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Industrial Report

Quarter 4 - 2016

Charleston/North Charleston
(Industrial Market)

Charleston/N Charleston Industrial Market

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Charleston/N Charleston Industrial Market

Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

Charleston/N Charleston Industrial Market

Terms & Definitions

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certifi-

cate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

Charleston/N Charleston Industrial Market

tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

Charleston/N Charleston Industrial Market

Overview

Charleston/N Charleston's Vacancy Decreases to 6.8% Net Absorption Positive 1,255,902 SF in the Quarter

The Charleston/N Charleston Industrial market ended the fourth quarter 2016 with a vacancy rate of 6.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,255,902 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 25,000 square feet. Rental rates ended the fourth quarter at \$5.37, an increase over the previous quarter. A total of four buildings delivered to the market in the quarter totaling 491,510 square feet, with 3,711,502 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Charleston/N Charleston Industrial market was positive 1,255,902 square feet in the fourth quarter 2016. That compares to negative (8,397) square feet in the third quarter 2016, positive 559,798 square feet in the second quarter 2016, and positive 629,962 square feet in the first quarter 2016. The spike in absorption for the fourth quarter is largely attributed to four build-to-suit projects that came online in the quarter, all delivering with 100% occupancy.

Tenants moving out of large blocks of space in 2016 include: Blackhawk Logistics, LLC moving out of (170,000) square feet at 320 Deming Way, Garnet Logistics, Inc. moving out of (130,769) square feet at 2701 Azalea Dr, and ECMD moving out of (101,422) square feet at 137 Hodge Rd.

Tenants moving into large blocks of space in 2016 include: Zinus Inc moving into 473,124 square feet at Charleston Gateway Distribution Center; BAE Systems moving into 281,000 square feet at 175 McQueen Blvd; and TVS moving into 212,000 square feet at North Rhett Commerce Center, Building 1.

The Flex building market recorded net absorption of positive 2,979 square feet in the fourth quarter 2016, compared to negative (61,703) square feet in the third quarter 2016, positive 59,953 in the second quarter 2016, and negative (37,173) in the first quarter 2016.

The Warehouse building market recorded net absorption of positive 1,252,923 square feet in the fourth quarter 2016 compared to positive 53,306 square feet in the third quarter 2016, positive 499,845 in the second quarter 2016, and positive 667,135 in the first quarter 2016.

Vacancy

The Industrial vacancy rate in the Charleston/N Charleston market area decreased to 6.8% at the end of the fourth quarter 2016. The vacancy rate was 8.0% at the end of the third quarter 2016, 7.8% at the end of the second quarter 2016, and 7.2% at the end of the first quarter 2016.

Flex projects reported a vacancy rate of 4.9% at the end of the fourth quarter 2016, 5.0% at the end of the third quarter 2016, 4.0% at the end of the second quarter 2016, and 4.9% at the end of the first quarter 2016.

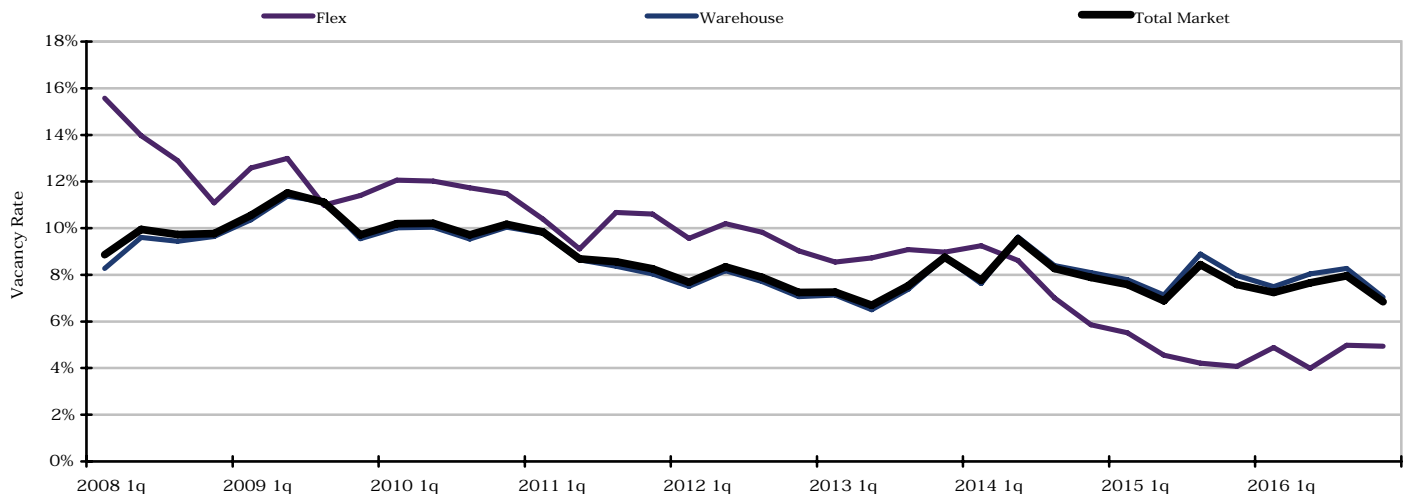
Warehouse projects reported a vacancy rate of 7.0% at the end of the fourth quarter 2016, 8.3% at the end of third quarter 2016, 8.0% at the end of the second quarter 2016, and 7.5% at the end of the first quarter 2016.

