



# Columbus Industrial 24Q3

## Columbus

Vacancy in Columbus decreased slightly in the third quarter, declining to 7.01%. Supply has continued to outpace demand over the past four quarters, resulting in a slowdown in construction activity, which in turn will help balance the supply and demand equation.

### Quarter in Review

The Columbus industrial market had positive net absorption again this quarter after recovering from negative net absorption at the start of the year. Although the positive net absorption this quarter reflects a recovery in tenant demand, this year is on track to be the lowest absorption in the past five years. As Columbus continues to be impacted by national socioeconomic uncertainty, leading to the slowing of the industrial boom that prevailed during and just after the pandemic, now reverting to vacancy and absorption numbers that more closely align with pre-pandemic trends. Build-to-suits take hold as the leading supplier of positive absorption as debt and capital markets continue negatively impacting speculative construction. Overall construction activity continues to decelerate, with only 200,000 square feet of speculative space starting this quarter, leaving the remaining 80% of product under construction as build-to-suit. Columbus' industrial market continues to demonstrate resilience despite broader economic headwinds. The market has experienced a notable rise in vacancy rates, climbing to 7.01% from 4.38% a year before, as well as a slight decline in rental rates from \$7.34 in Q2. Columbus' more affordable rents have made it easier for property owners' rental rates to remain stable, with only slight growth in some areas, as the market adjusts to increased supply. Available sublease space continues to decline due to tenants gravitating toward the opportunity for shorter-term leases with more flexibility and lower rents.

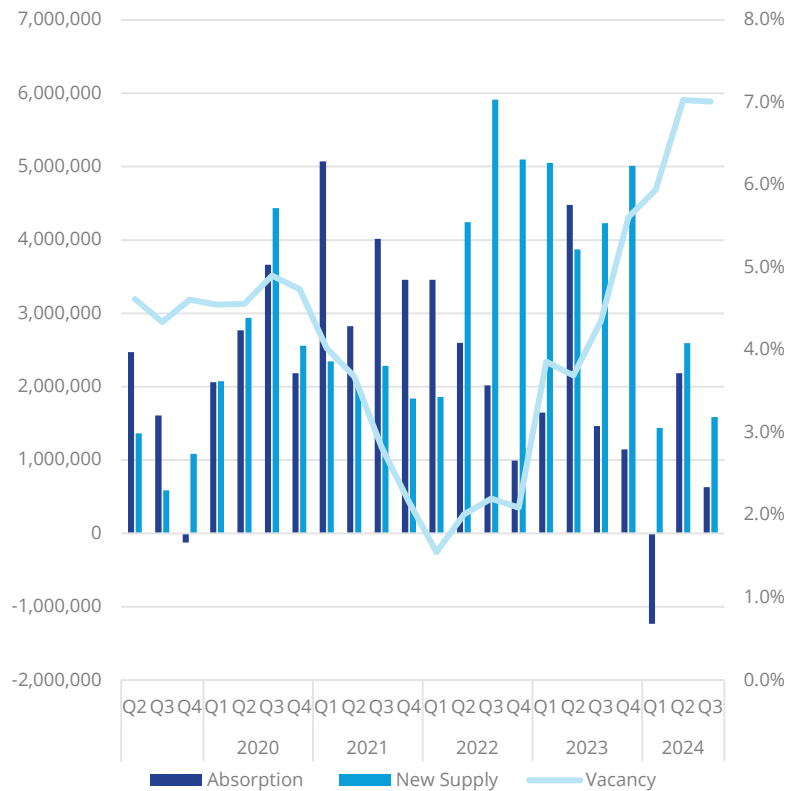
### Forecast

With vacancy holding around 7% in the third quarter, developers have responded by continuing to slow speculative construction and focusing on build-to-suit projects, which should help stabilize the market. Strong demand from logistics, e-commerce and manufacturing sectors will continue to drive leasing activity, particularly for modern bulk buildings near major transportation routes. As Columbus remains a key logistics hub, its geographic advantages will keep it attractive to national and regional players. Rental rates are still expected to grow modestly but slowed by the increased supply coming online. Overall, the outlook for Columbus' industrial market remains positive, supported by continued demand and a more measured approach to new development.

