

An aerial night photograph of Columbus, Ohio. The SciArc park is visible in the foreground, with its illuminated walkways and green spaces. The Ohio River flows through the city, reflecting the city lights. In the background, the downtown skyline is visible, with several tall buildings illuminated. The sky is a deep blue, suggesting dusk.

# COLUMBUS

## 2019 Q3 MARKET TRENDS

**NA** Ohio Equities

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# COLUMBUS OFFICE OVERVIEW

Vacancy Rate

↔ **7.1%**

In Q3

Positive Absorption

+ **100K**

SF in Q3

Rental Rate Increased

↑ **1.9%**

vs Q2

190 Buildings Sold

**8.7%  
CAP**

YTD

Office vacancy remained flat at 7.1% with a positive absorption of 99,898 SF

“As the office market continues to grow, absorption and vacancy are keeping pace with construction deliveries, and lease rates continue to climb.”

- Quoted rental rates ended the third quarter at \$19.76, a slight increase of 1.9% over the previous quarter, when rents were reported at \$19.40/SF.
- The Office vacancy rate remained flat at 7.1% during the third quarter of 2019.
- The vacancy rate stayed at 7.1% despite positive absorption due to delivery of new construction during Q3 2019.
- There have been 190 Class A+B sales so far in 2019, averaging \$70.00/SF and 8.7% CAP rate.



**Matt Gregory, CCIM, SIOR**

Office Specialist

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# COLUMBUS INDUSTRIAL OVERVIEW

Vacancy Rate

↑ **5.0%**

In Q3

Positive Absorption

– **2.4MSF**

In Q3

Rental Rate Increased

↑ **0.6%**

Vs. Q2 2019

Under Construction

**8.7 MSF**

Currently

Industrial vacancy rate increases to 5.0% with a negative absorption of 2,427,932 SF.

“There is almost 8.7M SF of warehouse space currently under construction which is a record for the region. With approximately only 33% of new construction for build-to-suit projects it demonstrates how bullish developers are on the spec building market.”

- The vacancy rate increased from 4.5% to 5.0% during the third quarter of 2019.
- The industrial rental rate was \$5.27 per square foot per year at the end of the third quarter, representing a 0.6% increase in rental rates from \$5.24 at the end of Q2 2019.
- Rents in the Central Ohio market have climbed by over 30% since 2010.
- Columbus has a total of 8,700,000 SF of industrial properties currently under construction at the end of the third quarter of 2019.



**Curt Berlin, SIOR**

Industrial Specialist

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## COLUMBUS RETAIL OVERVIEW

Vacancy Rate Increased to

↑ **3.1%**

In Q3

Negative Absorption

– **10,076**

SF In Q3

Rental Rate Increased

↓ **0.13%**

Vs. Q2 2019

19 Buildings Under  
Construction with

**84.2%**

Pre-Leased

Retail vacancy increases to 3.1% with a negative absorption rate of 10,076 square feet.

“While on-line shopping continues to challenge big boxes, rental rates and purchase prices for so called *Main & Main* sites continue to increase.”

- Columbus' retail vacancy rate increased in the third quarter up to 3.1% from 2.9% in the second quarter of 2019.
- Over -130,000 SF has been absorbed over the past year, sending vacancies close to record lows.
- The retail rental rate was \$15.58 per square foot per year at the end of the third quarter, representing a 0.13% decrease from the end of the second quarter of 2019.
- There are 763,871 SF of retail projects currently under construction.



**Mike Simpson**

Retail Specialist

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## Our Team



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**Dan Sheeran**  
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**Dan Sheeran, Jr.**  
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**Austin Davidson**  
Researcher



**Tim Leathery**  
Researcher



## The Power of Local Knowledge

We make it our primary focus to understand your business and the opportunities and challenges you face on a regular basis

NAI Ohio Equities is one of Central Ohio's largest, family-owned commercial real estate and property management company. The firm has been serving the Columbus real estate market for over 47 years. We strive to provide the highest quality real estate services by adding value to our client's assets and real estate needs through expert analysis, specific market knowledge and personalized service.

NAI Ohio Equities is the Central Ohio affiliate of NAI Global, the single largest, most powerful global network of owner-operated commercial real estate brokerage firms. NAI Global member firms spans worldwide, with more than 400 offices and more than 7,000 local market experts on the ground.