

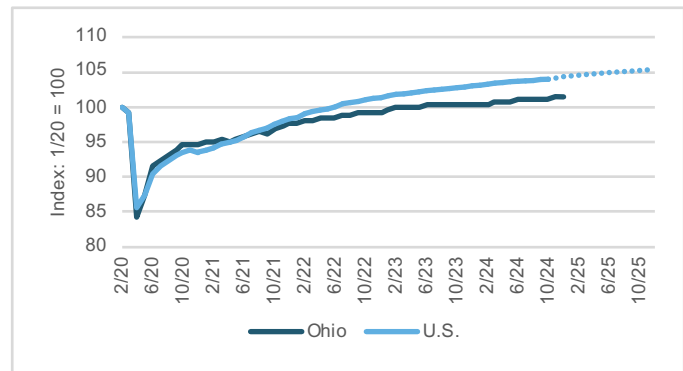
Employment and Unemployment

- **Ohio employment from October through December underperformed the U.S. average.** The chart to the right is plotted on an index basis to compare Ohio and U.S. payroll employment changes since the peak in February 2020. Ohio employment increased 12,000 (0.2%) between October and December. U.S. employment increased 0.4%. Ohio employment is up 1.1% year-over-year, compared to U.S. growth of 1.3%.
- **Economists expect slower employment growth in 2025.** The dashed line in the employment chart is the consensus employment forecast of 40 economists from the February Philadelphia Federal Reserve forecast survey. The consensus is for monthly job growth to average 145,000 per month during 2025, down from 166,000 per month during 2024.
- **December unemployment rates were close to those in October.** Ohio's 4.4% rate was up marginally from 4.3% in October. The U.S. rate was 4.1%, unchanged from October.

The charts below compare the trends in labor force (the unemployment rate denominator) and employment. Ohio labor force rose 0.2% between October and December, versus 0.1% nationally. The number of employed Ohio residents increased a smaller 0.1%, causing the unemployment rate to rise.

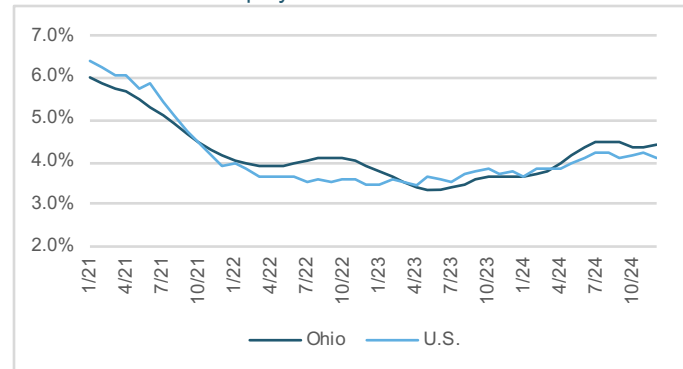
U.S. resident employment increased the same 0.1% as labor force, resulting in the unchanged U.S. unemployment rate.

Payroll Employment Change, Including U.S. Forecast



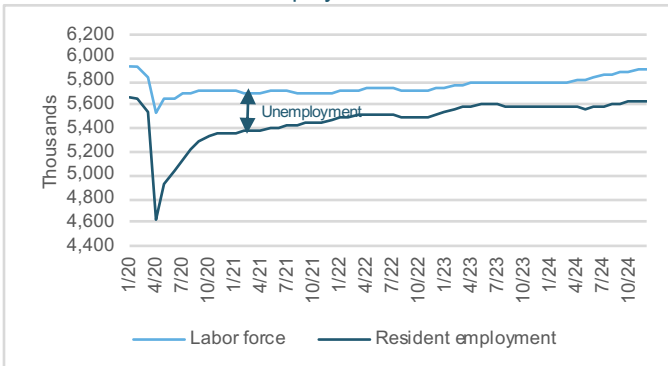
Source: U.S. Bureau of Labor Statistics, Philadelphia Federal Reserve.

Ohio and U.S. Unemployment Rates



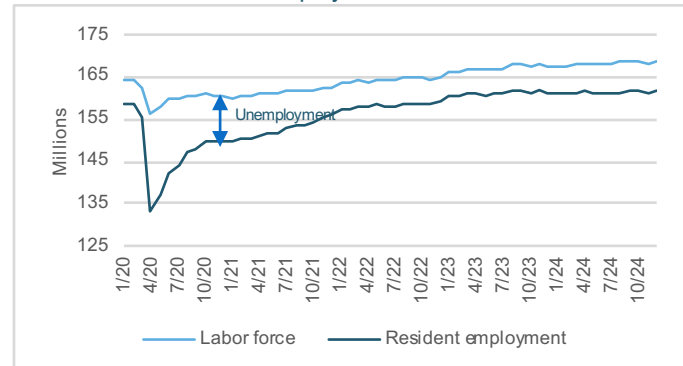
Source: Labor Force Statistics, U.S. Bureau of Labor Statistics.

Ohio Labor Force and Employment



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

U.S. Labor Force and Employment

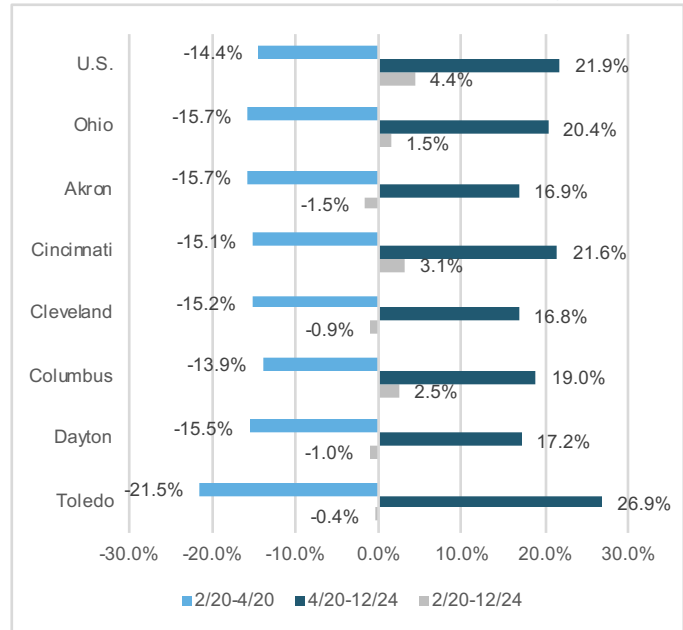


Source: Current Population Statistics, U.S. Bureau of Labor Statistics.

Employment Changes by Region and Sector

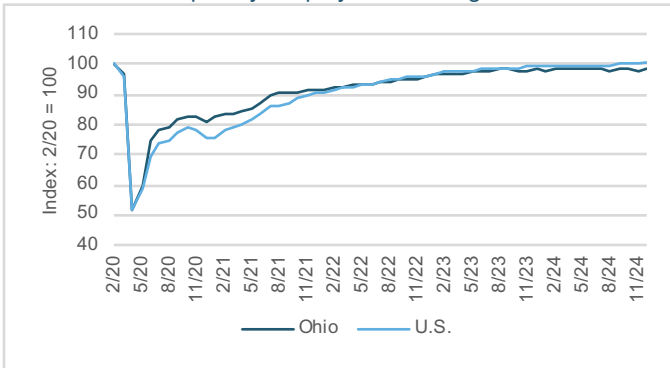
- **Payroll employment was little changed from October through December in Ohio's large metros.** Akron gained 0.2% and Cincinnati was up 0.1%. Columbus and Toledo fell 0.1%, Dayton fell 0.2%, and Cleveland was unchanged.
- **Only two of the six large MSAs have recovered their 2020 employment losses.** Employment is higher than in February 2020 in Cincinnati and Columbus. Akron, Cleveland, Dayton, and Toledo have fewer jobs than before the pandemic.
- **Ohio's October through December leisure and hospitality employment growth equaled the 0.6% U.S. gain.** Ohio's leisure employment is 1.3% lower than February 2020. U.S. employment is 0.5% higher.
- **Office-using sectors' employment growth continued.** Business services rose 0.5% in Ohio versus a 0.3% U.S. gain. Healthcare gained 0.3% in Ohio and 0.7% nationwide. Finance and insurance rose 0.1% in Ohio compared to a 0.4% U.S. gain.
- **Ohio real estate's employment losses resumed.** Employment fell 1% between October and December. U.S. employment increased 0.3%.

