

Columbus, Ohio

Rental Real Estate Overview 2022

With real estate prices going sky-high and the housing market making national headlines, it's hard to know how to invest responsibly. The past few years have proved one thing: real estate is fickle. Pick the wrong location and you'll take a significant loss.

That's why it's essential to understand and research a variety of areas; not just the housing markets, but the people, the economic drivers, the trends, the environment, and the opportunities for growth.

When looking for investment properties in the United States, the places you find as best bets may surprise you. In this paper, we'll dive into a Midwest metro that is a profitable, sustainable place to invest. That place is Columbus, Ohio.

Located within easy distance to numerous other metro areas, this gem of a city is perfectly positioned to bring you success when you invest in its real estate. In the following whitepaper, you'll learn all about Columbus, what the market looks like there, and why it's an excellent place to invest in real estate this year and beyond.

Whether you're new to investing or a seasoned shareholder, we're certain you'll find Columbus' real estate market to be an incredible opportunity to grow your wealth. So read on, enjoy, and contact us to learn more!



About Columbus, Ohio

Columbus, Ohio, is a lively Midwestern town. Founded in 1812, the city was named for famed Italian explorer Christopher Columbus and designed to become the state's capital, a role it assumed in 1816. It became the county seat of Franklin County in 1824.

The city began to see significant growth in the 1950s, as more and more major industries set up headquarters there. It eventually became a boon for manufacturing, healthcare, education, aviation, retail, and food, among many other industries. By the early 1990s, it was the largest city in Ohio.

Today, Columbus holds the title of the second-largest city in the Midwest, with an estimated population of over 900,000. While the city was established as a settlement for White people and was majority-white for many years, it has seen an increase in its diversity. According to recent census numbers, the population was 61.5% White, 28.1% Black or African American, 5.6% Hispanic or Latino, and 4.1% Asian. Nearly 92.0% of the population has a high school diploma, and 38.0% have an undergraduate or advanced degree.

CITY STATISTICS

Population

918,429 (city proper)
1,687,000 (metro area)

Median Income

\$30,056/capita
\$63,998/household

Median Age

32.2 years

Area

225.1 sq miles

Unemployment rate

4.0%

GDP*

\$137 billion

Highest-paying jobs:

Obstetricians and
Gynecologists, Physicians,
Psychiatrists, Nurse
Anesthetists

Top employers

Cardinal Health (HQ), L Brands
(HQ), Honda (North America HQ),
Nationwide (HQ),
JPMorgan Chase

*Columbus is expected to see [average annual job growth](#) of 0.6% from 2023 to 2025.



COLUMBUS REAL ESTATE MARKET STATISTICS

220

Neighborhoods

2,150

Homes for sale
as of February 2022

\$265,000

Median List Price

\$250,000

Median Sold
Home Price

\$169.8

Median Price per
Square Foot

94.3%

Sale-to-List
Price Ratio

35 days

Median Days
on Market

\$1,388

Median Rent
Price

+24.6%*

1-Year
Appreciation Rate

14.7

Price-To-Rent
Ratio

9.1%

Percentage Of Vacant
Homes

1.3%**

Foreclosure Rate

*The [average real estate appreciation rate](#) in Columbus over the past 10 years is 6.3%. This puts Columbus in the top 20.0% nationally for real estate appreciation.

