MARKETBEAT
COLUMBIA
INDUSTRIAL Q4 2024

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.5% Vacancy Rate	▲	▼
479.1K YTD Net Absorption, SF	▲	—
$5.15 Asking Rent, PSF	▼	▲

(Overall, Net Asking Rent)

ECONOMIC INDICATORS

	YOY Chg	Outlook
435.8K Columbia Employment	▲	▲
4.6% Columbia Unemployment Rate	▲	▼
4.2% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMY: Unemployment Rate Rises as Labor Force Expands Swiftly

Despite an uptick in unemployment, Columbia's economy closed out 2024 with positive momentum. The unemployment rate increased by 170 basis points (bps) year-over-year (YOY), which can be attributed to the expanding labor force in the region. At the same time, nonfarm employment growth continued, albeit at a slower pace, with 7,100 jobs added YOY. Despite persistent economic uncertainty across the nation, Columbia's stable economic growth is expected to continue in 2025.

SUPPLY and DEMAND: Space Additions Outpace Moderate Leasing

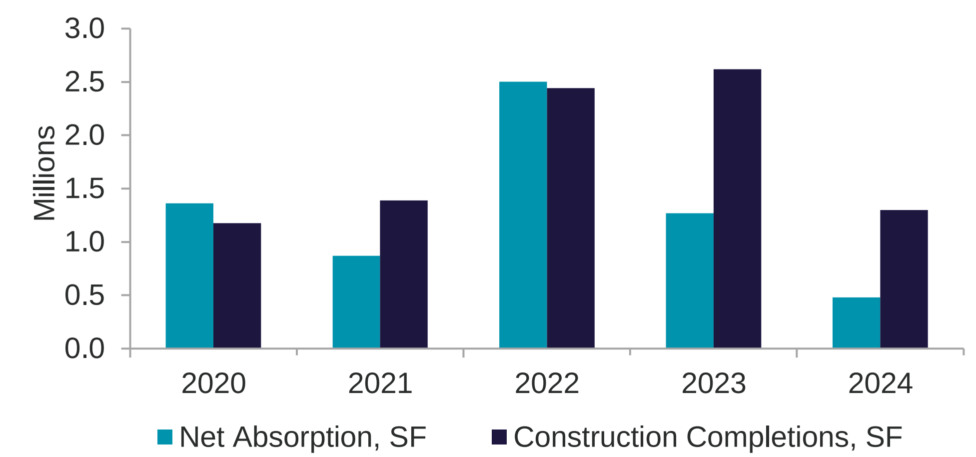
Supply of vacant space in the market rose sharply in Q4, up 120 bps to 5.5% overall, as occupancy losses of 679,000 square feet (sf) were recorded. In addition to the existing space given back to the market, a large speculative building of nearly 520,000 sf was delivered fully available in the Cayce/West Columbia submarket. The overall vacancy rate is forecasted to fall modestly in 2025 as the speculative development pipeline has depleted.

After a quiet first half of 2024 in terms of occupier demand, leasing activity regained traction in H2. A total of 544,000 sf of new deals were inked in Q4, above the two-year quarterly average. A large majority of the space demand was concentrated between the Southeast Columbia and Cayce/West Columbia submarkets, accounting for 51.8% and 34.1% of new leasing activity, respectively. After tepid demand over recent quarters, multiple new leases were signed in first-generation Class A product seeking stabilization.

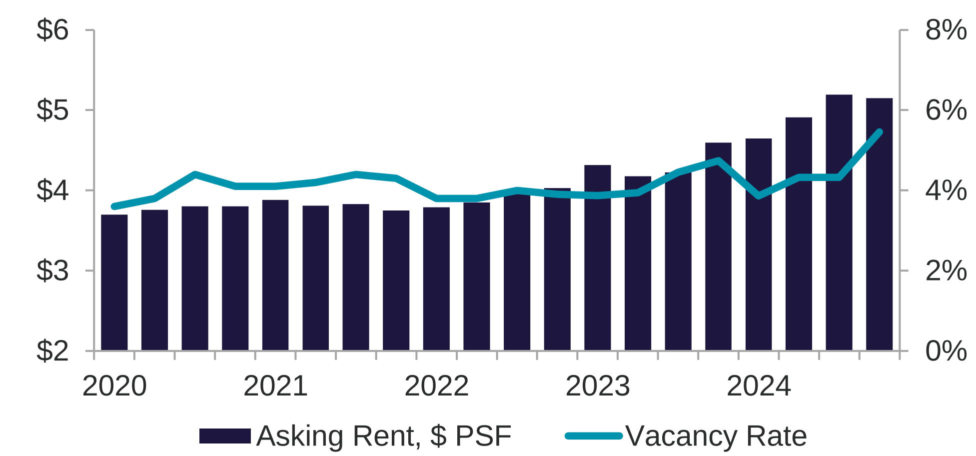
PRICING: Asking Rents Pull Back from Recent High

