

# COLUMBIA, SC

JANUARY 2004

## 2003 YEAR-END MEDICAL OFFICE MARKET

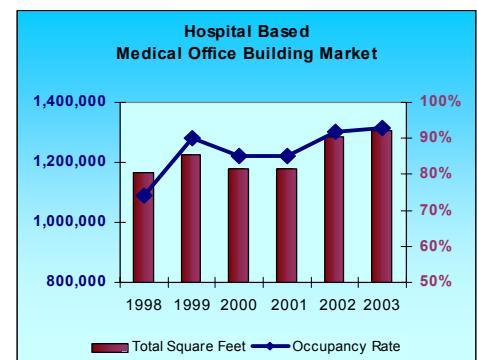
### MARKET OVERVIEW

HOSPITAL-BASED MEDICAL OFFICE BUILDINGS	
TOTAL INVENTORY	1,300,000 SF
VACANT SF	87,500 SF
OCCUPANCY RATE	93.3%
SF UNDER CONSTRUCTION*	290,000 SF

\* including medical office buildings and physician-owned facilities.

### MARKET TRENDS

- ◆ The medical office market continues to strengthen, despite the recent economic downturn. As has been the case over the past few years, area hospitals and physician practices continue to expand through the metropolitan area. Total inventory in the market stands at approximately 1.3 million square feet of Medical Office Building (MOB) space. Construction of new medical office space continues, as physician practices buy properties and build new offices.
- ◆ As of year-end 2003, the overall occupancy of Columbia area MOB's was 93.3%, more than a full percentage point higher than at mid-year 2003. Average rental rates for medical office space have risen and are now at \$19.91/SF.
- ◆ The MOB market in Columbia is primarily controlled by the four major hospitals operating within the metropolitan area. The hospitals include Lexington Medical Center, Providence Hospital and the Palmetto Health Alliance, which is comprised of Palmetto Baptist Medical Center and Palmetto Richland Memorial Hospital. The growth of the MOB market is principally driven by the strategic expansion of hospital services into growth corridors of Richland and Lexington counties.
- ◆ Palmetto Health Alliance is completing a MOB at its Palmetto Health Baptist Parkridge Campus and recently announced plans for a \$100 million hospital, called Palmetto Health Baptist Parkridge, adjacent to the new facility. The hospital is expected to open in 2007, with as many as 100 beds and the Alliance is seeking approval to move beds from its downtown facility.



1301 Gervais Street  
Suite 600  
Columbia, SC 29201 USA  
Tel: 803.254.2300  
Fax: 803.252.4532  
www.collierskeenan.com



MEDICAL OFFICE





## 238 Offices Worldwide

### 134 Americas

102 United States  
17 Canada

15 Latin America

58 Europe, Middle East & Africa

46 Greater Asia

## United States Cities

Akron, OH	Milwaukee, WI
Allentown, PA	Minneapolis, MN
Atlanta, GA	Nashville, TN
Austin, TX	New Jersey, NJ
Bakersfield, CA	New York, NY
Baltimore, MD	Oakland, CA
Beachwood, OH	Ogden, UT
Bellevue, WA	Orlando, FL
Boise, ID	Palo Alto, CA
Boston, MA	Park City, UT
Carlsbad, CA	Philadelphia, PA
Charleston, SC	Phoenix, AZ
Charlotte, NC	Pittsburgh, PA
Chicago, IL	Pleasanton, CA
Cincinnati, OH	Plymouth Meeting, PA
Clearwater, FL	Portland, OR
Cleveland, OH	Provo, UT
Columbia, SC	Raleigh, NC
Dallas/Ft. Worth, TX	Reno, NV
Dayton, OH	Roseville, CA
Denver, CO	Sacramento, CA
Detroit, MI	St. Charles, MO
Fairfield, CA	St. Louis, MO
Ft. Lauderdale, FL	St. Paul, MN
Ft. Myers, FL	Salt Lake City, UT
Fresno, CA	San Diego, CA
Gilroy, CA	San Francisco, CA
Greenville, SC	San Jose, CA
Hartford, CT	San Mateo, CA
Honolulu, HI	Scottsdale, AZ
Houston, TX	Seattle, WA
Indianapolis, IN	Stamford, CT
Jacksonville, FL	Stockton, CA
Kansas City, MO	Sun Valley, ID
Las Vegas, NV	Tacoma, WA
Los Angeles, CA	Tampa, FL
Louisville, KY	Walnut Creek, CA
Memphis, TN	Washington, DC
Miami, FL	

## MARKET FORECAST

- ◆ The Medical office market is expected to continue strengthening throughout 2004. Most of the growth will come from physician practices looking to construct their own facilities rather than the development of new, multi-tenant hospital-based MOB's. An example of this is the 107,000 SF MOB built for the South Carolina Oncology Associates, which opened in early January. Rental rates are expected to continue increasing over the next 12 months, as demand continues to increase.

Medical Center also maintains medical office space at the Irmo campus and a same-day service hospital and medical office building at the Lexington campus.

- ◆ Medical office space for Providence Hospital is located adjacent to the Forest Drive location of Providence Hospital as well as Providence Hospital Northeast located at Interstate 77 and Farrow Road in northeast Columbia.

## MARKET SPOTLIGHT

- ◆ The majority of medical office space in Columbia has historically been found in several distinct market areas surrounding existing hospital facilities. This is now beginning to change as hospitals develop satellite facilities throughout the Columbia market.
- ◆ Medical office space for Palmetto Health Alliance is found adjacent to Palmetto Baptist Medical Center in Columbia's central business district and near the Palmetto Richland Hospital located on Interstate 277 at Harden Street Extension.
- ◆ Medical office space for Lexington Medical Center is found on its campus at Interstate 26 and Hwy. 378. Lexington

## SURVEY METHODOLOGY

- ◆ The Medical Office Market Review surveys multi-tenant medical office buildings located in the campuses of hospitals and multi-tenant medical buildings privately owned within the Columbia, SC market area. Facilities used or occupied exclusively by hospital departments have not been included within this survey. Colliers Keenan Inc. gratefully acknowledges those individuals who provided us with information about their properties. The accuracy of this report is a reflection of the participation and cooperation of those individuals, owners and companies.

For further information on the  
Columbia, SC medical office market

CONTACT:

David C. Lockwood, III, CCIM, SIOR  
at 803.401.4211 or [dlockwood@collierskeen.com](mailto:dlockwood@collierskeen.com)

or

Erik Gilliland, Research Analyst  
at 803.401.4205 or [egilliland@collierskeen.com](mailto:egilliland@collierskeen.com)

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