Pandemic Employment Loss, Gain and Net Change

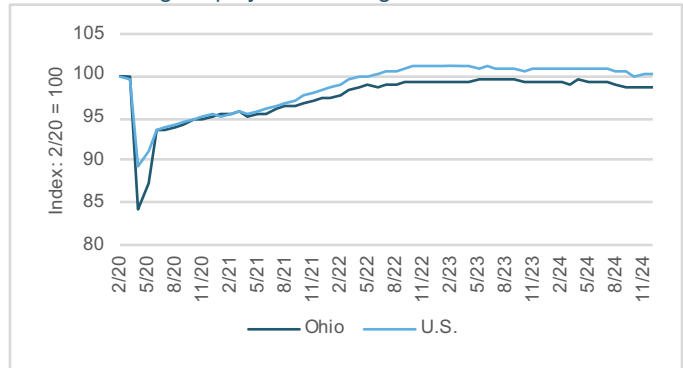


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

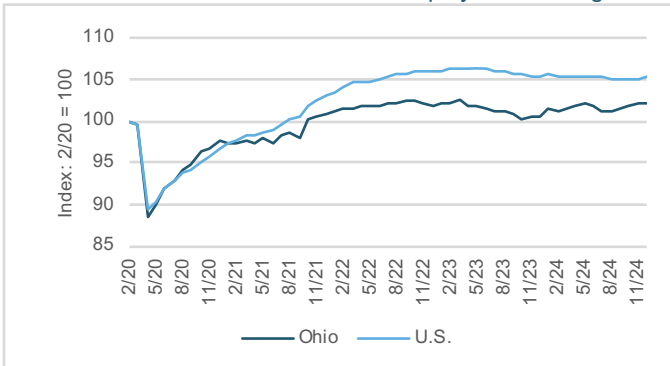
Leisure and Hospitality Employment Change



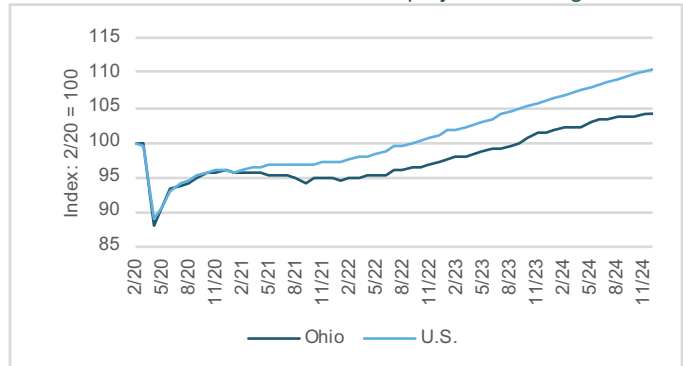
Manufacturing Employment Change



Professional & Business Services Employment Change

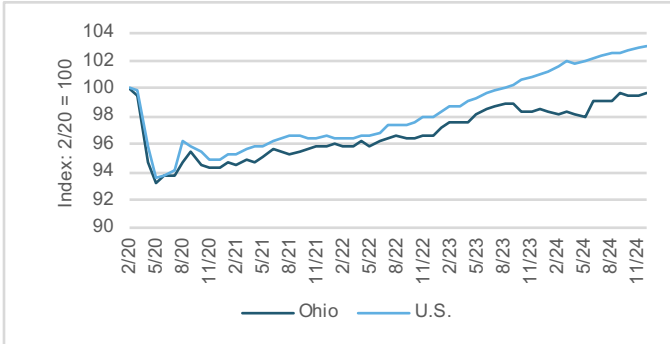


Healthcare & Social Assistance Employment Change

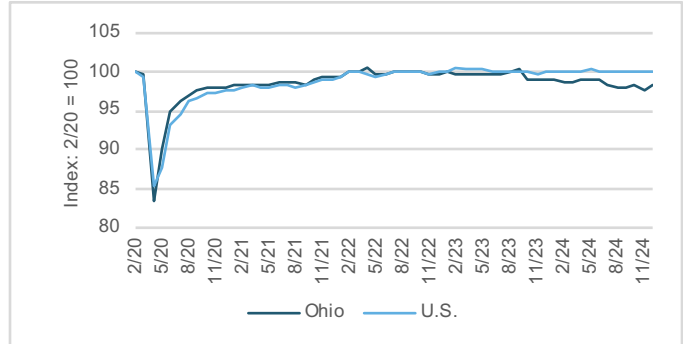


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

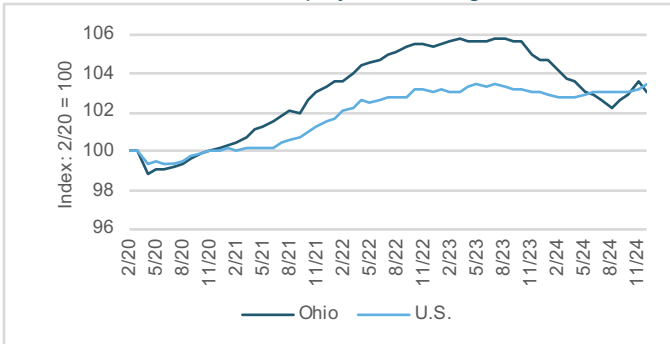
Government Employment Change



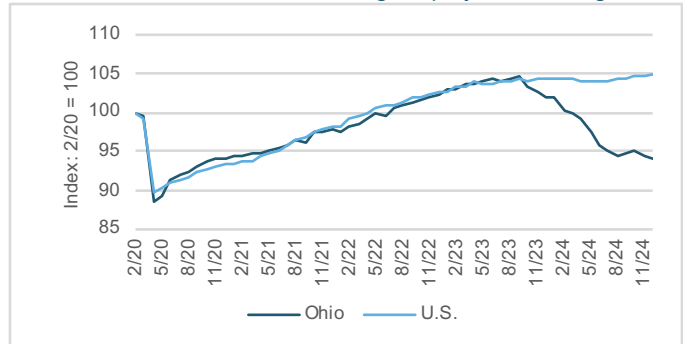
Retail Trade Employment Change



Finance and Insurance Employment Change



Real Estate and Rental & Leasing Employment Change

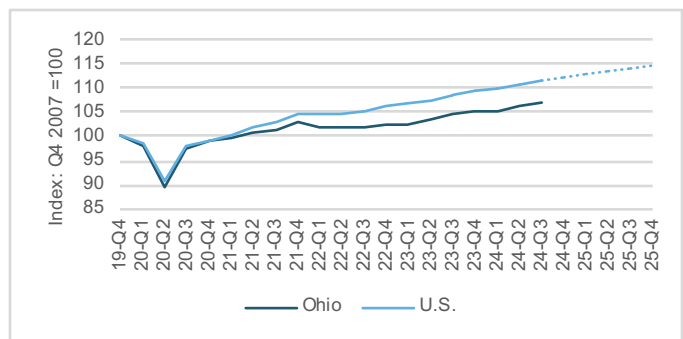


Source: Current Employment Statistics, U.S. Bureau of Labor Statistics.

Broad Economic Indicators

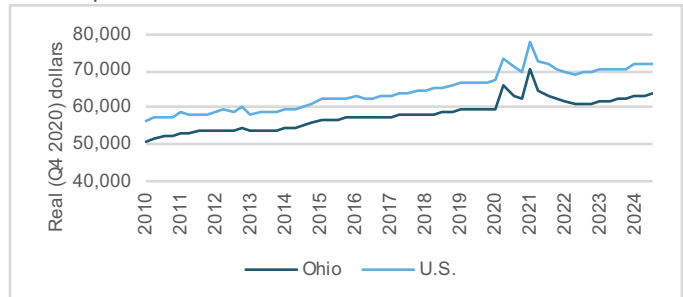
- **U.S. inflation-adjusted gross domestic product (GDP) grew at a 2.3% annualized rate in the fourth quarter.** Third quarter growth was an upwardly revised 3.1%. The February Philadelphia Fed survey respondents expect 2.4% growth in 2025 versus 2.7% in 2024.
- **Ohio GDP growth grew at a 2.5% annualized rate in the third quarter,** compared to that quarter's 3.1% U.S. gain.
- **Ohio's inflation-adjusted per-capita personal income (PCPI) grew 0.3% in the third quarter,** equal to the U.S. gain. Year over year, Ohio PCPI rose 2.4%; U.S. PCPI rose 2%.
- **Fourth quarter inflation was 2.7% year-over-year, unchanged from the third quarter.** The economists in the Philadelphia Fed survey expect a year-over-year rate of 2.4% by the end of 2025.
- **The U.S. consumer sentiment index fell 10% in February.** The drop reflected concerns over tariff impacts, the short-run economic outlook, and personal financial prospects.

U.S. and Ohio Gross Domestic Product



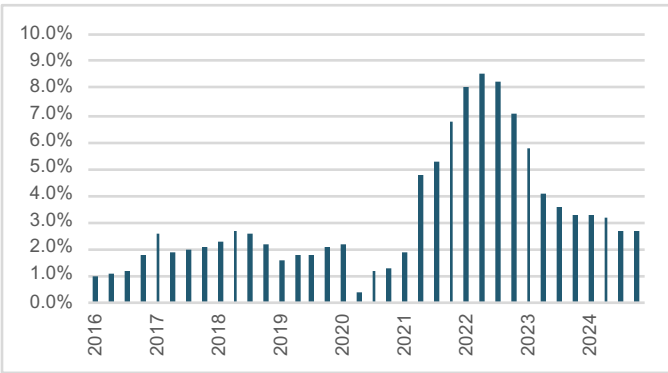
Source: U.S. Bureau of Economic Analysis; Natl. Assn. for Business Economics.

Per-Capita Personal Income



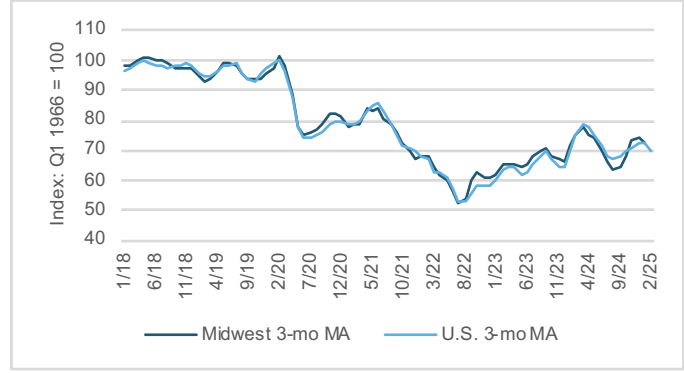
Source: U.S. Bureau of Economic Analysis.

