



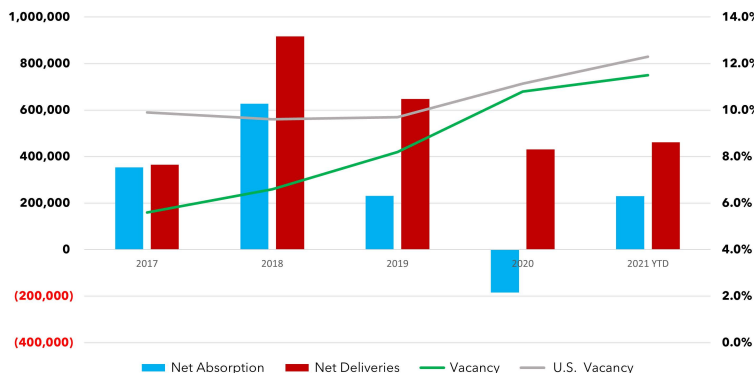
OFFICE MARKET OVERVIEW

PAUL PASCHAL, Vice President

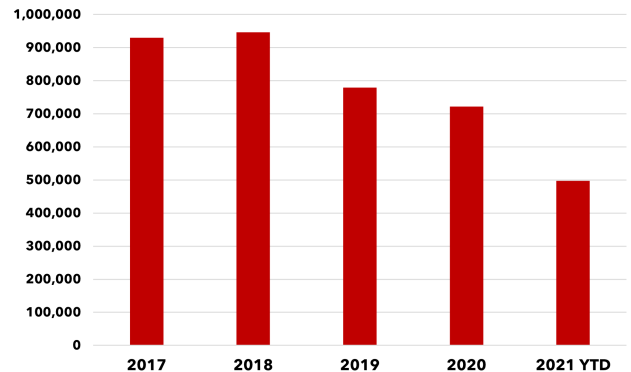
As employees return to the office, tenants use of space will impact the market for the foreseeable future. Ignited by coronavirus, over 400,000 SF of office space was listed for sublease at the pandemic's onset, and much of that remains available. Additionally, 510,000 SF of new space will be completed soon, with only 55% preleased. The combination of the incoming inventory and sublease space could drag office fundamentals further despite positive economic indicators for the market. While annual rent growth has slowed, investors signal a belief in the sector's long-term sustainability. Sales volume has remained strong through 2021, with over \$130M transacted this year. As workers return to the office, heightened investment demand will continue.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	240,042	110,272	(57,184)	(269,098)	24,917
▲ Vacancy Rate	11.40%	10.90%	12.96%	11.95%	11.07%
▲ Avg NNN Asking Rate PSF	\$26.17	\$24.54	\$24.17	\$21.25	\$21.28
▼ SF Under Construction	497,705	567,617	647,368	553,802	350,790
▲ Inventory SF	23,238,398	23,102,399	22,766,061	22,533,061	21,711,797

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4401 Leeds Avenue North Charleston, SC	106,000 SF	\$29,250,000 \$275.94 PSF	SilverCap Partners, LLC Holder Properties	Class A
170 Meeting Street Charleston, SC	33,200 SF	\$13,850,000 \$417.17 PSF	The Montford Group Palmetto Commercial Properties	Class B
291 Tricom Street North Charleston, SC	23,558 SF	\$7,000,000 \$297.14 PSF	Global Medical REIT Inc. Charleston Oncology, PA	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3450 Ingleside Boulevard North Charleston, SC	80,000SF	Capri Investment Group	Telus International	Communications and Information Technology
146 Fairchild Street Charleston, SC	22,419 SF	The Becker Organization	Total Quality Logistics	Logistics
174 Meeting Street Charleston, SC	15,039 SF	Cobalt Property Group	EPI Group, LLC	Newspaper

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