

# INVESTMENT FORECAST

Multifamily  
Columbus

IPA  
INSTITUTIONAL  
PROPERTY  
ADVISORS

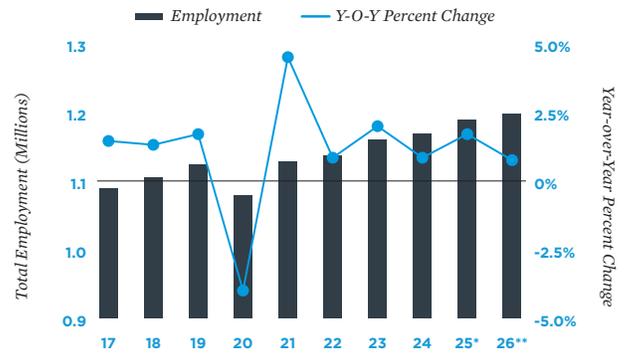
2026

## Investors Show Optimism, Despite Cooling Industrial Expansion

**Vacancy trends shift amid project delays.** Columbus has attracted steady capital inflows since the pandemic, particularly in the technology sector, which has driven strong job creation and elevated household incomes. In 2025, the metro ranked second in the Midwest and among the top 10 nationally for income growth. Major corporate expansions — including Intel’s semiconductor facility, the Honda-LG EV battery plant, and Anduril’s Arsenal-1 — have been key drivers of this momentum. However, the pace of growth is beginning to slow. Intel’s Ohio One project has been postponed to 2030, while Amazon and Google’s data center plans in New Albany face increasing local opposition. These delays may dampen renter demand, contributing to a modest rise in metro vacancy rates. Deliveries this year are concentrated in Far East Columbus near Reynoldsburg and in the Downtown-University area. As a result, properties in the urban core are expected to see vacancy rates hover around 6 percent. Suburban submarkets remain tighter, with rates likely to fall below 4 percent, supported by steady renter demand and limited new supply.

**Yield advantage still apparent.** Despite recent rent softness, Columbus continues to attract investor interest, supported by favorable yields and long-term growth prospects. Trades completed in 2025 produced average cap rates in the mid- to upper-6 percent range. While these are among the lowest in the Midwest, they still position the metro as a compelling alternative to higher-priced East Coast markets, especially for buyers seeking scale and relative affordability. Out-of-state investors accounted for over 80 percent of transaction dollar volume, while in-state sellers represented more than half of dispositions, further underscoring the metro’s appeal to external capital. Transaction velocity rose 40 percent year-over-year, with notable activity in Downtown and around New Albany, where infrastructure and employment growth remain strong. Looking ahead, Columbus’ combination of low vacancy, competitive pricing, and a robust pipeline of industrial and tech-sector expansions is expected to support rent growth over the next decade. These fundamentals continue to position the market for long-term upside.

