


SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
3820 Faber Place Dr	North Charleston	8,237	Shelly Leeke
4401 Leeds Ave	North Charleston	7,655	Not Disclosed
3955 Faber Place Dr	North Charleston	7,169	DRB Group

SIGNIFICANT BUILDING SALES

Address	Sale Value	PPSF	SF	Buyer
City	Type of Sale	Cap Rate	Class	Seller
1470 Tobias Gadson Blvd Charleston	- -	- -	41,600 Class B	TYJ Investments Mount Holly Assoc. LLC
1180 Sam Rittenburg Dr Charleston	\$5,425,000 Investment	\$150.69 -	36,000 Class B	Thaynes Cap Northwoods Elizabeth Rauch
297 Seven Farms Dr Charleston	\$3,082,950 Investment	\$101.27 -	30,442 Class A	Daniel Island Eye Care SL Shaw

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
1014 St Andrews Blvd	Charleston	33,011	COHN
297 Seven Farms Dr	Charleston	30,442	SL Shaw
1814 Crowne Commons Way	Charleston	15,053	Beach Commercial

LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
22 Westedge St	Charleston	154,998	Q1 2020
Meeting St @ Alonquin Rd	Charleston	110,000	2020
4920 O'Hear Ave	North Charleston	110,000	2020

TOTAL OFFICE MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q4 2019	7.20%	\$26.63	(11,500)	30,970,109	787,898
Q3 2019	6.10%	\$26.75	325,000	30,884,383	866,224
Q2 2019	5.90%	\$26.84	160,000	30,700,895	868,404
Q1 2019	5.10%	\$26.62	652,000	30,544,374	931,925
Q4 2018	5.50%	\$26.48	560,000	30,436,802	855,137

(11,500) **NET ABSORPTION**
SF

7.2% **VACANCY**
2,222,890 SF

\$26.63 **AVG. ASKING RATE**
PSF GROSS

85,726 **DELIVERIES**
4 Buildings

787,898 **UNDER CONSTRUCTION**
14 Buildings

PETE HARPER, CCIM, Principal

The Charleston Office Market continues to benefit from significant population and job growth which has contributed to strong net office absorption, and low vacancy over the years. However, Quarter Four has shown to be one of the weakest quarters, with the lowest Net absorption since 2014. Rent growth is now flat and below the metro's historical norm, absorption has slowed significantly, and only a couple of deals over \$10 million traded in 2019. Vacancies have grown slightly, but are still tight despite the slowdown in absorption, and new deliveries are still finding tenants. Average rents in Charleston are already the highest in South Carolina by quite a margin, so owners are slowing rent increases.