



KBC INSIGHTS | INDUSTRIAL MARKET UPDATE

Columbus

ECONOMY

- » The U.S. economy entered 2026 with meaningful tailwinds to growth including expanded business investment tax incentives, larger personal tax refunds, significant ongoing AI business investment, and hoped for reshoring related to increases in domestic investment.
- » January and February saw a meaningful increase in retail sales growth rates after a slowing in retail sales growth rates during the Holiday Season.
- » Future economic growth depends on multiple factors including sustained job growth, sustained AI investment, increased domestic investment beyond AI, both trade and fiscal policy, favorable financial market conditions, and the Strait of Hormuz disruption with its varied potential impacts including on consumer spending power.

VACANCY

- » The Columbus industrial market experienced a decline in vacancy in Q1 2026. At the end of the first quarter vacancy closed at 5.4%. This is a 60-basis point (bp) decrease quarter-over-quarter (QOQ) and a 210-bp decrease year-over-year (YOY).
- » The Columbus industrial market is seeing low vacancy in first-generation Class-A product built since 2022. This is driven by increased demand for quality functional space across multiple industrial sectors. Currently, only 1.8 million square feet (M SF) remains available in this subset of inventory, of which four individual vacancies — none larger than 350,000 SF — account for roughly 1.2M SF of that total.
- » Currently there are only two buildings vacant that can support a single tenant of 500,000 SF + 1020 Enterprise Parkway (832,600 SF) and 220 Park West Drive (845,280 SF).
- » The market saw two significant transactions in first-generation Class-A buildings over 500,000 SF. An owner-user acquired 44 Commerce Parkway leaving the market with no 1M SF buildings currently vacant. The second transaction was a lease at 2255 Parsons Avenue, in the Central Columbus Submarket. With a tenant leasing 260,640 SF in this building that left the market without a first-generation space over 500,000 SF vacant available.
- » One transaction in the West Jefferson submarket drove the submarket's vacancy down 6.1%, while the Etna submarket remains 0% vacant. One new speculative construction delivery caused an uptick in the vacancy rate in the New Albany submarket.
- » With limited speculative construction, heightened preleasing activity, and continued tenant demand, the Columbus industrial market is well-positioned to see vacancy tighten further in 2026.

TRENDS: LOGISTICS PROPERTIES

	Q1 2025	Q1 2026	Chg YOY
Vacancy	7.5%	5.4%	▼
Net Asking Rents	\$4.86	\$6.23	▲
Net Absorption, SF	4.5M	3.0M	▼
Under Construction, SF	1.0M	6.6M	▲
New Deliveries, SF	3.1M	492,577	▼

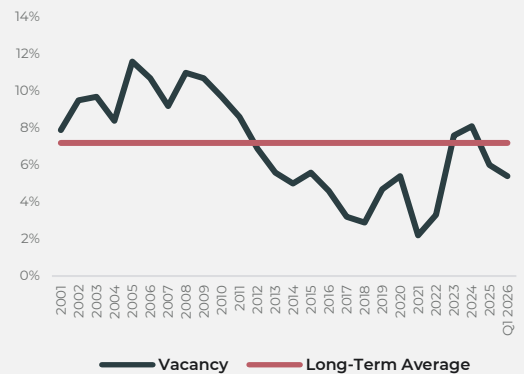
ECONOMIC INDICATORS

	Feb-25	Feb-26	Delta
National Warehousing Employment (thousands)	1,883	1,832	-2.7% ▼

	2024	2025	Delta
Columbus MSA Population	2.22M	2.24M	0.8% ▲

► Increases / Decreases YOY

VACANCY VS. LONG-TERM AVERAGE



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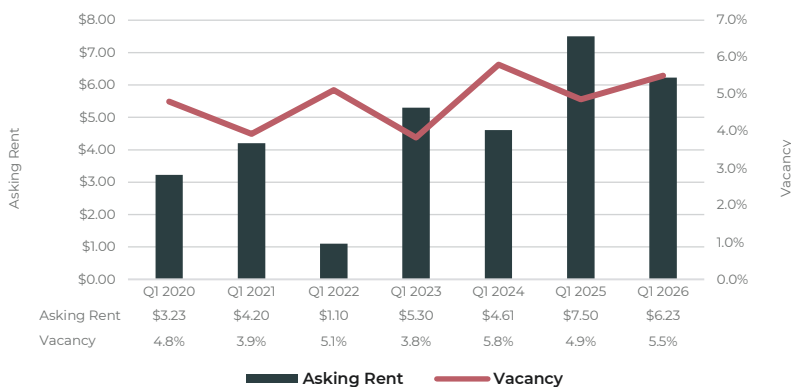
S U B L E A S E

