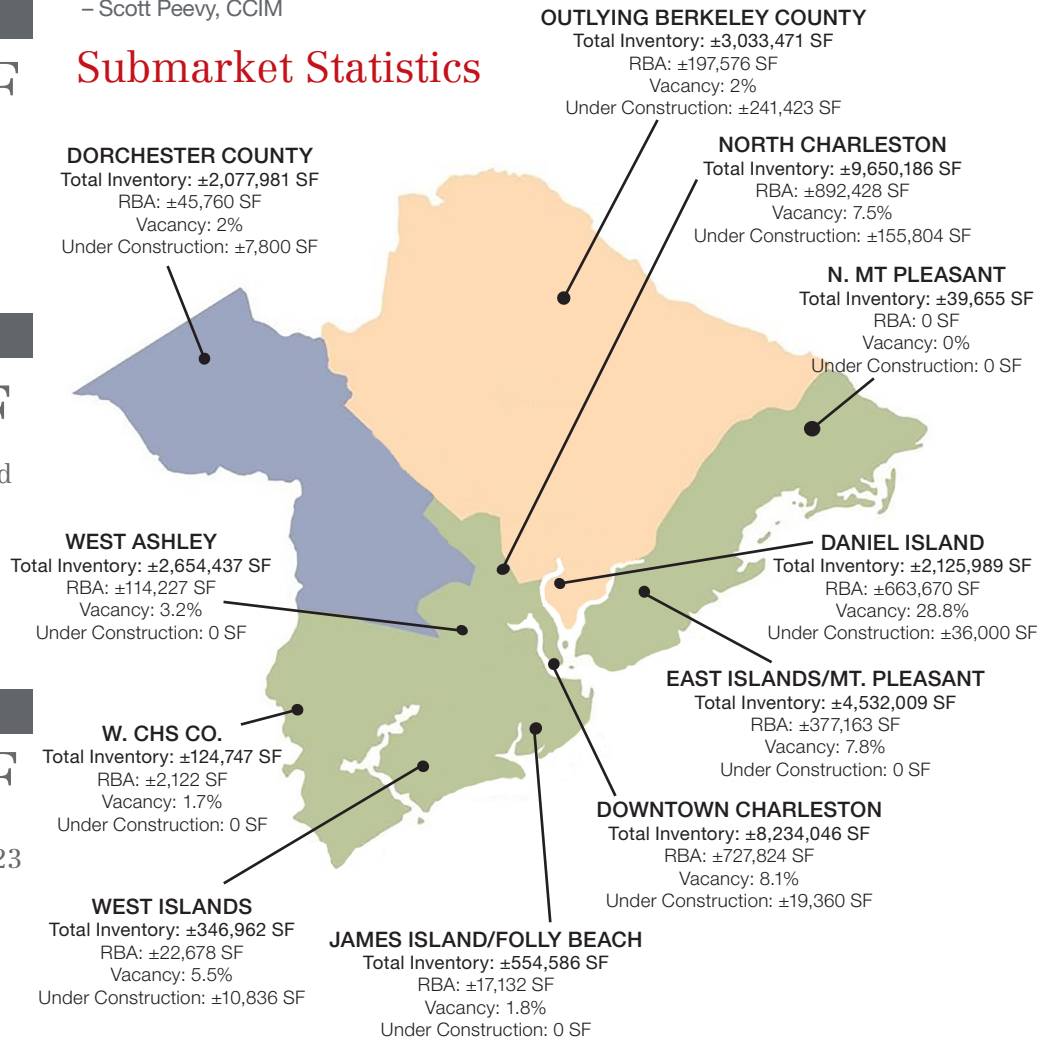


Key Market Takeaways

"While the health and longevity of the office market on a national scale is raising concerns, the Charleston office market remains fairly steady overall. Quarterly metrics are virtually unchanged, though a closer look into individual submarkets does reveal some important data. Most notably, vacancy on Daniel Island and in areas of North Charleston remain very high compared to the rest of the region. Landlords in these submarkets should prepare to be more flexible in terms and concessions when competing for new tenants and retaining existing tenants. Though many expiring and renewing tenants are continuing to make some downsizing adjustments to modern/post-covid office needs, people still largely need a place to go to work. That, combined with less upcoming construction, should create more stabilization in 2024. Economic conditions have mostly frozen large office investment activity, but interest from smaller owner-occupants remains consistent as the Charleston market continues to prove itself as a thriving and attractive place to do business."

– Scott Peevy, CCIM

Submarket Statistics



VACANCY

7.7%

The vacancy rate has decreased in the past year

12 MO. NET ABSORPTION

±412,141 SF

at the end of 3Q23

AVERAGE RENTAL RATE

\$31.01 PSF

The rental rate has decreased slightly in the last quarter

UNDER CONSTRUCTION

±471,223 SF

of office space under construction at the end of 3Q23