



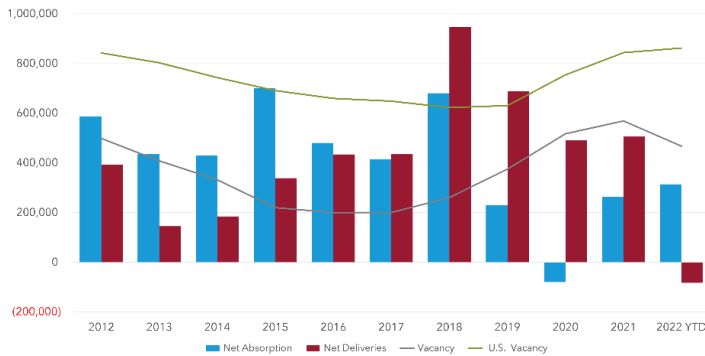
OFFICE MARKET OVERVIEW

PETER HARPER. *Principal*

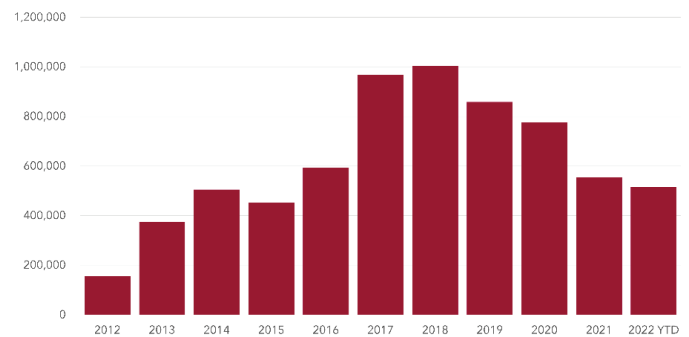
The Charleston office market has been showing no signs of slowing down. Net absorption continues to trend upward from 22Q1 at over 300,000 SF year to date. Lease deals with major companies continue such as the 41,000 SF Total Quality Logistics. 500,000 SF is expected to be delivered largely in Downtown Charleston before the end of the year and the list of preleased tenants is already filling up. However, major gap in vacancy is observed between the submarkets. Daniel Island has net negative absorption of 160,000 SF with majority being sublet space, whereas downtown is thriving at positive 200,000 SF. The overall stability remains in question as many employers continue to offer remote work.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▲ 12 Mo. Net Absorption SF	402,861	353,435	264,389	378,687	178,805
▼ Vacancy Rate	7.7%	8.1%	9.0%	8.5%	8.8%
▼ Avg NNN Asking Rate PSF	\$28.77	\$29.94	\$29.85	\$30.52	\$30.73
▼ SF Under Construction	515,553	563,593	554,983	568,817	668,133
▲ Inventory SF	32,709,645	32,631,396	32,792,008	32,764,719	32,668,435

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2401 Mall Drive North Charleston, SC	156,974 SF	\$22,000,000 \$140.15 PSF	Undisclosed Undisclosed	Class A
5640 Rivers Avenue North Charleston, SC	27,030 SF	\$3,075,000 \$113.76 PSF	Avanti Holdings Group LLC CAB3 Investments Group, LLC	Class B
1520 Old Trolley Road Summerville, SC	11,034 SF	\$2,500,000 \$226.57 PSF	Moultrieville Partners LP ES10, LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2000 Daniel Island Drive Charleston, SC	40,589 SF	Holder Properties	Total Quality Logistics	Logistics
677 King Street Charleston, SC	34,028 SF	King And Sheppard Partners LLC	Industrious	Commercial Real Estate
100 Benefitfocus Way Charleston, SC	32,500 SF	Daniel Island Executive Center LLC	Jear Logistics	Logistics