



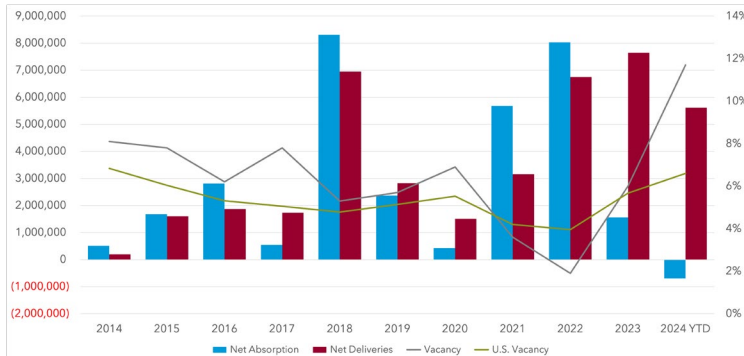
INDUSTRIAL MARKET OVERVIEW

JOHN KINCAID, SIOR, CCIM, *Vice President*

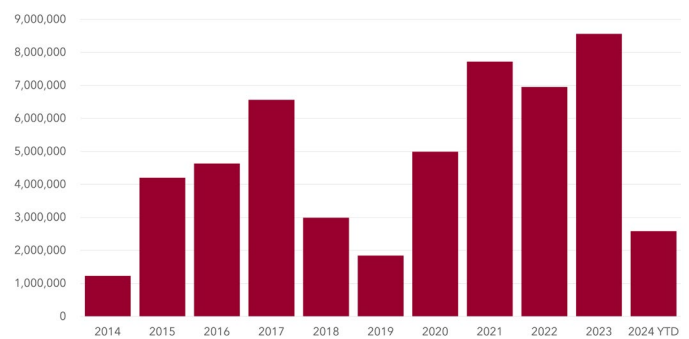
While there has been a surplus of supply over the first half of the year, we have also seen some significant bulk leases executed. Amazon and others have taken space in the market in Q2, and hopefully, that sets a trend for other users to enter the market. It's going to take time and patience to fill the big box spaces, but spaces between 10,000-50,000 SF are occupied and leasing at a solid rate. I believe tenants staying put will slow absorption, as it's not feasible for established tenants to move to Class A rents when they have a low basis in a Class B building. Charleston remains an active industrial market as the Hugh Leatherman Terminal works on opening all its berths for containers.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▲ 12 Mo. Net Absorption SF	(17,850)	(675,662)	1,557,194	591,561	83,236
▲ Vacancy Rate	11.7%	9.0%	6.0%	6.1%	5.2%
▲ Avg NNN Asking Rate PSF	\$8.32	\$8.30	\$7.96	\$7.92	\$7.84
▼ SF Under Construction	2,583,382	6,616,940	8,561,315	8,476,395	7,953,623
▲ Inventory SF	103,761,046	100,669,029	98,151,016	96,575,256	95,109,275

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
130 Hodge Road* Summerville, SC	534,081 SF	\$64,089,720 \$120.00 PSF	Fundrise Foundry Commercial	Class A
103 Ardis Street Summerville, SC	15,758 SF	\$1,700,000 \$107.88 PSF	103 Ardis Street Holdings LLC Christopher Evans	Class C
7374 Peppermill Parkway Charleston, SC	12,000 SF	\$1,060,000 \$88.33 PSF	Pepperdam Industrial LLC Victory Properties LLC	Class B

*Part of a 2-Property Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
840 Drop Off Drive Summerville, SC	228,722 SF	Transwestern Real Estate Service	Pacific Asiana LLC	Freight Carrier
237 Jedburg Road Summerville, SC	158,340 SF	Trinity Capital	Amazon	Distribution
334 Port City Centre Drive Summerville, SC	155,688 SF	Barrings	Undisclosed	Undisclosed

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com