NEWMARK

Columbus

Industrial Market Overview

1Q26

NMRK.COM

Key Takeaways

Columbus's industrial fundamentals point to continued momentum through 2026, supported by strong demand, tightening vacancy, and a deep pipeline of active tenants. Recent net absorption has strengthened while construction deliveries remain muted.

Space is increasingly constrained as vacancy continues to decline, strengthening landlord pricing power and reinforcing demand for modern, well-located product.

Rents are rising at a healthy pace, with average industrial pricing pushed higher by sustained competition for quality space in key logistics corridors.

Transaction pricing has trended higher in recent quarters, remaining consistently above $100/SF through 2025 and into 1Q26.

Leasing activity remains brisk—particularly for large, modern facilities—positioning the market for another active year as users move to secure space ahead of anticipated rent growth.

Market Observations

Economy

- The Columbus MSA added jobs year-over-year in March 2026, with total nonfarm employment up 0.6%, outpacing the national increase of 0.2%. Columbus's unemployment rate fell to 4.0% in March 2026 from 4.5% in September 2025. The national rate was 4.3%, leaving Columbus slightly lower on a seasonally-adjusted basis. The two rates are converging, reversing mid-2025 when Columbus briefly exceeded the national rate.
- Six of the market's 10 industry sectors recorded employment gains from January 2025 to January 2026. The Mining, Logging, and Construction sector came in at 2.0% year-over-year growth. The Trade, Transportation, and Utilities sector posted a gain of 0.3% and the Manufacturing sector tallied an annual job growth of 0.1% in January.

Leasing Market Fundamentals

- Class A warehouse leasing accounted for 58.6% of total Columbus industrial leasing in 1Q26, above most annual shares recorded since 2010 and trailing only 2022. At 3.6 million SF, the first quarter's Class A leasing volume was the sixth-highest quarterly total since 2010.
- The market recorded 3.3 million SF of positive net absorption in the first quarter, as demand outpaced new supply. With 684,630 SF of new product delivered, the market absorbed about 4.9 times as much space as it added.
- Vacancy has fallen sharply from 9.4% in the first quarter of 2025 to 6.6% in the first quarter of 2026, a 280-basis-point decline over the last four quarters.
- Industrial direct average asking rents increased 9.5% year-over-year in the first quarter of 2026, with the market's average rate rising to $6.71/SF—up $0.57/SF from 4Q25.

Notable Transactions and Developments

- Notable sales included LCN Capital Partners' $88.3 million purchase of the 354,640 SF facility at 9885 Innovation Campus Way in the Northeast submarket at $248.84/SF; Action Group LLC's acquisition of the 147,186 SF building at 411 Reynoldsburg–New Albany Rd. in the East submarket for $15.4 million, or $104.80/SF; CapitaLand Ascendas REIT's $73.8 million purchase of the 755,160 SF property at 8695 Basil Western Rd. NW in the Southeast submarket at $97.73/SF; and Amazon.com's acquisition of the 1,090,000 SF facility at 44 Commerce Pkwy. in Madison County for $95.9 million, or $88.00/SF.
- The top lease of the quarter occurred in the Southeast submarket, where DHL Supply Chain committed to a 755,160 SF sale-leaseback at 8695 Basil Western Rd. NW. In the Rickenbacker submarket, Crane Worldwide Logistics signed a 508,775 SF short-term lease at 3780 Tradeport Ct., while Hikma Pharmaceuticals inked a 354,676 SF deal at 6500 Adelaide Ct., and Essilor of America completed a 330,179 SF renewal at 2400 Spiegel Dr. In the West submarket, Marzetti Co. executed a 327,000 SF prelease at the under-construction 800 E. Hilliard Rome E. Rd.

Outlook

- Leasing momentum is firming, and with two straight quarters above 6.1 million SF, market activity should remain healthy through the balance of 2026 if current large-block demand continues to convert. Class A's share of total leasing should remain elevated in 2026, likely in the low-to-mid-50% range if large modern-box demand persists.
- With only 1.9% of inventory under construction but a sizable slate of proposed large speculative and owner-occupied projects slated to start in 2026—especially in key logistics corridors—industrial construction is expected to move from a moderate pace toward a renewed expansion phase should these intended starts materialize.
- Looking ahead, Columbus industrial market conditions appear generally favorable through 2026, with steady absorption, declining vacancy, and limited near-term deliveries suggesting further tightening, while the pace will depend on ongoing large-block leasing and timely backfill of new supply.

