

Dublin Commercial Q2 2020 Real Estate Statistics



Absorption & Vacancy

Despite uncertainty regarding the COVID-19 pandemic, the Dublin submarket posted positive net absorption of 3,860 square feet this quarter. The office sector saw the most growth, recording 13,551 square feet of absorption due to Medcomm Billing's relocation to 5475 Rings Road. The office vacancy rate held steady at 16.53 percent but is expected to significantly decrease in the third quarter as Quantum Health occupies over 280,000 square feet of new space. The current COVID-19 pandemic has affected commercial real estate, as leasing activity has considerably slowed in the second quarter. However, of the office leases completed around Columbus in 2020 so far, one third were signed in Dublin - a true testament to consistent demand in the area.

Over the past year, 28 office tenants either renewed or expanded throughout Dublin, for a total of 430,000+ square feet. In addition, 28 office users have signed new leases totaling 220,000+ square feet. Notable companies such as Hagerty Insurance, g2o and Comprehensive Pharmacy Services 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 six office tenants are looking for space exclusively in the Dublin submarket - all of which require less than 5,000 square feet. Dublin is the third most desired submarket for office tenants in the market, after the CBD and Polaris. The industrial sector has 18 tenants currently looking in the North submarket, which includes Dublin, Worthington and Delaware, and all but five 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.

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 six office tenants looking only in Dublin, three are now on hold or have not moved forward in their search for space in the past quarter. Dublin, and the rest of Central Ohio, can anticipate an increase in sublease availability as tenants remain hesitant about future office plans. Landlords will be forced to be more flexible on rates and offer more concessions to compete with this sublease space.

Around the Region

The overall Columbus market recorded positive absorption this quarter, with the top lease signed in Dublin. Around the region, M/I Homes relocated to a new 65,000-square-foot space at Easton. Two phases of Easton's expansion and the office building at 950 Goodale Blvd. both completed and pre-leased tenants occupied. iQor vacated over 50,000 square feet in New Albany and Advanced Drainage Systems relocated within Hilliard. So far this year, over 80 percent of tenants 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 84,741 square feet. This is a strong indication that tenants are continuing to stay active in the Dublin market place.

Q2 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	1,507,298	16.53%	13,551	60,766	116,286	-	\$20.27	FSG
A	43	5,010,250	857,696	17.12%	18,169	39,174	116,286	-	\$21.27	FSG
B	127	3,663,791	625,070	17.06%	(2,618)	23,685	-	-	\$18.27	FSG
C	43	441,892	24,532	5.55%	(2,000)	(2,093)	-	-	\$14.57	FSG
RETAIL	48	1,752,351	100,055	5.71%	(2,618)	24,002	78,417	-	\$28.13	NNN
Anchored Strip Center	8	518,914	6,670	1.29%	-	1,570	-	-	\$20.00	NNN
Big Box	2	209,032	-	0.00%	-	-	-	-	-	-
Conv./Strip Center	16	269,540	5,618	2.08%	(2,618)	(2,618)	-	-	-	-
Freestanding	1	63,376	-	0.00%	-	-	-	-	-	-
Mixed-Use	13	139,230	25,767	18.51%	-	9,586	78,417	-	\$34.00	NNN
Neighborhood	8	552,259	62,000	11.23%	-	15,464	-	-	\$18.00	NNN
INDUSTRIAL	72	2,187,178	128,022	5.85%	(9,050)	9,350	-	-	\$9.29	NNN
Flex/R&D	32	1,142,103	118,972	10.42%	-	18,400	-	-	\$9.43	NNN
General Industrial	22	564,852	9,050	1.60%	(9,050)	(9,050)	-	-	\$7.50	NNN
Warehouse/Distribution	18	480,223	-	0.00%	-	-	-	-	-	-
MEDICAL	77	964,206	79,281	8.22%	1,977	4,268	-	-	\$21.20	FSG

