

## REGIONAL SUMMARY

As we publish this report, the U.S. and the world at large are facing a tremendous challenge, the scale of which is unprecedented in recent history. The spread of the novel coronavirus (COVID-19) is significantly altering day-to-day life, impacting society, the economy and, by extension, commercial real estate. The extent, length and severity of this pandemic is unknown and continues to evolve at a rapid pace. The scale of the impact and its timing varies between locations. To better understand trends and emerging adjustments, please subscribe to [Colliers' COVID-19 Knowledge Leader page](#) for resources and recent updates.

The Columbus industrial market finished 2020 with a strong fourth quarter, posting 2,184,850 square feet of net absorption.\* This brings year-to-date net absorption to over 10.6 million square feet - the highest annual absorption the Columbus market has ever recorded. The already thriving industrial sector has skyrocketed this year, as the e-commerce industry has grown exponentially due to the ongoing COVID-19 pandemic. Sustained demand in prime warehouse space has yielded absorption greater than 1 million square feet in 13 of the past 14 quarters in Central Ohio. This activity drove vacancy down in the fourth quarter, from 4.9 percent to 4.74 percent. Overall asking rates held steady at \$3.89 per square foot, but new speculative availability increased rates for warehouse/distribution properties to \$3.74 per square foot. In the past quarter, nearly 2 million square feet of product broke ground and the number of users looking for industrial space increased to 130 tenants, demonstrating the resiliency of the industrial market. Central Ohio can expect continued activity in the new year as COVID-19 fuels demand in the industrial sector.

\*net absorption is calculated based on commencement date

### VACANCY >>

The vacancy rate declined from 4.9 percent to 4.74 percent in the fourth quarter due to positive net absorption. The largest vacancy of the quarter occurred in the Southwest submarket, as Stonecrop Technologies vacated 527,127 square feet of space at 3500 Southwest Drive. The Southeast submarket saw the most significant decrease in vacancy to 5.27 percent, as TJX Companies, KDC/One and Synnex occupied space there.

### MARKET ACTIVITY >>

Market activity is often correlated to positive or negative absorption. However, in cases when a tenant leaves one space for another, the positive and negative absorption cancels out. The Market Activity Volume (MAV), which is the absolute sum of absorption change in the market, gives a better idea of overall activity. This quarter, the MAV was 6.9 million square feet - a strong indication that tenants are continuing to stay active in the market.

### CONSTRUCTION ACTIVITY >>

Construction activity remains high, as six projects totaling 1.8 million square feet broke ground this quarter. This brings total product under construction to 7,123,430 square feet - the sixth consecutive quarter with over 7 million square feet underway. The Southeast, Madison and Pickaway submarkets lead activity, each with over 1 million square feet of speculative or build-to-suit development under construction.

Eight properties totaling 2.5 million square feet reached completion this quarter. The 555,000-square-foot speculative warehouse at 6200 Canal Winchester Blvd. and the 488,000-square-foot FedEx build-to-suit were both finalized. Six additional buildings were also completed, adding prime availability to the market. With 43 projects comprising of over 18 million square feet either planned or underway, Central Ohio can expect more large completions throughout the next year.

### SALES ACTIVITY >>

This quarter, 16 industrial properties totaling over 2.5 million square feet sold in Central Ohio for a total sales volume of \$194 million. The average price per square foot reached \$71, which is \$25 higher than the average at the beginning of the year.

Monmouth Real Estate purchased 8341 Industrial Pkwy. for \$73.3 million, or \$150 per square foot - the largest sale of the quarter. Green Door Capital sold 5330 Crosswind Drive to STAG Industrial for \$55.55 million in an investment sale. Exeter purchased 870 Claycraft Road from FedOne for \$20 million and 2221-2303 John Glenn Ave. from Westmount Realty Capital for \$14.2 million.

