

Q4
2021

CHARLESTON **CRANE TRACKER**

Monitoring Development in
Charleston's Industrial
Commercial Real Estate Market



960 Morrison Drive, Suite 400
Charleston, SC 29403
843.747.1200
lee-charleston.com





// WAREHOUSE CROSSROADS

Demand for industrial property in the Charleston market is higher than ever. With SC Ports firing on all cylinders and regional growth continuing to boom, what's in store for investors and occupiers of industrial real estate?

The global supply chain overcrowding and warehouse crunch has trickled down to Charleston.

The current industrial environment in the Lowcountry features port bottleneck, plummeting warehouse inventory levels, historically low vacancy rate, and tenants jockeying for square footage. There are several factors at play, but there is one major takeaway: **demand for warehousing in Charleston is higher than ever.**

Consumer spending and retail imports have not slowed past their early 2021 peak, when people around the nation spent abundantly, and supply chain players struggled to keep up. Part of that struggle was finding space close to major seaports to organize, store, and transload those goods. Charleston has come into focus as an industrial market where major

retailers, investors, and logistics companies **need** to have a presence. Much like other port-reliant markets, Charleston is experiencing a space crunch like never before. Vacancy is at its lowest historical point (3.98%), and warehouse product of every size, shape, color, and condition is being snapped up at record pace.

This includes several landmark Class-A deals, at a time where the “big-box” sector of Charleston’s industrial inventory is just now beginning its ascent in earnest. Four new leases over 300,000 SF were inked in the last half of 2021, and four fully leased big-box, pristine logistics centers traded hands. Institutional investors have been involved in these new-age industrial deals, indicating that the world is taking notice of Charleston’s advantage as a regional transportation hub.

All of this leads to one resounding impact: **the Charleston warehouse market requires more buildings.** Tenant demand shows no signs of slowing, barring complete economic upheaval and slashed consumer spending (which doesn’t seem likely; even in the middle of a global pandemic people bought more goods than ever). As we’ve referenced before, SC Ports drew the parallel between the number of containers the import each year and the amount of warehouse space the Charleston market needs. They projected 3.3M SF will be required each year for the next decade. So far, this forecast has been spot on.

Our market is making strides—a whopping 6M+ SF is currently under construction and set to be delivered to the Charleston market within the next year. This is an excellent start, but to maintain a healthy balance where tenants, landlords, investors, workers, and consumers can thrive, we will likely need to continue similar construction output for the foreseeable future.

01 Charleston Market Highlights: Page 04

02 Featured Listings: Page 10

03 Submarket Breakdown: Page 12

04 Completed Construction: Page 16

05 BTS Construction: Page 17

06 Under Construction: Page 18

07 Proposed Construction: Page 22

08 Industrial Market Experts: Page 26

Q4 2021 MARKET HIGHLIGHTS

76,820,249
TOTAL MARKET SF

5,932,999 SF
UNDER CONSTRUCTION

4,640,615 SF
YTD NET ABSORPTION

2,111,622 SF
YTD DELIVERIES

3.98%
VACANCY RATE

\$6.26
MARKET RENT (NNN)



DEMAND DEFINED

MAJOR LEASE + SALE ACTION IN CHARLESTON

Retailers, investors, and a variety of supply chain tenants have continued to recognize the value of being located near rapidly growing regional transportation hubs like Charleston. ***The only thing growing faster than the population is the Port of Charleston's TEU import capability***, and our region features economic incentives, a robust workforce, and an abundance of opportunity. When paired with Charleston's globally renowned quality of life and cultural sensibilities, there is no question why this region piques the interest of even the most astute supply chain decision makers.

The convergence of these advantages has led to several recent major industrial leases and sales in the Charleston market, with many more on the horizon.

//
**THE ONLY THING GROWING FASTER
THAN THE POPULATION
IS THE PORT OF CHARLESTON'S
TEU IMPORT CAPABILITY...**

RECENT LANDMARK LEASES:



1. 401 TRADE CENTER PKWY.

LEASED: 1,019,200 SF
TENANT: Twin Star Home
INDUSTRY: Home Furninshing
Manufacturing



2. 574 TRADE CENTER PKWY.

LEASED: 430,920 SF
TENANT: Sagebrook Home
INDUSTRY: Home Furninshing
Manufacturing



3. 300 TRADE ZONE BLVD.

LEASED: 339,400 SF
TENANT: DHI Corp (Design House)
INDUSTRY: Home Furninshing
Manufacturing

RECENT LANDMARK SALES:



1. 401 TRADE CENTER PKWY.