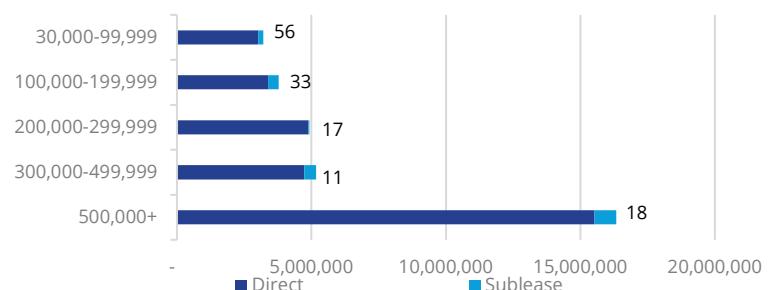
## Market Indicators

	23Q3 YoY	24Q2 QoQ	24Q3 Current
Vacancy Rate	4.38%	7.03%	7.01%
Net Absorption (SF)	1,511,843	2,181,425	631,901
YTD Net Absorption (SF)	7,636,994	1,051,231	1,658,849
Completions (SF)	4,229,609	2,593,782	1,587,731
Avg Asking Rental Rate (NNN)	\$7.07	\$7.34	\$7.03

### Absorption, Supply & Vacancy



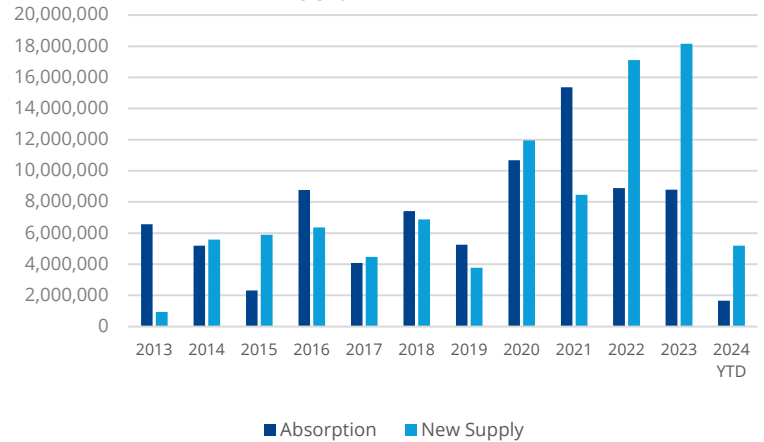
### Available Space for Lease by Size



## Absorption & Leasing

The Columbus industrial market had 631,901 square feet of positive absorption after a quarter of 2.1 million square feet of positive absorption. This quarter's positive absorption can be attributed to Vista Packaging leasing 1120 Morrison Road. The second largest contributor was at 10300 Schuster Way, where Omega Morgan occupied. Besides those significant leases, only two other new leases were signed over 200,000 square feet, the largest being a confidential tenant leasing 611,750 square feet at 1050 Gateway Park Drive in the Madison submarket, who will occupy their space next quarter. In comparison, three tenants over 100,000 square feet vacated space this quarter. This has been a significant shift from past quarters, where new leases in new speculative construction buildings led to positive absorption. Significant move-outs this quarter were MSC, who moved out of 468,000 square feet at 1568 Georgesville Road, and West Side Transportation, which vacated 113,400 square feet at 444 McCormick Boulevard.

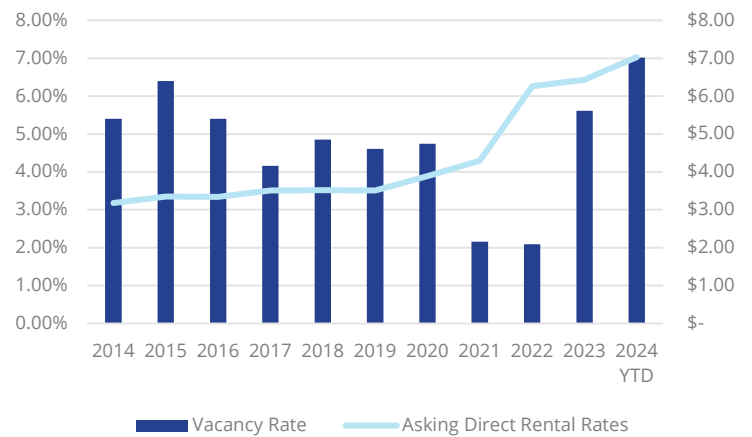
### Supply and Demand



## Vacancy & Market Rents

Despite vacancy in Columbus slightly decreasing in the third quarter, year-over-year vacancy jumped 263 basis points to 7.01%. One of the most significant contributors to the rise in vacancy year-over-year is the completed speculative projects delivered without a tenant. Of note, over 50 percent of speculative deliveries have been vacant for over a year. Given the challenging conditions in the debt and capital markets sectors for speculative construction, this trend is anticipated to continue with a heightened focus on build-to-suit projects. Direct asking rates showed a weighted rent of \$7.03, reflecting a slight decrease compared to the previous quarter.

