



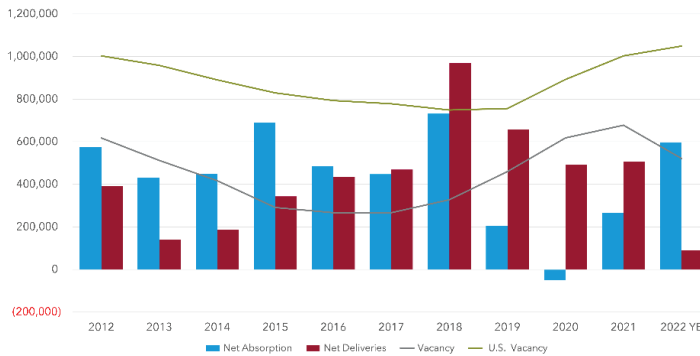
OFFICE MARKET OVERVIEW

PETE HARPER, *Principal*

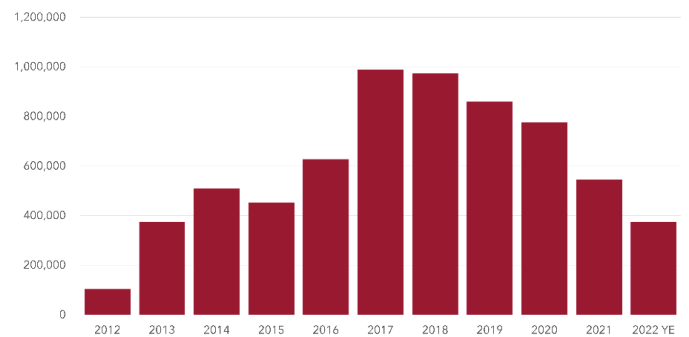
The Charleston market is slowing down but not suffering. The market vacancy rate is at 7.5%, a 1.0% improvement from a year ago. However, we continue to see some disconnect at the submarket level. Downtown is nearing its completion of over 260,000 SF Class-A office space. The larger lease deals this quarter have been in properties that are newer and near-completion in North Charleston and Downtown. Daniel Island submarket still holds the highest vacancy rate at 19.1% and yet the Average Asking Rent has grown to \$35.14/SF, a 19% increase from a year ago. Sales has dropped significantly with only \$187 million closed this year. The rising interest rate, remote work, and economic uncertainty continue to play a big part.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	595,627	131,315	466,865	411,882	266,857
▼ Vacancy Rate	7.22%	7.77%	7.34%	7.73%	8.78%
▲ Avg NNN Asking Rate PSF	\$30.70	\$30.56	\$30.30	\$29.98	\$29.46
▼ SF Under Construction	661,930	741,531	526,028	552,465	546,134
▲ Inventory SF	32,908,196	32,749,211	32,741,743	32,657,937	32,818,549

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4275 Bridge View Drive North Charleston, SC	50,000 SF	\$6,300,000 \$126.00 PSF	Movement Resources Bridgeview Properties, LLC	Class B
174 Meeting Street Charleston, SC	47,113 SF	\$16,750,000 \$355.53 PSF	Highland Ventures Ltd Cobalt Property Group	Class A
2700 Highway 52 Moncks Corner, SC	12,845 SF	\$2,116,000 \$164.73 PSF	Extra Room Self Storage Berkeley Electric Cooperative	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1101 Remount Road North Charleston, SC	110,496 SF	Accesso Partners	Undisclosed	Undisclosed
3875 Faber Place Drive North Charleston, SC	10,849 SF	Howard Ecker & Co.	Undisclosed	Undisclosed
65 Fairchild Street Daniel Island, SC	10,654 SF	Blackbaud	Undisclosed	Undisclosed