



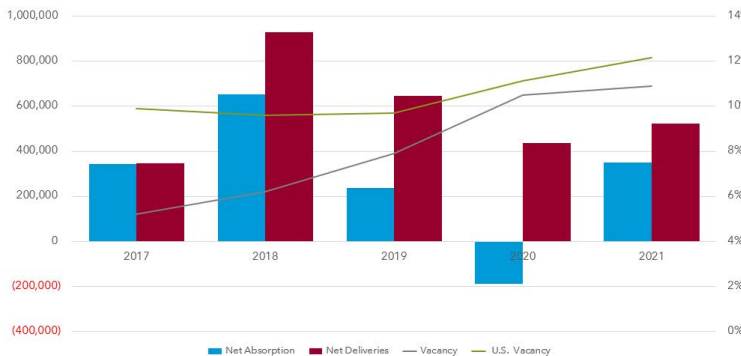
OFFICE MARKET OVERVIEW

PETE HARPER, *Principal*

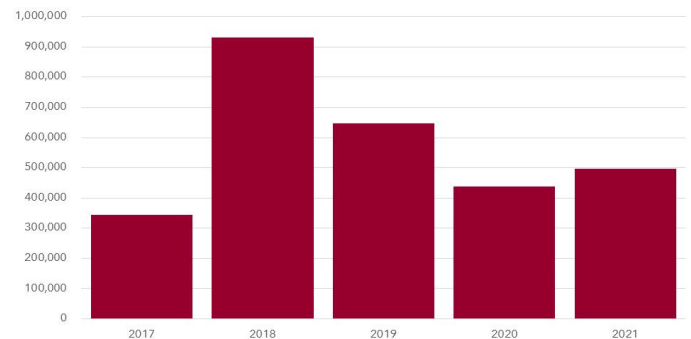
Charleston's office market continued to remain stable through 2021 with many indicators improving. Office leasing increased as the year progressed, while sublet inventory decreased by almost 400,000 SF. Charleston remains below the national average for overall office vacancy at 9% but is still above the pre-pandemic rate of 6.5% at the end of 2019. Net absorption remained positive all quarters for a total of nearly 400,000 SF taken. New office construction is focused primarily in the downtown submarket with 680,000 SF currently in progress. Half of this new office space will be leased before delivery. Charleston is looking good to outside investors looking for higher than average returns.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▲ 12 Mo. Net Absorption SF	349,371	240,042	110,272	(57,184)	(269,098)
▼ Vacancy Rate	10.90%	11.00%	11.00%	11.30%	10.50%
▲ Avg NNN Asking Rate PSF	\$25.82	\$25.55	\$25.10	\$24.95	\$25.02
▲ SF Under Construction	659,982	497,705	567,617	647,368	553,802
▲ Inventory SF	23,088,708	23,055,079	22,950,264	22,881,785	22,593,785

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
125 Doughty Street Charleston, SC	122,780 SF	\$9,000,000 \$73.30 PSF	Roper St. Francis Healthcare Clydie Debrux	Class B
2155 Eagle Drive North Charleston, SC	86,572 SF	\$6,200,000 \$71.62 PSF	Redline Property Partners Slosburg Company	Class B
1 S Park Circle Charleston, SC	75,000 SF	\$17,462,263 \$232.83 PSF	Boyd Watterson Asset Management JEMA	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4500 Leeds Avenue North Charleston, SC	37,842SF	LRC-Leeds LLC	Urban Electric	Manufacturer
201 Sigma Drive Summerville, SC	24,362 SF	LMHT Capital	Undisclosed	Undisclosed
850 Morrison Drive Charleston, SC	22,654 SF	Origin Development Partners	Pinnacle Bank	Financial Services