

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

Yardi® Matrix

Market Analysis

Winter 2018

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Alex Girda

Senior Editor

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