

Dublin Commercial Q1 2020 Real Estate Statistics



Absorption & Vacancy

The Dublin submarket started the year on a positive note, recording 94,526 square feet of overall net absorption and a vacancy rate of 9 percent in the first quarter. Every sector saw positive absorption, demonstrating the strength of the Dublin market. Univar Solutions expanded 32,000 square feet, City BBQ occupied 16,000 square feet and multiple new retailers opened their doors at Bridge Park. The office vacancy rate decreased to 16.56 percent and is expected to decrease significantly in the second quarter, as Quantum Health occupies 200,000 square feet at their new campus. This lease, as well as Medcomm Billing's 32,385-square-foot relocation to Dublin, will contribute to positive absorption in the submarket throughout 2020.

Over the past four quarters, nearly 30 office tenants either renewed or expanded throughout Dublin, for a total of 355,000+ square feet. In addition, over 30 office users have signed new leases totaling 573,000+ square feet. Notable companies such as Hagerty Insurance and g2o selecting Dublin reinforces the city's reputation as one of the most desirable submarkets in Central Ohio.

Tenants in the Market

Colliers | Columbus reports that 10 office tenants are looking for space exclusively in the Dublin submarket-four 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 15 tenants currently looking in the North submarket, which includes Dublin, Worthington and Delaware, and all but three need 10,000 square feet or more. On the retail side, there are eleven users looking exclusively in Dublin and 76 tenants looking in multiple markets, including Dublin.

COVID-19 Outlook

As we publish this report, the spread of COVID-19 is significantly altering day-to-day life, impacting society, the economy and, by extension, commercial real estate. Of the 10 office tenants looking exclusively in Dublin, nine are now on hold or have not moved forward in their search for space in the past month. Dublin, and the rest of Central Ohio, can anticipate decreased leasing activity as tenants remain hesitant. Landlords will be forced to be more flexible on rates, TI allowances and term lengths, which will flip the market to give tenants more leverage overall.

Around the Region

The overall Columbus market recorded slightly negative absorption this quarter, with the top leases signed in Easton and Dublin. Around the region, Choice Recovery and Equitas Health occupied 55,000 square feet in Worthington. The mixed-use development at 875 N. High St. completed and Industrious and Klarna moved into 45,000 square feet there. IBM vacated over 160,000 square feet in two properties just south of Dublin. So far this year, two thirds of users that left space in Dublin leased space elsewhere in Dublin, demonstrating the city's unmatched ability to retain office 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 127,559 square feet. This is a strong indication that tenants are continuing to stay active in the Dublin market place.

Q1 2020

	# 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	1,509,820	16.56%	47,215	47,215	116,286	-	\$20.04	FSG
A	43	5,010,250	864,836	17.26%	21,005	21,005	116,286	-	\$21.26	FSG
B	127	3,663,791	622,452	16.99%	26,303	26,303	-	-	\$18.04	FSG
C	43	441,892	22,532	5.10%	(93)	(93)	-	-	\$14.62	FSG
RETAIL	48	1,752,351	97,437	5.56%	26,620	26,620	78,417	9,586	\$23.66	NNN
Anchored Strip Center	8	518,914	6,670	1.29%	1,570	1,570	-	-	\$20.00	NNN
Big Box	2	209,032	-	0.00%	-	-	-	-	-	-
Conv./Strip Center	16	269,540	3,000	1.11%	-	-	-	-	\$20.00	NNN
Freestanding	1	63,376	-	0.00%	-	-	-	-	-	-
Mixed-Use	13	139,230	25,767	18.51%	9,586	9,586	78,417	9,586	\$34.00	NNN
Neighborhood	8	552,259	62,000	11.23%	15,464	15,464	-	-	\$18.00	NNN
INDUSTRIAL	72	2,187,178	118,972	5.44%	18,400	18,400	-	-	\$9.43	NNN
Flex/R&D	32	1,142,103	118,972	10.42%	18,400	18,400	-	-	\$9.43	NNN
General Industrial	22	564,852	-	0.00%	-	-	-	-	-	-
Warehouse/Distribution	18	480,223	-	0.00%	-	-	-	-	-	-
MEDICAL	77	964,206	81,258	8.43%	2,291	2,291	-	-	\$20.82	FSG

