Industrial Market Maintains Momentum Amid Supply Growth

▲5.2% Vacancy Rate

▼1.9M SF Net Absorption

▲2.7M SF Construction Delivered

▲9.0M SF Under Construction

▼$6.76 NNN/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

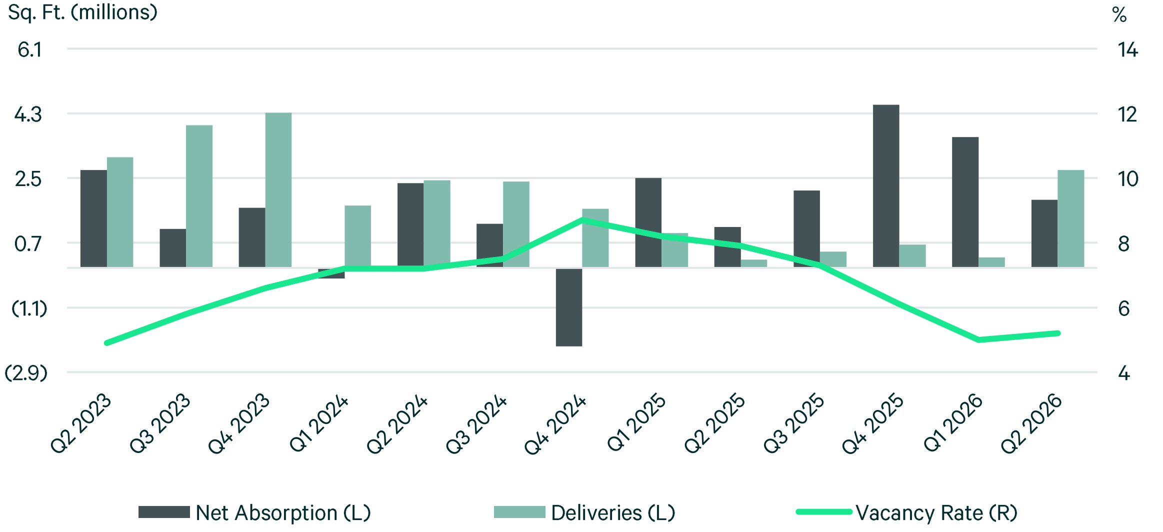
Market Overview

The Columbus industrial market continued to post strong fundamentals in Q2 2026, recording 1.9 million sq. ft. of positive net absorption and reducing vacancy by 270 basis points year-over-year to 5.2%. While vacancy increased 20 basis points from the prior quarter following a wave of new deliveries, demand remained healthy, with year-to-date absorption reaching 5.5 million sq. ft. and availability declining to 6.8%.

Leasing activity totaled 5.8 million sq. ft. during the quarter, driven by several large occupier commitments, including Crane Worldwide Logistics and Aritzia. Strong demand continued to support rent growth, with average asking rents reaching $6.76 per sq. ft., up 9.7% from one year ago.

Construction activity accelerated during the quarter, with 2.7 million sq. ft. of deliveries—the market's largest quarterly completion total since Q2 2023—and the development pipeline expanding to 9.0 million sq. ft. Pickaway County and the Southeast submarket account for more than half of all space currently under construction, highlighting continued confidence in the region's long-term industrial growth prospects.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



