

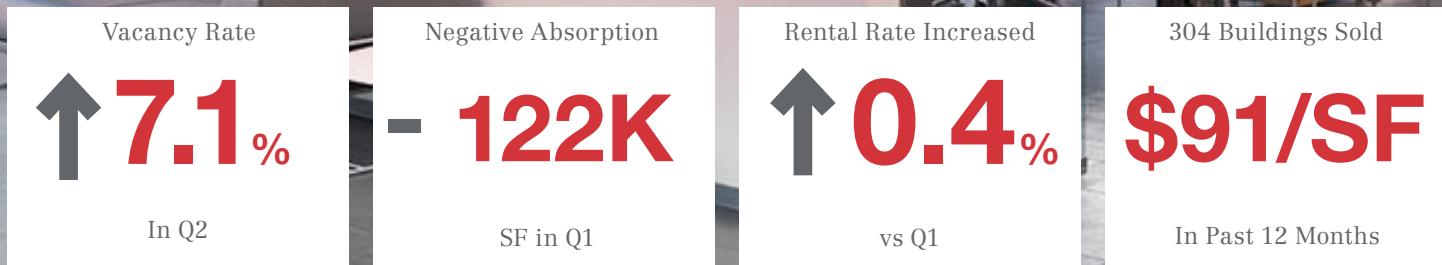
# COLUMBUS

## 2019 Q2 MARKET TRENDS

**NA**l Ohio Equities

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# COLUMBUS OFFICE OVERVIEW



Office vacancy increased to 7.1% with a negative absorption of 121,625 SF

"The office market was relatively flat during Q2, with vacancy rates increasing only due to new construction hitting the market faster than it is being leased."

- Quoted rental rates ended the second quarter at \$19.40, a slight increase of 0.4% over the previous quarter, when rents were reported at \$19.33/SF.
- The Office vacancy rate increased to 7.1% during the second quarter of 2019. Up from 6.4% since the end of Q1 2019.
- The majority of the negative absorption is due to speculative construction of office space delivering during Q2 at a pre-leased occupancy of 65%.
- Year to date sales are out pacing those in 2018. So far in 2019 sales are averaging \$91/SF and 8.5% Cap rate.



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# COLUMBUS INDUSTRIAL OVERVIEW

Vacancy Rate

↑ **4.5%**

In Q2

Positive Absorption

+ **1.3 MSF**

In Q2

Rental Rate Increased

↑ **2.0%**

Vs. Q1 2019

Under Construction

**5.1 MSF**

Currently

Industrial vacancy rate increases to 4.5% with a positive absorption of 1,313,578.

- The vacancy rate increased slightly from 4.3% to 4.5% during the second quarter of 2019.
- The industrial rental rate was \$5.24 per square foot per year at the end of the first quarter, representing a 2% increase in rental rates from \$5.20 at the end of Q1 2019.
- A survey at the end of the second quarter shows the average space was filled after six months on market, with the average tenant signing a six year deal, occupying just under 30,000 SF.
- Columbus has a total of 5,100,000 SF of industrial properties currently under construction at the end of the second quarter of 2019.



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# COLUMBUS RETAIL OVERVIEW

Vacancy Rate Increased to

↑ **2.9%**

In Q2

Negative Absorption

- **153,540**

SF In Q2

Rental Rate Increased

↑ **0.9%**

Vs. Q1 2019

21 Buildings Under Construction with

**91.2%**

Pre-Leased

Retail vacancy increases to 2.9% with a negative absorption rate at 153,540 square feet.

- Columbus' retail vacancy rate increased in the second quarter up to 2.9% from 2.7% in the first quarter of 2019.
- Rent growth has eclipsed 2% every year since 2013, and gains over the past 12 months aren't significantly different.
- The retail rental rate was \$15.60 per square foot per year at the end of the second quarter, representing a 0.9% increase from the end of the first quarter of 2019.
- There are 737,948 SF of retail projects currently under construction.
- Total retail inventory amounted to 119,061,083 SF at the end of the second quarter of 2019.



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Source: CoStar Group

## Our Team



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