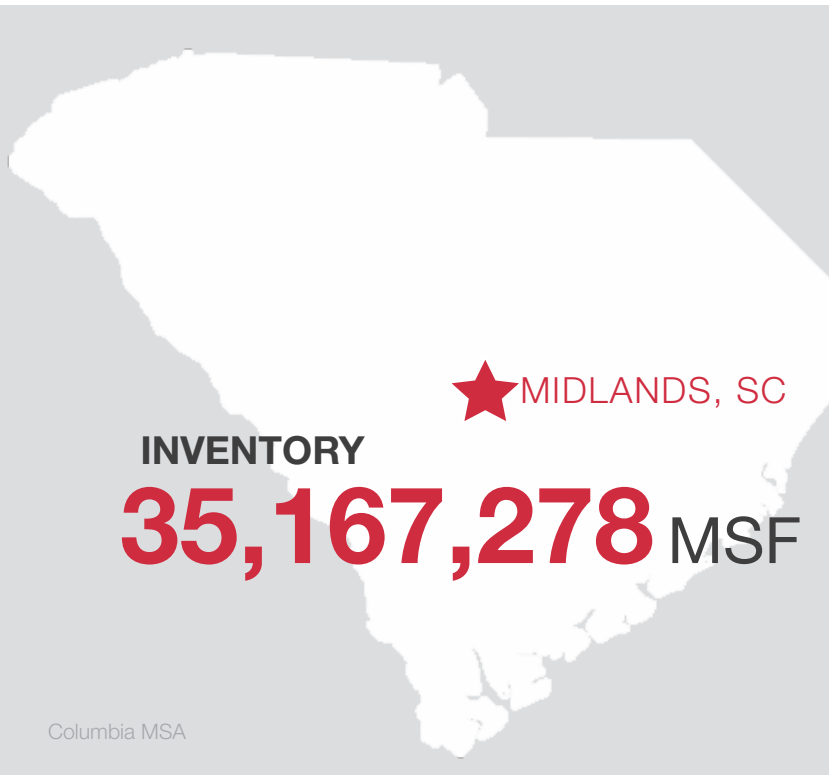


3Q 2022 | OFFICE MARKET REPORT



VACANCY

8.5%



AVAILABILITY

3.3 MSF



9.4%

DELIVERED

0



NET ABSORPTION

28,402 SF



MARKET RENT/SF

\$20.62



BUILDINGS UNDER CONSTRUCTION

0



3Q 2022 | OFFICE MARKET REPORT

LEXINGTON + RICHLAND COUNTIES

INVENTORY: 34 MSF

VACANCY	↑	Q3: 8.7% Q2: 8.4%
ABSORPTION	↓	Q3: 26K SF Q2: 219K SF
RENTAL RATE	↑	Q3: \$20.54 Q2: \$20.49

COLUMBIA CBD + FOREST ACRES

INVENTORY: 11.9 MSF

VACANCY	↓	Q3: 10.7% Q2: 11.3%
ABSORPTION	↓	Q3: 70K SF Q2: 75K SF
RENTAL RATE	↑	Q3: \$21.39 Q2: \$21.34

MIDLANDS MARKET REVIEW

Columbia's office-using sectors are dominated by state government, education, and healthcare-related tenants and professional services supporting those industries. Vacancy rates typically track lower than the national average, and new construction is relatively slow. While Columbia's vacancy rates remained below the national average through the pandemic, some large move-outs have led to negative absorption. The vacancy rate has risen nearly 3 percentage points since.

Several factors, including low business and living costs, local tax incentives, and a central location near major interstates, have attracted a variety of businesses to the area, including a high concentration of insurance companies. Leasing activity has been relatively stable, and coming move-ins are likely to help absorption keep pace with the supply that is underway. However, vacancies are likely to remain elevated above pre-pandemic trends as companies reconsider work-from-home and hybrid trends.

Even with little institutional-grade inventory available, office investment had a slight uptick in the first half of 2022. About \$213 million has closed in the past year.

Source:  CoStar

NOTABLE 3Q TRANSACTIONS



SALE

Ben Kelly, CCIM, Patrick Chambers, & Jack Springs sold a 21,475 SF building located within the Center Point Business Park at 1000 Center Point Road



LEASE

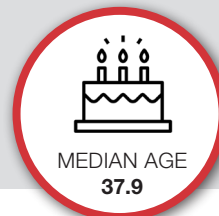
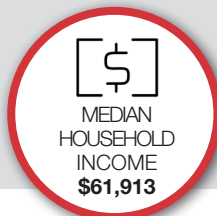
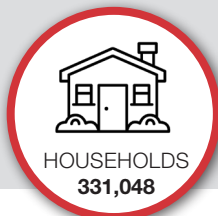
Jeff Hein, SIOR successfully leased a 11,608 SF space at 3710 Forest Drive, located within the Landmark Business Park



SALE

Ben Kelly, CCIM, Patrick Chambers, & Jack Springs sold a 5,000 SF office building located at 520 Columbia Avenue near Downtown Lexington, SC

MIDLANDS SC DEMOGRAPHICS



3Q 2022 | OFFICE MARKET REPORT

Inventory 2.6 MSF
Net Absorption 42K SF
Vacancy Rate 4.7%
Rental Rate \$20.19/SF

NORTHEAST COLUMBIA

Inventory 5 MSF
Net Absorption (1.1K) SF
Vacancy Rate 13.6%
Rental Rate \$21.52/SF

Inventory 1.5 MSF
Net Absorption 3.1K SF
Vacancy Rate 1.7%
Rental Rate \$22.27/SF

FAIRFIELD COUNTY

KERSHAW COUNTY

Inventory 5.1 MSF
Net Absorption (129K) SF
Vacancy Rate 11%
Rental Rate \$18.24/SF

NORTH COLUMBIA

DUTCH FORK/IRMO

Inventory 2.1 MSF
Net Absorption (1.9K) SF
Vacancy Rate 11.8%
Rental Rate \$19.22/SF

ST ANDREWS

FOREST ACRES

SALUDA

COLUMBIA CBD

Inventory 9.8 MSF
Net Absorption 72K SF
Vacancy Rate 10.5%
Rental Rate \$22.05/SF

OUTLYING LEXINGTON COUNTY

LEXINGTON

Inventory 1.8 MSF
Net Absorption (4.3K) SF
Vacancy Rate 3.7%
Rental Rate \$21.23/SF

OUTLYING RICHLAND COUNTY

OUTLYING CALHOUN COUNTY

CAYCE/WEST COLUMBIA

Inventory 3.9 MSF
Net Absorption 48K SF
Vacancy Rate 4.4%
Rental Rate \$19.69/SF

SOUTHEAST COLUMBIA

Inventory 2.1 MSF
Net Absorption (3.6K) SF
Vacancy Rate 2.8%
Rental Rate \$20.62/SF



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, as a partnership between NAI Earle Furman in Greenville, S.C., along with nine 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 sunsetting 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.