### Vacancy Rate & Direct Asking Rate



## Sales Activity

Sales activity in the Columbus industrial market has decreased in the past few quarters. Despite fluctuations in vacancy rates, the market has seen significant investment in well-located, modern industrial facilities, particularly those near key transport hubs. Sales volume totaled \$84 million in the third quarter. However, half of this quarter's sales volume can be attributed to two sales. One is the sale of 3500 Southwest Boulevard, a 527,127-square-foot building purchased by American Nitrile for \$21 million (\$40.75 PSF). The other notable sale was 9360 Innovation Campus Way, a 130,100-square-foot building bought by a Confidential buyer from Tenby Partners for \$21 million (\$168.33 PSF).

### Sales Volume & Market Price Per SF



## Under Construction

### Institutional Inventory - 400,000 SF or Greater

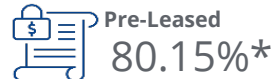
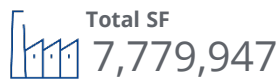
The buildings in the table below represent a sampling of the developments currently underway in Columbus' industrial market.

Business Park/Address	Submarket	RBA	% Leased/ Owned	Est. Delivery Date	Developer/ Owner/Tenant
Intel	Licking	3,000,000*	100%	Q4 2025+	Intel
DSV Build-to-Suit	Licking	1,200,000	100%	Q4 2024	VanTrust
Rickenbacker Logistics Park Bldg 5	Pickaway	773,114	0%	Q4 2024	CT Realty
McKesson Build-to-Suit	Southeast	429,000	100%	Q4 2024	Prologis
Coca Cola Build-to-Suit	Southeast	400,000	100%	Q4 2024	Coca Cola

