

COVID-19 Stalls Commercial Real Estate in Northeastern Ohio

COVID-19 Postpones Commercial Real Estate Auction in Northeastern Ohio. Will We See Pre COVID-19 Property Sales Valuations?

CANTON, OHIO, USA, May 4, 2020 /EINPresswire.com/ -- Conducting business for most U.S. companies came to an abrupt stop in mid-March, as governments ordered closed "non-essential" businesses to help stop the spread of the coronavirus.

While many companies can supply goods and services via the Internet, demand for those goods and services initially fell off the table, as buyers wrapped their heads around what the Covid-19 impact entailed.

Commercial real estate sales temporarily dipped last month, including scheduled auction sales. One example is the auction of property 27.36 acres with fronting on I-77 at Exit 101, Faircrest Street, Canton Township, just south of the city of Canton in northeast Ohio.

This vacant piece of land, across from the Fairfield Inn, new Speedway café and Pilot truck stop had been on and off the market for many years. There had been many proposals for this property including housing and RV sales. according to real estate broker Bryce [Custer](#), SIOR, CCIM, president of NAI [Ohio River Corridor](#), based in Bolivar, Ohio. (Note: Custer is not representing the property in Stark County but does have an interest.)

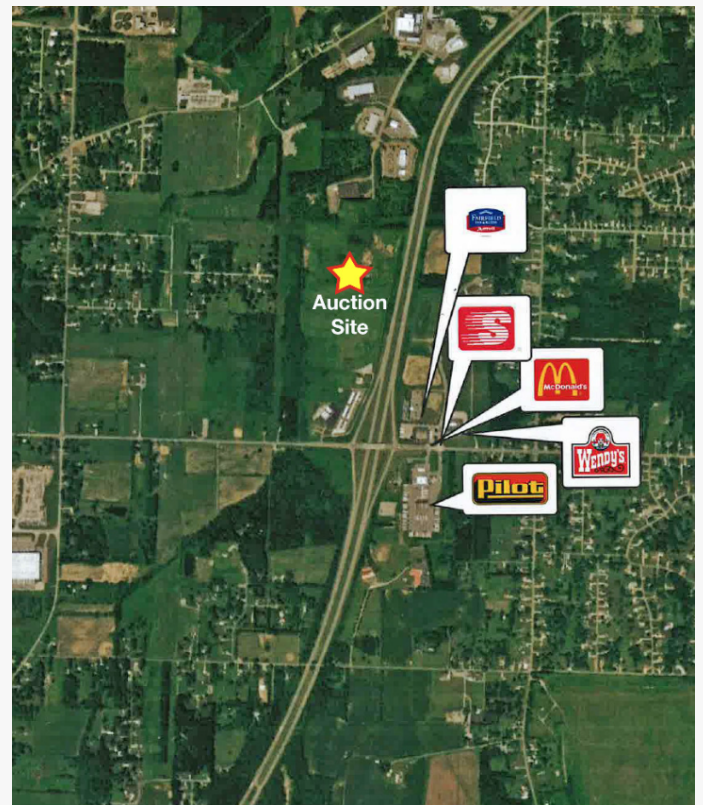
“

We had preliminary interest on the property pre COVID-19. Now that the quarantine is beginning to be lifted, it will be interesting to see the interest as companies resume plans for the future.”

*Richard T Kiko Jr. , CEO,
Broker, Auctioneer*

Utilities are in place along Faircrest Street and a number of nearby parcels have recently sold in a range between ~\$60,000 per acre to a high of ~\$310,000/acre. (AEP recently purchase ~30 acres to the south where they are currently building a service center). This site located at the exit of I77 & Faircrest with hotel, truck stop and diesel fuel nearby make this an excellent location for sales and a variety of industries that would benefit from tremendous exposure along the interstate.

The owners went the auction route to secure a specific sales date (April 21, 2020 initially) so they could move on to other projects, according to Custer. The auction has just been rescheduled for June 10th, 2020.



Aerial showing Auction Site located on I77 in Canton, Ohio

Ready access to I-77 is a key to selling the Faircrest site, located roughly three miles south of downtown Canton. This section of I-77 is of interest to petrochemical-related companies, specifically polymer-associated firms.

