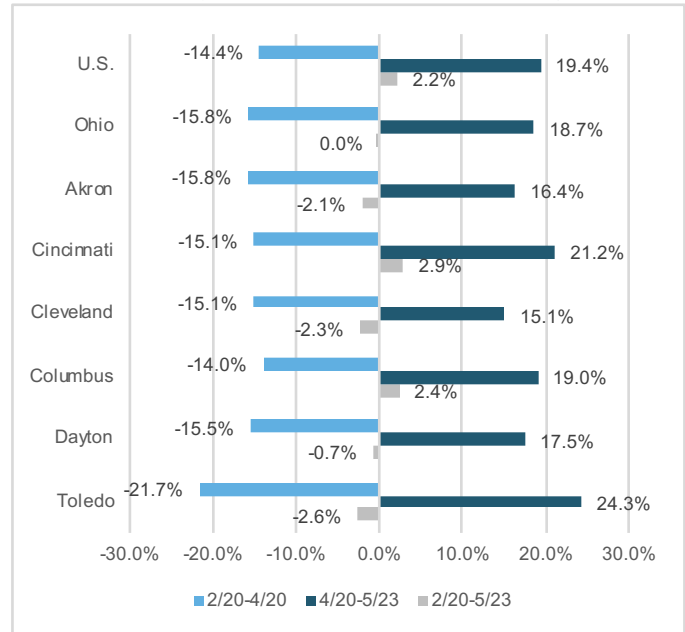


Source: Current Population Statistics, U.S. Bureau of Labor Statistics.

Employment Changes by Region and Sector

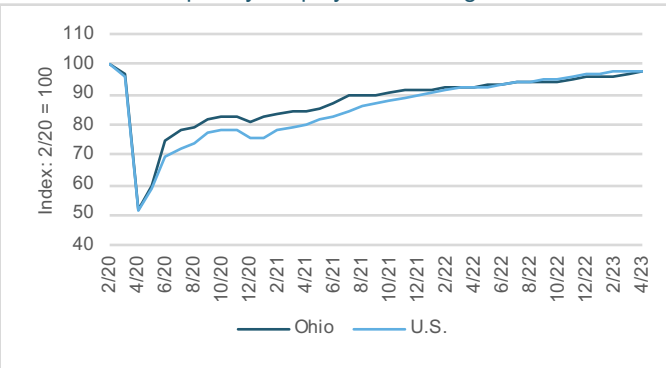
- **Employment growth in most of Ohio's large metros between December and April was near the U.S. average.** Only Cincinnati's 1.3% growth exceeded both U.S. and Ohio. Other metros' employment growth ranged between 0.6% and 0.8%. Toledo, though, was unchanged.
- **Ohio leisure and hospitality employment increased 5.1%, compared to the 5.9% U.S. average.** Ohio's leisure employment remains 2.6% less than in February 2020. U.S. employment is 2.4% less.
- **Office-using sectors' growth was above average.** Business services gained 2% in Ohio versus 0.6% nationally. Finance and insurance gained 0.6% in Ohio, but only 0.1% in the U.S. Healthcare gained 1.6%, but 1.2% nationally.
- **Last year's estimates overstated Ohio real estate employment growth.** Annual employment growth (April to April) was 1.8% in Ohio, and 2.6% nationally. Between December and April, Ohio employment fell 2% while rising 0.5% nationwide.

Pandemic Employment Loss, Gain and Net Change

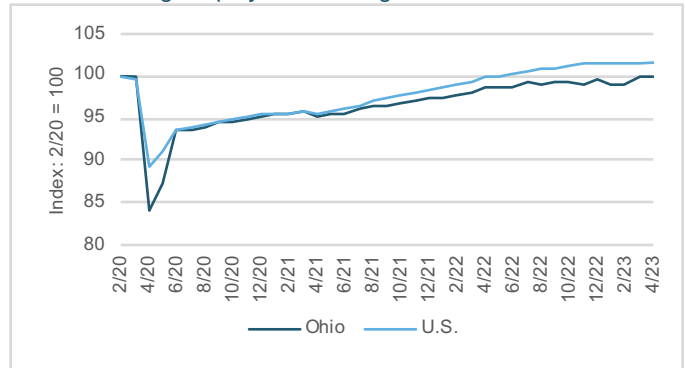


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

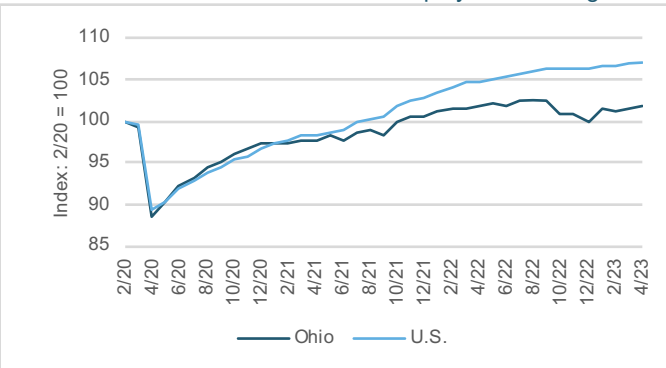
Leisure and Hospitality Employment Change



