

FIGURES | COLUMBUS (OH) INDUSTRIAL | Q4 2024

# Big Lots bankruptcy impacts Columbus industrial market

▲ 7.8%

Vacancy Rate

▼ (855,987)

SF Net Absorption

▼ 1.7M

SF Construction Delivered

▼ 1.1M

SF Under Construction

▼ \$6.06

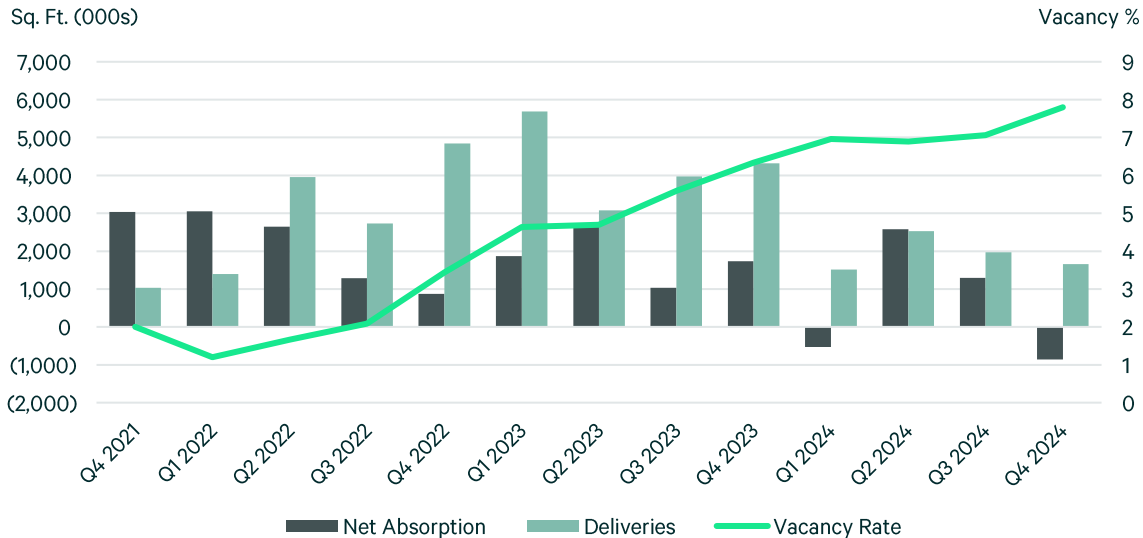
NNN/YR Lease Rate

Note: Arrows indicate change from previous quarter.

## SUMMARY

- Absorption significantly decreased this quarter due to Big Lots vacating 3 million sq. ft. at 300 Phillipi Rd. Move outs this quarter totaled 3.8M sq. ft.
- The overall vacancy rate increased to 7.8%, up from 7.0% in Q3 2024.
- There is 1.1 million sq. ft. under construction with 71% being build-to-suit product. Four projects accounting for 1.65 million sq. ft. delivered this quarter.
- Rental rates decreased \$0.06 this quarter since Q4 2023.

