



Retail Trends



Vacancy

Q1



YOY



Rent/SF

Q1



YOY



Absorption

Q1



YOY



Construction

Q1



YOY



The Midlands | Q1 2025

RETAIL MARKET REPORT



“With a number of grocery anchored shopping centers set for a delivery in the Midlands, pre-leasing activities and absorption for new construction projects remains strong. Supply for quality second-generation shop space remains low, but vacancy has ticked up for big boxes in Class B and Class C centers after a recent wave of retailers filing for bankruptcy protection.”

Bobby Balboni, CCIM | Broker | bbalboni@naicolumbia.com | 803.744.9846

RETAIL OVERVIEW

While availability rates remain near record lows, Columbia’s retail market is showing signs of deterioration heading into Q2 2025. Retail absorption over the past year has been essentially flat, and the vacancy rate has remained stable in spite of the removal of substantial blocks of obsolete inventory. The market’s availability rate of 4.1% remains below the 2020 peak of 6% but higher than other regional markets.

While population and job growth have benefited Columbia’s retailers, growth here has not kept pace with other, more dynamic Carolinas markets such as Charleston, Greenville, or Charlotte. Government offices and the state’s flagship University, the 35,000-student University of South Carolina, provide the main drivers of consumer spending here.

Still, retail rent growth in Columbia has continued to outpace national trends. Over the past 12 months, retail asking rents in Columbia grew 3.1% compared to just 1.8% growth nationally over the same period. Rents in the metro average roughly \$17.80/SF, making space here more affordable than nearby metros such as Charleston or Charlotte. Rents in the highest-end submarkets, such as Downtown Columbia, Forest Acres, and Dutch Fork/Irmo, have approached the mid-to-high \$30s/SF range. Schiffman’s 10-year lease for a 9,100-SF space on Gervais Street in downtown Columbia started at \$33.28/SF NNN when signed in August, while Cottage & Vine’s 2,400-SF lease in Forest Acres and Brothers and Beer’s 2,800-SF space at a Publix-anchored space in Dutch Fork both asked \$35/SF NNN. Backfills of older space rent for substantially lower. Five Below, for example, signed a 10-year deal for 10,898 SF in Cayce for \$15/SF. Rent growth has been particularly strong in neighborhood centers at 3.3% annually.

With only 120,000 SF under construction, supply pressure will remain limited, and the retail market is likely to remain stable, though sluggish, in the near term.

Market Indicators	Current Q1 2025	Prior Q4 2024	Year Ago Q1 2024
Inventory	54,286,253 SF	54,261,603 SF	54,265,263 MSF
Vacancy	3.1%	3.2%	2.9%
Net Absorption	57,984 SF	17,765 SF	(14,065) SF
Market Rent/SF	\$14.60	\$15.03	\$15.97
Availability	2.1 MSF 3.9%	2.0 MSF 3.7%	2.0 MSF 3.7%
Under Construction	131,138 SF	89,906 SF	62,852 SF
Delivered	29,400 SF	N/A SF	49,130 SF

Source: CoStar

Retail

RETAIL OVERVIEW - COUNTY

	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Calhoun	414,550 SF	\$10.00	0.3%	0.3%	-	-
Fairfield	750,749 SF	\$7.50	1.6%	3.8%	699 SF	-
Kershaw	3.5 MSF	\$15.18	2.2%	2.3%	(149) SF	-
Lexington	20.3 MSF	\$14.93	2.6%	3.4%	20,980 SF	50,887 SF
Richland	28.6 MSF	\$15.07	3.6%	4.4%	36,454 SF	80,251 SF
Saluda	519,967 SF	\$5.24	8.3%	8.3%	-	-

Source: CoStar

NOTABLE TRANSACTIONS



1235 Chapin Rd | Chapin, SC
0.84 AC | \$1,075,000
Patrick Palmer & Bobby Balboni

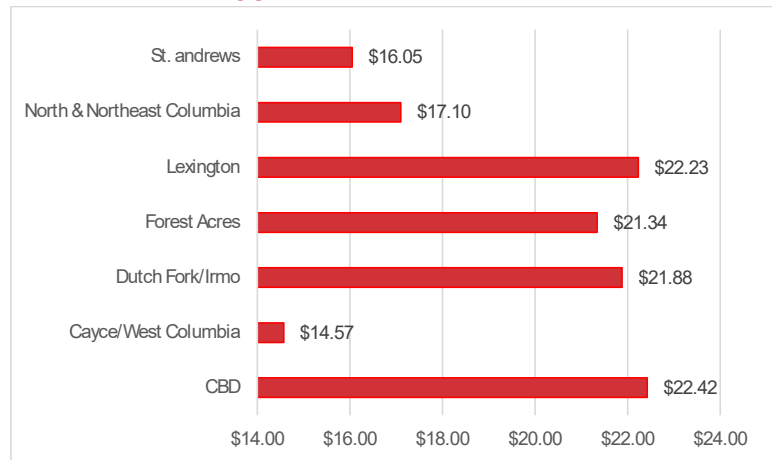


2300 Decker Blvd | Columbia, SC
2,778 SF | \$580,000
Ben Kelly & Patrick Chambers

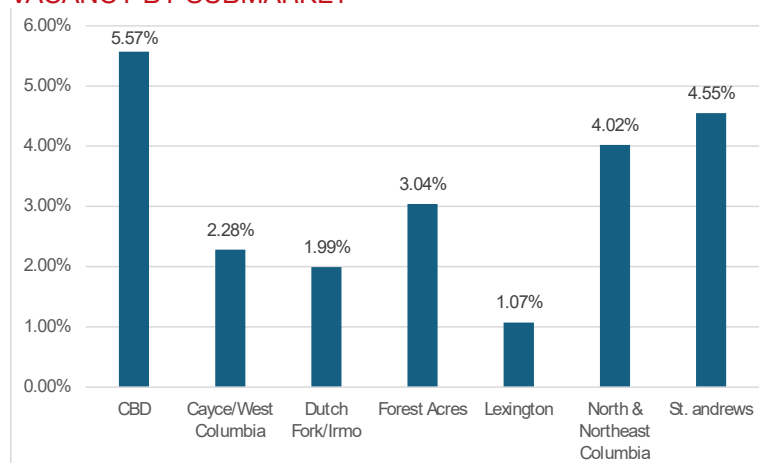


7592 Woodrow St | Columbia, SC
6,905 SF | \$550,000
Jeff Hein, Will DuPree, & Hope Andrews

RENTAL RATE BY SUBMARKET



VACANCY BY SUBMARKET



ABOUT NAI COLUMBIA

NAI Columbia is a full-service commercial real estate firm located in Columbia, South Carolina providing customized brokerage, property management, project management, development, research, and consulting services throughout South Carolina and beyond. NAI Columbia is broker-owned with over 200 years of combined local experience among its eight partners. Founded in 2019, the firm is a partnership with NAI Earle Furman in Greenville, S.C., along with eight local partners that served as senior brokers with NAI Avant, which derived from national real estate developer Edens and Avant, before its sunseting and reformation as NAI Columbia under new leadership and a new company structure. NAIC is a member of the NAI Global commercial real estate network providing real estate solutions through 375+ offices worldwide. For more information visit www.naicolumbia.com.