

FIGURES | CINCINNATI OFFICE | Q3 2026

Class A Momentum Drives Positive Absorption

The Cincinnati office market inventory has been revised this quarter to reflect the reclassification of select assets. This update enhances data accuracy and ensures consistency with current property classifications. Historical statistics have been adjusted accordingly. Building inventories will be evaluated on an ongoing basis to maintain an accurate representation of the market.



Note: Arrows indicate change from previous quarter.

Market Overview

The market recorded a strong positive net absorption of 284,000 sq. ft. in Q3 2026, marking a decisive shift back Class A demand, including three downtown leases exceeding 20,000 sq. ft.

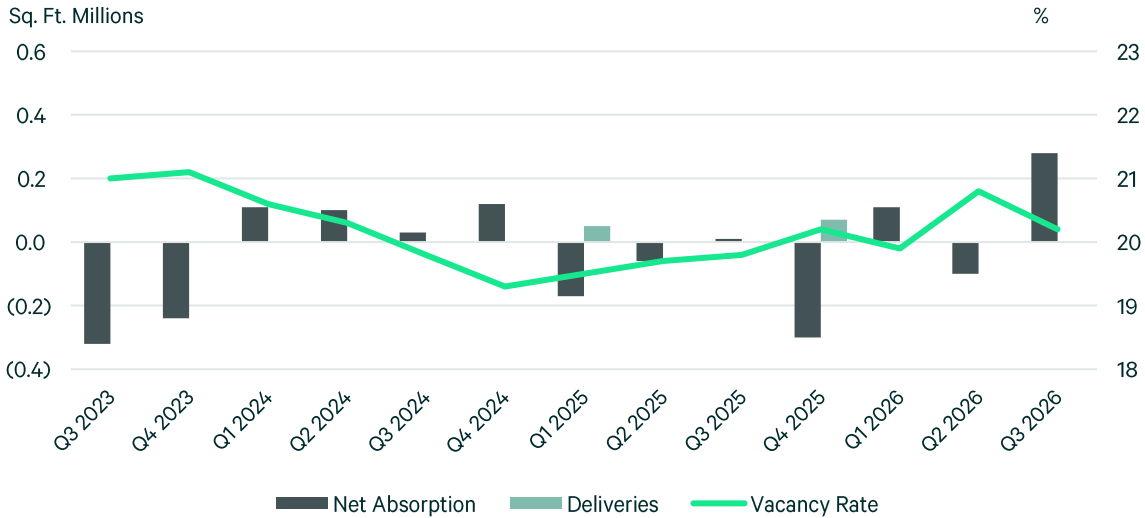
Class A assets accounted for all 617,000 sq. ft. of leasing activity among transactions exceeding 10,000 sq. ft., as demand accelerated to its highest level in the period from Q3 2023 through Q3 2026.

Sizeable renewals fueled leasing activity, including Western & Southern’s 126,000 sq. ft. space at 250 E 5th Street in the CBD.

Overall vacancy declined 60 basis points quarter-over-quarter to 20.2% in Q3 2026, driven by accelerating Class A demand.

Construction activity resumed in Q3 2026 with the groundbreaking of the 49,000 sq. ft. Montgomery Quarter Three office project in the Kenwood submarket.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



CBRE Research

Vacancy

In Q3 2026, overall vacancy declined 60 basis points quarter-over-quarter to 20.2%, driven by accelerating Class A demand. Class A fundamentals strengthened significantly as rising tenant preference for high-quality space pushed vacancy down 150 basis points quarter-over-quarter to 18.6%. In contrast, Class B vacancy increased to 24.0%, while Class C remained the tightest property class at 14.6%.