## ECONOMIC DRIVERS

MARKET INDICATORS	QoQ	YoY
VACANCY		
RENTAL RATES		
MARKET ACTIVITY VOLUME		
CONSTRUCTION		
SALES VOLUME		
SALE PRICE		

## UPDATE - Lease & Sale Transactions | Construction

### LEASE Activity

PROPERTY ADDRESS	LEASE DATE	LEASED SF	TENANT	ASKING PRICE	TYPE	SUBMARKET
5235 West Pointe Drive	11/1/2020	1,166,015	The TJX Companies	-	-	Southeast
4400 S. Hamilton Road	11/24/2020	566,981	KDC US Holdings	\$3.15	NNN	Southeast
6400 State Route 29	11/18/2020	517,220	Confidential	-	-	Madison
6500 Adelaide Ct.	11/4/2020	354,676	McKesson Corporation	-	-	Southeast
1675 Beggrow St.	12/15/2020	195,964	SP Richards	\$4.95	NNN	Southeast
6054 Shook Road	11/1/2020	184,154	Expeditors International	\$4.50	NNN	Southeast
8200 Innovation Campus Way	12/1/2020	158,727	Vee Pak Ohio, LLC	\$5.65	NNN	East
2450 Spiegel Drive	11/1/2020	151,889	Hollingsworth Logistics	\$3.15	NNN	Southeast
2425 Spiegel Drive	11/23/2020	135,000	Undisclosed	-	-	Southeast
450 McCormick Blvd.	12/16/2020	124,617	D&S Distribution	-	-	East

### SALE Activity

PROPERTY ADDRESS	SALES DATE	SALE PRICE	SIZE (SF)	BUYER	SELLER	PRICE PSF	TYPE	SUBMARKET
8341 Industrial Pkwy.	12/17/2020	\$73,300,000	487,900	Monmouth Real Estate	42 Real Estate	\$150.24	Investment	Union
5330 Crosswind Drive	12/22/2020	\$55,550,000	1,014,592	STAG Industrial	Green Door Capital	\$54.75	Investment	Southwest
870 Claycraft Road	10/22/2020	\$20,000,000	262,500	Exeter Property Group	FedOne	\$76.19	Investment	East
2221-2303 John Glenn Ave.	12/22/2020	\$14,200,000	289,491	Exeter Property Group	Westmount Realty Capital	\$49.05	Investment	Southeast
4830 Northwest Pkwy.	12/18/2020	\$5,750,000	114,496	Tempus Managing GP	S&G Manufacturing Group	\$50.22	Investment	West
121 S. Columbus St.	10/2/2020	\$5,420,800	108,850	175 Columbus Street LLC	Research & Development Ltd.	\$49.80	Investment	Delaware
1525 Georgesville Road	11/9/2020	\$3,500,000	35,577	Richard B Germain	Terex Trailer Corp.	\$98.38	Owner/User	Southwest