PRICE: \$109 Million
SIZE: 1,019,200 SF
PRICE/SF: \$106.95/SF
BUYER: KKR



2. 330 OMNI DRIVE

PRICE: \$65.9 Million
SIZE: 240,800 SF
PRICE/SF: \$273.67/SF
BUYER: Mapletree



3. 574 TRADE CENTER PKWY.

PRICE: \$33 Million
SIZE: 430,920 SF
PRICE/SF: \$76.58/SF
BUYER: The Lightstone Group

IS SUPPLY KEEPING PACE?

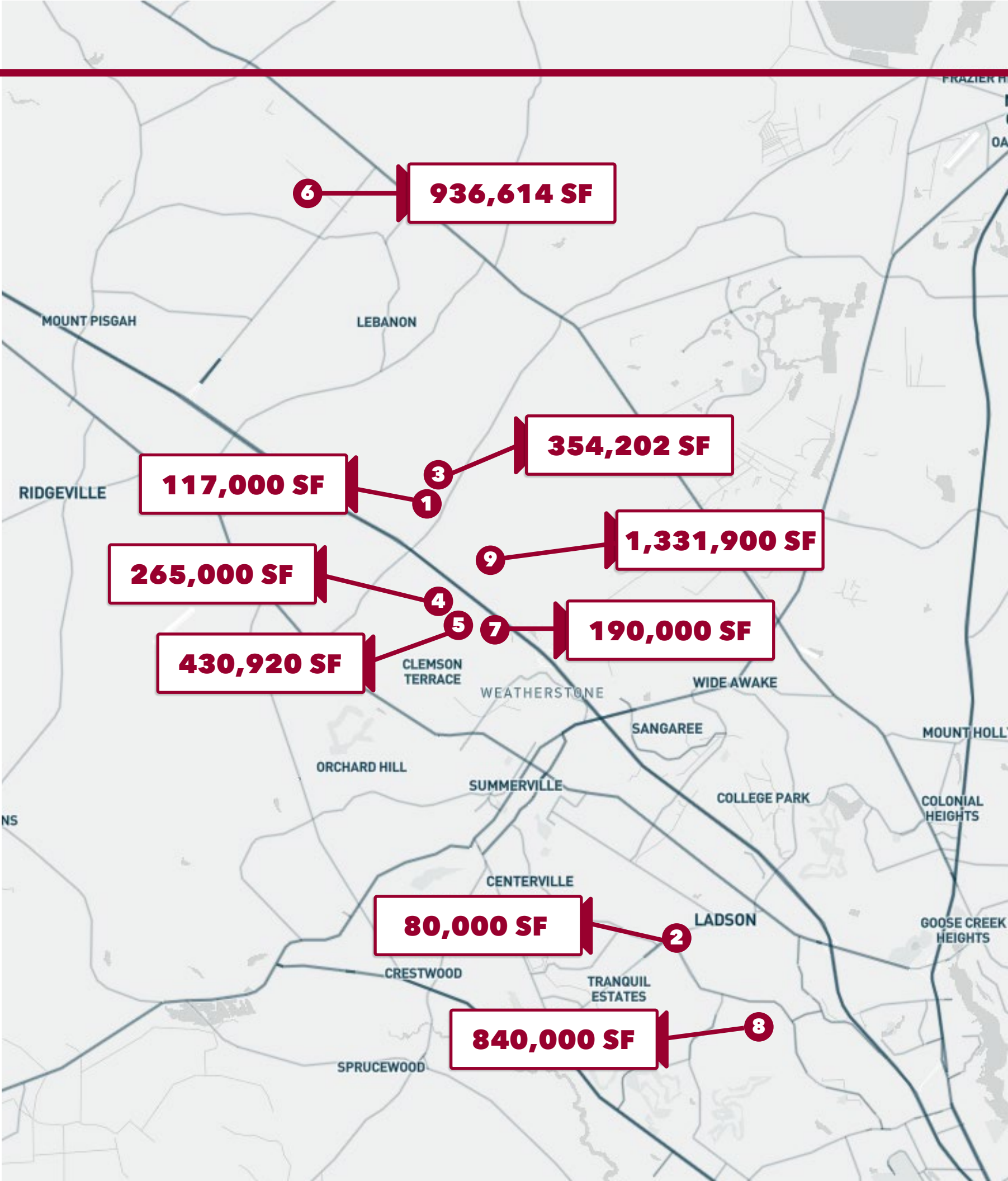
STRONG PIPELINE OF UNDER CONSTRUCTION PROJECTS

The Port of Charleston is a clear economic behemoth for our region, and has created an environment where industrial real estate is becoming scarce. The Charleston-area warehouse market is intrinsically tied to port performance, and data suggests that we'll require an additional 33 million SF by 2030. This equates to 3.3 million SF per year for the next decade.

