

# Dublin Commercial Q4 2019 Real Estate Statistics



## Absorption & Vacancy

The Dublin submarket finished the year strong, posting 63,828 square feet of overall net absorption and a vacancy rate of 9.61 percent in the fourth quarter. The industrial and office sectors saw positive absorption, as Pepper Construction occupied flex space and multiple preleased tenants moved in to the recently-completed building at 6515 Longshore St. The office vacancy rate of 16.95 percent is due to a large vacancy at 5240 Blazer Pkwy., but is expected to decline significantly in 2020 due to Quantum Health occupying the entire building. This lease, as well as Univar Solutions' 32,000-square-foot expansion, will also contribute to anticipated positive absorption in the Dublin office market in the new year.

Over the past four quarters, more than 25 office tenants either renewed or expanded throughout Dublin, for a total of 361,000+ square feet. In addition, over 37 office users have signed new leases totaling 518,000+ square feet. Notable companies such as Medcomm Billing and UST Technology selecting Dublin reinforces the city's reputation as one of the most desirable submarkets in Central Ohio.

## Leasing & Sale Activity

Dublin's largest lease of the quarter occurred when Quantum Health leased 237,238 square feet at 5240 Blazer Pkwy., the previous Ashland building. Medcomm Billing leased 32,285 square feet at 5475 Rings Road and Pepper Construction committed to 17,804 square feet of the new flex property at 5185 Blazer Pkwy. Three buildings at Dublin Techmart totaling 125,003 square feet were purchased by Oak Realty Group for \$10,055,000, or \$80.44 per square foot, making it the largest sale of the quarter.

## Tenants in the Market

Colliers | Columbus reports that 13 office tenants are looking for space exclusively in the Dublin submarket—seven of which require 5,000 square feet or more. Dublin is the second most desired submarket for office tenants in the market, only after the CBD. The industrial sector has 13 tenants currently looking in the North submarket, which includes Dublin, Worthington and Delaware, and all but four need 10,000 square feet or more. On the retail side, there are nine users looking exclusively in Dublin and 73 tenants looking in multiple markets, including Dublin.

## Around the Region

The overall Columbus market recorded positive absorption this quarter, with the top deals occurring in Westerville and the CBD. Around the region, DHL and White Castle's build-to-suit buildings both completed for 145,000 square feet and 105,000 square feet, respectively. Williams Lea also leased 60,000 square feet in the Brewery District. DHL vacated 85,000 square feet at Polaris for their new HQ in Westerville. Ninety-one percent of the users that left space in Dublin this year decided to lease elsewhere in Dublin, demonstrating the submarket's unmatched ability to retain tenants.

Market activity is often correlated to positive or negative absorption. However, in cases when a tenant leaves one space for another in the same submarket, the positive and negative absorption essentially cancels out. The Market Activity Volume (MAV), which is the absolute sum of absorption change in a given market, provides a better idea of overall activity. This quarter, the MAV in the Dublin office market was 135,059 square feet. This is a strong indication that tenants are continuing to stay active in the Dublin market place.

## Q4 2019

	# of Buildings*	Total SF	Vacant SF	Vacancy %	NET ABSORPTION**		NEW CONSTRUCTION		ASKING RENTAL RATE	
					Current Quarter	Year to Date	Current Quarter	Completed	(Average Weighted)	Type
OFFICE	213	9,115,933	1,544,943	16.95%	57,115	(53,457)	116,286	64,724	\$20.02	FSG
A	43	5,010,250	871,732	17.40%	57,004	(64,396)	116,286	64,724	\$21.34	FSG
B	127	3,663,791	650,772	17.76%	1,642	5,452	-	-	\$18.00	FSG
C	43	441,892	22,439	5.08%	(1,531)	5,487	-	-	\$14.05	FSG
RETAIL	48	1,742,765	114,471	6.57%	(8,240)	(9,762)	88,003	13,410	\$23.46	NNN
Anchored Strip Center	8	518,914	8,240	1.59%	(5,240)	(5,295)	-	-	\$20.00	NNN
Big Box	2	209,032	-	0.00%	-	-	-	-	-	-
Conv./Strip Center	16	269,540	3,000	1.11%	(3,000)	(3,000)	-	-	\$20.00	NNN
Freestanding	1	63,376	-	0.00%	-	-	-	-	-	-
Mixed-Use	13	129,644	25,767	19.88%	-	14,885	88,003	13,410	\$34.00	NNN
Neighborhood	8	552,259	77,464	14.03%	-	(16,352)	-	-	\$18.02	NNN
INDUSTRIAL	72	2,187,178	137,372	6.28%	29,490	95	-	59,863	\$8.94	NNN
Flex/R&D	32	1,142,103	137,372	12.03%	17,490	(21,092)	-	59,863	\$8.94	NNN
General Industrial	22	564,852	-	0.00%	12,000	21,187	-	-	-	-
Warehouse/Distribution	18	480,223	-	0.00%	-	-	-	-	-	-
MEDICAL	77	964,206	83,459	8.66%	(14,537)	(11,287)	-	-	\$20.49	FSG

