



# Research report for the Metropolitan Statistical Area of Columbus, OH

## Summary - September 2018

Economic conditions in the metro area improved during the past year. Nonfarm payrolls increased 7.9%, adding 80,400 jobs. The unemployment rate in the MSA is 4.1%, down from 4.4% a year prior. The local housing market is firm as rents have risen 7.1% since last year and building permits are up.

### SNAPSHOT

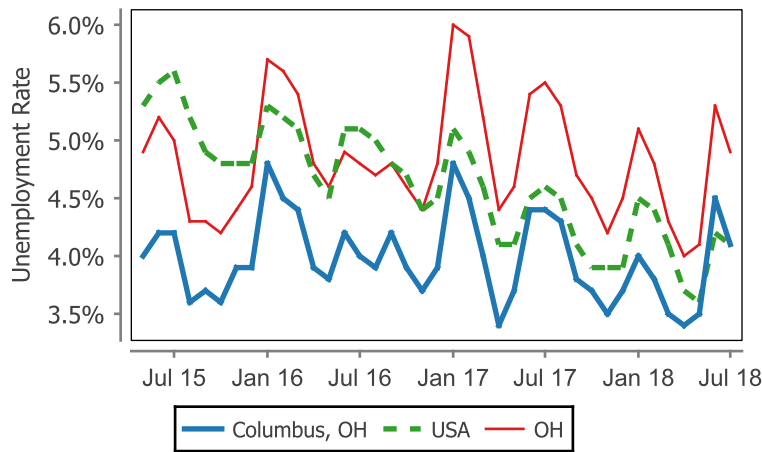
ECONOMY ↑  
HOUSING ↑

## How many people are out of work?

Unemployment rate: 4.10% (as of July, not seasonally adjusted)



Unemployment rate history: (not seasonally adjusted)



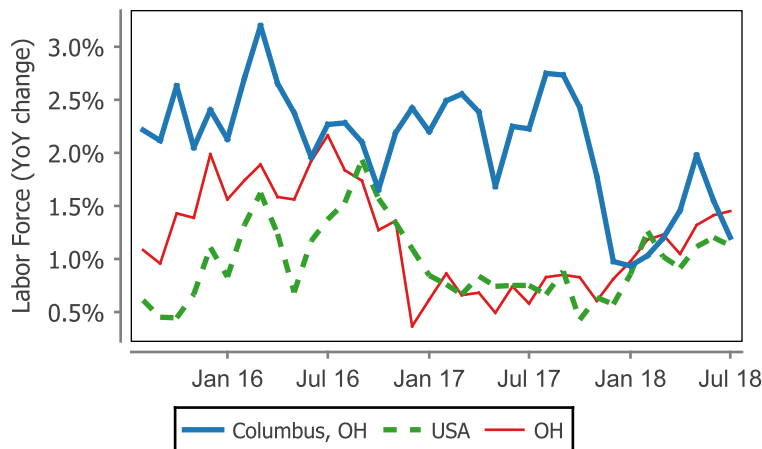
### Unemployment Rate Analysis

- ↓ Unemployment rate vs. year prior
- ↓ Unemployment rate vs. OH
- Unemployment rate vs. USA

↓ is better and indicates more people are working. Look for a stable or downward trend in the unemployment rate and for the MSA to have lower unemployment than the state or country.

\* MSA data may lag national data by several months.

Labor force history: (not seasonally adjusted)



### Labor Force Analysis

- ↑ Labor force vs. year prior
- ↓ Labor force vs. OH
- ↑ Labor force vs. USA

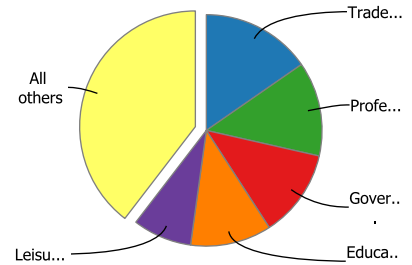
↑ is better and indicates more people are joining the work force.

