



Columbus, Ohio

3rd Quarter 2015

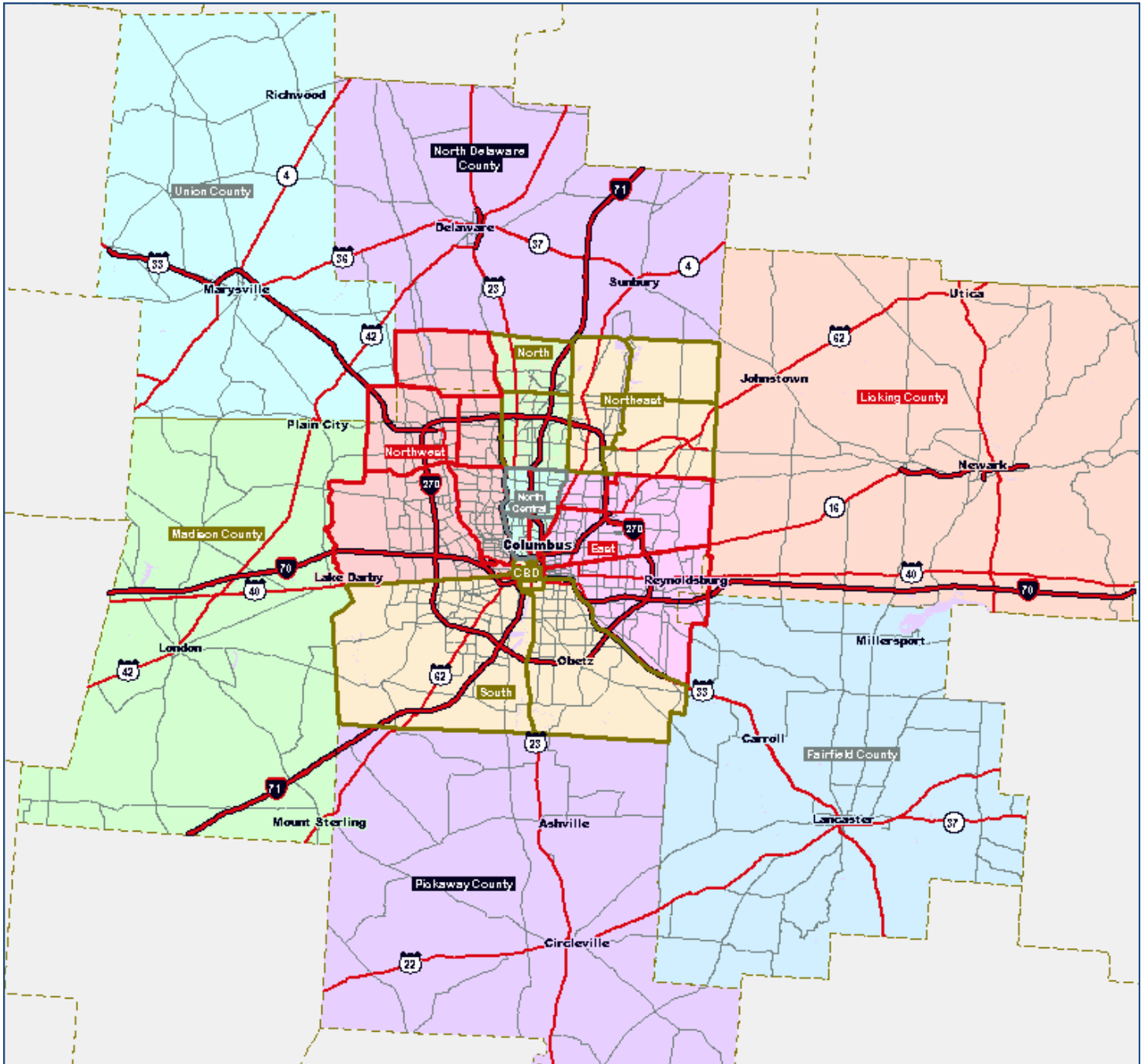
OFFICE

Market Trends

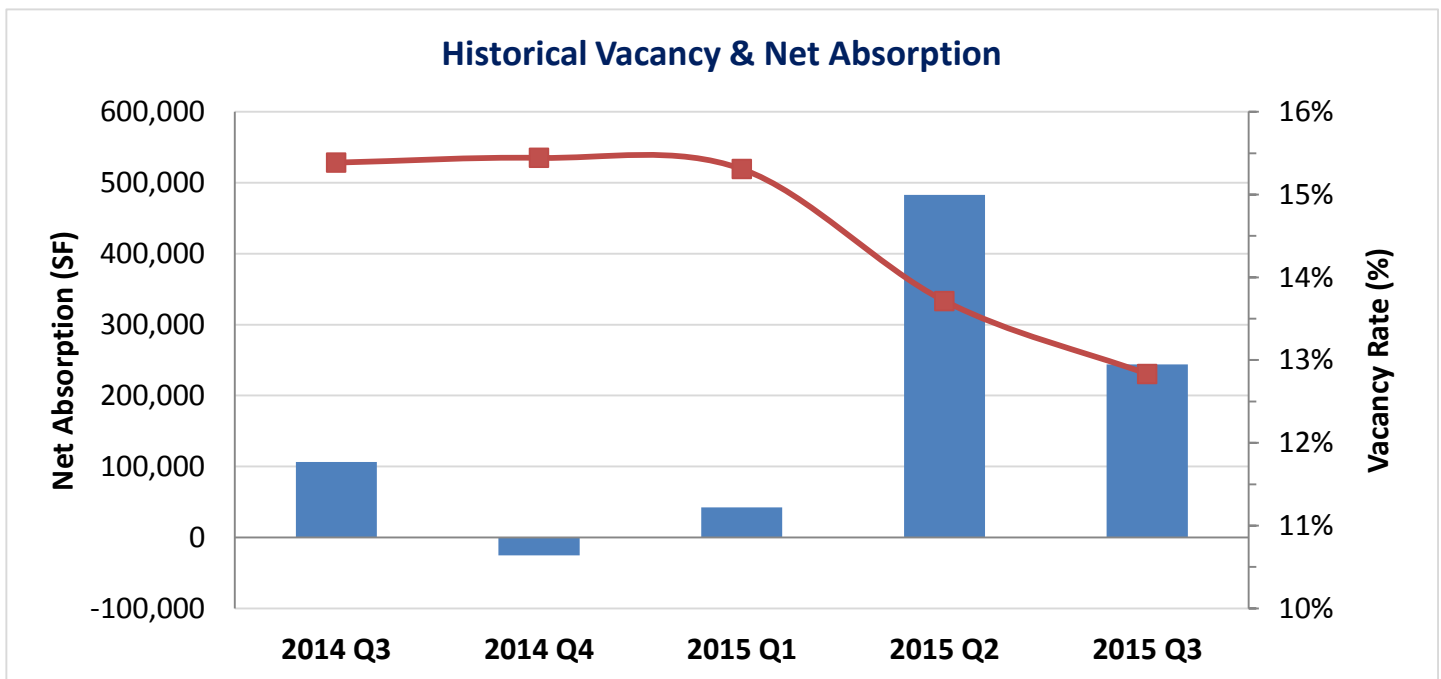
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The Columbus tracked set consists of an inventory of buildings considered to be competitive within the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

Inventory	The total square feet of all existing single and multi tenant office buildings greater than 20,000 SF, excluding medical, government and owner occupied buildings.
Class A	Most prestigious buildings competing for premier office users with rents above the market average. Buildings have high quality standard finishes, state of the art systems, exceptional accessibility and a definite market presence.
Class B	Buildings competing for a wide range of office users with average market rents. Building finishes are fair to good for the area and systems are adequate, but the property does not compete with Class A product.
Class C	Buildings competing for office users requiring functional office space at rents below the market average for the area.
Total Available SF	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
Total Vacant SF	The total of all of the vacant square footage within a building, including both direct and sublease space. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
Direct Vacant SF	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
Sublease SF	Space that is offered for lease by a current tenant, or his agent, within a property.
Net Absorption	The net change in occupancy from quarter to quarter, expressed in square feet.
Weighted Average Direct Lease Rate	The weighted average of all direct asking lease rates expressed as a full service/gross rental rate and weighted on total direct available square feet. Non-full service rates (such as NNN) have been grossed up to reflect a full service/gross rate.



