

**YARDI**<sup>®</sup> Matrix

# Reinventing Cleveland

Multifamily Winter Report 2017

**Downtown Renewal  
Feeds Rent Growth**

**Biotech, Medical  
Spur Office Demand**

**Fourfold Rise in  
Completions Brews**



# CLEVELAND MULTIFAMILY

# YARDI® Matrix

## Market Analysis

Winter 2017

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## Cleveland Reinvents Its Downtown

Cleveland has been one of the slowest-growing metros in recent years, but while its real estate fundamentals continue to lag the rest of the country, there are signs of emerging opportunities.

Employment growth has been steady for the past six years as a more diverse workforce has emerged and the region has gradually severed ties to its industrial past. Consistent job gains in health services and education have bolstered the employment market, while formerly traditional sectors, such as construction and manufacturing, lost positions. The metro continues to develop its biomedical and innovation centers, and in December, top cancer center University Hospitals broke ground on its Rainbow Center for Women & Children, located within Cleveland's Health-Tech Corridor.

Rent growth across the metro remains slow but steady, and strong gains were made in certain downtown and lakeside areas. New construction is also concentrated in Downtown Cleveland, as well as four other core submarkets. Construction jobs may return to the metro, as completions are expected to increase 400% in 2017 compared to 2016. Given the relatively soft real estate fundamentals, the metro remains affordable, and may provide investors with unique growth opportunities as the region continues to reinvent itself.

## Recent Cleveland Transactions

The Vue at Beachwood



City: Beachwood, Ohio  
Buyer: Strategic Properties of N. America  
Purchase Price: \$90 MM  
Price per Unit: \$258,406

Hunter's Chase



City: Westlake, Ohio  
Buyer: Morgan Management  
Purchase Price: \$30 MM  
Price per Unit: \$123,497

Big Sky Park



City: Wadsworth, Ohio  
Buyer: Stark Enterprises  
Purchase Price: \$6 MM  
Price per Unit: \$74,167

Triumph Tower



City: Euclid, Ohio  
Buyer: Michael Dong  
Purchase Price: \$4 MM  
Price per Unit: \$34,683

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