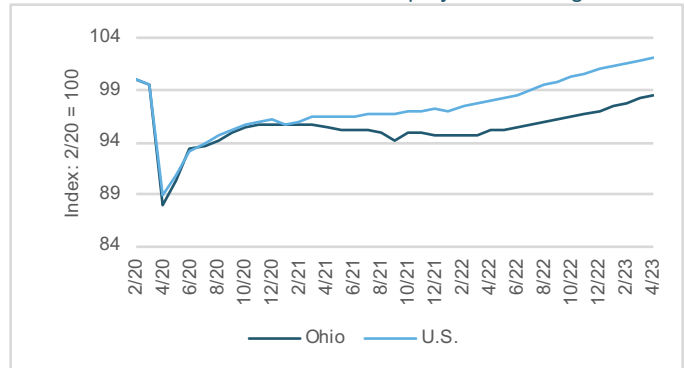
Manufacturing Employment Change



Professional & Business Services Employment Change

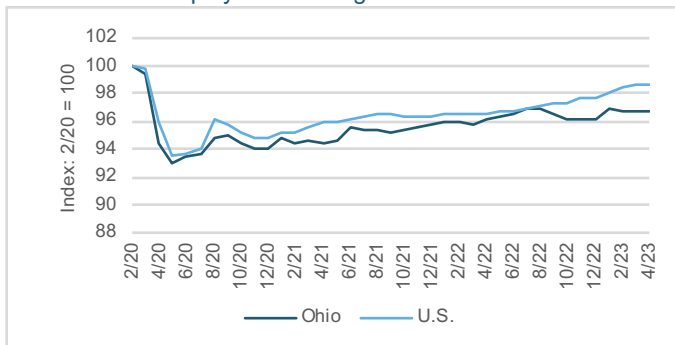


Healthcare & Social Assistance Employment Change

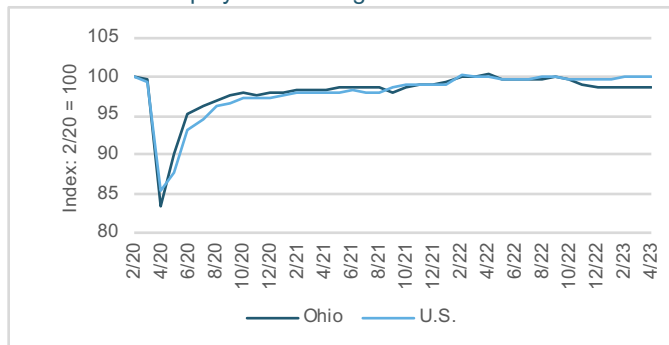


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

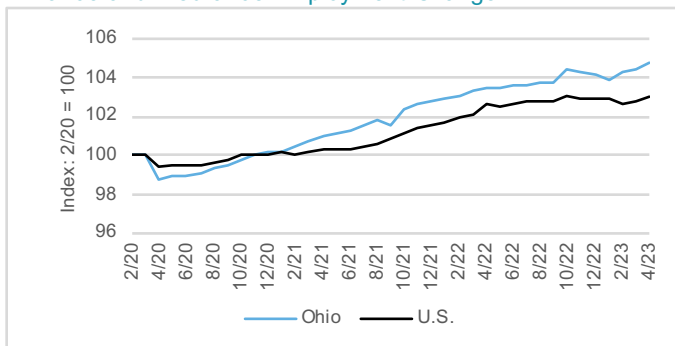
Government Employment Change



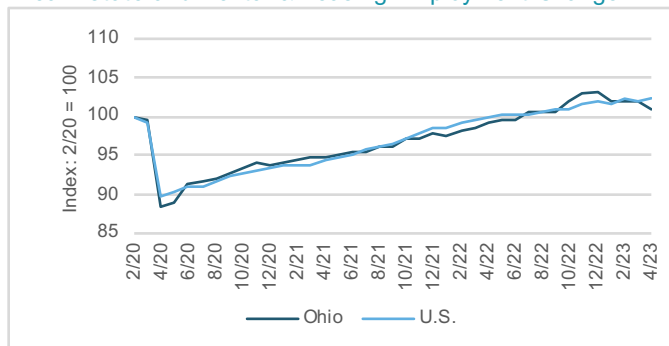
Retail Trade Employment Change



Finance and Insurance Employment Change



Real Estate and Rental & Leasing Employment Change

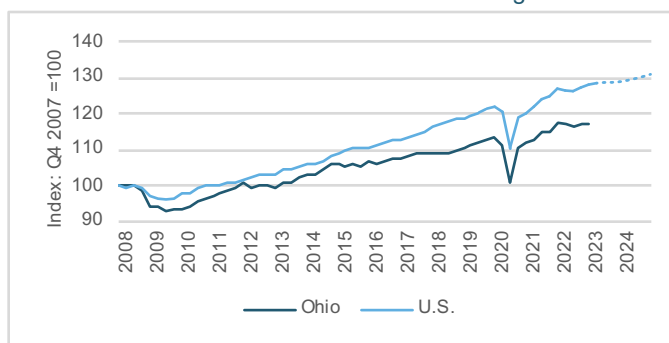


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

Broad Economic Indicators

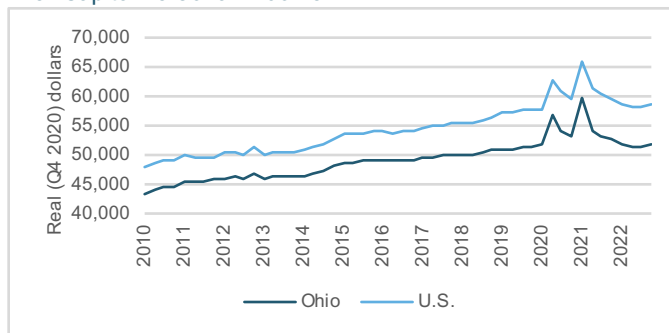
- **U.S. inflation-adjusted gross domestic product (GDP) grew at an annualized 1.3% rate in the first quarter.** This was down from the fourth quarter's 2.6%. The NABE consensus is for 0.4% net GDP growth in 2023, marginally higher than the February forecast.
- **Ohio GDP rose 0.4% in the third quarter,** compared to that quarter's 2.6% U.S. gain.
- **Inflation-adjusted per-capita personal income (PCPI) stabilized in the fourth quarter.** Ohio's inflation-adjusted Q4 PCPI increased 0.3%. U.S. PCPI increased 0.6%.
- **First quarter inflation improved to 5.8% year-over-year.** The economists in the May NABE survey expect inflation to cool to 3.3% year-over-year by the end of the year as a result of slower economic growth.
- **U.S. consumer sentiment fell in May amid economic concerns.** Available Midwest statistics do not yet reflect this drop. Through April, Midwest sentiment was slightly better than average.

U.S. and Ohio Gross Domestic Product Change



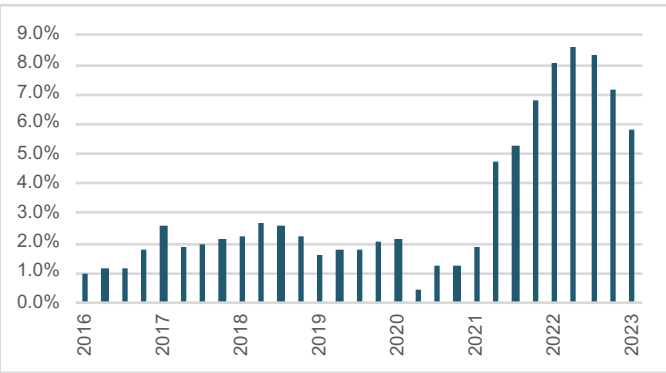
Source: U.S. Bureau of Economic Analysis; Philadelphia Federal Reserve.

Per-Capita Personal Income



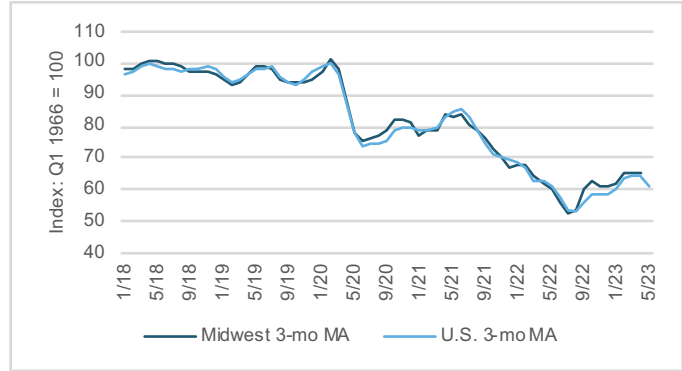
Source: U.S. Bureau of Economic Analysis.

Year-over-Year Consumer Price Inflation



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

Consumer Sentiment Index

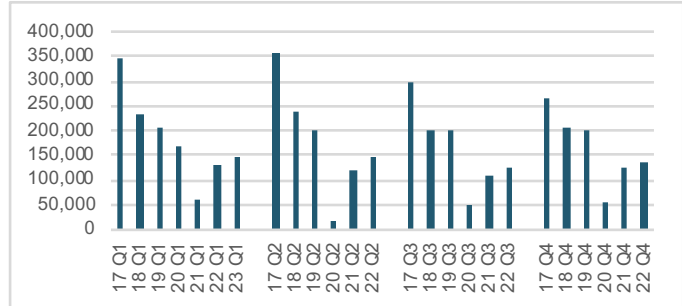


Source: Survey Research Center, University of Michigan.

Passengers at Primary Regional Airports

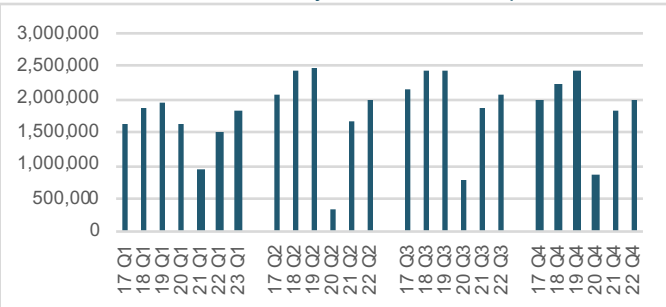
- Ohio-serving airport traffic was up 13.5% year-over-year in the first quarter. Akron-Canton, Cleveland, and Columbus gained 10% to 15% over Q1 2022. Cincinnati was up 20%, while estimated Dayton traffic was up 5.3%. The sole loss was at Toledo, off 14%.
- The net decline from the pre-pandemic peak in Q4 2019 for the six airports narrowed to 9.3%. Akron-Canton was off 27%, Cincinnati was off 6.6%, Cleveland was off 5.3%, Columbus was off 8.7%, Dayton was off 33%, and Toledo was off 35%.

Akron-Canton Airport



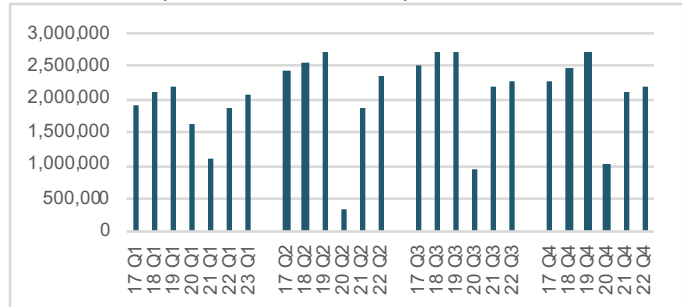
Source: Akron-Canton Airport.

Cincinnati-Northern Kentucky International Airport



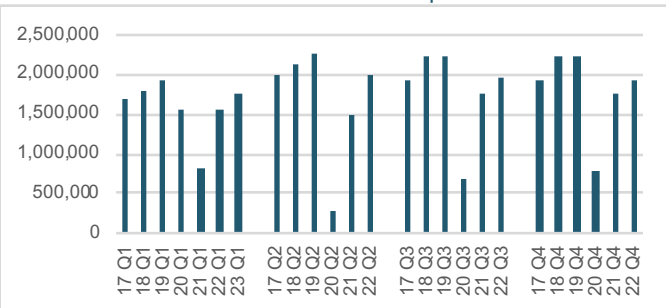
Source: Cincinnati-Northern Kentucky International Airport.

Cleveland Hopkins International Airport



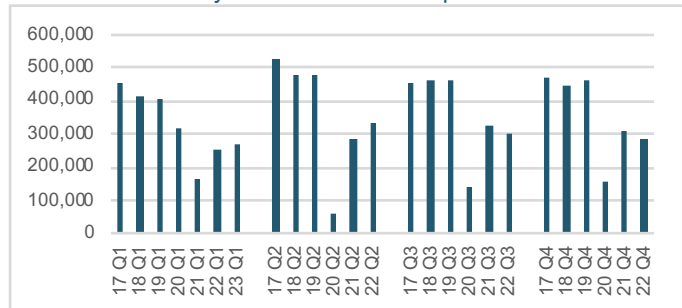
Source: Cleveland Airport System.

John Glenn Columbus International Airport



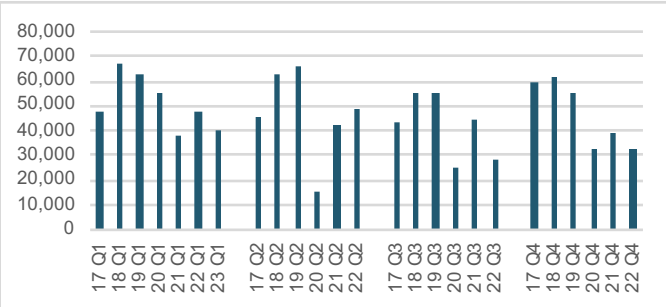
Source: Columbus Regional Airport Authority.

James M. Cox Dayton International Airport



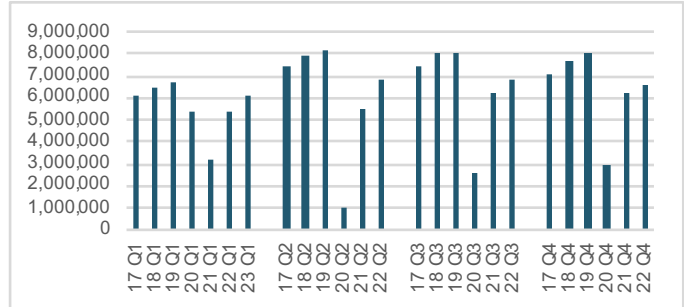
Source: Dayton International Airport (November and December 2022 traffic estimated).

Eugene F. Kranz Toledo Express Airport



Source: Toledo-Lucas County Port Authority.

