

Dublin Commercial Q3 2020 Real Estate Statistics



Absorption & Vacancy

Despite uncertainty regarding the COVID-19 pandemic, the Dublin submarket posted significant positive net absorption of 427,193 square feet this quarter. The office sector saw the most growth, recording 410,836 square feet of absorption due to Quantum Health occupying their new campus on Blazer Pkwy. The office vacancy rate decreased from 16.53 percent to 12.43 percent, as various tenants occupied new spaces around the submarket. The current COVID-19 pandemic has impacted commercial real estate, as leasing activity has considerably slowed in recent months. However, Dublin was the only submarket across Columbus to record positive absorption higher than 20,000 square feet in Q3 - a true testament to the area's resilience.

Over the past year, 23 office tenants either renewed or expanded throughout Dublin, for a total of 305,000+ square feet. In addition, 19 office users have signed new leases totaling 450,000+ square feet. Notable companies such as Hagerty Insurance, g2o and Medcomm 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 12 office tenants are looking for space exclusively in Dublin - all of which require less than 15,000 square feet. Dublin is the second most desired submarket for office tenants in the market, after the CBD. The industrial sector has 23 tenants currently looking in the North submarket, which includes Dublin, Worthington and Delaware, and two thirds of them 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 office tenants looking only in Dublin, two 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 a rise of sublease availability as tenants weigh their options. This influx of sublease space will push overall rental rates down, as landlords work to compete for tenant demand.

Around the Region

The overall Columbus market started to feel the effects of COVID-19, recording negative net absorption of 664,924 square feet this quarter. This is mainly attributed to the nearly 500,000 square feet of sublease vacancy that has come on the market, compared to direct vacancy which has not significantly risen this year. Dublin posted the most absorption of any submarket this quarter. Around the region, Adtalem Global Education took 42,000 square feet at the new Easton expansion and Alliance Data subleased over 200,000 square feet of space in multiple submarkets. So far this year, 85 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, the absorption cancels out. The Market Activity Volume (MAV) is the sum of absorption change and provides a better idea of activity. This quarter, the MAV in Dublin was 540,702 square feet - a strong indication that tenants are staying active in the Dublin market.

Q3 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	1,133,035	12.43%	410,836	471,602	116,286	-	\$20.28	FSG
A	43	5,010,250	734,402	14.66%	163,111	202,285	116,286	-	\$21.28	FSG
B	127	3,663,791	361,875	9.88%	259,951	283,636	-	-	\$18.15	FSG
C	43	441,892	36,758	8.32%	(12,226)	(14,319)	-	-	\$14.50	FSG
RETAIL	48	1,752,351	98,033	5.59%	2,022	26,024	78,417	-	\$31.05	NNN
Anchored Strip Center	8	518,914	6,640	1.28%	30	1,600	-	-	\$18.00	NNN
Big Box	2	209,032	-	0.00%	-	-	-	-	-	-
Conv./Strip Center	16	269,540	5,618	2.08%	-	(2,618)	-	-	\$29.00	-
Freestanding	1	63,376	-	0.00%	-	-	-	-	-	-
Mixed-Use	13	139,230	23,775	17.08%	1,992	11,578	78,417	-	\$34.00	NNN
Neighborhood	8	552,259	62,000	11.23%	-	15,464	-	-	\$18.50	NNN
INDUSTRIAL	72	2,187,178	113,942	5.21%	14,080	23,430	-	-	\$9.68	NNN
Flex/R&D	32	1,142,103	104,892	9.18%	14,080	32,480	-	-	\$10.00	NNN
General Industrial	22	564,852	9,050	1.60%	-	(9,050)	-	-	\$6.00	NNN
Warehouse/Distribution	18	480,223	-	0.00%	-	-	-	-	-	-
MEDICAL	77	964,206	79,026	8.20%	255	4,523	-	-	\$20.98	FSG