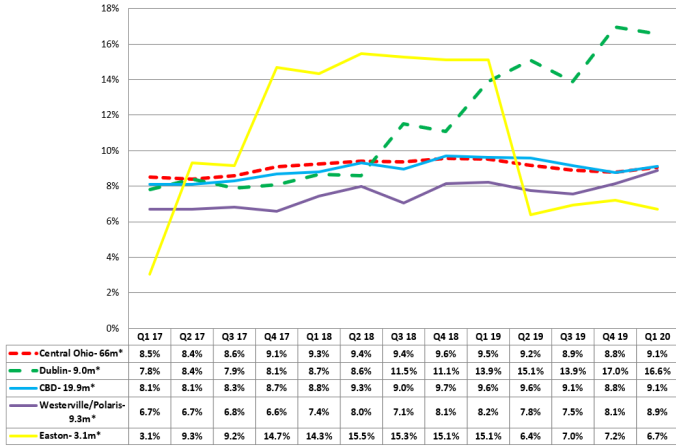
Q4 2019

	# 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	9,115,933	1,544,943	16.95%	57,115	(53,457)	116,286	64,724	\$20.02	FSG
RETAIL	48	1,742,765	114,471	6.57%	(8,240)	(9,762)	88,003	13,410	\$23.46	NNN
INDUSTRIAL	72	2,187,178	137,372	6.28%	29,490	95	-	59,863	\$8.94	NNN
MEDICAL	77	964,206	83,459	8.66%	(14,537)	(11,287)	-	-	\$20.49	FSG

*building list updated Q1 2019 to reflect a more accurate dataset
**absorption calculated by occupancy date

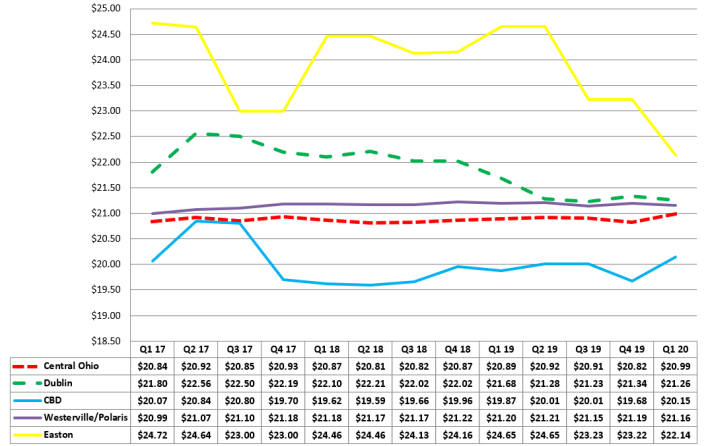
Submarket Comparison

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
6767 Longshore St.	1/20/2020	Hagerty Insurance	41,000	\$19.95	NNN	Office	Office
5455 Rings Road	3/6/2020	g2o	39,817	\$12.95	NNN	Office	Office
300-350 Cramer Creek Ct.	2/14/2020	Flashbay	7,692	\$7.75	NNN	Industrial	Flex/R&D
5080 Tuttle Crossing Blvd.	1/1/2020	Corvel Healthcare	6,441	\$11.25	NNN	Office	Office
92-108 N. High St.	2/28/2020	Seventh Son Brewing	3,915	\$35.21	NNN	Retail	Retail
5130 Bradenton Ave.	2/1/2020	COPC	3,039	\$11.95	NNN	Office	Medical
425 Metro Pl. N	2/25/2020	Ability Matters, LLC	2,305	\$10.38	NNN	Office	Office

sales activity

Property Address	Sale Date	Sale Price	Size SF/Acres	Price per SF/Acre	Type	Subtype	Year Built
6746 Perimeter Drive	2/4/2020	\$1,150,000	3.28	\$350,610	Investment	Land	N/A
4960 Parkcenter Ave.	1/8/2020	\$750,000	8,692	\$86.29	Owner/User	Retail	1992
6600 Perimeter Drive, 1st Floor	2/3/2020	\$730,000	4,350	\$167.82	Owner/User	Office	2005

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.