FIGURE 1: Historical Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q4 2024

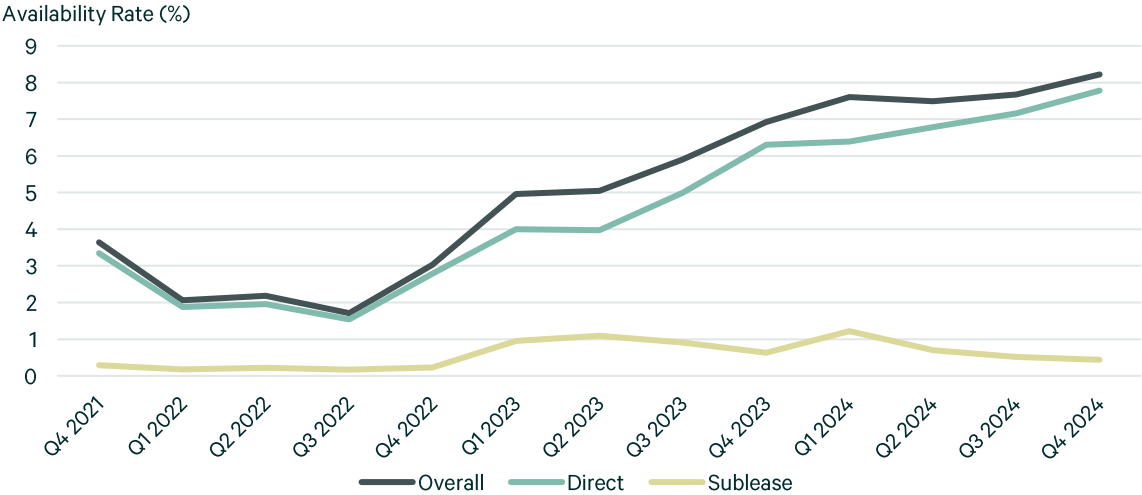
### Availability Rate

The overall availability rate has increased 100 basis points (bps). The highest availability rate was in Pickaway County, where availability increased 9 percentage points to 20.3% since Q4 2023, but remained consistent since Q3 2024. Fairfield County availability has decreased 1.1 percentage points to 14.4% since Q4 2023. The Union County availability rate increased 10 bps to 1.9% from Q4 2023's 1.8%. The availability and vacancy rate were spread apart by 0.8 percentage points at 7.0% and 7.8%, respectively, in Q3 2024. In Q4 2024, the total vacancy rate and direct availability rate were the same.

### Asking Rent

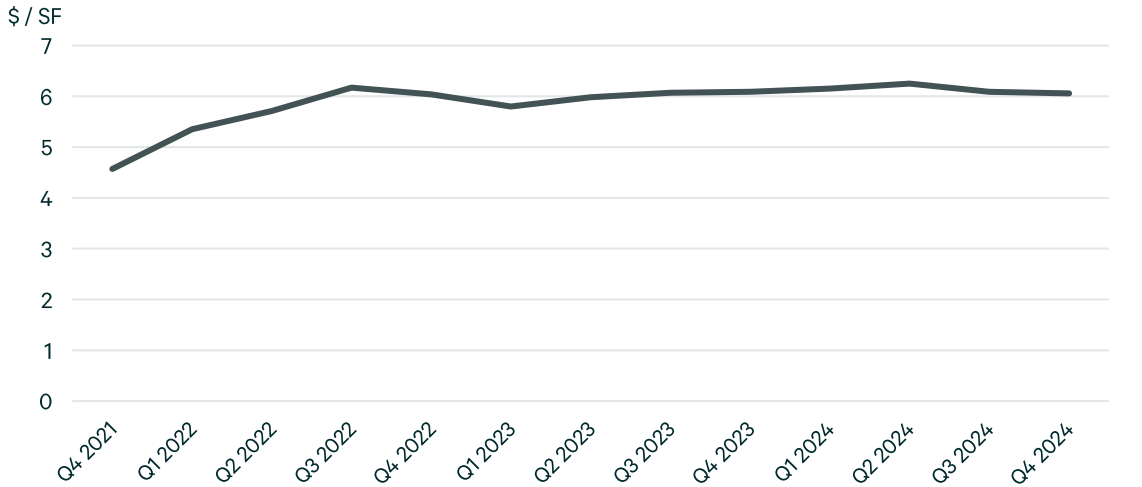
Rental rates decreased \$0.06 since Q4 2023. In Q4 2024, Northwest submarket asking rates were \$11.95 per sq. ft., increasing from \$11.34 per sq. ft. in Q3 2024. Since Q4 2023, this is a \$2.82 increase in the Northwest submarket. Union County asking rates decreased \$2.17 since Q4 2023, but only decreased \$0.77 since Q3 2024. West submarket rents increased \$0.36 since Q4 2023, ending Q4 2024 on \$6.94. Rates in Delaware County submarket decreased from \$8.96 in Q4 2023 to \$7.23 Q4 2024.