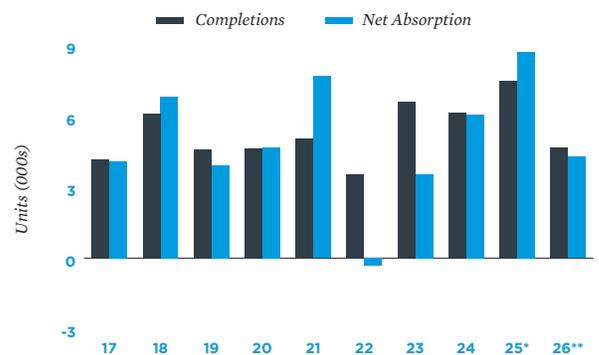
## Employment Trends



## Housing Affordability Gap



## Supply and Demand



21.4%

2025 share of local population between 20 and 34 years old



37.2%

of local population hold bachelor's degree or higher\*



\$327,900

2025 median home price\*

\* Estimate \*\* Forecast \* Through 3Q  
\*2025: 25+ years old

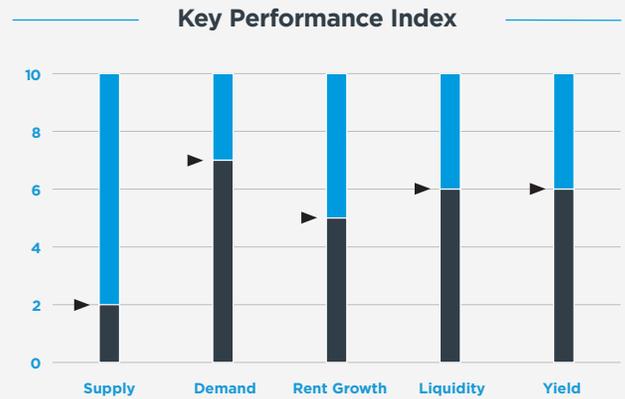
Sources: IPA Research Services; BLS; Freddie Mac; National Association of Realtors; RealPage, Inc.

## Investment Outlook

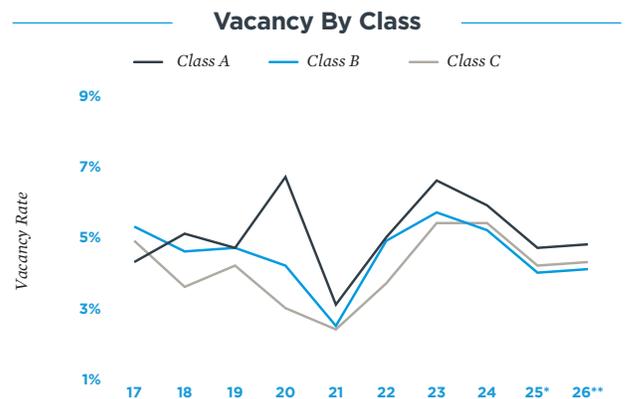
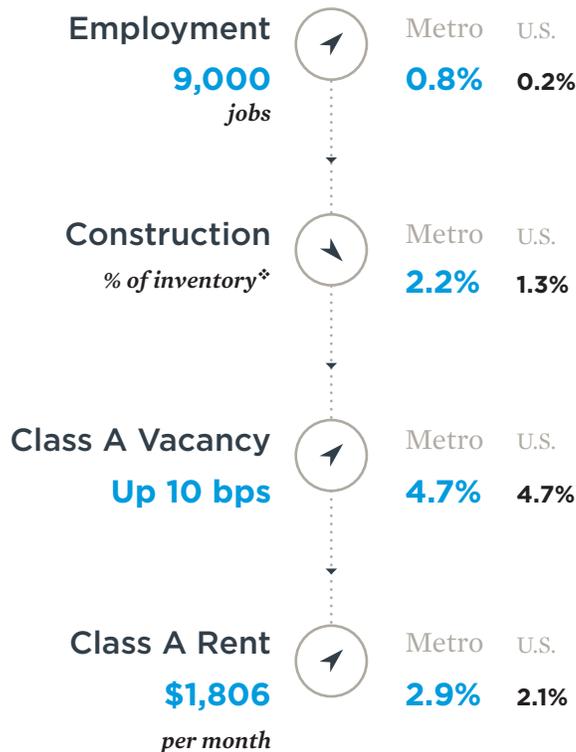
In contrast to its in-state neighbors, Columbus has retained a low supply KPI rating of 2 this year, a value only shared with Phoenix. Yet, Columbus' favorable demand score of 7 indicates that the market's comparatively more active development pipeline is warranted. This is reflected in a rent rating of 5, as well.

While not the largest of the major Ohio markets in terms of absolute number of trades, relative shifts in trading activity favor Columbus with a higher liquidity KPI of 6. Columbus also maintains a yield rating of 6, on par with Cleveland.

*Note: The Key Performance Index provides a metro-level relational benchmark scaled from 1-10 for five key metrics.*



## 2026 INVESTMENT OUTLOOK



IPA Multifamily

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\* Estimate \*\* Forecast  
 \* Arrow reflects completions trend compared with 2025  
 Sources: IPA Research Services; CoStar Group, Inc.; RealPage, Inc.; Real Capital Analytics