Labor force size: 1,101,200

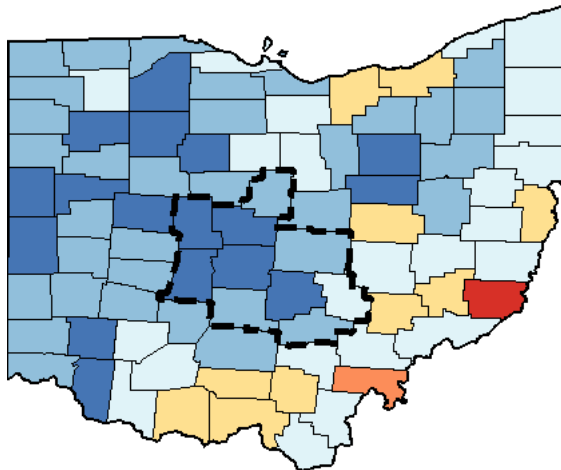
## Where are people working?

Top employment sectors, ranked by employees [and last year's rank]:

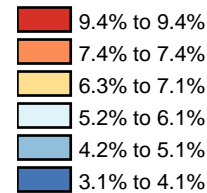
Sector	Employees
1- Trade, Transportation, and Utilities [1]	213,200
2- Professional and Business Services [2]	183,200
3- Government [3]	170,700
4- Education and Health Services [4]	157,400
5- Leisure and Hospitality [5]	114,400



Current unemployment rate in nearby counties:



County Unemployment Rates:

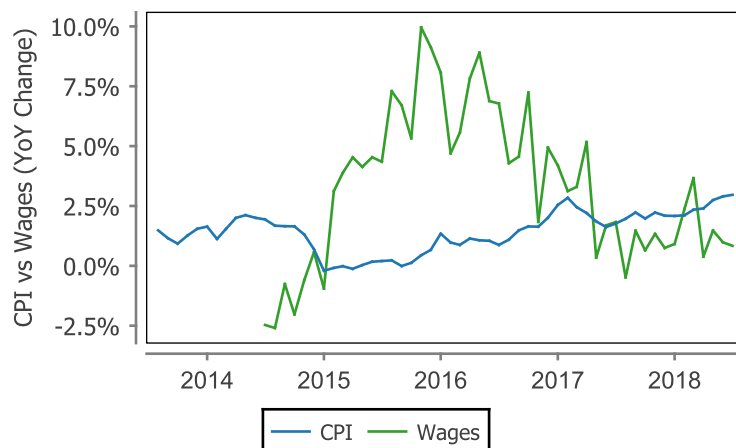


## How much are people earning?

The average employee earns \$859/week which is equivalent to \$44,669/year.<sup>1</sup>



Wage growth history:



Wage Analysis:

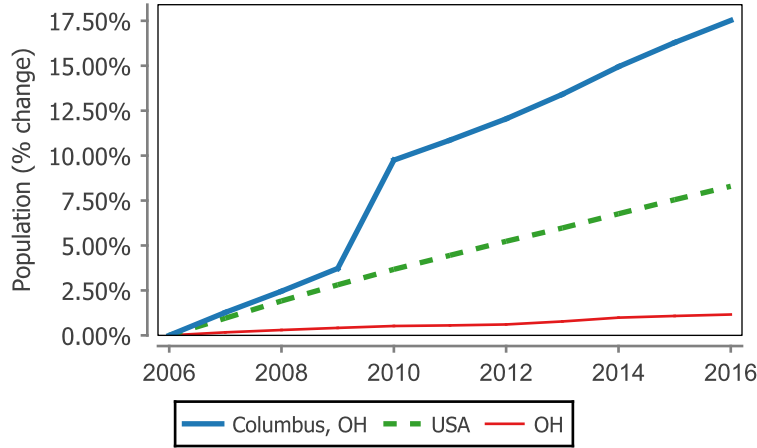
- ↑ Wage growth vs. year prior
- ↓ Wage growth vs. inflation
- ↑ is better and indicates that wages are growing.

