

# Dublin Commercial Q4 2020 Real Estate Statistics



## Absorption & Vacancy

Dublin started to feel the effects of the ongoing COVID-19 pandemic in Q4, recording negative net absorption of 3,165 square feet in the office sector. However, overall net absorption reached positive 23,051 square feet due to a strong quarter for retail, as North Market occupied their new space at Bridge Park. The office vacancy rate increased to 13.47 percent, as various tenants vacated space around the submarket and offset the positive absorption from Hagerty Insurance occupying their newly completed space at Bridge Park. The current COVID-19 pandemic has impacted commercial real estate, as leasing activity has considerably slowed in recent months. However, Dublin demonstrated its continued desirability, recording more square feet of new space signed than any other submarket in 2020.

Over the past year, 27 office tenants either renewed or expanded in Dublin, for a total of 325,000+ square feet. In addition, 31 office users signed new leases totaling 205,000+ square feet. Notable companies like Medcomm, Veeva Systems and Sedgwick Claims Management selecting Dublin reinforces its reputation as one of the most in-demand areas in Central Ohio.

## Tenants in the Market

Colliers | Columbus reports that 14 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 25 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 71 tenants looking in multiple markets, including Dublin.

## COVID-19 Outlook

As we publish this report, the spread of the novel coronavirus continues to significantly alter day-to-day life, impact society, the economy and, by extension, commercial real estate. However, the number of office tenants looking specifically in Dublin grew from six users in July 2020 to 14 users in January 2021, indicating growing demand over the past six months. Dublin, and the rest of Central Ohio, can anticipate a slow but steady recovery in the coming year as the economy recovers and the office sector adapts to a post-COVID-19 world.

## Around the Region

The overall Columbus market continues to be impacted by COVID-19, recording negative net absorption of 278,546 square feet this quarter. This is mainly attributed to the nearly 700,000 square feet of sublease vacancy that has come on the market this year, compared to direct vacancy which has not risen as much. Dublin posted notably less sublease space than other competitive submarkets. Around the region, Bank of America took 59,000 square feet at Pointe at Polaris II and Zulily subleased over 87,000 square feet of office space in Gahanna/Airport. This year, Dublin led Central Ohio in tenant retainment, as 87 percent of office users that left space in Dublin leased space elsewhere in Dublin.

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 147,653 square feet - a strong indication that tenants are staying active in the Dublin market.

## Q4 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
<b>OFFICE</b>	213	9,232,219	1,243,536	13.47%	(3,165)	468,437	-	116,286	\$20.52	FSG
A	43	5,126,536	842,186	16.43%	(448)	201,837	-	116,286	\$21.55	FSG
B	127	3,663,791	364,948	9.96%	(3,073)	280,563	-	-	\$18.30	FSG
C	43	441,892	36,402	8.24%	356	(13,963)	-	-	\$14.46	FSG
<b>RETAIL</b>	48	1,821,974	132,441	7.27%	35,215	61,239	8,794	69,623	\$32.16	NNN
Anchored Strip Center	8	518,914	8,040	1.55%	(1,400)	200	-	-	\$18.00	NNN
Big Box	2	209,032	-	0.00%	-	-	-	-	-	-
Conv./Strip Center	16	269,540	7,498	2.78%	(1,880)	(4,498)	-	-	\$29.00	NNN
Freestanding	1	63,376	-	0.00%	-	-	-	-	-	-
Mixed-Use	13	208,853	54,903	26.29%	38,495	50,073	8,794	69,623	\$34.00	NNN
Neighborhood	8	552,259	62,000	11.23%	-	15,464	-	-	\$18.50	NNN
<b>INDUSTRIAL</b>	72	2,187,178	130,553	5.97%	(16,611)	6,819	-	-	\$9.68	NNN
Flex/R&D	32	1,142,103	121,503	10.64%	(16,611)	15,869	-	-	\$10.00	NNN
General Industrial	22	564,852	9,050	1.60%	-	(9,050)	-	-	\$6.00	NNN
Warehouse/Distribution	18	480,223	-	0.00%	-	-	-	-	-	-
<b>MEDICAL</b>	78	964,206	71,414	7.41%	7,612	12,135	272,000	-	\$20.85	FSG

