

Yardi[®] Matrix

A Bright Midwestern Spot

Multifamily Report Fall 2019

Transaction Volume Remains Elevated

Rent Growth Drops Behind US Average

Education, Health Services Drive Job Gains

COLUMBUS MULTIFAMILY

Yardi® Matrix

Market Analysis

Fall 2019

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Downtown Leads Development Pipeline

Multifamily rents in Columbus have moderated in recent quarters, after several years of above-trend growth and solid absorption. Rents were up 2.7% year-over-year through September, 50 basis points below the national average and down from a 3%-4% growth range during 2016-18. The deceleration was caused by weakening job growth while the metro digested a large amount of new supply. However, with Columbus' population increasing twice as fast as the national average, demand should remain healthy and spur further growth in the near future.

Despite a slowdown, job growth remains healthy. Franklin County added 10,900 jobs in the 12 months ending in July, led by education and health services. Ohio State University's \$1 billion investment in a new hospital and ambulatory center is among the largest in the state. Although many of the projects under construction are in the city's urban core, Columbus' Rickenbacker International Airport is also on track for \$15 million in runway repairs.

With 1,784 units delivered through the first three quarters and another 8,600 units underway, multifamily completions will most likely have another strong year. With occupancy in line with national levels—at 95.1% as of August—we expect rents to continue growing, albeit at a slower pace.

Recent Columbus Transactions

The Pointe



City: Hilliard, Ohio
Buyer: Pacific Equities Group
Purchase Price: \$31 MM
Price per Unit: \$143,547

Hibernia



City: Columbus, Ohio
Buyer: Birge & Held Asset Management
Purchase Price: \$31 MM
Price per Unit: \$89,080

The Normandy



City: Columbus, Ohio
Buyer: Coastal Ridge Real Estate
Purchase Price: \$16 MM
Price per Unit: \$126,759

Ashley Village



City: Columbus, Ohio
Buyer: AndMark
Purchase Price: \$14 MM
Price per Unit: \$65,708