FIGURE 2: Availability Rates



Source: CBRE Research, Q4 2024

FIGURE 3: Avg. Direct Asking Rate (NNN/YR)



Source: CBRE Research, Q4 2024

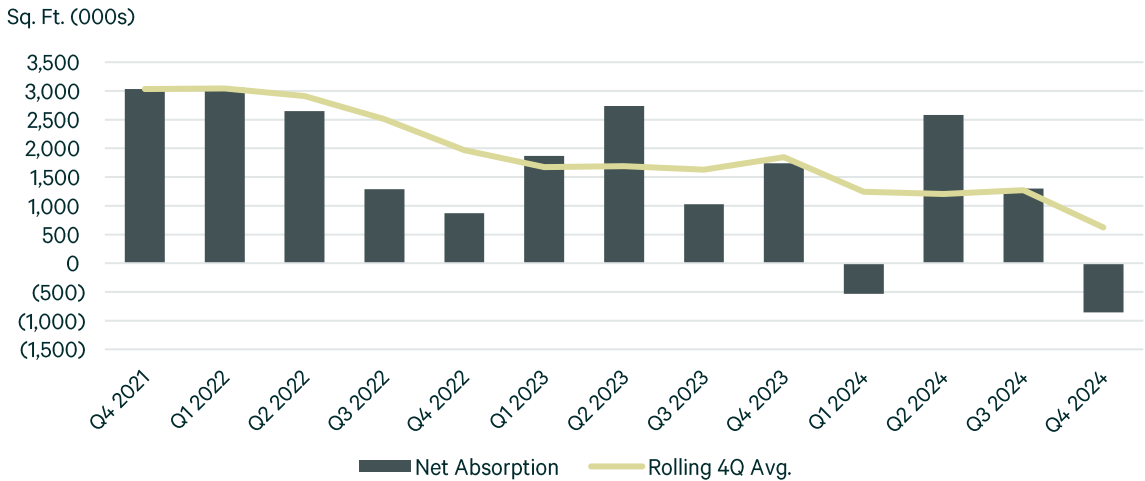
## Net Absorption

Major move-ins this quarter included DSV’s 1.2 million sq. ft. move into its built-to-suit project in New Albany, which was completed this quarter in Licking County submarket. Vantage Data Centers occupied 448,000 sq. ft. at Silicon Heartland Innovation Park Building 1. Absorption decreased significantly because of the Big Lots vacating 3 million sq. ft. at 300 Phillipi Rd. In addition to vacating the distribution center, Big Lots has plans to close several retail stores as well. Panacea Products vacated 169,000 sq. ft. at 3950 Venture Ct in West submarket. Mid-Ohio Warehouse vacated 125,000 sq. ft. at 2135 James Pkwy in Licking County submarket.

## Construction Activity

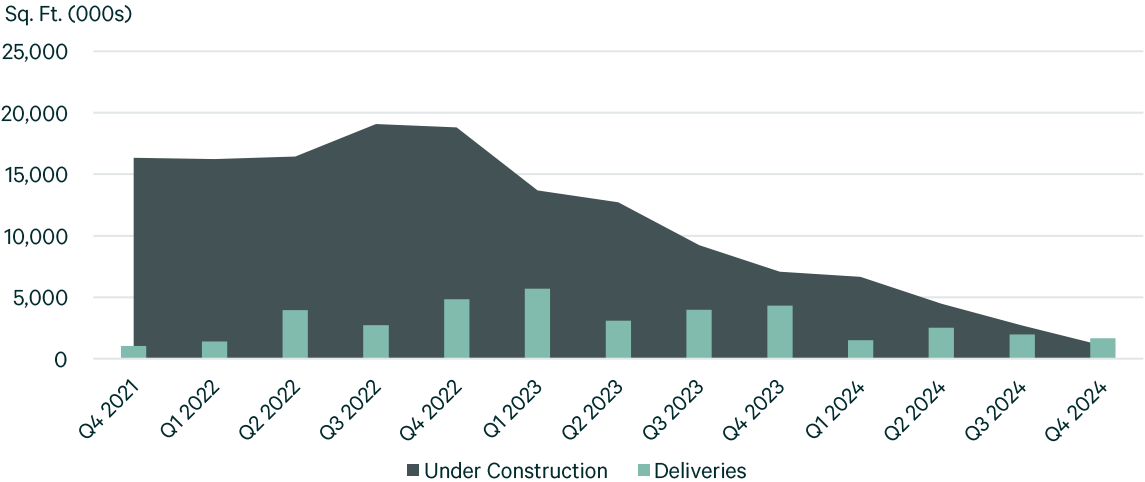
In Q4 2024, the market saw 1.1 million sq. ft. under construction, a decrease from 2.7 million sq. ft. in Q3 2024. 71% of current construction activity is build-to-suit. Speculative construction starts have decreased as the pipeline has continued to diminish and buildings deliver. One million sq. ft. of the current under construction is in Licking County submarket. The largest delivery this quarter was the 1.2 million sq. ft. built-to-suit facility at 205 Clover Valley Rd, New Albany, OH, in Licking County. Other projects include 255,000 sq. ft. at 2039 Pittsburgh Dr, Delaware, and the Interstate Batteries Fulfillment Center. at 5225 Scarborough Blvd, Columbus, OH.