Table of Contents

01

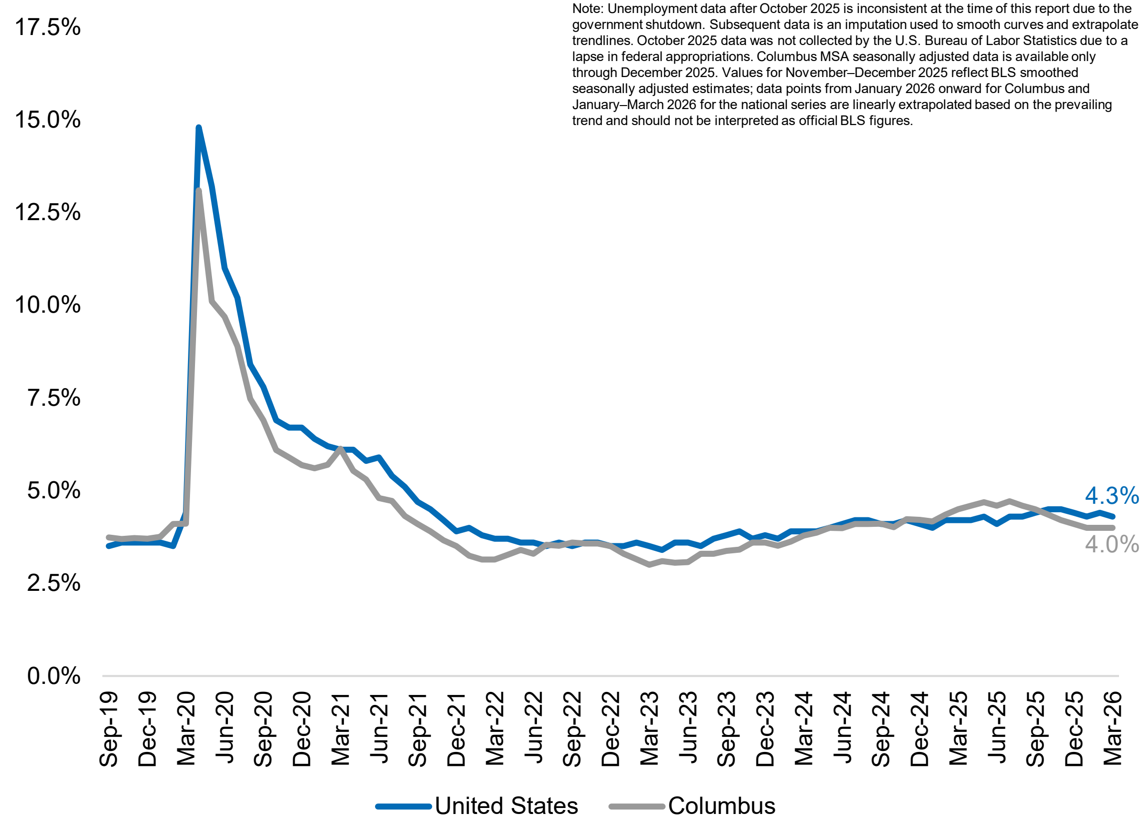
Economy

Columbus and United States Unemployment and Nonfarm Employment Trends

Based on a combination of reported and estimated data, the Columbus metro's economy gained jobs year-over-year in March 2026, as the MSA's total nonfarm employment increased annually by 0.6%. National nonfarm employment increased year-over-year by 0.2% in March. Columbus's estimated unemployment rate in March 2026 came down to 4.0% after hitting 4.5% in September of 2025. The national unemployment rate was higher than Columbus at 4.3%. The U.S. and projected Columbus unemployment rates are now converging, with Columbus tracking slightly below the national rate on a seasonally-adjusted basis — a reversal from mid-2025 period when Columbus briefly exceeded the U.S. rate.

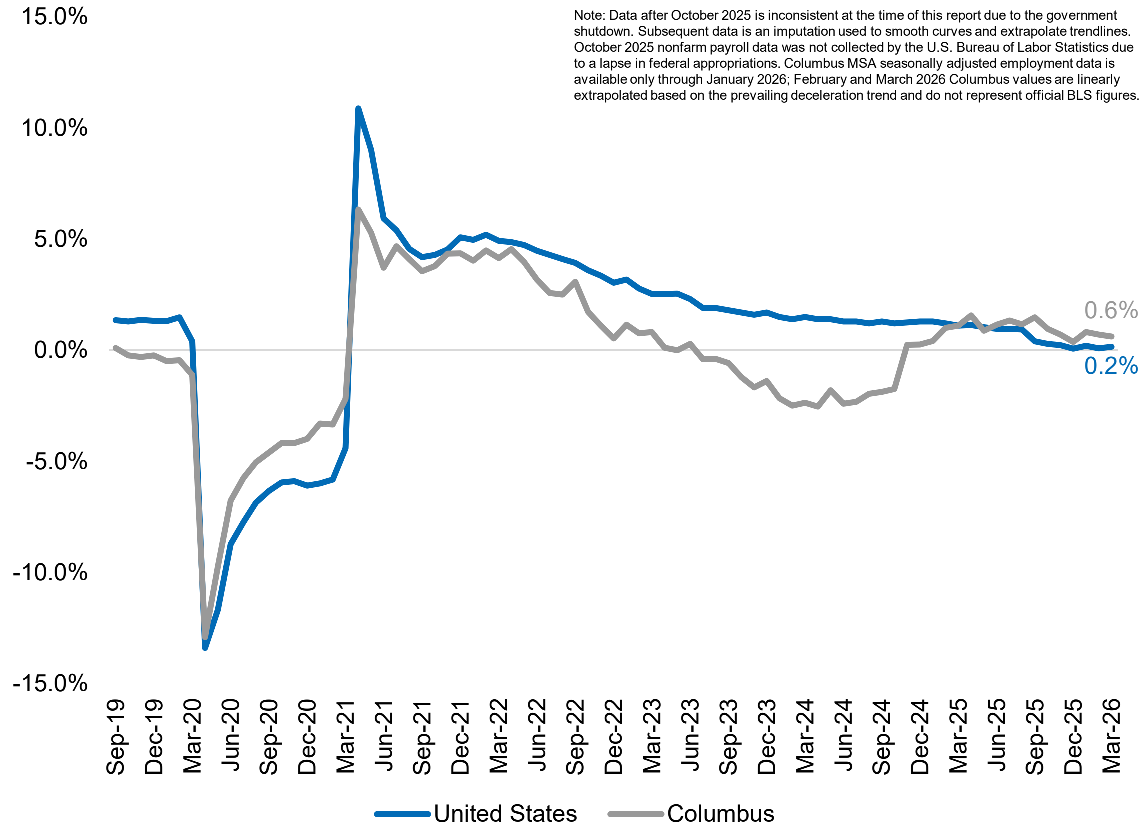
Unemployment Rate, Seasonally Adjusted

Note: Unemployment data after October 2025 is inconsistent at the time of this report due to the government shutdown. Subsequent data is an imputation used to smooth curves and extrapolate trendlines. October 2025 data was not collected by the U.S. Bureau of Labor Statistics due to a lapse in federal appropriations. Columbus MSA seasonally adjusted data is available only through December 2025. Values for November–December 2025 reflect BLS smoothed seasonally adjusted estimates; data points from January 2026 onward for Columbus and January–March 2026 for the national series are linearly extrapolated based on the prevailing trend and should not be interpreted as official BLS figures.



Nonfarm Payroll Employment, Seasonally Adjusted, 12-Month % Change

Note: Data after October 2025 is inconsistent at the time of this report due to the government shutdown. Subsequent data is an imputation used to smooth curves and extrapolate trendlines. October 2025 nonfarm payroll data was not collected by the U.S. Bureau of Labor Statistics due to a lapse in federal appropriations. Columbus MSA seasonally adjusted employment data is available only through January 2026; February and March 2026 Columbus values are linearly extrapolated based on the prevailing deceleration trend and do not represent official BLS figures.

