



VACANCY

7.4%

The vacancy rate has decreased since the last quarter



12 MO. NET ABSORPTION

±466,865 SF

at the end of 2Q22



AVERAGE RENTAL RATE

\$29.46 PSF

The rental rate has fluctuated up and down over the last year



UNDER CONSTRUCTION

±523,838 SF

of office space under construction at the end of 2Q22

Key Market Takeaways

“Vacancy in the market is fragmented with lower vacancy and new development in higher demand submarkets, such as the upper peninsula, and higher vacancy in the North Charleston submarket. Vacancy stats are skewed due to a mixture of available sublet space, new projects, and tenants continuing to settle into post pandemic arrangements. That considered, overall market vacancy is still relatively low compared to national averages. It should continue to decrease as positive absorption is expected throughout the remainder of the year. Rental rates remain flat in submarkets with higher vacancy, in particular North Charleston, where tenants can expect to gain more favorable concessions. Conversely, in the downtown submarket where new development is widespread, rents for new construction have been spotted at up to \$45/SF/yr, Full Service with less attractive concessions. The future of the Charleston market remains strong. Despite recent economic concerns, office investors and developers remain bullish about long term stability, due to the area’s steady population and industry growth.”

- Scott Peevy, CCIM

Submarket Statistics

