

Business First of Columbus - January 11, 2010  
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## COLUMBUS BUSINESS FIRST

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# Former ColumbusChamber home gets buyer

IT firm uses assist to land building

Business First of Columbus - by [Brian R. Ball](#)

A Pickaway County information technology consulting company plans to move its 17 workers and \$2.1 million in annual payroll into the former ColumbusChamber offices downtown.

John Rankin, the CEO and owner of CSI International, paid \$975,000 on Dec. 28 for the 27,000-square-foot building at 37 N. High St.

Greg Thomas, an agent with the CB Richard Ellis Group Inc. brokerage, said the sale comes in a downtown office market that has seen its vacancy rate climb to 19 percent because few tenants relocated to the central business district in recent years. Thomas who marketed the property with CB's John Hall, said CSI International was attracted to the building because of its visibility near the busy intersection of High and Gay streets.

"This is a real coup for downtown to engage an owner-occupant in this market," he said.

Neither Rankin nor CSI Chief Operating Office Jon Henderson returned messages seeking comment on the Williamsport company's plans.

### Half-price nooks

The ColumbusChamber building was put on the market in 2007 for \$1.8 million while the organization searched for other office space downtown. It ultimately moved to the redeveloped Lazarus building on South Front Street.

The Central Ohio Transit Authority considered the building for its executive offices in 2008, by which time the asking price had dropped to \$1.5 million. COTA instead bought a larger building at 33 N. High St.

Since then, the asking price had been reduced to \$1.2 million.

The city and the chamber helped close the deal with CSI. Columbus has offered a four-year Downtown Office Incentive, will return to the company half of the individual city income taxes that CSI employees pay. Based on its existing payroll, that annual rebate is valued at \$26,250 a year.

City Council must approve the deal. Such incentives typically get OK'd when tenants have committed with signed leases or purchase contracts.

### Pitching in

Public records show the ColumbusChamber loaned CSI \$765,000 of the purchase price amid a real estate investment market where conventional financing remains difficult to secure.

"I think you're seeing a lot of alternative financing options going on, so we considered that and we decided to do that," said chamber CEO Ty Marsh.

"I think the company buying our old building is a perfect fit for the downtown," he said. "It's a high-technology firm that will attract young professionals."

Another December real estate deal used a similar financing strategy. The nonprofit MadLab Theatre bought a 4,000-square-foot building at 227 N. Third St. for \$250,000. The seller, Downtown Realty LLC, loaned the arts incubator \$50,000 while First Bexley Bank extended a \$200,000 first mortgage.

"(The buyer) went to the closing table without any money," said Peter Merkle, the NAI Ohio Equities LLC agent who brokered the transaction. "Had the seller not participated, MadLab would not have had any money left over to do improvements."

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