



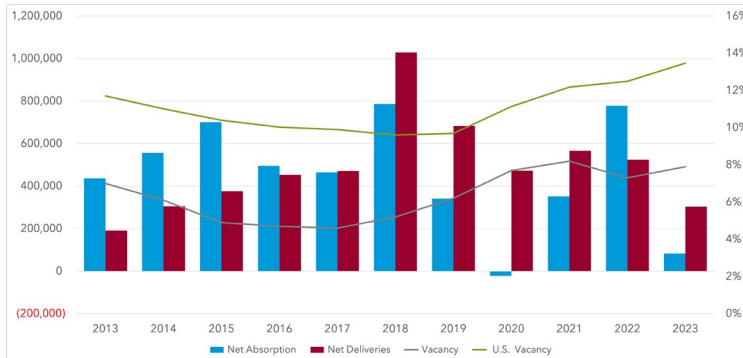
OFFICE MARKET OVERVIEW

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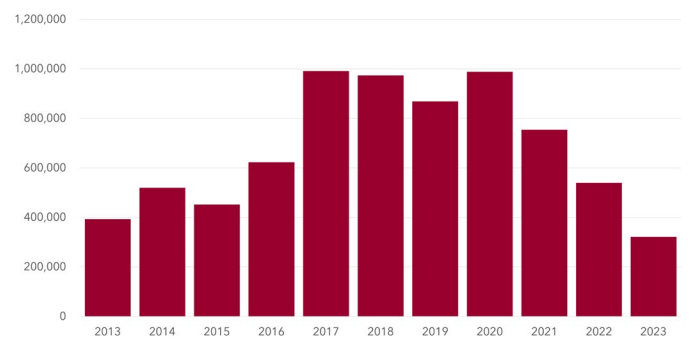
The Charleston office leasing market's resilience stems from several key factors. Local demand and sustained growth have been crucial, as many companies have chosen against widespread remote work policies, setting them apart from larger cities and stabilizing the area. High-quality office spaces in the Charleston Metro area continue to attract consistent leasing activity, with rising interest rates prompting more businesses to lease rather than buy. Medical office spaces remain in high demand, leading landlords to offer enticing Tenant Improvement Allowances (TIAs) to secure tenants. Despite challenges like high building costs, material delays, and permitting issues, second-generation spaces in key locations have seen reasonable interest.

| MARKET INDICATORS | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 | Q4 2022 |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (23,128) | 137,283 | (54,212) | 23,352 | 307,598 |
| ▲ Vacancy Rate | 7.90% | 7.80% | 8.10% | 7.70% | 7.30% |
| ▼ Avg NNN Asking Rate PSF | \$31.70 | \$32.19 | \$32.32 | \$32.49 | \$32.51 |
| ▲ SF Under Construction | 321,516 | 309,863 | 212,604 | 112,604 | 112,604 |
| ▲ Inventory SF | 33,546,942 | 33,514,942 | 33,484,458 | 33,399,126 | 33,243,221 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|--|-----------|-----------------------------|--|----------------|
| 1411 King Street Ext Charleston, SC | 15,840 SF | \$5,200,000 \$328.28 PSF | Undisclosed Dialysis Clinic, Inc. | Class B |
| 39 Broad Street Charleston, SC | 15,585 SF | \$6,950,000 \$445.94 PSF | Undisclosed Healthcare Realty Trust, Inc. | Class B |
| 1030 Jenkins Road Charleston, SC | 12,500 SF | \$3,135,000 \$250.80 PSF | Charles River Laboratories, Inc. John R. Condon | Class B |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|--|-----------|--------------|-------------|-----------------|
| 5965 Core Road North Charleston, SC | 20,334 SF | DESETA Group | Undisclosed | Undisclosed |
| 201 Sigma Drive Summerville, SC | 12,327 SF | LMHT Capital | Undisclosed | Undisclosed |
| 5965 Core Road North Charleston, SC | 10,000 SF | DESETA Group | Undisclosed | Undisclosed |

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