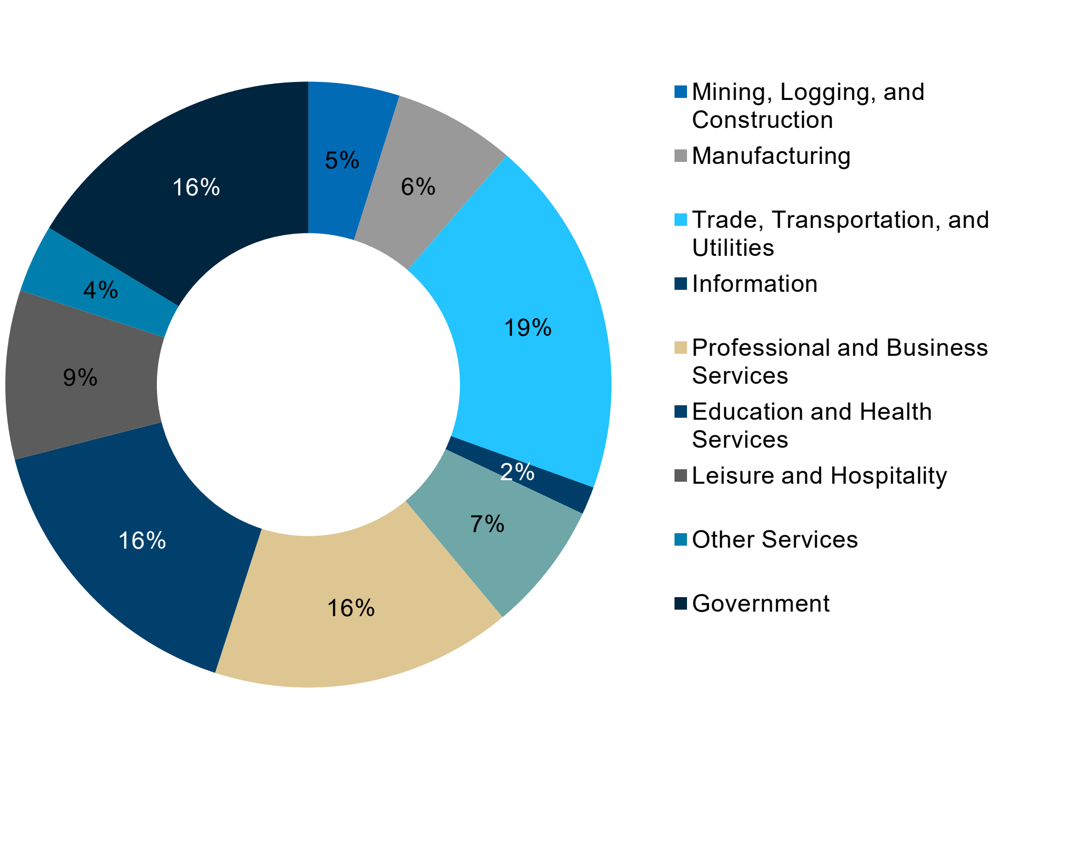


Source: U.S. Bureau of Labor Statistics, Columbus MSA; Federal Reserve Bank of St. Louis

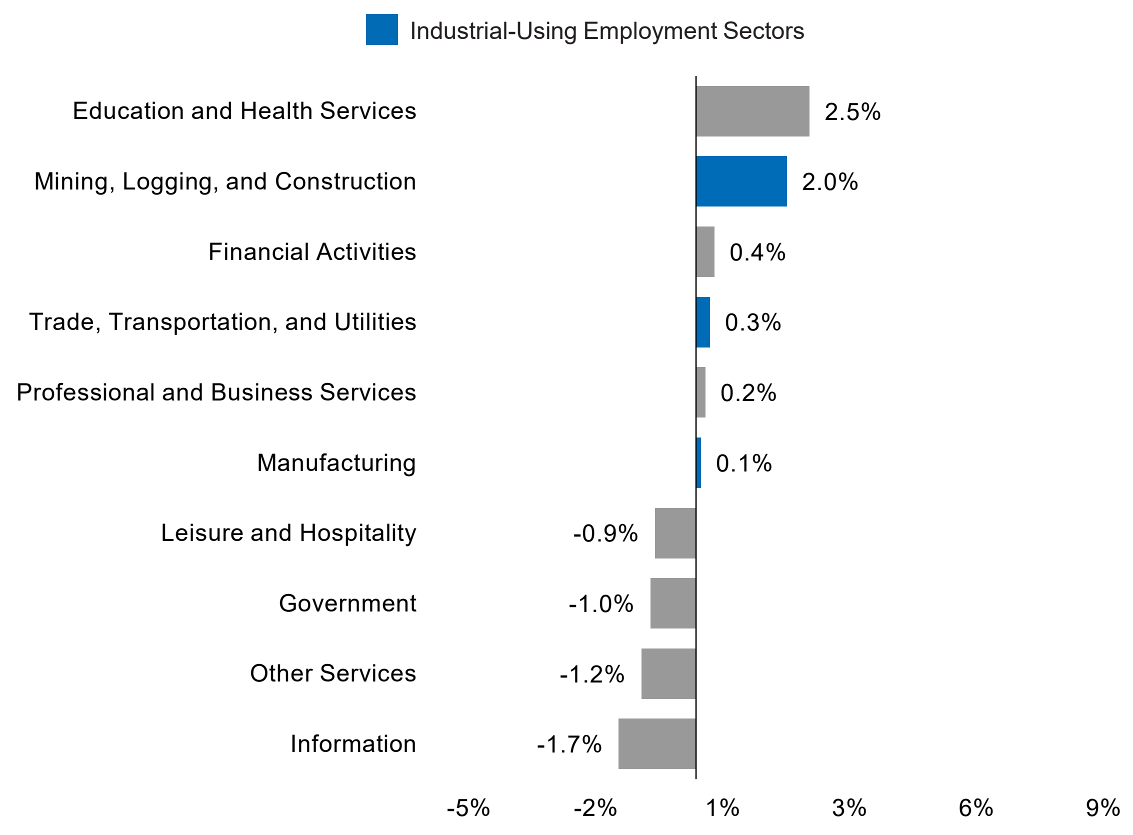
Job Gains in All Three Industrial-Using Employment Sectors

The Educational and Health Services sector led all industries in annual job growth with 2.5% in January for the Columbus MSA. Six of 10 industry sectors in the market saw employment gains from January 2025 to January 2026. The Mining, Logging, and Construction sector came in at 2.0% year-over-year growth. The Trade, Transportation, and Utilities sector posted a gain of 0.3% and the Manufacturing sector tallied an annual job growth of 0.1% in January.

