

3Q18:

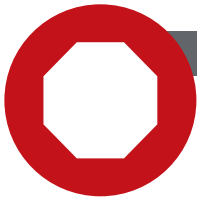
Columbia Industrial Market Report



VACANCY

7.9%

Rates increased in the third quarter from 7.4%



NET ABSORPTION

76,041 SF

+408,598 SF in 2Q18



AVERAGE RENTAL RATE

\$3.64

Same as \$3.64 in 2Q18



VACANCY: CLASS A

6.5%

Rates increased in the third quarter from 2.7%



RENTAL RATES: CLASS A

\$4.44

Tight Market Projected to Yield Rising Rental Rates Well into 2019

Class A industrial property remains in short supply and is commanding premium rental rates in the \$4.75 to \$5.50 per square foot range, depending on attributes such as tilt-up, ceiling height, amount of office space required, and fire suppression capability. New construction in the 50,000 to 150,000 square foot range which can be easily subdivided into smaller bays is being leased prior to construction completion. Larger boxes of 150,000 square feet and up remain on the market for longer periods and call for slightly lower rental rates, but they, too, are considered in short supply.

Class B space with older constructed buildings and lower ceiling heights are commanding rental rates of \$3.75 to \$4.25 and experience occupancy rates in the range of 90% to 93% occupancy. There are a number of older buildings currently on the market for sale to owner occupancy prospects wishing to expand their businesses or improve location. The market overall is expected to remain tight with rising rental rates well into 2019.

The largest projects underway at the end of the third quarter 2018 were 1460 Pineview Drive, an 818,056 square foot building with 100% pre-leased by China-Jushi and 810 Bistline Court, a 200,000 square foot Class A distribution facility that is 100% pre-leased by Scholastic Book Fairs and an undisclosed tenant.

Nationally, the warehouse market saw net absorption grow threefold and flex more than doubled from the second quarter of 2018. Columbia mimics the national trend as the overall outlook is optimistic with growth in the industrial sector is expected to continue.

Overall Market Indicators

Vacancy ▲

Rental Rate ◀▶

Net Absorption ▼

Construction ◀▶

Prior Quarter Indicator | ▲ Up ▼ Down ◀▶ Flat Prior Year Indicator | ▲ Up ▼ Down ◀▶ Flat

Vacancy Rates

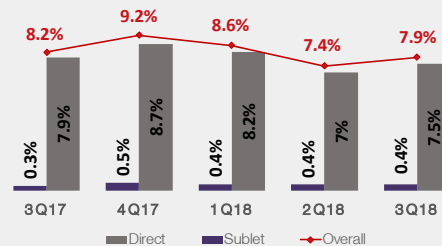
Fully leased delivery at 810 Bistline Ct keeps vacancy rates trending in the right direction.

Direct Available | Building Type

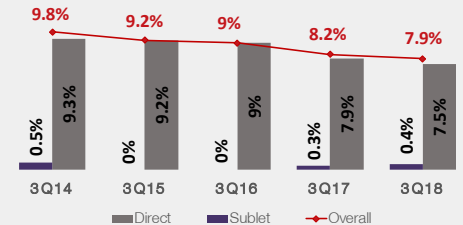
Flex:	9.8%	▼	▲
Industrial:	7.5%	▲	▼

Direct Available | Industrial

Class A:	6.5%	▲	▲
Class B:	1.6%	▲	▼
Class C:	14.9%	▼	▼



Quarterly Overall Trend



Annual Overall Trend

Rental Rates

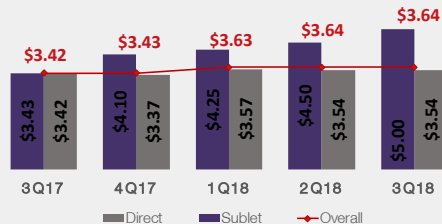
Holding serve, rental rates remain steady overall, maintaining 4 year high.

Direct Available | Building Type

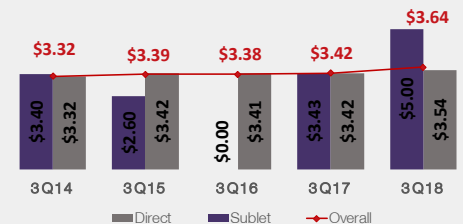
Flex:	\$4.29	◀▶	▼
Industrial:	\$3.75	▼	▲

Direct Available | Industrial

Class A:	\$4.44	▼	▲
Class B:	\$3.98	▲	▲
Class C:	\$3.45	▼	▲



Quarterly Overall Trend



Annual Overall Trend

Market Activity

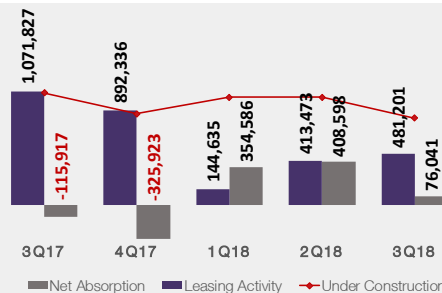
Leasing activity climbs by 54% market wide while Cayce-West Columbia welcomes a new 200,000 SF Class A space.

