

Dayton, OH

Dayton is located in SW Ohio just north of the Cincinnati metropolitan area. The area is more commonly referred to as the Miami Valley region and is within the Dayton Metropolitan Statistical Area. It plays host to significant industrial, aerospace, and technological/engineering research activity. Dayton is known for the many technical innovations and inventions developed there, much of which are due in part to Wright-Patterson Air Force Base. Sources indicate that as Cincinnati grows north through Butler & Warren Counties, the MSA will eventually merge with Greater Dayton. Some experts believe this could happen as early as 2013. Others believe it could take much longer. The new Cincinnati-Dayton metroplex would be the 15th largest market in the US with a population of approximately 3 million spanning 19 counties. The new metroplex could attract a variety of new businesses given the size of the area, being 1 of only 4 metropolitan areas with access to 2 top-100 airports, and having good access to highway and additional transportation. Local market indicators are presented below – (Property data based on 2Q '11 market figures with changes from prior MarketPulse).

Population

Dayton MSA – 831,173

▼ From Census 2010 of 833,283

Source: 2011 Claritas

Unemployment Rate

| | | |
|----------------|-------|---|
| Dayton MSA: | 10.0% | ▲ |
| United States: | 9.3% | ▲ |
| Ohio: | 9.2% | ▲ |

Source: Ohio Jobs & Family Services – 06/11

Avg. Household Income

| | |
|----------------|----------|
| Dayton MSA: | \$59,452 |
| United States: | \$67,529 |
| Ohio: | \$60,231 |

Source: 2011 Claritas

Metro Area Vital Signs

| | | |
|----------------------------|---------------|---|
| Inventory Since Last Qtr. | No Change | ↔ |
| Vacancy Rate | 26.2% | ↑ |
| Rental Rate Per SF | \$10.90 Gross | ↔ |
| Absorption Since Last Qtr. | Down | ↓ |
| Average Op. Expense/SF | \$6.50 | ↔ |
| Cap Rate – Class A | 9.50% | ↓ |
| Cap Rate – Class B | 10.25% | ↓ |

| | | |
|----------------------------|-----------|---|
| Inventory Since Last Qtr. | No Change | ↔ |
| Vacancy Rate | 6.5% | ↓ |
| Average Monthly Rent | \$605 | ↑ |
| Absorption Since Last Qtr. | Up | ↑ |
| Operating Expense | 46% | ↔ |
| Cap Rate – Class A | 7.75% | ↓ |
| Cap Rate – Class B | 9.00% | ↓ |

| | | |
|----------------------------|----------------|---|
| Inventory Since Last Qtr. | Minimal Change | ↔ |
| Vacancy Rate | 17.2% | ↑ |
| Avg. Rental Rate Per SF | \$8.95 Net | ↓ |
| Absorption Since Last Qtr. | Up | ↑ |
| Average Op. Expense/SF | \$4.25 | ↔ |
| Cap Rate – Class A | 9.25% | ↔ |
| Cap Rate – Class B | 10.25% | ↔ |

| | | |
|----------------------------|------------|---|
| Inventory Since Last Qtr. | Up | ↑ |
| Vacancy Rate | 10.0% | ↑ |
| Rental Rate Per SF | \$3.35 Net | ↓ |
| Absorption Since Last Qtr. | Down | ↓ |
| Cap Rate – Class A | 8.75% | ↔ |
| Cap Rate – Class B | 9.75% | ↔ |

Demographics

Office

Multi-Family

Retail

Industrial

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