- The Columbus Office posted a positive net absorption of over 243,000 square feet for the third quarter.
- A notable sale during the Third quarter of 2015 was a Portfolio sale of assets across the country from GE Commercial Finance to Blackstone Group. Three of the properties were in Columbus; Metro Center V for \$12,287,547, 425 Metro Pl N for \$5,810,808, and 5515 Parkcenter Cir for \$5,000,000.
- The Columbus CBD Office product posted over 130,000 Sf of positive net absorption in the third quarter 2015.
- The Columbus Office vacancy rate dropped for the second consecutive quarter from 13.7% to 12.8%.
- The Columbus Class A office product posted a positive net absorption of over 287,000 square feet for 3Q15.
- The building at 250 S High St in Columbus CBD was delivered with 119,804 Sf leased.



Market Overview by Building Class

	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)	YTD Total Net Absorption
A	90	13,305,956	2,386,531	1,340,162	10.1%	1,279,438	9.6%	246,477	287,858	697,250
B	231	17,881,312	3,457,702	2,662,132	14.9%	2,644,929	14.8%	162,063	-44,181	62,914
Grand Total	321	31,187,268	5,844,233	4,002,294	12.8%	3,924,367	12.6%	408,540	243,677	760,164

Overview by Property Submarket

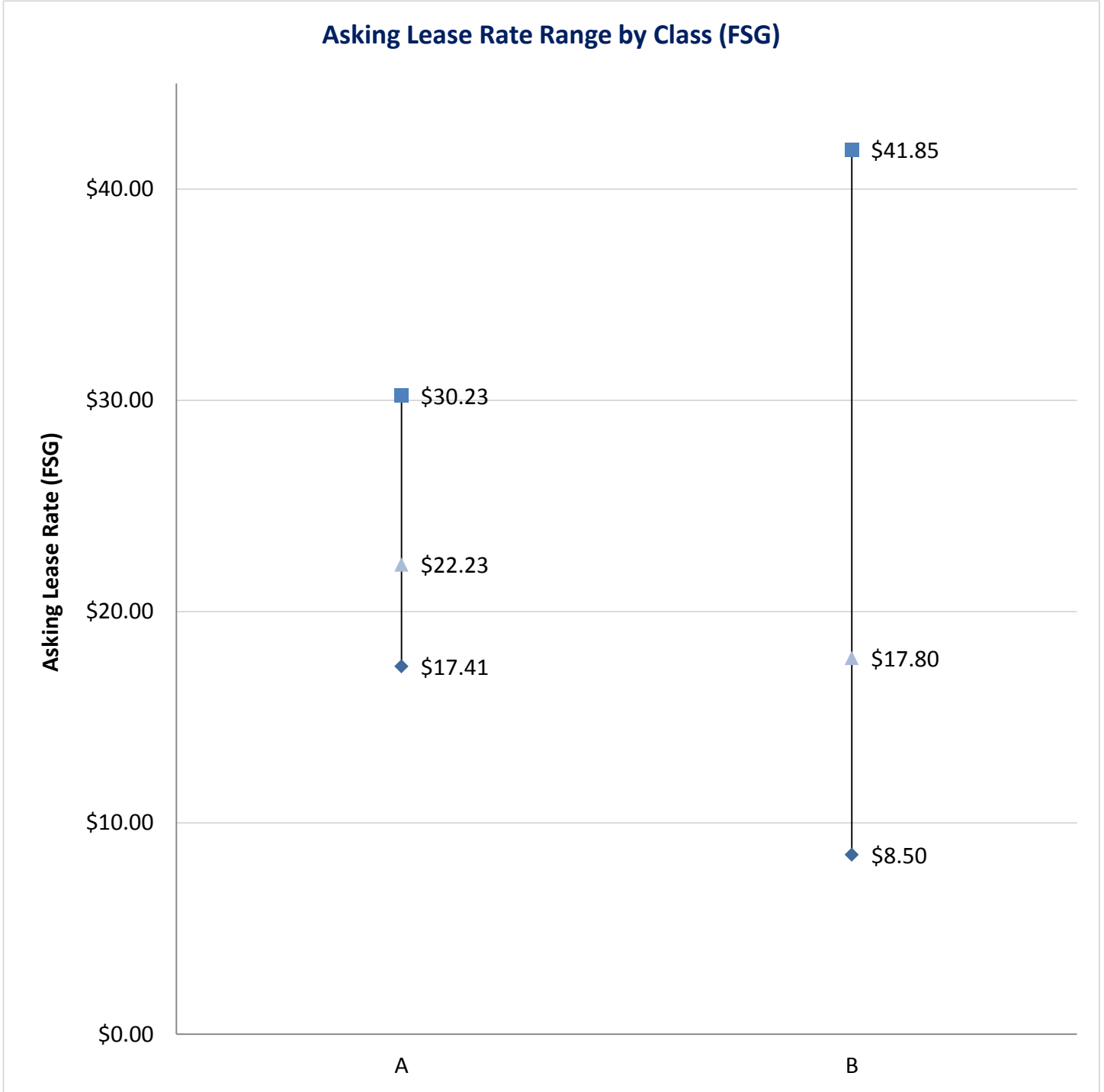


	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)	YTD Total Net Absorption (SF)
CBD	70	10,642,085	1,712,146	1,391,839	13.1%	1,375,681	12.9%	140,680	130,719	445,355
A	20	4,203,448	486,806	411,848	9.8%	400,694	9.5%	29,656	124,476	401,859
B	50	6,438,637	1,225,340	979,991	15.2%	974,987	15.1%	111,024	6,243	43,496
East	34	2,795,920	659,984	378,830	13.5%	374,630	13.4%	10,200	-3,886	-10,091
A	13	1,575,232	319,844	138,225	8.8%	134,025	8.5%	8,700	58,443	81,023
B	21	1,220,688	340,140	240,605	19.7%	240,605	19.7%	1,500	-62,329	-91,114
North	51	4,150,064	732,413	591,449	14.3%	582,878	14.0%	9,329	37,675	73,676
A	3	568,227	112,082	51,124	9.0%	51,124	9.0%	758	2,838	22,639
B	48	3,581,837	620,331	540,325	15.1%	531,754	14.8%	8,571	34,837	51,037
North Central	3	223,093	46,317	20,820	9.3%	20,820	9.3%	0	0	6,540
B	3	223,093	46,317	20,820	9.3%	20,820	9.3%	0	0	6,540
Northeast	56	4,260,054	738,096	556,613	13.1%	541,997	12.7%	47,350	60,711	4,739
A	20	2,251,726	243,857	219,484	9.7%	208,496	9.3%	10,988	74,912	36,482
B	36	2,008,328	494,239	337,129	16.8%	333,501	16.6%	36,362	-14,201	-31,743
Northwest	107	9,116,052	1,955,277	1,062,743	11.7%	1,028,361	11.3%	200,981	18,458	239,945
A	34	4,707,323	1,223,942	519,481	11.0%	485,099	10.3%	196,375	27,189	155,247
B	73	4,408,729	731,335	543,262	12.3%	543,262	12.3%	4,606	-8,731	84,698
Grand Total	321	31,187,268	5,844,233	4,002,294	12.8%	3,924,367	12.6%	408,540	243,677	760,164