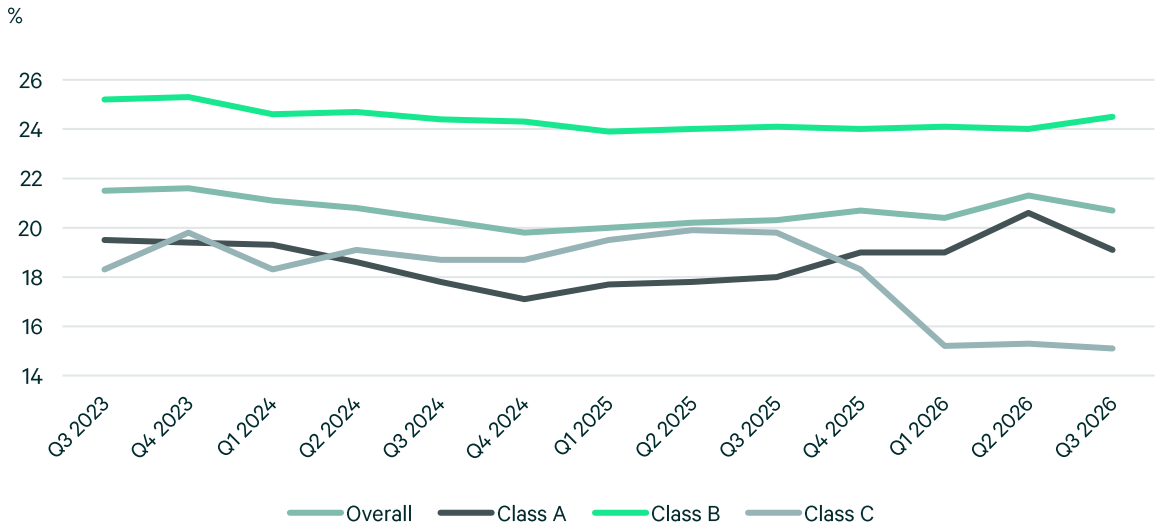
Vacancy also varied significantly by submarket, highlighting where occupiers faced the tightest and most flexible leasing options. West Chester recorded the lowest overall vacancy at 6.5%, followed by the Kenwood submarket at 10.5%, both well below vacancy rates in core and older suburban corridors such as Tri-County and the CBD. At the other end of the spectrum, Tri-County posted the highest overall vacancy at 35.0%, while CBD Peripheral (25.0%) and the CBD (23.3%) also carried elevated levels of available space.

Asking Rent

Asking rents remained stable at the market level through Q3 2026, with modest differences between overall and Class A pricing. Overall average asking rent in Q3 2026 was \$20.81 per sq. ft., up quarter-over-quarter from \$20.75 per sq. ft. and year-over-year from \$20.58 per sq. ft., while Class A space in Q3 2026 averaged \$23.77 per sq. ft., slightly below \$23.85 per sq. ft. on both a quarter-over-quarter and year-over-year basis. Over the full series from Q3 2023 through Q3 2026, overall asking rents edged up from \$20.49 per sq. ft. to \$20.81 per sq. ft., and Class A rents eased from \$23.89 per sq. ft. to \$23.77 per sq. ft., underscoring that most of the market’s rate movement occurred within a narrow band.

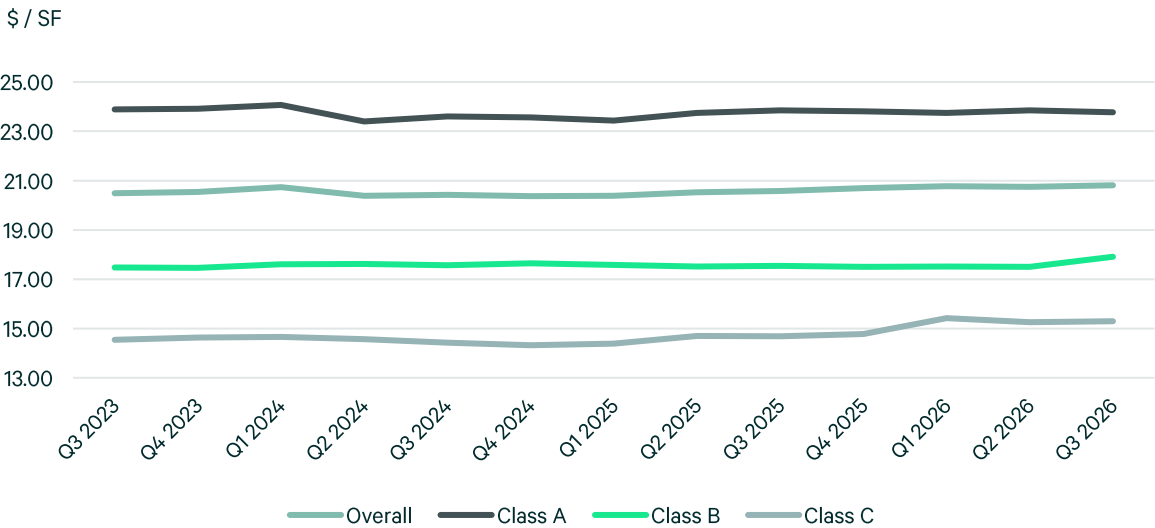
Submarket pricing in Q3 2026 varied widely, with the strongest Class A rents in Kenwood Submarket and Central. Kenwood Submarket and Central posted Class A asking rents of \$31.70 per sq. ft. and \$30.59 per sq. ft., respectively, followed by West Chester, Blue Ash and CBD Peripheral at \$24.49 per sq. ft., \$24.40 per sq. ft. and \$24.25 per sq. ft., while Northern Kentucky, Tri-County and Fields Ertel / Mason clustered just below this tier with Class A rates of \$22.35 per sq. ft., \$22.71 per sq. ft. and \$22.90 per sq. ft. In comparatively lower-priced areas, East offered Class A space at \$20.03 per sq. ft., and lower-end options were most evident in Class C product where East and Blue Ash averaged \$12.45 per sq. ft. and \$12.98 per sq. ft., alongside mid-priced Class B space in CBD and Kenwood Submarket at \$21.46 per sq. ft. and \$21.32 per sq. ft.

