



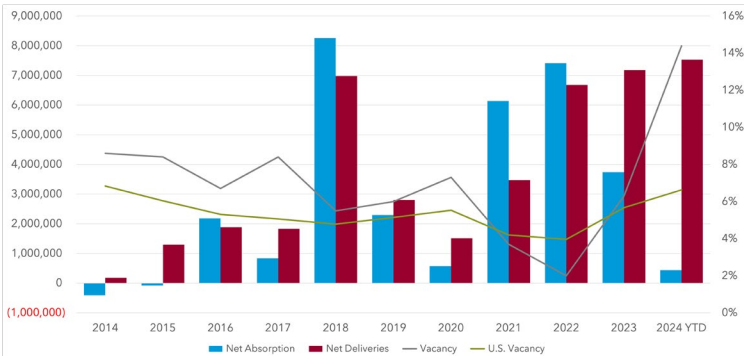
INDUSTRIAL MARKET OVERVIEW

CLARKE ATTAWAY, *Vice President*

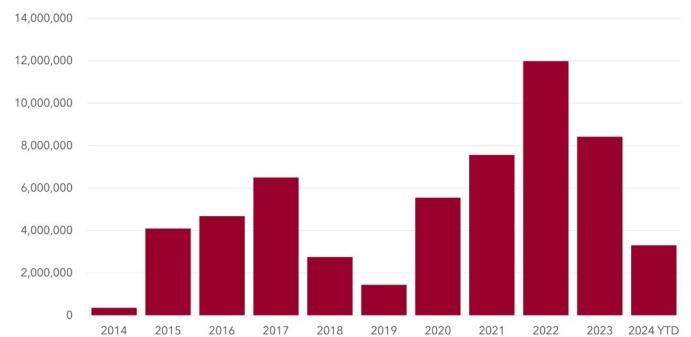
Leasing activity for Class-A industrial properties in Charleston remains sluggish as vacancy rates rise due to a surge of newly completed projects. With only a few developments starting in 2024, developers appear to be holding off to see how vacant space is absorbed. This cautious approach will likely persist into 2025 as the market recovers from overbuilding during and after the pandemic. Several large proposed projects are still in pre-construction phases, but will likely not break ground until vacancy rates improve or build-to-suit agreements are secured. Rental rates have plateaued, and rising land prices and high construction costs are making new developments more challenging for developers to justify.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	(274,602)	393,105	238,685	1,768,500	786,334
▲ Vacancy Rate	14.39%	12.52%	9.40%	6.35%	6.45%
▼ Avg NNN Asking Rate PSF	\$8.39	\$8.42	\$8.33	\$8.21	\$7.78
▲ Sale Price PSF	\$98.00	\$97.00	\$97.00	\$95.00	\$95.00
▲ Cap Rate	7.94%	7.92%	7.86%	7.79%	7.71%
▲ Under Construction SF	3,309,945	2,826,245	4,402,015	6,108,628	8,420,945
▲ Inventory SF	105,244,803	105,223,053	103,629,079	100,537,062	97,709,049

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
116 Business Park Road Summerville, SC	753,222 SF	\$50,000,000 \$66.38 PSF	LRC Properties Berkshire Hathaway, Inc.	Class A
771 Brownswood Road Johns Island, SC	100,000 SF	\$2,400,000.00 \$24.00 PSF	The Mastershed LLC Island Tomato Growers, Inc.	Class B
3801 Meeting Street Road North Charleston, SC	34,000 SF	\$2,200,000.00 \$64.71 PSF	Snyder Events Ian Blackwell	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
925 Commerce Circle Hanahan, SC	50,400 SF	Maybank Properties	Undisclosed	Undisclosed
2660 Carner Avenue North Charleston, SC	50,000 SF	McDew LLC	The Sustainable Warehouse	Waste Management
337 Port City Centre Summerville, SC	41,722 SF	Barings	Undisclosed	Undisclosed

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