



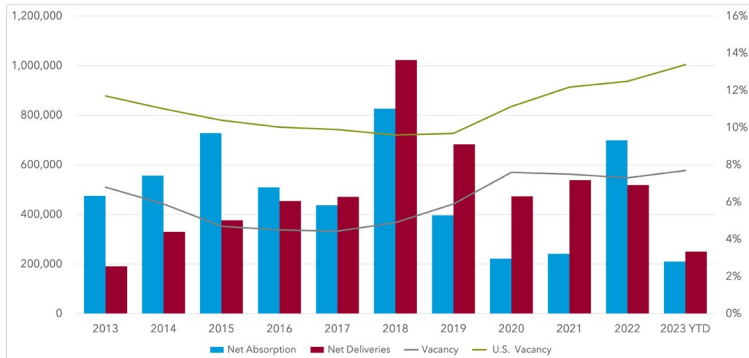
### OFFICE MARKET OVERVIEW

CAMERON YOST, CCIM, *Vice President*

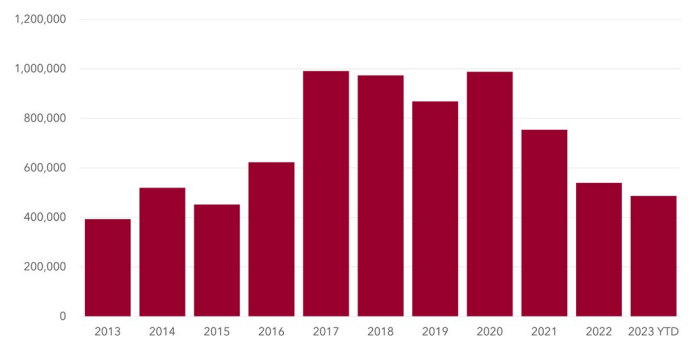
Charleston continues to outperform the greater US office market with a vacancy rate below the national average. While older, suburban product lags behind in leasing - modern, amenity rich buildings at newly delivered Class A offices are leasing at record rates Downtown. Due to limited supply of proposed new office construction, we anticipate an increase in occupancy throughout all classes and submarkets in 2024 and beyond. We are continuing to see a rise in sublease listings and a trend of Tenants downsizing as a result of hybrid and work from home remaining popular. Overall, Charleston office remains stable due to its smaller average tenant size resulting in more multi-tenanted offices throughout the region.

| MARKET INDICATORS          | Q3 2023    | Q2 2023    | Q1 2023    | Q4 2022    | Q3 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 158,054    | 78,769     | 36,172     | 247,578    | (92,137)   |
| ▼ Vacancy Rate             | 6.5%       | 6.9%       | 7.0%       | 6.7%       | 7.0%       |
| ▲ Avg NNN Asking Rate PSF  | \$32.02    | \$28.73    | \$21.75    | \$22.16    | \$21.92    |
| ▲ SF Under Construction    | 486,723    | 389,464    | 289,464    | 289,464    | 181,804    |
| ▲ Inventory SF             | 33,515,763 | 33,500,779 | 33,415,447 | 33,265,342 | 33,100,939 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE      | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|--|-----------|------------------------------|---|----------------|
| 2910 Tricom Street<br>North Charleston, SC | 26,256 SF | \$10,100,000<br>\$384.67 PSF | Skytree Ventures LLC<br>Global Medical REIT           | Class A        |
| 4 Maple Street<br>Charleston, SC           | 7,468 SF  | \$3,575,000<br>\$478.71 PSF  | Pride One<br>JJR Development LLC                      | Class B        |
| 112 W. 4th North Street<br>Summerville, SC | 6,880 SF  | \$1,500,000<br>\$218.02 PSF  | Ellie Holds LLC<br>Master of Equity Dorchester County | Class C        |

| TOP LEASE TRANSACTIONS BY SF                     | SIZE      | LANDLORD           | TENANT             | TENANT INDUSTRY                                     |
|--|-----------|--------------------|--------------------|---|
| 100 Coastal Drive<br>Charleston, SC              | 39,815 SF | Holder Properties  | HCA South Atlantic | Medical   |
| 4969 Centre Pointe Drive<br>North Charleston, SC | 14,182 SF | CP Point LLC       | Stantec Consulting | Professional, Scientific,<br>and Technical Services |
| 4400 Leeds Avenue<br>North Charleston, SC        | 10,614 SF | Durlach Associates | HDR                | Architectural Services                              |

