



COLUMBUS

2018 Q1 MARKET TRENDS

NA Ohio Equities

605 S Front St | Suite 200 | Columbus OH 43215 | www.ohioequities.com | 614 224 2400

COLUMBUS OFFICE OVERVIEW

Vacancy Rate Decreased to

↓ **6.7%**

In Q1

Absorption Rate Increased to

↑ **500K**

SF In Q1

Rental Rate Growth

↑ **2.2%**

Vs. Q4 2017

2 Buildings Delivered
Totaling

69,800

SF In Q1

Office vacancy decreases to 6.7% with a positive absorption rate of 498,944 SF

“The office market continues to improve for landlords each quarter and is approaching pre-recession vacancy and rental rates. Demand continues to outweigh supply and new construction is on nearly every corner.”

- Rental rates ended the fourth quarter at \$18.35, an increase over the previous quarter. This is a 2.2% increase in quoted rental rates from the end of the fourth quarter of 2017, when rents were reported at \$18.07/SF.
- Tenants moved into and out of large blocks of space in 2018 included Dominion Homes moving out of 39,504 SF; State Auto Insurance moving out of 37,401 SF at 580 N. 4th St; and Dell Software moving out of 32,000 SF at Emerald III. Cardinal Health moved out of 401,681 SF at Nationwide Building A; FlightSafety International moved in 135,000 SF at 4010 Bridgeway Ave; and Valhalla Holdings moved into 25,362 SF at 500 S. Front St.
- The Office vacancy rate decreased to 6.7% at the end of the first quarter of 2018. This is a decrease from the fourth quarter of 2017.



Matt Gregory, SIOR, CCIM

Office Specialist
mgregory@ohioequities.com

COLUMBUS INDUSTRIAL OVERVIEW

Vacancy Rate Decreased to

↓ **3.6%**

In Q1

Absorption Rate Increased to

↑ **2.5M**

SF In Q1

Rental Rate Growth

↑ **1.5%**

Vs. Q4 2017

4 Buildings Delivered
Totaling

60,175

SF In Q1

Industrial vacancy decreases to 3.6% with a positive net absorption of 2,486,695 SF

“Landlords are pushing rates because of the lack of inventory available. We also have seen an increase in the number of institutional investors targeting Central Ohio.”



Matthew Osowski, SIOR

Industrial Specialist
mosowski@ohioequities.com

- Tenants moving in and out of large spaces include Pier 1 Imports Distribution moving out of 527,127 SF at 3500 Southwest Blvd; Genco moving out of 263,219 SF at 3495 Gantz Road - SouthPark 12; and Spartan Logistics moving out of 108,000 SF at 4150-4200 Lockbourne Industrial Pkwy. Moving into large spaces include Whirlpool moving into 366,796 SF at 2235 Spiegel Drive; AmerisourceBergen moving into 350,000 SF at Eastport Business Park - Building A; and Crane Worldwide moving into 324,493 SF at Groveport Park II.
- The industrial rental rate was \$3.97 per square foot per year at the end of Q1 2018 representing a 1.5% increase from the end of the fourth quarter of 2017.
- The total inventory in the Columbus market amounted to 286,091,903 square feet in 5,378 buildings.

COLUMBUS

RETAIL OVERVIEW

Vacancy Rate Decreased to

↓ **3.7%**

In Q1

Absorption Rate Increased to

259,806

SF In Q1

Rentall Rate Growth

+ **4.3%**

Vs. Q4 2017

8 Buildings Delivered
Totaling

143,218

SF In Q1

Retail vacancy decreases to 3.7% with a positive absorption rate at 259,806 square fee.

“Overall the retail market generally remains active and vibrant, but there is a growing concern about the impact property taxes are having on rental rates.”



Bob Monahan

Retail Specialist
bmonahan@ohioequities.com

- Columbus' retail vacancy rate slightly decreased in the first quarter of 2018 to 3.7% from 3.8% in the fourth quarter of 2017.
- Tenants moving in and out of space included Kroger moving out of 58,974 SF at 3349-3353 Cleveland Ave; Dunham's Sports moving out of 36,052 SF at 15715 US Highway 36; and Lovejoy's Market moving out of 22,211 SF at 900 Village Blvd. Moving into space included Ashley Furniture HomeStore moving into 30,300 SF at Taylor Park Shopping Center; Ashley Furniture HomeStore moving into 25,000 SF at 1280 Gemini Place; and HomeGoods moving into 21,000 SF at 7390-7410 St. Rt. 161 E.
- The retail rental rate was \$12.41 per square foot per year at the end of the first quarter of 2018, representing a 4.3% increase from the end of the fourth quarter of 2017.

Our Team



George "Sandy" Simpson
Chairman



Michael Simpson
President



Kim Benincasa
Investment



Curt Berlin, SIOR
Industrial



Philip Bird
Office & Investment



Blake DeCrane
Industrial



Andy Dutcher
Office & Investment



Mark Francescon
Office & Industrial



Matt Gregory, SIOR, CCIM
Office & Investment



Patrick Larrimer
Office



John Mally
Retail, Office, Investment



Ryan McGreevy
Industrial & Office

COMMERCIAL REAL ESTATE LEADERS SINCE 1971



Joe Menninger, CCIM
Office & Investment



Jim Merkel, CCIM, SIOR
Office & Industrial



Conor David
Retail, Office & Investment



Peter Merkle
Office, Retail & Investment



Bob Monahan
Church, Office & Retail



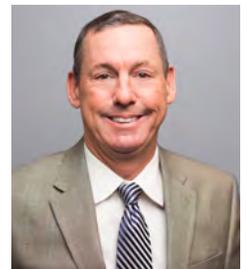
Matthew Osowski, SIOR
Industrial & Investment



Mike Semon
Industrial & Investment



Dan Sheeran
Industrial & Investment



Dan Sheeran, Jr.
Industrial & Investment



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.