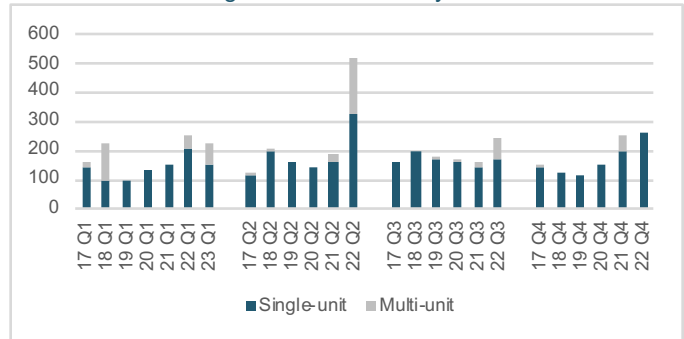
Six Airport Total



Residential Real Estate

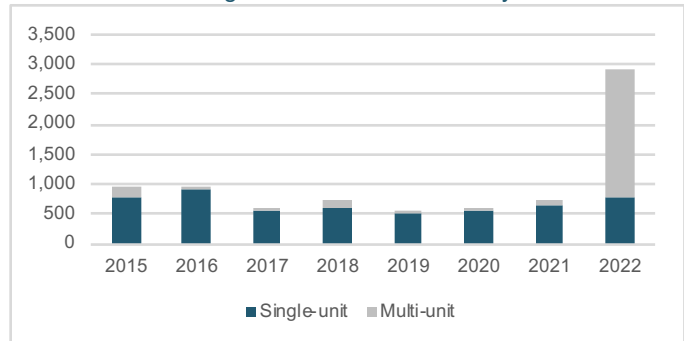
- **First-quarter residential building permits were mostly down from the year before.** Statewide, 3,268 single-unit structures were permitted, off 52% from Q1 2022. Units in multi-unit projects totaled 2,834, up 7.8%. Total units were down 35%. U.S. single-unit permits were down 56%; multi-unit permits were down 1.8%.
- **Metro-level permits were also mostly down from Q1 2022, with multi-unit permits mixed.** Akron was down 13.4%, with single-unit permits down 26%. Cincinnati permits overall were down 14.6%; single-unit permits were down 47%. Overall permits in Cleveland were down 48% with single-unit permits down 41%. Columbus single-unit permits were off 63%, and total permits were off 47%. Dayton single-unit and total permits were both off 42%. Toledo single-unit permits fell 55%, but total permits were up 10.2%.
- **The Federal Housing Finance Authority's House Price Index showed Ohio prices outperforming the U.S. average.** U.S. prices were up 0.3% from Q4, but still off from their Q3 peak. Ohio prices were up 1.2% to a new high. Metro prices were also mostly higher. Cincinnati was up 2%, Cleveland was up 2.1%, Columbus was up 1.1%, and Toledo was up 1.6%. However, Akron prices fell 1.4% and Dayton was off 0.1%.

