



An area of strong real estate investment has been the increasing popularity of intermodal industrial properties. Investors are now collecting premium rents for intermodal properties located near large container-stacking facilities.

The nation's logistics sector is now facing a perfect storm of individual consumers and businesses increasing orders, and the need for deliveries in the absence of enough transportation growth. Large Panamax ocean vessels are now clogging East and West Coast ports with almost four times the delivery levels as a decade before. Dock worker strikes at Los Angeles-Long Beach and trucker shortages have further exacerbated the port back-ups. As a result, intermodal properties have been expanding steadily to meet new demand. Thirty intermodal parks opened since 2000, with 19 of those opening in the past seven years. Markets with intermodal facilities, including Chicago, Dallas/Fort Worth, Atlanta, Indianapolis and Kansas City, have the highest rent growth, according to a recent report from commercial real estate services firm Cushman & Wakefield.

With a booming e-commerce market, intermodal growth is up specifically in the Midwest. As consumers increasingly shop online, retailers are under pressure to meet higher expectations and demands, including **next-day delivery**. As a result, developers are constructing and developing intermodal facilities in key markets easily accessible to the rest of the nation. One of the cities taking advantage of this is Columbus, Ohio. In a recent article, Columbus was listed as a top five mid-country intermodal market. Columbus' strong industrial market can largely be attributed to the Rickenbacker Intermodal Terminal, which features 28 million square feet of industrial development and holds a U.S. Foreign Trade Zone designation. What's more, the terminal is seeking federal funding for a \$34 million expansion that would, *"increase the lift capacity to 300,000 annually,"* according to an article from National Real Estate Investor.

As supply chains continue to tighten across the globe, the commercial real estate industry can expect to see intermodal hubs pop up across the U.S. in the years ahead. **Take a look at this sector of the market when looking for development and investment opportunities.**



DAVID GUNNING II

[Read More](#)