Figure 2: Vacancy Rates by Class



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Figure 3: Average Direct Asking Rate by Class



CBRE Research

Net Absorption

The market a recorded strong positive net absorption of 284,000 sq. ft. in Q3 2026, marking a decisive shift back Class A demand. Class A assets recorded significant movement with 387,000 sq. ft positive absorption. This represented a 466,000 sq. ft. increase quarter-over-quarter from negative 79,000 sq. ft. in Q2 2026 and 400,000 sq. ft. year-over-year from negative 13,000 sq. ft. in Q3 2025. Across Class B and C assets, the market recorded a combined absorption of negative 103,000 sq. ft., down 78,000 sq. ft. quarter-over-quarter and 125,000 sq. ft. year-over-year

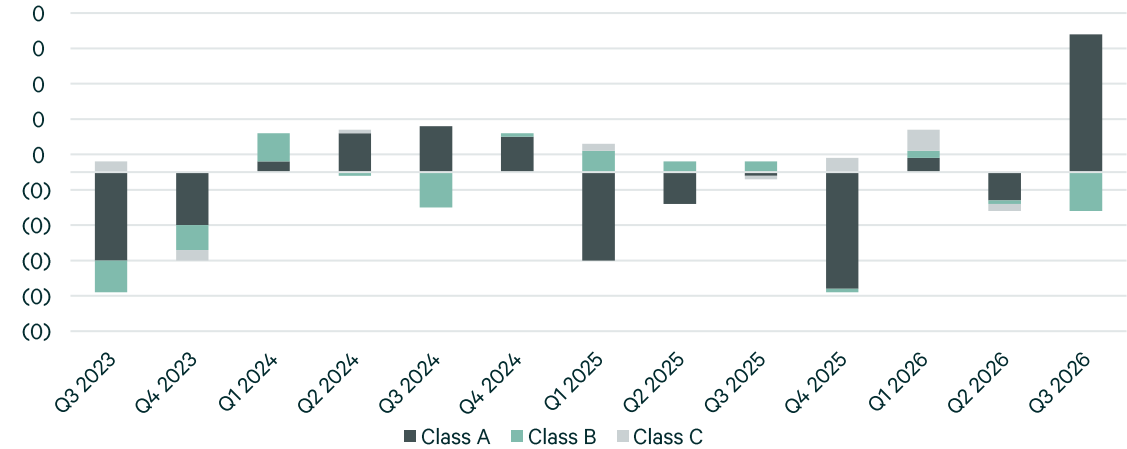
Fields Ertel/Mason and the CBD were the strongest-performing submarkets for net absorption in Q3 2026. Fields Ertel/Mason recorded 235,000 sq. ft. of positive net absorption, driven by the removal of 252,000 sq. ft. of available space at 4000 Luxottica Place as Luxottica elected to occupy the property. Meanwhile, the CBD posted 51,000 sq. ft. of positive net absorption, supported by several sizeable lease signings, including a confidential tenant’s 49,000 sq. ft. lease at 312 Elm Street, Merus’ 21,000 sq. ft. lease at 312 Walnut Street, and Amend Consulting’s 20,000 sq. ft. lease at 312 Plum Street.

Construction Activity

Construction activity resumed in Q3 2026 with the groundbreaking of the 48,837 sq. ft. Montgomery Quarter Three office project at 9260 Montgomery Rd. in the Kenwood submarket. The project represents the market's only active development and follows two consecutive quarters with no space under construction. While the pipeline remains limited, the project reflects continued investment in high-quality office product amid constrained new development activity.