## How many people live here?

Current population: 2,041,000 (estimate, as of July 2016)  
 Population density: 426/sq. mi.



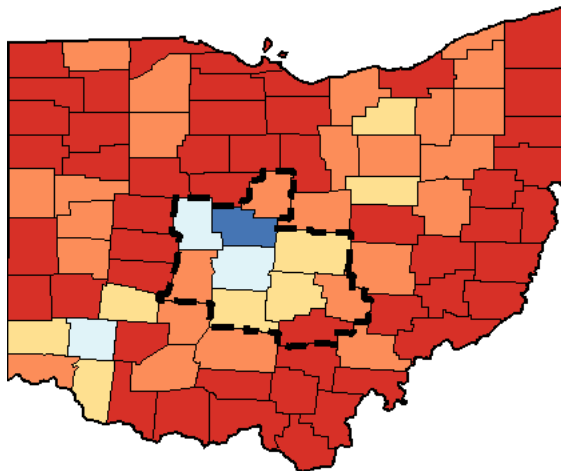
## 10-year population trends:<sup>2</sup>



### Population Trend Analysis

- ↑ Population growth
  - ↑ Population growth vs. OH
  - ↑ Population growth vs. USA
- ↑ is better and indicates a growing metro area. Look for population to be growing faster than the state or country.

## 10-year population growth in nearby counties:

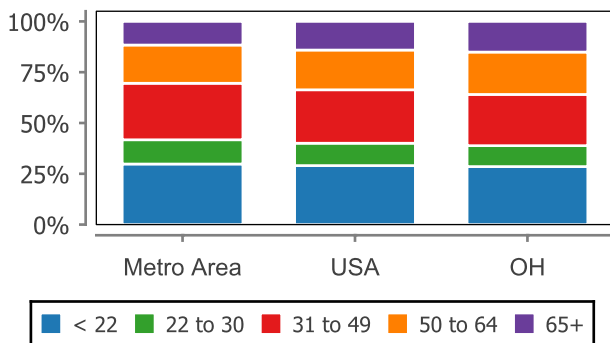


### County Population Growth:

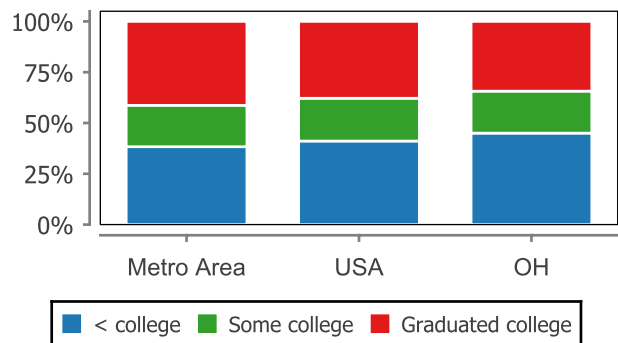
- 6.6% to -1.3%
- 1.2% to 4.2%
- 4.4% to 8.2%
- 13.2% to 14.1%
- 25.8% to 25.8%