Year-over-Year Consumer Price Inflation



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

Consumer Sentiment Index

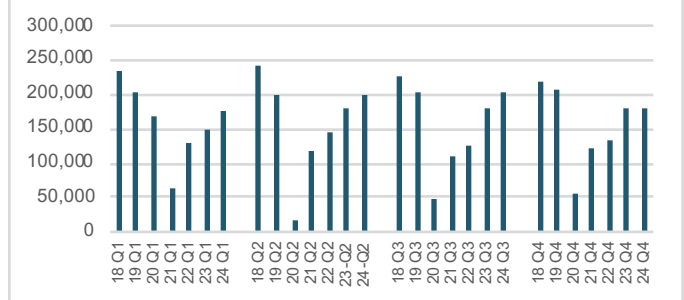


Source: Survey Research Center, University of Michigan.

Passengers at Primary Regional Airports

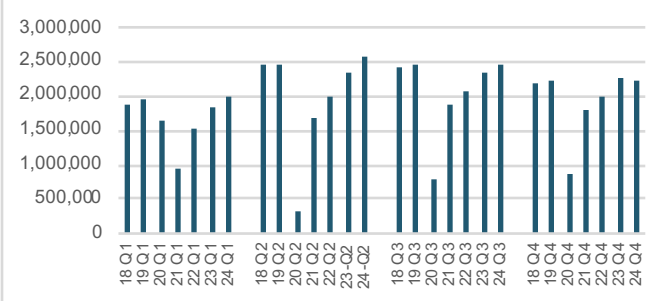
- Ohio-serving airport traffic was down 1.3% year-over-year in Q4. Akron-Canton was up 0.7% from Q4 2023, Columbus was up 3.1%, and Dayton was up 4.1%. However, Cincinnati was down 1%, Cleveland was down 5.5%, and Toledo was down 50%. (Dayton traffic is estimated from enplanements.)
- The six airports' traffic was 2.9% lower than the same quarter in 2019. Akron-Canton was 13.5% lower than Q4 2019, Cincinnati was 0.6% lower, Cleveland was 1.9% lower, Columbus was 0.7% higher, Dayton was 24% lower, and Toledo was 72% lower.

Akron-Canton Airport



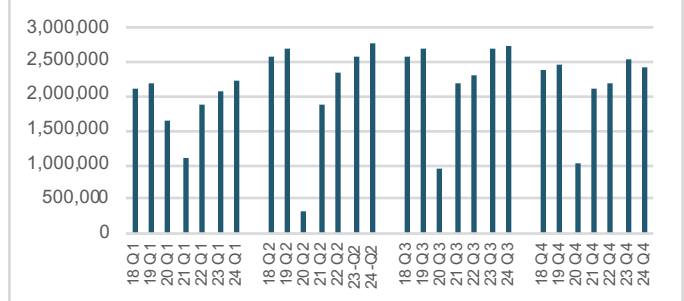
Source: Akron-Canton Airport.

Cincinnati-Northern Kentucky International Airport



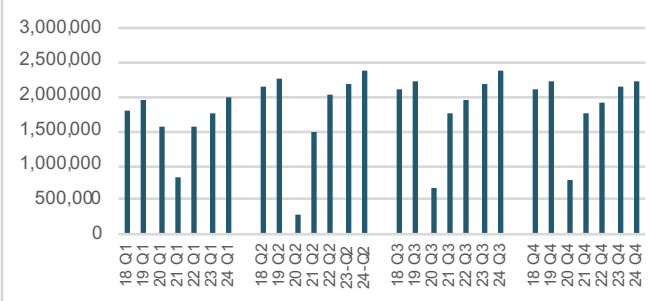
Source: Cincinnati-Northern Kentucky International Airport.

Cleveland Hopkins International Airport



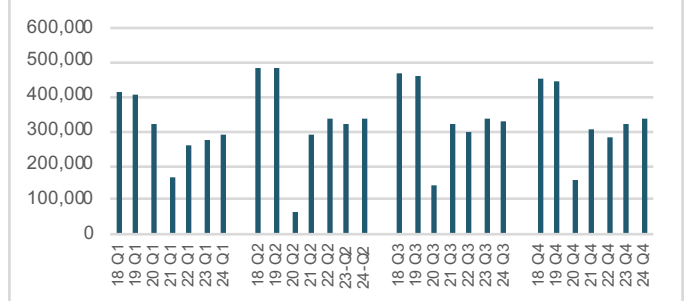
Source: Cleveland Airport System.

John Glenn Columbus International Airport



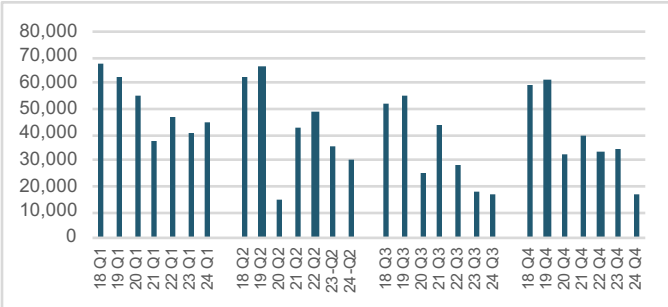
Source: Columbus Regional Airport Authority.

James M. Cox Dayton International Airport



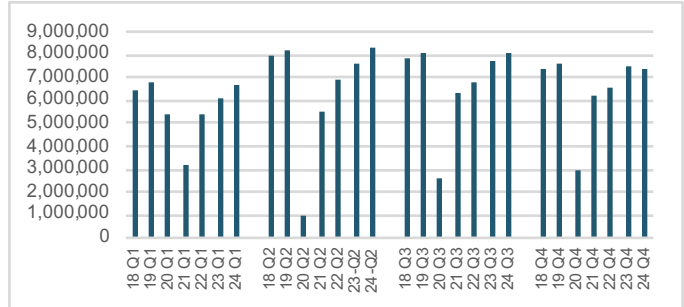
Source: Dayton International Airport (November and December 2022 traffic estimated).

Eugene F. Kranz Toledo Express Airport



Source: Toledo-Lucas County Port Authority.

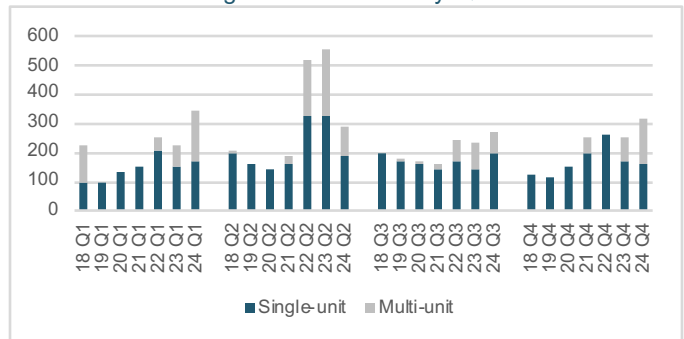
Six Airport Total



Residential Real Estate

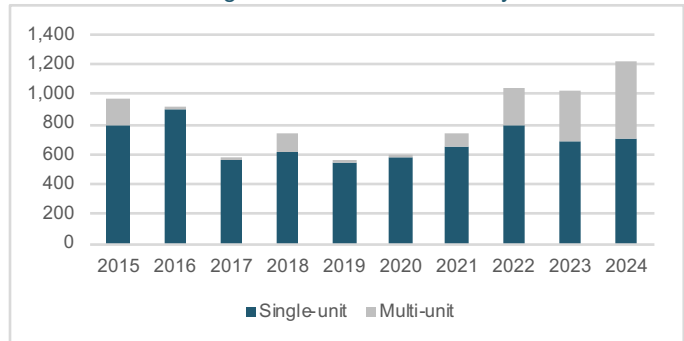
- **Q4 Ohio residential building permits were up 23% from Q4 2023.** Single-unit structure permits were up 13%, while multi-unit permits were up 42%. U.S. permits were up 1.7% from Q4 2023 – a 2.3% gain in single-unit and a 0.7% gain in multi-unit.
- **MSA-level permits were mostly sharply higher.** Akron permits Q4 to Q4 were up 24%, with single-unit permits down 5.3%. Cincinnati permits were up 34%; single-unit permits were up 3.9%. Total permits in Cleveland were up 12% with single-unit permits up 11%. Columbus permits were up 20%, with single-unit up 16%. Dayton permits were up 54%, with single-unit permits up 60%. Toledo permits were off 47%, with single-unit permits off 22%.
- **House prices increased in Ohio and most MSAs in Q4, according to the Federal Housing Finance Authority House Price Index.** Ohio prices were up 0.7% from Q3, versus the 0.5% U.S. gain. Akron was up 0.6%, Cincinnati was up 0.8%, Cleveland was up 0.3%, Columbus was up 1.2%, and Toledo was up 1.5%. But Dayton was off 1%.

