COLUMBUS

2021 Q3 MARKET TRENDS

NAI Ohio Equities

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COLUMBUS OFFICE OVERVIEW

Vacancy Rate	Positive Absorption	Availability Rate (Includes Vacancy Rate & Sublease Vacancy)	277 Buildings Sold
↔ 9.5%	+39,684	13.1%	7.8% CAP
End of Q3	End of Q3	End of Q3	Past 12 Mo.

Net absorption climbed out of the negative in the Third Quarter to a positive absorption of 39,684 SF for the first time this year, primarily due to new construction. An additional 696,000 SF of office space is under construction as of Q3 21.

"Two sectors of the Columbus Office Market are very active in 2021 as companies continue their return to the office: owner/occupant office sales 20k SF and below, and tenant office leasing 10k SF and below. Lucrative financing opportunities, move-in ready space with short-term commitments for evaluating growth and minimal landlord TI requirements are all contributing. Multi-tenant general and medical office investment sales remain strong in key submarkets."

Andy Dutcher
Office Specialist
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- Quoted rental rates averaged $21.18/SF in the Third Quarter, which held steady from the previous quarter.
- As of August, rents were up 0.7% year over year in Columbus in contrast to the U.S. overall where rents are down 0.8% year over year.
- Medical office properties also remained attractive in the Third Quarter.
- Year to date, five properties totaling 235,000 SF have entered the market. The largest is the 130,000 SF office property at 500 Neil Ave., in Downtown's Arena District. As of Q3 21, 1.2 million SF of space is under construction, representing 1.0% of inventory.

Source: CoStar Group

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COLUMBUS INDUSTRIAL OVERVIEW

Vacancy Rate	Positive Absorption	Rental Rate	Under Construction
↓ 4.6%	4.4M	↑ $5.87	14.5MSF
End of Q3	SF End of Q3	Per SF End of Q3	Currently

Supply and demand continue to grow, driving construction and absorption to the highest levels in the market's history. Pandemic-related changes in consumer spending habits, fueled a surge in e-commerce and drove both industrial and retail users to bolster their distribution networks.

"This is the lowest vacancy rate I have seen in my 34-year career which is creating a strong landlord's market. It is driving record new construction of over 14 MSF in Central Ohio."

- Leasing has accelerated further in 2021, already totaling more than 16 million SF as of August, nearly double the total from the same period last year.
- The recent surge in leasing activity should support demand over the coming quarters and push vacancy even lower.
- As of Q3 21, around 4.4 million SF of space has been delivered to the market.
- The top move-in in Q3 21 was 516,000 SF at 2235 Spiegel Dr. in Groveport.

Curt Berlin, SIOR
Industrial Specialist
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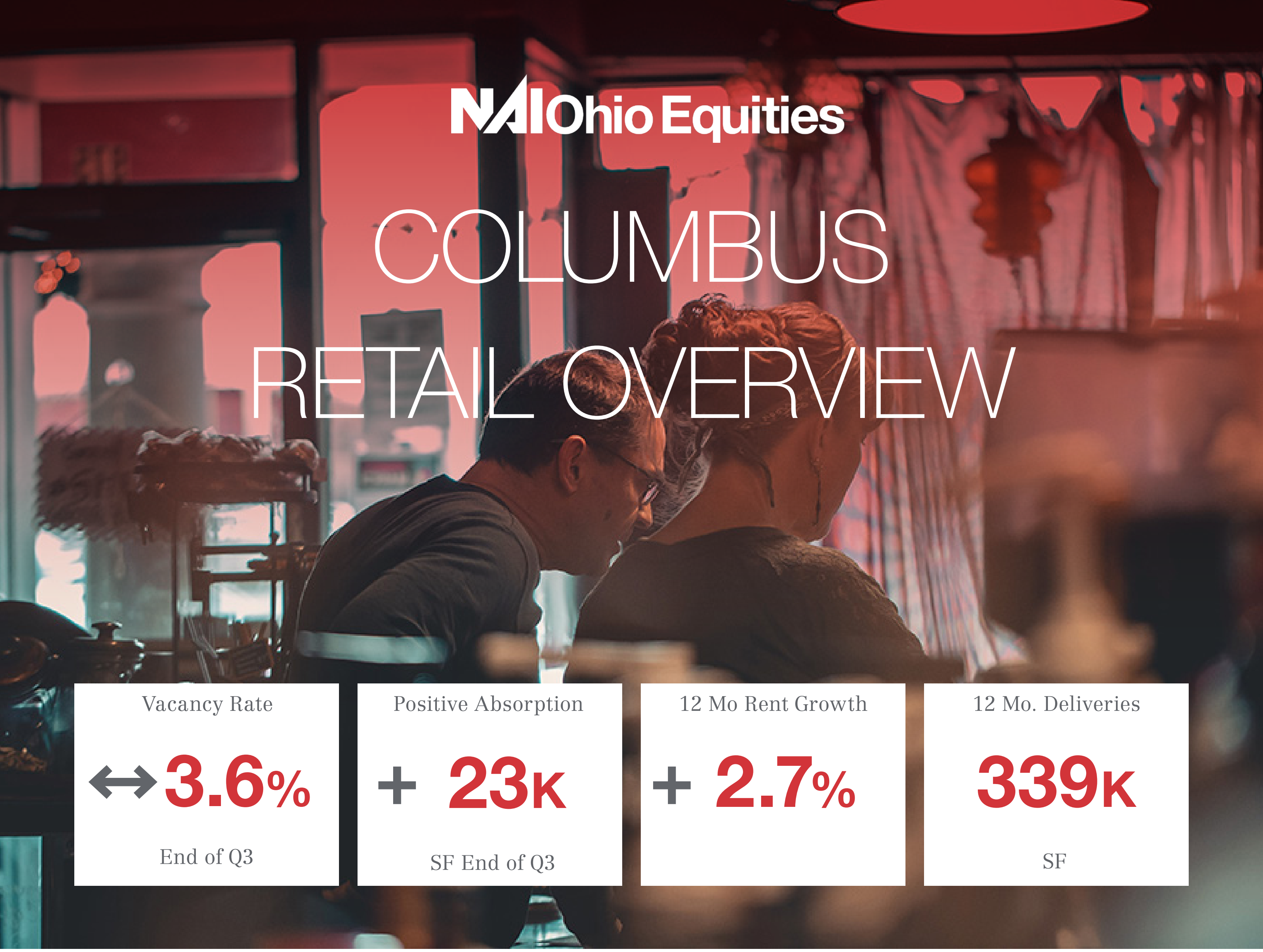
Source: CoStar Group