Akron MSA Housing Units Permitted by Quarter



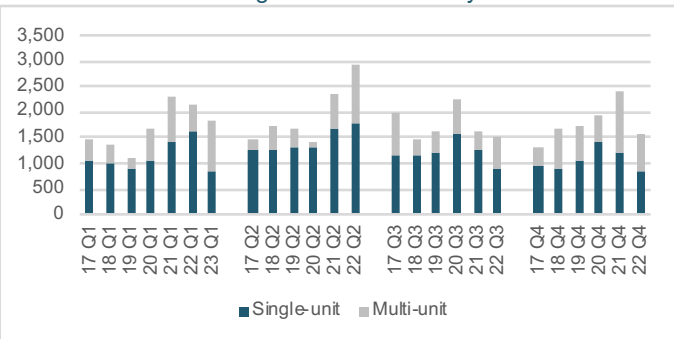
Source: U.S. Census Bureau

Akron MSA Housing Units Permitted Annually



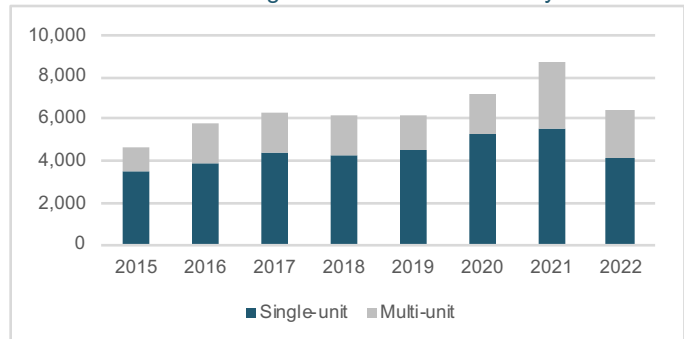
Source: U.S. Census Bureau

Cincinnati MSA Housing Units Permitted by Quarter



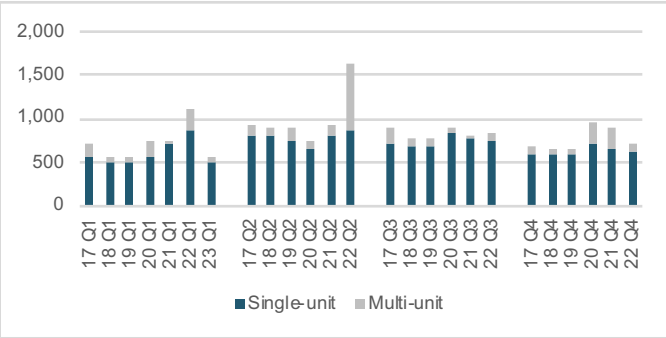
Source: U.S. Census Bureau

Cincinnati MSA Housing Units Permitted Annually



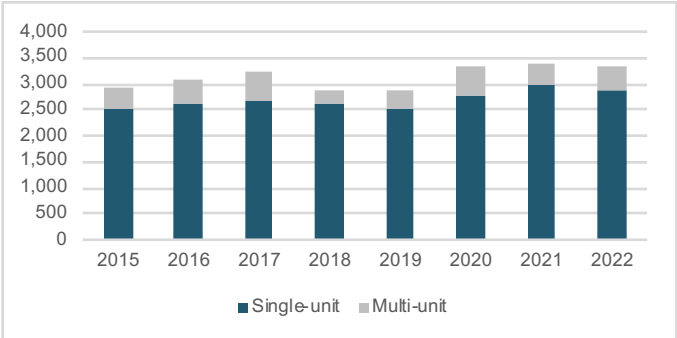
Source: U.S. Census Bureau

Cleveland MSA Housing Units Permitted by Quarter



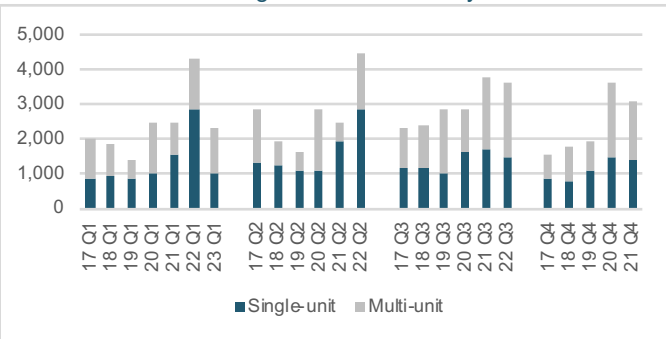
Source: U.S. Census Bureau

Cleveland MSA Housing Units Permitted Annually



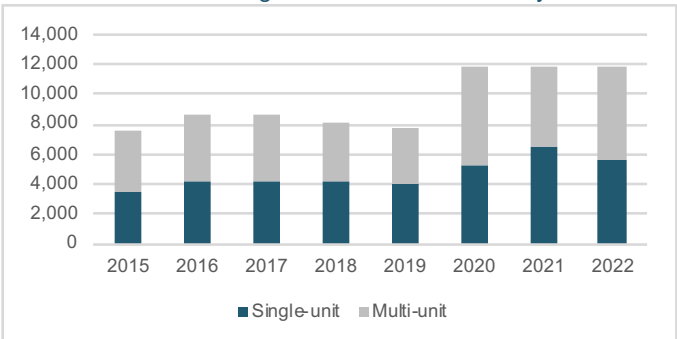
Source: U.S. Census Bureau

Columbus MSA Housing Units Permitted by Quarter



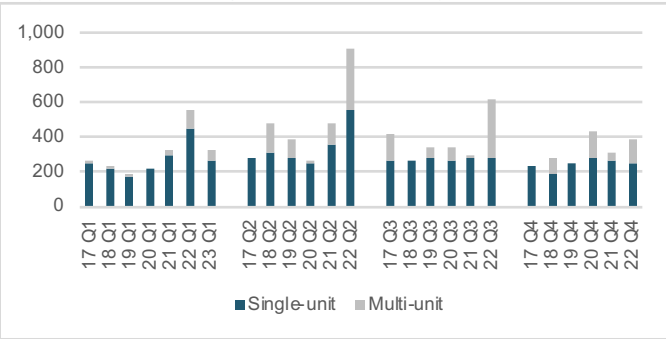
Source: U.S. Census Bureau

Columbus MSA Housing Units Permitted Annually



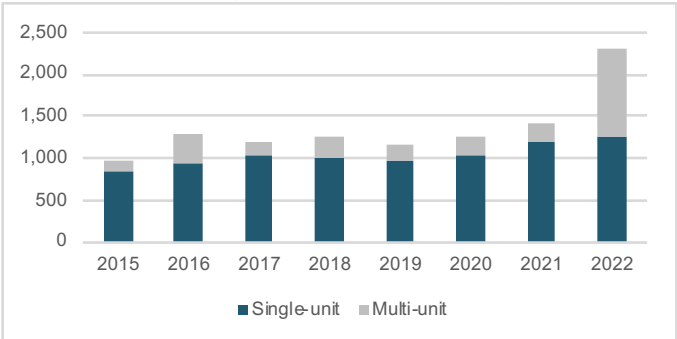
Source: U.S. Census Bureau

Dayton MSA Housing Units Permitted by Quarter



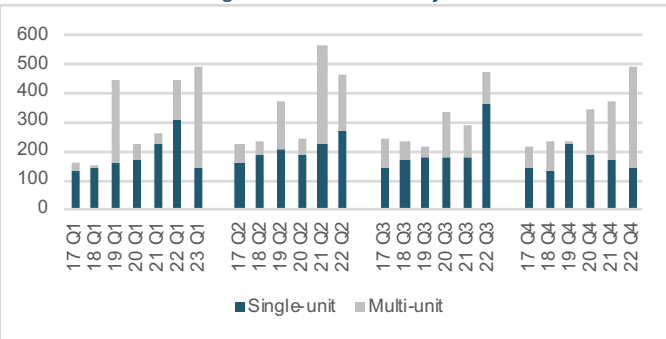
Source: U.S. Census Bureau

Dayton MSA Housing Units Permitted Annually



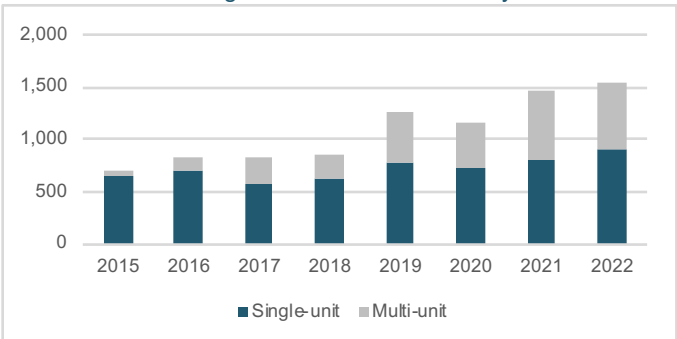
Source: U.S. Census Bureau

Toledo MSA Housing Units Permitted by Quarter



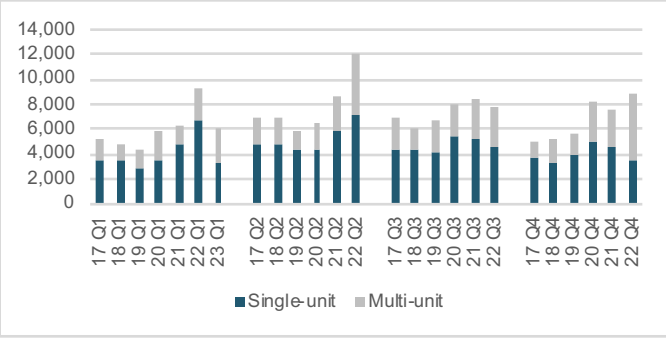
Source: U.S. Census Bureau

Toledo MSA Housing Units Permitted Annually



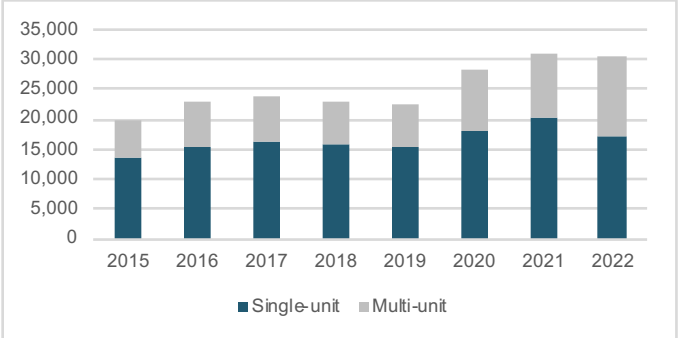
Source: U.S. Census Bureau

Ohio Housing Units Permitted by Quarter



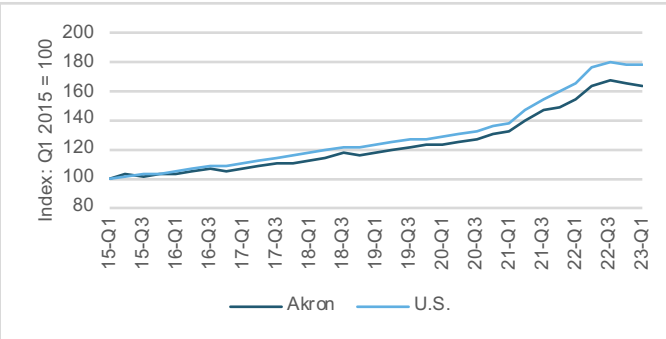
Source: U.S. Census Bureau

Ohio Housing Units Permitted Annually



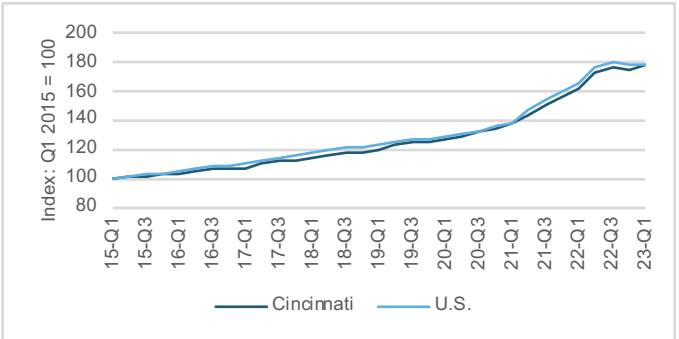
Source: U.S. Census Bureau

Akron MSA and U.S. FHFA House Price Index



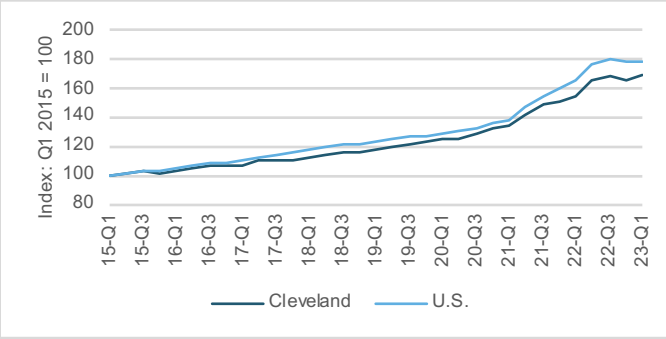
Source: Federal Housing Finance Agency.

Cincinnati MSA and U.S. FHFA House Price Index



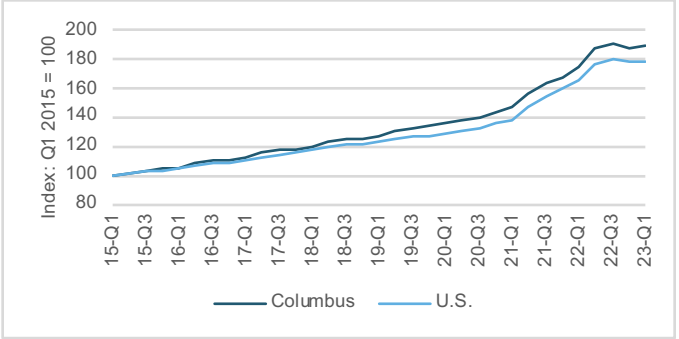
Source: Federal Housing Finance Agency.

Cleveland MSA and U.S. FHFA House Price Index



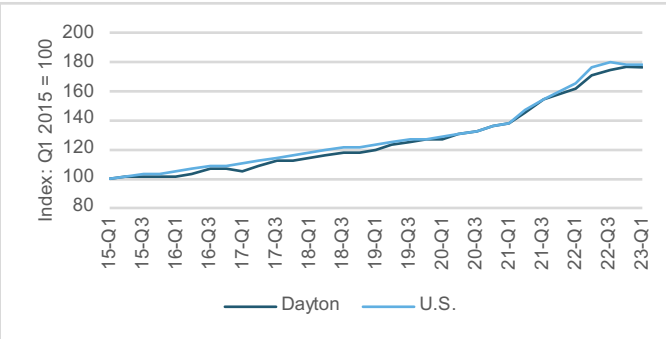
Source: Federal Housing Finance Agency.

Columbus MSA and U.S. FHFA House Price Index



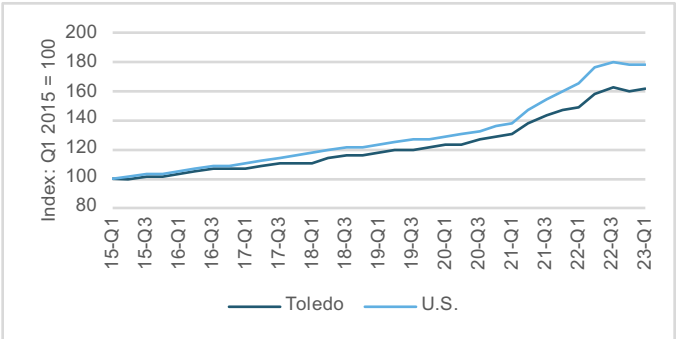
Source: Federal Housing Finance Agency.

Dayton MSA and U.S. FHFA House Price Index



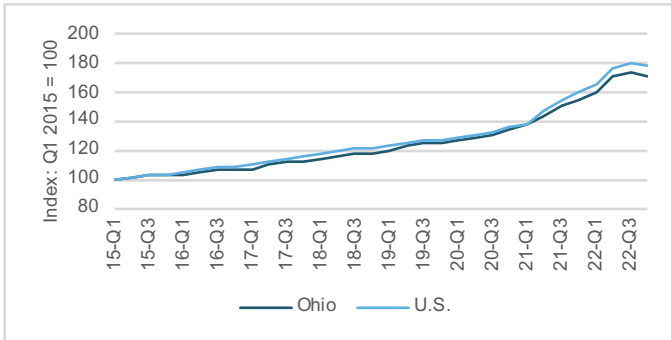
Source: Federal Housing Finance Agency.