Akron MSA Housing Units Permitted by Quarter



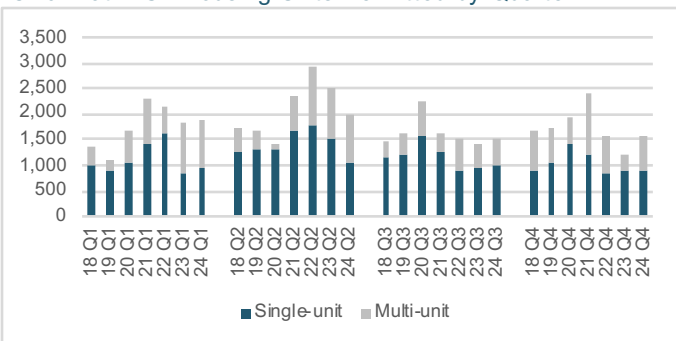
Q4 2022 multi-unit permits of 1,845 omitted. Source: U.S. Census Bureau

Akron MSA Housing Units Permitted Annually



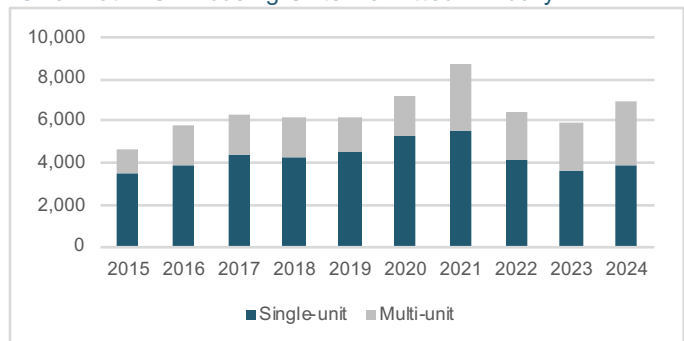
2022 total annualized omitting Oct. and Nov. 1,835. Source: U.S. Census Bureau

