



MARKET AT A GLANCE



OCCUPANCY RATE **96.0%**
Up **20 bps** since 3Q16



ASKING RENT **\$910**
Up **2.7%** since 3Q16

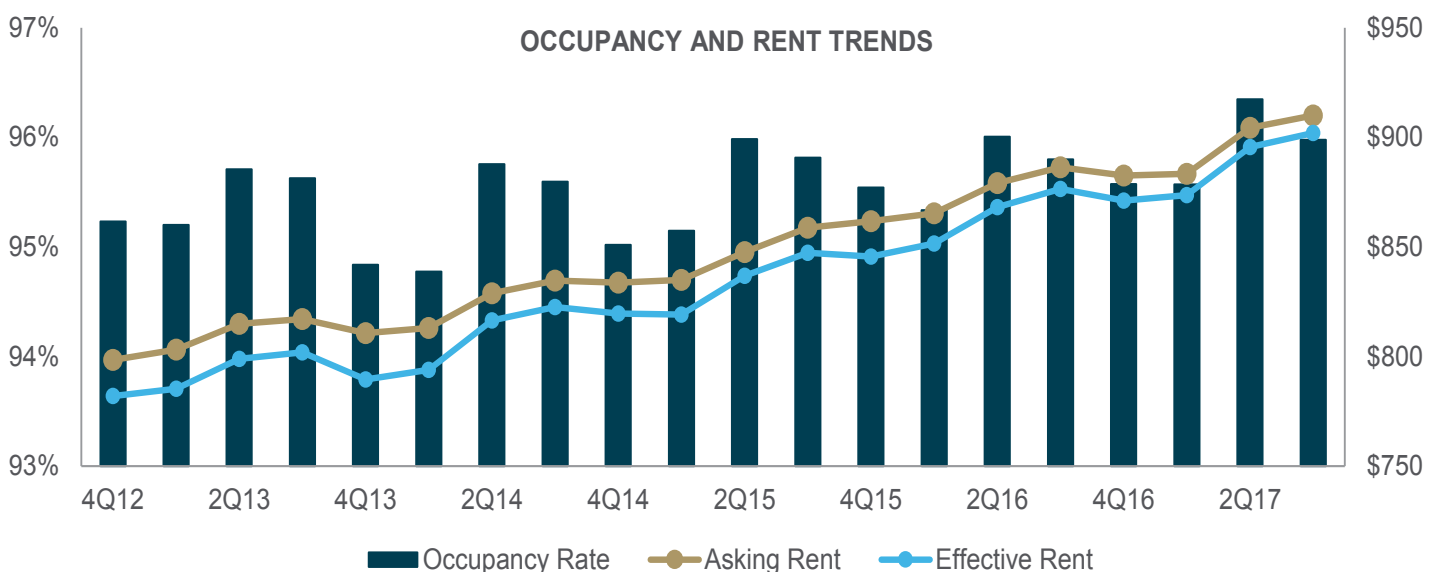


CONCESSIONS **0.9%**
Down **30 bps** since 3Q16

OCCUPANCY AND RENT TRENDS

APARTMENT RENTAL ACTIVITY SURGES IN HILLIARD AND DUBLIN

Of the 2,982 units added during the 12-month period ending in September 2017, 627 units were added in the third quarter of 2017. The 12-month trailing total of 3,500 new leases signed exceeded deliveries by 518 units. With annual metrowide demand outpacing supply, the occupancy rate rose 20 basis points to 96.0%. As major employers expanded into more affordable, buildable areas including the Dublin and Hilliard submarkets, developers and renters followed suit, as 41% of new construction and 43% of leasing activity during the last year occurred in those submarkets. Appealing to renters, the Dublin and Hilliard submarkets featured an average asking rent 19.9% below that of the University/Downtown submarket, while being located within 10 miles of that submarket's employment and entertainment centers. Positive year-over-year rent growth in 15 of 18 Columbus submarkets yielded a metrowide annual increase of 2.7%. At \$910 per month, average asking rent in the Columbus metro apartment market reached a new record. Operators dropped concessions 30 basis points to 0.9% of asking rent, lowering the number of free days annually from four to three, fueling 2.9% annual effective rent growth to \$902 per month.