Employment by Industry, January 2026



Employment Growth by Industry, 12-Month % Change, January 2026

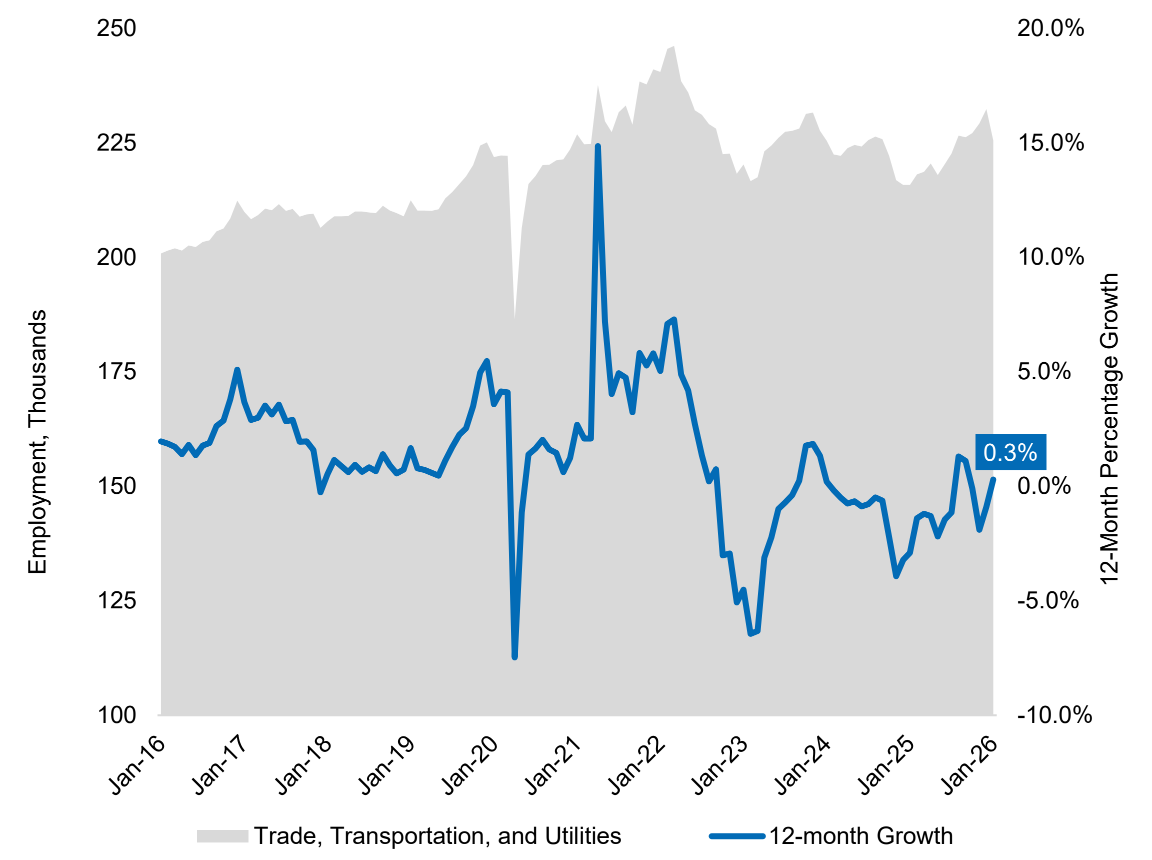


Source: U.S. Bureau of Labor Statistics, Columbus MSA

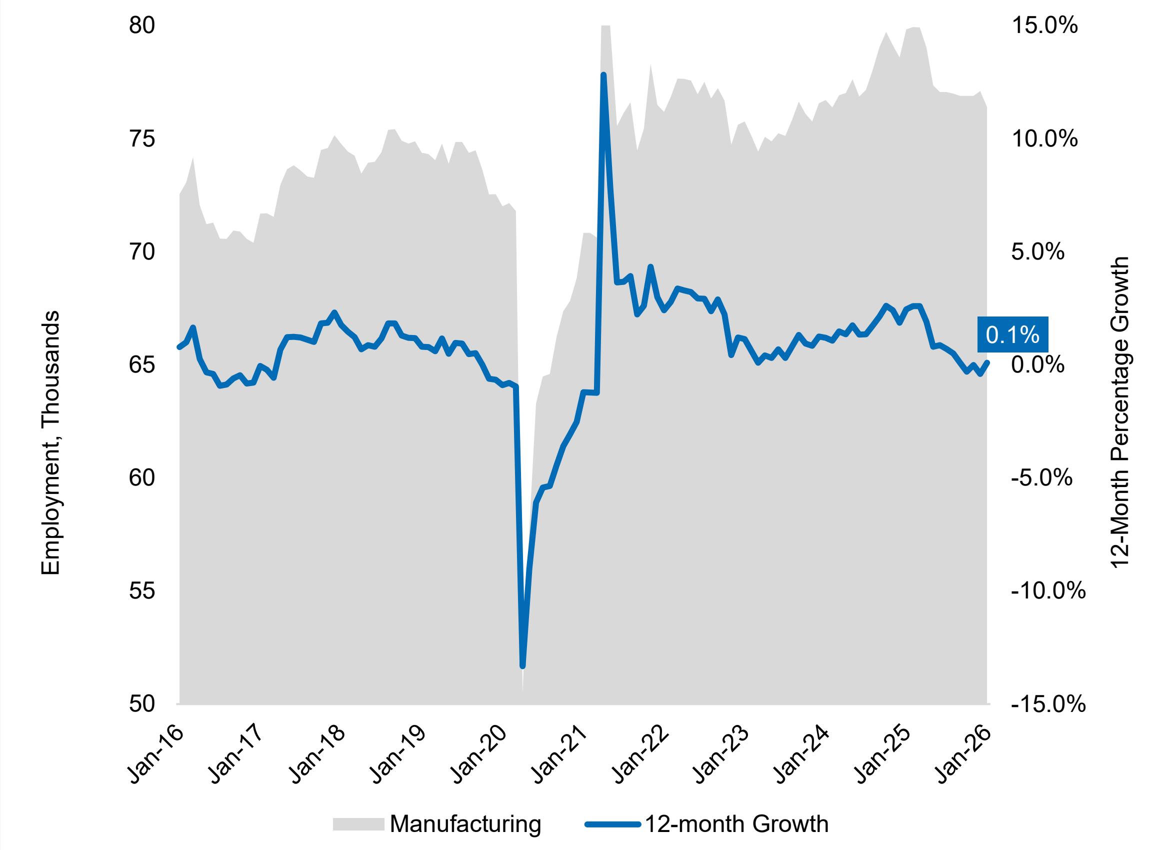
Jobs In Manufacturing and Trade/Transportation/Utilities Up Marginally

Year-over-year as of January, the Columbus manufacturing sector saw a 0.1% increase in jobs, while employment in the Trade, Transportation, and Utilities sector was up by 0.3% over the same period. Looking ahead into 2026, the Trade, Transportation, and Utilities sector appears to have stabilized near its recent range, though the growth trajectory remains modest and below the +1.3–1.7% pace sustained through mid-2025. On the other hand, the Manufacturing sector's prolonged plateauing — characterized by near-zero year-over-year growth since 2022 — is likely to persist into 2026 due to broader supply chain uncertainty.