\*Includes the first 2 phases of Intel

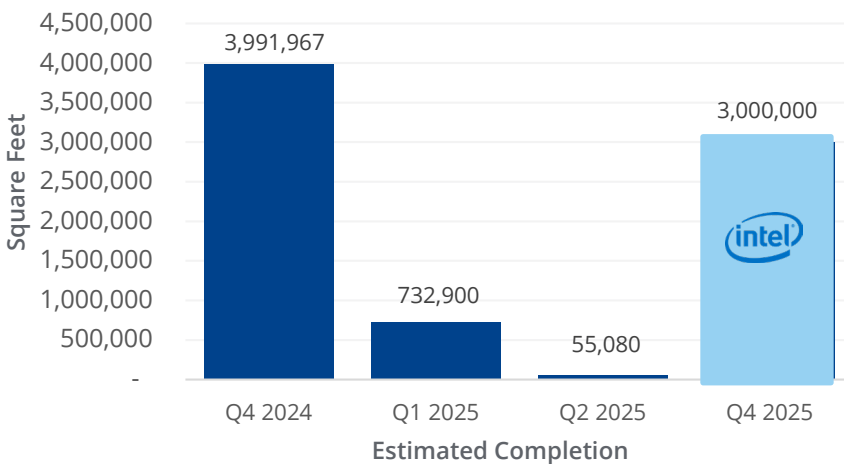
## Construction Activity

### Columbus Industrial Construction

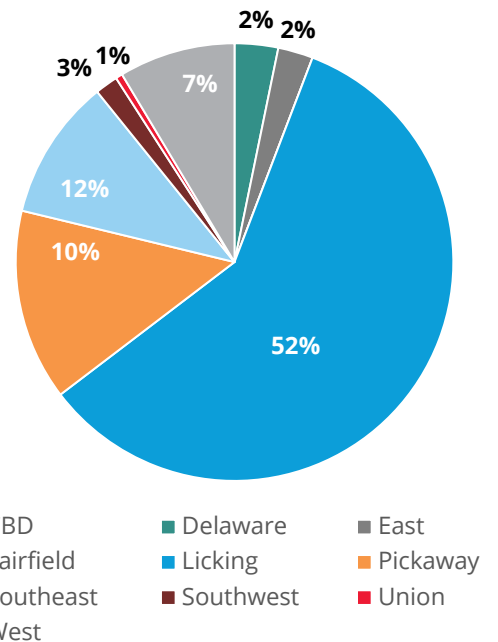


\*Includes BTS projects

### Future Deliveries



### Construction by Submarket



## 10 Year Snapshot

Year	Net Absorption (YTD #'s - SF)	Construction Deliveries (SF)	Lease Rate (\$)	Vacancy Rate
2024 YTD	1.65M	5.19M	\$7.03	7.01%
2023	8.78M	18.16M	\$6.43	5.61%
2022	8.89M	17.11M	\$6.26	2.09%
2021	15.37M	8.47M	\$4.30	2.16%
2020	10.67M	11.96M	\$3.89	4.74%
2019	5.25M	3.78M	\$3.51	4.61%
2018	7.41M	6.88M	\$3.52	4.85%
2017	4.08M	4.47M	\$3.51	4.16%
2016	8.76M	6.37M	\$3.34	5.40%
2015	2.31M	5.90M	\$3.35	6.40%
2014	5.19M	5.58M	\$3.18	5.40%

## Notable Sales Activity

#	Address	Size	Buyer	Price	Price/SF	Submarket
1	3500 Southwest Blvd	527,127	American Nitrile	\$21,480,425	\$40.75/SF	Southwest
<b>2</b>	<b>9360 Innovation Campus Way</b>	<b>130,100</b>	<b>Confidential</b>	<b>Confidential</b>	<b>Confidential</b>	<b>Licking</b>
3	3003 Etna Pky	75,250	Transport Properties	\$12,055,000	\$160.20/SF	Licking
<b>4</b>	<b>8337 Green Meadows Dr</b>	<b>100,000</b>	<b>Macmarsh III, LLC</b>	<b>\$8,700,000</b>	<b>\$87.00/SF</b>	<b>Delaware</b>
5	7600 Industrial Pky	75,000	ABC Supply Co. Inc.	\$4,250,000	\$56.57/SF	Union

