

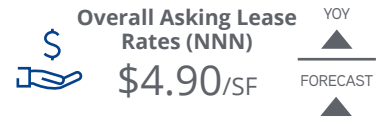
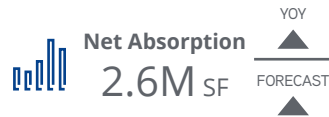


Columbus

Industrial
22Q2

Key Takeaways

- Net absorption reached 2.6 million square feet this quarter
- Vacancy increased to 2.01 percent
- 15 construction projects comprising of 6.8 million square feet are currently under construction



Regional Summary

The Columbus industrial market continues to stay on a positive note, recording 2,598,966 square feet of net absorption this quarter. The ongoing COVID-19 pandemic has caused already-high demand for industrial space to skyrocket, leading to booming activity from e-commerce and logistics tenants. Vacancy had a small bump in the second quarter to 2.01 percent and overall asking rates rose to \$4.90 NNN. Construction activity also remains strong, with over 4 million square feet in completions in the second quarter and 14.1 million square feet currently underway. Throughout 2022, Columbus can anticipate consistent demand from tenants, developers and investors as the city solidifies itself as a true U.S. industrial hub.

*absorption calculated by occupancy date

Market Indicators



2.91%
Columbus
Unemployment
Rate



3.65%
Columbus GDP-
Quarterly %
change yr/yr

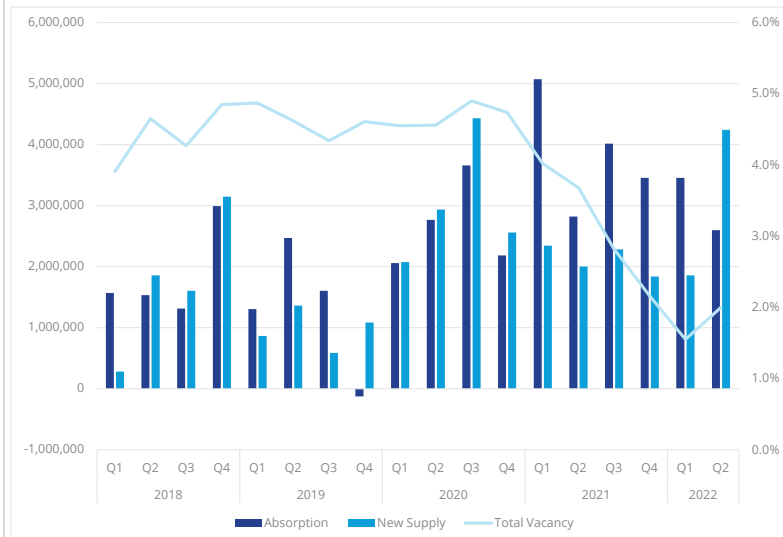


2.434%
U.S. 10 Year
Treasury Note
Rate

Historic Comparison

	21Q2 YoY	22Q1 QoQ	22Q2 Current
Total Inventory (in Thousands of SF)	263,508	269,332	268,992
New Supply (in Thousands of SF)	2,004	1,860	4,242
Net Absorption (in Thousands of SF)	2,823	3,456	2,598
Overall Vacancy	3.68%	1.55%	2.01%
Under Construction (in Thousands of SF)	10,145	13,720	14,155
Overall Asking Lease Rates (NNN)	\$4.17	\$4.61	\$4.90

Market Graph



The industrial market has seen consistent development and positive absorption in recent years. Activity has skyrocketed further since Q2 2020 due to growing demand for warehouse space from the COVID-19 pandemic.