## Who lives here?

### Age distribution: (2015 Census Data)

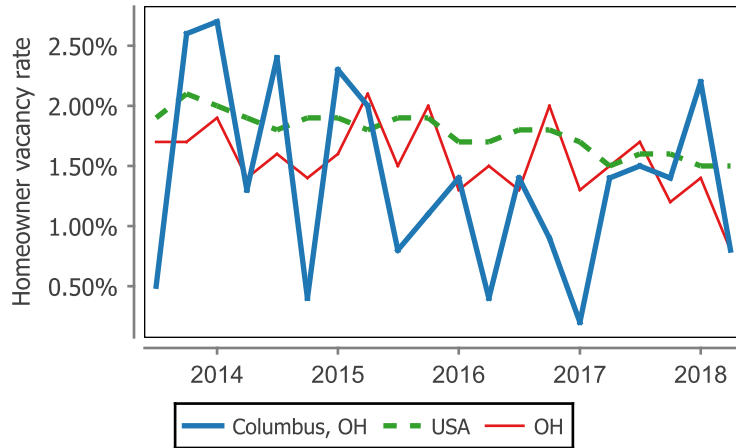


### Adult education level:<sup>3</sup> (2015 Census data)



# Is there strong demand for housing?

## Homeowner vacancy rate:

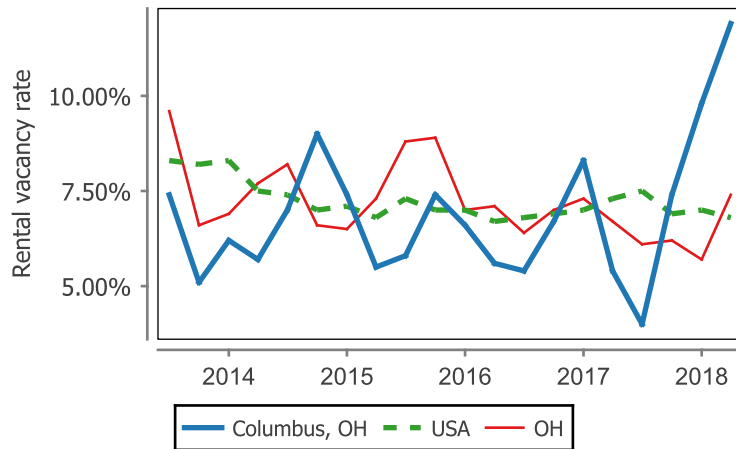


### Homeowner Vacancy Trend Analysis

- ↓ Vacancy rate vs. prior year
- Vacancy rate vs. OH: n/a
- ↓ Vacancy rate vs. USA
- ↓ indicates strong demand and/or lower supply for owner-occupied housing.



## Rental vacancy rate:

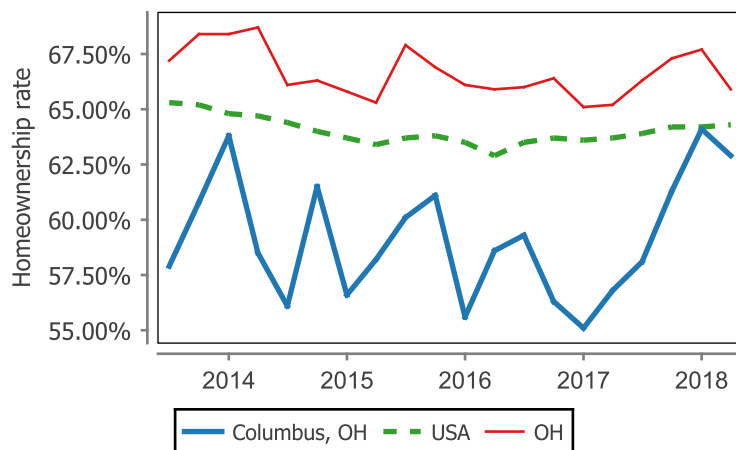


### Rental Vacancy Trend Analysis

- ↑ Vacancy rate vs. prior year
- ↑ Vacancy rate vs. OH
- ↑ Vacancy rate vs. USA
- ↓ indicates strong demand and/or lower supply for rental housing.