The good news? ***There is currently 6M SF under construction in the Charleston region to support the demand.***

And when looking at the geographical positioning of these projects, the clear trend points away from the coast. As land scarcity continues to be an issue closer to the Peninsula and near the port terminals, we have seen the vast majority of new development cascading up the I-26 corridor through North Charleston, up to Summerville and beyond. Camp Hall Commerce Park and Walmart's Ridgeville behemoth epitomize this movement, and we envision this inland industrial sprawl to continue in 2022-2023.

- 1 334 PORT CITY CENTRE DRIVE
- 2 9581 PALMETTO COMMERCE PARKWAY
- 3 410 TRADEPORT DRIVE
- 4 1130 NEWTON WAY
- 5 574 TRADE CENTER PARKWAY
- 6 2260 VOLVO CAR DRIVE
- 7 168 PORTSIDE PARK DRIVE
- 8 0 WEBER BOULEVARD
- 9 100 OMNI INDUSTRIAL BOULEVARD



FEATURED LISTINGS

Here at Lee & Associates, we are proud to play an integral role in the amplification of the Charleston industrial market.

Our firm's listings embody the state of the market: new, in-demand, and adaptive to the ever-changing landscape.

To the right is just a sampling of some available, Class-A properties that we currently represent in the Charleston area.



1. 9581 PALMETTO COMMERCE PKWY
9581 PALMETTO COMMERCE PARKWAY,
LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: Distribution
Status: Delivered
RBA: 80,000 SF | 0% Leased
Land Area: 8.6 Acres



2. PORT CITY CENTRE
334 PORT CITY CENTRE DRIVE
SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: Distribution
Status: Under Construction
RBA: 117,000 SF | 0% Leased
Asking Rate: \$6.00/NNN
Land Area: 13.75 Acres



3. TRIAD
8439 PALMETTO COMMERCE PARKWAY,
LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: Distribution
Status: Delivered
RBA: 46,988 SF | 66.5% Leased
Asking Rate: \$10.50/NNN
Land Area: 4.83 Acres



4. 7054 WEBER BLVD
7054 WEBER BLVD
LADSON, SC 29456 (CHARLESTON COUNTY)

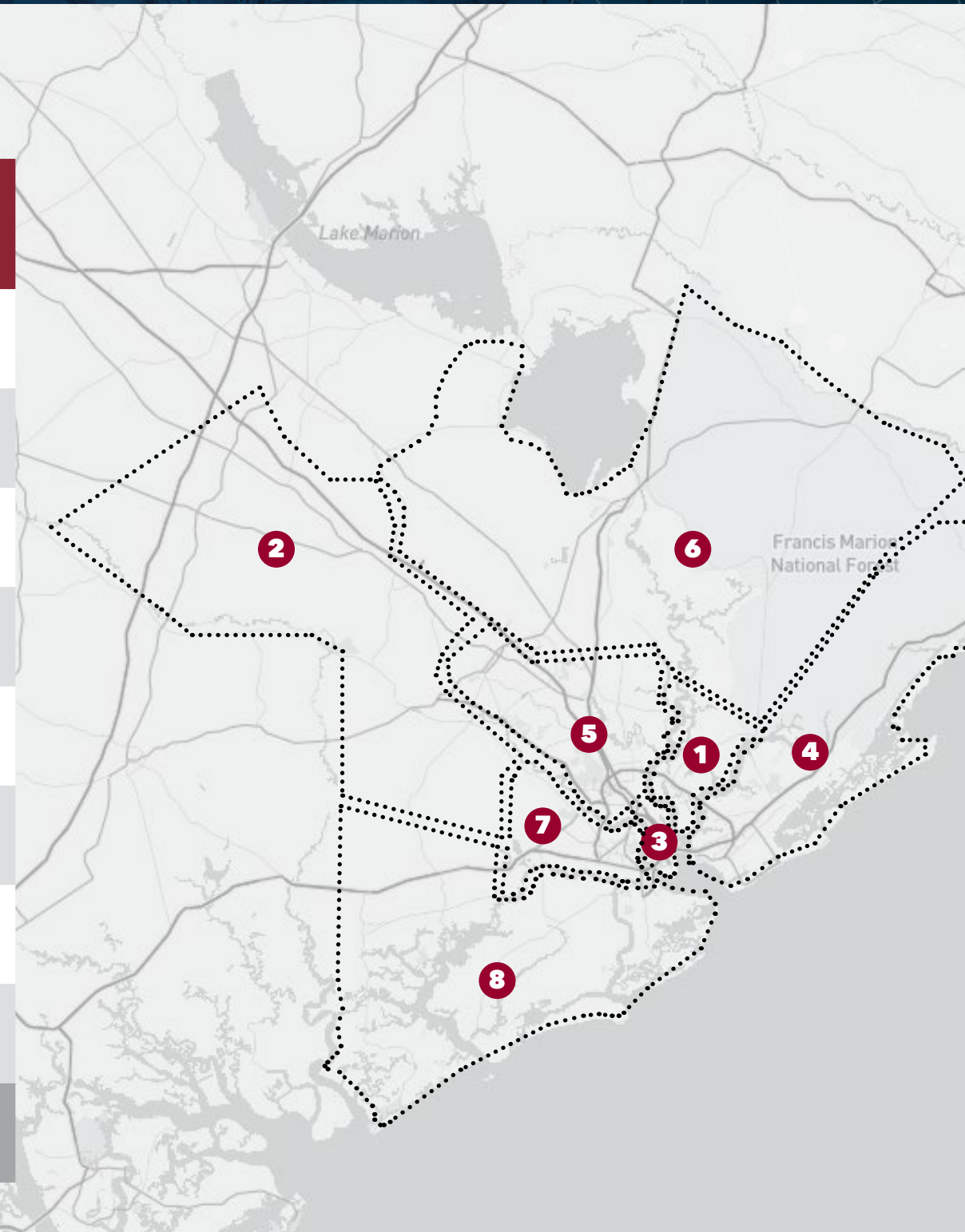
Building Type: Distribution
Status: Delivered
RBA: 298,352 SF
Land Area: 31.62 Acres