## Q3 2020

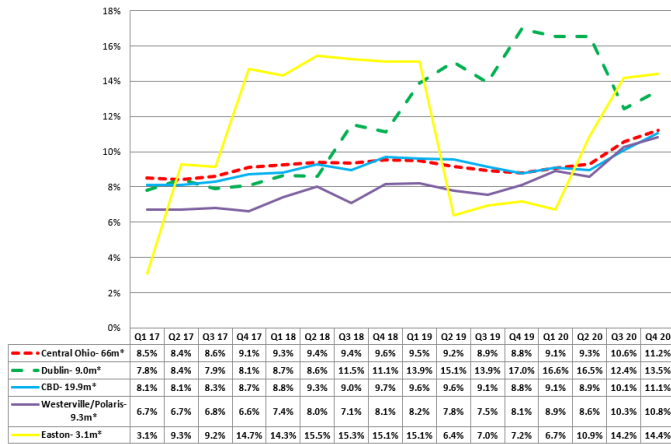
	# of Buildings*	Total SF	Vacant SF	Vacancy %	NET ABSORPTION**		NEW CONSTRUCTION		ASKING RENTAL RATE	
					Current Quarter	Year to Date	Current	Completed	(Average Weighted)	Type
OFFICE	213	9,115,933	1,133,035	12.43%	410,836	471,602	116,286	-	\$20.28	FSG
RETAIL	48	1,752,351	98,033	5.59%	2,022	26,024	78,417	-	\$31.05	NNN
INDUSTRIAL	72	2,187,178	113,942	5.21%	14,080	23,430	-	-	\$9.68	NNN
MEDICAL	77	964,206	79,026	8.20%	255	4,523	-	-	\$20.98	FSG

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

\*\*absorption calculated by occupancy date

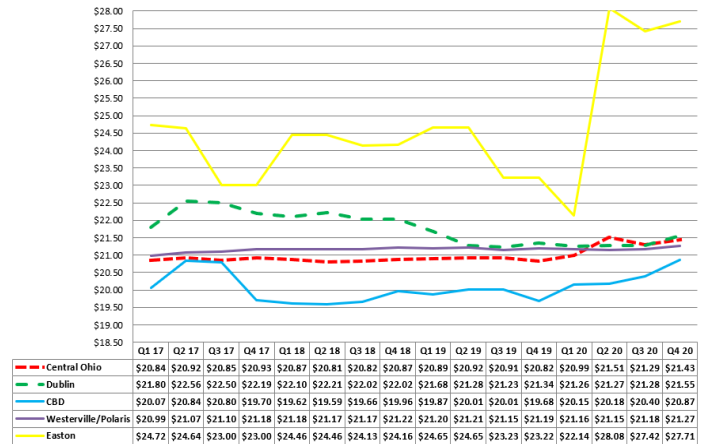
# Submarket Comparison

## 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
4150 Tuller Road	10/30/2020	Hegg Windows & Doors	6,652	\$8.45	NNN	Industrial	R&D/Flex
6640 Riverside Drive	11/25/2020	Ossur	5,750	\$19.95	NNN	Office	Office
6880 Perimeter Drive	11/10/2020	Vertava Health	4,444	\$12.00	NNN	Office	Medical
5747 Perimeter Drive	12/16/2020	Rich & Gillis Law Group	3,597	\$10.25	NNN	Office	Office
655 Metro Pl. S	12/4/2020	Reliant Staffing Solutions	2,788	\$11.35	NNN	Office	Office
6780 Longshore St.	11/23/2020	Restore Hyper Wellness	2,500	\$32.00	NNN	Retail	Retail
6025 Frantz Road	12/1/2020	Amnion	2,304	-	-	Office	Medical

# sales activity

Property Address	Sale Date	Sale Price	Size SF/Acres	Price per SF/Acre	Type	Subtype	Year Built
5160-5168 Blazer Pkwy.	12/30/2020	\$3,050,000	85,962	\$35.48	Industrial	R&D/Flex	1983
5720 Blazer Memorial Pkwy.	12/31/2020	\$2,570,000	11,000	\$233.64	Office	Medical	2008
5900 Innovation Drive	12/31/2020	\$1,480,000	7,693	\$192.38	Retail	Retail	1998
6025-6035 Memorial Drive	10/15/2020	\$1,300,000	9,800	\$132.65	Office	Office	1987

### 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.