**Bold/Blue** Colliers Represented Either Buyer or Seller in Transaction

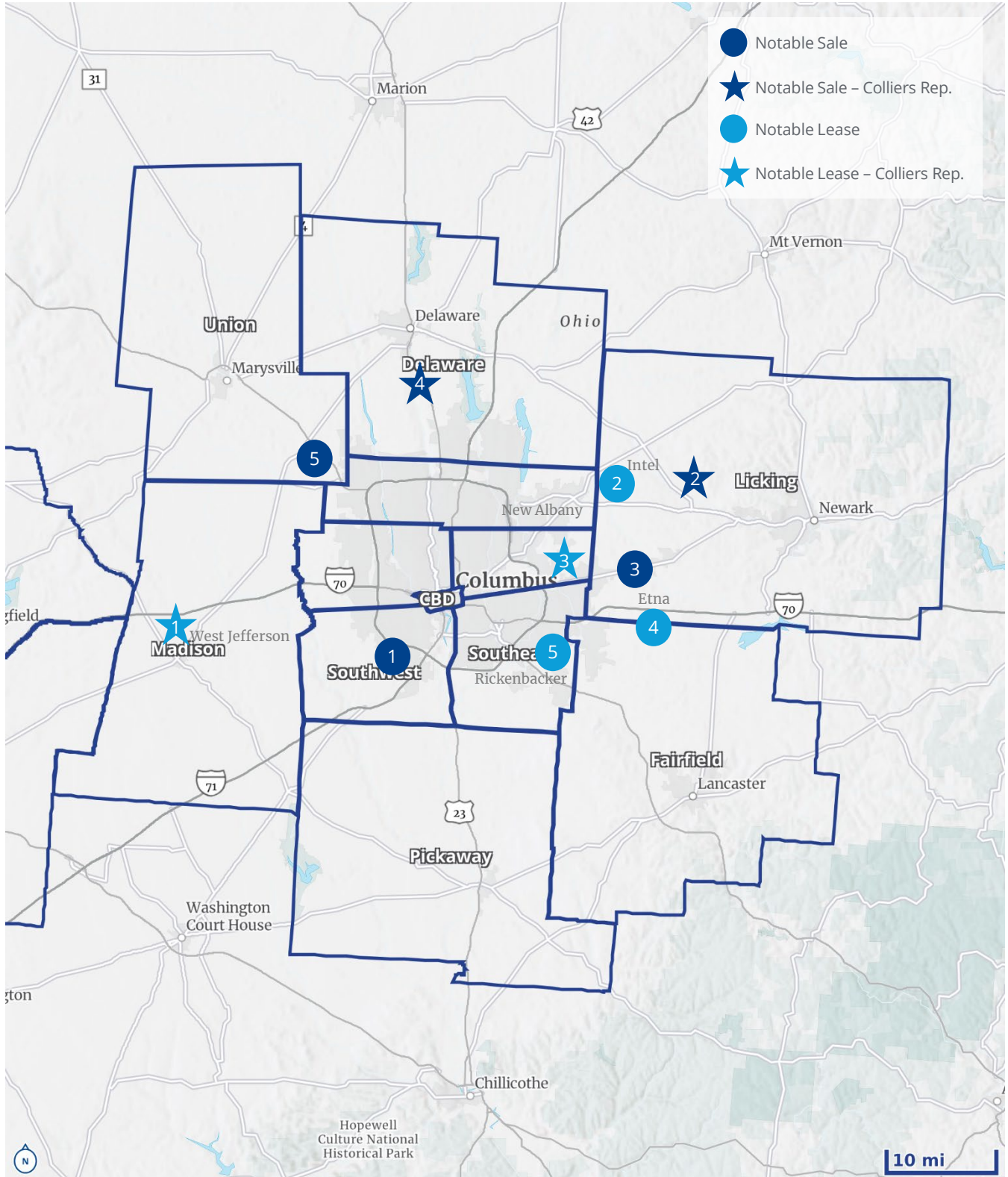
## Notable Lease Activity

#	Address	Size	Tenant	Type	Submarket
<b>1</b>	<b>*1050 Gateway Park Dr</b>	<b>611,750</b>	<b>Confidential Tenant</b>	<b>New Lease</b>	<b>Madison</b>
2	*0 Horizon Ct	450,696	Vantage Data Centers	New Lease	Licking
<b>3</b>	<b>1120 Morrison Rd</b>	<b>385,919</b>	<b>Vista Industrial Packaging</b>	<b>New Lease</b>	<b>East</b>
4	10300 Schuster Way	260,070	Omega Morgan	New Lease	Licking
5	5820 Opus Dr	215,186	Restaurant Equippers	New Lease	Southeast

**Bold/Blue** Colliers Represented Either Tenant or Landlord in Transaction  
\*Will Not Occupy Their Space This Quarter

Columbus

# Industrial 24Q3



## Market Statistics

Submarket/ Class	Total Inventory SF	Availability Rate	Sublease Availability Rate	Direct Vacancy Rate	Previous Vacancy Rate	Net Absorption Current	Net Absorption YTD	Under Construction	Deliveries YTD	Avg. Direct Asking Rate (NNN)
<b>Columbus Total</b>										
<b>General Industrial</b>	229,859,116	4.91%	0.41%	3.10%	3.06%	538,844	(787,321)	524,980	276,687	\$7.37
<b>Flex</b>	10,450,932	8.95%	0.52%	4.95%	5.40%	72,568	(157,032)	365,786	111,504	\$11.01
<b>Modern Bulk</b>	118,480,671	16.43%	0.74%	14.13%	12.62%	20,489	2,603,202	6,889,181	4,806,514	\$6.69
<b>TOTAL</b>	358,790,719	8.83%	0.52%	6.80%	6.27%	631,901	1,658,849	7,779,947	5,194,705	\$7.03

<b>CBD</b>										
<b>General Industrial</b>	3,294,856	13.02%	0.00%	13.02%	14.39%	45,437	87,394	-	-	\$6.00
<b>Flex</b>	157,318	7.76%	0.00%	7.76%	7.76%	-	-	-	-	\$12.00
<b>Modern Bulk</b>	822,040	72.28%	0.00%	72.28%	72.28%	-	223,000	-	223,000	\$7.50
<b>TOTAL</b>	4,274,214	24.33%	0.00%	24.33%	25.40%	45,437	310,394	-	223,000	\$7.93