Figure 4: Net Absorption Trend

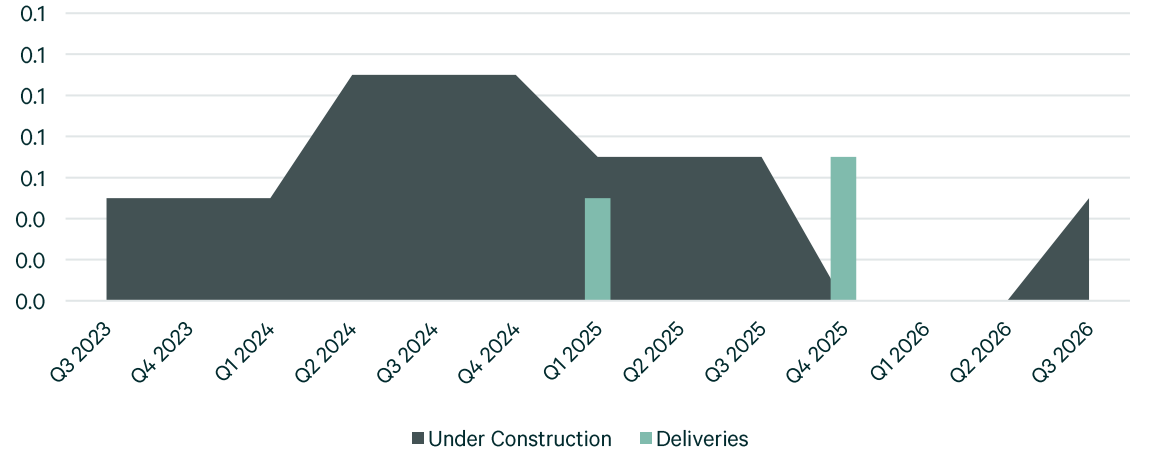
Sq. Ft. (millions)



CBRE Research

Figure 5: Construction Activity

Sq. Ft. Millions



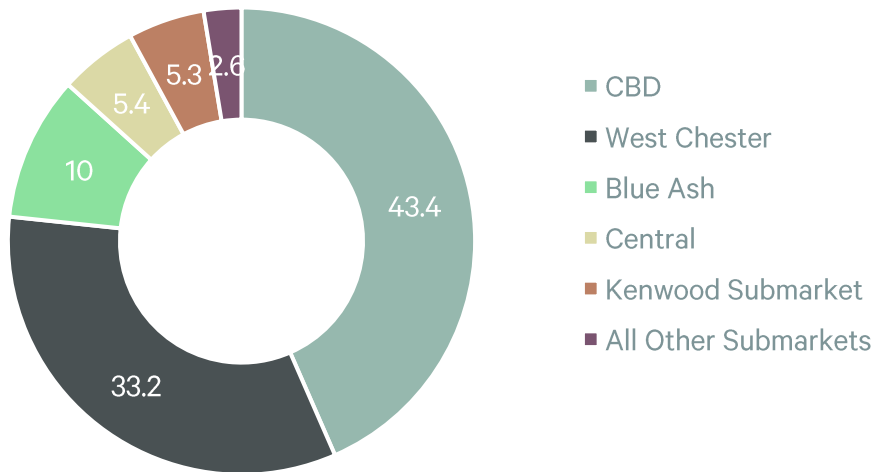
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Leasing Activity

Class A leased area drove activity surging to 617,000 sq. ft. in Q3 2026, the highest level for that property class in the period from Q3 2023 through Q3 2026. This represented a 216.4% quarter-over-quarter increase from 195,000 sq. ft. in Q2 2026 and a 150.8% year-over-year increase from 246,000 sq. ft. in Q3 2025.

Class A leasing activity in Q3 2026 was heavily concentrated in the CBD and West Chester submarkets, representing 473,000 sq. ft. and 76.5% of the 618,000 sq. ft. leased. The CBD accounted for 268,000 sq. ft. of leased space, and West Chester followed with 205,000 sq. ft. Activity in the remaining submarkets was more moderate, Blue Ash captured 62,000 sq. ft. of leased Class A space, while Central and Kenwood Submarket were closely aligned at 34,000 sq. ft. and 33,000 sq. ft., respectively.