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COLUMBUS RETAIL OVERVIEW

Vacancy Rate	Positive Absorption	12 Mo Rent Growth	12 Mo. Deliveries
↔ 3.6%	+ 23K	+ 2.7%	339K
End of Q3	SF End of Q3		SF

After falling into negative territory in 2020, demand has staged a solid recovery in 2021, with more than 500,000 SF of space absorbed in September. Households have more discretionary income, which will support spending both online and in physical locations.

"Central Ohio's strongest retail destinations - Easton, Polaris, and Hamilton Quarter, continue to perform well with low vacancy, new tenants, and the market's highest retail rates. Quarterly trends indicate a continued recovery with over 300,000 SF in net absorption over the past 12 months, a steady vacancy rate of 3.6%, and steady rent growth at 2.7%."

Mike Simpson
Retail Specialist
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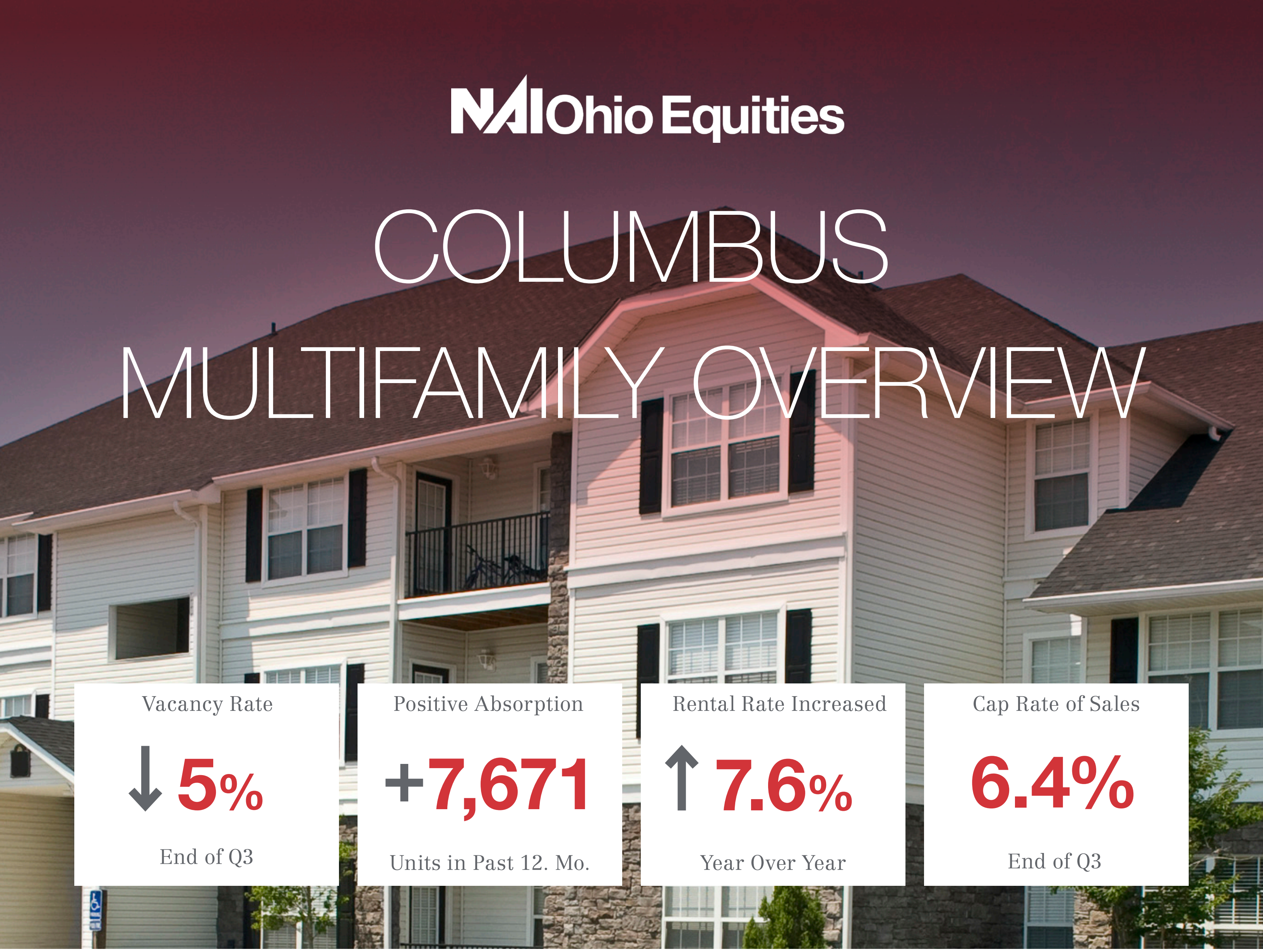
- The strip center segment has seen the most dramatic improvement in vacancy, however, performance will vary based on center type, quality and tenant roster.
- In Columbus, absorption is positive in Q3 21 and vacancy is well below the national average.
- Rent growth has accelerated a bit in recent months, with rents up 3.1% year over year as of September.
- Space under construction in Columbus is negligible, totaling 418,000 SF, or just 0.3% of inventory as of Q3 21.