Cincinnati MSA Housing Units Permitted by Quarter



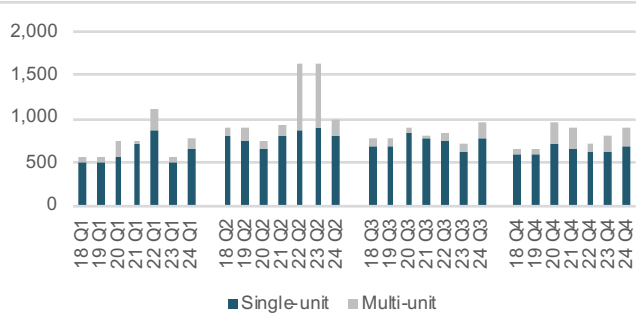
Source: U.S. Census Bureau

Cincinnati MSA Housing Units Permitted Annually



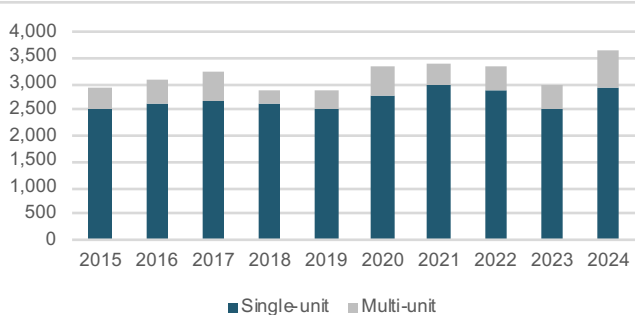
Source: U.S. Census Bureau

Cleveland MSA Housing Units Permitted by Quarter



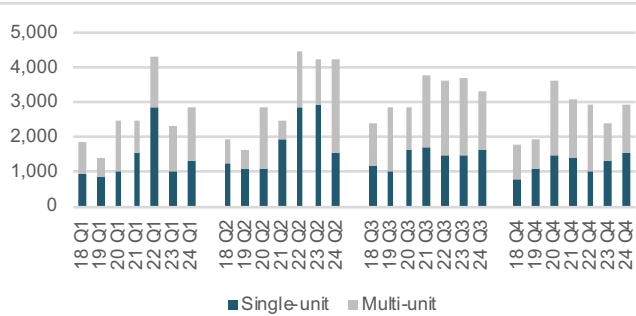
Source: U.S. Census Bureau

Cleveland MSA Housing Units Permitted Annually



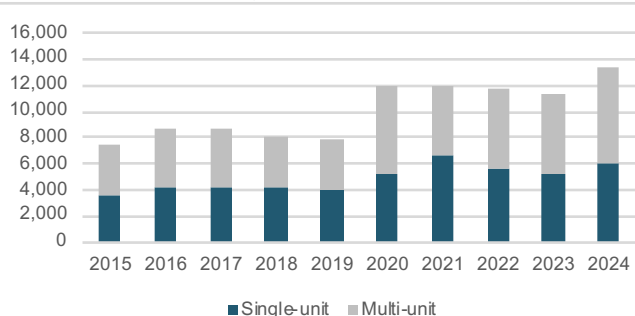
Source: U.S. Census Bureau

Columbus MSA Housing Units Permitted by Quarter



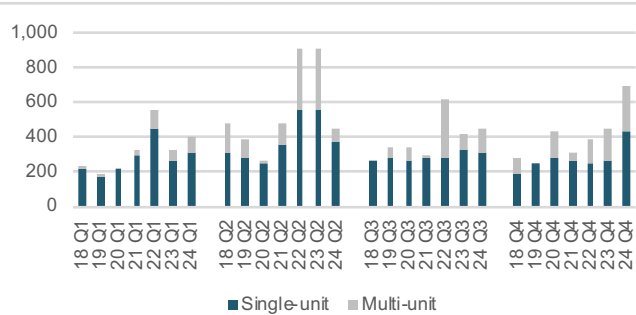
Source: U.S. Census Bureau

Columbus MSA Housing Units Permitted Annually



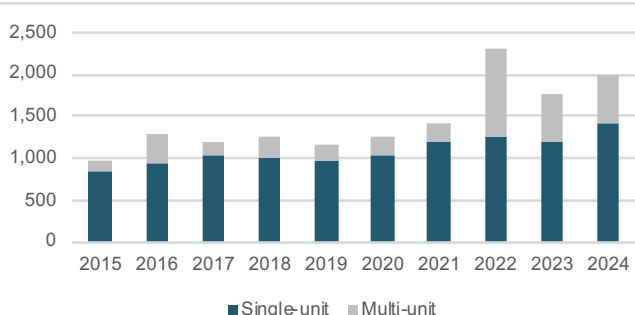
Source: U.S. Census Bureau

Dayton MSA Housing Units Permitted by Quarter



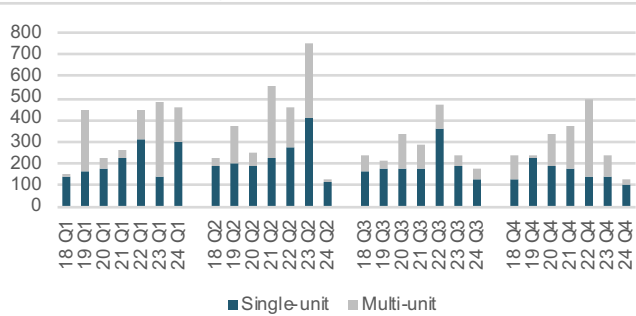
Source: U.S. Census Bureau

Dayton MSA Housing Units Permitted Annually



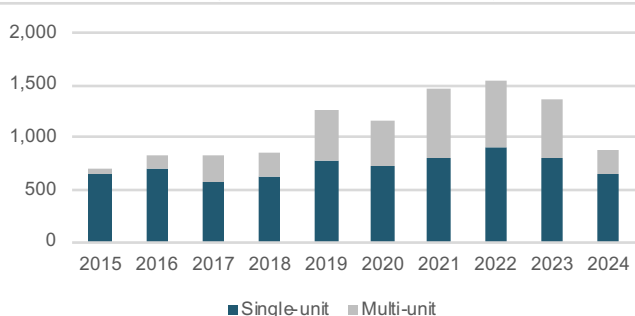
Source: U.S. Census Bureau

Toledo MSA Housing Units Permitted by Quarter



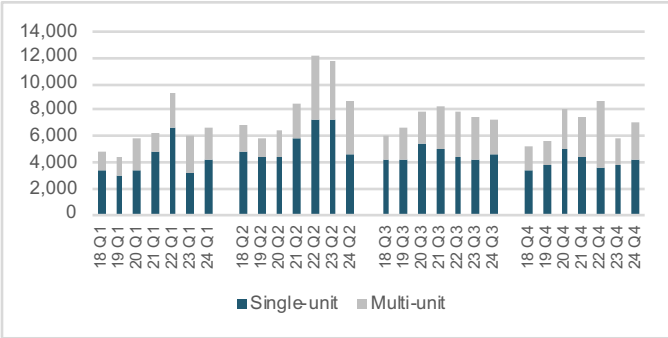
Source: U.S. Census Bureau

Toledo MSA Housing Units Permitted Annually



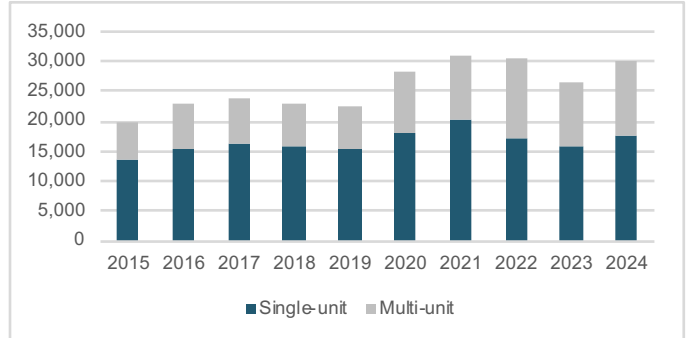
Source: U.S. Census Bureau

Ohio Housing Units Permitted by Quarter



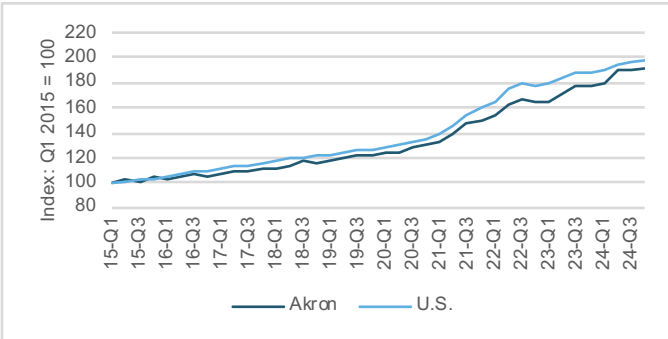
Source: U.S. Census Bureau

Ohio Housing Units Permitted Annually



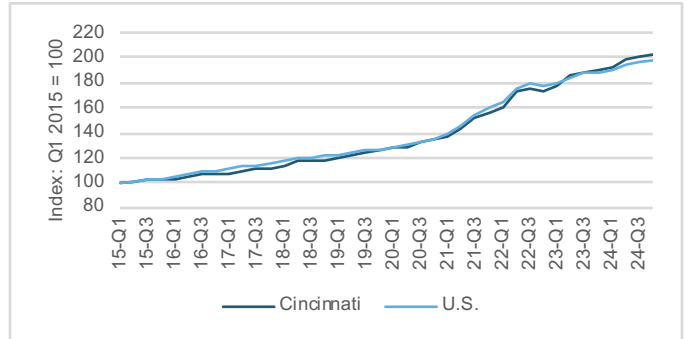
Source: U.S. Census Bureau

Akron MSA and U.S. FHFA House Price Index



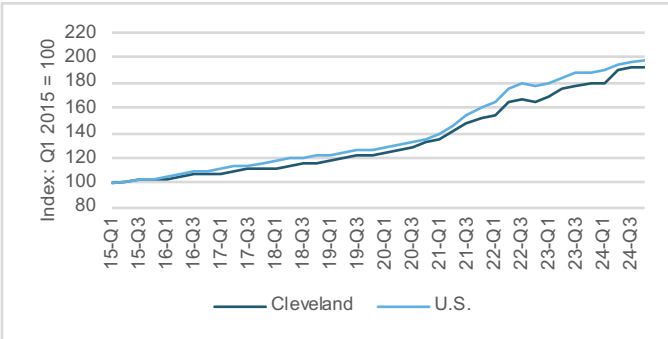
Source: Federal Housing Finance Agency.

Cincinnati MSA and U.S. FHFA House Price Index



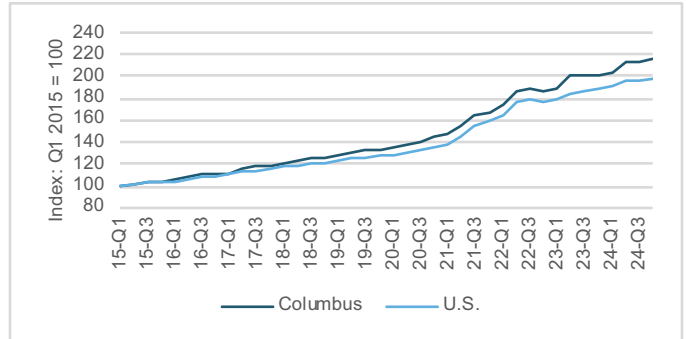
Source: Federal Housing Finance Agency.

Cleveland MSA and U.S. FHFA House Price Index



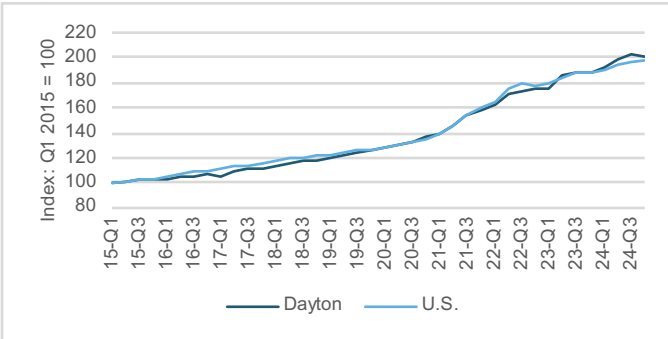
Source: Federal Housing Finance Agency.

Columbus MSA and U.S. FHFA House Price Index



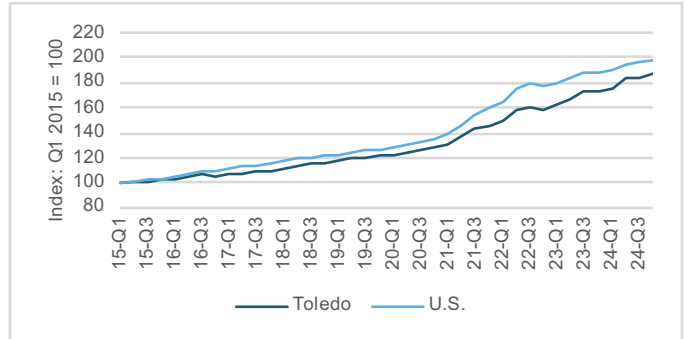
Source: Federal Housing Finance Agency.

Dayton MSA and U.S. FHFA House Price Index



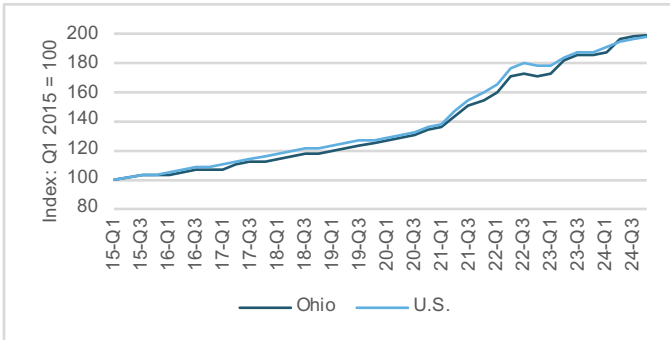
Source: Federal Housing Finance Agency.

Toledo MSA and U.S. FHFA House Price Index



Source: Federal Housing Finance Agency.

Ohio and U.S. FHFA House Price Index

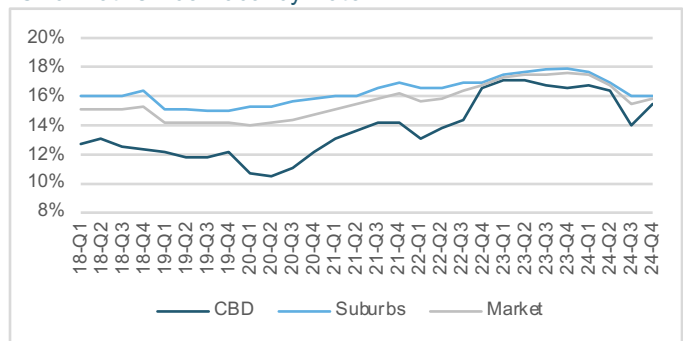


Source: Federal Housing Finance Agency.

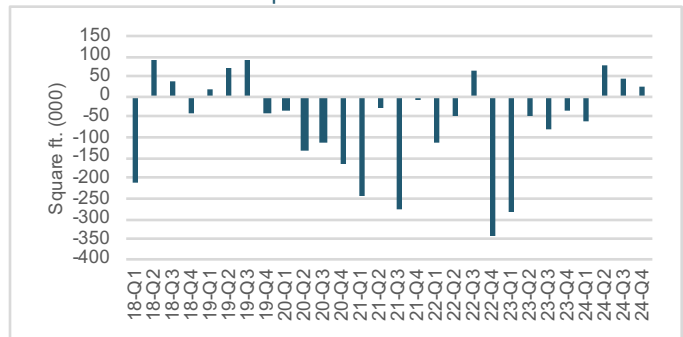
Ohio Office Real Estate Markets

- **Absorption improved in Cleveland and Columbus, but worsened in Cincinnati and Dayton.** Cincinnati office absorption declined but remained positive. Positive absorption improved in Cleveland and Columbus. Dayton's negative absorption worsened.
- **Office vacancy rates were higher, but most changes were modest.** Cincinnati vacancy rose to 15.8%. Cleveland rose marginally to 14.2%. Dayton rose slightly to 18.3%. However, Columbus rose sharply from 18% to 22.1%.
- **Q4 inflation-adjusted office rents were stable to higher from Q3.** Cincinnati rents rose 2.9%, Cleveland was unchanged, Columbus rose 0.8%, but Dayton pulled back 4.7% from its sharp Q3 gain.
- **Office construction remained spotty in Q4.** Colliers has identified no Cincinnati or Dayton projects since Q3 2023. Cleveland's 1.3 million sf is dominated by the 1 million sf Sherwin Williams headquarters, scheduled for completion later this year. Columbus had 475,700 sf underway, mostly in the suburbs.