## Q3 2019

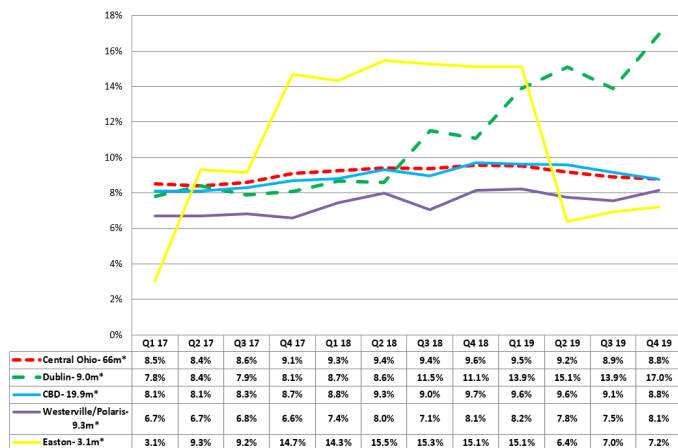
	# of Buildings*	Total SF	Vacant SF	Vacancy %	NET ABSORPTION**		NEW CONSTRUCTION		ASKING RENTAL RATE	
					Current Quarter	Year to Date	Current	Completed	(Average Weighted)	Type
OFFICE	213	9,051,209	1,263,201	13.96%	108,537	(110,572)	181,010	-	\$20.06	FSG
RETAIL	48	1,729,355	92,821	5.37%	15,658	(1,522)	101,413	-	\$21.57	NNN
INDUSTRIAL	72	2,127,315	106,999	5.03%	1,787	(29,395)	59,863	-	\$6.36	NNN
MEDICAL	77	964,206	68,922	7.15%	(12,953)	3,250	-	-	\$20.73	FSG

\*building list updated Q1 2019 to reflect a more accurate dataset

\*\*absorption calculated by occupancy date

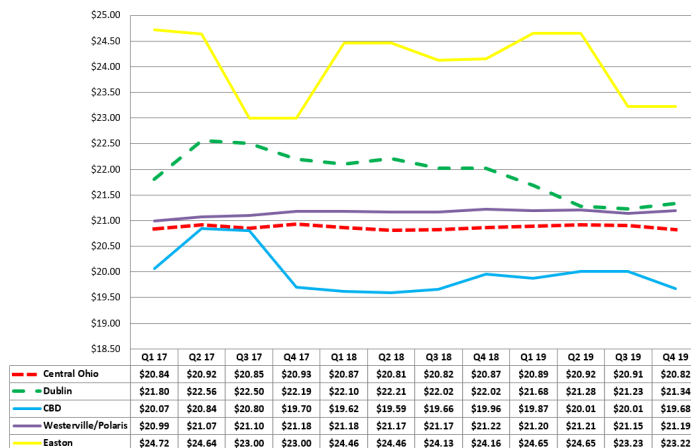
# Submarket Comparison

## Office Vacancy Rates



\*million square feet

## Class A Office Rental Rates (FSG)\*



\*Full Service Gross (base rent plus operating expenses)

## Dublin Sales and Leases

# leasing activity

Property Address	Execution Date	Tenant Name	Leased SF	Asking Rate	Type	General Use	Specific Use
5240 Blazer Pkwy.	10/15/2019	Quantum Health	237,238	\$12.00	NNN	Office	Office
5475 Rings Road	10/21/2019	Medcomm Billing	32,285	\$13.50	NNN	Office	Office
5185 Blazer Pkwy.	10/1/2019	Pepper Construction	17,804	\$15.50	NNN	Industrial	Flex/R&D
6728 Liggett Road	11/1/2019	EWIN International	12,000	\$5.25	FSG	Industrial	Warehouse
5475 Rings Road	11/14/2019	UST Global	8,063	\$13.50	NNN	Office	Office
565 Metro Pl. S	11/7/2019	Lightwell, Inc.	7,554	\$13.50	NNN	Office	Office
475 Metro Pl. S	11/1/2019	PDS Planning	5,000	\$18.50	FSG	Office	Office

# sales activity

Property Address	Sale Date	Sale Price	Sold SF	Sale Price/SF	Sale Type	Property Type	Year Built
4860-5000 Blazer Pkwy.	11/25/2019	\$10,055,000	125,003	\$80.44	Investment	Office	1985
6001 Tain Drive	11/25/2019	\$1,800,000	4,303	\$418.31	Investment	Office	1988
5626 Frantz Road	10/29/2019	\$1,700,000	43,604	\$38.99	Investment	Office	1987
6515 Sawmill Road	10/2/2019	\$1,600,000	3,489	\$458.58	Investment	Retail	1985

### DATABASE

The statistical set for each property type comprises all competitive buildings in the City of Dublin. Competitive space is any space that can be easily used by another tenant for the purposes of that property type. In the case of retail for example, an automobile dealers' building is not included because it would be difficult for another non-dealer to use the space. For industrial, heavy manufacturing properties is excluded. For office, all properties where the government is both 100 percent owner and occupier are excluded as well. The building list was updated in Q1 2019 to reflect a more accurate dataset.

### METHODOLOGY

The report is compiled using sources for reporting vacancy rates includes consulting agent knowledge from Colliers International, external databases, and local news. Asking rental rates are calculated by using the weighted average of the asking rates. The available space of each building is then multiplied by the asking rate for that building. Then, the rate-by-space amount in the entire market is added and divide by the total amount of available space in the market. This allows buildings with more available space than another to weight the average.

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This document has been prepared by Colliers International for the City of Dublin. Colliers International statistics and data are audited annually and may result in revisions to previously reported quarterly and final year-end figures. Sources include Columbus Dispatch, Business First, CoStar, and the Wall Street Journal.