Overall Net Absorption | Building Type

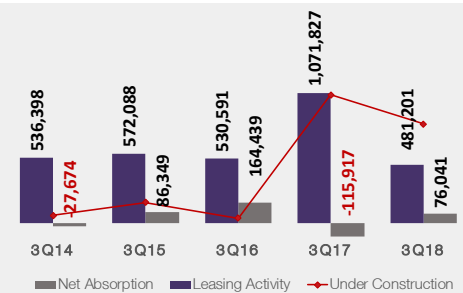
Flex:	181,429 SF	▲	▼
Industrial:	76,041 SF	▼	▲

Overall Net Absorption | Industrial

Class A:	-82,654 SF	▼	▼
Class B:	38,700 SF	▼	▲
Class C:	119,995 SF	▲	▲

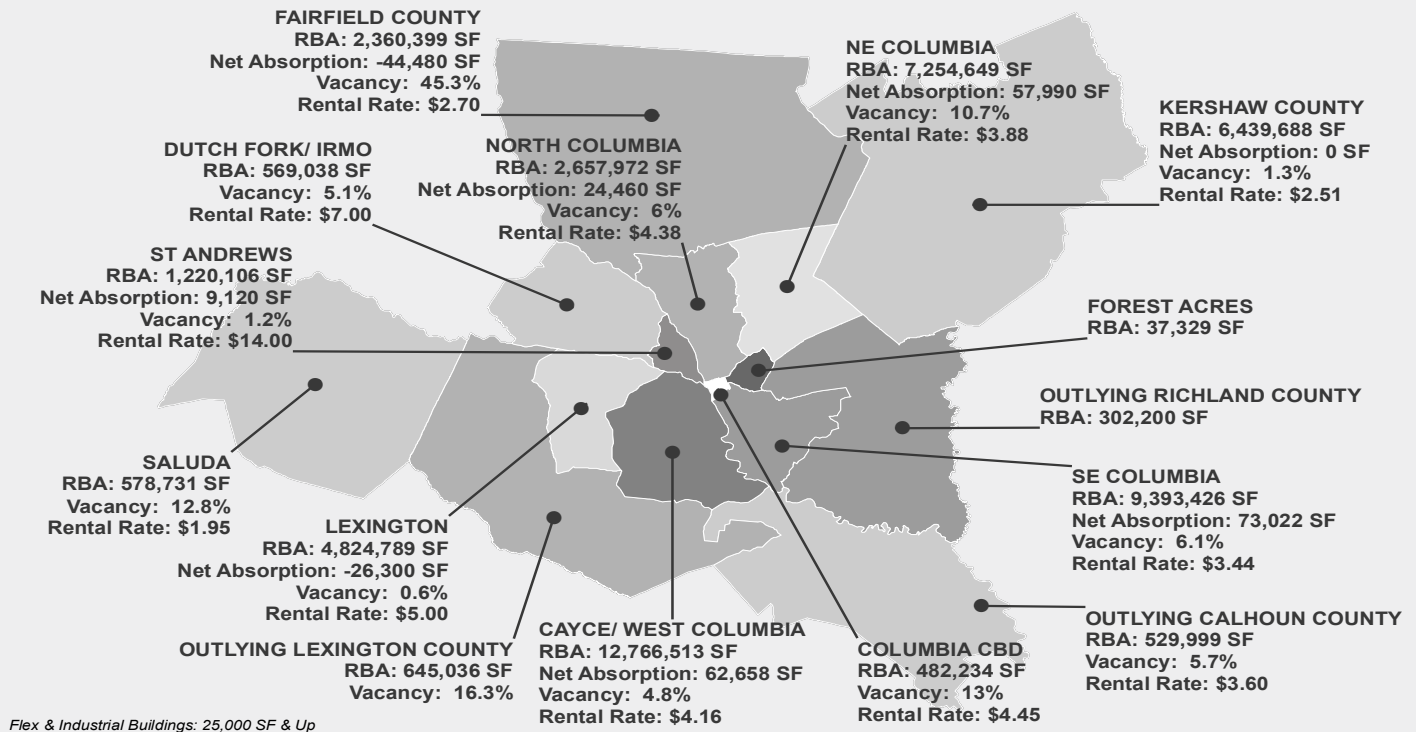


Quarterly Overall Trend



Annual Overall Trend

Submarket Statistics



Significant Transactions



CAYCE/WEST COLUMBIA
3168 CHARLESTON HIGHWAY
47,000 SF
CLASS C DISTRIBUTION BUILDING
SALE DATE: 09/04/2018

Price: \$2,593,103
Price per SF: \$55.17



NORTH COLUMBIA
7 SUNBELT COURT
34,200 SF
CLASS C MANUFACTURING BUILDING
SALE DATE: 07/30/2018

Price: \$1,350,000
Price per SF: \$39.47



CAYCE/WEST COLUMBIA
810 BISTLINE COURT
170,000 SF
CLASS A WAREHOUSE BUILDING
SALE DATE: 07/05/2018

Lease Rate: \$4.50 PSF
Tenant: Garden State Lumber

NAI Avant, At A Glance

Realizing Potential, Delivering Results



For more than 50 years, the NAI Avant team has excelled in delivering superior service and performance for its commercial real estate clients. Through dedicated and knowledgeable professionals backed by quality research, our institutional, corporate, small business and individual clients have achieved maximum results.

As a full-service company, headquartered in Columbia SC, our brokerage, development, management and consulting services are tailor-made to meet the specific needs of each assignment, from single transactions to coordinating the delivery of multiple services over broad geographic areas. As a spin-off of the over \$6 billion EDENS (formerly Edens & Avant), NAI Avant traces its roots back to 1966.

Through our professional and network affiliations, we effectively and efficiently deliver our services at the local, regional, national and global levels.

Creativity and experience combined with quality research and support, have been the hallmark of NAI Avant's brokerage staff that has been South Carolina's leading performer for nearly three consecutive decades.

Our Depth of Experience Includes

- Investment Sales
- Healthcare Real Estate Services
- Retail Sales and Leasing
- Property and Project Management Services
