

An aerial night photograph of Columbus, Ohio. The SciArc park is visible in the foreground, with its winding paths and green spaces illuminated. The city skyline is in the background, with numerous skyscrapers and buildings lit up. The sky is a deep blue with some clouds.

# COLUMBUS

## 2018 Q2 MARKET TRENDS

**NA** Ohio Equities

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## COLUMBUS OFFICE OVERVIEW

Vacancy Rate Increased to

↑ **6.6%**

In Q2

Absorption Rate Decreased

↓ **98K**

SF In Q2

Rental Rate Growth

↑ **3.1%**

Vs. Q1 2018

3 Buildings Delivered  
Totaling

**80,200**

SF In Q2

Office vacancy increases to 6.6% with a negative absorption rate of 498,944 SF

“The office market remained strong in Q2 2018 despite a slight increase in the overall vacancy rate, mainly attributed to major tenants vacating large blocks of space and new construction opportunities coming on line.”



**Philip Bird**

Office Specialist  
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- Rental rates ended the fourth quarter at \$18.89, an increase over the previous quarter. This is a 3.1% increase in quoted rental rates from the end of the first quarter of 2018, when rents were reported at \$18.33/SF.
- Tenants moved into and out of large blocks of space in 2018 including Nationwide Insurance moving out of 157,550 SF at Atrium I, and relocated to 1000 Yard St, now occupying 246,444 SF. Central Ohio Primary Care moved out of 55,726 SF at Westar I and relocated to the newly constructed 50,000 SF building at 655 Africa Road. Big Lots Inc. moved into 542,780 SF at Big Lots HQ; Cardinal Health moved into 401,681 SF at Cardinal Health and FlightSafety International, Inc. moved into 135,000 SF at 4010 Bridgeway Ave.
- The Office vacancy rate increased to 6.6% at the end of the second quarter of 2018. This is an increase from the first quarter of 2018.

# COLUMBUS INDUSTRIAL OVERVIEW

Vacancy Rate Increased to

↑ **4.1%**

In Q2

Absorption Rate Increased to

↑ **2.5M**

SF In Q2

Rental Rate Growth

↔ **0%**

Vs. Q1 2018

5 Buildings Delivered  
Totaling

**3,813,315**

SF In Q2

Industrial vacancy increases to 4.1% with a positive net absorption of 2,429,669 SF



“The Industrial market in the Columbus area continues to remain vibrant with a vacancy rate of only 4.1%. Cap rates have been slightly lower this year averaging 7.27% compared with 8.64% at the end of 2017. Overall activity is good and is expected to continue through 2018.”



**Mark Francescon**

Industrial Specialist

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- Tenants moving in and out of large spaces include Toys R Us moving out of 573,696 SF at 2829 Rohr Road, Pier 1 Imports Distribution moving out of 527,127 SF at 3500 Southwest Blvd, and Ryder Integrated Logistics Inc. moving out of 432,455 SF at Rickenbacker Bldg I. Sofidel Group moving into 1,608,655 SF at 254 Pittsburgh Rd, Stonecrop Technologies moving into 527,127 SF at 3500 Southwest Blvd, and Whirlpool moving into 366,796 SF at 2235 Spiegel Dr.
- The industrial rental rate was \$3.97 per square foot per year at the end of Q2 2018, no change from the end of the first quarter 2018.
- The vacancy rate increased to 4.1% at the end of Q2 2018 an increase from the 3.5% at the end of Q1 2018.



## COLUMBUS RETAIL OVERVIEW

Vacancy Rate Decreased to

↓ **3.5%**

In Q2

Absorption Rate Increased to

**313,012**

SF In Q2

Rental Rate Growth

+ **2.3%**

Vs. Q1 2018

11 Buildings Delivered  
Totaling

**111,499**

SF In Q2

Retail vacancy decreases to 3.5% with a positive absorption rate at 313,012 square feet.

“Although cap rates are higher locally today than a year ago, prices for the very best brands in the best location continue to climb.”

- Columbus' retail vacancy rate decreased in the second quarter of 2018 to 3.5% from 3.7% in the first quarter of 2018.
- Tenants moving in and out of space included Kroger moving out of 67,375 SF at 2831 Olentangy River Road and 59,974 SF at 3349 Cleveland Ave and Columbus Appliance and Parts moving out of 54,540 SF at 3131 S. Hamilton Road. Fast Track It moving into 55,000 SF at 5865 Chantry Dr., Big Lots moving into 36,052 SF at East Pointe and Front Room moving into 33,000 SF at 1640 N. 21st St.
- The retail rental rate was \$12.65 per square foot per year at the end of the second quarter of 2018, representing a 2.3% increase from the end of the first quarter of 2018.



**Mike Simpson**

Retail Specialist

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## Our Team



**George "Sandy" Simpson**  
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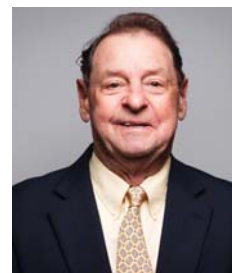
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**Dan Sheeran**  
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**Dan Sheeran, Jr.**  
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## The Power of Local Knowledge

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.