MARKETBEAT
COLUMBIA
OFFICE Q2 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
8.1% Vacancy Rate	▲	▲
-7.2K YTD Net Absorption, SF	▼	▼
$19.27 Asking Rent, PSF	▼	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
437.7K Columbia Employment	▲	▲
4.1% Columbia Unemployment Rate	▲	▼
4.2% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMY

Columbia's economy continued to show steady momentum in Q2, maintaining strength even as national trends slowed. While the U.S. unemployment rate rose by 20 basis points (bps) year-over-year (YOY) to 4.2%, the Columbia Metro rate remained flat YOY at 4.1%. Nonfarm employment, which increased by 2.1% YOY, placed Columbia amongst the top metros in the U.S. for job growth, adding 8,900 jobs.

SUPPLY and DEMAND

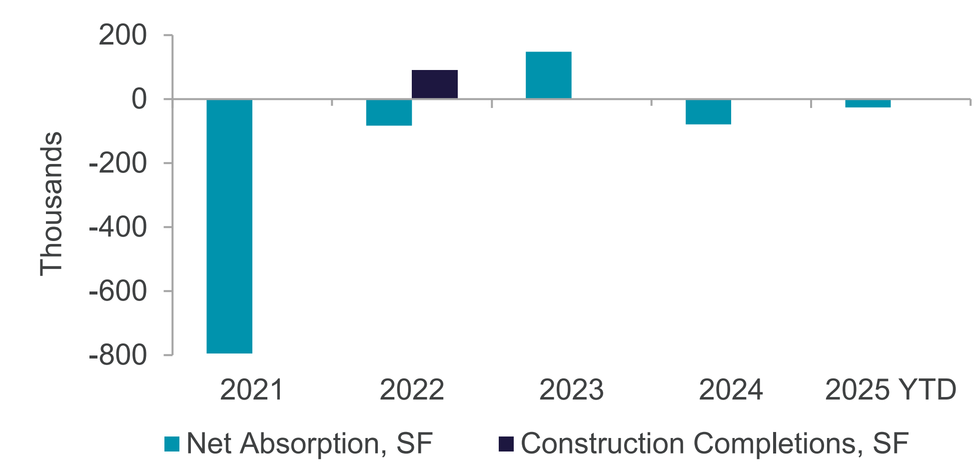
Columbia remained an extremely balanced market with office vacancy staying within a 90-bp spread since Q1 2022. Vacancy increased slightly quarter-over-quarter (QOQ), ticking up by 10 bps to 8.1% overall as a few occupancy losses were measured. Construction activity remained limited to build-to-suit and owner-occupied projects like the Palmetto Citizens Federal Credit Union in Columbia's Central Business District (CBD) representing one of few office developments. No speculative office projects are currently underway with the last delivery being the WestLawn project in the BullStreet District in the CBD. Vacancy is expected to rise in coming quarters with multiple floor plates becoming available in the CBD as a single tenant looks to vacate more than 82,000 square feet (sf) in 2025.

Leasing activity for Columbia Metro recorded an increase QOQ, with 105,303 sf of new leases signed in Q2, bringing the market total to over 166,000 sf year-to-date. While demand has typically trended towards the CBD and St. Andrews submarkets, 55.8% of deals were inked in the Northeast submarket in Q2, with FEMA taking nearly 29,500 sf at the Parklane Office buildings. Additionally, minor occupancy losses were recorded as 7,257 sf returned to market as tenant move-outs outweighed tenant move-ins, a figure that is expected to rise in coming quarters with the aforementioned move-out in the CBD.