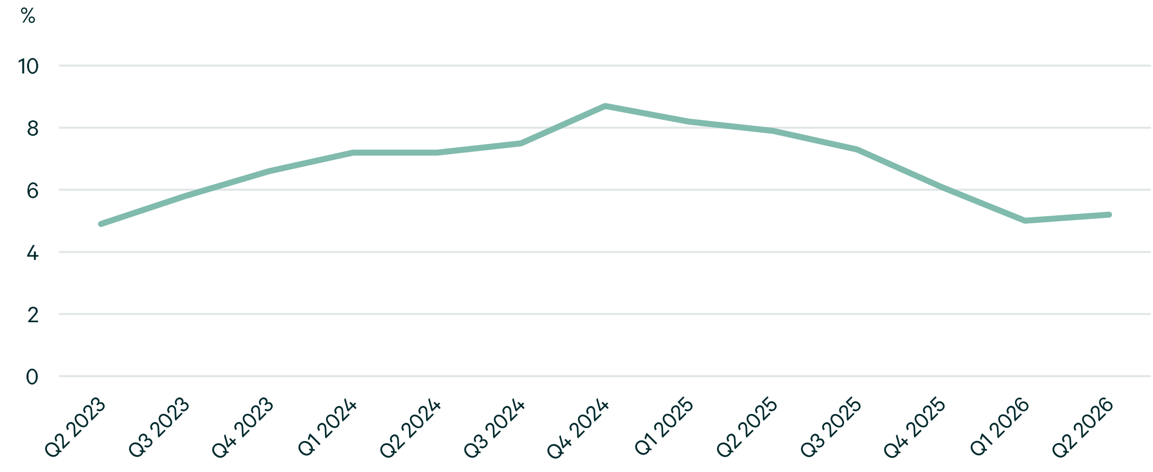
Source: CBRE Research, Q2 2026

Vacancy Rate

Overall vacancy ended Q2 2026 at 5.2%, increasing by 20 basis points quarter-over-quarter from 5.0% in Q1 2026. Compared with Q2 2025, overall vacancy is down by 270 basis points from 7.9%, reversing much of the run-up that culminated in an 8.7% peak in Q4 2024. Over a three-year horizon, vacancy is 30 basis points higher than the 4.9% recorded in Q2 2023, indicating a modest net increase despite recent compression.

Among submarkets with non-zero vacancy, Delaware County posts the lowest overall vacancy at 0.3%, while Licking County is next at 0.9%. At the other end of the spectrum, West records the highest vacancy at 16.4%, with Madison County and Southeast also elevated at 9.7% and 5.1%, respectively.

Figure 2: Vacancy Rate



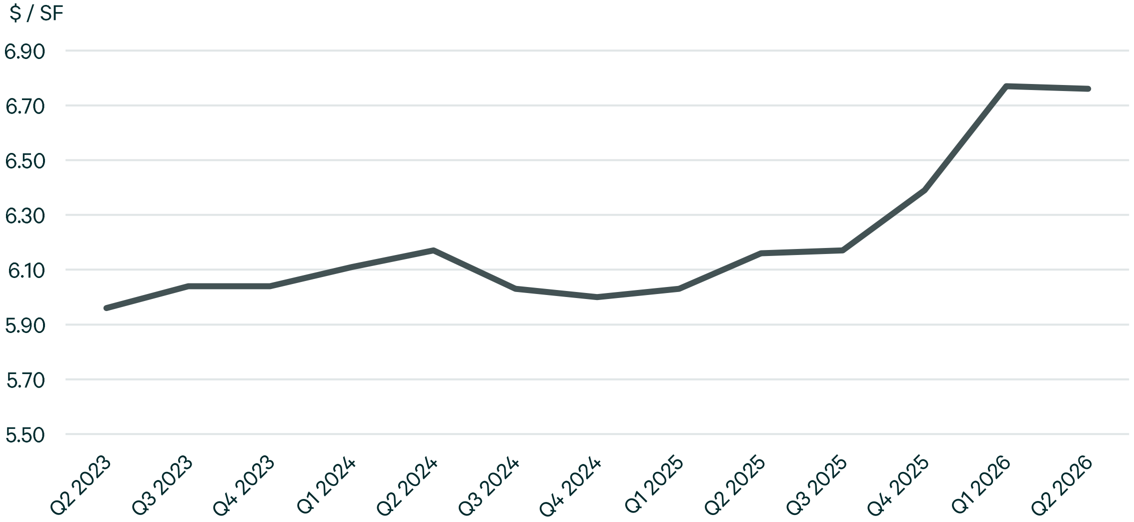
Source: CBRE Research, Q2 2026

Asking Rent

In Q2 2026, the market's average asking rent was $6.76 per sq. ft. NNN per year, up from $5.96 per sq. ft. in Q2 2023, a net gain of $0.80 per sq. ft. over the period. Compared with the prior quarter, the Q2 2026 average eased by negative 0.2% quarter-over-quarter but remained 9.7% higher year-over-year, underscoring how rents have ratcheted higher despite a recent pause. Over the full series, asking rents climbed steadily through mid-2024, softened in late 2024, and then resumed an upward path, rising from $6.03 per sq. ft. in Q1 2025 to $6.77 per sq. ft. by Q1 2026 and holding just below that level in Q2 2026.

On a submarket level, asking rent was largely clustered between $7.11 and $7.50 per sq. ft. in Central, East, Northeast, and Pickaway County; West, Madison County, Southeast, Fairfield County, and Licking County ranged from $5.41 to $6.78 per sq. ft., highlighting a clear gradient from higher-priced county submarkets to more affordable peripheral locations.