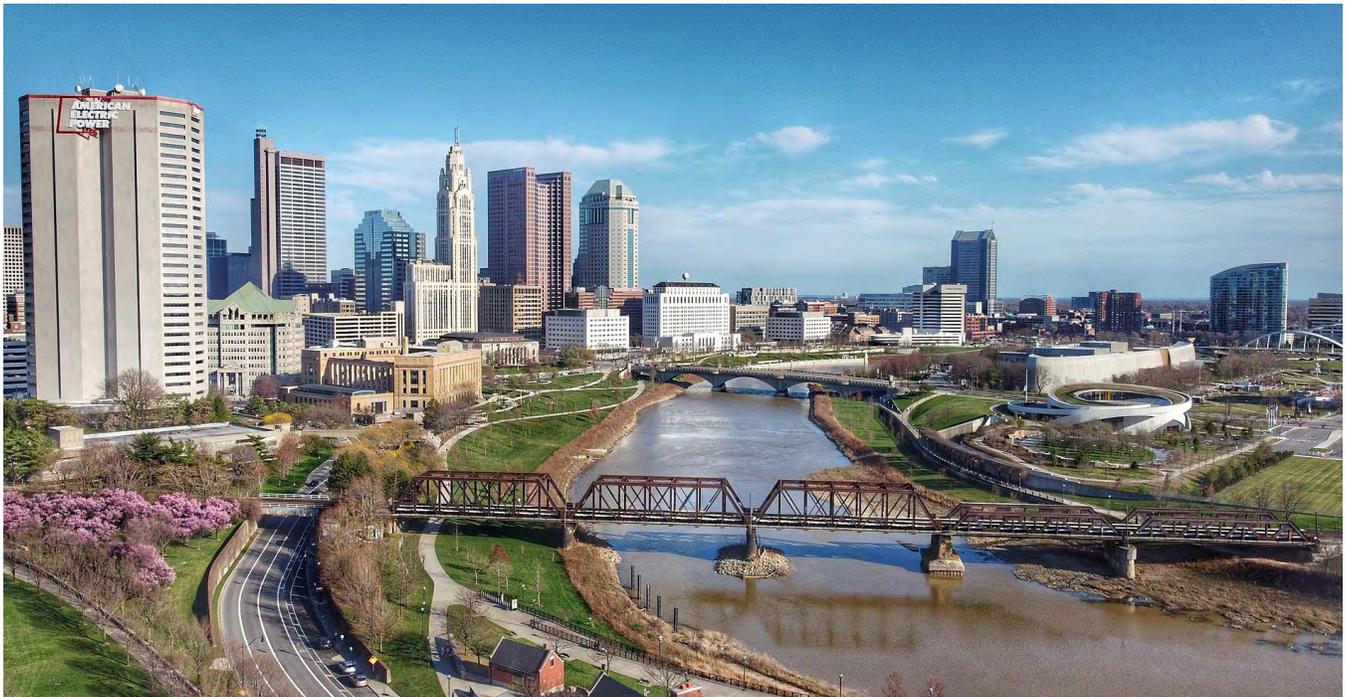
**As of January 2022, Ohio has one of the highest foreclosure numbers in the country, with one in every 2,801 homes being listed for foreclosure.

Most Expensive Neighborhoods

Neighborhood	Median Listing Price
German Village	\$619.9K
Victorian Village	\$572.5K
Olde Town East	\$435.0K
Downtown Columbus	\$360.0K

Least Expensive Neighborhoods

Neighborhood	Median Listing Price
South Linden	\$119.9K
Arlington Park	\$127.9K
Highland West	\$139.9K
Franklinton	\$175.0K



LOOKING FOR AN INVESTOR-FRIENDLY AGENT?

From having access to off-market deals to building a team to knowing the proper rental rates, buying properties in a new market can be challenging as an investor. That's why we started Evernest Brokerage.

Invest in [some of the best real estate markets](#) in the United States without needing to be the expert. Working with Evernest's in-house brokerage team of investor-friendly Real Estate Agents is the simplest way to build a local team and grow your rental portfolio.

It's simple. Visit our website, pick your market, fill out the form and a member of our team will get back to you within 24 hours.

Get started here
TODAY!



FIVE REASONS WHY COLUMBUS IS A GREAT PLACE TO INVEST

Real estate in Columbus is seeing a positive surge for many reasons. More people are making their way to the suburbs, which is causing home values to spike. The area offers many great combinations of urban and suburban living, with good schools, jobs in many industries, and a thriving scene for restaurants, sports, and entertainment. The cost of living is low, and the activities are numerous.

The area is also an outstanding renter's market in the area, partially due to the young median age. Rented properties are in high demand, but property owners are still able to offer affordable rates and sustain profits. Turnover is low and vacancies are rare.

According to *Fortune Builder*, the following trends present in Columbus are indicators of why it is a good investment opportunity:

- Interest rates are at a record low for traditional loans
- Higher acquisition costs can be justified by long-term cash flow
- The spike in home prices is increasing the demand for rental properties

Read on for an in-depth look at our five reasons why Columbus is an excellent market to buy your next rental property.





1.

A HEALTHY AND GROWING ECONOMY

In the past decade, Columbus has seen enormous growth in its economic landscape. While many cities across the nation suffered greatly as a result of the COVID-19 pandemic, Columbus was relatively unscathed. The area continues to draw visitors and new residents alike, and the need for housing, particularly rental properties, provides a strong investment opportunity.

Low unemployment rate

One reason many people are moving to Columbus is its extremely low unemployment rate. As of February 2022, the [Bureau of Labor Statistics](#) reported the unemployment rate at only 3.7%, down 0.3% over the course of six months.

The low unemployment rate can be attributed to the plethora of essential industries that have set up shops in the city. The area has a high level of manufacturing businesses, as well as wholesale and retail trade, all of which were industries that saw less impact from the COVID-19 pandemic.