### CONSTRUCTION Activity

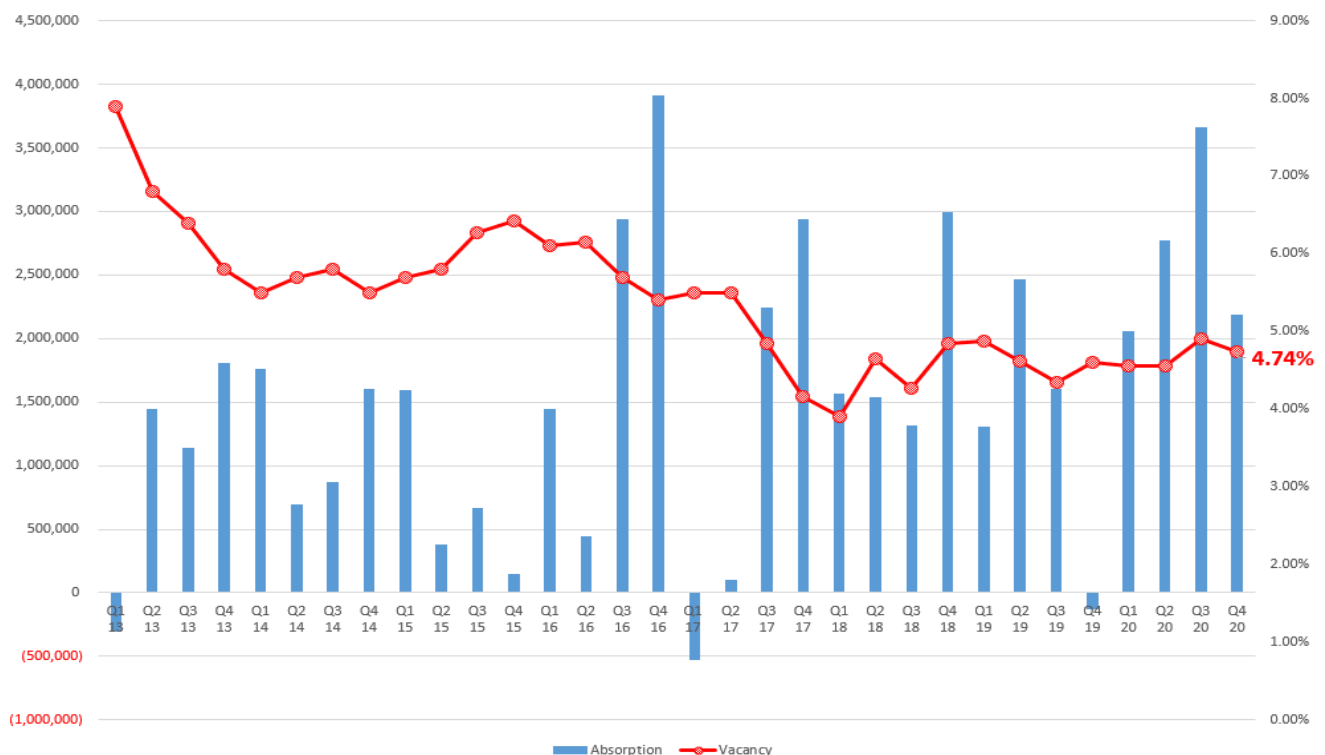
PROJECT NAME	SPEC/BTS	ADDRESS	SUBMARKET	TYPE	SIZE	OWNER	COMPLETION
70 Enterprise Logistics Center	Spec	-	Madison	Warehouse/Distribution	1,126,928	Core5	Q2 2021
Rickenbacker Exchange	Spec	Route 104	Pickaway	Warehouse/Distribution	1,022,000	VanTrust	Q2 2021
Ashley Furniture	BTS	70 Global Pkwy.	Licking	Warehouse/Distribution	1,000,000	-	Q4 2021
Rickenbacker Logistics Park I	Spec	4077 Airbase Road	Southeast	Warehouse/Distribution	742,140	CT Realty	Q1 2021
Duke West Jeff	BTS	-	Madison	Warehouse/Distribution	517,220	Duke	Q2 2021
I-70 Logistics Center East	Spec	1225 Southgate Pkwy.	East	Warehouse/Distribution	437,154	Core5	Q1 2021
Canal Crossing 1	Spec	5999 Bixby Road	Fairfield	Warehouse/Distribution	436,079	Northpoint/Hillwood	Q1 2021
Canal Crossing 2	Spec	6111 Bixby Road	Fairfield	Warehouse/Distribution	436,079	Northpoint/Hillwood	Q1 2021
Rickenbacker Logistics Park II	Spec	-	Southeast	Warehouse/Distribution	404,640	CT Realty	Q1 2021
The Cubes at Rickenbacker	Spec	0 Rohr Road	Southeast	Warehouse/Distribution	320,190	CRG	Q1 2021
Amerisource Bergen expansion	BTS	6305 LaSalle Drive	Southeast	Warehouse/Distribution	157,000	Mapletree	Q1 2021
Fyda Freightliner	BTS	I-70 & Route 142	West	General Industrial	150,000	-	Q1 2021
Cheryl's expansion	BTS	4465 Industrial Center Drive	Southeast	Warehouse/Distribution	135,000	-	Q1 2021
1100 Innovation Way	Spec	1100 Innovation Way	Union	Warehouse/Distribution	84,000	Southgate Corporation	Q2 2021
MillTech	Owner/User	0 Diley Road	Fairfield	Warehouse/Distribution	60,000	DBS	Q1 2021
Granite Inliner	BTS	0 Weaver Ct. N	West	General Industrial	35,000	-	Q1 2021
8350 Warner Rd - Building 1	Spec	8350 Warner Road	Union	Flex/R&D	30,000	The Pagura Company	Q2 2021
8350 Warner Rd - Building 2	Spec	8350 Warner Road	Union	Flex/R&D	30,000	The Pagura Company	Q2 2021