"We had preliminary interest on the property pre COVID-19. Now that the quarantine is beginning to be lifted, it will be interesting to see the interest as companies resume plans for the future," said Richard T. [Kiko Jr.](#), CEO/broker/auctioneer with Kiko Realtors, Auctioneers, Advisors, who is handling the auction. "It's a big chunk of land, it's right on I-77 and it has water and sewer at the property."

The so-called Polymer Corridor stretches more than 25 miles, from the University of Akron and its world-renowned National Polymer Innovation Center, south.

Marketing a stretch of I-77 as the Polymer Corridor is led by the Canton Regional Chamber of Commerce, the Akron Regional Chamber and the Stark County Economic Development Board and the Tuscarawas EDC.

The polymer industry is Ohio's largest "cluster," with more than 140,000 employees in more than 2,800 companies, according to the Center for Multifunctional Polymer Nanomaterials and Devices (CMPND), located at The Ohio State University.

The polymer industry is Ohio's largest industry "cluster," with more than 140,000 employees in more than 2,800 companies, according to the Center for Multifunctional Polymer Nanomaterials and Devices (CMPND).

There are roughly 40 polymers suppliers in or near Canton, according to thomasnet.com, a platform for product servicing and supplier selection for industrial and manufacturing markets.

While polymers already is a major focus of industry and research in northeast Ohio, a project proposed for southeast Ohio is expected to attract even more related companies.

"The (ethane) cracker plant is an absolutely fantastic opportunity for this region," according to Ray Hexamer, president of the Stark development board. "Add in the University of Akron, with its world-class polymer research and development facilities, plus the fact we are already close to the supply chain and the customer base, and that is why the Corridor will explode with the cracker."



Shell Polymer Complex, Monaca, PA producing plastics within 70 miles of auction site.



~27 acres Interstate 77 frontage at Exit 101 to be sold

The cracker, proposed by PTT Global Chemical America and Daelim Chemical USA, is expected to receive a final investment decision later this year.

Ohio's polymer industry has annual shipments of roughly \$49 billion, according to Team NEO (Northeast Ohio) Polymer Strategic Opportunity Roadmap (PSOR) and an unpublished McKinsey study, the CMPND reported.

The PSOR estimates the polymer industry in Northeast Ohio alone can create and/or retain 8,000 to 13,000 jobs.

More than \$6 billion worth of plastic and rubber products were made in Ohio -- the largest volume of such goods among all the states as judged by 2019 Gross Domestic Product data from the U.S. Bureau of Economic Analysis, the Ohio Development Services Agency reported last June.

Factories in Ohio ranked first in manufacturing both plastic products and rubber products based on the latest (2018) Annual Survey of Manufacturers value-added figures from the U.S. Bureau of the Census.

Thirty-one companies on Fortune magazine's U.S. 1,000 or Global 500 lists have polymers industry operations in Ohio; seven of them have their world headquarters in the state: Cooper Tire & Rubber, Goodyear Tire & Rubber, Hexion, Owens Corning, Parker-Hannifin, PolyOne and Transdigm.

The advantages of locating in Ohio include proximity to customers and suppliers (of both raw materials and production machinery), a well-developed, multimodal transportation network, and a knowledgeable workforce.

Ironically, the coronavirus shutdown came just days after Ohio was named by Site Selection magazine the country's top state for economic development.

In terms of the total number of projects, Ohio finished second to Texas for the eighth straight year. Ohio had 449 total projects vs. 859 for Texas.

Qualifying projects are those meeting one or more of Site Selection's criteria: a minimum investment of \$1 million, creation of 20 or more new jobs or 20,000 square feet or more of new space. Ohio had 14 towns place in the top 100, more than any other state.

We remain optimistic with the pending auction. This auction will be an interesting indicator of property values post COVID-19. Will the property reach previous values of area properties?

One thing is certain; these questions will be answered June 10th when the gavel comes down and the auctioneer barks "SOLD".

Rick Stouffer
EPIC Services Group / Ohio River Corridor, LLC
+1 724-622-8082

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

This press release can be viewed online at: <http://www.einpresswire.com>

Disclaimer: If you have any questions regarding information in this press release please contact

the company listed in the press release. Please do not contact EIN Presswire. We will be unable to assist you with your inquiry. EIN Presswire disclaims any content contained in these releases. © 1995-2020 IPD Group, Inc. All Right Reserved.