FIGURE 4: Net Absorption Trend



Source: CBRE Research, Q4 2024

FIGURE 5: Construction Activity

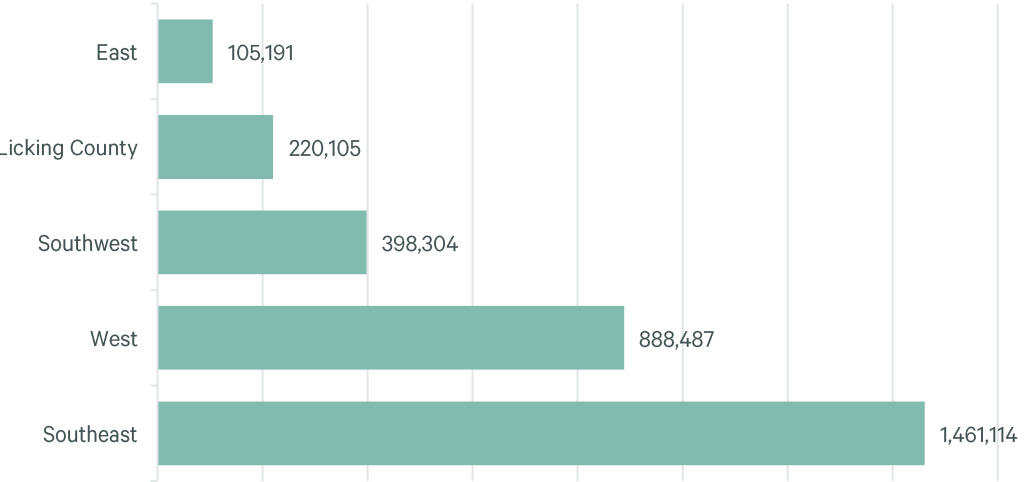


Source: CBRE Research, Q4 2024

## Leasing Activity

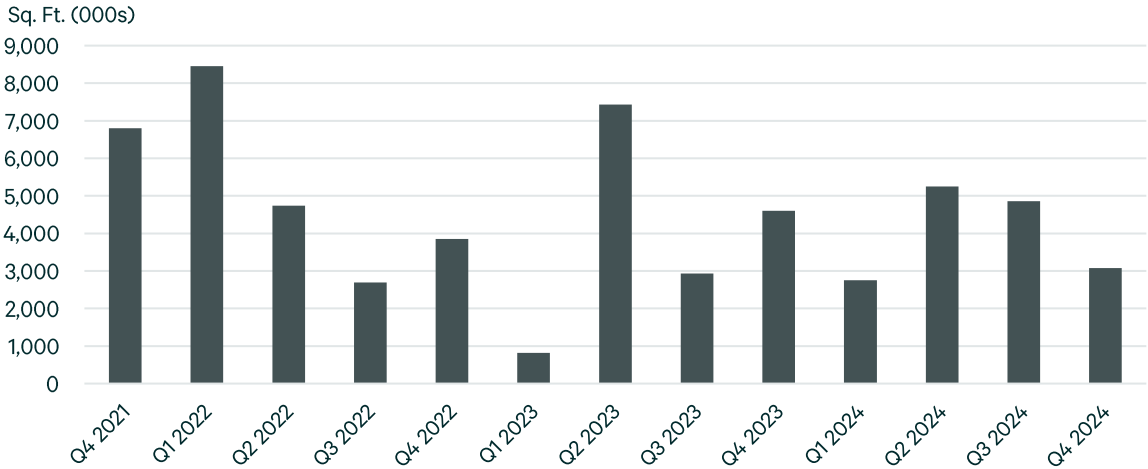
Lease volume was split fairly even between renewal and new leasing activity. In Q3 2024, Madison County dominated the leasing activity; in Q4 2024, the Southeast submarket had the most dominant leasing activity with 1.4 million sq. ft. leased this quarter. Overall leasing activity is down from Q3 2024's 4.7 million sq. ft. to 3.5 million sq. ft. Staples signed the largest renewal for 341,000 sq. ft. at 3125 Lewis Center Way. Beitler Logistics signed the largest new lease and occupied 327,000 sq. ft. at 4450 S Hamilton Rd. Crane Worldwide Logistics at Groveport Park 2 signed a 324,493 sq. ft. renewal.

