



South Carolina

Retail

21Q3

Key Takeaways

- Trends in income, population and retail sales growth will benefit retail in South Carolina
- The overall retail market vacancy dropped to 5.73%



Vacancy Rate
5.73%

Q3 YOY
Q4 FORECAST



Net Absorption
185K_{SF}

Q2 YOY
Q4 FORECAST



Under Construction
322K_{SF}

Q3 YOY
Q4 FORECAST



Overall Shop Space Rent
\$22.15/SF

Q3 YOY
Q4 FORECAST

2020 Census results are positive for South Carolina

According to the 2020 Census, South Carolina population has grown from 4.63 million in 2010 to 5.12 million people in 2020, an increase of 10.66% over the past ten years. The average median household income within South Carolina during 2020 was \$56,360, a 33.82% increase over the 2010 average median income \$42,117. In addition, gross retail sales have increased by 50.53% from 2010 through 2021. With population and incomes expected to continue to have steady growth in the State over the next decade, demand for new brick-and-mortar retail will remain strong. As the pandemic has receded, consumers have flooded back to brick-and-mortar stores. When supply chain issues and the struggling labor market stabilize, brick-and-mortar retail in South Carolina will continue to flourish.

Local Market Indicators



4.1%
Unemployment Rate



4.68%
GDP - Quarterly % Change



1.483%
U.S. 10 Year Treasury Note

Historic Comparison

	20Q3	21Q2	21Q3
Total Inventory (in Millions of SF)	97.76	98.43	98.62
New Supply (in Thousands of SF)	-	12.6	105.5
Net Absorption (in Thousands of SF)	-275.4	184.9	184.9
Overall Vacancy	6.17%	5.73%	5.73%
Under Construction (in Thousands of SF)	274.45	322.45	322.45
Overall Lease Rates (in \$/SF)	\$22.13	\$22.15	\$22.15

Absorption, New Supply & Vacancy Trends



The South Carolina retail market is recouping some of square feet lost during the pandemic. Anchor spaces are being absorbed and the overall vacancy rate in South Carolina dropped to 5.73%.

Recent Transactions



Sale
Low Country Village
H.H./Bluffton | 155K SF



Sale
Commons at Winthrop
Charlotte (SC portion) |
111K SF



Sale
Village at Sandhills
110-130 Forum Dr.
CAE | 99.9K SF



Sale
Commons at Magnolia
Small Markets | 96.5K SF



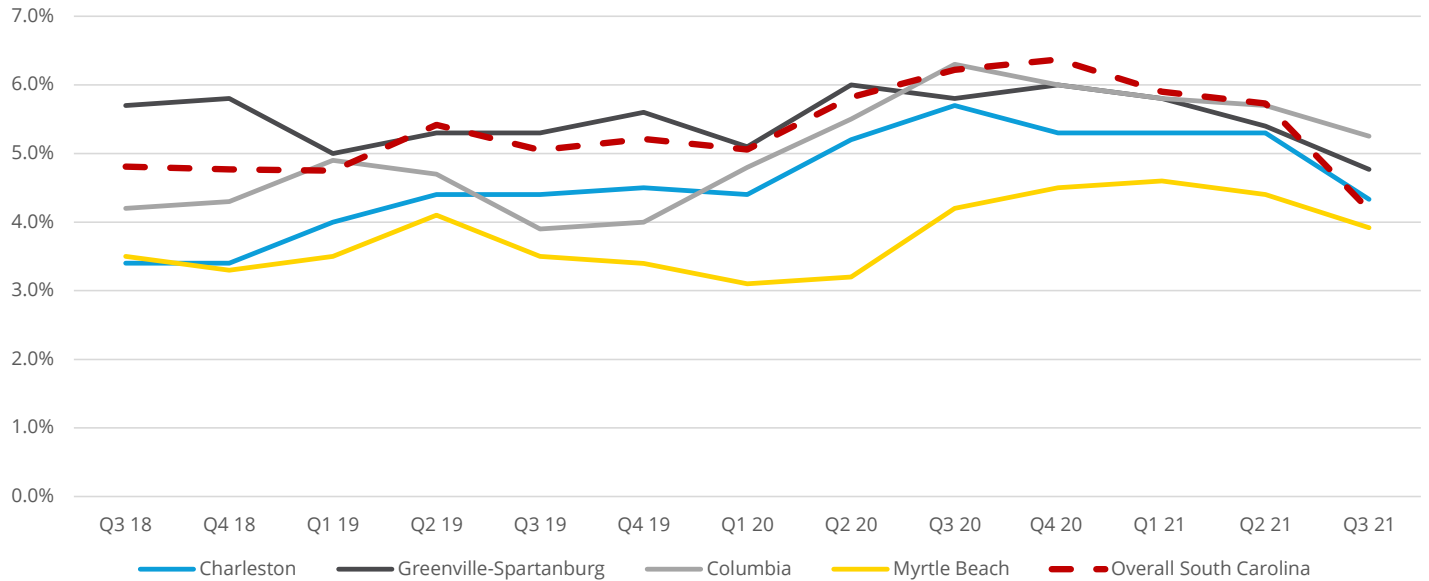
Lease
Spirit Halloween
Charlotte (SC portion)
75K SF