Health, education, and startups are booming industries

Similarly, health and education make up 15.0% of the job market, and neither of those industries slowed down in 2020. [This chart](#) shows the breakdown of percentages of people employed in each sector. While most cities faced crushing economic downturns (and are still struggling to recover two years later) Columbus' health and education focus has given the city an edge in recovering from the pandemic.

Columbus is also a popular location for startups and for businesses with long, successful track records. Five Fortune 500 companies are headquartered there, and most provide essential services.

These include:

- American Electric Power
- Safelite Autoglass
- Victoria's Secret
- Cardinal Health
- White Castle
- Nationwide
- L Brands
- Big Lots
- Express

Nearby John Glenn International Airport has seen a large increase in use despite the pandemic and employs many Columbus locals. Major financial institutions, including JP Morgan Chase, State Farm Insurance, and Huntington Bancshares, also have offices in Columbus and numerous jobs to offer.

Technology and research have also continued to thrive during the pandemic. Columbus is home to Battelle Institute, which employs 3,200 people and is a global leader in science and technology research. The Ohio State University Campus is also located in Columbus, and the university itself employs more than 49,000 people between staff, faculty, and students.

The city is home to numerous other educational institutions, including Columbus College of Art and Design, Fortis College, Ohio Institute of Health Careers, and Franklin University, making education a primary economic driver in the city. Healthcare is important as well; Nationwide Children's Hospital is just one example among many other hospitals and specialty institutions.

As job opportunities grow, the cost of living in Columbus remains at [14.5%](#), below the national average. This means that steady employment and affordable living both help Columbus maintain a healthy economy. This is a very attractive reason to invest in real estate in the area.





2.

A LANDLORD-FRIENDLY MARKET

Ohio is frequently listed as one of the country's most landlord-friendly states. Investment in rental properties is not only popular but also smart, due to a sharp increase in demand.

Various ways to succeed

The city is a mixture of houses and rental units, and also has many locations that can be repurposed or converted. The income in different neighborhoods ranges significantly, offering landlords the opportunity to succeed at a variety of income levels and with different-sized investments.

Landlord-tenant laws

Additionally, Ohio's landlord-tenant laws are not as stringent as in other states, making rental properties a very manageable and profitable investment. For example, tenant laws do not address pets, grace periods, or re-keying, allowing landlords to determine many of their own rules, within reason. Judges tend to favor landlords in tenant disputes.

These benefits to investors are enhanced by the rising demand for rental properties in the area, largely due to the youth of many of the area's citizens. They make becoming a landlord in Columbus a profitable possibility.



3.

A LOW COST OF LIVING

One very notable reason that Columbus is attracting so many new residents while retaining existing ones is the fact that its cost of living is extremely reasonable. Groceries, healthcare, utilities, and transportation all rank below the national average, according to *Bestplaces.com*, and the area's overall cost of living is [14.5%](#) lower than the national average.

Like most housing markets in the United States, home prices have spiked since the pandemic began. The 2022 median home price is [\\$225K](#), up 7.5% year-over-year.

Favorable home prices

However, Columbus' home prices are still favorable compared to the rest of the country. According to the *National Association of REALTORS®* (NAR), the national median home price is \$334,500, nearly \$100,000 more than the average home in Columbus.

Close to other major metro areas

Columbus also offers the benefit of comfortable living within the vicinity of many other metro areas. The city is within easy driving distance of Indianapolis, Cincinnati, and Pittsburgh, and not far from Chicago, Detroit, Louisville, St. Louis, and more. This makes weekend getaways and family trips easier and allows many large companies to easily work with Columbus' many businesses.

Low cost in housing equals more disposable income

The affordability of the area allows residents the disposable income needed to enjoy the city's many attractions, which include professional and amateur sports teams, concert and performance halls, museums and public art, outdoor attractions, and the popular Ohio State Fair. Residents can also take advantage of the thriving restaurant industry.

The affordable nature of the Columbus metro area is only attracting more and more people, adding to the list of reasons that the city's real estate market is a great investment.



4.

GROWING RENTAL INVESTMENT OPPORTUNITIES

Major demand for rentals

Rented housing accounts for nearly 46.0% of housing units in the metropolitan area! Even though tenants generally pay less in Columbus than in other cities, the profit margins for landlords remain favorable.

Unlike the housing market, which spiked quickly and dramatically in the last 6-12 months, the rental market in Columbus has seen fewer peaks and valleys. This mirrors the national trend, but Columbus is unique given its higher concentration of rental units. As rents steadily rise and more units are converted or built, rental properties become more and more attractive to investors.