FIGURE 6: Leasing Activity by Submarket – Leases 50,000 sq. ft. and up



Source: CBRE Research, Q4 2024

FIGURE 6: Leasing Activity Trend – Leases 50,000 sq. ft. and up



Source: CBRE Research, Q4 2024

FIGURE 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Staples	340,704	Renewal	3125 Lewis Centre Way	Southwest
Beitler Logistics Services	327,400	New Lease	4450 S Hamilton Rd	Southeast
Crane Worldwide Logistics	324,493	Renewal	6500 Pontius Rd	Southeast
Confidential Tenant	320,190	New Lease	2155 Rohr Rd	Southeast
Kamps	231,638	Renewal	4338 Janitrol Rd	West
Total Distribution	230,265	Renewal	4370 Alum Creek Dr	Southeast
Path Robotics	186,000	Renewal	3900-3950 Business Park Dr	West

Source: CBRE Research, Q4 2024

Market Statistics by Size

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Under 100,000 sq. ft.	58,957,631	1.9%	2.3%	2.1%	0.1%	\$9.28	40,696	(87,174)	48,000	171,000
100,000-199,999 sq. ft.	41,320,504	3.9%	4.8%	3.9%	0.9%	\$7.47	514,989	828,328	151,000	135,000
200,000-299,999 sq. ft.	39,090,869	6.9%	6.4%	6.2%	0.1%	\$5.96	133,761	766,706	255,947	0
300,000-499,999 sq. ft.	51,939,547	5.5%	6.8%	6.6%	0.1%	\$6.16	799,057	2,316,996	0	750,000
500,000-749,999 sq. ft.	39,844,413	13.9%	12.0%	11.0%	1.0%	\$6.01	(514,490)	(212,604)	0	0
750,000 sq. ft.	88,180,521	12.6%	13.7%	13.3%	0.5%	\$5.44	(1,830,000)	(1,122,542)	1,200,000	0
Total	319,333,485	7.8%	8.2%	7.8%	0.4%	\$6.06	(855,987)	2,489,710	1,654,947	1,056,000

Market Statistics by Product Type

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Distribution / Logistics	242,084,305	9.7%	10.1%	9.5%	0.5%	\$5.96	(814,422)	2,430,553	1,654,947	975,000
Manufacturing	56,849,258	1.9%	2.3%	2.2%	0.0%	\$6.27	4,858	188,723	0	0
R&D / Flex	12,316,625	3.5%	4.2%	3.7%	0.5%	\$9.88	(46,423)	(130,253)	0	81,000
Other Industrial	8,083,297	0.2%	0.1%	0.1%	0.0%	\$8.04	0	687	0	0
Total	319,333,485	7.8%	8.2%	7.8%	0.4%	\$6.06	(855,987)	2,489,710	1,654,947	1,056,000

Market Statistics by Class

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Class A	71,312,818	16.8%	16.8%	15.6%	1.2%	\$5.96	605,164	800,734	255,947	0
All Other Buildings	248,020,667	5.2%	5.8%	5.5%	0.2%	\$6.19	(1,461,151)	1,688,976	1,399,000	1,056,000
Total	319,333,485	7.8%	8.2%	7.8%	0.4%	\$6.06	(855,987)	2,489,710	1,654,947	1,056,000