Asking rents receded slightly quarter-over-quarter (QOQ), with an overall market average of $5.15 per square foot (psf) recorded as vintage supply was added back to the market. Manufacturing asking rents grew by 1.2% in Q4; however, warehouse/distribution (W/D) asking rents moved in the opposite direction, decreasing by 1.9% QOQ due to the large share of vacancy (70.8%) in the asset type. Modest rent growth is expected to resume as the lack of recent groundbreakings constrains new supply.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION (SF)	CONSTRUCTION COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)*	OVERALL WEIGHTED AVG NET RENT (FX)*	OVERALL WEIGHTED AVG NET RENT (W/D)*
Aiken County	16,930,949	918,149	5.4%	-77,978	405,108	0	0	$3.66	-	$4.33
Cayce/West Columbia	16,897,323	1,030,393	6.1%	304,160	230,935	0	519,792	-	$13.75	$6.51
Columbia CBD	475,302	35,000	7.4%	7,432	7,432	0	0	-	-	$4.95
Northeast Columbia	11,752,264	601,162	5.1%	328,805	124,559	0	210,600	$5.50	$11.95	$6.08
Northwest Columbia	2,580,754	200,535	7.8%	24,074	22,127	0	0	$4.75	$9.24	$8.00
Southeast Columbia	14,594,653	742,028	5.1%	128,339	409,005	0	568,540	$6.75	$10.49	$6.14
Fairfield County	2,600,925	91,000	3.5%	0	0	0	0	-	-	$6.00
Kershaw County	7,021,847	591,468	8.4%	-202,120	0	0	0	-	-	$3.35
Lexington	6,789,984	0	0.0%	12,000	0	0	0	-	-	-
Newberry County	3,348,565	138,500	4.1%	0	0	0	0	$3.25	-	-
Orangeburg County	11,988,346	709,402	5.9%	-50,387	268,789	0	0	$4.04	-	$5.39
Outlying Calhoun County	602,892	0	0.0%	50,000	0	0	0	-	-	-
Saluda County	435,679	0	0.0%	0	0	0	0	-	-	-
Sumter County	7,826,010	612,965	7.8%	-45,177	30,414	0	0	-	-	$4.01
MARKET TOTALS	**103,845,493**	**5,670,602**	**5.5%**	**479,148**	**1,498,369**	**0**	**1,298,932**	**$4.13**	**$10.61**	**$5.39**

*Rental rates reflect weighted net asking $psf/year

MF = Manufacturing FX = Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Pineview Trade Center	Southeast Columbia	Jushi USA	200,758	New Lease
803 Industrial Park – Gateway 1	Cayce/West Columbia	Muc-Off	56,160	New Lease
Shop Grove Industrial Park – 220 Ranger Point Ct	Southeast Columbia	Mygrant Glass	56,000	New Lease

