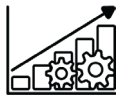


# 2Q 2023 | INDUSTRIAL MARKET REPORT



Inventory  
**65,374,429 SF**



Market Rent/SF  
**\$4.84**



Vacancy  
**4.7%**



Availability  
**3,191,409 MSF 4.8%**



Net Absorption  
**(232,131) SF**



Under Construction | Delivered  
**1,250,730 SF | 497,952 SF**

Calhoun, Fairfield, Kershaw, Lexington,  
Richland, & Saluda Counties

County	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Calhoun	1.7 MSF	\$7.13	17.7%	17.7%	242K SF	-
Fairfield	2.5 MSF	\$2.50	0.4%	1.4%	-	-
Kershaw	7.1 MSF	\$3.69	5.5%	7.1%	40K SF	-
Lexington	23.8 MSF	\$5.65	2.9%	3.2%	(289K) SF	899 MSF
Richland	29.5 MSF	\$4.88	5.6%	5.2%	(226K) SF	351K SF
Saluda	607K SF	-	-	-	-	-



SOUTHEAST COLUMBIA | INVENTORY 14.8 MSF

VACANCY Q2: 4.1%  
Q1: 2.6%

RENTAL RATE Q2: \$5.09  
Q1: \$5.49

ABSORPTION Q2: (219K) SF  
Q1: (70K) SF

CAYCE/WEST COLUMBIA & LEXINGTON | INVENTORY 22.2 MSF

VACANCY Q2: 3.2%  
Q1: 0.8%

RENTAL RATE Q2: \$7.35  
Q1: \$7.21

ABSORPTION Q2: (43K) SF  
Q1: 332K SF

NORTH COLUMBIA & NE COLUMBIA | INVENTORY 12.4 MSF

VACANCY Q2: 7.8%  
Q1: 7.8%

RENTAL RATE Q2: \$4.60  
Q1: \$4.32

ABSORPTION Q2: (3K) SF  
Q1: 43K SF

Source: CoStar

## MIDLANDS MARKET REVIEW

Columbia's population and job growth, while higher than the national average, lags behind nearby metros such as Charlotte, the Upstate, and Charleston. This has led to slower logistics and e-commerce growth. After experiencing a historic wave of supply in late 2022, demand for Columbia's industrial space was able to absorb much of that new supply and has pushed the vacancy rate to 4.3% in the summer months of 2023. While construction starts have increased recently, the 1.3 million SF underway represents only a 1.7% expansion of inventory.

The historic lack of supply-side pressure has allowed for continued rent growth, which is tracking above the national average of 9.9% year over year.

Columbia's central location on the East Coast at the intersection of three major interstates (I-26, I-77, and I-20), proximity to the expanding Port of Charleston and the growing automotive cluster in the Upstate of South Carolina, and a large manufacturing talent pool have positioned the metro well to attract industrial users. Manufacturers such as Meridian Brick, Schneider Electric, and China Jushi signed large leases here in

recently. Mark Anthony Brewing, the makers of White Claw, opened a custom-built production facility in the area in 2021. Major players that have invested in the area for their respective logistics and distribution needs include Target, FedEx, Home Depot, and Amazon, which all have major distribution facilities in the area.

South Carolina's efforts to promote the life sciences sector helped Columbia land Nephron Pharmaceuticals, which makes respiratory medications and announced a \$100 million, 250-job investment in Lexington County. Over the past year, the Federal Government's focus on the manufacturing of sustainability and climate-related technologies has made the Columbia market a seedbed for electric vehicle companies looking to gain a competitive advantage in the North American EV market. The most recent announcement came from Scout Motors, a VW Group-affiliated company announcing it will be building a new manufacturing facility in Blythewood, a town just 20 minutes from the city's core. The facility is reportedly to break ground in the second half of 2023 atop 1,100 acres and bring 4,000 jobs to the region.

Source:  CoStar

## NOTABLE 2Q TRANSACTIONS



416 Cedarcrest Drive | Lexington, SC  
11,591 SF  
John Gregory, PE, CCIM | Bill Lamar



465 Industrial Drive | Lexington, SC  
18,785 SF  
Ben Kelly, III, CCIM | Patrick Chambers | Jack Springs



703 Clemson Road | Columbia, SC  
11,591 SF  
Jeff Hein, SIOR | Bill Lamar

## MIDLANDS SC DEMOGRAPHICS

	POPULATION	HOUSEHOLDS	MEDIAN HOUSEHOLD INCOME	MEDIAN AGE	UNEMPLOYMENT RATE
	853,294	331,048	\$59,363	38.2	4.2%

## 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 the Columbia, S.C., region and beyond. With its commitment to improving the region's commercial real estate landscape, NAIC does things differently. As a broker-owned firm with over 200 years of combined local experience among its eight partners, NAIC provides creative solutions with an entrepreneurial and flexible approach. NAIC launched on Jan. 1, 2019, and later merged in 2023, as a partnership between NAI Earle Furman in Greenville, S.C., along with eight local principals that served as senior brokers with NAI Avant. NAI Avant derived from national real estate developer Edens and Avant, which was founded in Columbia, S.C. in 1966. NAI Avant continued serving the Midlands before its sunseting and reformation as NAI Columbia under new leadership and a new company structure. NAIC is a member of NAI Global, the single largest, most powerful global network of owner-operated commercial real estate brokerage firms, which includes over 6,000 local market professionals in over 375 offices worldwide. For more information visit [www.naicolumbia.com](http://www.naicolumbia.com).