Figure 3: Average Direct Asking Rate



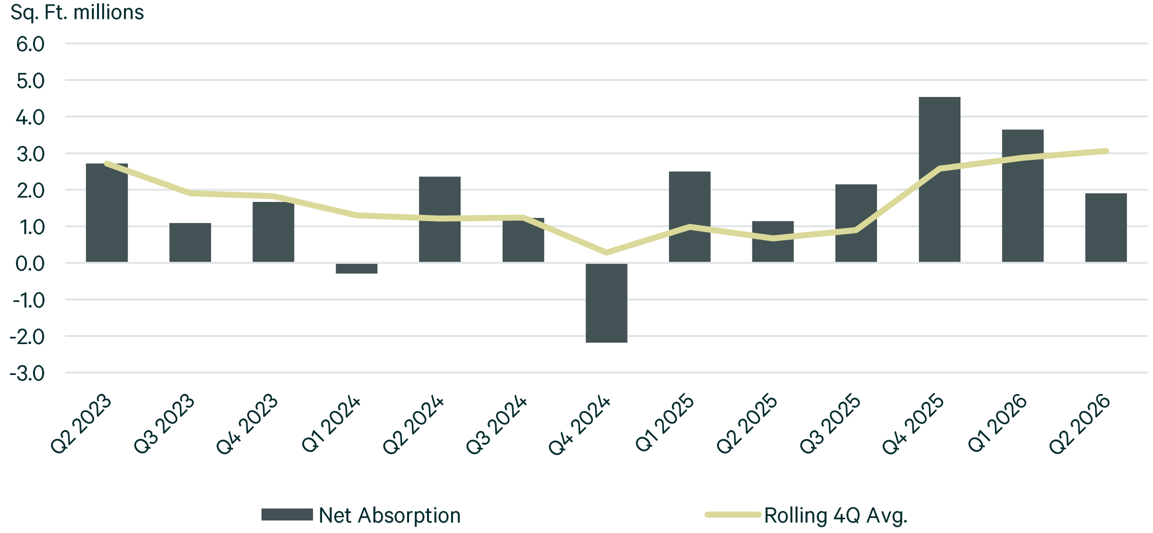
Source: CBRE Research, Q2 2026

Net Absorption

In Q2 2026, total net absorption was 1.9 million sq. ft., down from 3.6 million sq. ft. in Q1 2026. While reflecting a quarter-over-quarter decrease of negative 47.8%, net absorption increased by 66.8% on a year-over-year basis. Additionally, the rolling four-quarter average reached 3.1 million sq. ft., rising 6.6% quarter-over-quarter and 354.8% year-over-year.

Licking County recorded the highest net absorption of the Columbus submarkets at 771,000 sq. ft., followed by Southeast at 535,000 sq. ft. Pickaway County and Delaware County posted the next highest positive totals, at 201,000 sq. ft. and 154,000 sq. ft. of net absorption, respectively. Northeast, Fairfield County, East, Central, Northwest, and Union County also posted positive net absorption, ranging from 33,000 sq. ft. to 112,000 sq. ft.