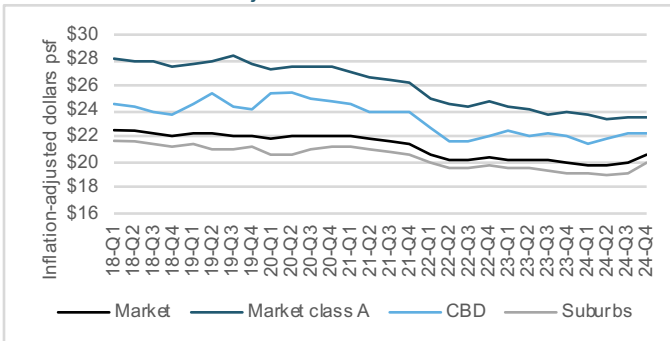
Cincinnati Office Vacancy Rate



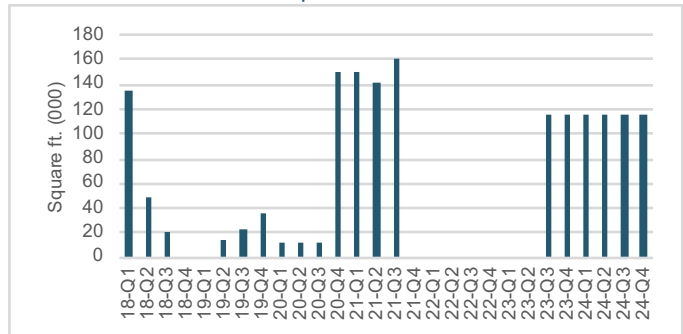
Cincinnati Office Absorption



Cincinnati Inflation-Adjusted Office Rent

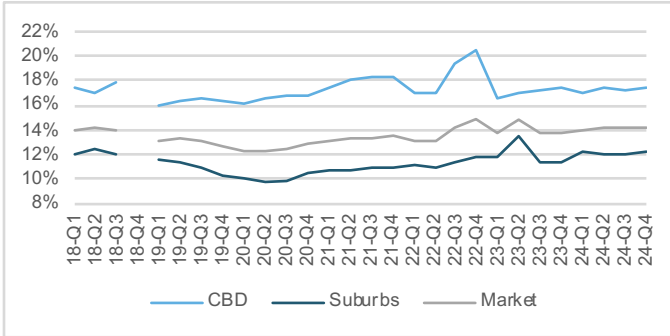


Cincinnati Construction Pipeline



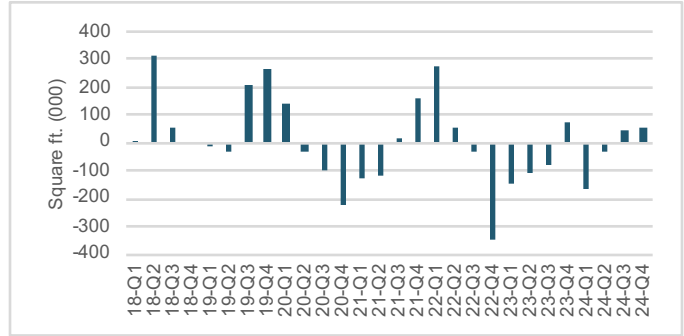
Source: Colliers International

Cleveland Office Vacancy Rate



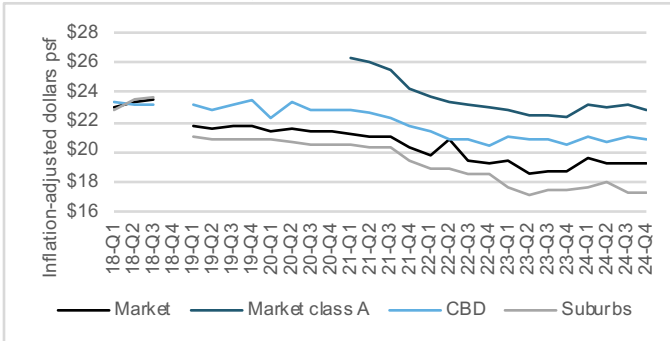
Source: Colliers International

Cleveland Office Absorption



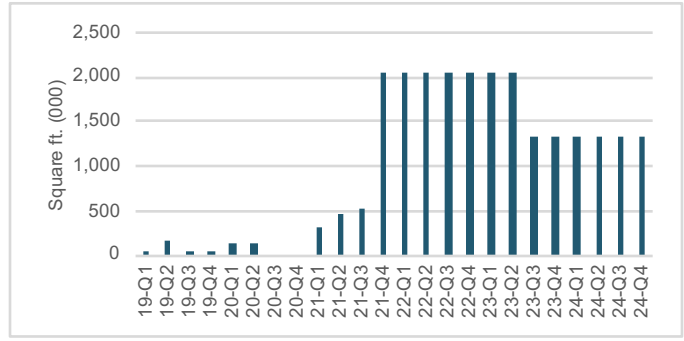
Source: Colliers International

Cleveland Inflation-Adjusted Office Rent



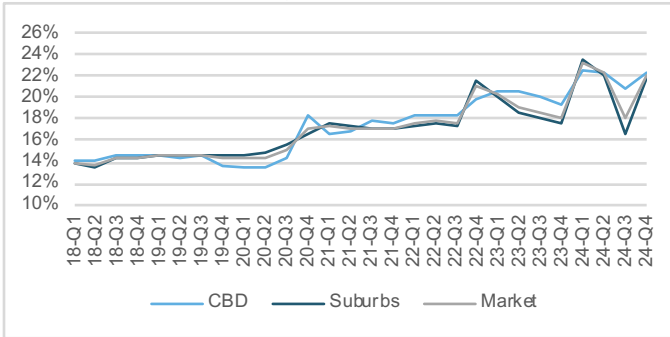
Source: Colliers International.

Cleveland Office Construction Pipeline



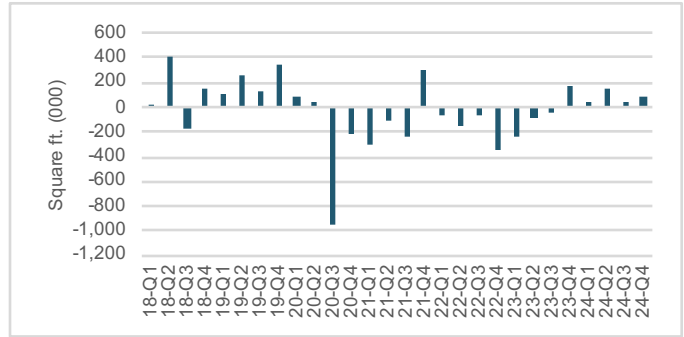
Source: Colliers International

Columbus Office Vacancy Rate



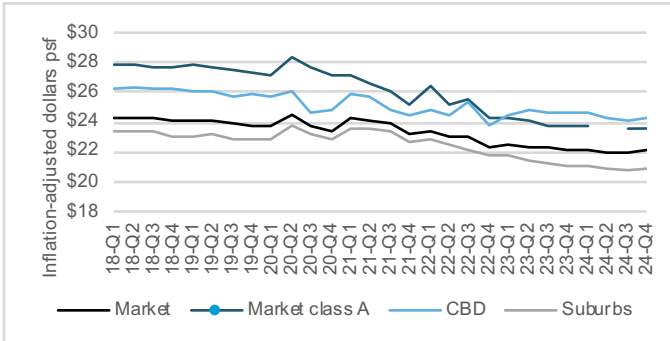
Source: CBRE.

Columbus Office Absorption



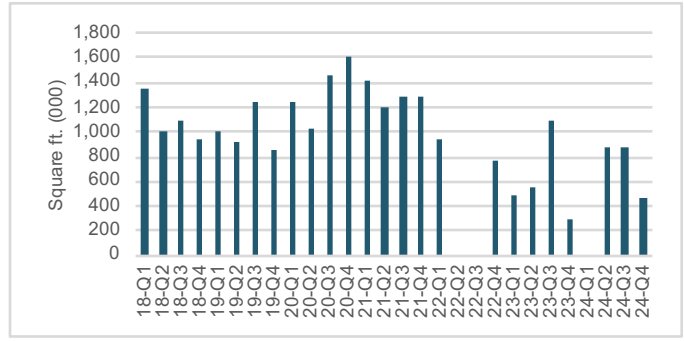
Source: CBRE.

Columbus Inflation-Adjusted Office Rent



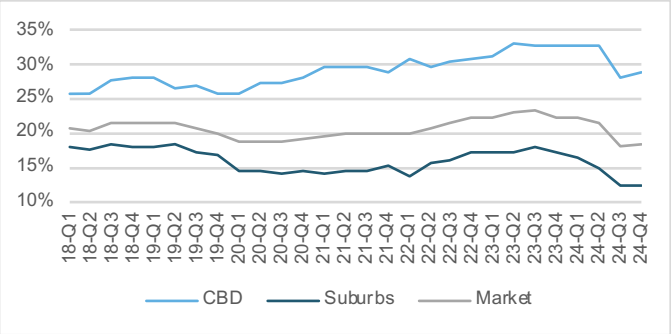
Source: CBRE.