Source: CoStar Group



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COLUMBUS MULTIFAMILY OVERVIEW

Vacancy Rate	Positive Absorption	Rental Rate Increased	Cap Rate of Sales
↓ 5%	+7,671	↑ 7.6%	6.4%
End of Q3	Units in Past 12. Mo.	Year Over Year	End of Q3

Demand has already exceeded last year's historic highs, easily outpacing new supply and driving vacancy to a multi-year low. These trends should continue and solid demand will push vacancy further downward in coming quarters.

"The Columbus multifamily market remains healthy and steady even with the ending of the COVID-19 rent moratorium, due to its diverse economy, which recovered swiftly. Sales volume is still historically low because the vast majority of properties that are trading are C Class assets, as investors are looking for affordable housing and stable income."

- Columbus rent growth has accelerated in recent months, reaching historic highs as of Q3 21.
- Development in Columbus has moderated following a recent supply wave of around 5,100 units representing 2.6% of existing inventory.
- Demand for affordable housing will drive investment activity for C Class assets.
- The top sale year-to-date was the $35 million sale of The Life at Edgewater Landing - a Class D asset with 724 units and 94% occupancy.

Tyler Watkins
Multi-Family Specialist
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Source: CoStar Group

Our Team

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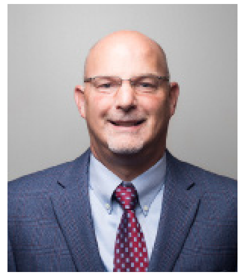

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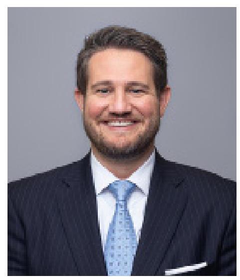

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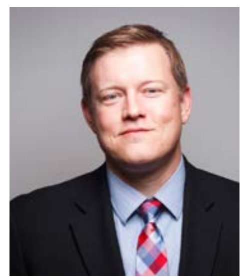

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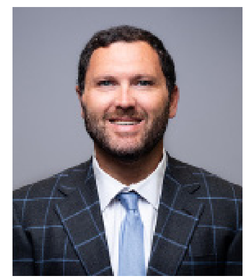

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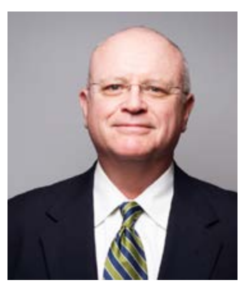

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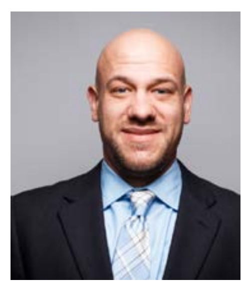

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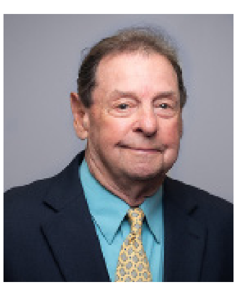

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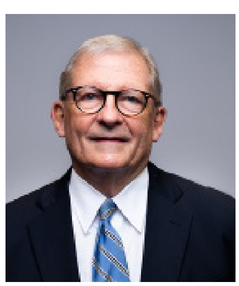

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