- » Total sublease availability closed at roughly 1.6M SF at the end of the first quarter, this is down 13.8% QOQ. This is largely in part to a large sublease in the East Columbus submarket reverting to a direct lease.
- » In the first quarter, only two subleases were signed, totaling 139,100 SF. Both were taken in Class B/C space. While overall industrial leasing activity has remained strong, sublease space has not seen the same velocity.
- » A notable sublease that hit the market in the first quarter was 209,901 SF at 5275 Centerpoint Parkway in the Rickenbacker submarket.

R E N T

- » Average asking rents in the Columbus industrial market were \$6.23 per square foot (/SF) in Q1 2026, representing a 28.2% YOY increase. The tightening supply of functional Class-A space is shifting conditions in favor of landlords, allowing for increased asking rates.
- » In the first quarter, two spaces leased in the 100,000 SF range achieved over \$9.00/SF, with both leases occurring in first-generation Class-A space. These transactions reflect both the premium tenants are willing to pay for quality functional space and the increasing leverage landlords hold as Class-A availability continues to tighten.
- » The flight-to-quality trend that emerged in 2025 continued into the first quarter of 2026. Equally notable was a shift toward longer-term commitments, with at least four new leases carrying 10-year obligations and the longest reaching a 12-year term.

VACANCY & ASKING RENT





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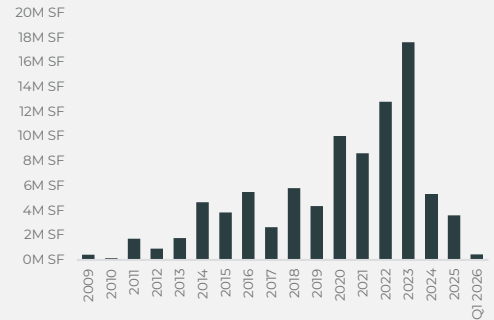
DEMAND

- » The first quarter continued the strong leasing momentum we saw throughout 2025. The market recorded 4.3M SF of gross leasing activity in the first quarter. While this is down 10.4% QOQ and 13.5% YOY, leasing velocity remains elevated from the historical average.
- » Net absorption was positive in the first quarter of 2026, reaching 3.0M SF. Two transactions were the primary drivers of absorption activity — a tenant moving into Heitman's 1.2M SF space at 714 Bosses Way in Commercial Point and an owner-user acquiring Stonemont Financial Group's 1.1M SF building in the West Jefferson submarket.
- » Demand continues to be driven by a diverse tenant pool spanning multiple industries. The first quarter recorded a lease of 508,775 SF in the third-party logistics (3PL) space, 354,676 SF in the pharmaceutical space, and 260,640 SF in the contractor sector.
- » The first quarter saw two significant owner-user transactions, including the Stonemont sale noted above. Beitler Logistics also acquired a 327,200 SF building in the Rickenbacker submarket. They previously leased the entire space in late 2024 prior to acquiring the building.
- » Trident Capital Group completed construction on a 191,077 SF building in February. Mid City Electric/Technologies preleased 56,385 SF prior to completion, with two additional tenants leasing the remaining space shortly after delivery.

