



MULTIFAMILY REPORT

# Cleveland Endures

April 2023

**Rents Lead National Figures**

**Construction Starts Increase**

**Employment Improves Slightly**

# CLEVELAND MULTIFAMILY



## Multifamily Performance Shifting

Cleveland's multifamily market started 2023 at a slower pace, with several metrics following a downward trend. Still, rent growth on a trailing three-month basis through February was 0.1%, above the U.S. rate by 20 basis points. The overall average was \$1,115, up 6.2% year-over-year, outpacing the U.S. figure by 140 basis points.

Unemployment was 4.9% as of February, according to preliminary data from the Bureau of Labor Statistics, 130 basis points higher than the U.S. rate. The job market expanded by 2.0% in 2022, with the metro adding 23,500 jobs. More than half of the new positions were in the leisure and hospitality sector, which expanded by 10.8%. The other sectors that recorded significant gains were manufacturing (up 5,300 jobs, or 3.4%) and education and health services (up 5,200 jobs, or 2.1%). MetroHealth, one of the city's largest health-care employers, announced it is on track to complete a \$1 billion transformation of its 52-acre campus on the West Side. Last year, the company opened a \$767 million inpatient center, a major milestone for the project.

Cleveland had 3,952 units under construction as of February, and an additional 17,800 units in the planning and permitting stages. In 2022, the market's inventory expanded by 1.2%, with 1,958 units added—more than double the volume in 2021.

### Market Analysis | April 2023

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#### Recent Cleveland Transactions

**Tinkers Creek**

City: Garfield Heights, Ohio  
Buyer: DWCLE Holdings  
Purchase Price: \$7 MM  
Price per Unit: \$72,083

**Pearl Village**

City: Lorain, Ohio  
Buyer: Green National  
Purchase Price: \$5 MM  
Price per Unit: \$60,000