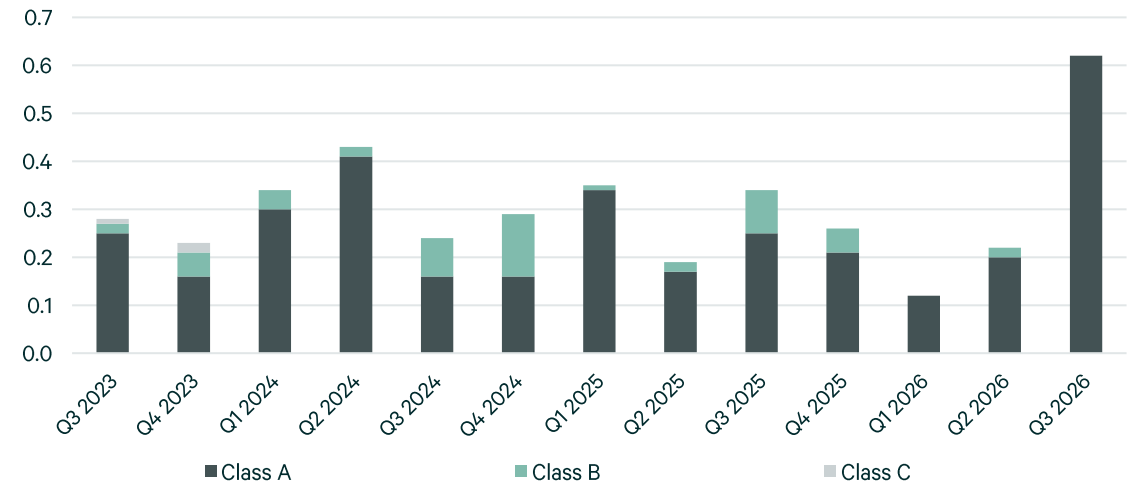
Figure 7: Leasing by Submarket (% of Total Activity)



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Figure 6: Leasing Activity Trend

Sq. Ft. (millions)



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Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Western & Southern	126,000	Renewal	250 E 5th St	CBD
Quest Defense Systems & Solutions	62,000	Renewal	10300 Alliance Rd	Blue Ash
Confidential Tenant	49,000	New Lease	312 Elm St	CBD
Clarkwestern Dietrich Building Systems	33,000	New Lease	9260 Montgomery Rd	Kenwood Submarket
Merus	21,000	New Lease	312 Walnut St	CBD
Amend Consulting	20,000	New Lease	312 Plum St	CBD
Ipsos North America	19,000	Renewal	3505 Columbia Pkwy	Central
Life Enriching Communities	16,000	New Lease	6279 Tri Ridge Blvd	East

Source: CBRE Research, Q3 2026

Investment Sale Activity

In Q3 2026, Cincinnati office investment sales volume totaled \$3.00 million. This represented a 94.8% decline quarter-over-quarter from \$57.35 million in Q2 2026 and an 85.2% decline year-over-year from \$20.30 million in Q3 2025. Year-to-date 2026 volume through Q3 2026 was \$74.96 million, combining \$14.61 million in Q1 2026 and \$57.35 million in Q2 2026 with the Q3 2026 total.

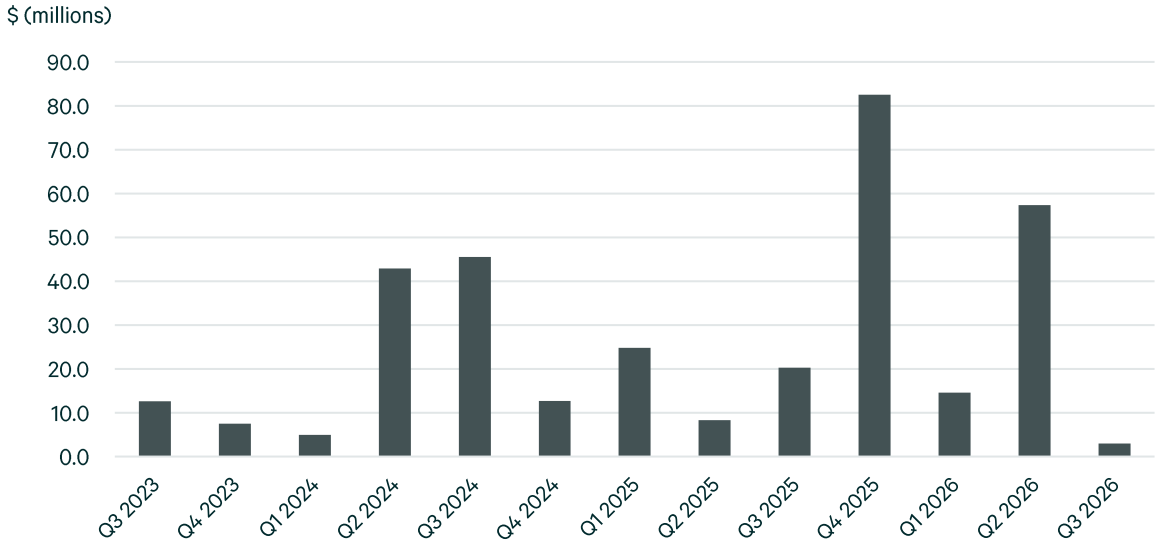
In the quarter, buyer composition was 100.0% user/other, with private, institutional, public and cross-border buyers each accounting for 0.0% of volume. The largest transaction was Cintas’s acquisition of 6847 Cintas Boulevard in the Fields Ertel / Mason submarket for \$3.00 million, involving 41,386 sq. ft. at a price of \$72.49 per sq. ft.