Toledo MSA and U.S. FHFA House Price Index



Source: Federal Housing Finance Agency.

Ohio and U.S. FHFA House Price Index

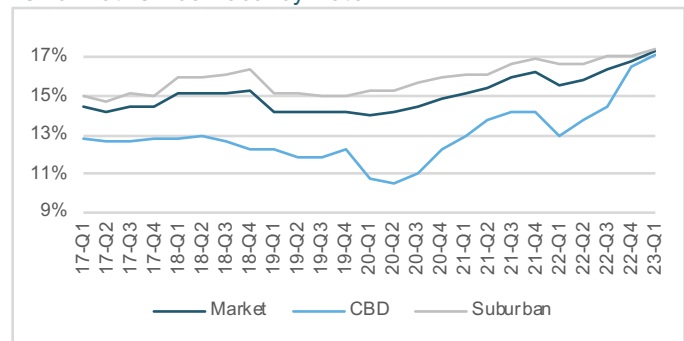


Source: Federal Housing Finance Agency.

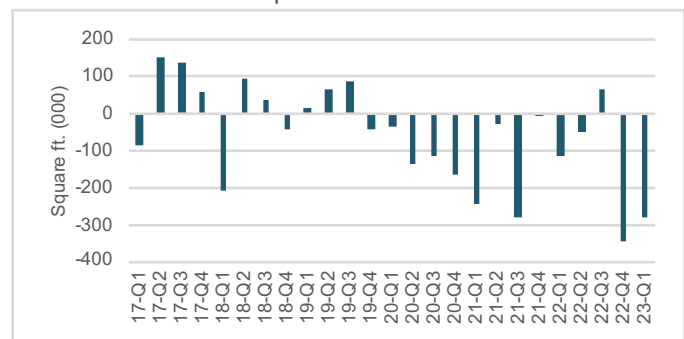
Ohio Office Real Estate Markets

- **Q1 office statistics for Akron-Canton were unavailable.** That trend is not updated.
- **Absorption was negative across the board.** This was often a result of tenants leaving large spaces as hybrid work reduces the need for office space. The one exception was Dayton, where absorption was only slightly negative, driven by demand for space near Wright-Patterson AFB.
- **Office vacancy rates were generally higher.** The sharp decline in Cleveland CBD vacancy was due to Colliers clearing out long-term vacant and redeveloped properties from their tracked inventory.
- **The weak market led to softening in rents.** Market rents after inflation were down 0.4% in Cincinnati, 0.8% in Cleveland, and 1.5% in Columbus, and 0.5% in Dayton. Although class A rents were down 3.1% in the Dayton market, strength in classes B and C completely offset this decline, leading to no change in the overall market.

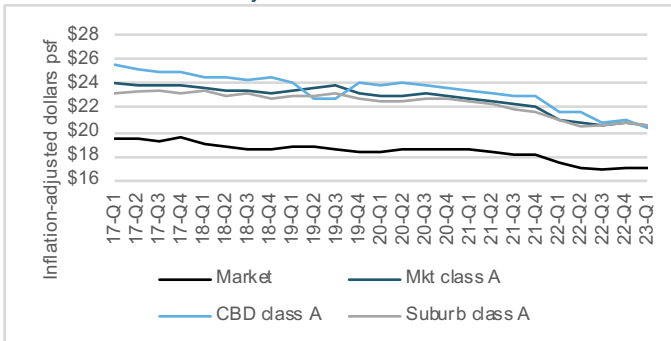
Cincinnati Office Vacancy Rate



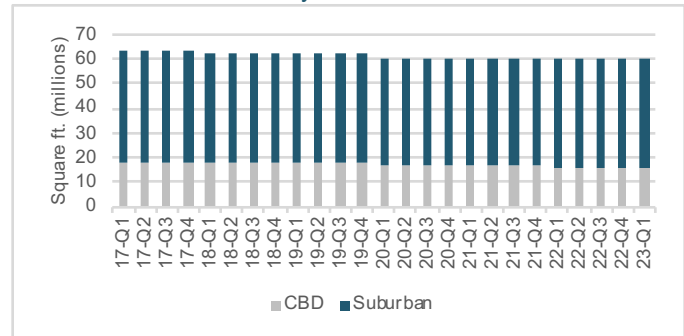
Cincinnati Office Absorption



Cincinnati Inflation-Adjusted Office Rent

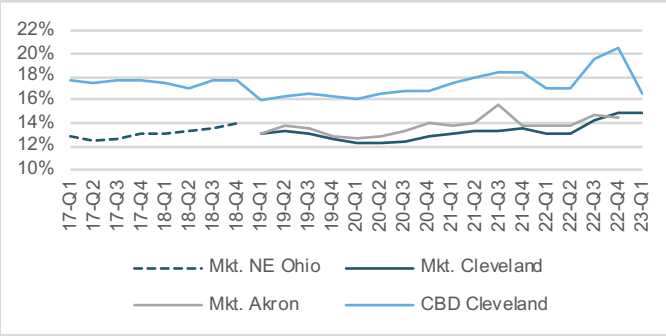


Cincinnati Office Inventory



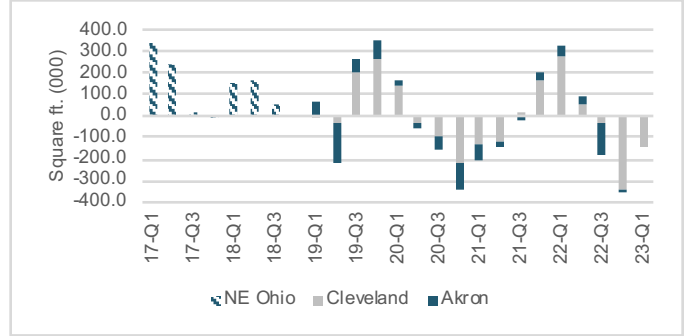
Source: Colliers International

Cleveland/Northeast Ohio Office Vacancy Rate



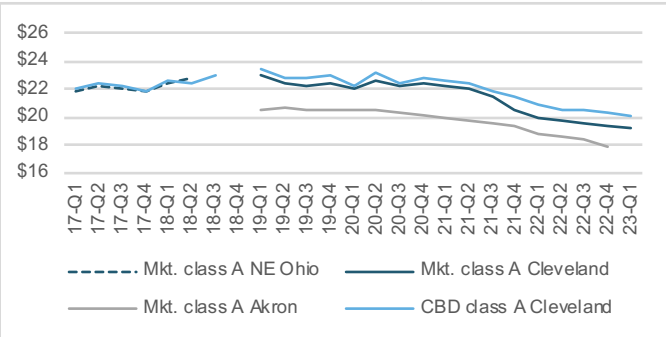
Source: Colliers International

Cleveland/Northeast Ohio Office Absorption



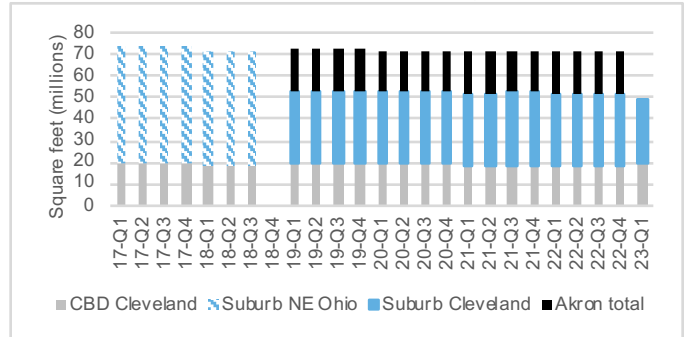
Source: Colliers International

Cleveland/Northeast Ohio Inflation-Adjusted Office Rent



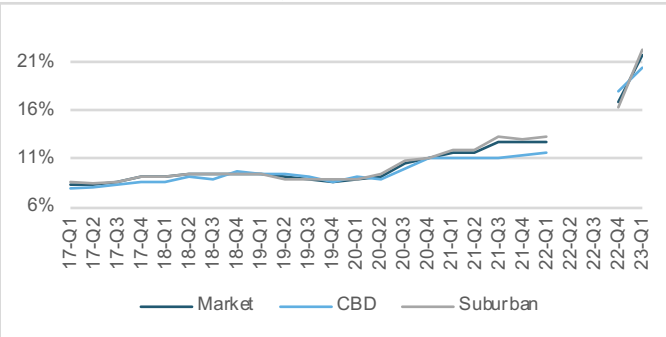
Source: Colliers International

Cleveland/Northeast Ohio Office Inventory



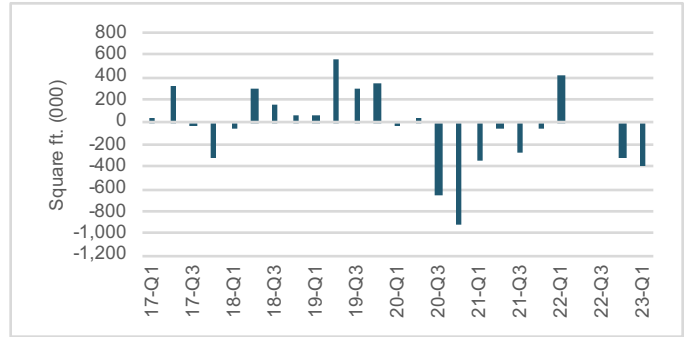
Source: Colliers International

Columbus Office Vacancy Rate



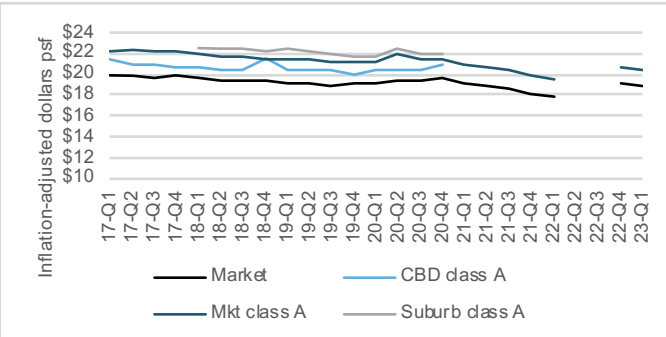
Source: Colliers International, Jones Lang LaSalle