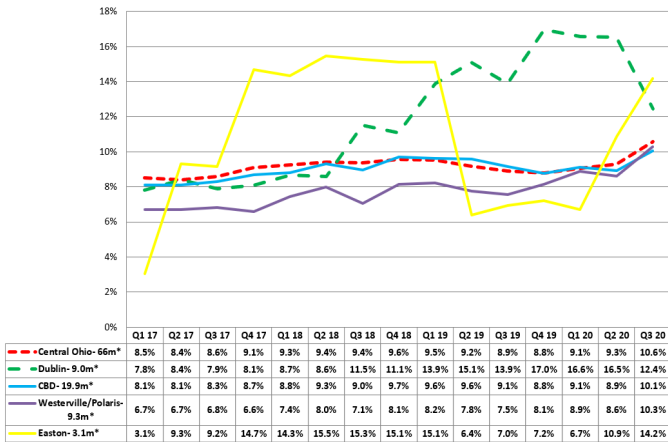
Q2 2020

	# 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	1,507,298	16.53%	13,551	60,766	116,286	-	\$20.27	FSG
RETAIL	48	1,752,351	100,055	5.71%	(2,618)	24,002	78,417	-	\$28.13	NNN
INDUSTRIAL	72	2,187,178	128,022	5.85%	(9,050)	9,350	-	-	\$9.29	NNN
MEDICAL	77	964,206	79,281	8.22%	1,977	4,268	-	-	\$21.20	FSG

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

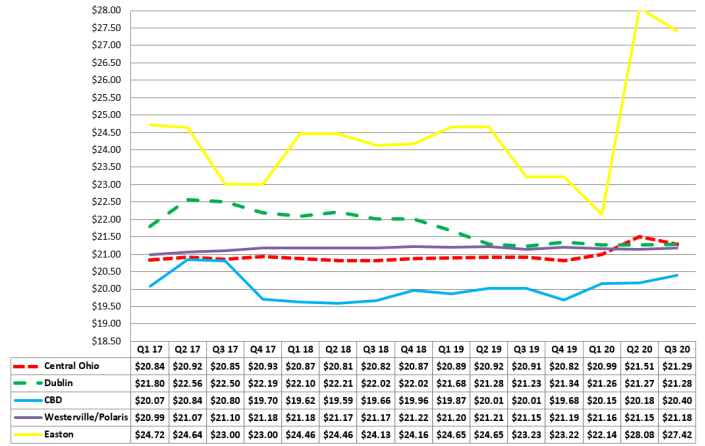
Submarket Comparison

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
5164 Blazer Pkwy.	9/15/2020	Nanofiber Solutions	12,674	\$8.52	FSG	Industrial	R&D/Flex
4890 Blazer Memorial Pkwy.	7/14/2020	Medflight	8,744	\$10.20	NNN	Office	Office
4150 Tuller Road	8/6/2020	Foundation for Talent and the Arts	7,521	\$7.98	NNN	Industrial	R&D/Flex
5747 Perimeter Drive	8/14/2020	Fifth Third Community Development	4,926	\$11.00	NNN	Office	Office
5100 Bradenton Ave.	9/30/2020	Jarvis Law	4,536	\$10.19	NNN	Office	Medical
655 Metro Pl. S	9/16/2020	The Knoch Corporation	3,954	\$15.00	FSG	Office	Office
4864 Blazer Memorial Pkwy.	9/23/2020	Empire Marketing Strategies	3,160	\$7.23	NNN	Office	Office

sales activity

Property Address	Sale Date	Sale Price	Size SF/Acres	Price per SF/Acre	Type	Subtype	Year Built
565 Metro Pl. S	9/10/2020	Undisclosed	118,880	Undisclosed	Investment	Office	2000
5260 Blazer Pkwy.	9/28/2020	\$5,000,000	121,368	\$41.20	Owner/User	Office	1989
5150 Tuttle Crossing Blvd.	7/21/2020	\$1,362,500	3,287	\$414.51	Owner/User	Retail	1994
6175 Emerald Pkwy.	7/10/2020	\$834,200	6,000	\$139.03	Owner/User	Office	2012

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.

