



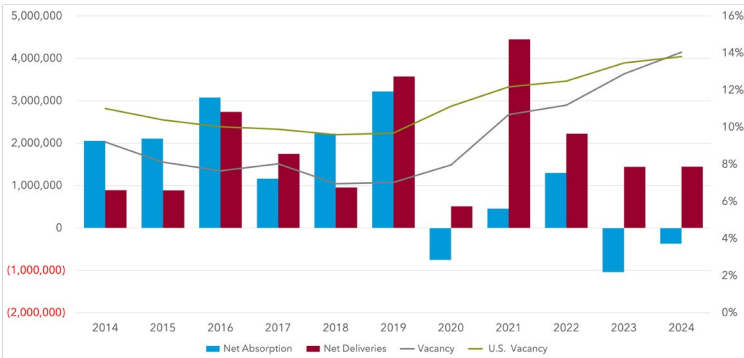
OFFICE MARKET OVERVIEW

GREG PIERATT, *President, Principal*; MATT FRAZEE, *Principal*

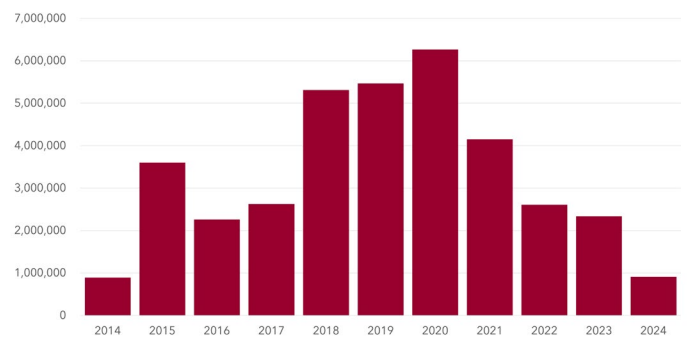
In Q4 2024, Charlotte's office market showed signs of stabilization, with leasing activity bolstered by key renewals and new deals such as a 146,000 SF lease at Ballantyne. Marketwide vacancy rates remain elevated at 14.2%, driven by legacy space in Uptown, where availability exceeds 40%. Asking rents increased modestly by 1.8% YOY, supported by demand for spec suites and South End's trophy spaces commanding \$50+/SF. However, sublease discounts deepened, reflecting lingering oversupply. Looking ahead, limited new construction and tenant preferences for amenity-rich spaces may help offset vacancy pressures.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	(366,732)	(1,293,671)	(1,488,895)	(1,234,648)	(1,038,489)
▼ Vacancy Rate	14.05%	14.34%	14.13%	13.71%	12.88%
▲ Avg NNN Asking Rent PSF	\$33.65	\$33.60	\$33.39	\$33.18	\$33.04
▼ Sale Price PSF	\$240.90	\$242.70	\$243.32	\$244.72	\$247.13
▲ Cap Rate	8.24%	8.19%	8.14%	8.06%	7.95%
▼ Under Construction	908,542	1,358,968	1,830,451	2,205,147	2,338,198
▲ Inventory	139,069,493	138,563,967	138,000,804	137,780,539	137,622,986

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1415 Vantage Park Drive Charlotte, NC	334,694SF	\$169,585,292 \$506.69 PSF	Cousins Properties Spectrum Co's/Invesco Ltd.	Class A
121 W. Trade Street Charlotte, NC	334,368 SF	\$32,000,000 \$95.70 PSF	New England Investment Partners Lincoln Property Co/Lincoln Harris	Class A
1120 S. Tryon Street Charlotte, NC	286,235 SF	\$158,914,708 \$555.19 PSF	Cousins Properties Spectrum Co's/Invesco Ltd.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10815 David Taylor Drive Charlotte, NC	64,000 SF	Sallie S Mason	R.E Mason	Business Equipment & Supply
14819 Ballantyne Village Parkway Charlotte, NC	30,000 SF	Panorama Holdings	Snap One Holdings	Dist. Smart-Living Technology
8209 IBM Drive Charlotte, NC	28,500 SF	Partners Group AG	Imagine Print Solutions	Commercial Printing Company