Figure 4: Net Absorption Trend



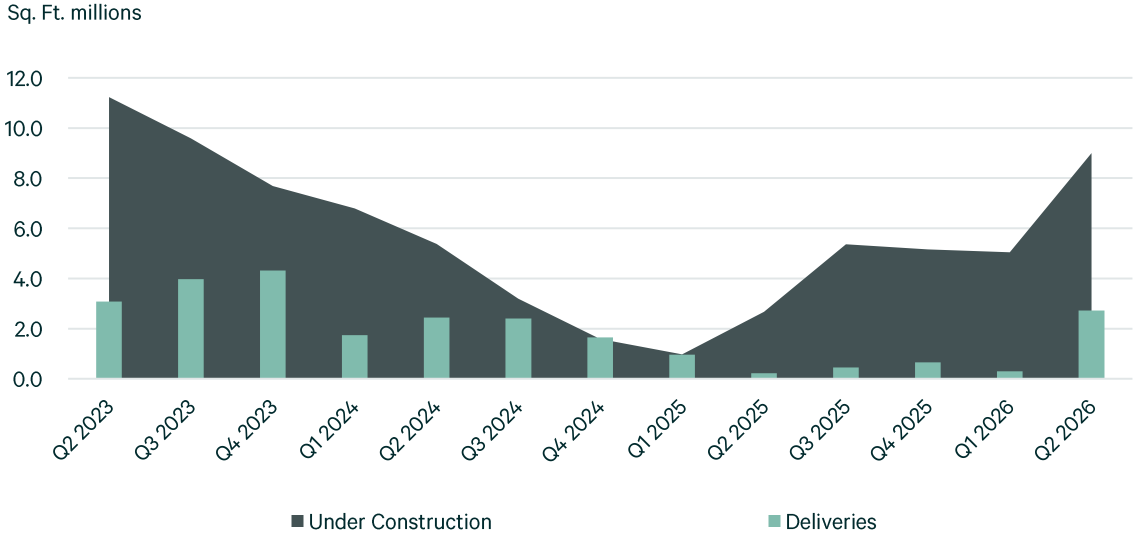
Source: CBRE Research, Q2 2026

Construction Activity

In Q2 2026, the market had 9.0 million sq. ft. under construction and 2.7 million sq. ft. of space delivered during the quarter. Relative to Q1 2026, under construction volume increased 78.3% and deliveries grew 833.2%. On a year-over-year basis, under construction space rose 236.1% and deliveries advanced 1,111.1%.

Under construction activity in Q2 2026 is highest in Pickaway County, with 3.2 million sq. ft. underway, followed by Southeast at 1.8 million sq. ft. These two submarkets together account for roughly 5.0 million sq. ft. of the construction pipeline, with other submarkets comprising the remaining under construction space.

Figure 5: Construction Activity



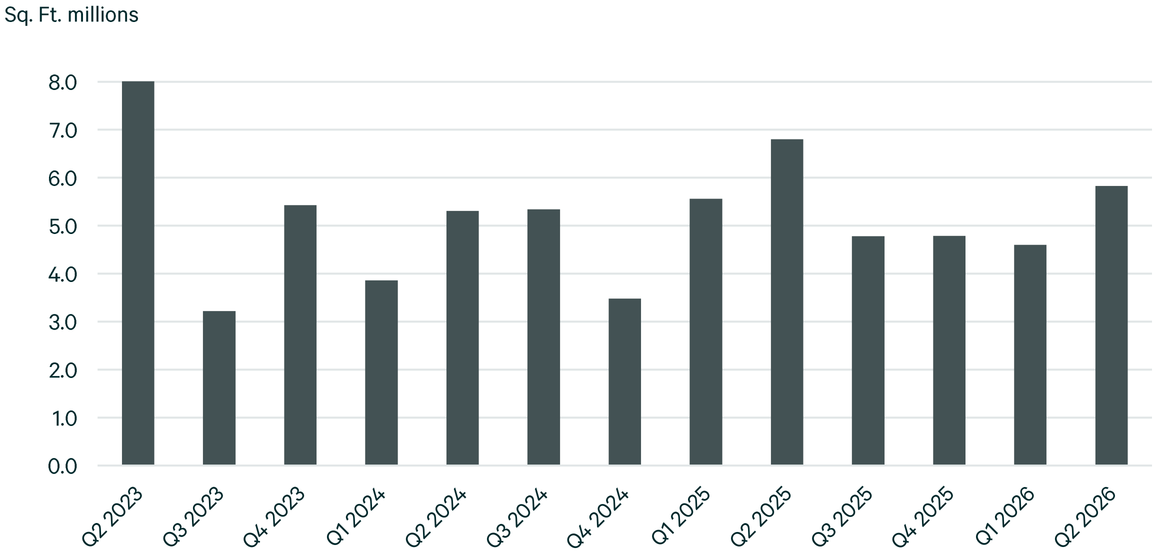
Source: CBRE Research, Q2 2026

Leasing Activity

Leasing activity reached 5.8 million sq. ft. in Q2 2026, an increase of 26.9% quarter-over-quarter but still negative 14.2% year-over-year. On an annual basis, total leasing in 2025 reached 21.9 million sq. ft., 21.9% higher than the 18.0 million sq. ft. recorded in 2024, while quarterly volumes over the last three years have swung between 3.2 million sq. ft. and 8.0 million sq. ft., highlighting pronounced volatility in deal activity.