[VIEW MORE PROPERTIES](#)

SUBMARKET OVERVIEW

Q4 2021 STATS BY SUBMARKET - 10,000 SF AND ABOVE

	Submarket	Total Buildings	Total SF	Total Vacant SF	% Vacant	YTD Net Absorption SF	YTD Deliveries SF	Under Construction SF	NNN Rent Avg
1	Daniel Island	54	4,745,933	6,875	0.10%	527,242	17,500	0	\$7.71
2	Dorchester County	146	8,573,420	569,524	7.60%	270,825	30,000	22,000	\$5.35
3	Downtown Charleston	59	1,614,677	37,800	2.30%	13,515	0	0	\$11.76
4	Mt. Pleasant/Awendaw	25	671,306	9,828	1.50%	15,817	0	0	\$7.13
5	North Charleston	536	30,190,199	1,128,042	4.60%	1,277,516	585,122	1,159,721	\$6.91
6	Outlying Berkeley County	233	29,351,730	654,690	2.20%	2,523,070	1,479,000	4,751,278	\$5.04
7	West Ashley	26	564,263	0	0.00%	8,420	0	0	\$6.50
8	West Charleston County	37	1,108,721	147,157	13.50%	4,210	0	0	\$13.00
	MARKET TOTALS	1,116	76,820,249	2,553,916	3.98%	4,640,615	2,111,622	5,932,999	\$6.26



ACTIVITY MAP

► COMPLETED CONSTRUCTION

- | | |
|---------------------------|----------------------------|
| 1 4269 Crosspoint Drive | 3 300 Trade Zone Boulevard |
| 2 Charleston Trade Center | |

