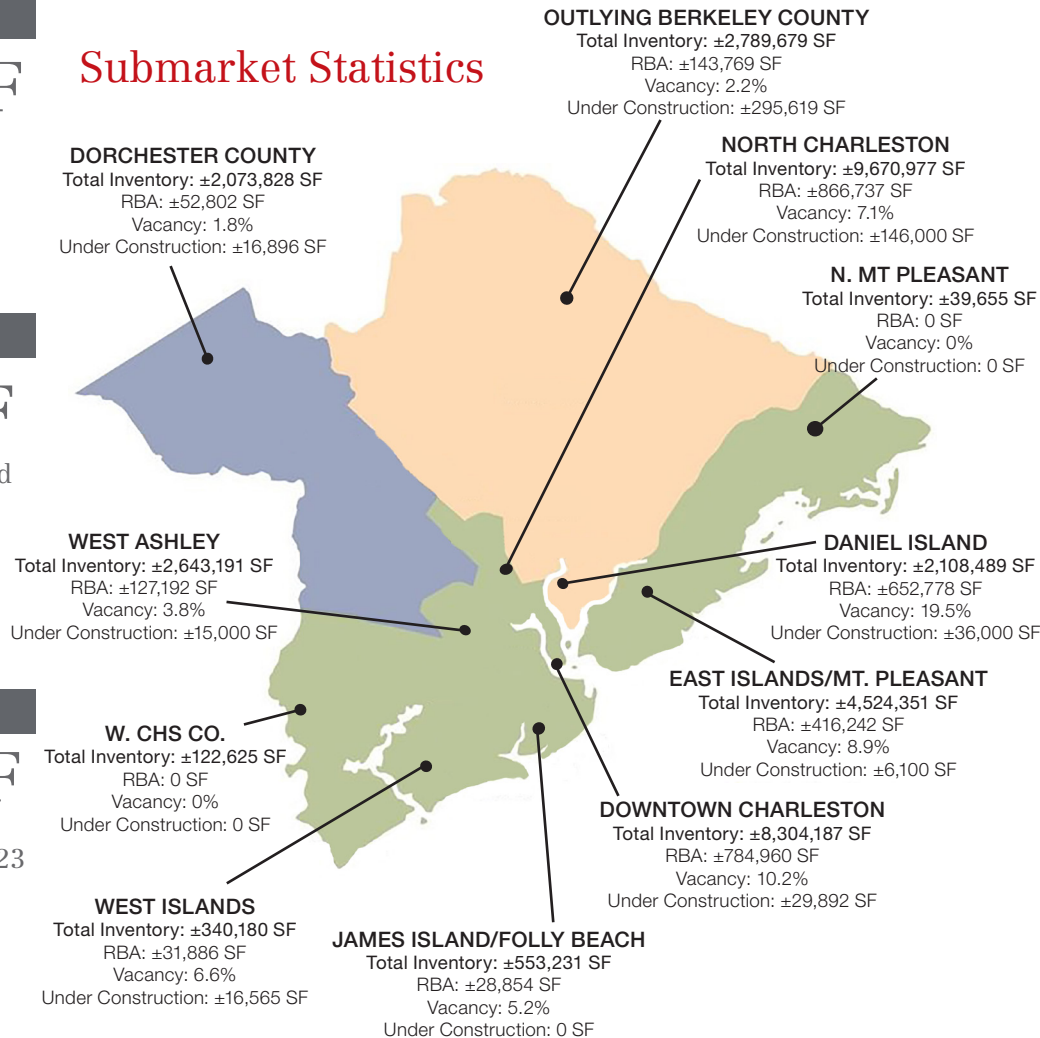


Key Market Takeaways

“The Charleston office market remained relatively stagnant through the first quarter of 2023. Overall, vacancy edged up slightly from 7.2% to 7.8%, and average rents remained virtually the same at \$30.76. These are nominal changes considering inventory increased by a few hundred thousand feet. The metrics continue to vary greatly by submarket. Despite the office sector concern on a national level, the local market appears to remain solid with steady rent growth and an overall healthy vacancy rate. Summer could bring changing trends as more “Covid” leases near expiration/renewal. Investment in office product appears to largely be driven by users over the last eight months. Charleston remains a high priority target for outside investment, but questionable economic conditions and national level concern over the health of the office sector seems to have cooled office investment activity for the time being.” – Scott Peevy, CCIM

Submarket Statistics



VACANCY

7.8%

The vacancy rate has decreased in the past year

12 MO. NET ABSORPTION

±343,732 SF

at the end of 1Q23

AVERAGE RENTAL RATE

\$30.76 PSF

The rental rate has increased slightly in the last quarter

UNDER CONSTRUCTION

±562,072 SF

of office space under construction at the end of 1Q23