

2Q 2023 | OFFICE MARKET REPORT



Inventory
35,549,012 SF



Market Rent/SF
\$18.54



Vacancy
9.8%



Availability
3,729,180 SF | 10.5%



Net Absorption
(97,459) SF



Under Construction | Delivered
N/A

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

County	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Calhoun	91K SF	\$9.00	14.6%	2.0%	-	-
Fairfield	91K SF	\$14.40	3.6%	3.6%	-	-
Kershaw	936K SF	\$11.24	0.2%	0.2%	1,800 SF	-
Lexington	8.4 MSF	\$18.40	4.6%	5.2%	(11K) SF	-
Richland	26.0 MSF	\$18.59	11.9%	12.7%	(85K) SF	-
Saluda	33K SF	\$10.00	14.0%	19%	-	-



COLUMBIA CBD & FOREST ACRES | INVENTORY 11.9 MSF

VACANCY Q2: 11.3% Q1: 10.7% RENTAL RATE Q2: \$19.60 Q1: \$19.81 ABSORPTION Q2: (68K) SF Q1: 20K SF

CAYCE/WEST COLUMBIA & LEXINGTON | INVENTORY 5.5 MSF

VACANCY Q2: 4.2% Q1: 4.1% RENTAL RATE Q2: \$18.52 Q1: \$18.45 ABSORPTION Q2: (7,586) SF Q1: 4,474 SF

DUTCH FORK/IRMO & ST ANDREWS | INVENTORY 6.6 MSF

VACANCY Q2: 9.0% Q1: 8.1% RENTAL RATE Q2: \$18.22 Q1: \$18.03 ABSORPTION Q2: (56K) SF Q1: 56K SF

Source: CoStar

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MIDLANDS MARKET REVIEW

Several move-outs and the economic disruption have lifted vacancy rates in Columbia to about 9.5%. Long-term tenants in the government, healthcare, and higher education sectors comprise a large portion of the market's tenant profile. Several of the largest leases signed in 2022 and early 2023 have been law firms and government- or education-related tenants. In fact, the largest lease deal to occur involved law firm and lobby group Nelson Mullins and its commitment to 145,660 SF at 1320 Main St. in the city's Central Business District. Other larger deals to have happened recently include Southeastern Esthetics Institute's 40,000-SF lease in Elgin, South Carolina, and South Carolina Public Charter School's 31,000-SF lease on Barnwell Street. Other large leases that have occurred include South Carolina Technical College System's renewal of 23,000 SF on Executive Center Drive.

Small and mid-sized professional services companies have also accounted for a large share of leasing activity, largely in Downtown

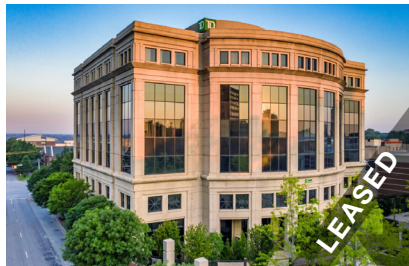
Columbia. Attorneys Whetstone, Perkins & Fulda added 12,000 SF on Blanding Street and architects GMK Associates renewed 22,000 SF at 1201 Main Street. Robinson, Gray, Step & Laffitte moved into 28,000 SF in Hughes Development Corporation's newly built office building at 2250 Bull St. The new office building is part of the BullStreet District redevelopment near downtown. Hughes Development has gradually built out the corridor adjacent to the USC Health Sciences Campus since 2010. Adaptive reuse and new retail and office has been added to the site, along with a new minor league baseball stadium for the Columbia Fireflies. Office tenants include global IT consultant Capgemini, which announced the addition of an advanced technology and development center in the BullStreet district in 2018. The announcement of 200 jobs is the market's tech job expansion on record.

Source:  CoStar

NOTABLE 2Q TRANSACTIONS



2319 Old Frink Street | West Columbia, SC
6,072 SF
Jeff Hein, SIOR | John Gregory, PE, CCIM



1501 Main Street | Columbia, SC
2,492 SF
Bill Lamar | Ben Kelly, III, CCIM



111 Executive Center Drive | Columbia, SC
1,322 SF
Jeff Hein, SIOR

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.