► UNDER CONSTRUCTION

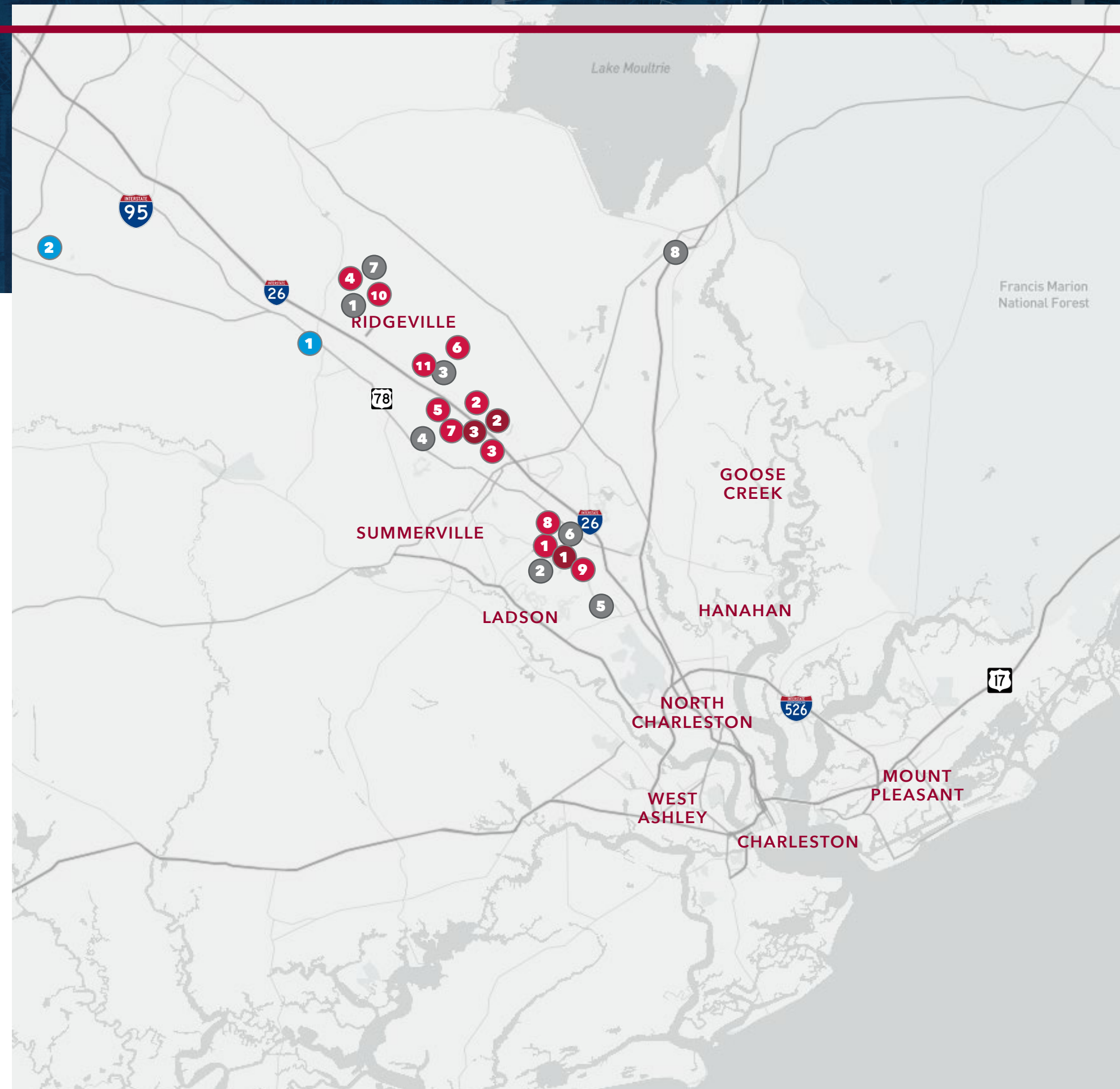
- | | |
|---------------------------------|---|
| 1 9581 Palmetto Commerce Pkwy | 7 Charleston Trade Center |
| 2 Port City Centre (Building 2) | 8 Ladson Industrial Park (Bldg. 2 & 3) |
| 3 Portside Distribution Center | 9 Trade Park East (Bldg. 1, 2, 3, & 4) |
| 4 Camp Hall Campus 5 | 10 Camp Hall Campus 4A (Bldg. 1, 2, 3, & 4) |
| 5 1130 Newton Way | 11 Omni Industrial Campus (Bldg. 2, 3, & 4) |
| 6 Tradeport Business Park | |

► PROPOSED CONSTRUCTION

- | | |
|-------------------------------|-------------------------------------|
| 1 Vantage Point at Camp Hall | 5 Palmetto Trade Center - Phase II |
| 2 9785 Palmetto Commerce Pkwy | 6 HWY 78 & Ladson Road |
| 3 Omni Industrial Campus | 7 Camp Hall Campus 8 (Bldg A, B, C) |
| 4 240 Deming Way | 8 West Branch Commerce Park |

► BUILD-TO-SUIT CONSTRUCTION

- | | |
|--------------------------------|--|
| 1 Wal-Mart Distribution Center | 2 101 Winding Woods Rd (Bldg. A, B, & C) |
|--------------------------------|--|



COMPLETED CONSTRUCTION

45K+ SF



1. 4269 CROSSPOINT DRIVE 4269 CROSSPOINT DRIVE LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: Distribution
Status: Delivered Q4 2021
RBA: 182,000 SF | 100% Leased
Asking Rate: -
Land Area: 22 Acres