Market Statistics by Submarket

	Net Rentable Area	Total Vacancy %	Total Availability %	Direct Availability %	Sublease Availability %	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Central	33,277,841	4.0%	4.1%	4.1%	0.1%	\$7.02	(143,057)	(160,029)	0	0
Delaware County	12,836,424	6.8%	6.8%	6.6%	0.2%	\$7.23	111,582	571,997	255,947	0
East	27,986,812	2.8%	1.9%	1.9%	0.0%	\$6.3	410,646	925,721	151,000	0
Fairfield County	9,720,439	14.2%	14.4%	14.4%	0.0%	\$5.91	77,001	420,381	0	0
Licking County	41,165,543	9.8%	9.9%	9.9%	0.0%	\$5.67	1,566,614	2,572,397	1,200,000	0
Madison County	20,855,640	15.9%	13.0%	13.0%	0.0%	\$5.89	0	(473,780)	0	0
Northeast	13,079,898	6.5%	5.3%	5.1%	0.2%	\$7.2	(26,938)	(154,675)	0	0
Northwest	1,701,677	2.0%	0.9%	0.9%	0.0%	\$11.95	22,000	75,036	0	0
Pickaway County	19,060,802	17.6%	20.3%	17.3%	2.9%	\$5.62	(457,211)	(582,211)	0	350,000
Southeast	72,748,098	4.4%	6.2%	5.6%	0.7%	\$5.92	531,026	1,982,040	0	400,000
Southwest	18,245,694	5.4%	7.7%	6.8%	0.9%	\$5.75	36,156	(235,945)	0	135,000
Union County	11,029,947	2.0%	1.9%	1.9%	0.0%	\$8.33	(34,000)	295,358	0	90,000
West	37,624,670	12.2%	12.1%	11.8%	0.3%	\$6.94	(2,949,806)	(2,746,580)	48,000	81,000
Total	319,333,485	7.8%	8.2%	7.8%	0.4%	\$6.06	(855,987)	2,489,710	1,654,947	1,056,000

Market Statistics

FIGURE 13: Modern Bulk Market Statistics

Market	Net Rentable Area	Under Construction	Construction Completions	Vacant SF Total	Vacancy Rate %	Avail Rate %	Current Q Net Absorption	Direct Avg. Asking Rate
Modern Warehouse *(Bulk Warehouses constructed in 1998 or later, and 28' clear or taller)								
Central	1,204,213	-	-	747,841	62.1%	62.1%	0	\$6.53
Delaware County	3,000,895	-	255,947	274,375	9.1%	9.1%	127,947	\$7.94
East	3,288,304	-	151,000	463,583	14.1%	7.2%	230,329	\$6.62
Fairfield County	1,349,954	-	-	464,791	34.4%	34.4%	59,850	\$6.82
Licking County	22,770,365	-	1,200,000	3,812,984	16.7%	16.4%	1,648,091	\$5.71
Madison County	17,566,147	-	-	3,317,071	18.9%	15.4%	0	\$5.89
Northeast	2,968,310	-	-	542,737	18.3%	10.7%	0	\$5.75
Northwest	148,598	-	-	0	0.0%	0.0%	22,000	-
Pickaway County	13,211,397	350,000	-	3,222,977	24.4%	28.2%	(514,490)	\$5.52
Southeast	46,225,290	-	-	2,610,871	5.6%	6.4%	483,766	\$6.21
Southwest	5,934,566	135,000	-	602,362	10.2%	9.8%	0	\$6.87
Union County	1,731,208	-	-	122,850	7.1%	7.1%	0	\$8.95
West	1,582,136	-	-	799,406	50.5%	38.9%	0	\$6.41
Total	120,981,383	485,000	1,606,947	16,981,848	14.0%	13.6%	2,057,493	\$6.00

FIGURE 14: Modern Bulk Market Statistics by Size Range

Market	Net Rentable Area	Under Construction	Construction Completions	Vacant SF Total	Vacancy Rate %	Avail Rate %	Current Q Net Absorption	Direct Avg. Asking Rate
Modern Bulk Market Statistics by Size Range								
100-200,000 SF	5,561,671	135,000	151,000	618,131	11.1%	15.0%	173,000	\$8.52
200-400,000 SF	25,875,103	350,000	255,947	2,909,171	11.2%	8.6%	750,892	\$6.93
400-600,000 SF	27,776,774	-	-	4,308,115	15.5%	15.8%	(66,399)	\$6.09
>600,000 SF	61,767,835	-	1,200,000	9,146,431	14.8%	14.6%	1,200,000	\$5.57
Total	120,981,383	485,000	1,606,947	16,981,848	14.0%	13.6%	2,057,493	\$6.00