Vacancy & Lease Rates



	Total Vacancy Rate %					Asking Wtd Direct Lease Rate (FSG)				
	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
CBD	16.9%	17.5%	17.6%	14.3%	13.1%	\$16.42	\$16.36	\$16.78	\$17.51	\$17.88
A	21.4%	19.4%	20.0%	12.8%	9.8%	\$21.06	\$21.31	\$21.39	\$21.94	\$21.97
B	14.0%	16.3%	16.1%	15.4%	15.2%	\$14.25	\$14.19	\$14.69	\$15.38	\$15.98
East	13.9%	13.2%	12.7%	13.4%	13.5%	\$17.69	\$17.29	\$15.91	\$15.93	\$16.07
A	15.3%	13.9%	12.4%	12.5%	8.8%	\$18.57	\$18.18	\$16.09	\$15.70	\$15.70
B	12.2%	12.2%	13.2%	14.6%	19.7%	\$15.48	\$15.51	\$15.78	\$16.21	\$16.49
North	15.6%	16.0%	15.2%	15.2%	14.3%	\$16.02	\$16.13	\$17.21	\$16.61	\$16.90
A	13.0%	13.0%	11.3%	9.5%	9.0%	\$13.70	\$13.77	\$20.39	\$20.42	\$20.50
B	16.0%	16.5%	15.8%	16.1%	15.1%	\$16.46	\$16.63	\$16.62	\$15.93	\$16.12
North Central	6.2%	12.3%	12.3%	9.3%	9.3%	\$19.32	\$18.88	\$18.88	\$21.38	\$22.12
A	0.0%	0.0%	0.0%	0.0%	0.0%	--	--	--	--	--
B	6.2%	12.3%	12.3%	9.3%	9.3%	\$19.32	\$18.88	\$18.88	\$21.38	\$22.12
Northeast	14.6%	13.2%	13.9%	14.5%	13.1%	\$17.10	\$16.85	\$16.92	\$16.93	\$16.43
A	12.1%	11.4%	12.6%	13.1%	9.7%	\$19.65	\$19.21	\$19.66	\$19.43	\$19.15
B	17.4%	15.2%	15.4%	16.1%	16.8%	\$14.34	\$14.39	\$14.44	\$14.49	\$14.87
Northwest	14.5%	14.6%	14.2%	12.2%	11.7%	\$14.95	\$14.89	\$14.84	\$15.10	\$15.12
A	14.0%	14.3%	13.5%	11.6%	11.0%	\$14.21	\$14.16	\$14.03	\$14.46	\$14.38
B	15.1%	14.9%	14.8%	12.8%	12.3%	\$15.72	\$15.64	\$16.24	\$16.27	\$16.37
Grand Total	15.4%	15.4%	15.3%	13.7%	12.8%	\$16.15	\$16.06	\$16.11	\$16.37	\$16.48

