



OFFICE MARKET OVERVIEW

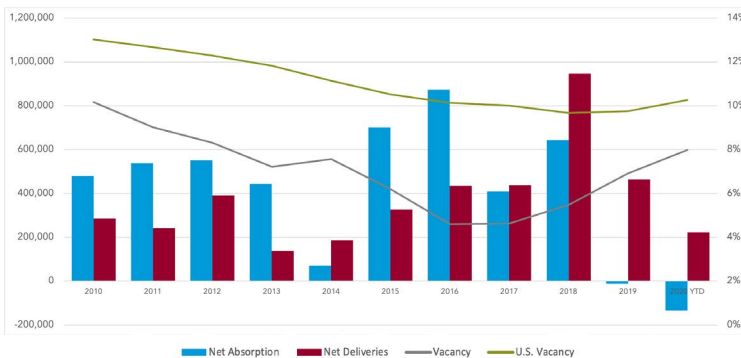
PETE HARPER, CCIM, *Principal*

The office sector has been impacted by many companies choosing to exit occupied spaces and not lease new product, which has driven the Charleston SC Metro vacancies up to 8.75%. Tenants who have been negatively impacted by COVID-19 are stalling on long term renewals, relocations or expansions due to the unknown long-term impacts. Other users, primarily in the medical and research categories, have been actively seeking new office space or expanding in their current locations. In Q2 2020 there was 1MSF under construction of which 65% is preleased. The demand for office space will increase with continued population growth and company relocations from more urban parts of the country.

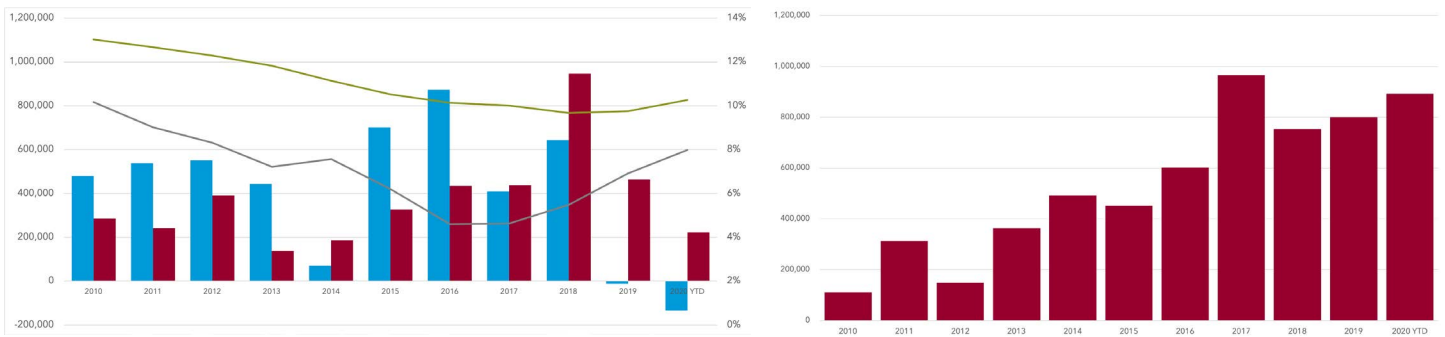
MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▲ Net Absorption	128,383 SF	(470,123 SF)	(12,782 SF)	279,922 SF	182,950 SF
▲ Vacancy Rate	8.8%	7.5%	6.9%	6.1%	5.7%
▼ Avg NNN Asking Rate	\$21.77 PSF	\$26.81 PSF	\$26.83 PSF	\$26.71 PSF	\$26.62 PSF
▲ Under Construction	986,663 SF	982,251 SF	799,218 SF	830,782 SF	851,462 SF
▼ Inventory	20,499,826 SF	31,337,342 SF	31,328,408 SF	31,273,124 SF	31,071,136 SF

Q2 2020 DATA IS FOR BUILDINGS 10,000 SF & UP; ALL PREVIOUS QUARTERS INCLUDE THE ENTIRE MARKET

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4921 Centre Point Dr North Charleston, SC	14,758 SF	\$2,925,000 \$198.20 PSF	M and L Farms JTM 1,LLC SC North Charleston Tanger LLC	Class A
945 Houston Northcutt Mt. Pleasant, SC	7,579 SF	\$2,875,000 \$379.34 PSF	945 Houston Northcutt, LLC Golden Strip Transfer	Class B
1525 Ashley River Rd Charleston, SC	8,460 SF	\$1,800,000 \$212.77 PSF	GH Ashley River Road, LLC 1525 Ashley River Road, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
75 Port City Landing Mount Pleasant, SC	14,470 SF	Holder Properties	Bank of America	Financial
4000 Faber Pl North Charleston, SC	12,647 SF	4000 Faber Place Charleston, LLC	Regus	Co-working
75 Port City Landing Mount Pleasant, SC	12,039 SF	Holder Properties	TD Bank	Financial