



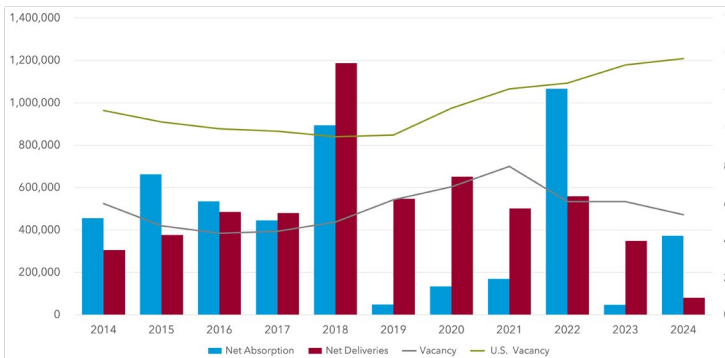
OFFICE MARKET OVERVIEW

PETE HARPER, CCIM, *Principal*

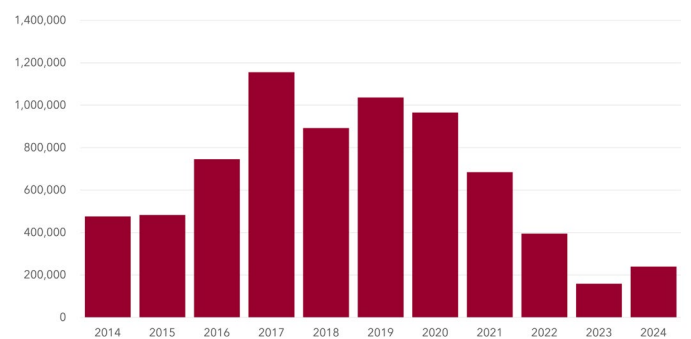
The Charleston office market ended 2024 with strong momentum, driven by robust tenant demand and constrained supply. Leasing activity remained high, pushing the vacancy rate down to just 5.4%, well below the national average of 13.8%. Businesses continue to be drawn to Charleston's unique appeal, resulting in a net absorption of 372,963 SF in the fourth quarter. Limited new construction has preserved the market's competitive edge, creating favorable conditions for landlords and investors. Charleston's ability to attract established and new-to-market companies highlights its growing reputation as a thriving business hub. Downtown vacancy rates are projected to drop below 6% in 2025, as demand for premier office space remains strong.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Net Absorption SF	126,209	176,978	113,963	(117,825)	(53,025)
▼ Vacancy Rate	5.4%	5.8%	6.2%	6.5%	6.1%
▲ Avg NNN Asking Rent PSF	\$32.88	\$32.13	\$32.52	\$31.77	\$31.70
▼ Sale Price PSF	\$316	\$353	\$225	\$272	\$175
▲ Cap Rate	9.95%	9.92%	9.71%	9.50%	9.34%
▲ Under Construction	213,186	118,421	156,264	182,862	159,368
▲ Inventory	33,381,523	33,368,059	33,330,216	33,303,618	33,301,096

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
349 W. Coleman Boulevard Mount Pleasant, SC	28,779 SF	\$14,400,000 \$500.36 PSF	Pastime Amusement Company Gramlin Brothers Real Estate & Dev	Class B
574 Lone Tree Drive Mount Pleasant, SC	4,200 SF	\$7,030,000 \$1,672 PSF	Rp Long Point LLC Charleston Neurosciences LLC	Class B
123 Meeting Street Charleston, SC	2,948 SF	\$3,750,000 \$1,272 PSF	Jamie Curley Gary Stuckey Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2387 Clements Ferry Road Charleston, SC	34,169 SF	Agracel, Inc.	Pole To Win	Gaming Development
22 Westedge Street Charleston, SC	25,171 SF	Atlantic Capital Properties	The State of South Carolina Government	State Government
1080 Morrison Drive Charleston, SC	17,470 SF	Cowan Nakios Group LLC	Synovus Bank	Banking

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