Columbus Office Absorption



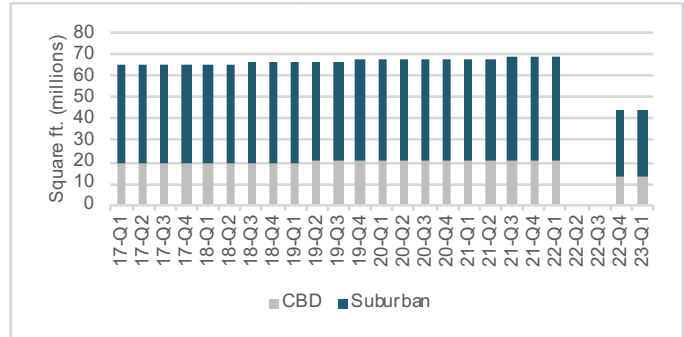
Source: Colliers International, Jones Lang LaSalle

Columbus Inflation-Adjusted Office Rent



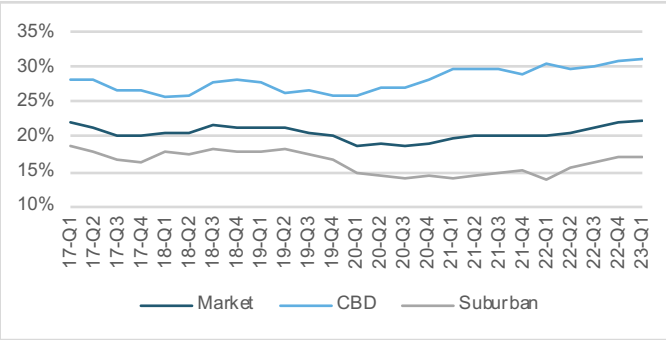
Source: Colliers International, Jones Lang LaSalle

Columbus Office Inventory



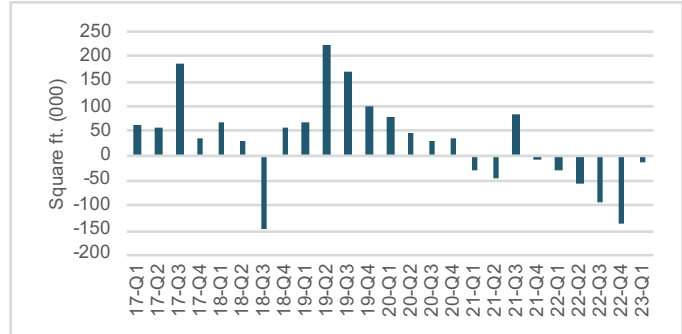
Source: Colliers International, Jones Lang LaSalle

Dayton Office Vacancy Rate



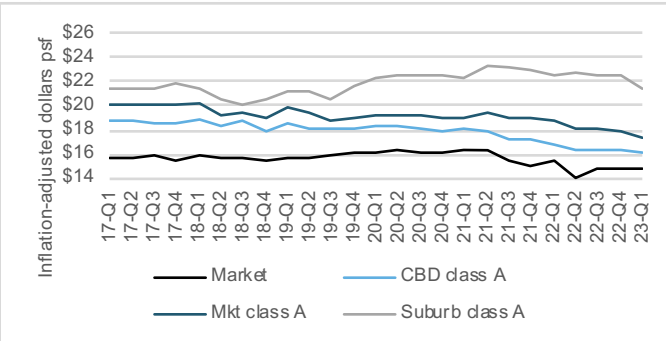
Source: Colliers International

Dayton Office Absorption



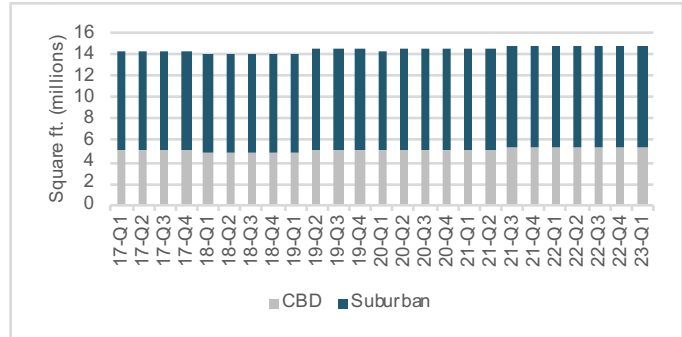
Source: Colliers International

Dayton Inflation-Adjusted Office Rent



Source: Colliers International

Dayton Office Inventory



Source: Colliers International

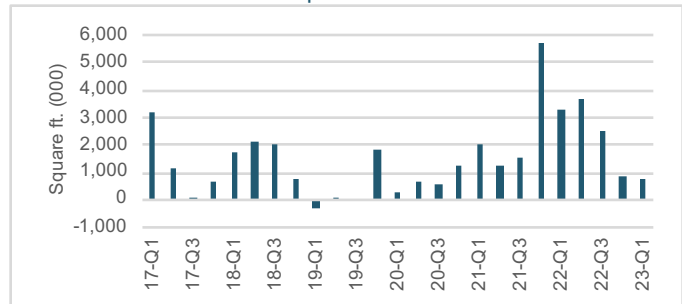
Ohio Industrial Real Estate Markets

- **Industrial vacancy rates were mixed.** Cincinnati's industrial vacancy rate rose slightly to 3%. Vacancy in Northeast Ohio slipped to 3.9%, and fell sharply to 2.4% in Dayton. Columbus vacancy increased to 5% as a result of 5.4 million square feet of new product entering the market.
- **Absorption remained positive.** Absorption fell slightly to 735,700 square feet in Cincinnati, increased to 1.15 million in Northeast Ohio, fell somewhat to 1.5 million in Columbus, and remained at nearly 1.4 million in Dayton.
- **Inflation-adjusted rent increased in all markets except Northeast Ohio.** There were double-digit percentage increases in Cincinnati and Columbus (15% and 16%, respectively) and 9.5% in Dayton. Northeast Ohio gave back some of last quarter's large increase with a 4.4% decline.