## Homeownership rate:



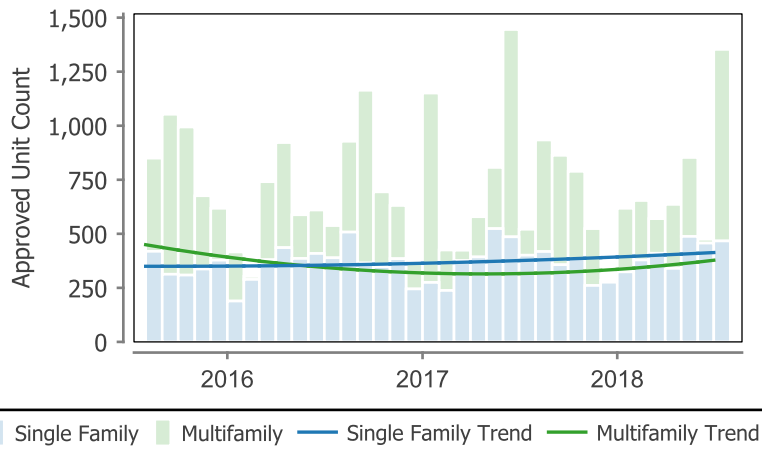
### Homeownership Trend Analysis

- ↑ Ownership rate vs. prior year
- ↓ Ownership rate vs. OH
- ↓ Ownership rate vs. USA
- ↑ indicates more households are able to purchase their homes.



## Is new housing being built?

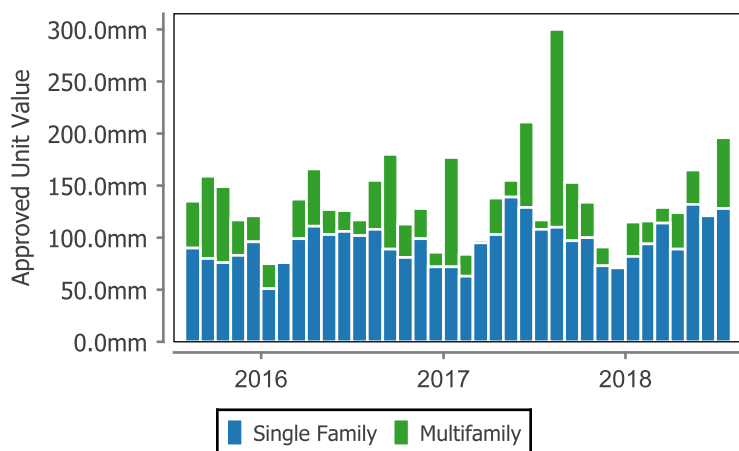
Building permits:<sup>4</sup> (number of authorized units)



12-month Average:  
 Single Family Unit Permits: 380  
 Multifamily Unit Permits: 333

Look for upward or stable trend lines as this indicates a confident housing sector.

Building permits: (value of authorized units)



12-month Averages and Nationwide Ranges:

Single Family Unit Value: \$266k



Multifamily Unit Value: \$114k



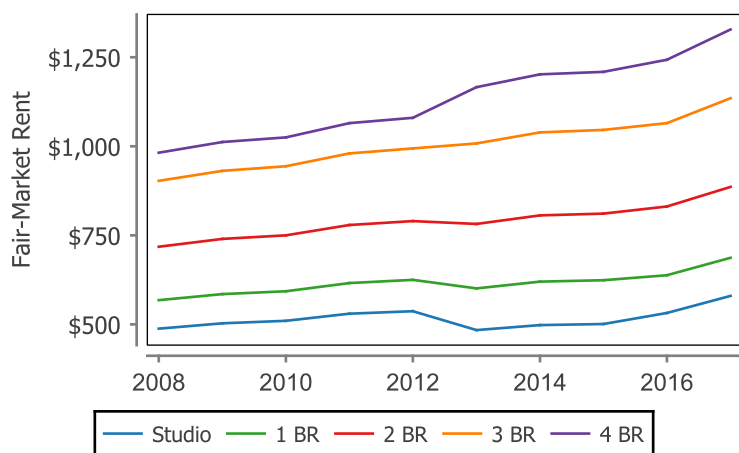
Multifamily Units/Structure: 21.01



Look for the permit value to be increasing over time to indicate a strengthening housing sector.