Source: CBRE Research, Q4 2024

## National Economic Outlook

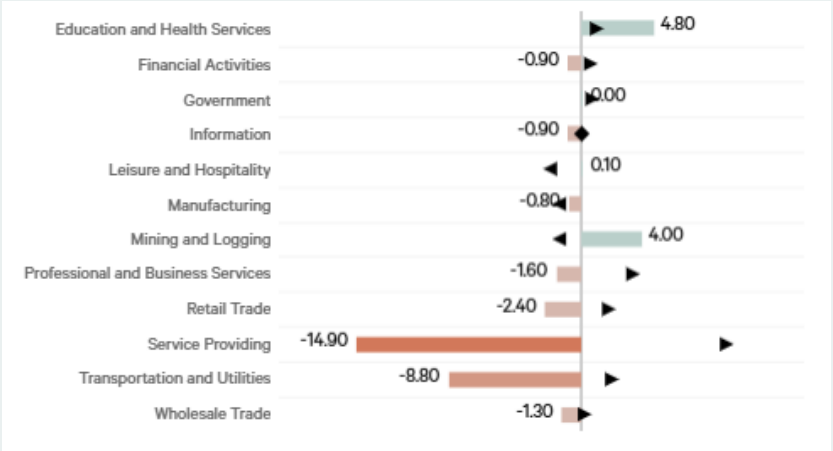
The U.S. economy continues to exceed expectations. Much of this is due to a sturdy consumer who is enjoying increased household wealth, real income growth and a resilient labor market. Consequently, CBRE is revising its outlook upward for 2025 annual average GDP growth by 60 basis points to 2.3%.

Typically, sturdy economic growth alongside Fed rate cuts would be rocket fuel for commercial real estate performance. The catch is capital markets have grown skeptical of just how low rates will go in 2025. The mix of sticky core inflation and future policy concerns are putting upward pressure on long-term rates. Nevertheless, real estate capital markets have made good progress in recent quarters. Lending spreads are tightening, and credit issuance is up. Lending conditions are easing a bit as multifamily LTVs are trending slightly upward. Stronger debt markets and balanced and/or recovering market fundamentals should translate into a noticeable uptick in investment during the next several quarters.

## Columbus, OH Employment Update

- 3.7% Unemployment Rate
- 1.1M Labor Force
- 291.7k Office Using Jobs
- 295.2k Industrial Using Jobs
- 145.3k Retail Using Jobs

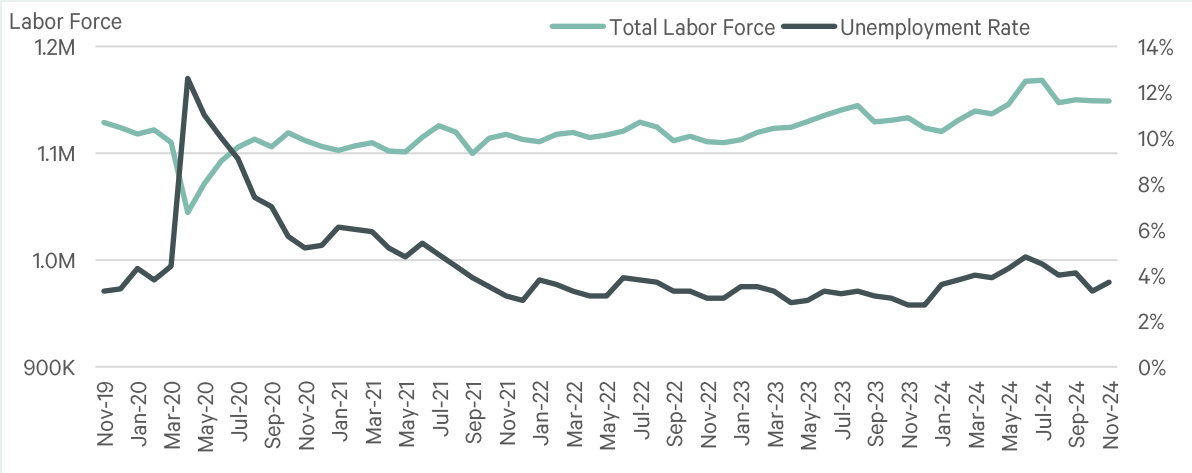
Employment Change by Sector – Yearly + Monthly  
Bars indicate yearly trend, arrows indicate monthly trend



Source: US BLS, November 2024

Note: Arrows indicate month-over-month change.

