

COLUMBIA MARKET HIGHLIGHTS

The overall vacancy rate in the Columbia industrial market is up slightly to 3.9% after reaching a historic low of 3.2% during second-quarter 2021.

The 192,780-square-foot Midway Logistics VI building in the Lexington County Industrial Park, home to one of the few existing Class A industrial spaces currently on the market, delivered this quarter.

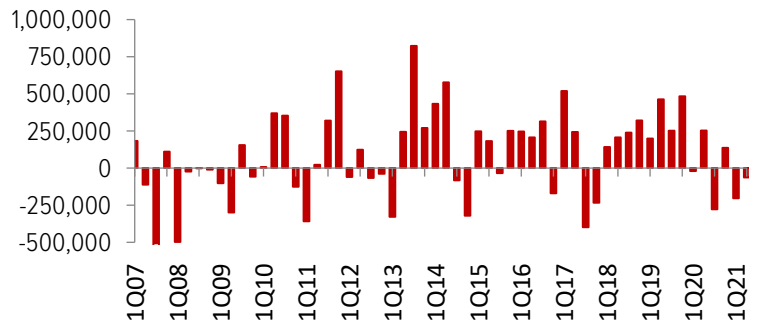
Home Depot, whose distribution center is also located in the park, signed a lease for 68,040 square feet ahead of delivery with plans to use the space as a last-mile delivery locations for e-commerce sales.

Post-construction and going into the third quarter, 124,740 square feet remains available in the newly-delivered building, slightly increasing market vacancy and playing a role in the negative absorption seen this quarter. *(cont'd)*

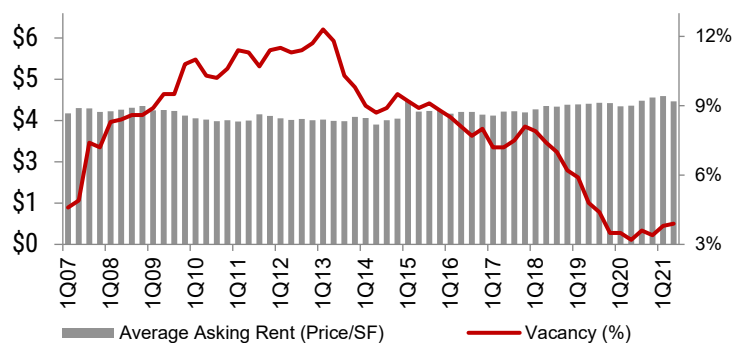
Historic Comparison

	Current Quarter	Prior Quarter	Year Ago Period	Forecast
Total Inventory	62.77 MSF	62.77 MSF	62.68 MSF	↑
Vacancy Rate	3.9%	3.8%	3.2%	↔
Quarterly Net Absorption	-62,702	-206,645	252,298	↑
Average Asking Rent	\$4.33	\$4.49	\$4.20	↑

Net Absorption (SF)




Asking Rent & Vacancy Trends




3.9%

VACANCY RATE (%)



-62.7K

NET ABSORPTION (SF)



\$4.33

ASKING RENT (\$/SF)



62.8M

INVENTORY (SF)



COLUMBIA MARKET HIGHLIGHTS

Looking ahead, Mark Anthony Brewing's \$400 million state-of-the-art brewing and production facility in the Pineview Industrial Park is slated to deliver next quarter, adding another 1.3 million square feet of industrial inventory to the market. The development represents one of the largest economic investments in Richland County history and the facility will be one of the largest breweries built in the U.S. in more than 25 years.

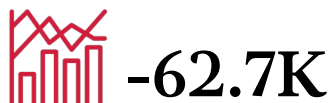
Since re-locating company headquarters to Lexington County from Orlando, Nephron Pharmaceuticals has invested more than a half billion dollars in the Midlands region, creating almost 2,000 full and part-time jobs. The privately held, female-led manufacturer of generic respiratory medications, ophthalmics, and injectable drugs currently has a 200,343-square-foot expansion well underway in Lexington County's Saxe Gotha Industrial Park. Nephron plans to occupy the space by fourth-quarter 2021.

Going into the second half of the year, with more than 96% of the market's industrial product currently occupied, many developers are interested in building new industrial space in the region but have been hindered by the ongoing cost of construction.

The current average asking rate for flex and industrial space in the market sits at \$4.33/SF – a 3% increase year-over-year. Lease rates will need to continue increasing in order to justify the cost of labor and building materials. In the meantime, current flex/industrial tenants planning to relocate, expand or acquire new space in the market are severely limited. Current tenants are – or should be – looking ahead toward upcoming renewals and renegotiations well ahead of the date their current lease is set to expire.



VACANCY RATE (%)



NET ABSORPTION (SF)



ASKING RENT (\$/SF)



INVENTORY (SF)

Q2 2021 Industrial Market Summary | Columbia

	Inventory (SF)	Vacancy Rate	Availability Rate	Qtr Absorption (SF)	YTD Absorption (SF)	INDUSTRIAL Asking Rent (Price/SF)	FLEX Asking Rent (Price/SF)	Total Asking Rent (Price/SF)
Cayce/W Columbia	16,710,724	2.3%	2.5%	5,880	215,841	\$4.85	\$8.49	\$4.93
Downtown (CBD)	660,227	12.8%	13.1%	-3,500	-28,000	\$4.95	\$13.50	\$5.58
Dutch Fork / Irmo	1,410,465	13.4%	17.1%	1,600	-135,400	\$3.61	\$10.00	\$4.32
Fairfield County	2,390,509	3.0%	2.4%	-21,328	-7,828	\$3.00	-	\$3.00
Kershaw County	7,105,686	5.8%	5.1%	-200,000	-200,000	\$3.05	-	\$3.05
Lexington	6,061,737	0.6%	2.6%	42,340	131,400	\$3.97	\$8.86	\$4.53
North Columbia	3,820,235	4.4%	2.9%	54,750	68,276	\$5.01	\$7.84	\$5.16
Northeast Columbia	8,679,251	8.0%	7.9%	-163,878	-387,264	\$3.77	\$7.08	\$3.91
Southeast Columbia	14,235,098	2.8%	4.0%	226,943	63,969	\$4.62	\$7.96	\$4.96
Saint Andrews	1,698,476	5.6%	8.1%	-5,509	13,677	\$4.89	\$11.00	\$5.70
Market	62,772,678	3.9%	4.5%	-62,702	-263,347	\$4.08	\$8.53	\$4.33

* Data set includes all known existing industrial properties over 5,000 SF in the Columbia MSA

* Asking rents are NNN

Notable Transactions



Sale

Akebono Braking
±285,000 SF | W Columbia
\$9,700,000 | \$34.04/SF



Sale

120 Glassmaster Road
±96,277 SF | Lexington
\$1,800,000 | \$18.70/SF



Lease

120 Glassmaster Road
±22,000 SF | Lexington
Perlon



Lease

1602 Andrews Road
±13,456 SF | SE Columbia
Werner Trucking