<b>East</b>										
<b>General Industrial</b>	31,911,495	3.24%	0.00%	2.81%	3.68%	278,400	81,260	206,080	-	\$8.98
<b>Flex</b>	1,308,932	7.44%	1.52%	1.31%	1.31%	10,353	(6,016)	-	56,504	\$10.19
<b>Modern Bulk</b>	3,235,603	15.96%	0.00%	15.96%	10.77%	13,130	238,530	-	412,480	\$8.95
<b>TOTAL</b>	36,456,030	4.52%	0.05%	4.12%	4.22%	301,883	313,774	206,080	468,984	\$7.79

<b>Fairfield</b>										
<b>General Industrial</b>	10,133,422	5.24%	0.00%	4.95%	5.13%	18,751	43,000	-	-	\$3.84
<b>Flex</b>	176,568	0.00%	0.00%	0.00%	4.60%	8,134	12,134	-	-	-
<b>Modern Bulk</b>	1,790,114	25.96%	0.00%	25.96%	20.92%	(90,165)	1,175,541	-	755,160	-
<b>TOTAL</b>	12,100,104	8.22%	0.00%	8.22%	12.47%	(63,280)	1,230,675	-	755,160	\$3.84

Columbus | Industrial  
**24Q3**

Submarket/ Class	Total Inventory SF	Availability Rate	Sublease Availability Rate	Direct Vacancy Rate	Previous Vacancy Rate	Net Absorption Current	Net Absorption YTD	Under Construction	Deliveries YTD	Avg. Direct Asking Rate (NNN)
<b>Licking</b>										
General Industrial	21,471,882	2.81%	0.09%	2.81%	2.25%	1,049	211,582	-	-	\$6.56
Flex	755,837	1.74%	0.00%	3.18%	3.18%	-	(13,171)	-	-	\$7.00
Modern Bulk	24,382,931	20.15%	0.00%	19.72%	14.44%	340,020	765,932	4,680,000	1,466,420	\$6.84
<b>TOTAL</b>	<b>46,610,650</b>	<b>11.86%</b>	<b>0.04%</b>	<b>11.68%</b>	<b>8.47%</b>	<b>341,069</b>	<b>964,343</b>	<b>4,680,000</b>	<b>1,466,420</b>	<b>\$6.83</b>
<b>Madison</b>										
General Industrial	4,837,293	5.86%	0.00%	0.00%	0.00%	-	-	-	-	-
Flex	37,474	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-
Modern Bulk	16,449,817	20.17%	0.00%	20.17%	15.56%	-	(848,280)	-	-	\$6.32
<b>TOTAL</b>	<b>21,324,584</b>	<b>16.89%</b>	<b>0.00%</b>	<b>15.56%</b>	<b>15.56%</b>	<b>-</b>	<b>(848,280)</b>	<b>-</b>	<b>-</b>	<b>\$6.32</b>
<b>North</b>										
General Industrial	12,093,355	4.87%	0.34%	2.66%	1.58%	(55,440)	(127,103)	-	-	\$10.18
Flex	3,468,913	3.60%	0.73%	2.28%	3.28%	40,668	(49,078)	-	-	\$8.61
Modern Bulk	2,911,457	24.31%	0.00%	24.31%	24.31%	-	-	-	-	\$3.79
<b>TOTAL</b>	<b>18,473,715</b>	<b>7.70%</b>	<b>0.36%</b>	<b>6.00%</b>	<b>5.48%</b>	<b>(14,772)</b>	<b>(176,181)</b>	<b>-</b>	<b>-</b>	<b>\$5.67</b>
<b>Delaware</b>										
General Industrial	12,767,336	7.04%	0.23%	6.76%	6.70%	22,369	(410,243)	-	-	\$8.19
Flex	1,333,194	4.25%	0.00%	4.25%	4.25%	-	20,000	-	-	\$12.17
Modern Bulk	2,749,543	4.65%	0.00%	0.00%	0.00%	-	424,000	255,947	424,000	-
<b>TOTAL</b>	<b>16,850,073</b>	<b>6.43%</b>	<b>0.17%</b>	<b>5.46%</b>	<b>5.41%</b>	<b>22,369</b>	<b>33,757</b>	<b>255,947</b>	<b>424,000</b>	<b>\$8.85</b>
<b>Pickaway</b>										
General Industrial	5,717,217	5.33%	0.00%	6.33%	6.33%	-	(78,016)	-	-	-
Flex	96,641	21.52%	0.00%	21.52%	21.52%	-	-	-	-	\$8.95
Modern Bulk	12,448,886	32.42%	4.52%	13.47%	13.47%	-	(125,000)	1,124,234	-	\$4.50
<b>TOTAL</b>	<b>18,262,744</b>	<b>23.88%</b>	<b>3.07%</b>	<b>11.27%</b>	<b>11.27%</b>	<b>-</b>	<b>(203,016)</b>	<b>1,124,234</b>	<b>-</b>	<b>\$4.57</b>

