



Colliers Keenan 2004 Year-End Medical Market Columbia, SC



March 2005

AVAILABLE SPACE



**PROVIDENCE
MEDICAL BUILDING**
114 GATEWAY CORP BLVD
NORTHEAST COLUMBIA
2,292-6,0

- 78 AVAILABLE
- CONNECTED TO
PROVIDENCE NE HOSPITAL



**IMAGECARE
MEDICAL BUILDING**
710 RABON ROAD
NORTHEAST COLUMBIA

- 2,600-3,400 AVAILABLE
- 28,000 HOUSEHOLDS WITHIN
A FIVE MILE RADIUS

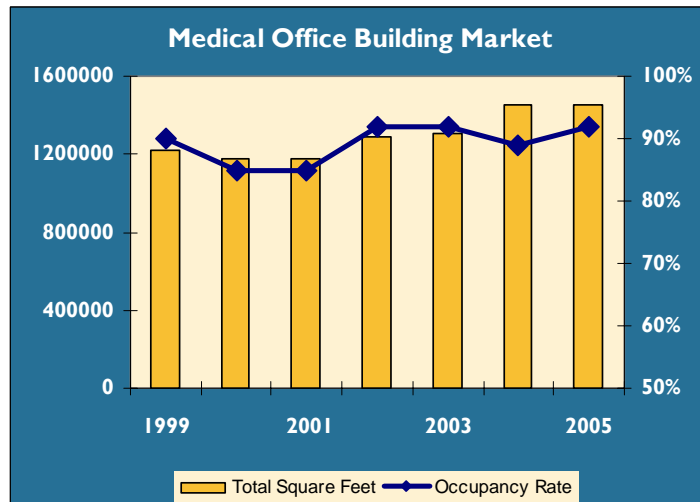
CURRENT MEDICAL OFFICE MARKET OVERVIEW

The Columbia, SC medical office market expanded significantly over 2004, and with it saw great absorption. The completion of Palmetto Health Parkridge and the Irmo Professional Center added roughly 160,000 square feet to the Medical Office Building (MOB) market. Since mid-year 2004, the market has absorbed 48,000. Even with new property coming online, occupancy rates rose to 92.1%, up from 88.8% at mid-year 2004.

COLUMBIA MEDICAL OFFICE MARKET	
Total Inventory	1,450,000 SF
Vacant SF	113,000 SF
Occupancy Rate	92.1%
Average Rent	\$20.20/SF
Absorption 6/04-3/05	48,000 SF

MOB PAST TRENDS

The MOB market has remained strong over the past several years. Even with a large addition of MOB space in 2004, occupancy rates only dropped below 90% for a brief period. Average rental rates have risen significantly from \$18.25/SF in 2002 to the present average of \$20.20/SF. Historically low interest rates have given rise to many practices purchasing or building their own medical office space and moving away from hospital-owned MOB's. Even with this trend, the demand for multi-tenant medical office space has remained high over the first half of the decade.



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United States

Akron, OH	Minneapolis, MN
Allentown, PA	Nashville, TN
Atlanta, GA	New Haven, CT
Austin, TX	New Jersey, NJ
Bakersfield, CA	New York, NY
Baltimore, MD	Oakland, CA
Beachwood, OH	Ogden, UT
Bellevue, WA	Orlando, FL
Boca Raton, FL	Palo Alto, CA
Boise, ID	Park City, UT
Boston, MA	Philadelphia, PA
Carlsbad, CA	Phoenix, AZ
Charleston, SC	Pittsburgh, PA
Charlotte, NC	Pleasanton, CA
Chicago, IL	Plymouth Meeting, PA
Cincinnati, OH	Portland, OR
Clearwater, FL	Provo, UT
Cleveland, OH	Raleigh, NC
Columbia, SC	Reno, NV
Dallas/Ft.Worth, TX	Roseville, CA
Dayton, OH	Sacramento, CA
Denver, CO	Salt Lake City, UT
Detroit, MI	San Diego, CA
Fairfield, CA	San Francisco, CA
Fort Myers, FL	San Jose, CA
Fresno, CA	San Mateo, CA
Ft. Lauderdale, FL	Scottsdale, AZ
Gilroy, CA	Seattle, WA
Greenville, SC	St. Charles, MO
Hartford, CT	St. George, UT
Honolulu, HI	St. Louis, MO
Houston, TX	St. Paul, MN
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	Wilmington, DE
Milwaukee, WI	

COLUMBIA MEDICAL ECONOMY

- ◆ The medical sector in the Columbia region emerged over the 1990's as a key component of the local economy with a regional concentration of 12.2% of total employment. On the state level, this sector accounts for only 7.2% of total employment.
- ◆ There are over 34,000 people currently employed in the medical sector in the Columbia region, up from just over 30,000 in 2000.
- ◆ According to the South Carolina Employment Security Commission, nurses rank in the top 10 most difficult positions to fill, showing the increased demand for healthcare in the region.
- ◆ In 2004, Columbia based Palmetto Health, Greenville Hospital System, the Medical University of South Carolina, and the University of South Carolina formed a statewide healthcare research collaborative. With matching state funds, this agreement will add \$160 million in research funds over the next 10 years to the healthcare economy. With two of the four players located in Columbia, this will vastly stimulate the local medical sector.

MARKET FORECAST

- ◆ The forecast for 2005 and into 2006 is continued expansion of the medical market. The market quickly absorbed much of the new construction in 2004, even with the emerging trend for physicians to move into their own facilities. We would expect the greatest expansion in the suburban market where population growth is the greatest.

SURVEY METHODOLOGY

- ◆ The Medical Office Market Review survey's 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.

NOTE: Permission is granted to quote from this publication only when Colliers Keenan Inc. is credited as the source. All information contained herein was compiled utilizing data from sources deemed reliable. It is submitted without warranty. Statistical data was collected as of March 31, 2005.

**For further information on
the Columbia, SC medical
office market
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