Figure 10: Key Sales

Property	Submarket	Buyer	Sales Price	Size (SF)	Price Per SF
6847 Cintas Boulevard	Fields Ertel / Mason	Cintas	\$3M	41,386	\$72.49

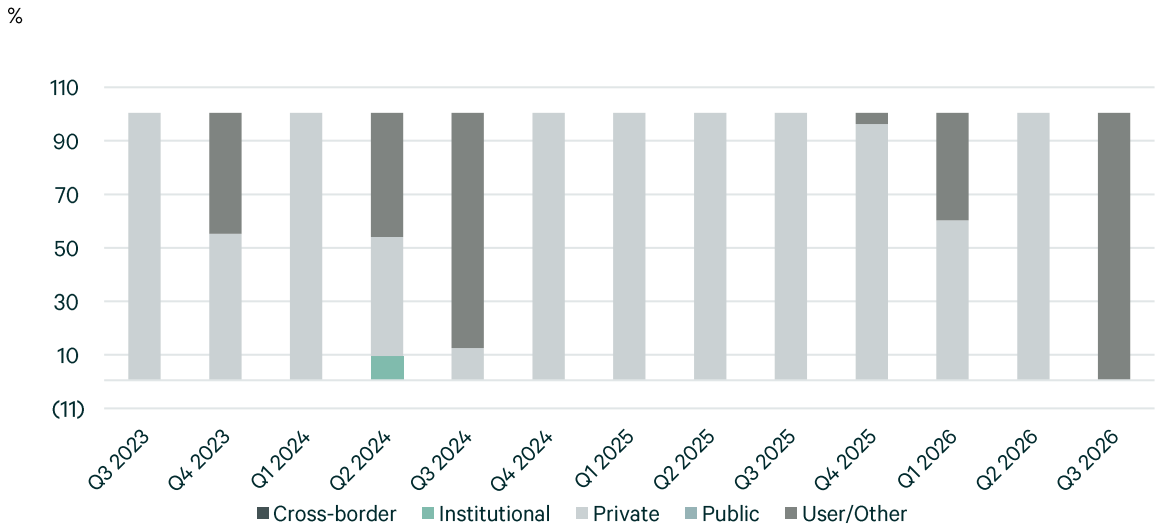
Source: CBRE Research, Q3 2026

Figure 9: Quarterly Sales Volume



MSCI Real Capital Analytics

Figure 11: Buyer Composition



MSCI Real Capital Analytics

Market Statistics

Figure 12: Suburban Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	12.30M	14.7	20.9	18.7	2.2	24.14	292,000	154,000	-	49,000
Class B	10.11M	25.4	28.9	28.1	0.8	17.37	(65,000)	(55,000)	-	-
Class C	2.66M	14.2	15.1	15.1	-	15.47	7,000	57,000	-	-
Total	25.07M	18.9	23.5	22.1	1.4	19.82	234,000	155,000	-	49,000

Source: CBRE Research, Q3 2026

Figure 13: Urban Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	7.47M	25.1	29.1	25.6	3.5	23.41	95,000	192,000	-	-
Class B	2.03M	17.3	19.7	19.7	-	21.46	(40,000)	(42,000)	-	-
Class C	265,000	18.8	25.2	25.2	-	14.08	(4,000)	(15,000)	-	-
Total	9.77M	23.3	27.0	24.4	2.7	22.85	51,000	134,000	-	-