Columbus | Industrial  
**24Q3**

Submarket/ Class	Total Inventory SF	Availability Rate	Sublease Availability Rate	Direct Vacancy Rate	Previous Vacancy Rate	Net Absorption Current	Net Absorption YTD	Under Construction	Deliveries YTD	Avg. Direct Asking Rate (NNN)
<b>Southeast</b>										
General Industrial	54,948,752	5.34%	1.10%	1.98%	1.90%	191,901	(15,978)	-	-	\$9.44
Flex	990,740	4.14%	0.00%	9.76%	9.56%	(2,000)	(67,331)	-	-	\$9.15
Modern Bulk	44,852,176	7.29%	0.72%	6.75%	7.26%	225,504	1,217,479	829,000	1,217,314	\$6.00
<b>TOTAL</b>	<b>100,791,668</b>	<b>6.19%</b>	<b>0.92%</b>	<b>4.18%</b>	<b>4.36%</b>	<b>415,405</b>	<b>1,134,170</b>	<b>829,000</b>	<b>1,217,314</b>	<b>\$5.70</b>
<b>Southwest</b>										
General Industrial	18,281,447	7.58%	0.62%	4.72%	4.78%	84,546	(184,486)	-	66,233	\$11.78
Flex	173,208	80.85%	0.00%	0.00%	0.00%	-	5,000	135,000	-	-
Modern Bulk	4,945,417	14.44%	0.00%	16.18%	6.72%	(468,000)	(468,000)	-	-	\$7.00
<b>TOTAL</b>	<b>23,400,072</b>	<b>9.57%</b>	<b>0.48%</b>	<b>7.11%</b>	<b>5.16%</b>	<b>(383,454)</b>	<b>(647,486)</b>	<b>135,000</b>	<b>-</b>	<b>\$8.33</b>
<b>Union</b>										
General Industrial	11,387,004	2.38%	0.21%	2.10%	2.09%	(25,192)	(52,966)	-	16,385	\$11.04
Flex	461,241	20.99%	0.00%	14.22%	20.99%	(2,500)	(18,068)	24,000	55,000	\$12.50
Modern Bulk	2,424,040	0.00%	0.00%	0.00%	0.00%	-	-	-	308,140	-
<b>TOTAL</b>	<b>14,272,285</b>	<b>2.58%</b>	<b>0.17%</b>	<b>2.13%</b>	<b>2.40%</b>	<b>(27,692)</b>	<b>(71,034)</b>	<b>24,000</b>	<b>379,525</b>	<b>\$11.62</b>
<b>West</b>										
General Industrial	43,015,057	4.68%	0.25%	2.21%	2.05%	(22,977)	(341,765)	318,900	194,069	\$7.39
Flex	1,490,866	22.30%	0.65%	6.66%	7.92%	17,913	(40,502)	206,786	-	\$8.37
Modern Bulk	1,468,657	54.46%	0.00%	54.46%	54.46%	-	-	-	-	-
<b>TOTAL</b>	<b>45,974,580</b>	<b>6.84%</b>	<b>0.26%</b>	<b>4.02%</b>	<b>3.14%</b>	<b>(5,064)</b>	<b>(382,267)</b>	<b>525,686</b>	<b>194,069</b>	<b>\$7.52</b>

FOR MORE INFORMATION  
Collin Fitzgerald  
Research Manager  
Columbus  
+1 614 436 9800  
[collin.fitzgerald@colliers.com](mailto:collin.fitzgerald@colliers.com)

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