



Quick Stats

304 MSF

Total Market Inventory

4.7 MSF

12 Month Deliveries

2.3 MSF

12 Month Net Absorption

5.4%

Vacancy Rate

3.9%

12 Month Rent Growth

While the effects of the Coronavirus remain uncertain, it is expected the industrial sector will fare the best. With expected disruption in supply chains, reduced export growth and softening aggregate demand will weigh on warehouse and distribution operators. Industrial demand in Columbus had slightly slowed down before the outbreak but with Columbus being a sought-after e-commerce and DC hub, the market should see increase levels of demand.

Leasing

- 2019 showed signs of slowing in 2019 with only 2.3 MSF of net absorption, still a healthy figure relative to other metros in the region. Logistics being the strongest and driving demand, represents nearly all the net absorption in the cycle to date. Negative net absorption in second half of 2019 cause vacancies

to rise but in 1Q 2020 vacancies remained around the national average of 5.4%. Vacancies are expected to continue to rise in 2020 due to a large waive of new supply and spec development.

- Notable Q1 2020 Leases
 - 3800 Groveport Rd: 326,749 SF
 - 9750 Innovation Campus Way: 302,880 SF
 - 67 Heritage Dr: 264,420 SF
 - 8820 Smiths Mill Rd: 264,000 SF
 - 711 Distribution Dr: 145,000 SF

Rent

- Columbus is known as an affordable industrial rent market, average rent roughly \$5.30 SF. Columbus sits slightly below Cincinnati but 40% below the national average. Growth in 1Q 2020 showed gains of 4.2%. Rent growth is expected to slow moving forward due to Coronavirus.

Construction:

- Columbus is one of the smallest of major industrial markets with roughly 304 MSF. Recent deliveries are concentrated near Rickenbacker International Airport due to the expansion of Norfolk Southern's intermodal terminal. Supply underway remains strong with 8.6 MSF under construction. Speculative development represents 70% of the supply underway in the Columbus market, slightly ahead of the national average at 60%.
- Facebook is developing a 1.5 MSF data center in New Albany expected to be delivered in June of 2020. A 1.2 MSF speculative warehouse in Licking County is near completion and expected to be delivered in 2Q 2020. Medline will occupy 900,000 SF in the West Jefferson submarket this April. The Coronavirus has not had much of an impact on construction in the Columbus market, it is currently deemed essential work. However, we expect to see a delay in proposed projects due to municipalities being closed for hearings.

Notable Q1 2020 Leases

Property Address	Square Feet	Lease Type	Location	Landlord
3800 Groveport Road	326,749	New	Obertz	Transwestern Investment Group
9750 Innovation Campus Way	302,880	New	Johnstown	MBJ Holdings LLC
167 Heritage Drive	264,420	Sublease	Etna	Prologis
8820 Smiths Mill Road	264,000	New	Johnstown	Pizzuti
711 Distribution Drive	145,000	New	Columbus	Weston, Inc.



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