*Renewals not included in leasing statistics

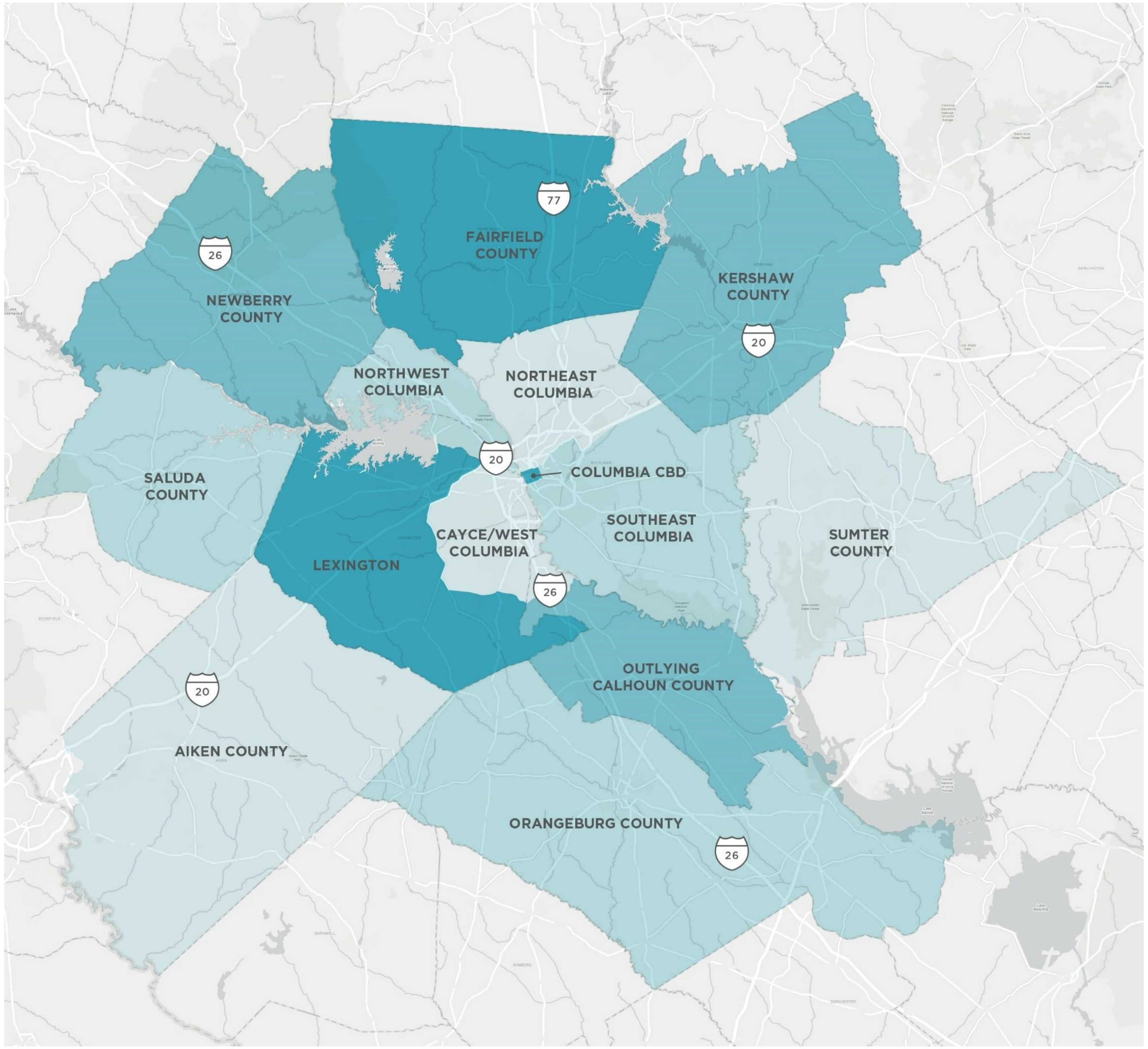
KEY SALES TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	SELLER | BUYER	SF	PRICE | $ PSF
Matthews Industrial Park – 106 Logistics Dr	Orangeburg County	UFP Industries, Inc. | Superior Wellness	75,000	$6.5M | $86.67

KEY CONSTRUCTION COMPLETIONS 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER | DEVELOPER
Sandy Run Industrial Park – Lot 3	Cayce/West Columbia	N/A	519,792	Red Rock Developments
Pineview Trade Center	Southeast Columbia	Confidential	351,540	Summit Real Estate Group
Shop Grove Industrial Park – 220 Ranger Point Ct	Southeast Columbia	PODS	217,000	Cason Development Group
Northpoint Industrial Park – Access 77	Northeast Columbia	N/A	210,600	Magnus Development Partners

INDUSTRIAL SUBMARKETS



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