

Yardi® Matrix

# Columbus Shakes Off Its Rust

Multifamily Report Winter 2018

Rent Growth Poised for Upshift

Property Values Continue to Climb

Construction Surge Lingers, Targets Core



# COLUMBUS MULTIFAMILY

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## Market Analysis

Winter 2018

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## Strengthening Economy Pushes Growth

The multifamily market in Columbus is finally hitting its stride, as rent growth is coming into its own, while the rate of inventory expansion is poised to remain elevated. Some 3,800 units are projected to come online this year and demand is also on a rising tide, as the strong economic backdrop continues to push population growth, although the influx of new income has kept renting relatively affordable.

Economic diversification and growth have helped Columbus to leapfrog Cleveland and become the second-largest economy in Ohio, now trailing only Cincinnati. Improvement was highest in construction, partly due to a 1.5 million-square-foot office pipeline. Development is likely to begin soon at the Scioto Peninsula project, Buckingham Cos.' 21-acre master-planned community near downtown Columbus. Plans there call for 1,700 units, 800,000 square feet of office, 150,000 square feet of retail space and a 150-key hotel to be added in the market's core.

Roughly 4,300 rental units were underway as of January, while another 19,000 were on the drawing board. Continued inventory expansion has diluted available stock, leading to a slide in occupancy. However, developers' focus on the upscale segment has led to accelerated rent growth in Renter-by-Necessity assets. Yardi Matrix expects rents to rise 4.3% in 2018.

### Recent Columbus Transactions

Worthington Meadows



City: Worthington, Ohio  
Buyer: PIRHL  
Purchase Price: \$58 MM  
Price per Unit: \$109,858

Remington Station



City: Westerville, Ohio  
Buyer: Cortland Partners  
Purchase Price: \$49 MM  
Price per Unit: \$141,814

The LC Greene



City: Canal Winchester, Ohio  
Buyer: Dietz Property Group  
Purchase Price: \$46 MM  
Price per Unit: \$107,944

The District



City: Columbus, Ohio  
Buyer: Coy Capital Management  
Purchase Price: \$35 MM  
Price per Unit: \$152,631