

3Q23:

Charleston MSA Office Snapshot

OUTLYING BERKELEY COUNTY Total Inventory: ±3,033,471 SF



VACANCY

The vacancy rate has decreased in the past year



12 MO. NET ABSORPTION

±412,141 SF

at the end of 3023



AVERAGE RENTAL RATE

\$31.01 PSF

The rental rate has decreased slightly in the last quarter

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

RBA: ±197,576 SF Vacancy: 2% Under Construction: ±241,423 SF NORTH CHARLESTON Total Inventory: ±9,650,186 SF



Under Construction: ±155,804 SF N. MT PLEASANT Total Inventory: ±39,655 SF RBA: 0 SF

RBA: ±892,428 SF

Vacancy: 7.5%

Vacancy: 0% Under Construction: 0 SF

DANIEL ISLAND

Total Inventory: ±2,125,989 SF

RBA: ±663,670 SF

Vacancy: 28.8%

Under Construction: ±36,000 SF

WEST ASHLEY

Total Inventory: ±2,654,437 SF RBA: ±114,227 SF Vacancy: 3.2%

Under Construction: 0 SF



UNDER CONSTRUCTION

±471,223 SF

of office space under construction at the end of 3023

W. CHS CO.

Total Inventory: ±124,747 SF RBA: ±2,122 SF

Vacancy: 1.7%

Under Construction: 0 SF

WEST ISLANDS

Total Inventory: ±346,962 SF RBA: +22 678 SE Vacancy: 5.5%

Under Construction: ±10,836 SF

EAST ISLANDS/MT. PLEASANT Total Inventory: ±4,532,009 SF RBA: ±377,163 SF

Vacancy: 7.8% Under Construction: 0 SF

DOWNTOWN CHARLESTON

Total Inventory: ±8,234,046 SF RBA: ±727,824 SF Vacancy: 8.1%

Under Construction: ±19,360 SF

JAMES ISLAND/FOLLY BEACH

Total Inventory: ±554,586 SF RBA: ±17,132 SF Vacancy: 1.8%

Under Construction: 0 SF