## MARKET OVERVIEW

SUBMARKET	ABSORPTION					CONSTRUCTION		ASKING PRICE (NNN)			
	TOTAL SF	VACANT SF	VACANCY %	CURRENT	YTD	CURRENT	COMPLETED Q4	WH/DIST	R&D/FLEX	GENERAL	BY PRODUCT TYPE
CBD	4,882,947	4,100	0.08%	(4,100)	(4,100)	-	-	-	-	-	-
East	21,887,258	1,677,832	7.67%	424,622	321,107	437,154	553,000	\$4.45	\$7.47	\$2.87	\$4.10
Fairfield	7,208,364	190,130	2.64%	197,338	342,204	932,158	813,000	\$3.15	-	-	\$3.15
Licking	27,328,751	1,174,336	4.30%	(79,026)	3,115,026	1,000,000	-	\$3.75	-	\$3.71	\$3.74
Madison	14,337,038	1,677,290	11.70%	-	1,200,000	1,644,148	-	\$4.50	-	-	\$4.50
North	18,383,909	356,703	1.94%	137,509	68,717	-	-	\$3.50	\$6.55	\$4.87	\$5.87
Delaware	9,256,044	187,000	2.02%	184,889	189,416	-	100,935	\$3.25	-	-	\$3.25
Pickaway	8,551,192	167,600	1.96%	-	134,037	1,022,000	-	-	-	\$3.25	\$3.25
Southeast	81,798,921	4,311,981	5.27%	1,452,789	4,142,281	1,758,970	605,500	\$3.68	\$7.50	\$3.91	\$3.70
Southwest	21,405,311	1,111,944	5.19%	(570,511)	(106,950)	-	-	\$3.14	\$5.50	-	\$3.16
Union	7,529,420	37,889	0.50%	450,111	558,111	144,000	488,000	-	-	-	-
West	36,536,687	1,375,005	3.76%	(8,771)	714,386	185,000	-	\$3.55	\$6.14	\$4.63	\$4.25
<b>Grand Total</b>	<b>259,105,842</b>	<b>12,271,810</b>	<b>4.74%</b>	<b>2,184,850</b>	<b>10,674,235</b>	<b>7,123,430</b>	<b>2,560,435</b>	<b>\$3.74</b>	<b>\$6.46</b>	<b>\$3.64</b>	<b>\$3.89</b>

PROPERTY TYPE	ABSORPTION					CONSTRUCTION		ASKING PRICE (NNN)	
	TOTAL SF	VACANT SF	VACANCY %	CURRENT	YTD	CURRENT	COMPLETED Q4	BY PRODUCT TYPE	
R&D/Flex	20,397,931	572,432	2.81%	123,320	132,652	60,000	100,935	\$6.46	
General Industrial	74,273,404	2,518,366	3.39%	200,083	(33,198)	185,000	-	\$3.64	
Warehouse/Distribution	164,434,507	9,181,012	5.58%	1,861,447	10,574,781	6,878,430	2,459,500	\$3.74	
<b>Grand Total</b>	<b>259,105,842</b>	<b>12,271,810</b>	<b>4.74%</b>	<b>2,184,850</b>	<b>10,674,235</b>	<b>7,123,430</b>	<b>2,560,435</b>	<b>\$3.89</b>	

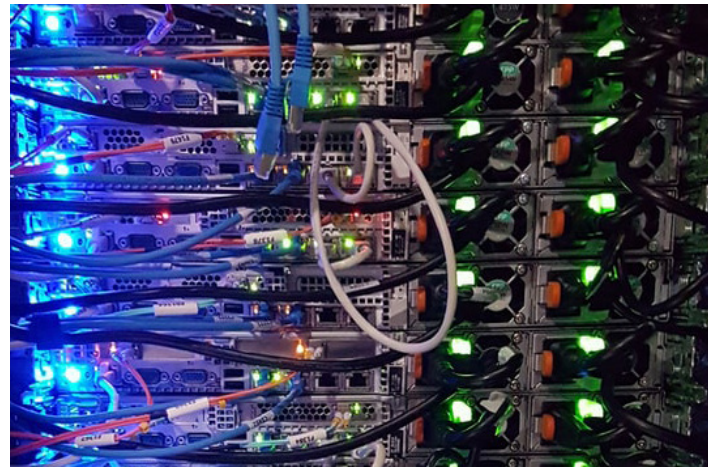
## ABSORPTION & VACANCY RATES



## GROWTH OF DATA CENTERS

Due to the ongoing COVID-19 pandemic, the industrial sector is performing better than ever. This means that there is increasing demand for data centers, as they play a crucial role in business development. To improve remote working capabilities, many companies are implementing technology infrastructure through data centers. This sector also grew this year as streaming services saw more viewership throughout the pandemic. Many experts believe that data centers will only continue to grow in value as IT infrastructure becomes more critical for businesses to support their employees and customers. Columbus is seeing this growth first-hand, with Facebook, Google and Amazon data centers popping up here in recent years. The area's moderate climate, inexpensive utility power and educated workforce make it a less risky location than other U.S. cities. With sustained demand and a resilient economy, Columbus can anticipate a growing presence of data centers in coming years.

Source: GlobeSt.com, Bisnow, Columbus Business First



### Colliers | Columbus Statistics

Leased and Sold More than  
**\$725+ Million in Volume**

Managed over  
**18.8 Million Square Feet**

Completed More than  
**490 Transactions**

**130+ Professionals**  
working toward Accelerating Your  
Success

Leased and Sold More than  
**32.8 Million Square Feet**

*All statistics are for 2019*

### FOR MORE INFORMATION

**Hannah Williams**  
Senior Research Coordinator | Columbus  
+1 614 436 9800  
hannah.williams@colliers.com

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