

Key Market Takeaways

"Q4 Office leasing statistics showed a continuation of a steady, yet relatively slow level of activity. With a combination of economic concerns and the holiday season, major market metrics remained fairly unchanged. The Charleston market in particular continues to be fragmented by submarket. There is high demand for office space in the upper peninsula, Dorchester County, Berkeley County, and parts of the West Islands with vacancy rates below 5%. Meanwhile, areas of North Charleston are still seeing higher vacancy rates. For example, the Faber Place Office Park area has over 18% vacancy. Looking ahead into 2023, we should expect to see an uptick in activity with the hope of more positive economic news. Charleston remains a highly desirable location for users and investors. Inbound population, quality of life, and a business-friendly economic environment will continue to feed office space demand well into the foreseeable future."

- Scott Peevy, CCIM

OUTLYING BERKELEY COUNTY

Total Inventory: ±2,783,340 SF
RBA: ±161,305 SF
Vacancy: 1.9%
Under Construction: ±306,119 SF

Submarket Statistics

DORCHESTER COUNTY

Total Inventory: ±2,069,457 SF
RBA: ±44,780 SF
Vacancy: 1.9%
Under Construction: ±21,896 SF

NORTH CHARLESTON

Total Inventory: ±9,679,092 SF
RBA: ±970,045 SF
Vacancy: 7.7%
Under Construction: ±106,000 SF

N. MT PLEASANT

Total Inventory: ±39,655 SF
RBA: 0 SF
Vacancy: 0%
Under Construction: 0 SF

VACANCY

7.2%

The vacancy rate has decreased in the past year

12 MO. NET ABSORPTION

±600,862 SF

at the end of 4Q22

AVERAGE RENTAL RATE

\$30.75 PSF

The rental rate has increased slightly in the last quarter

UNDER CONSTRUCTION

±644,094 SF

of office space under construction at the end of 4Q22

WEST ASHLEY

Total Inventory: ±2,640,260 SF
RBA: ±111,150 SF
Vacancy: 4.4%
Under Construction: ±15,000 SF

DANIEL ISLAND

Total Inventory: ±2,108,489 SF
RBA: ±429,542 SF
Vacancy: 18.6%
Under Construction: ±41,500 SF

EAST ISLANDS/MT. PLEASANT

Total Inventory: ±4,518,697 SF
RBA: ±425,936 SF
Vacancy: 8.2%
Under Construction: ±14,479 SF

W. CHS CO.

Total Inventory: ±122,625 SF
RBA: 0 SF
Vacancy: 0%
Under Construction: 0 SF

DOWNTOWN CHARLESTON

Total Inventory: ±8,085,665 SF
RBA: ±738,764 SF
Vacancy: 7.7%
Under Construction: ±125,532 SF

WEST ISLANDS

Total Inventory: ±350,700 SF
RBA: ±36,059 SF
Vacancy: 5.5%
Under Construction: ±13,565 SF

JAMES ISLAND/FOLLY BEACH

Total Inventory: ±550,901 SF
RBA: ±25,412 SF
Vacancy: 4.6%
Under Construction: 0 SF