Lease
Dick's Sporting Goods
Charlotte (SC portion) |
47K SF

Source: CoStar, RCA, Colliers

Historical Vacancy Trends of South Carolina Retail Markets



Source: CoStar, Colliers

Q3 2021 Retail Market Summary Statistics

South Carolina

Shopping Center Market	Inventory (SF)	Vacancy Rate (%)	Anchor space greater than ± 25,000 SF		Jr. anchor space 10,000 SF to 25,000 SF		Shop space less than ±10,000 SF	
			Vacant (SF)	Asking Rent (NNN)	Vacant (SF)	Asking Rent (NNN)	Vacant (SF)	Asking Rent (NNN)
South Carolina								
Augusta (SC portion)	8,115,713	5.34%	273,829	-	53,320	-	105,868	\$23.98
Charleston	19,845,797	4.33%	307,866	\$15.00	98,690	\$20.00	451,967	\$27.10
Charlotte (SC portion)	4,040,145	8.24%	215,231	-	-	-	117,531	\$26.64
Columbia	13,415,352	5.25%	195,757	-	119,620	\$18.00	388,713	\$21.08
Greenville/Spartanburg	28,296,769	4.77%	736,158	\$6.32	155,312	\$30.00	459,529	\$18.00
Hilton Head/Bluffton	4,920,073	4.11%	123,885	\$10.00	22,000	\$14.00	56,426	\$22.83
Myrtle Beach	11,638,421	3.92%	238,334	-	94,090	\$11.65	123,474	\$16.72
Small Markets	8,347,859	8.36%	523,613	\$9.82	33,819	\$13.00	140,715	\$13.14
South Carolina Total	98,620,129	5.11%	2,614,673	\$8.77	576,851	\$19.50	1,844,223	\$21.06

396 offices in 68 countries on 6 continents

United States: 153
Canada: 29
Latin America: 24
Asia Pacific: 79
EMEA: 111



\$3.3B
in revenue



2B
square feet under management



17,000 +
professionals and staff

In 2021, Colliers changed its retail data collection methodology. Retail submarkets were identified where there was a large concentration of retail activity in traditional suburban and urban environments. Within these submarkets, all retail properties were included except freestanding restaurants, automotive dealerships, automotive repair, movie theatres and other special purpose buildings. Each property was then divided into three categories of space, anchor (25,000 s.f. or larger), junior anchor (10,000 s.f. to 25,000 s.f.) and shop space (10,000 s.f. or smaller) for the purpose of tracking vacancy and rental rate dating back to the beginning of 2017. Because of the changes to our methodology, users of the report should not compare data from reports published before May 2021.

About Colliers South Carolina

Colliers | South Carolina has over 150 staff members, including 62 licensed real estate professionals, covering the entire state with locations in Charleston, Columbia, Greenville and Spartanburg. Total 2020 brokerage volume exceeded \$533 million, which included over 456 sales and leasing transactions. In addition to traditional commercial real estate representation services for our clients, the company is actively engaged in Corporate Solutions and Healthcare Services. Colliers is an Accredited Management Organization (AMO) through the Institute of Real Estate Management (IREM) and is the largest manager of commercial real estate properties in South Carolina, with a portfolio of over 16 million square feet of office, industrial, retail and healthcare properties. Colliers International's staff hold 49 professional designations, the most of any firm in South Carolina. Colliers | South Carolina's partner, LCK, provides project management services for new facilities and renovations across South Carolina.

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