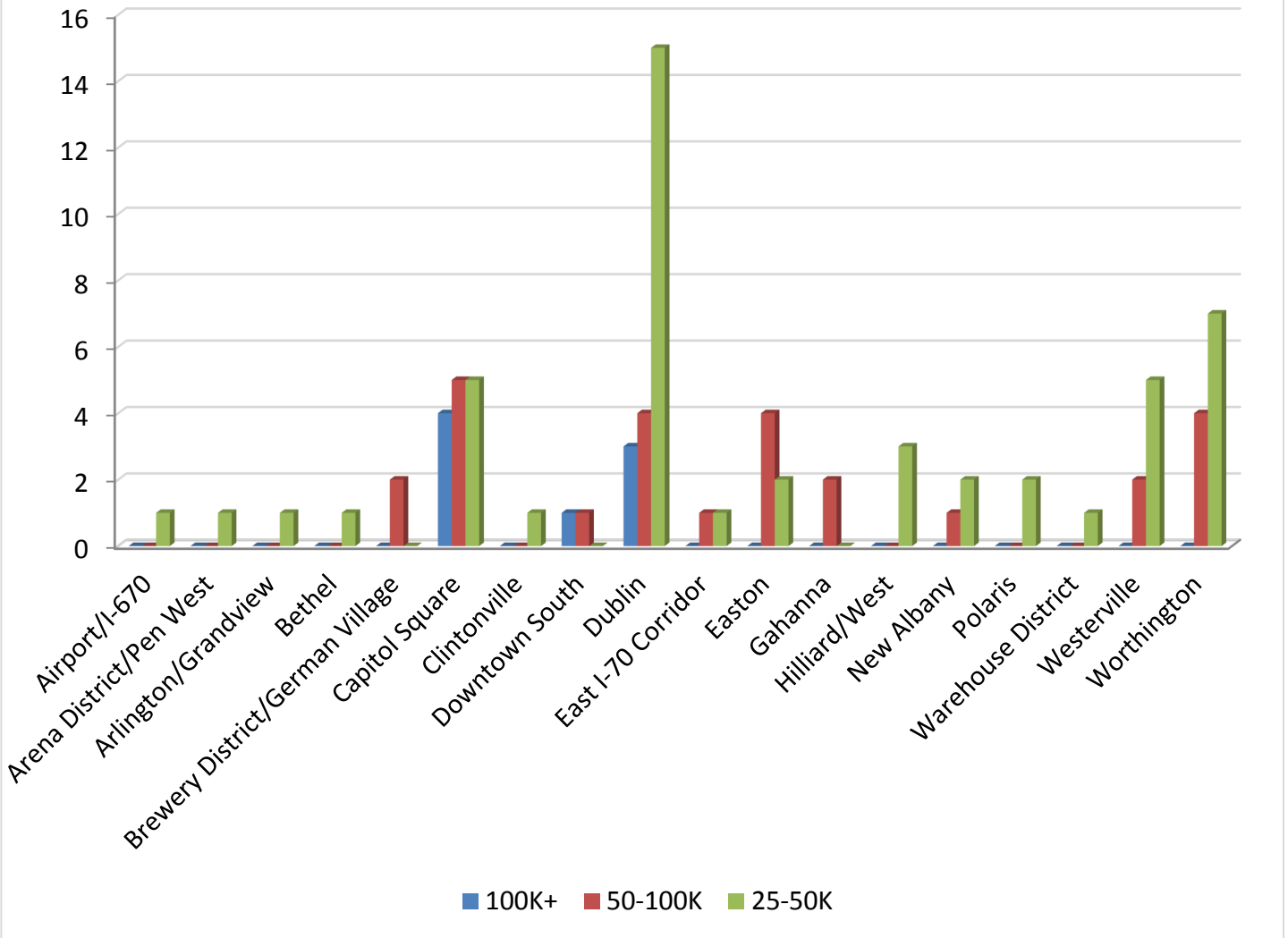


Biggest Absorption Changes



Property Name	SF Occupied or Vacated	Company Name	Market	Building Class
250 S High	119,804	Resource/Ammirati, Lextant Inc, NBBJ, Dummen Group	CBD	A
Water's Edge III	43,000	Columbia Pipeline	Northeast	A
Easton Way Three	34,000	SunGard Financial Systems, Vision Services Plan	East	A
Easton Commons II	31,000	Owner User, Undisclosed tenant	East	A
Westar V	22,102	MyComputerCareers, Champion Real Estate	Northeast	A
Officescape IV	20,842	Central Ohio Urology Group	North	B
Techcenter IV	-54,615	JP Morgan Chase	East	B
530 W Spring St	-16,949	The Kemelgor Financial Group	CBD	B
Watermark	-11,792	Exel, Inc.	Northwest	B