2. 300 TRADE ZONE BLVD. 300 TRADE ZONE BOULEVARD SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivered Q4 2021
RBA: 537,680 SF | 100% Leased
Asking Rate: -
Land Area: 118.73 Acres



3. CHARLESTON TRADE CENTER 401 TRADE CENTER PARKWAY SUMMERVILLE, SC 29456 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivered Q4 2021
RBA: 1,019,200 SF | 100% Leased
Asking Rate: -
Land Area: 62.32 Acres

BUILD-TO-SUIT CONSTRUCTION

45K+ SF



1. WAL-MART DISTRIBUTION CENTER 440 RIDGEVILLE ROAD RIDGEVILLE, SC 29472 (DORCHESTER COUNTY)

Building Type: Distribution
Status: Delivers Q2 2022
RBA: 3,000,000 SF
Asking Rate: -
Land Area: 250 Acres



2. 101 WINDING WOODS RD. 101 WINDING WOODS RD. (BLDG. A,B,C) SAINT GEORGE, SC 29477

Building Type: Distribution
Status: Proposed BTS
RBA: 1,458,452 SF
Asking Rate: -
Land Area: 45.91 Acres

UNDER CONSTRUCTION

45K+ SF



1. 9581 PALMETTO COMMERCE PKWY
9581 PALMETTO COMMERCE PARKWAY,
LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: Distribution
Status: Delivers Q1 2022
RBA: 80,000 SF | 0% Leased
Asking Rate: \$-
Land Area: 8.6 Acres



4. CAMP HALL CAMPUS 5
0 AUTONOMOUS DRIVE,
SUMMERVILLE, SC 29486 (BERKELEY COUNTY)

Building Type: Cold Storage
Status: Proposed
RBA: 200,000 SF | 0% Leased
Asking Rate: TBD
Land Area: 70.56 Acres



2. PORT CITY CENTRE (BLDG. 2)
334 PORT CITY CENTRE DRIVE
SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivers Q4 2022
RBA: 117,000 SF | 0% Leased
Asking Rate: \$-
Land Area: 13.75 Acres



5. 1130 NEWTON WAY
1130 NEWTON WAY
SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivers Q3 2022
RBA: 265,000 SF | 0% Leased
Asking Rate: \$5.75/NNN
Land Area: 30 Acres



3. PORTSIDE DISTRIBUTION CENTER
168 PORTSIDE PARK DRIVE
SUMMERVILLE, SC 29483 (BERKELY COUNTY)

Building Type: Distribution
Status: Delivers Q1 2023
RBA: 190,000 SF | 0% Leased
Asking Rate: TBD
Land Area: 11.08 Acres



6. TRADEPORT BUSINESS PARK
410 TRADEPORT DR. (BLDG. 2),
SUMMERVILLE, SC 29486 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivers Q2 2022
RBA: 354,202 SF | 73% Leased
Asking Rate: \$5.50/NNN
Land Area: 498.93 Acres

UNDER CONSTRUCTION

45K+ SF



7. CHARLESTON TRADE CENTER
574 TRADE CENTER PARKWAY
SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivers Q4 2022
RBA: 430,920 SF | 100% Leased
Asking Rate: \$-
Land Area: 35.26 Acres



10. CAMP HALL CAMPUS 4A(BLDG. A,B,C)
2260 VOLVO CAR DRIVE
SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: Distribution
Status: Delivers Q4 2022
RBA: 939,614 SF | 0% Leased
Asking Rate: \$5.45/NNN
Land Area: 30 Acres



8. LADSON INDUSTRIAL PARK(BLDG.2,3)
COMMERCE CENTER ROAD
LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: -
Status: Delivers Q4 2022
RBA: 508,620 SF | 0% Leased
Asking Rate: \$6.50/NNN
Land Area: 107 Acres



11. OMNI INDUSTRIAL (BLDG.2,3,4)
100 OMNI INDUSTRIAL BOULEVARD,
SUMMERVILLE, SC 29483 (BERKELEY COUNTY)

Building Type: -
Status: Delivers Q4 2022
RBA: 971,580 SF | 27% Leased
Asking Rate: TBD
Land Area: 100.62 Acres



9. TRADE PARK EAST (BLDG. 1,2,3,4)
0 WEBER BOULEVARD,
LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: Distribution
Status: Delivers 2022
RBA: 840,000 SF | 0% Leased
Asking Rate: TBD
Land Area: -