Discounted houses available

A distinct part of the advantage of rental properties is the number of discounted houses available for purchase. As of January 2022, the state of Ohio has one of the highest foreclosure rates in the country, with one in every 2,801 homes being listed for foreclosure. This is most likely due to the [foreclosure moratorium ending in July 2021](#).

While the fallout from the pandemic and recession did not hit Columbus nearly as hard as it did other cities, there are still, of course, foreclosed homes. Local auctions

are an important place to find these low-cost, potential rental properties.

Distressed homes, or homes in a specific type of foreclosure, are higher in Columbus than the national average. According to *RealtyTrac*, the number of distressed homes is estimated to be increasing by about 52.0% in the near future, meaning that even more deeply discounted units will be available for investors to purchase and turn into rentals.

Favorable CAP rates for investors

Now that we manage over 500 properties in Columbus and have our Brokerage services set up, we have the ability to also source properties for investors. We're finding that even though Columbus has experienced tremendous growth recently, the cap rates investors can expect are much more attractive than other high-growth cities.

Columbus is in the unique position of seeing consistently increasing demand for rental housing, the perfect market for young professionals who can't afford the spiking home prices, and the availability of numerous properties that can be bought for cheap rather than built. This is a significant reason that real estate investors are excited about Columbus.



5.

HIGH QUALITY OF LIFE

As mentioned earlier, the quality of life in Columbus continues to draw people to the area, making it a positive potential investment as people settle there. It is regularly ranked among the best places to live in the U.S. and the best city in Ohio. Many benefits come from living in the metro area.

Opportunities for millennials and young families

As young singles move to the area or graduate from local colleges, they have a great opportunity not just to get a job, but to find a significant other. Those who have grown their families will find the schools and activities excellent for children.

Local Weather

The weather can often be brutal in Midwestern cities, but Columbus is one of the exceptions. According to *U.S. News*, winter temperatures generally don't dip much lower than the 30s. Summer temps tend to max out in the mid-80s. Spring and fall are balmy and breezy in the 50s and 60s.

Reducing carbon footprint

Columbus has also been actively working on reducing its carbon footprint. In 2020, a city-wide measure was passed that will

give Columbus an electricity aggregation plan, supplying the city with 100% renewable energy by 2023.

Active lifestyles possible for residents

The city lends itself well to active lifestyles, with biking a popular mode of transportation and exercise. Driving is the main form of travel, meaning there will naturally be traffic, but the average commute to and from work is about 24 minutes, 2.0% lower than the national average.

People who love the great outdoors can take advantage of a variety of parks, hiking trails, and gardens.

Animal lovers and history

For animal lovers, the city is home to a zoo and aquarium, as well as a birdwatching center.

There are numerous historical sites and buildings that have been important in architectural advancement, including the Ohio Statehouse, the Ohio Judicial Center, Rhodes State Office Tower, LeVeque Tower, and One Nationwide Plaza.

The benefits of living in Columbus are hard to ignore. Within a hub of happy citizens, investors are likely to be equally pleased.

COLUMBUS REAL ESTATE MARKET PREDICTIONS

Columbus is predicted to be one of the hottest housing markets in 2022, according to [Realtor.com](https://www.realtor.com). Prices are expected to grow twice as fast as the national average, and it's no wonder, considering the relative affordability of the city and the young population driving demand.

It's important to note, though, that Columbus' booming housing market isn't "just a bubble"... The demand for housing is unlikely to decrease, as Columbus' population is expected to grow [by over 1,000,000](#) over the next 50 years.

So if you're looking for a long-term investment in a family-friendly city, Columbus is one of the most promising cities to look into.



INVEST WITH EVERNEST

If you are an investor looking for rental properties with solid returns, Columbus is a great market to consider.

Buying or selling real estate is one of the most important decisions you will make as an investor looking to build wealth. Building a team that you trust continues to be vital to the success of your investing journey. A stellar team is well-informed about critical factors that affect your specific market areas, such as changes in market conditions, market forecasts, con-

sumer attitudes, best locations, timing, and interest rates.

EVERNEST has what you're looking for in a team with extensive experience investing in single & multi-family, cash-flow rental properties. Since 2008, our team has remained dedicated to providing investors and owners with the best in-house rental property services around. Evernest can offer investor-friendly brokerage services, white-glove property management, and in-house maintenance for all our customers.

Ready to invest with our team?

It's simple. Visit our website, pick your market, fill out the form, and a member of our team will get back to you within 24 hours.

Get started here
TODAY!

Are you an investor not just limited to Columbus or Ohio? You can invest in some of the hottest real estate markets in the United States by working with Evernest's in-house Brokerage team of investor-friendly Real Estate Agents. [Simply check out our website](#) and let us know where you'd like to buy your next rental property!

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