Total Employment and 12-Month Growth Rate, Trade/Transportation/Utilities



Total Employment and 12-Month Growth Rate, Manufacturing



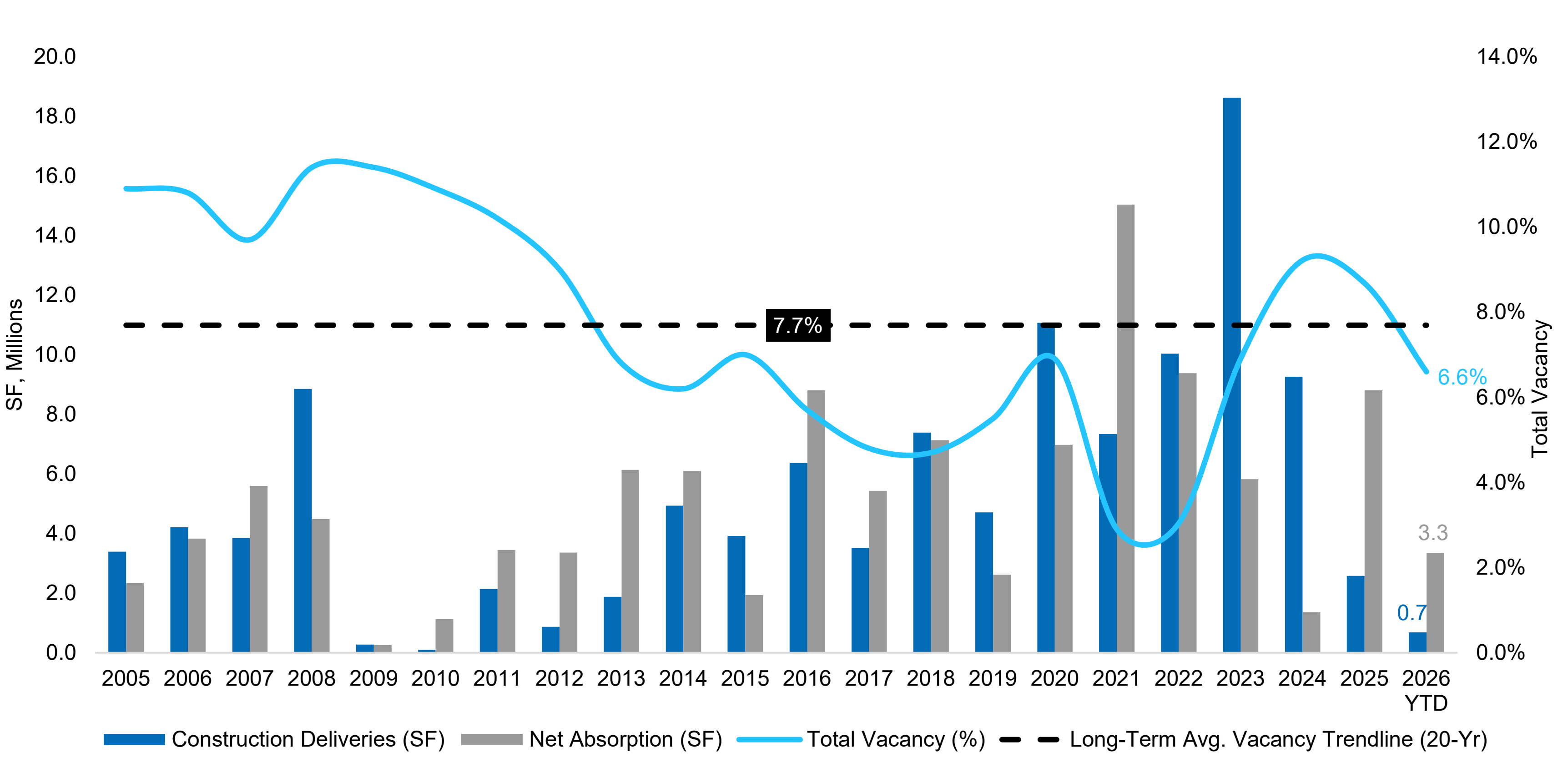
Source: U.S. Bureau of Labor Statistics, Columbus MSA. Note: January statistics are preliminary.

02

Leasing Market Fundamentals

Absorption Over 3.3 Million SF For Third Straight Quarter

Historical Construction Deliveries, Net Absorption, and Vacancy

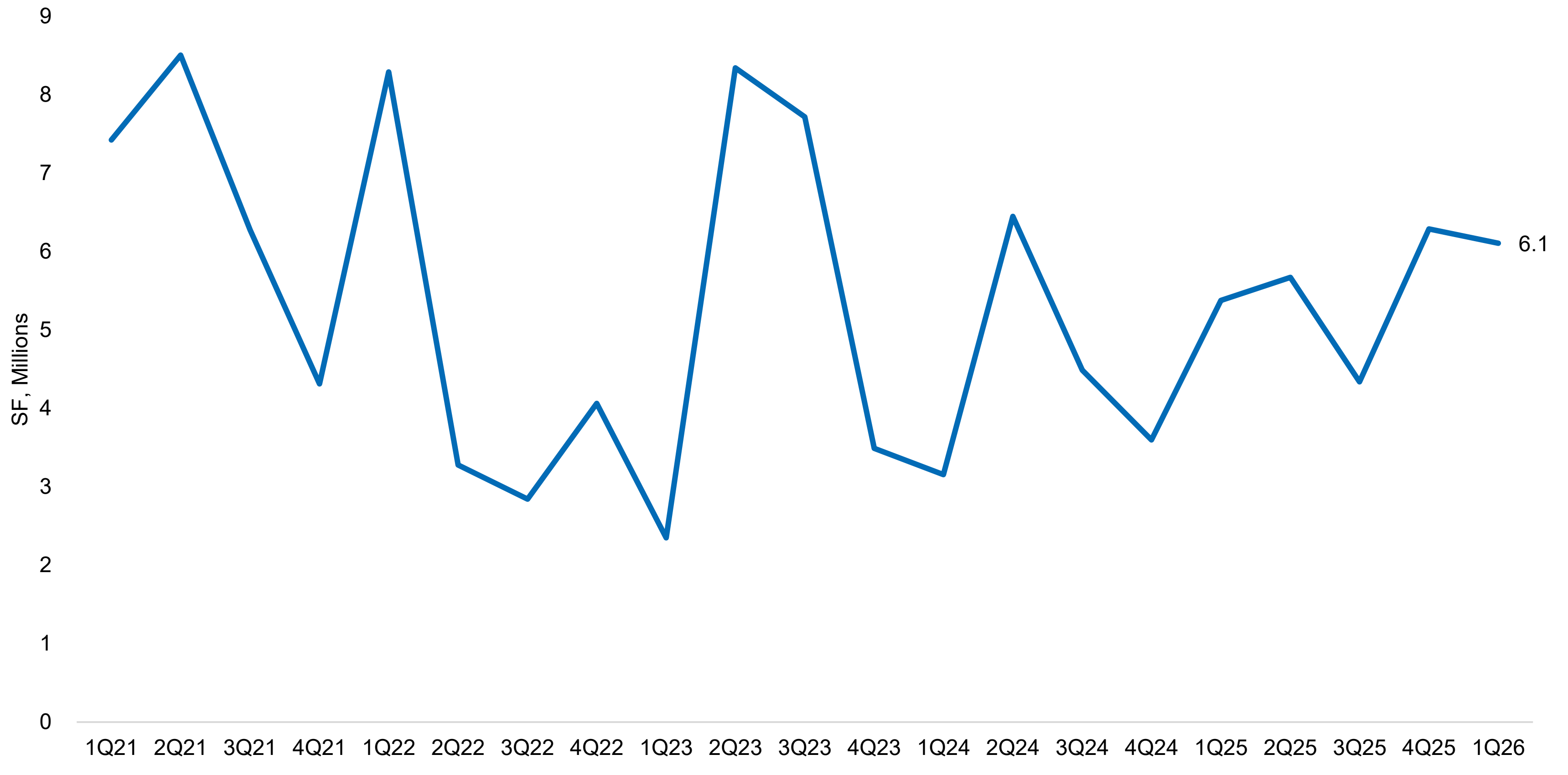


- The Columbus industrial market recorded 3.3 million SF of positive net absorption in the first quarter.
- The market has logged positive absorption in seven of the last 10 quarters, with the past three quarters each at or above 3.3 million SF.
- Net absorption has strengthened while construction deliveries remain muted; with 684,630 SF delivered in 1Q26, the market absorbed roughly 4.9 times the space it added.
- The overall vacancy rate fell 90 basis points quarter-over-quarter to 6.6%, starting 2026 210 basis points below the 2025 year-end average of 8.7%.
- Vacancy declined from 9.4% in 1Q25 to 6.6% in 1Q26, representing a 280-basis-point year-over-year improvement.