Largest Lease Signings

The largest lease signings occurring in 2016 included: the 473,124-square-foot sublet signed by Zinus, Inc. at Charleston Gateway Distribution Center; the 212,000-square-foot lease signed by TVS at North Rhett Commerce Center – Building 1;

Vacancy Rates by Building Type

2007-2016



Source: CoStar Property®

Charleston/N Charleston Industrial Market

Overview

and the 145,803-square-foot lease signed by AmerCare, LLC at North Pointe Industrial Park.

Sublease Vacancy

The amount of vacant sublease space in the Charleston/N Charleston market decreased to 25,000 square feet by the end of the fourth quarter 2016, from 551,979 square feet at the end of the third quarter 2016. There was 710,018 square feet vacant at the end of the second quarter 2016 and 646,227 square feet at the end of the first quarter 2016.

Charleston/N Charleston’s Flex projects reported vacant sublease space of 0 square feet at the end of fourth quarter 2016, from the 0 square feet reported at the end of the third quarter 2016. There were 23,080 square feet of sublease space vacant at the end of the second quarter 2016, and 21,144 square feet at the end of the first quarter 2016.

Warehouse projects reported decreased vacant sublease space from the third quarter 2016 to the fourth quarter 2016. Sublease vacancy went from 551,979 square feet to 25,000 square feet during that time. There was 686,938 square feet at the end of the second quarter 2016, and 625,083 square feet at the end of the first quarter 2016.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$5.37 per square foot per year at the end of the fourth quarter 2016 in the Charleston/N Charleston market area. This represented a 0.2% increase in quoted rental rates from the end of the third quarter 2016, when rents were reported at \$5.36 per square foot.

The average quoted rate within the Flex sector was \$13.04 per square foot at the end of the fourth quarter 2016, while Warehouse rates stood at \$4.98. At the end of the third quarter 2016, Flex rates were \$12.89 per square foot, and Warehouse rates were \$4.99.

Deliveries and Construction

During the fourth quarter 2016, four buildings totaling 491,510 square feet were completed in the Charleston/N Charleston market area. This compares to five buildings totaling 241,133 square feet that were completed in the third quarter 2016, six buildings totaling 916,348 square feet completed in the second quarter 2016, and 418,861 square feet in five buildings completed in the first quarter 2016.

There were 3,711,502 square feet of Industrial space under construction at the end of the fourth quarter 2016.

Some of the notable 2016 deliveries include: 5300 International Blvd, a 396,000-square-foot facility that delivered in fourth quarter 2016 and is now 100% occupied, and CRBC II, a 351,000-square-foot building that delivered in second quarter 2016 and is now 50% occupied.

The largest projects underway at the end of fourth quarter 2016 were Volvo North American Manufacturing, a 2,300,000-square-foot building with 100% of its space pre-leased, and Crosspoint Building 5, a 273,000-square-foot facility that is 0% pre-leased.

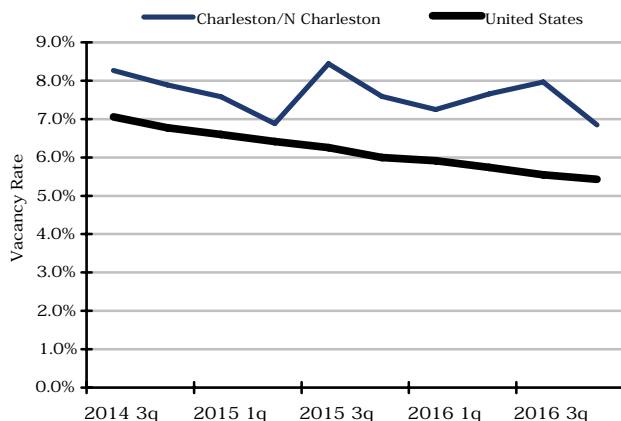
Inventory

Total Industrial inventory in the Charleston/N Charleston market area amounted to 71,915,945 square feet in 2,777 buildings as of the end of the fourth quarter 2016. The Flex sector consisted of 6,721,158 square feet in 541 projects. The Warehouse sector consisted of 65,194,787 square feet in 2,236 buildings. Within the Industrial market there were 97 owner-occupied buildings accounting for 14,566,301 square feet of Industrial space.

Reports compiled by: South Carolina Research Team and Brian Lasky, CoStar Research Manager.