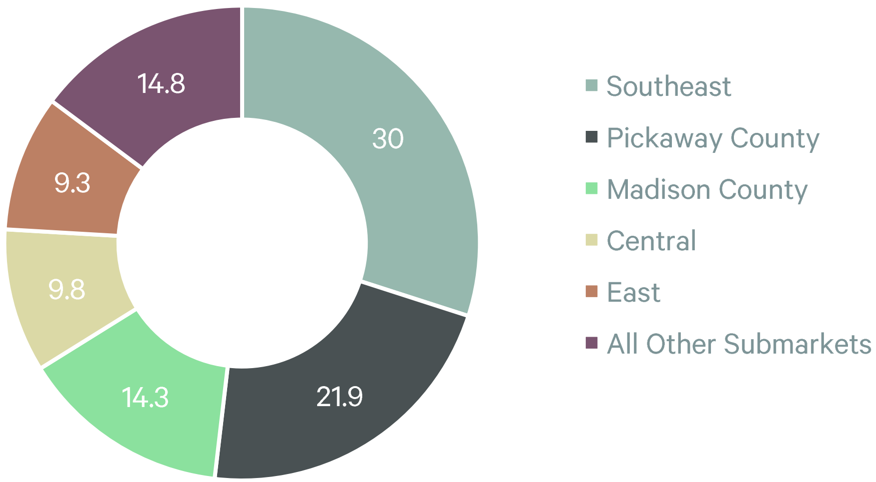
By submarket, Southeast and Pickaway County posted the highest leased areas at 1.8 million sq. ft. and 1.3 million sq. ft., respectively, capturing a substantial share of recent deals. Other submarkets with positive leasing included Madison County (833,000 sq. ft.), Central (571,000 sq. ft.), East (540,000 sq. ft.), Licking County (399,000 sq. ft.), Northeast (166,000 sq. ft.), West (136,000 sq. ft.), Southwest (120,000 sq. ft.), and Union County (40,000 sq. ft.).

Figure 6: Leasing Activity Trend



Source: CBRE Research, Q2 2026

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q2 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Confidential Tenant	972,000	Renewal	9570 Logistics Ct	Pickaway County
Crane Worldwide Logistics	833,000	New Lease	1020 Enterprise Pkwy	Madison County
Confidential Tenant	338,000	New Lease	2255 Parsons Ave	Central
Aritzia	318,000	New Lease	6100-6290 Opus Dr	Southeast
Expeditors International of Washington	305,000	New Lease	9296 Intermodal Ct	Pickaway County
ACT Fulfillment	288,000	New Lease	1650-1654 Williams Rd	Southeast
Penske Logistics	225,000	New Lease	5415 Centerpoint Pkwy	Southeast

Source: CBRE Research, Q2 2026

Market Statistics by Product Type

Figure 9

Product Type	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate ($/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Distribution/Logistics	238.43M	6.1	8.0	6.9	1.1	6.59	1.72M	4.94M	2.42M	8.52M
Manufacturing - General	54.98M	1.3	1.8	1.8	0.1	6.65	152,000	518,000	303,000	418,000
R&D/Flex	10.66M	4.1	5.9	5.0	0.9	10.75	30,000	89,000	-	55,000
Other Industrial	6.40M	7.8	7.6	7.6	-	14.50	(2,000)	-	-	-
Total	**310.46M**	**5.2**	**6.8**	**6.0**	**0.9**	**6.76**	**1.90M**	**5.54M**	**2.72M**	**9.00M**

Source: CBRE Research, Q2 2026

Market Statistics by Size

Figure 10

Size Range	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate ($/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Below 50K SF	14.77M	1.7	3.1	2.3	0.7	10.62	139,000	163,000	-	-
50K-99,999 SF	27.27M	2.1	2.9	2.3	0.6	9.48	(122,000)	(27,000)	-	55,000
100K-249,999 SF	63.13M	5.5	7.8	6.8	1.1	6.45	402,000	814,000	122,000	1.14M
250K-499,999 SF	73.19M	6.2	9.5	8.4	1.1	6.91	133,000	1.03M	1.23M	2.21M
500K-749,999 SF	41.60M	3.1	4.3	2.8	1.5	7.02	519,000	1.52M	511,000	618,000
750,000 SF +	90.51M	6.7	6.9	6.6	0.4	5.75	831,000	2.05M	864,000	4.98M
Total	**310.46M**	**5.2**	**6.8**	**6.0**	**0.9**	**6.76**	**1.90M**	**5.54M**	**2.72M**	**9.00M**