Largest Blocks of Available Space

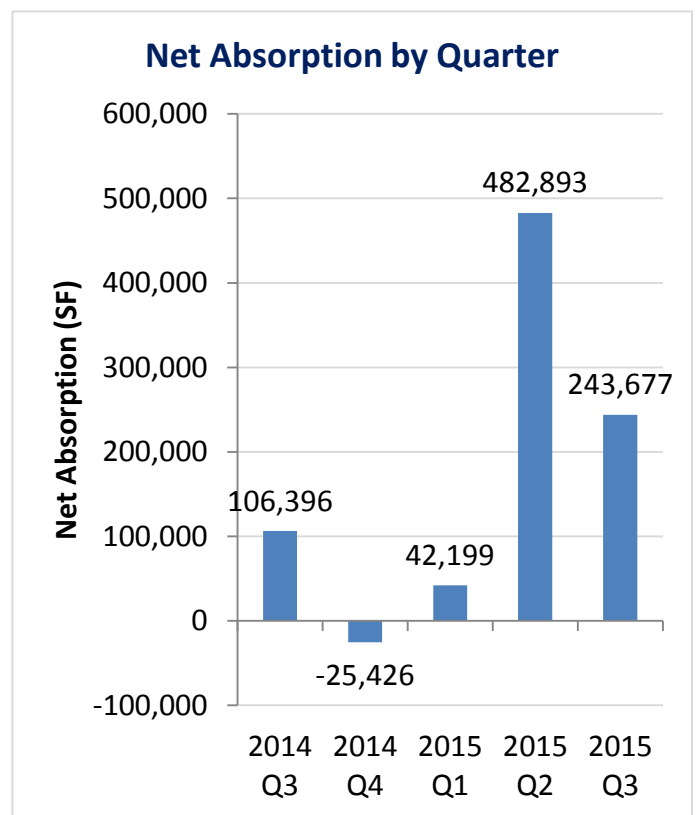
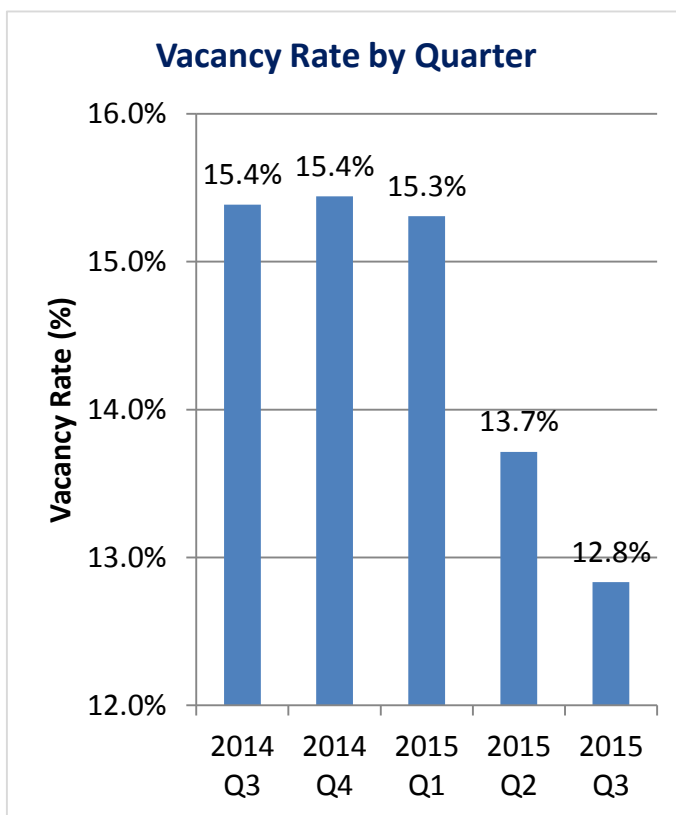