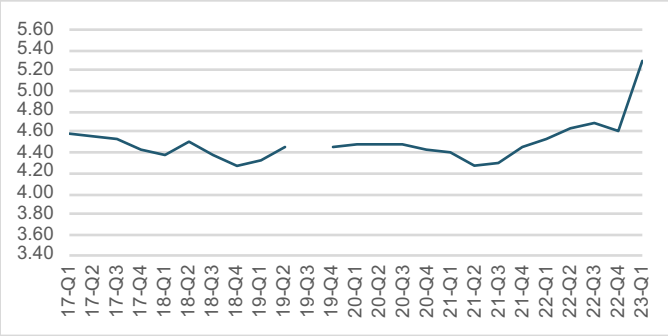
Cincinnati Industrial Vacancy Rate



Cincinnati Industrial Absorption

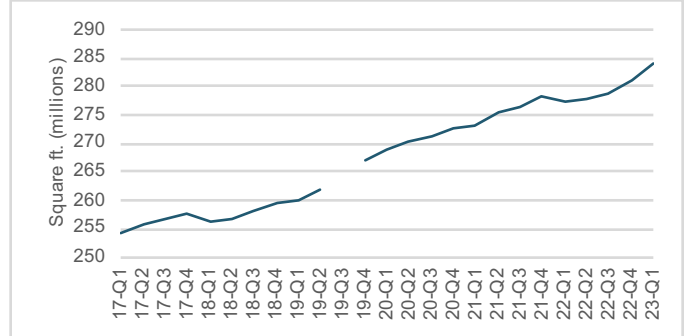


Cincinnati Inflation-Adjusted Industrial Rent



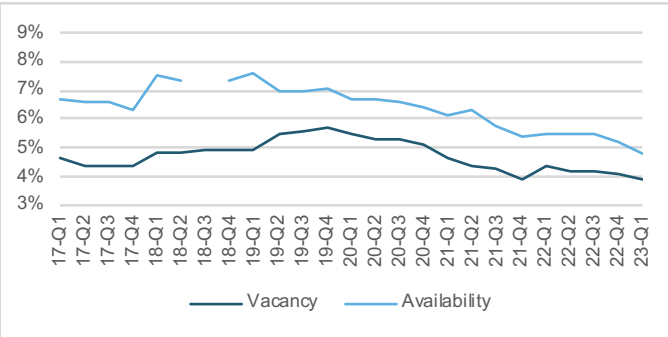
Source: Colliers International

Cincinnati Industrial Inventory



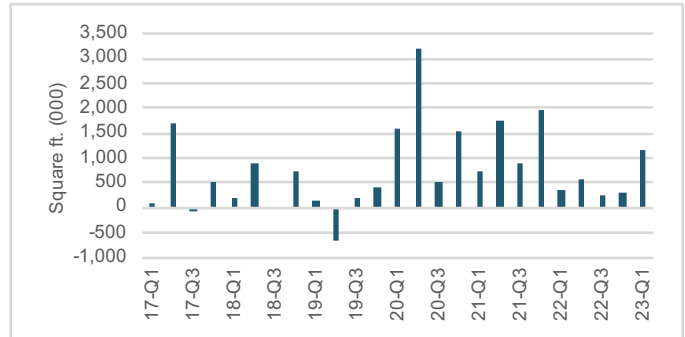
Source: Colliers International

Northeast Ohio Industrial Vacancy Rate



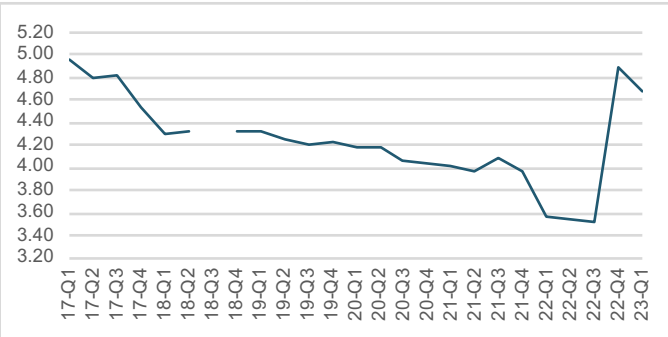
Source: Colliers International

Northeast Ohio Industrial Absorption



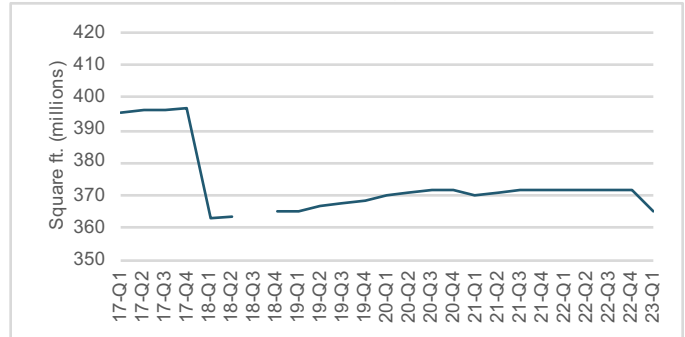
Source: Colliers International

Northeast Ohio Inflation-Adjusted Industrial Rent



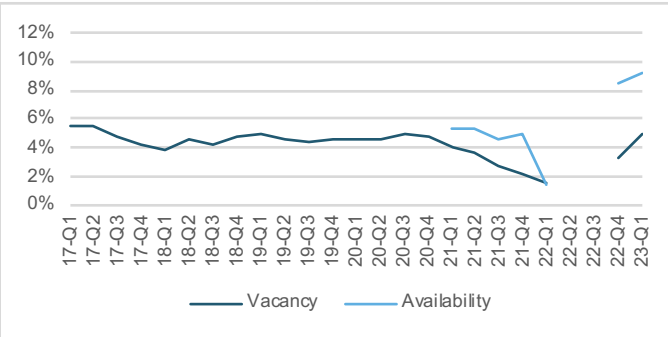
Source: Colliers International

Northeast Ohio Industrial Inventory



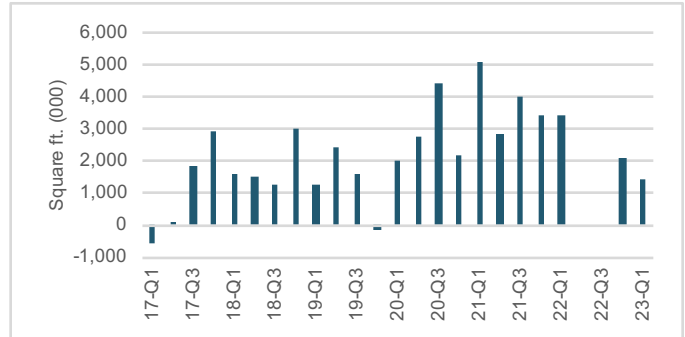
Source: Colliers International

Columbus Industrial Vacancy Rate



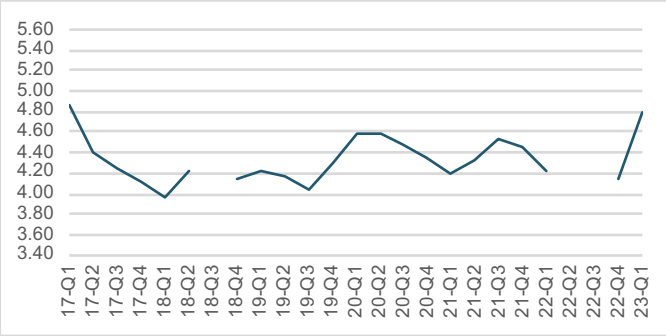
Source: Colliers International, Jones Lang LaSalle

Columbus Industrial Absorption



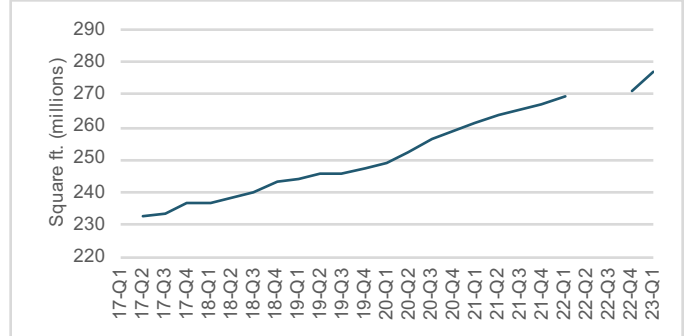
Source: Colliers International, Jones Lang LaSalle

Columbus Inflation-Adjusted Industrial Rent



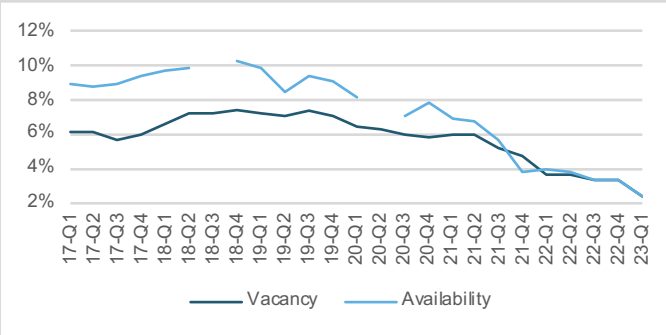
Source: Colliers International, Jones Lang LaSalle

Columbus Industrial Inventory



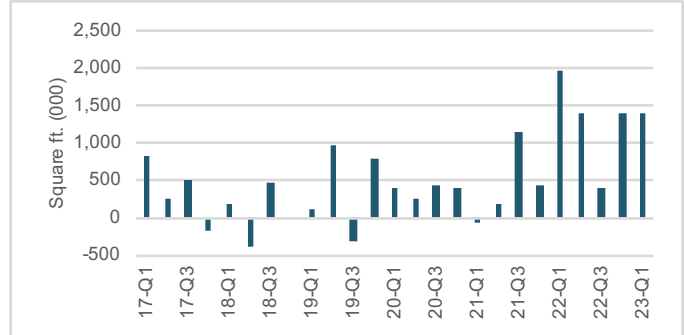
Source: Colliers International, Jones Lang LaSalle

Dayton Industrial Vacancy Rate



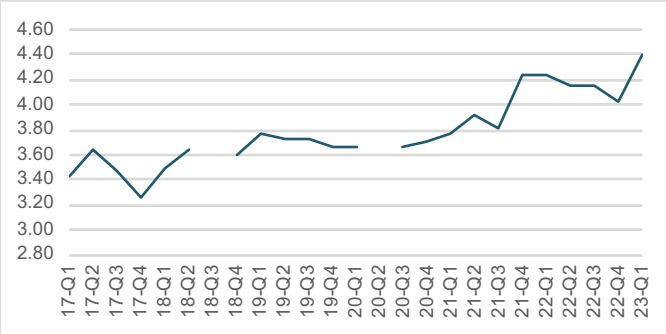
Source: Colliers International

Dayton Industrial Absorption



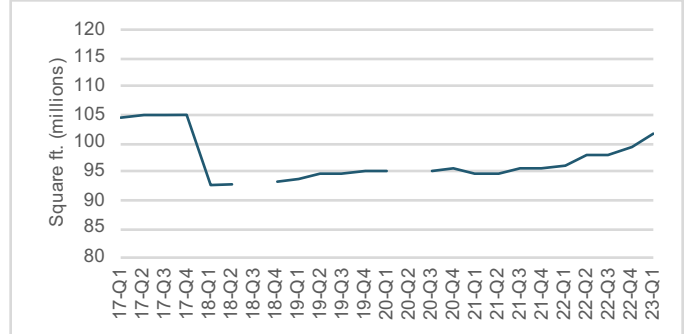
Source: Colliers International

Dayton Inflation-Adjusted Industrial Rent



Source: Colliers International

Dayton Industrial Inventory

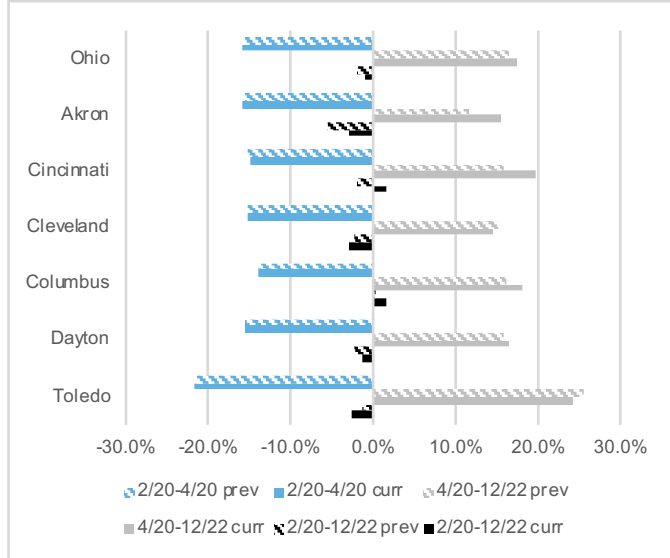


Source: Colliers International

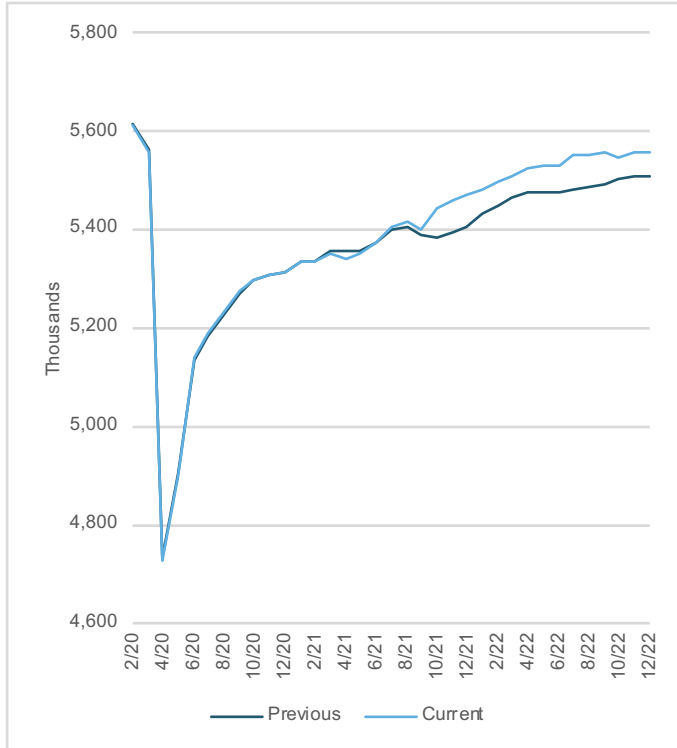
SPECIAL FEATURE: Revisions of Ohio and MSA Employment

Annually in March, the Bureau of Labor Statistics revises monthly payroll the employment estimates featured on pp. 2-3 for the previous two years. These charts contrast previous and current estimates after this year's revisions.