Source: CBRE Research, Q2 2026

Market Statistics by Submarket

Figure 11

Submarket	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate ($/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Central	26.76M	4.4	3.6	3.6	-	7.11	55,000	138,000	624,000	-
Delaware County	12.59M	0.3	2.3	2.3	-	12.81	154,000	451,000	-	572,000
East	24.89M	2.3	5.4	4.3	1.1	7.28	87,000	424,000	-	177,000
Fairfield County	9.41M	2.2	2.2	2.2	-	5.76	90,000	41,000	-	200,000
Licking County	43.16M	0.9	3.0	1.9	1.0	5.41	771,000	852,000	422,000	1.39M
Madison County	20.84M	9.7	7.1	7.1	-	6.52	-	1.61M	-	-
Northeast	11.50M	2.4	3.7	3.2	0.5	7.24	112,000	130,000	-	-
Northwest	1.26M	-	-	-	-	-	44,000	16,000	-	-
Pickaway County	19.93M	3.1	8.0	6.4	1.6	7.50	201,000	405,000	-	3.81M
Southeast	75.17M	5.1	7.6	6.1	1.5	6.51	535,000	691,000	1.68M	2.26M
Southwest	18.02M	4.1	5.1	4.4	0.7	4.95	(51,000)	692,000	-	584,000
Union County	10.89M	3.5	3.5	3.5	-	9.34	33,000	36,000	-	-
West	36.03M	16.4	18.4	17.4	0.9	6.78	(128,000)	58,000	-	-
Total	**310.46M**	**5.2**	**6.8**	**6.0**	**0.9**	**6.76**	**1.90M**	**5.54M**	**2.72M**	**9.00M**

Source: CBRE Research, Q2 2026

Economic Overview

The U.S. economy enters mid-2026 navigating crosscurrents but growing at a healthy pace, with CBRE projecting GDP growth averaging 2.2%, broadly in line with 2025. The AI investment boom is certainly a key driver of this expansion. Concerns surrounding the sustainability of this growth are valid, but we expect AI-related business investment to continue.

The more pressing concern in recent months has been the U.S./Iran conflict and its impact on world energy prices, which recently pushed U.S. inflation to 4.2%. Should the prospective peace deal announced in June come to fruition, inflation would fall to the upper 3% range by year-end as energy prices slowly decrease. Stickier inflation has pushed Treasury yields well above 4%, complicating real estate markets. On the upside, the prospect for peace and normal trade flows in the Persian Gulf could refresh the optimism the CRE market felt at the beginning of the year.

3.4%
Unemployment Rate

1.2M
Labor Force

286.7k
Office Using Jobs

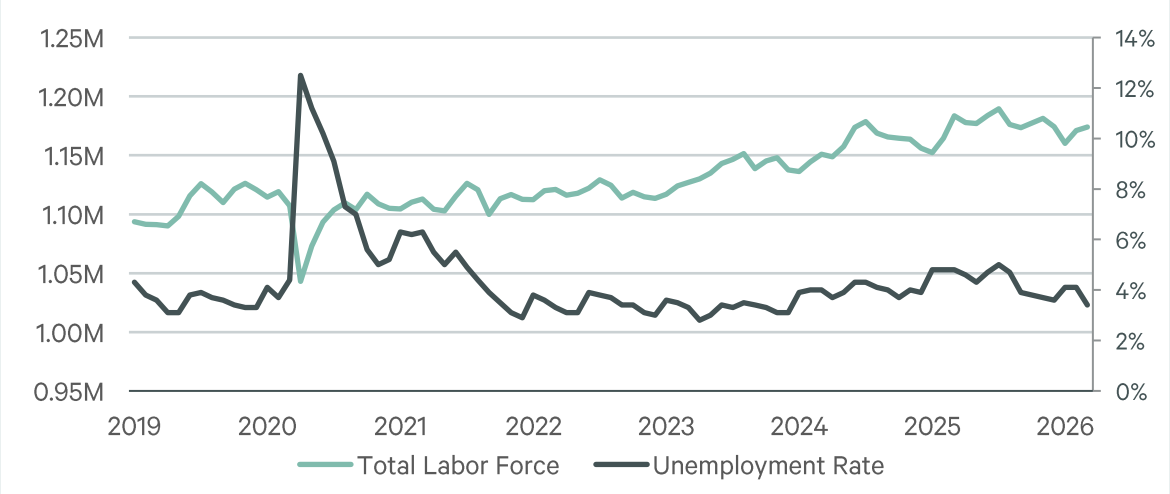
300.0k
Industrial Using Jobs

143.9k
Retail Using Jobs

Columbus, OH Employment Change by Sector
Bars indicate yearly trend; arrows indicate monthly