PROPOSED CONSTRUCTION

45K+ SF



1. VANTAGE POINT AT CAMP HALL
135 ELECTRIC AVENUE
RIDGEVILLE, SC 29472 (BERKELEY COUNTY)

Building Type: -
Status: Proposed
RBA: 157,500 SF | 0% Leased
Asking Rate: \$6.50/NNN
Land Area: 10 Acres



3. OMNI INDUSTRIAL CAMPUS
259 DROP OFF BLVD., PAD 4,
SUMMERVILLE, SC, 29483 (BERKELY COUNTY)

Building Type: -
Status: Proposed
RBA: 220,000 SF | 0% Leased
Asking Rate: \$6.50/NNN
Land Area: 20.6 Acres



2. 9785 PALMETTO COMMERCE PKWY
9785 PALMETTO COMMERCE PARKWAY,
LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: -
Status: Proposed
RBA: 209,045 SF | 0% Leased
Asking Rate: TBD
Land Area: 187.96 Acres



4. 240 DEMING WAY
240 DEMING WAY
SUMMERVILLE, SC 29483 (DORCHESTER COUNTY)

Building Type: -
Status: Proposed
RBA: 229,840 SF | 0% Leased
Asking Rate: TBD
Land Area: 24.14 Acres

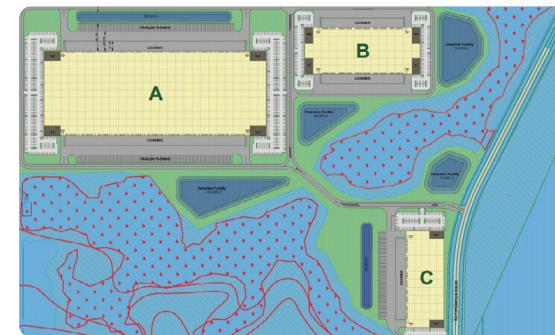
PROPOSED CONSTRUCTION

45K+ SF



5. PALMETTO TRADE CENTER, PHASE II 7755 PALMETTO COMMERCE PARKWAY, LADSON, SC 29420 (CHARLESTON COUNTY)

Building Type: -
Status: Proposed
RBA: 245,000 SF | 0% Leased
Asking Rate: \$6.90/NNN
Land Area: 30.5 Acres



7. CAMP HALL CAMPUS 8 (BLDG.A,B,C) CAMP HALL ROAD RIDGEVILLE, SC 29472 (BERKELEY COUNTY)

Building Type: -
Status: Proposed
RBA: 1,444,800 SF | 0% Leased
Asking Rate: \$-
Land Area: - Acres



6. HWY 78 & LADSON ROAD HWY 78 & LADSON ROAD, LADSON, SC 29456 (CHARLESTON COUNTY)

Building Type: -
Status: Proposed
RBA: 248,000 SF | 0% Leased
Asking Rate: \$6.50/NNN
Land Area: 21.24 Acres



8. WEST BRANCH COMMERCE PARK 0 GAILARD ROAD MONCK'S CORNER, SC 29461 (BERKELY COUNTY)

Building Type: -
Status: Proposed
RBA: 1,500,000 SF | 0% Leased
Asking Rate: \$5.25/NNN
Land Area: 450 Acres

INDUSTRIAL SPECIALISTS

2021 TEAM STATS:

588,215

TOTAL INDUSTRIAL
SQUARE FEET SOLD

\$32.3 M

INDUSTRIAL SALE
TRANSACTION VOLUME

1,092,378

TOTAL INDUSTRIAL
SQUARE FEET LEASED

\$25.2 M

INDUSTRIAL LEASE
TRANSACTION VOLUME



MILTON THOMAS, CCIM, SIOR | MANAGING PRINCIPAL

Milton is a twenty-nine year veteran of the commercial real estate industry in Charleston, SC. He leads commercial site selection and build-to-suit projects with integrity and a high degree of expertise and accountability. He has earned a solid reputation in the industrial market by listening to his clients and guarding their interests. Milton gets to know his client's business, their market and their goals, leading them to the best decisions for their needs.



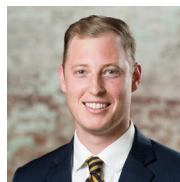
RYAN WELCH, SIOR | PRINCIPAL

Ryan has experience and expertise encompassing the management of a diversity of commercial real estate types including land and industrial properties. Ryan has extensive agriculture experience with land and timber tracks, as well as sales of industrial buildings for landlords throughout the state of South Carolina.