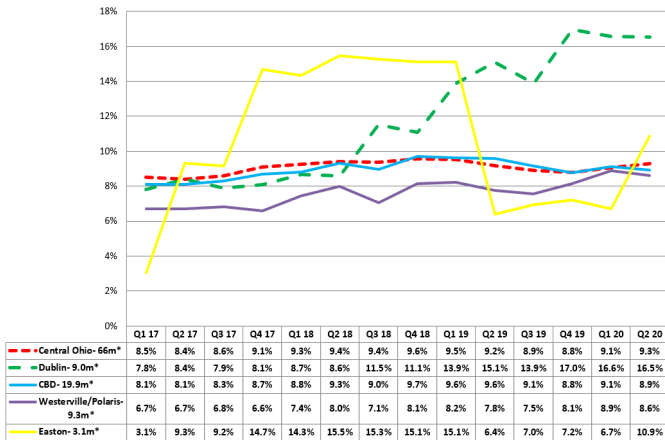
Q1 2020

	# 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	1,509,820	16.56%	47,215	47,215	116,286	-	\$20.04	FSG
RETAIL	48	1,752,351	97,437	5.56%	26,620	26,620	78,417	9,586	\$23.66	NNN
INDUSTRIAL	72	2,187,178	118,972	5.44%	18,400	18,400	-	-	\$9.43	NNN
MEDICAL	77	964,206	81,258	8.43%	2,291	2,291	-	-	\$20.82	FSG

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

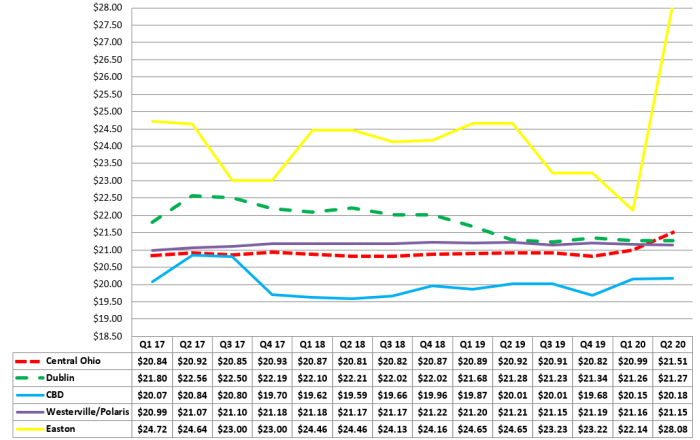
Submarket Comparison

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
5555 Parkcenter Circle	4/15/2020	Veeva Systems, Inc	28,838	\$10.50	NNN	Office	Office
6500 Emerald Pkwy.	4/4/2020	Management and Network Services	15,000	\$12.50	NNN	Office	Office
5550 Blazer Memorial Pkwy.	5/14/2020	Lima Refining Company	14,935	\$14.50	NNN	Office	Office
655 Metro Pl. S	4/24/2020	Comprehensive Pharmacy Services	13,909	\$12.00	NNN	Office	Office
5900 Wilcox Pl.	5/5/2020	Maronda Homes of Ohio	3,480	\$13.75	MG	Office	Office
425 Metro Pl. N	6/1/2020	Meaden & Moore	2,816	\$10.75	NNN	Office	Office
6630 Riverside Drive	6/1/2020	The Color Bar Salon	2,700	\$34.00	NNN	Retail	Retail

sales activity

Property Address	Sale Date	Sale Price	Size SF/Acres	Price per SF/Acre	Type	Subtype	Year Built
5005 Parkcenter Ave.	6/30/2020	\$6,729,500	14,416	\$466.81	Owner/User	Office	2003
6161 Shamrock Ct.	4/21/2020	\$4,500,000	65,000	\$69.23	Investment	Industrial	1994
5810 A,B,C Shier Rings Road	6/11/2020	\$1,500,000	18,279	\$82.06	Owner/User	Industrial	1973
6000 Venture Drive	6/16/2020	\$500,400	5,752	\$87.00	Owner/User	Office	2006

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.