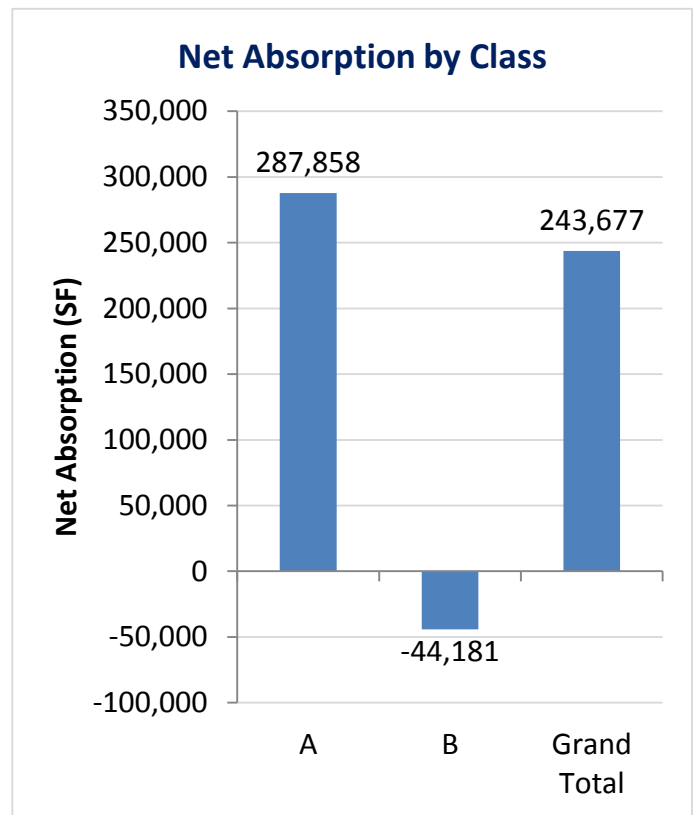
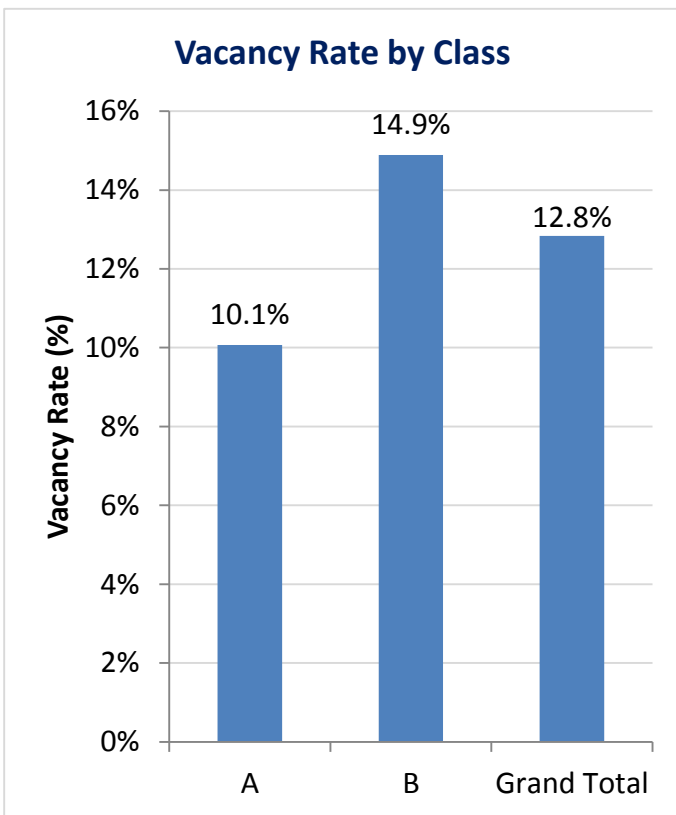