## How much does housing cost?

Average fair-market rent history:<sup>5</sup>



Latest Fair-Market Rent and Nationwide Ranges:

0 bedroom: \$580



1 bedroom: \$687



2 bedroom: \$886



3 bedroom: \$1,135



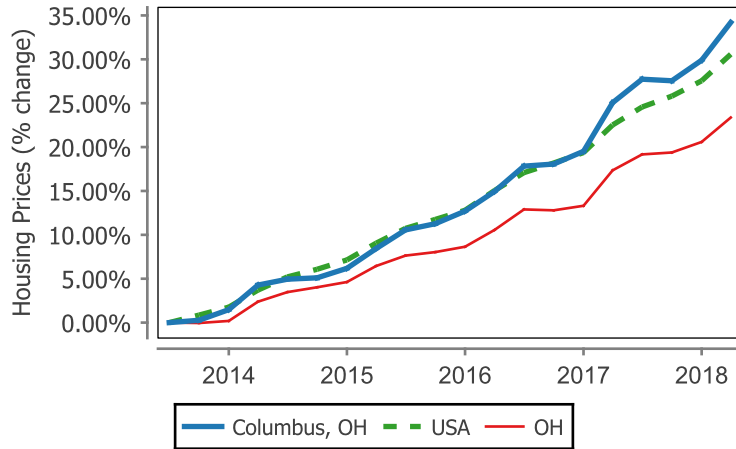
4 bedroom: \$1,328



\* Estimates valid for 2017.

Look for upward or stable growth in rents as this indicates strong apartment demand.

## Housing price index:<sup>6</sup> (not seasonally adjusted)

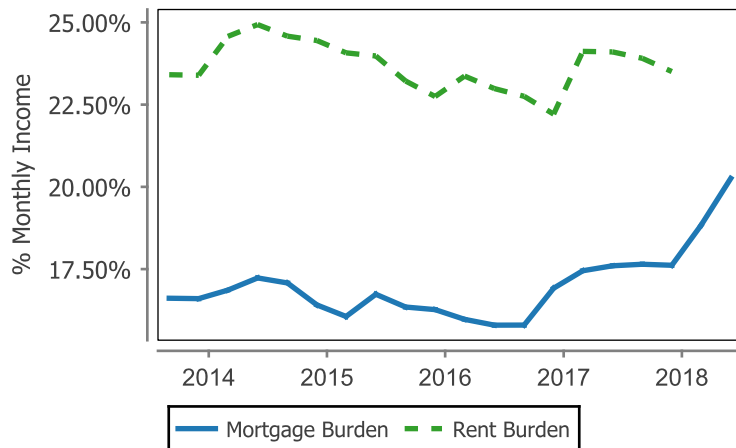


### HPI Trend Analysis

- ↑ HPI vs. year prior
- ↑ HPI change vs. OH
- ↑ HPI change vs. USA

↑ is better and indicates strong demand for housing. Look for the MSA to be growing faster than the state or country.

## Housing affordability:<sup>7</sup>



### Change in mortgage burden due to HPI:

34.21%

If everything else held constant, how much of the change in the mortgage payment is due to the change in house prices.

### Change in mortgage burden due to interest rates:

0.89%

If everything else held constant, how much of the change in the mortgage payment is due to the change in interest rates.

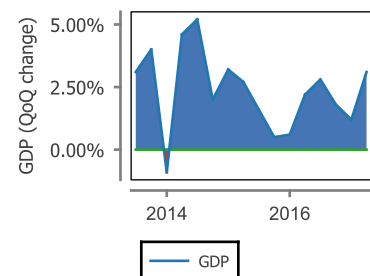
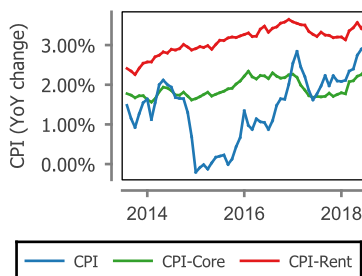
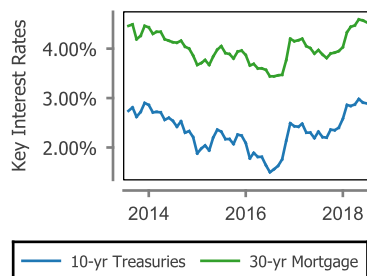
### Mortgage vs. rent burden:

n/a

How much more (or less) of one's income would be required to pay for a mortgage instead of rent. A negative number indicates that it's cheaper to own than rent.