Source: Newmark Research

Leasing Activity Over 6.1 Million SF For Two Straight Quarters

Total Leasing Activity (SF)

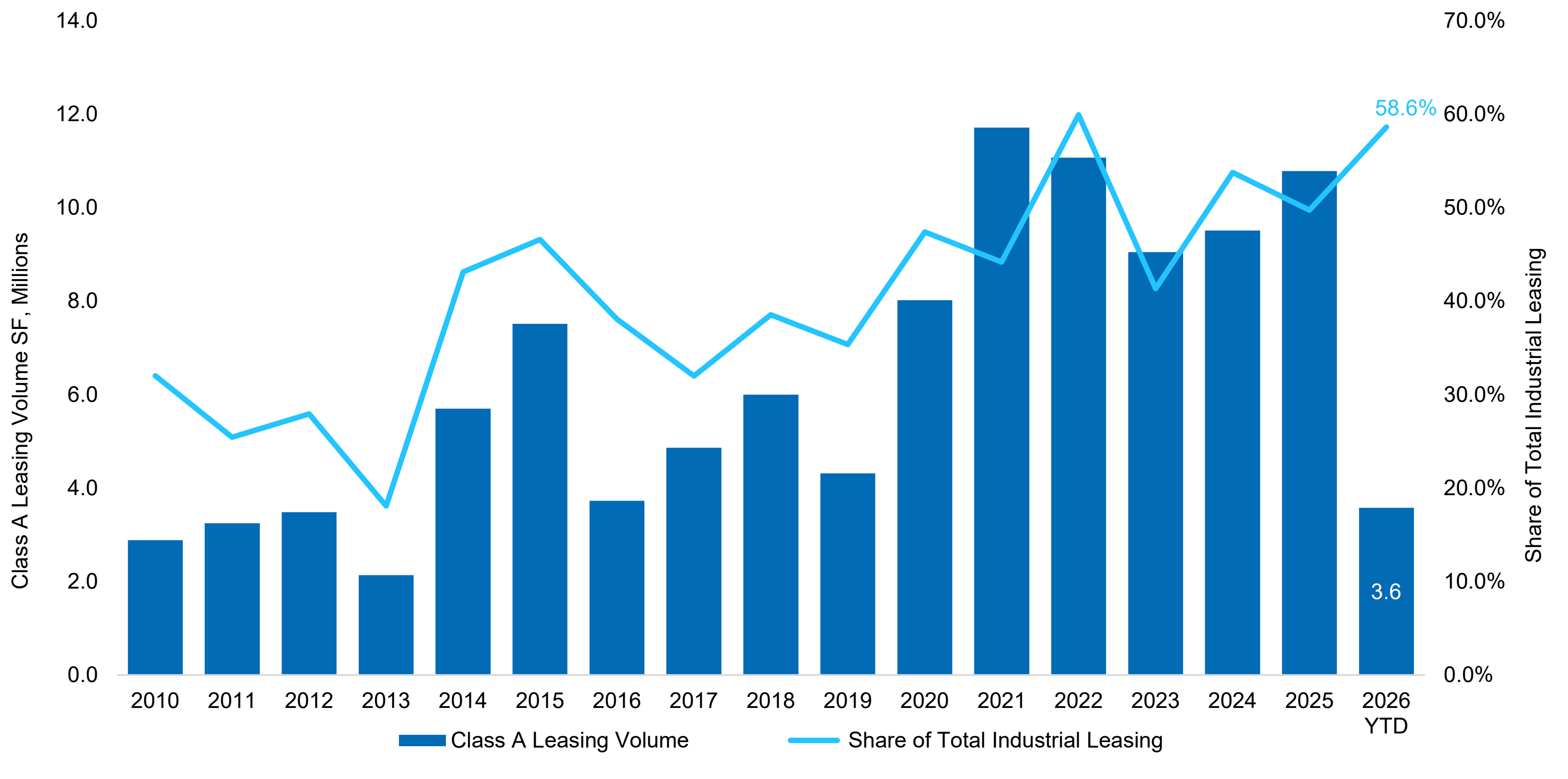


- First-quarter 2026 leasing activity totaled approximately 6.1 million SF, essentially in line with 4Q25's 6.3 million SF, marking the strongest sustained pace since early 2021.
- The latest results point to a more durable recovery rather than a one-quarter surge, as demand has stabilized at an elevated level, especially over the last five quarters.
- If large-block requirements continue to convert, leasing volume should remain healthy through the balance of 2026.

Source: Newmark Research, CoStar

Class A Warehouse Leasing Volume

Industrial Class A Leasing Volume and Percentage of Total Industrial Leasing Volume

