

# 2Q 2023 | RETAIL MARKET REPORT



Inventory  
**55,951,072 SF**



Market Rent/SF  
**\$14.10**



Vacancy  
**3.5%**



Availability  
**1,775,402 SF | 3.2%**



Net Absorption  
**49,729 SF**



Under Construction | Delivered  
**67,058 SF | 17,500 SF**

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

County	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Calhoun	406K SF	\$10.00	5.2%	6.3%	-	-
Fairfield	739K SF	\$7.50	0.7%	2.8%	-	-
Kershaw	3.4 MSF	\$16.52	1.4%	2.2%	1,254 SF	28K SF
Lexington	20.1 MSF	\$12.83	3.3%	3.4%	145K SF	14K SF
Richland	30.7 MSF	\$15.26	3.9%	4.4%	(111K) SF	14K SF
Saluda	465K SF	\$6.22	9.3%	12.0%	15K SF	10K SF



**COLUMBIA CBD & FOREST ACRES | INVENTORY 6.5 MSF**

VACANCY Q2: 4.5% Q1: 3.4%      RENTAL RATE Q2: \$21.15 Q1: \$20.96      ABSORPTION Q2: (67K) SF Q1: (6K) SF

**CAYCE/WEST COLUMBIA & LEXINGTON | INVENTORY 12.4 MSF**

VACANCY Q2: 2.2% Q1: 2.5%      RENTAL RATE Q2: \$12.94 Q1: \$12.39      ABSORPTION Q2: 39K SF Q1: 66K SF

**DUTCH FORK/IRMO & ST ANDREWS | INVENTORY 11.3 MSF**

VACANCY Q2: 4.3% Q1: 5.0%      RENTAL RATE Q2: \$12.62 Q1: \$12.32      ABSORPTION Q2: 77K SF Q1: 75K SF

Source: CoStar

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## MIDLANDS MARKET REVIEW

Strong leasing activity and net absorption have pushed Columbia’s retail vacancy rate to the lowest point on record in 23Q1. The marketwide vacancy rate in Columbia is now at 3.4% and had remained near historic lows throughout much of last year.

Retailers and employers here benefit from a business-friendly environment, which has helped the state of South Carolina attract new employers. In recent years, large corporations including Aflac, Capgemini, Amazon, and Mark Anthony Brewing have relocated to or expanded in the Columbia market and added several thousand jobs. The University of South Carolina is also located here and is home to over 30,000 students, with steadily growing enrollment.

Construction activity has been tepid in Columbia’s retail market and construction starts have been relatively non-existent in the first half of the year with very little slated to break ground or deliver in the near term.

Rent growth has continued to outpace national trends. Rents in the metro average roughly \$16.40, making space here more affordable than nearby metros such as Charleston or Charlotte, but population and job growth in Columbia is less intense than these other markets, slowing the trajectory of longer-term consumer spending growth.

Still, the University of South Carolina’s continued enrollment growth and the relatively steady employment base created by state government agencies in the state capital help produce steady, if slower, returns. Investor interest in the market continues, and roughly \$318 million has traded over the past year with much of the sales activity in the market being focused in the more suburban region of the Northeast Columbia submarket.

Source:  CoStar

## NOTABLE 2Q TRANSACTIONS



4679 Augusta Highway | Gilbert, SC  
8,500 SF  
Patrick Palmer, CCIM | Bobby Balboni



4400 Dorchester Road | N. Charleston, SC  
5,000 SF  
Patrick Palmer, CCIM | Bobby Balboni



6006 Two Notch Road | Columbia, SC  
9,840 SF  
Patrick Palmer, CCIM | Bobby Balboni

## MIDLANDS SC DEMOGRAPHICS



## 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).