- Office Sales and Leasing
- Industrial Sales and Leasing
- Special Asset and Receivership Services
- Tenant Representation
- Corporate Advisory Services
- Site Selection and Land Sales
- Fee Development and Build-to-Suit Services
- Mixed-Use Urban Infill

NAI GLOBAL

NAI Avant is a member of the NAI Global premier network, the largest independent commercial real estate service provider worldwide. NAI Global member firms span worldwide, with 400 offices and more than 7,000 local market experts on the ground. NAI Avant is a recipient of NAI Global's prestigious Eagle Award, recognizing the top firm in the U.S. secondary markets demonstrating the highest levels of achievement through a combination of leadership, capital resources, commitment to quality and global vision.

NAI Global is a wholly owned subsidiary of C-III Capital Partners, LLC (C-III). C-III Capital Partners is a leading commercial real estate services company engaged in a broad range of activities, including primary and special loan servicing, loan origination, fund management and principal investment. C-III is the primary servicer for approximately \$15 billion and the named special servicer for approximately \$160 billion of commercial real estate loans. At NAI Global, we uniquely combine an agile platform with experienced real estate teams, backed by the institutional strength of one of the world's leading property investment companies.

Featured Listings



FOR SALE
Cayce/West Columbia

406 WHOLESALE LANE
±12,063 SF INDUSTRIAL BUILDING
WEST COLUMBIA, SC

Price: \$1,275,000



FOR SALE OR LEASE
Northeast Columbia

206 BUSINESS PARK BOULEVARD
±8,000-20,000 SF INDUSTRIAL FACILITY
COLUMBIA, SC

Price: \$1,250,000 or \$5.95 PSF NNN



FOR SALE
Cayce/West Columbia

100 OLD BARNWELL ROAD
±14,700 SF FLEX SPACE
WEST COLUMBIA, SC

Price: \$850,000



FOR LEASE
Northeast Columbia

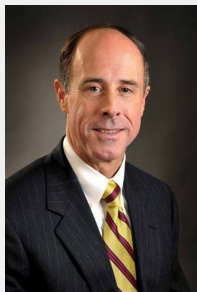
10 QUALITY COURT
±9,900 SF OFFICE/WAREHOUSE
COLUMBIA, SC

Lease Rate: \$6.25 PSF NNN

For more information, contact one of our experienced professionals:



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