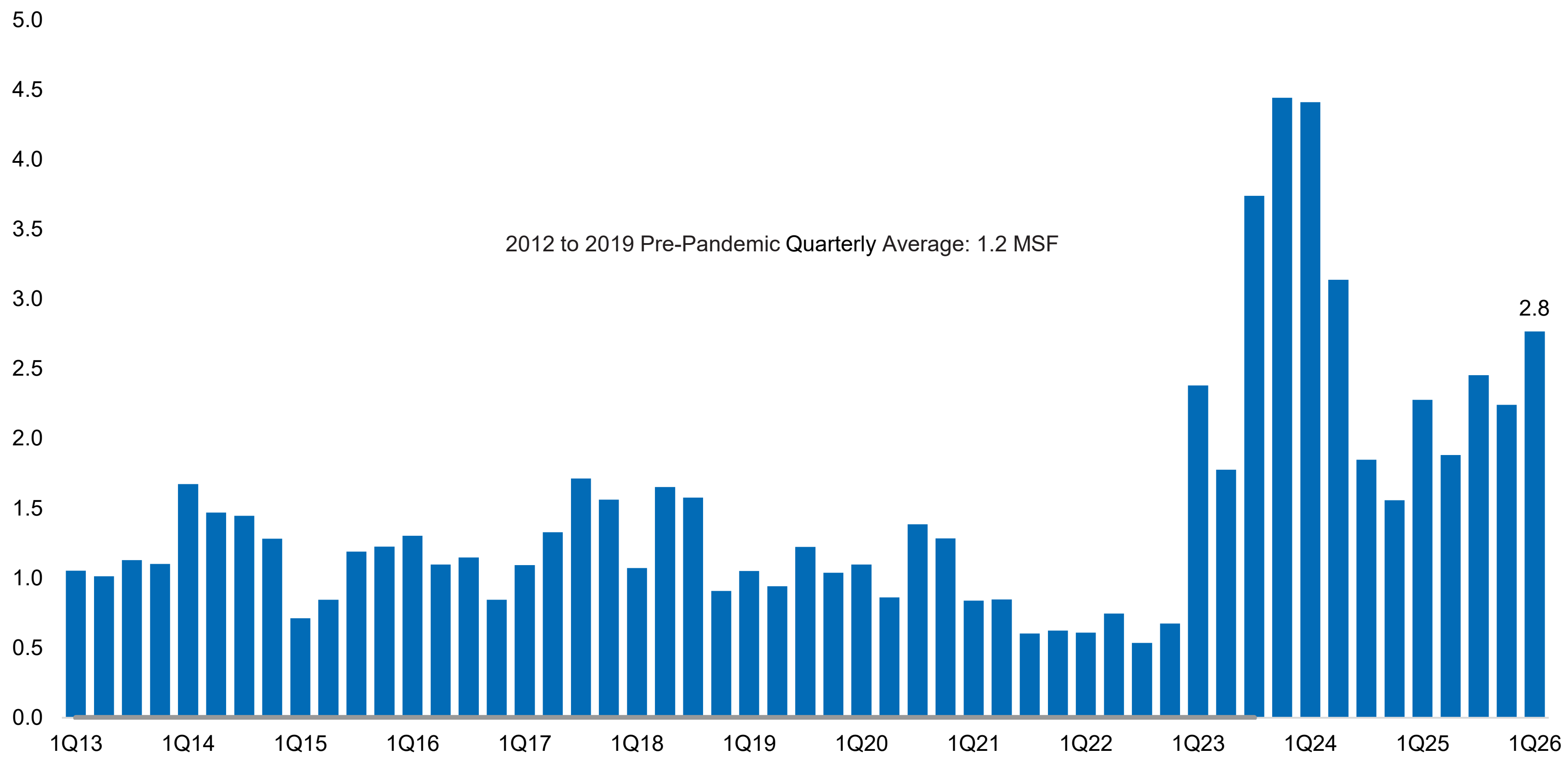


- Class A warehouse leasing accounted for 58.6% of total Columbus industrial leasing in the first quarter of 2026, above most annual shares recorded since 2010 and trailing only 2022.
- At 3.6 million SF, the first quarter's Class A leasing volume was the sixth-highest quarterly total since 2010.
- If leasing momentum holds, Class A activity would annualize to roughly 14.4 million SF, though full-year volume is expected to moderate from that pace.
- Class A's share of total leasing is expected to remain elevated in 2026—likely in the low-to-mid-50% range—if demand for large modern facilities persists.
- Strong leasing and first-quarter occupancy gains coincided with a 250-basis-point decline in vacancy to 8.2% from the prior quarter.

Source: Newmark Research, CoStar

Sublease Availability Back Up

Available Industrial Sublease Volume (MSF)

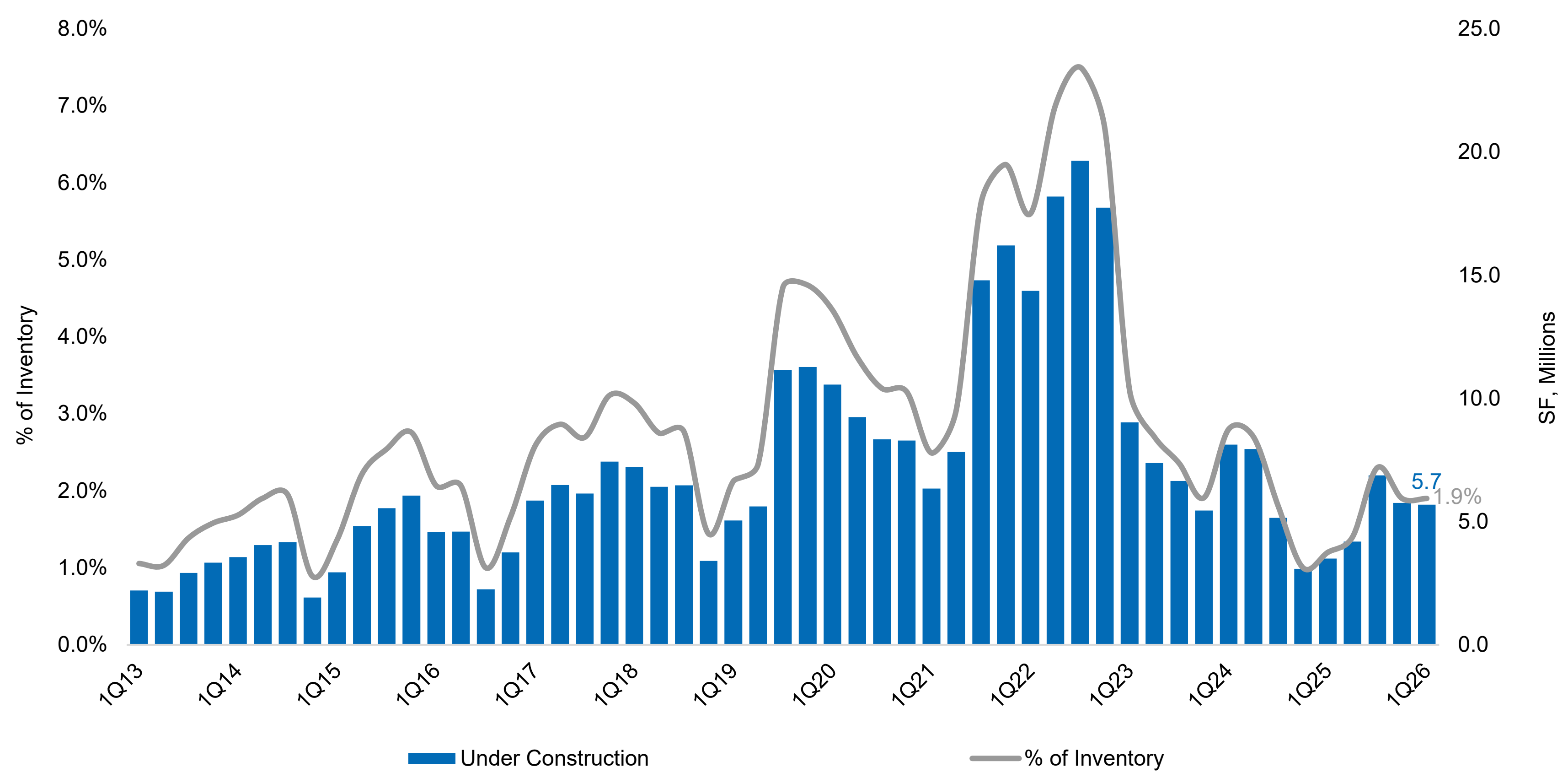


- Sublease availability increased to 2.8 million SF in the first quarter, up from 2.2 million SF previously. This is more than double the pre-pandemic average.
- Sublease availability expanded sharply in 2023–24 as speculative deliveries outpaced absorption and vacancy moved higher.
- The spike reflected tenant right-sizing amid a rapidly loosening supply-demand balance rather than broad-based tenant pullback.
- While sublease volume has moderated from its peak, it remains elevated relative to historical norms, signaling continued friction in backfilling excess space.