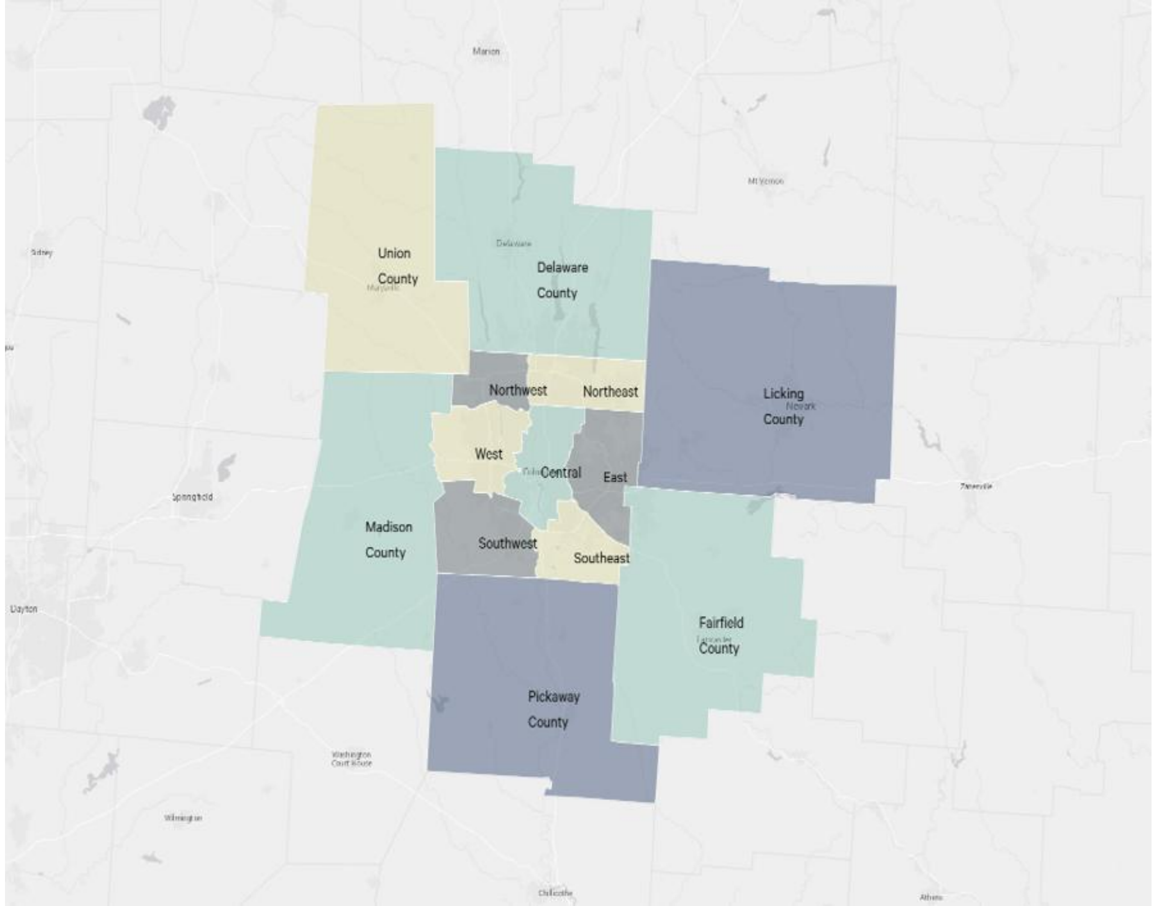
Source: US BLS, April 2026

Columbus, OH Unemployment Rate and Labor Force Trends



Source: US BLS, April 2026. *data not available for October 2025

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the "drip line" of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the "net" costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32' or greater clear height and ESFR sprinklers.

Survey Criteria

Includes all industrial buildings 30,000 sq. ft. and greater in size in Franklin, Pickaway, Licking, Madison, Fairfield, Union and Delaware counties. Buildings which have begun construction as evidenced by site excavation or foundation work.

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