Previous and Current Employment Loss, Gain and Net Change



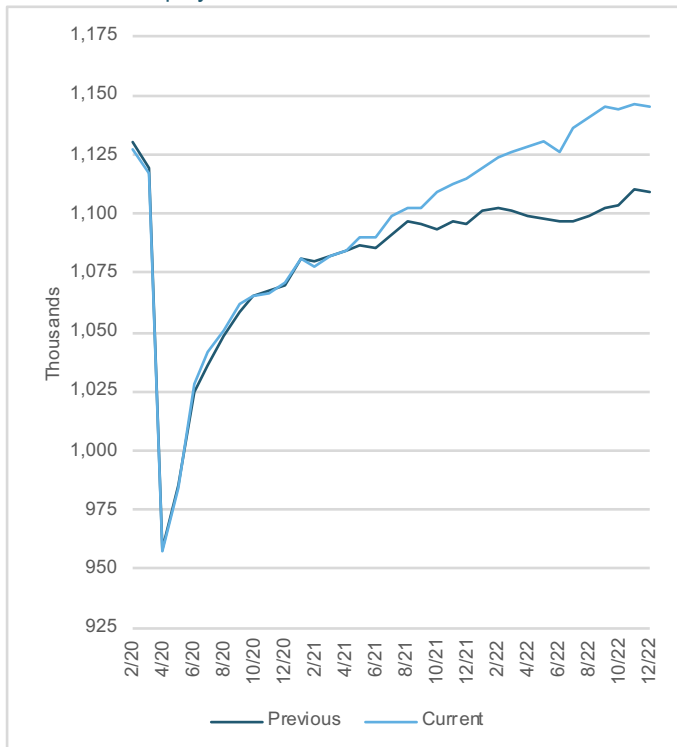
Ohio Employment



Akron Employment

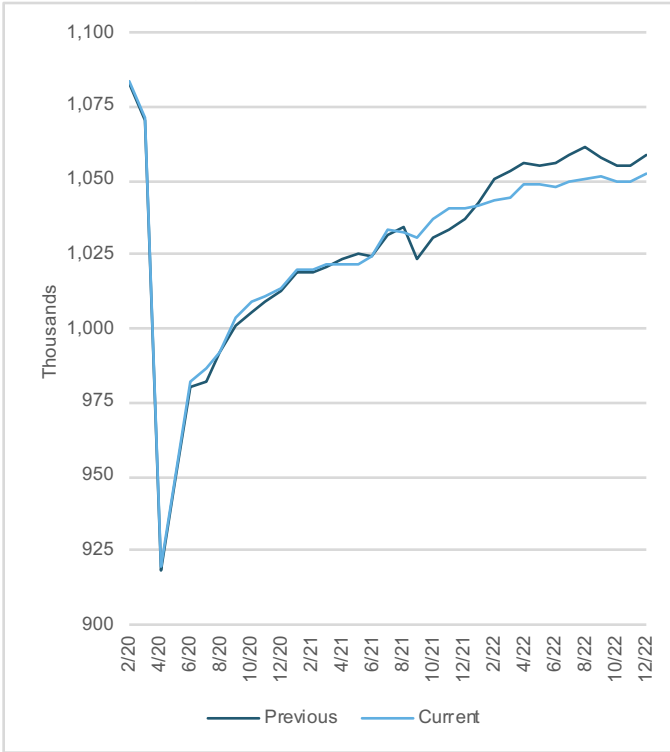


Cincinnati Employment

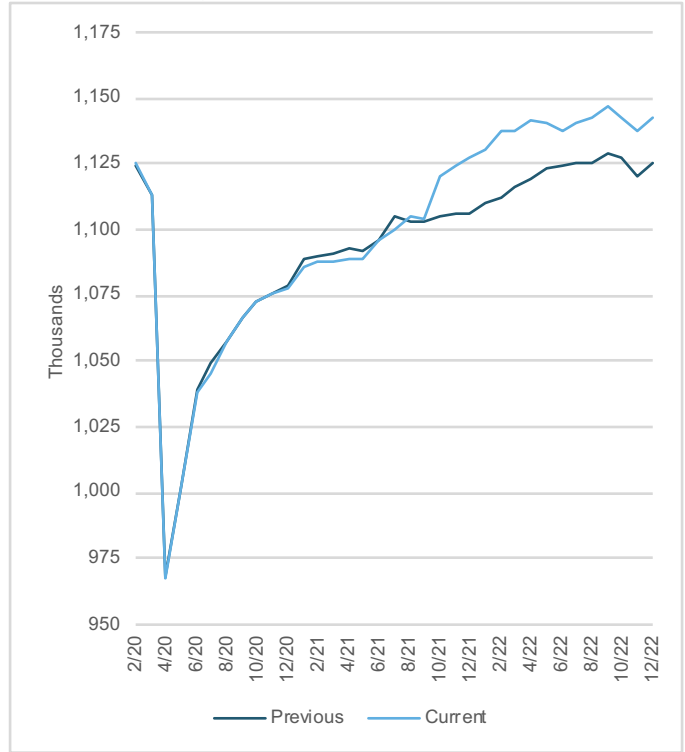


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

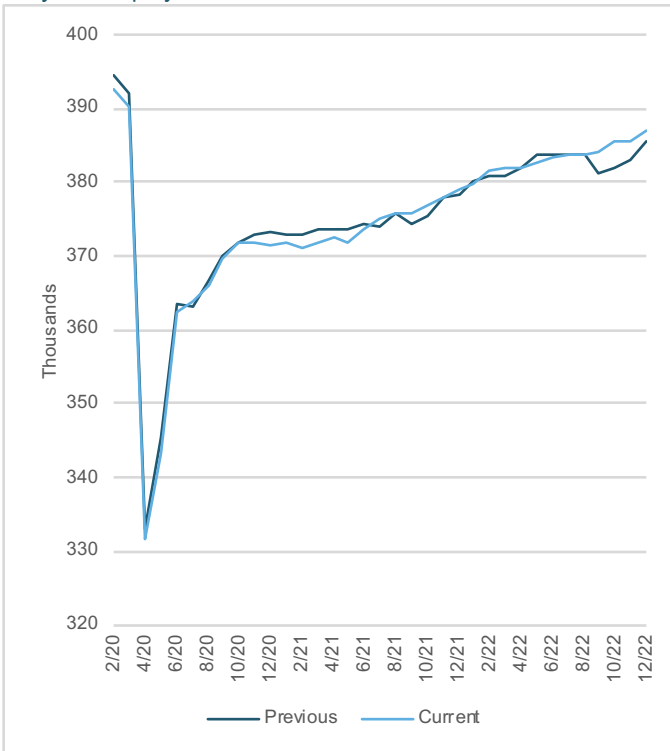
Cleveland Employment



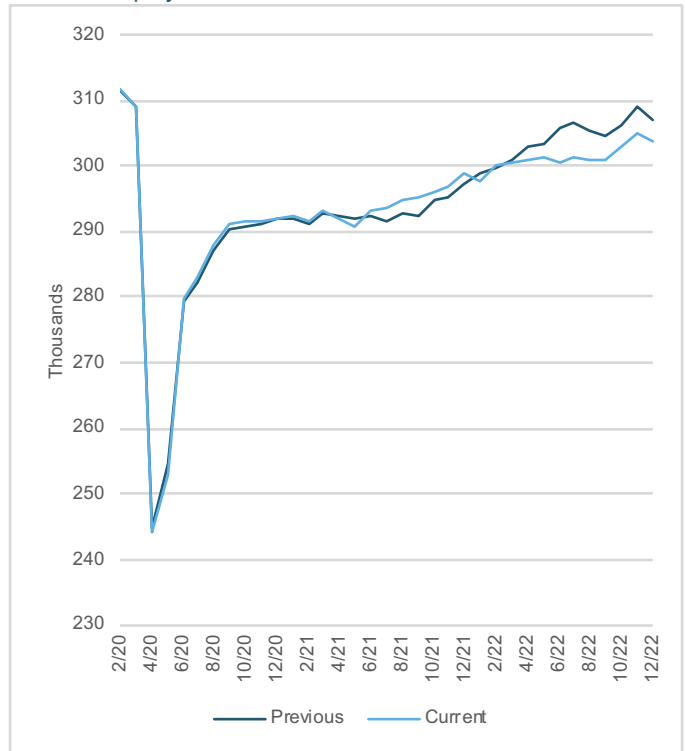
Columbus Employment



Dayton Employment



Toledo Employment



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