To see the numbers behind these charts download the Excel version of this report from <https://alpharealestatepartners.com/research/msa/Columbus, OH/>.

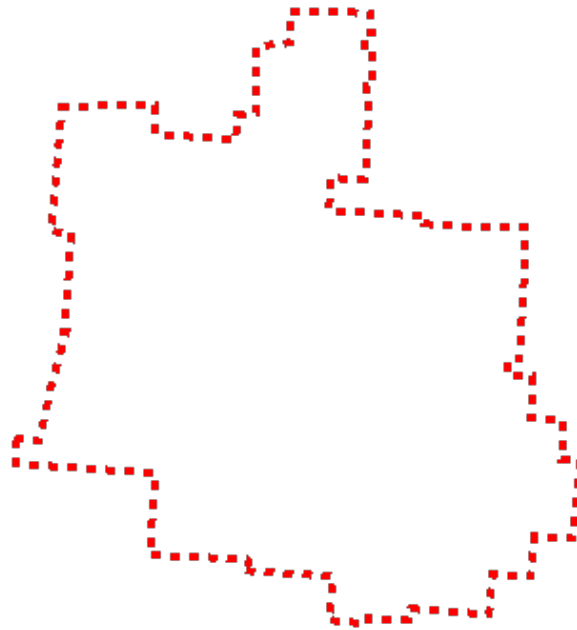
## In brief: What's happening with the US economy?



For more in-depth analysis of nationwide economic indicators visit <https://alpharealestatepartners.com/research/national/>.

## Geography

Map of MSA and surrounding area:



Total area: 4,797 sq. mi.



The principal city in this MSA is:  
Columbus, OH [↗](#)

This MSA encompasses all or part of 130 zipcodes in 10 counties and 1 state:

- Delaware County, OH [↗](#)
- Fairfield County, OH [↗](#)
- Franklin County, OH [↗](#)
- Hocking County, OH [↗](#)
- Licking County, OH [↗](#)
- Madison County, OH [↗](#)
- Morrow County, OH
- Perry County, OH
- Pickaway County, OH
- Union County, OH [↗](#)

The information contained in this report is derived from various sources including the U.S. Bureau of Economic Analysis (BEA), U.S. Bureau of Labor Statistics (BLS), U.S. Census Bureau, U.S. Federal Housing Finance Agency (FHFA), U.S. Department of Housing and Urban Development (HUD), and others. To learn more about these and other data resources please visit:

<https://alpharealestatepartners.com/help/msa/>

For up-to-date research on this MSA visit:

<https://alpharealestatepartners.com/research/msa/Columbus, OH/>

*Notes on data and methodology:*

- 1- Average earnings are calculated as the product of the 'Average Weekly Hours of All Employees' and the 'Average Hourly Earnings of All Employees' as provided by the BLS's 'State and Area Employment, Hours and Earnings' survey. Annual earnings are 52 times this value.*
- 2- Population data is from intercensal estimates and will differ from, and may show significant year-to-year changes from, decennial census data.*
- 3- With regards to the educational attainment data, 'college' is defined as a bachelor's degree or higher; 'high school' is defined as a diploma or equivalent.*
- 4- Building permits are not the same as housing starts or completions. In general, the Census Bureau believes there are 2.5% more single family starts than permits, and 22.5% fewer multifamily starts than permits.*
- 5- Fair market rent data from HUD are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service.*
- 6- The displayed housing price index is the FHFA 'All-Transaction Index'.*
- 7- Mortgage burden is calculated by rolling forward the median single family house price (as provided by the Census' ACS) using the above HPI. The monthly principal and interest payment for the purchase of such a home using an 80% LTV mortgage at the prevailing 30 year mortgage rate is then divided by the above monthly income. (Note that the impact of taxes, insurance and utilities is not captured.) The rent burden is derived by dividing the fair market rent by monthly income.*

Area map data, imagery and map information provided by MapQuest, OpenStreetMap and contributors. This data is available under the [Open Database License](#).



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