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.
**Vacancy Rates**

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

**Rental Rates**

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

**Market Activity**

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

FAIRFIELD COUNTY
RBA: 2,360,399 SF
Net Absorption: 12,480 SF
Vacancy: 4.3%
Rental Rate: $2.70

DUTCH FORK/IRMO
RBA: 569,038 SF
Vacancy: 5.1%
Rental Rate: $1.70

ST ANDREWS
RBA: 1,220,106 SF
Net Absorption: 9,120 SF
Vacancy: 1.2%
Rental Rate: $14.00

SALUDA
RBA: 578,731 SF
Vacancy: 12.8%
Rental Rate: $1.95

LEXINGTON
RBA: 4,824,789 SF
Net Absorption: 26,300 SF
Vacancy: 0.6%
Rental Rate: $5.00

OUTLYING LEXINGTON COUNTY
RBA: 645,036 SF
Vacancy: 16.3%

NE COLUMBIA
RBA: 7,254,649 SF
Net Absorption: 24,460 SF
Vacancy: 6%
Rental Rate: $4.38

NORTH COLUMBIA
RBA: 2,657,972 SF
Net Absorption: 24,460 SF
Vacancy: 24.3%
Rental Rate: $2.70

CAYCE/WEST COLUMBIA
RBA: 12,766,513 SF
Net Absorption: 57,990 SF
Vacancy: 10.7%
Rental Rate: $4.16

KERSHAW COUNTY
RBA: 6,439,688 SF
Net Absorption: 0 SF
Vacancy: 1.3%
Rental Rate: $2.51

FOREST ACRES
RBA: 37,329 SF

OUTLYING RICHLAND COUNTY
RBA: 302,200 SF

SE COLUMBIA
RBA: 9,393,426 SF
Net Absorption: 73,022 SF
Vacancy: 6.1%
Rental Rate: $3.60

OUTLYING CALHOUN COUNTY
RBA: 529,999 SF
Vacancy: 5.7%
Rental Rate: $3.44

COLUMBIA CBD
RBA: 482,234 SF
Vacancy: 13%
Rental Rate: $4.45

ST ANDREWS
RBA: 1,220,106 SF
Net Absorption: 9,120 SF
Vacancy: 1.2%
Rental Rate: $14.00

807 Gervais Street, Suite 301
Columbia, South Carolina 29201
+1 803.254.0100
www.naiavant.com

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- 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

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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:

Dick Stanland, CCIM, SIOR, GRI
Senior Broker
dstanland@naiavant.com

Dail Longaker
Director of Investment Services
dlongaker@naiavant.com

Lee Bussell, Jr.
Broker
lbussell@naiavant.com

John Gregory
Broker
jegregory@naiavant.com