THOMAS BUIST, SIOR | VICE PRESIDENT

Thomas specializes in sales and leasing of industrial and warehouse inventory. He offers over 30 years of experience in industrial commercial real estate as a state-licensed broker and is a past South Carolina licensed appraiser. Thomas is a native of Charleston, South Carolina, giving him an exceptional range of personal and business contacts to draw upon. Thomas also has expertise in ports, 3PL, bulk commodities, intermodal and land acquisition/assembly.



JON-MICHAEL BROCK | VICE PRESIDENT

Jon-Michael joined Lee's Industrial Brokerage Team in 2018, where his primary focus is the sales and leasing of single tenant and multi-tenant industrial properties. Jon-Michael has represented sales & leasing of both national/local landlords and tenants. He graduated from the College of Charleston.



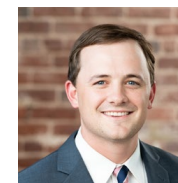
ALEX POPOVICH | VICE PRESIDENT

Alex is a Vice President at Lee & Associates Charleston where he specializes in Class A industrial as well as office, land, and retail leasing and sales, representing both landlords and tenants. He has over 7 years of commercial real estate experience in Charleston and has completed numerous transactions throughout the country after graduating from the College of Charleston.



PAUL PASCHAL | VICE PRESIDENT

Paul has specialized in investment sales of office, flex, and industrial properties, for the past seven years. Paul is committed to long-term client relationships and brokering investment quality office and industrial assets in the southeastern United States. Paul graduated from the University of North Carolina - Chapel Hill in 2014 with a Bachelor's Degree in Communication and Media Studies. His multi-market experience, ability to drive out of state capital investments, and interpersonal communication skills have successfully built a book of repeat clients and investors targeting investment quality assets throughout the southeast.



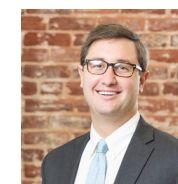
CLARKE ATTAWAY | ASSOCIATE

Clarke joined Lee's Industrial Team in 2019 after serving as a Transitional Researcher with the firm. He focuses on sales and leasing of industrial properties. Prior to joining Lee, Clarke lived in Austin, Texas where focused on single-tenant industrial properties.



JOHN KINCAID, CCIM | ASSOCIATE

John comes to Lee and Associates with several years of development experience. He graduated from Clemson University with a Master's Degree in Real Estate Development. As VP of Development for R.M. Thomas Co., Inc. for two years, John researched and composed project financials, debt/equity structures, market analysis, site selection, zoning entitlements and project design. John has worked on hundreds of multifamily, office and retail deals all over the US in major markets.



WESTON BRADLEY | ASSOCIATE

After completing the Transitional Researcher program with the firm, Lee & Associates welcomed Weston to the Industrial Brokerage Team in 2019. Along with land sales, he focuses on sales and leasing of industrial properties in South Carolina. In 2016, after graduating from The University of the South with an Economics degree and a concentration in Mathematics, he decided to make Charleston home. Weston currently holds a real estate license in South Carolina.



THOMAS FAWCETT | ASSOCIATE

Thomas Fawcett is an Associate at Lee & Associates Charleston. As an Associate, he specializes in industrial real estate with a focus on investment sales and leasing throughout the State of South Carolina. Thomas joined the brokerage team after a 2019 summer internship with the firm followed by a year as a Transitional Researcher. As a Transitional Researcher, he learned to develop agency sales and leasing plans for all product types based upon current market conditions, occupancy levels, capital budgets, and disposition strategies catered to the specific objectives of individual clients.



ASHLEY LUCAS | INDUSTRIAL CLIENT SERVICES SPECIALIST

As the Industrial Client Services Specialist, Ashley assists the industrial agents in all aspects of selling/leasing and buyer/tenant rep assignments. She performs in-depth market research, prepares important documentation, manages files, and coordinates the entire listing process from start to finish. Ashley also carries out various public relation's tasks and all aspects of marketing.



Q4
2021

CHARLESTON **CRANE TRACKER**



**LEE &
ASSOCIATES**

COMMERCIAL REAL ESTATE SERVICES

All information furnished regarding property for sale, rental or financing is from sources deemed reliable, but no warranty or representation is made to the accuracy thereof and same is submitted to errors, omissions, change of price, rental or other conditions prior to sale, lease or financing or withdrawal without notice. No liability of any kind is to be imposed on the broker herein.

960 Morrison Drive, Suite 400 | Charleston, SC 29403 | 843.747.1200 | lee-charleston.com