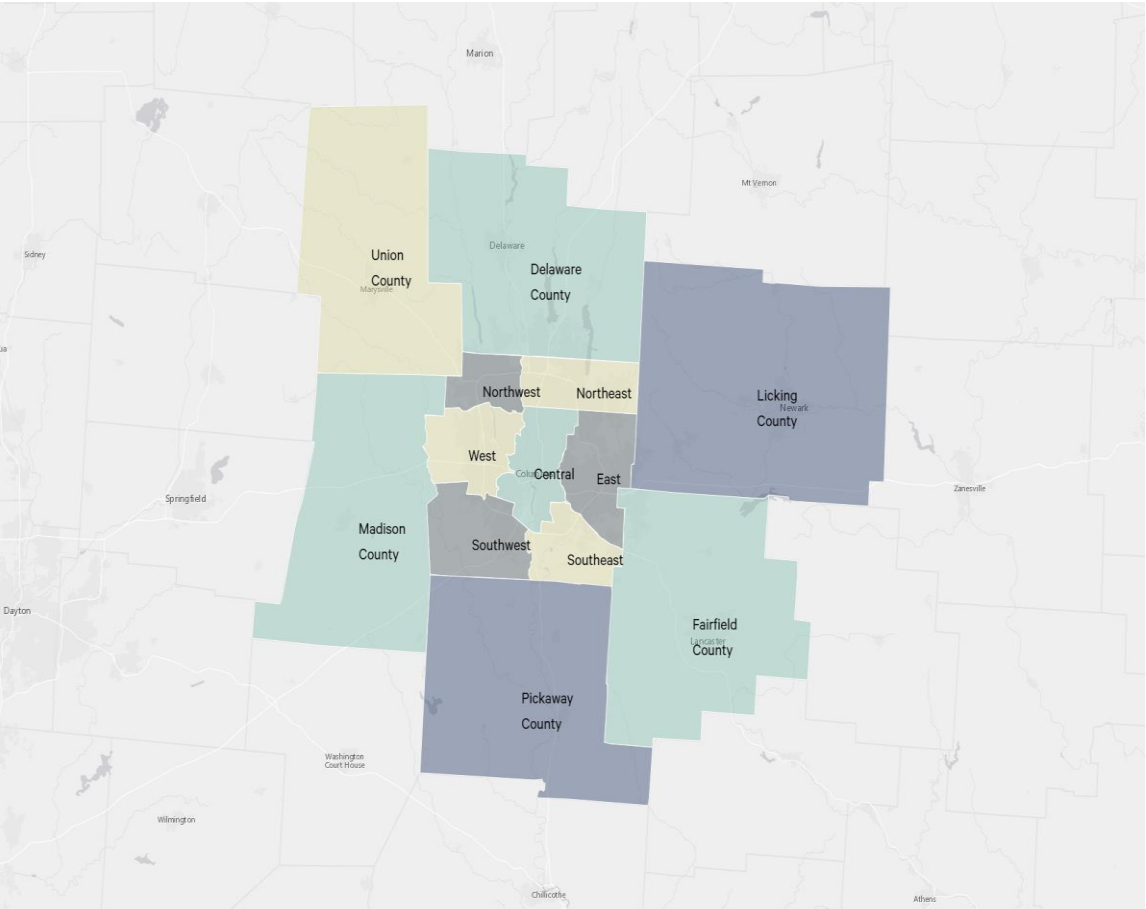
Columbus, OH Unemployment Rate and Labor Force Trends



Source: US BLS, November 2024



Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant.  
Availability Rate: Total Available Sq. Ft. divided by the total building Area.  
Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage.  
Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building.  
Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions.  
Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance.  
Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate.  
Occupied Sq. Ft.: Building Area not considered vacant.  
Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area.  
Vacant Sq. Ft.: Space that can be occupied within 30 days. Bulk Warehouses are defined as warehouse or distribution facilities that are at least 100,000 sq. ft. Modern Warehouses in addition to Bulk are constructed in 1998 or later, and 28’ clear or taller.

Survey Criteria

Includes all industrial buildings 10,000 sq. ft. and greater in size in Franklin, Pickaway, Licking, and Madison counties. Buildings which have begun construction as evidenced by site excavation or foundation work.

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