Historical Blocks of Space			
Quarter	100K+	50-100K	25-50K
2014 Q3	12	21	46
2014 Q4	9	20	45
2015 Q1	9	24	43
2015 Q2	8	26	48
2015 Q3	7	25	45

Notable Sales Transactions



Property Name	SF Sold	Sale Price	Buyer	Seller	Market
Metro Center V	219,414	\$12,287,547.00	The Blackstone Group LP	General Electric Credit Equities Inc	Northwest
425 Metro Pl N	101,000	\$5,810,808.00	The Blackstone Group LP	General Electric Credit Equities Inc	Northwest
5515 Parkcenter Cir	116,459	\$5,000,000.00	The Blackstone Group LP	General Electric Credit Equities Inc	Northwest
Timberline Office Complex (Multi-Bldgs)	92,000	\$4,975,000.00	FAHEY BANK		Northwest
Ohio State Medical Center	36,000	\$3,018,000.00	Entrotech Inc	Ohio State Medical Association	Northwest
2030 Stringtown Rd	48,882	\$11,500,000.00	Physicians Realty Trust	Carey Realty Investments	South



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For additional information about this report or to discuss membership in Xceligent please contact

Cassandra Sorah	Analytics Associate	(816) 427-9104	csorah@xceligent.com
Kimberly Begley	Regional Director of Analytics	(614) 570-4722	kbegley@xceligent.com
Brian Irwin	Director of Client Services	(614)203-0870	birwin@xceligent.com



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