Columbus Office Construction Pipeline



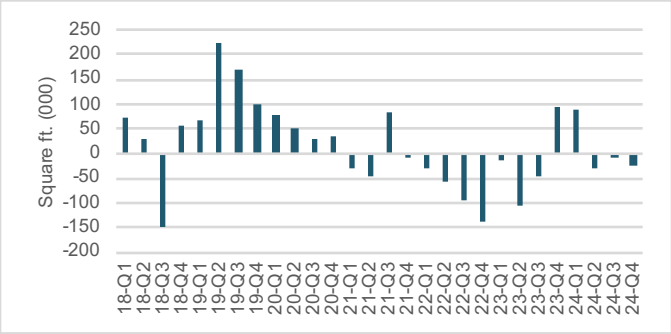
Source: Colliers International.

Dayton Office Vacancy Rate



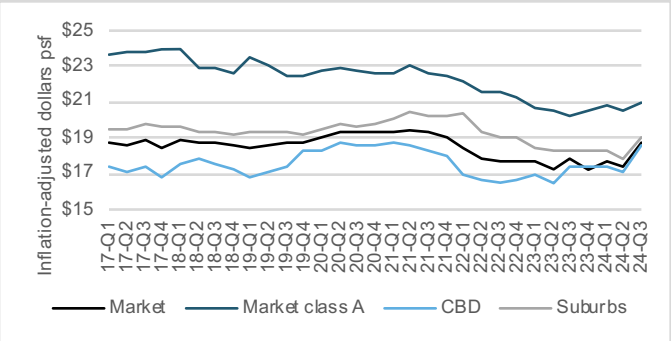
Source: Colliers International

Dayton Office Absorption



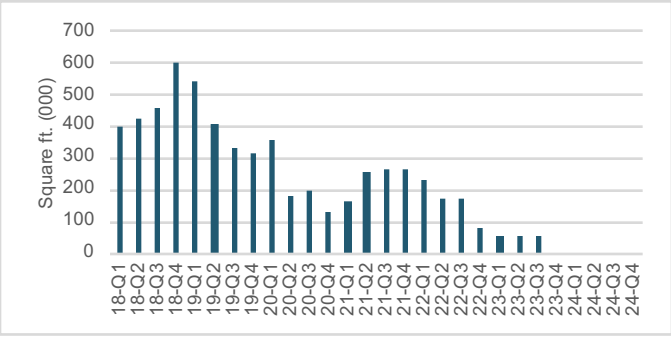
Source: Colliers International

Dayton Inflation-Adjusted Office Rent



Source: Colliers International

Dayton Office Construction Pipeline

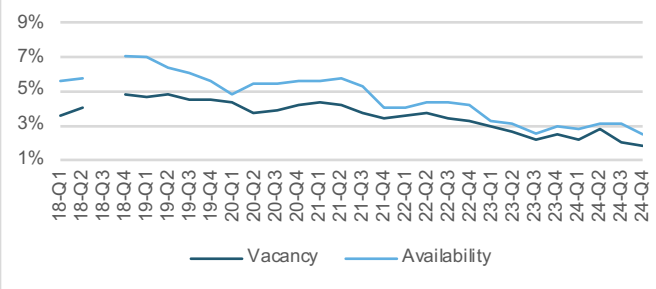


Source: Colliers International

Ohio Industrial Real Estate Markets

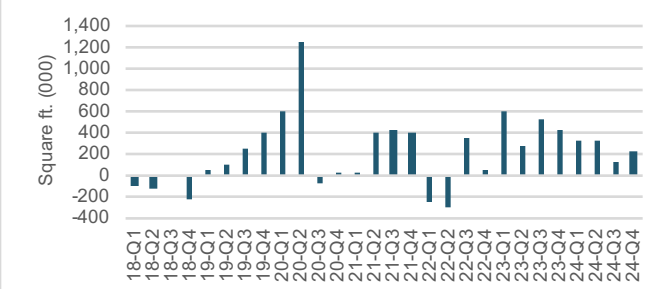
- **Industrial vacancy rates were mixed in Q4.** Akron-Canton fell from 2% to 1.8%, Cincinnati was steady at 5.7%, Cleveland rose from 3.5% to 3.6%, and Dayton rose from 3.5% to 3.8%. Columbus rose sharply from 7% to 7.8%, due in part to the Big Lots bankruptcy.
- **Absorption weakened in most markets.** Cleveland fell 12% and Cincinnati fell 68% but both remained positive. Columbus and Dayton flipped from strongly positive to negative. However, Akron-Canton absorption rose 73%.
- **Inflation-adjusted industrial rents declined in most markets.** Cincinnati fell 8% after inflation, Cleveland fell 2.5%, Columbus fell 1.2%, and Dayton fell 1.5%. However, Akron-Canton rents rose 11.5%.
- **There was a net decline in construction activity in several markets.** However, this resulted from major deliveries in Cincinnati and Columbus. Cleveland's pipeline fell somewhat. Dayton construction was flat at 1.1 million sf. The pipeline increased in Akron-Canton.

Akron-Canton Industrial Vacancy Rate



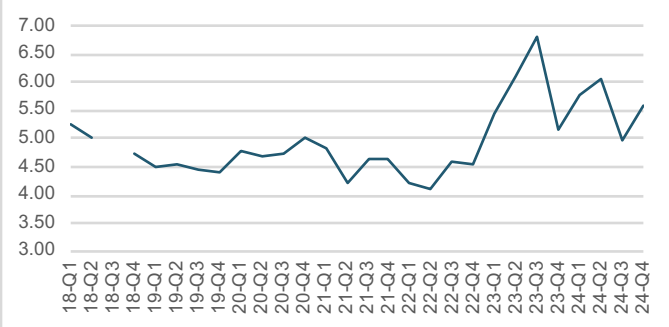
Source: Colliers International

Akron-Canton Industrial Absorption



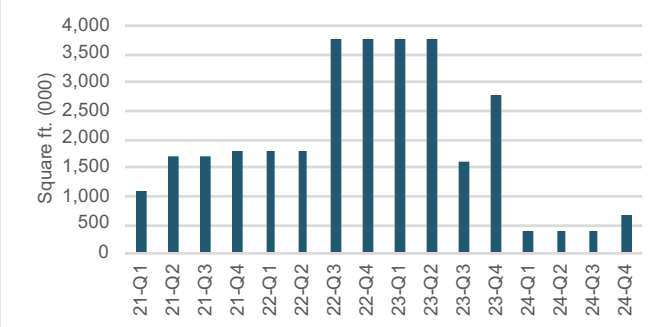
Source: Colliers International

Akron-Canton Inflation-Adjusted Industrial Rent



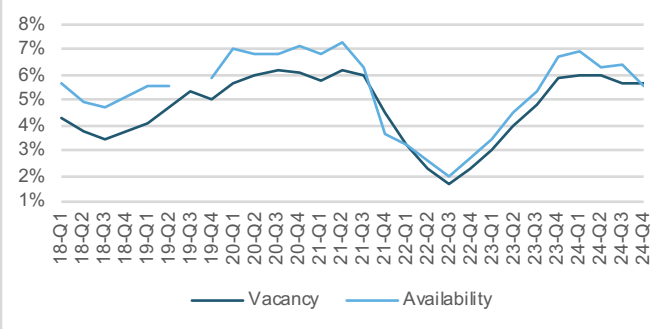
Source: Colliers International

Akron-Canton Industrial Construction Pipeline



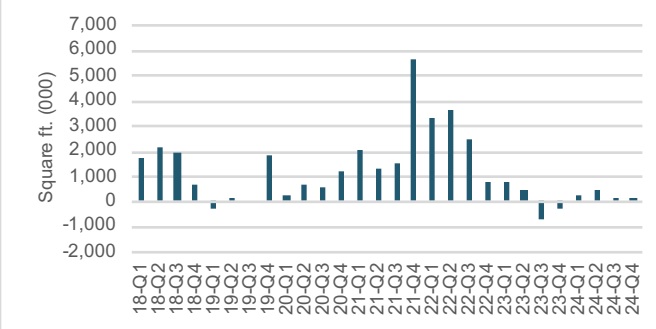
Source: Colliers International

Cincinnati Industrial Vacancy Rate



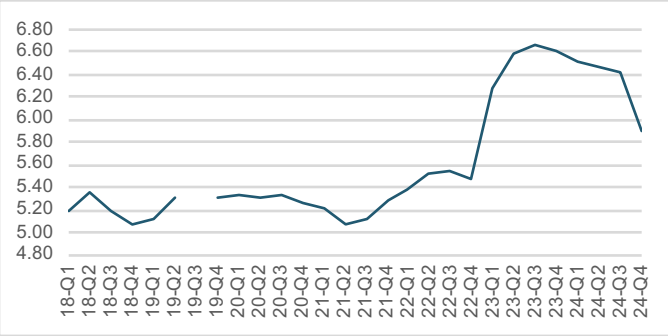
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Cincinnati Industrial Absorption



