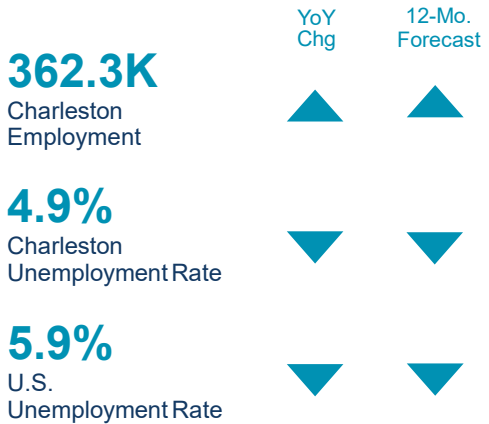


ECONOMIC INDICATORS Q2 2021



Source: BLS

ECONOMY: Port Traffic on the Increase

Charleston was named Best Small City in the U.S. for 10th consecutive year by Conde Nast. A number of those that visit, return to live as The Charleston Metro area is growing 3X faster than the U.S. average with a population to be 819,000 now living in the area. Thirty-three new people per day are added to our community. With a median age being 37.6 who are coming here for the jobs.

South Carolina Ports celebrates its strongest fiscal year on record for containers handled at the Port of Charleston. SC Ports handled 2.55 million twenty-foot equivalent units (TEUs) in fiscal year 2021, which ended June 30th. This is a 9.6% increase from fiscal year 2020. June for its container business segment. SC Ports moved 231,758 TEUs in June, which is up 48.1% compared to June 2020 and up 15.6% compared to June 2019.

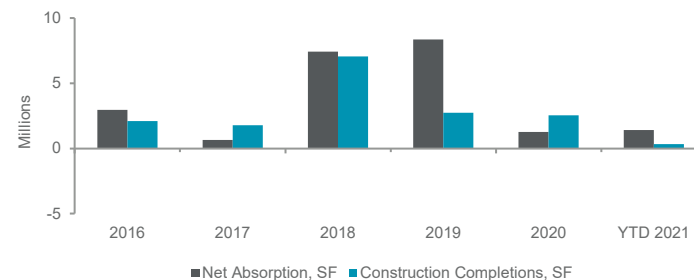
SUPPLY and DEMAND: Companies Investing in Charleston

The Charleston industrial market has 81 million square feet (msf) of industrial inventory with 6.1 msf under construction. The Charleston submarkets posted a positive absorption of 1.4 msf in the first half of 2021. Overall vacancy rates drop slightly to 4.4% with 3.6 msf available in the market. The overall market average triple net weighted rental rate increased this quarter to \$5.91 per square foot. XPO Logistics took down 305,000 sf in Northpoint, Cummins is taking a 112,000 sf in Palmetto Commerce Park and several 3PLs have taken over 800,000 sf in the Jedburg market. Looking at some of the recent good economic news in Charleston: Volvo is investing \$118M in an expansion to their plant in the Charleston area. The plant will produce the Polestar 3 battery electric vehicle, an electric performance car brand. The local plant will continue to produce the Volvo S60 luxury sedan for the American and European markets. This brings the Volvo Car investment in the Lowcountry to more than \$1.2B.

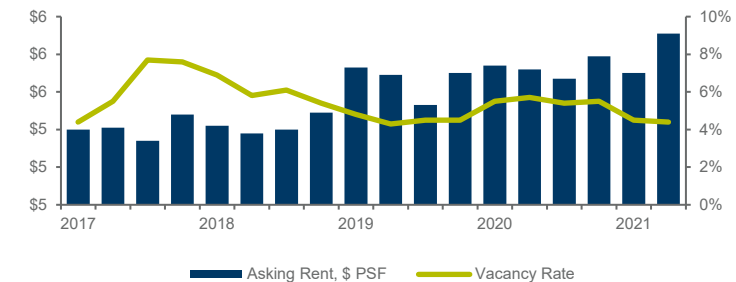
PRICING: Construction Costs Continue to Rise

The Charleston real estate market will continue its incredible run. While 2020 was a record year for Charleston industrial real estate, we are up 22% in transactions year to date over the same period last year. Demand is still very high and is expected to remain the same through the remainder of 2021. Lease rates will continue to rise along with construction costs. New product will come online in late 2021 and throughout 2022.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Daniel Island	5,124,615	393,511	7.7%	50,096	27,918	12,000	16,000	0	0	\$9.48
Dorchester County	8,868,823	846,224	9.5%	-65,383	-5,509	3,010,000	10,000	0	0	\$6.26
Downtown Charleston	1,828,577	48,800	2.7%	2,880	3,515	40,000	0	0	0	\$11.70
E Charleston County	67,146	0	0.0%	0	0	0	0	0	0	\$6.50
East Islands/Mt Pleasant	1,011,681	39,964	4.0%	4,298	2,354	0	0	0	0	\$10.17
James Island/Folly Beach	477,552	2,980	0.6%	12,713	16,160	0	0	0	0	\$15.25
North Charleston	31,415,729	1,414,380	4.5%	131,655	461,230	89,350	0	\$	\$13.31	\$10.73
Outlying Berkeley County	30,284,455	662,818	2.2%	375,000	915,941	2,935,972	282,330	\$4.71	\$10.00	\$5.28
W Charleston County	203,074	0	0.0%	0	0	0	0	0	0	0
West Ashley	985,286	25,024	2.5%	-28,588	-27,301	0	0	0	\$17.00	\$10.71
West Islands	594,129	121,309	20.4%	4,919	26,096	0	0	0	0	\$15.00
CHARLESTON TOTALS	80,861,067	3,555,010	4.4%	487,590	1,420,404	6,087,322	308,330	\$4.71	\$13.44	\$10.11

*Rental rates reflect weighted net asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q2 2021

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
1301 Charleston Regional Pky	Daniel Island	Unis	200,000	New Lease
300 Trade Zone Blvd	Outlying Berkeley County	Undisclosed	198,640	New lease
410 Tradeport Dr	Outlying Berkeley County	Undisclosed	174,000	New Lease
1023-1025 Northpointe Industrial Blvd	Outlying Berkeley County	MainOcean	145,660	New Lease
7770 Palmetto Commerce Pky	North Charleston	Cummins	113,320	New Lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q2 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
3 Corporate Pky	Outlying Berkeley County	3 Corporate Parkway LLC / King Baby LLC	35,460	\$3,800,000 / \$107.16
5809 N Rhett Ave	Outlying Berkeley County	Dalini LLC / 5809 N Rhett Avenue LLC	33,594	\$2,700,000 / \$80.37
1930 US Hwy 52	Outlying Berkeley County	Indian Field Investments LLC	31,920	\$2,775,000 / \$86.94

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