Recent Transactions



Lease

4321-4343 Equity Drive
West | 66k SF



Lease

4311 Janitrol Rd
West | 61k SF



Lease

3180-3270 Urbancrest
Industrial Drive
Southwest | 56k SF



Lease

2200-2236
International St
West | 55k SF



Sale

2180 Venus St
West | \$158.78/SF



Sale

3085 Scioto Darby
Executive Ct
West | \$104.45/SF

Source: CoStar

Submarket	Total Inventory SF	Direct Vacancy Rate	Sublease Vacancy Rate	Availability Rate	Vacancy Rate	Vacancy Rate Previous	Net Absorption Current	Net Absorption YTD	Under Construction	Deliveries	Avg Direct Asking Rate (NNN)
CBD	5,052,137	4.45%	0.00%	5.04%	4.45%	0.00%	10,864	14,964	-	169,190	-
East	22,484,412	3.03%	0.39%	2.95%	3.03%	2.73%	6,588	91,523	323,747	-	\$4.85
Fairfield	8,446,522	0.75%	0.00%	0.10%	0.75%	0.85%	(233)	(69,029)	-	306,000	\$4.95
Licking	31,481,995	3.19%	0.00%	2.81%	3.19%	3.40%	1,454,915	2,545,658	3,590,169	1,587,859	\$5.42
Madison	17,410,504	3.10%	0.00%	8.21%	3.10%	0.00%	339,318	1,466,246	1,675,791	1,429,318	-
North	18,508,835	1.66%	0.07%	3.27%	1.66%	2.71%	(118,148)	(117,007)	845,137	-	\$5.40
Delaware	9,606,979	2.02%	0.00%	0.34%	2.02%	1.16%	100,935	100,935	-	-	\$7.22
Pickaway	9,573,192	0.00%	0.00%	0.00%	0.00%	0.00%	-	167,600	1,195,000	-	-
Southeast	84,842,627	1.09%	0.06%	2.00%	1.09%	0.95%	1,020,250	1,642,874	6,315,000	750,136	\$3.60
Southwest	21,505,311	1.16%	0.97%	2.15%	1.16%	2.22%	(291,717)	63,333	210,250	-	\$3.72
Union	7,673,420	1.77%	0.00%	1.98%	1.77%	1.34%	-	5,711	-	-	\$3.23
West	36,721,687	0.99%	0.05%	2.00%	0.99%	1.34%	76,224	154,137	-	-	\$5.15
TOTAL	273,307,621	1.87%	0.14%	2.61%	2.01%	1.55%	2,598,996	5,882,073	14,155,094	4,242,503	\$4.90

Property Type	Total Inventory SF	Direct Vacancy Rate	Sublease Vacancy Rate	Availability Rate	Vacancy Rate	Vacancy Rate Previous	Net Absorption Current	Net Absorption YTD	Under Construction	Deliveries	Avg Direct Asking Rate (NNN)
R&D/Flex	16,468,515	1.32%	0.10%	1.90%	2.78%	2.35%	(80,235)	(80,239)	-	-	\$5.37
General Industrial	79,958,408	2.90%	0.05%	3.26%	2.24%	2.60%	886,585	1,602,089	9,024,803	1,376,476	\$3.84
Warehouse/Distribution	176,880,698	1.17%	0.26%	2.74%	1.28%	1.01%	1,792,646	4,360,219	5,130,291	2,866,027	\$4.17
TOTAL	273,307,621	1.87%	0.14%	2.61%	2.01%	1.55%	2,598,996	5,882,073	14,155,094	4,242,503	\$4.90



Red Hot Demand

Across the country warehouses are being built and leased at an incredible rate. Columbus is certainly no exception. With the strength of the underlying fundamentals, it is unlikely that the industrial sector will slow down any time soon. Structural change in which people buy their goods online instead of in person combined with deglobalization due to geopolitical uncertainty leading to disrupted supply chains and more demand for on-hand inventory will keep the industrial sector and warehouses in high demand in the United States. In Columbus, an increasing number of warehouses are popping up to meet demand. A confluence of factors including not only those mentioned above, but industry brought in from the new Intel factory as well have been and will continue to be major tailwinds for industrial development in Central Ohio.

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