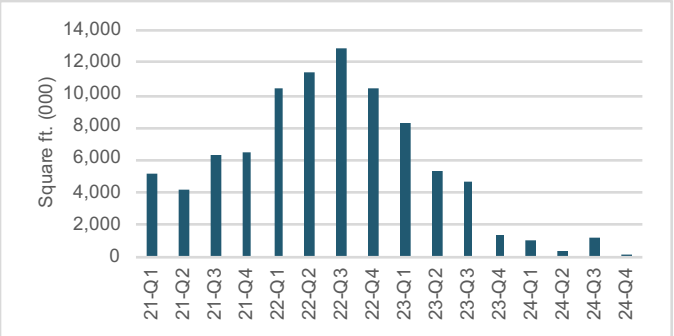
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Cincinnati Inflation-Adjusted Industrial Rent



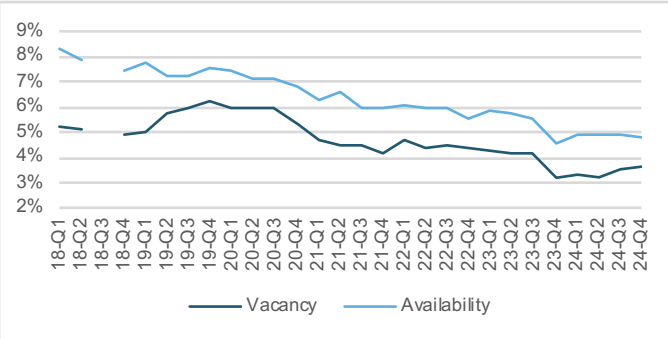
Source: Colliers International

Cincinnati Industrial Construction Pipeline



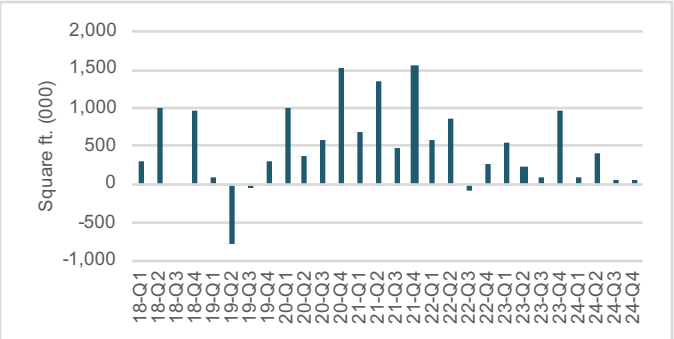
Source: Colliers International

Cleveland Industrial Vacancy Rate



Source: Colliers International

Cleveland Industrial Absorption



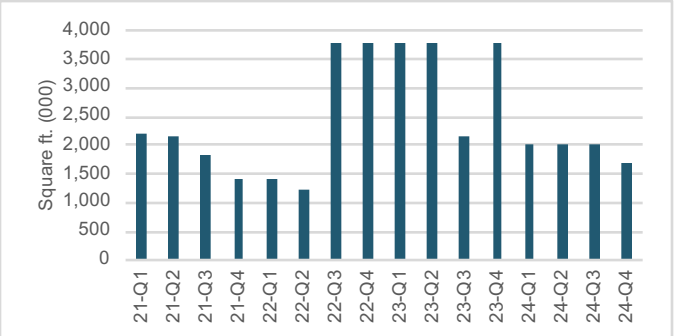
Source: Colliers International

Cleveland Inflation-Adjusted Industrial Rent



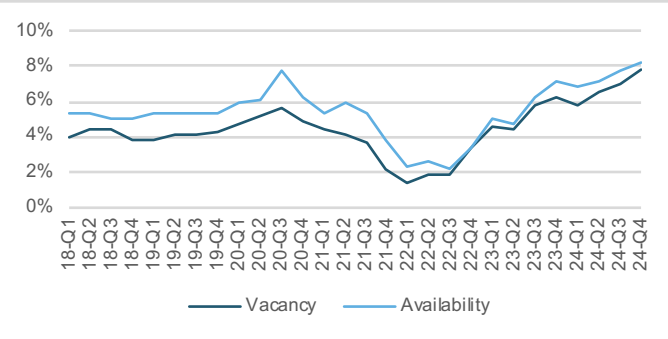
Source: Colliers International

Cleveland Industrial Construction Pipeline



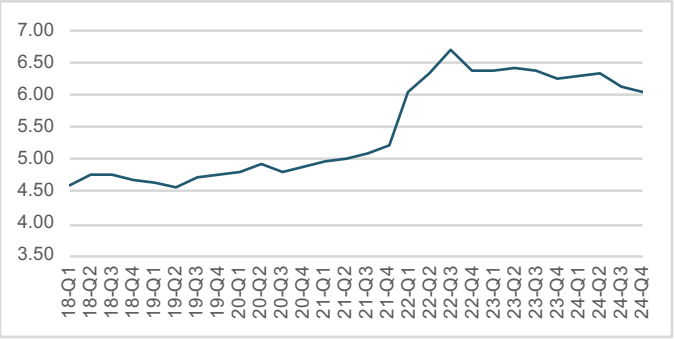
Source: Colliers International

Columbus Industrial Vacancy Rate



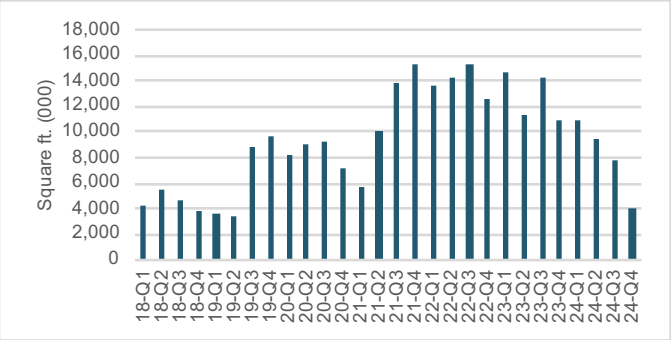
Source: CBRE

Columbus Inflation-Adjusted Industrial Rent



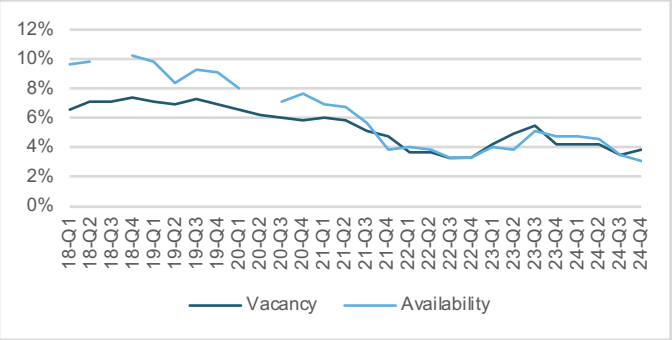
Source: CBRE

Columbus Industrial Construction Pipeline



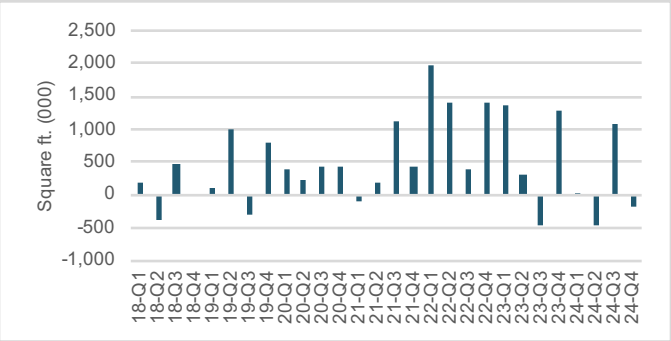
Source: CBRE.

Dayton Industrial Vacancy Rate



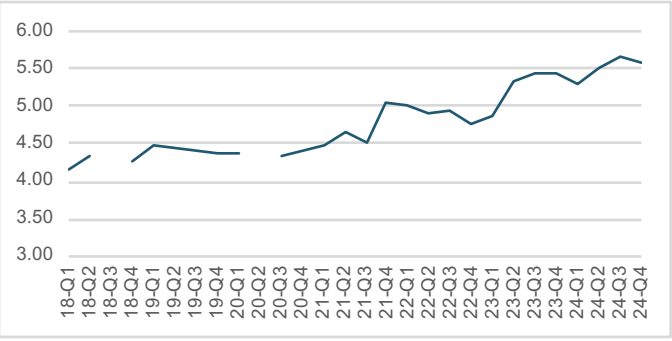
Source: Colliers International

Dayton Industrial Absorption



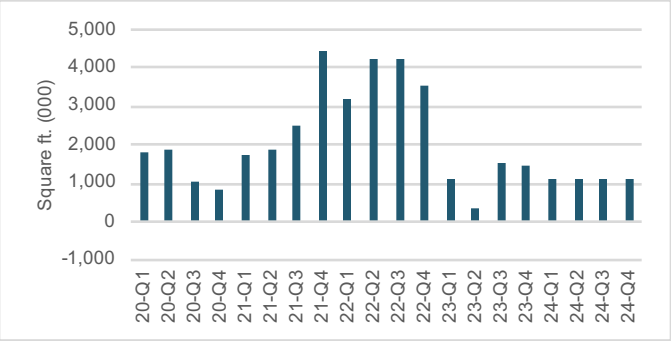
Source: Colliers International

Dayton Inflation-Adjusted Industrial Rent



Source: Colliers International

Dayton Industrial Construction Pipeline



Source: Colliers International