Source: CBRE Research, Q3 2026

Market Statistics by Class

Figure 14: Metro Market Statistics by Class

Property Class	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	19.78M	18.6	24.0	21.3	2.7	23.77	387,000	346,000	-	49,000
Class B	12.13M	24.0	27.4	26.7	0.6	17.91	(106,000)	(98,000)	-	-
Class C	2.93M	14.6	16.0	16.0	-	15.29	3,000	41,000	-	-
Total	34.84M	20.2	24.5	22.7	1.7	20.81	284,000	290,000	-	49,000

Source: CBRE Research, Q3 2026

Market Statistics by Submarket

Figure 15

Submarket	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate	Class A Asking Rent (\$/SF FSG/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Blue Ash	4.68M	16.7	20.9	19.7	1.1	21.21	24.40	(27,000)	84,000	-	-
CBD	9.77M	23.3	27.0	24.4	2.7	22.85	23.41	51,000	134,000	-	-
CBD Peripheral	1.95M	25.0	27.4	27.4	-	20.95	24.25	(5,000)	(25,000)	-	-
Central	2.55M	11.6	15.4	14.7	0.6	22.43	30.59	2,000	21,000	-	-
East	1.38M	16.7	21.0	19.2	1.8	15.14	20.03	20,000	(8,000)	-	-
Fields Ertel / Mason	3.63M	17.1	28.1	25.3	2.9	19.52	22.90	235,000	(2,000)	-	-
Kenwood Submarket	1.41M	10.5	12.5	11.5	1.0	27.92	31.70	3,000	56,000	-	49,000
Northern Kentucky	4.35M	18.8	21.5	21.0	0.5	20.85	22.35	(7,000)	34,000	-	-
Tri-County	3.61M	35.0	38.9	36.7	2.2	16.62	22.71	5,000	2,000	-	-
West Chester	1.52M	6.5	10.6	8.4	2.2	24.03	24.49	7,000	(7,000)	-	-
Total	34.84M	20.2	24.5	22.7	1.7	20.81	23.77	284,000	290,000	-	49,000

Source: CBRE Research, Q3 2026

Economic Overview

Notable challenges persist, from elevated energy costs and interest rates to lingering geopolitical and technological uncertainties. Despite these concerns, the U.S. economy remains on track to grow by over 2% during 2026, supported by impressive AI-driven business investment. Also, a generally stable labor market continues to underpin consumer activity, providing a cushion against other risks.

The final months of 2026 could prove pivotal. While economic growth supports healthy CRE occupier market fundamentals, the investment side of the market must contend with 5% Treasury yields. Signals from the Federal Reserve, inflation data, and global fixed-income markets suggest rates will remain elevated for the foreseeable future. A key upside catalyst would be a de-escalation in the U.S./Iran conflict, which could ease inflation and provide the Fed with more flexibility.

Cincinnati, OH Employment Update

- ▼ 3.6%
Unemployment Rate
- ▶ 1.2M
Labor Force
- ▼ 275.2K
Office Using Jobs
- ▲ 653.4K
Industrial Using Jobs
- ▼ 161.1K
Retail Using Jobs

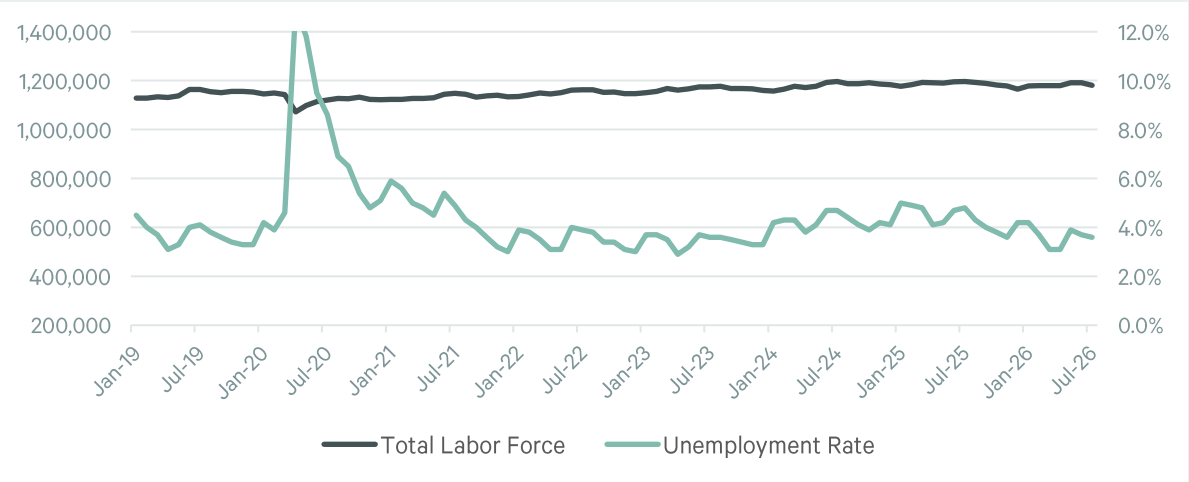
Employment Change by Sector – Yearly + Monthly
Bars indicate yearly trend, arrows indicate monthly trend