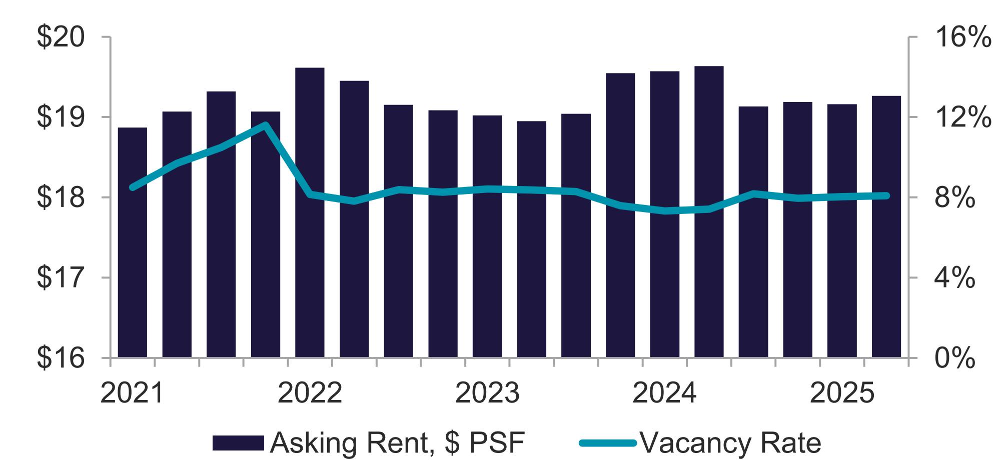
PRICING

Overall asking rents in the Columbia Metro reported consistent growth, rising by 0.6% QOQ to $19.27 per square foot (psf). This uptick wasl argely driven by the CBD, which continued to command higher rates, currently averaging $22.50 psf, well above the market average.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



COLUMBIA, SC
OFFICE Q2 2025

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Columbia CBD	8,053,841	439,817	55,775	6.2%	40,930	42,759	46,134	0	$22.51	$23.35
Cayce/West Columbia	1,949,648	99,457	0	5.1%	2,264	1,628	5,352	0	$20.43	-
Chapin/Irmo	440,136	2,000	0	0.5%	-2,000	-2,000	0	0	$18.00	-
Forest Acres	1,265,962	123,848	5,895	10.3%	-16,902	-25,005	18,839	0	$18.75	-
Lexington	679,714	17,339	0	2.6%	-2,929	-2,761	168	0	$18.09	$22.50
Northeast Columbia	4,503,055	361,600	22,236	8.5%	-4,108	3,522	61,046	0	$18.52	$20.50
South Columbia	1,251,400	15,572	0	1.2%	-4,332	-3,620	168	0	$20.76	-
St. Andrews	3,969,272	543,411	101,508	16.3%	-20,180	-40,844	34,379	0	$17.36	$21.51
COLUMBIA TOTALS	**22,113,028**	**1,603,044**	**185,414**	**8.1**	**-7,257**	**-26,321**	**166,086**	**0**	**$19.27**	**$22.41**