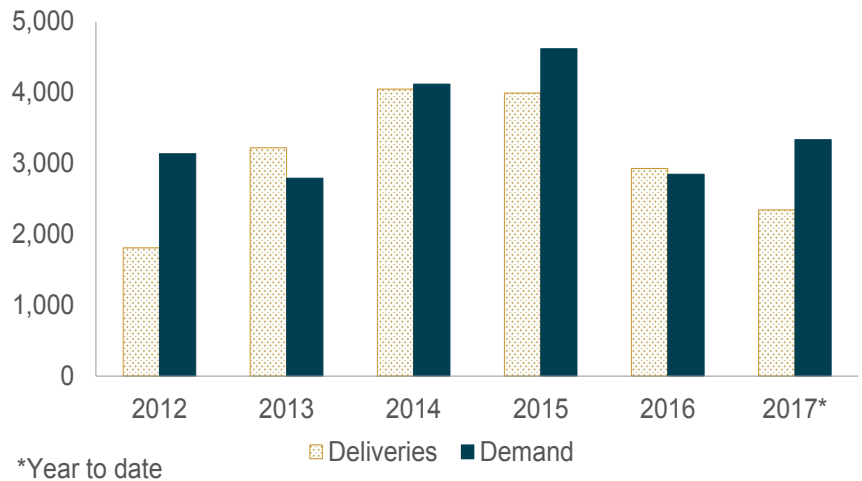
DELIVERIES AND DEMAND



DELIVERIES 2,343
Units YTD



NET ABSORPTION 3,334
Units YTD



ECONOMIC TRENDS

2016 4.1% **UNEMPLOYMENT*** 30 BPS CHANGE 2017 4.4%

2016 1.07m **EMPLOYMENT*** 2.4% CHANGE 2017 1.09m

2016 50.2k **EXISTING SFH SALES**** -2.8% CHANGE 2017 48.8k

2016 \$174.7k **MEDIAN SFH PRICE**** 6.9% CHANGE 2017 \$186.7k

2016 1.63% **10-YEAR TREASURY**** 60 BPS CHANGE 2017 2.20%

*August; **September

Employers added 25,100 jobs in the 12-month period ending in August 2017, equating to a 2.4% annual increase. Manufacturing firms added 5,800 jobs or 23% of all jobs created. Ohio Pack LLC, Bocchi Laboratories, and Ikea supplier Fluvitex USA Inc., led growth in the aforementioned sector. Broad-based job gains in the professional and business services industry, the second-largest employment sector in Columbus, were highlighted by additions at National Enterprise Systems, Ventech Solutions, and CareWorks. One-third of the 2,100 jobs added in the education and health services sector was supported by the opening of United Health Group's new patient support center in Dublin. Huntington National Bank added 386 of the 1,700 new positions in the financial activities sector, as the company advanced its plan of creating 1,000 jobs in Columbus by 2024. Growth in retail trade bolstered the 1,800 jobs added in trade, transportation, and utilities as grocers Meijer and Aldi combined to add 500 new employees at stores located throughout the Columbus metro area.



SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY		AVG RENT INCREASE		AVG RENT		NET ABSORPTION		DELIVERED UNITS	
	3Q16	3Q17	3Q16	3Q17	3Q16	3Q17	3Q17	ANNUAL	3Q17	ANNUAL
Bexley	98.0%	98.3%	-8.9%	10.8%	\$543	\$602	16	16	0	0
Delaware County	95.4%	94.3%	8.4%	1.3%	\$1,016	\$1,030	90	391	123	492
Dublin	96.5%	97.0%	-0.3%	5.0%	\$946	\$993	210	616	216	610
Fairfield County / Other	96.4%	98.8%	-3.2%	-6.2%	\$1,003	\$941	-13	75	0	0
Grove City	96.9%	96.3%	6.7%	2.7%	\$761	\$782	73	64	0	144
Groveport/Canal Winchester	94.0%	94.4%	2.5%	2.6%	\$780	\$800	-17	38	0	0
Hilliard	94.9%	96.9%	2.7%	3.4%	\$1,008	\$1,042	164	898	139	614
Licking County	99.0%	97.3%	16.7%	4.0%	\$893	\$929	46	-95	0	0
Madison County	95.4%	96.0%	1.2%	2.0%	\$700	\$715	-6	7	0	0
Northeast/Minerva Park	95.1%	96.2%	1.8%	6.8%	\$712	\$761	0	162	0	0
Pickaway County	97.4%	97.0%	6.4%	-0.7%	\$709	\$704	-20	-4	0	0
Sharon/Worthington	95.6%	96.5%	4.3%	6.2%	\$745	\$791	-32	68	0	0
Southeast	95.4%	96.2%	3.5%	3.8%	\$684	\$711	-13	44	0	0
Union County	98.3%	94.9%	-	-0.1%	\$949	\$948	23	-54	0	0
University/Downtown	96.5%	97.0%	0.9%	5.7%	\$1,156	\$1,221	-10	721	131	622
Upper Arlington/North Columbus	96.8%	96.6%	5.3%	5.2%	\$926	\$974	39	63	0	89
Westerville	95.6%	95.9%	2.3%	1.3%	\$996	\$1,009	-56	431	18	411
Whitehall/Gahanna/Reynoldsburg	96.1%	96.5%	3.7%	1.2%	\$750	\$759	-59	60	0	0
TOTALS	95.8%	96.0%	3.2%	2.7%	\$886	\$910	435	3,500	627	2,982



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