Source: US BLS, August 2026

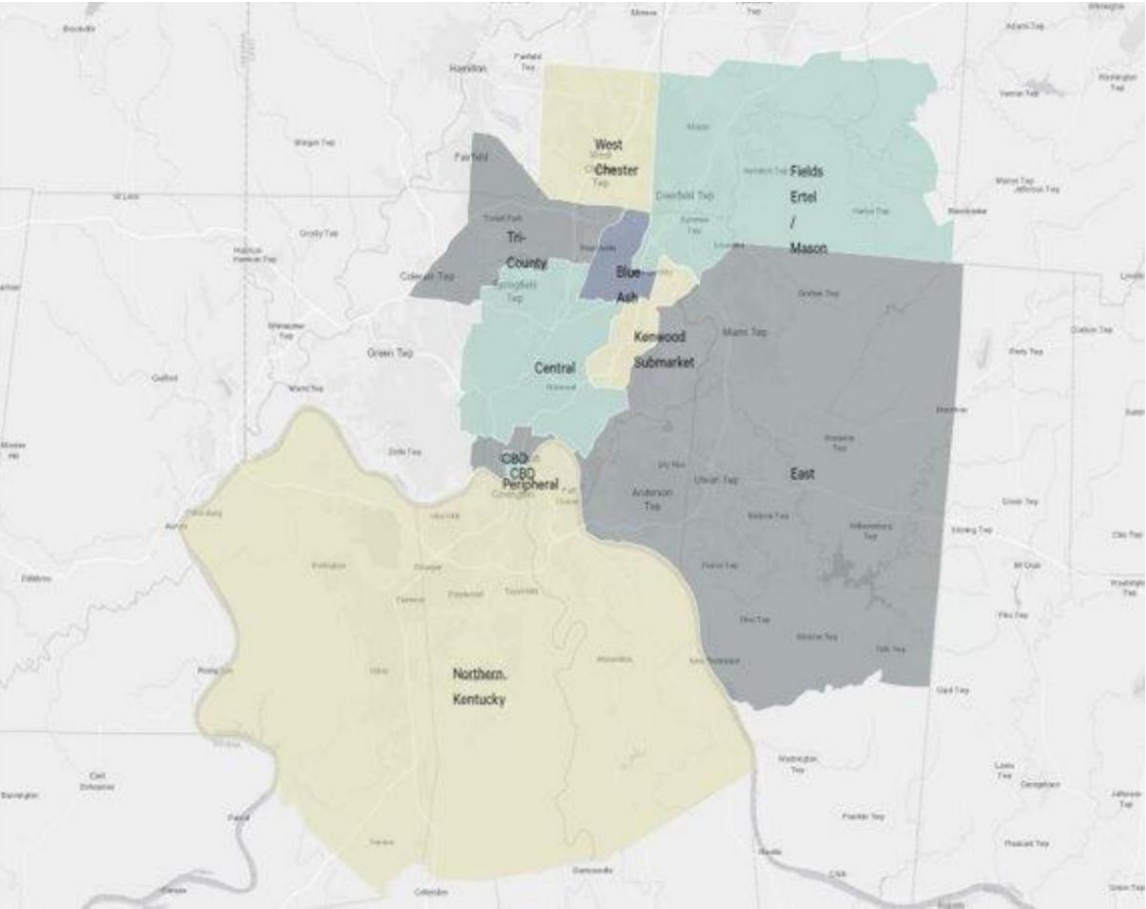
Note: Arrows indicate month-over-month change.

Cincinnati, OH Unemployment Rate and Labor Force Trends



Source: US BLS, August 2026

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Available Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days.

Survey Criteria

Includes all office buildings 10,000 sq. ft. and greater in size in Greater Cincinnati. Buildings which have begun construction as evidenced by site excavation or foundation work.

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