**Rental rates reflect full service asking*

KEY LEASE TRANSACTIONS Q2 2025

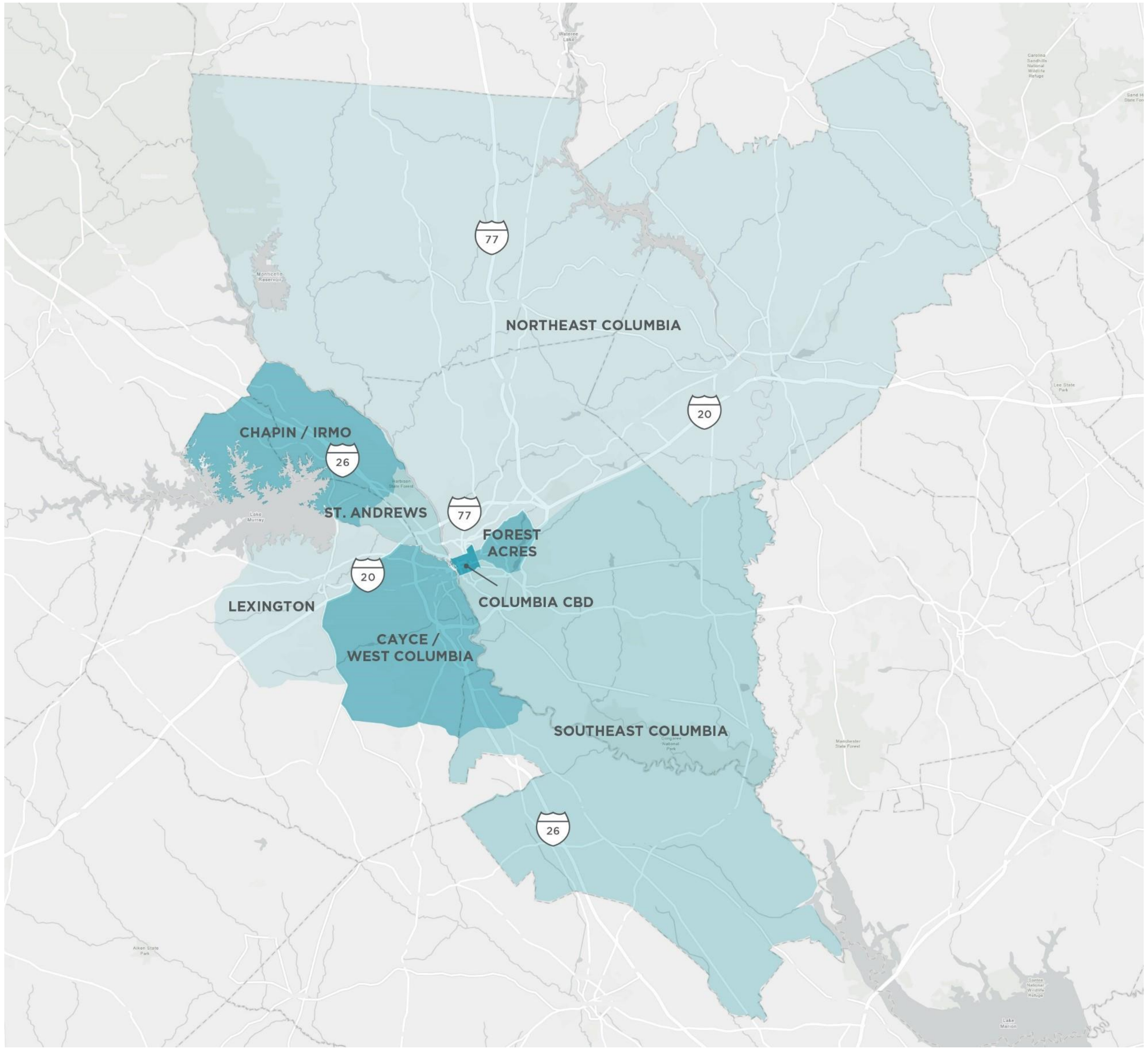
PROPERTY	SUBMARKET	TENANT	SF	TYPE
Parklane Office Bldg	Northeast Columbia	FEMA	29,267	New Lease
1333 Main St	Columbia CBD	PwC	28,961	Renewal*
Innovation Center	South Columbia	IBM	9,357	Renewal*
Capitol Station	Columbia CBD	The Children's Trust Fund of South Carolina	9,147	Renewal*
Tower at 1301 Gervais	Columbia CBD	Sojourner, Caughman, and Thomas Law	6,536	Renewal*

**Renewals not included in leasing statistics*

KEY METRIC YOY COMPARISON

QUARTER	INVENTORY (SF)	OVERALL VACANCY RATE	OVERALL ASKING RENTS (ALL CLASSES)*	YTD OVERALL NET ABSORPTION (SF)	YTD NEW LEASING ACTIVITY (SF)	YTD COMPLETIONS (SF)	UNDER CONSTRUCTION (SF)
Q2 2024	22,154,028	7.4%	$19.64	-18,441	84,931	0	0
Q2 2025	22,113,028	8.1%	$19.27	-7,257	105,303	0	0

OFFICE SUBMARKETS



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