Source: Newmark Research

Industrial Development Pipeline

Industrial Under Construction and % of Inventory



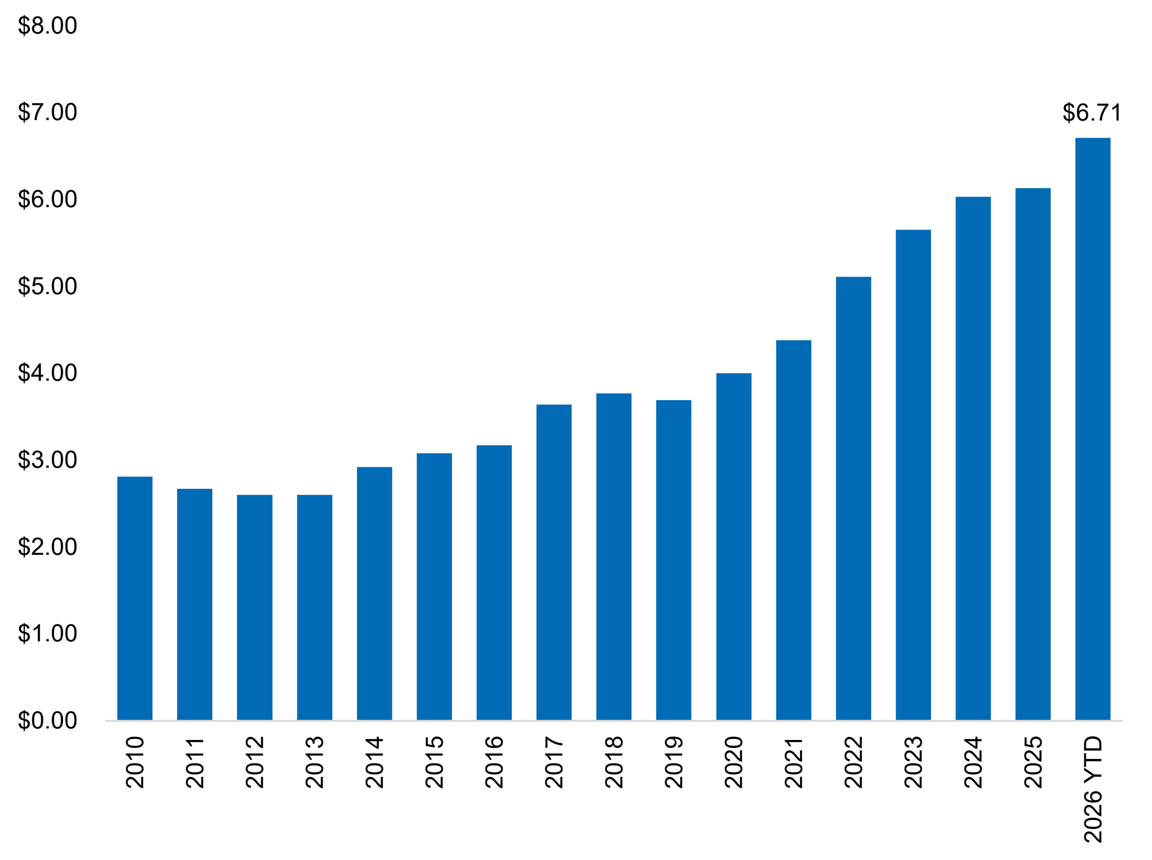
- 5.7 million SF, 1.9% of inventory, was under construction in the first quarter.
- The industrial pipeline is largely sizable, speculative projects, with growing diversification by tenant type, size, and location.
- Construction is dominated by speculative Class A warehouses in the 100,000–350,000 SF range, concentrated in the Northeast, Rickenbacker, and Southwest submarkets.
- Just over 2.3 million SF of the under-construction pipeline is speculative, 18.7% of which is pre-leased.
- The largest projects by square footage are build-to-suit or owner-occupied manufacturing and logistics facilities, including Intel, Amgen, ODW Logistics, and Marzetti.

Source: Newmark Research

Asking Rates Continue to Rise

Industrial direct average asking rents increased 9.5% year-over-year in the first quarter of 2026, with the market's average rate rising to $6.71/SF—up $0.57/SF from 4Q25. By comparison, the average asking rent for full-year 2025 was $6.13/SF. Asking rents have trended steadily higher over the past decade, with particularly strong growth since 2020, reflecting resilient landlord pricing power amid sustained demand and tightening vacancy, especially for top-tier space. With fundamentals continuing to improve, upward pressure on rents is expected to persist through the remainder of 2026, though the pace of growth may gradually moderate.

Industrial Direct Average Asking Rent, $/SF, NNN



Year-over-Year Direct Asking Rent Growth Rate % Change

Source: Newmark Research

Lease and Sale Transactions in 1Q26

Select 1Q26 Industrial Lease Transactions

Tenant	Building(s)	Submarket	Type	Square Feet
DHL Supply Chain	8695 Basil Western Rd. NW	Southeast	Direct (sale-leaseback)	755,160
Crane Worldwide Logistics	3780 Tradeport Ct.	Rickenbacker	Direct	508,775
Hikma Pharmaceuticals	6500 Adelaide Ct.	Rickenbacker	Direct	354,676
Essilor of America	2400 Spiegel Dr.	Rickenbacker	Renewal	330,179
Marzetti Co.	800 E. Hilliard Rome E. Rd.	West	Direct	327,000
ODW Logistics	1590 Williams Rd.	Southeast	Renewal	279,400
FST Logistics Inc.	3400 Southpark Pl.	Southwest	Direct	269,847

Select 1Q26 Industrial Sale Transactions

Buyer	Building	Submarket	Sale Price	Square Feet	Price Per SF
LCN Capital Partners	9885 Innovation Campus Way	Northeast	$88,250,000	354,640	$248.84
W.J. Beitler Co.	4450 S. Hamilton Rd.	Southeast	$40,900,000	327,200	$125.00
Action Group LLC	411 Reynoldsburg-New Albany Rd.	East	$15,425,000	147,186	$104.80
Ambrose Property Group	6770 Shook Rd.	Rickenbacker	$20,113,790	201,600	$99.77
CapitaLand Ascendas REIT	8695 Basil Western Rd. NW	Southeast	$73,800,000	755,160	$97.73
Overlord OH LLC	1800 U.S. 42	Madison County	$28,518,750	292,500	$97.50
Amazon.com	44 Commerce Pkwy.	Madison County	$95,920,000	1,090,000	$88.00

Source: Newmark Research, CoStar

Access the Extended 1Q26 Columbus Industrial Market Conditions & Trends Report

To access, please reach out
to Matthew.Orgovan@nmrk.com
or your Newmark contact.

The extended version of this report includes:

- **Columbus Industrial Average Price Per Square Foot – Combined Investment and Owner/User Sales**
- **Total Vacancy Rate of the Largest Six Submarkets, Inventory-Wise**
- **Direct Average Asking Rate of the Largest Six Submarkets, Inventory-Wise**
- **Columbus Industrial Market Historical Statistical Overview, Recent Quarters**
- **Submarket Statistics – All Classes**
- **Columbus Industrial Submarket Map**
- **Additional Market Statistics**

Extensive content across 25 slides—a detailed presentation packed with useful industrial information and in-depth analysis.

NEWMARK

Matthew Orgovan
Research Director
Cleveland and Ohio Research
Matthew.Orgovan@nmrk.com

Columbus
150 E. Broad St., Suite 500
Columbus, OH 43215
t 614-883-1200

New York Headquarters
125 Park Ave.
New York, NY 10017
t 212-372-2000