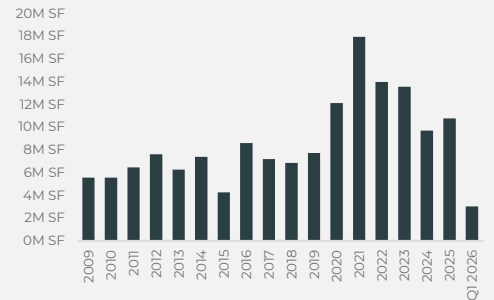
CONSTRUCTION

- » Developers are in the process of constructing roughly 6.6M SF of product across the market; Build To Suit (BTS) account for 4.0M SF.
- » A total of 492,577 SF was delivered in the first quarter, with the largest building — 255,000 SF — located in the New Albany submarket.
- » This quarter three new speculative projects began construction totaling 598,413 SF. Two projects in the East Columbus submarket - Core5 Industrial Partner's 310,240 SF building and Trident Capital Group's 177,338 SF building. The other building is Fairway Realty's 110,835 SF building in the Bolton submarket.
- » The speculative industrial pipeline consists of 2.5M SF of product, of which 20.6% or 517,000 SF is already preleased. The most recent prelease was at Pioneer's 2nd building at 3741 Grove City Road, where a single tenant leased the entire 135,000 SF.
- » Several projects delivered later than anticipated this quarter. One building originally scheduled for early November delivered nearly two months behind schedule, and four additional buildings targeted for Q1 have been pushed to Q2. Delays are likely attributable to the harsh Midwest winter conditions, though some developers may be setting aggressive delivery timelines to attract tenants earlier in the process.

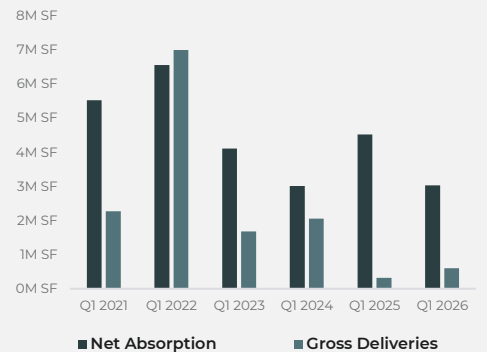
NEW SUPPLY



NET ABSORPTION



SUPPLY & DEMAND





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MARKET SUMMARY Q1 2026

Submarket Cluster	Total Inventory	Vacancy Rate	Q1 2026 Overall Net Absorption	2026 YTD Overall Net Absorption	2026 YTD Leasing Activity	Under Construction	2026 YTD Construction Completions	Overall Asking NNN
Rickenbacker	93,538,765	5.3%	2,131,059	2,131,059	2,128,772	2,596,768	-	\$5.75
Marysville	5,668,776	6.9%	-	-	-	-	-	\$6.50
Canal	5,307,647	7.0%	-	-	90,165	-	-	\$8.25
Grove City	14,473,312	8.7%	249,198	249,198	783,150	135,000	-	\$7.35
Central Columbus	35,706,812	2.8%	214,140	214,140	260,640	624,004	46,500	\$5.75
Bolton	4,223,932	12.3%	17,308	17,308	17,308	110,835	-	\$5.39
Plain City	2,818,499	3.3%	-	-	-	-	-	\$9.55
North Columbus	13,113,794	3.9%	-	-	95,170	-	-	\$7.54
Dublin	853,984	1.1%	-	-	16,429	-	-	\$10.95
West Columbus	25,531,410	9.2%	(248,498)	(248,498)	271,042	158,100	-	\$6.83
Etna	15,122,269	-	-	-	-	-	-	-
Delaware	8,238,997	3.0%	128,864	128,864	178,864	55,055	-	\$6.13
East Columbus	13,427,512	4.5%	(294,180)	(294,180)	336,627	487,578	191,077	\$7.44
New Albany	13,842,516	2.0%	(255,000)	(255,000)	-	2,387,360	255,000	\$13.00
West Jefferson	17,169,044	11.8%	1,090,000	1,090,000	-	-	-	\$5.25
Columbus Market	269,037,269	5.4%	3,032,891	3,032,891	4,303,767	6,554,700	492,577	\$6.23

* Statistics reflect logistics inventory 30,000 SF and above

SIGNIFICANT LEASE TRANSACTIONS Q1 2026

Property Address	Submarket	Tenant	Square Feet	Lease Type
3780 TradePort Court	Rickenbacker	Crane Worldwide Logistics	508,775	NNN
6500 Adelaide Court	Rickenbacker	Hikma Pharmaceuticals	354,676	NNN
2255 Parsons Avenue	New Albany	Western Partitions Inc	260,640	NNN
3741 Grove City Road	Canal Winchester	James & James Fulfillment	135,000	NNN
10013 Busey Road	New Albany	Ohio Health Corporation	90,165	NNN



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