U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

Charleston/N Charleston Industrial Market

Markets

Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters

Dorchester County

Downtown Charleston

E Charleston County

East Islands/Mt Pleasant

Greater Charleston

James Island/Folly Beach

North Charleston

Outlying Berkeley County

W Charleston County

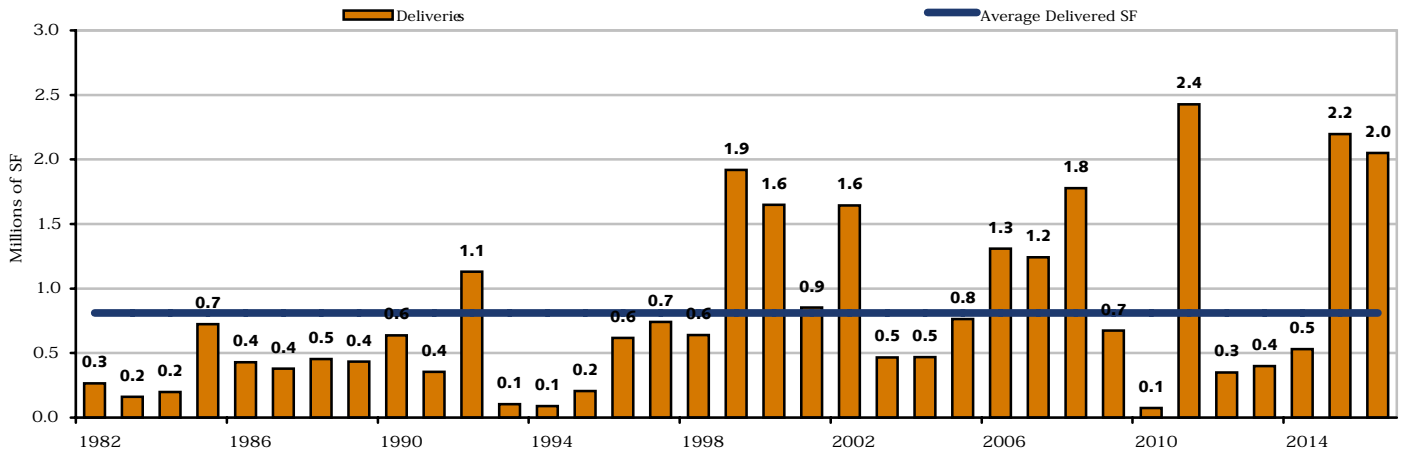
West Islands

Charleston/N Charleston Industrial Market

Inventory & development

Historical Deliveries

1982 - 2016



Source: CoStar Property® * Future deliveries based on current under construction buildings.

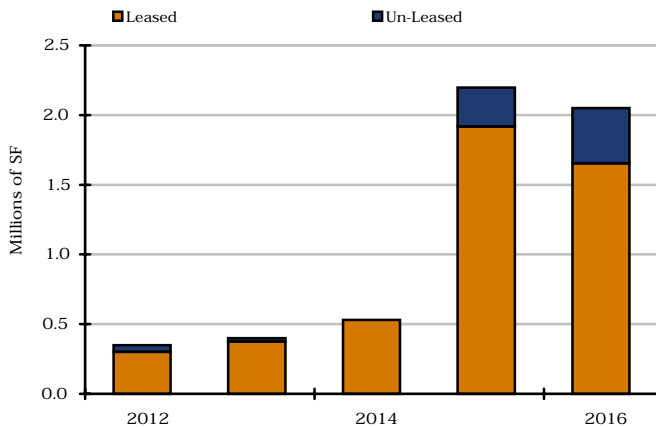
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Outlying Berkeley County	4	2,414,502	2,394,502	99.2%	52,812	603,625
North Charleston	9	1,297,000	376,475	29.0%	24,504	144,111
Dorchester County	0	0	0	0.0%	21,415	0
Greater Charleston	0	0	0	0.0%	17,760	0
East Islands/Mt Pleasant	0	0	0	0.0%	11,037	0
Downtown Charleston	0	0	0	0.0%	20,314	0
E Charleston County	0	0	0	0.0%	10,013	0
James Island/Folly Beach	0	0	0	0.0%	9,053	0
W Charleston County	0	0	0	0.0%	8,052	0
West Islands	0	0	0	0.0%	11,951	0
Totals	13	3,711,502	2,770,977	74.7%	25,897	285,500

Source: CoStar Property®

Recent Deliveries

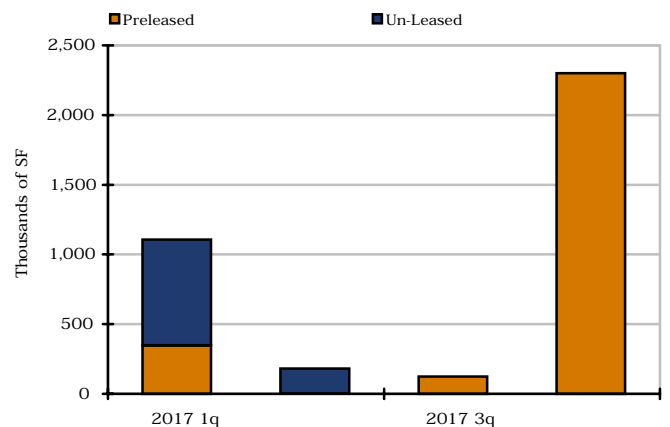
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



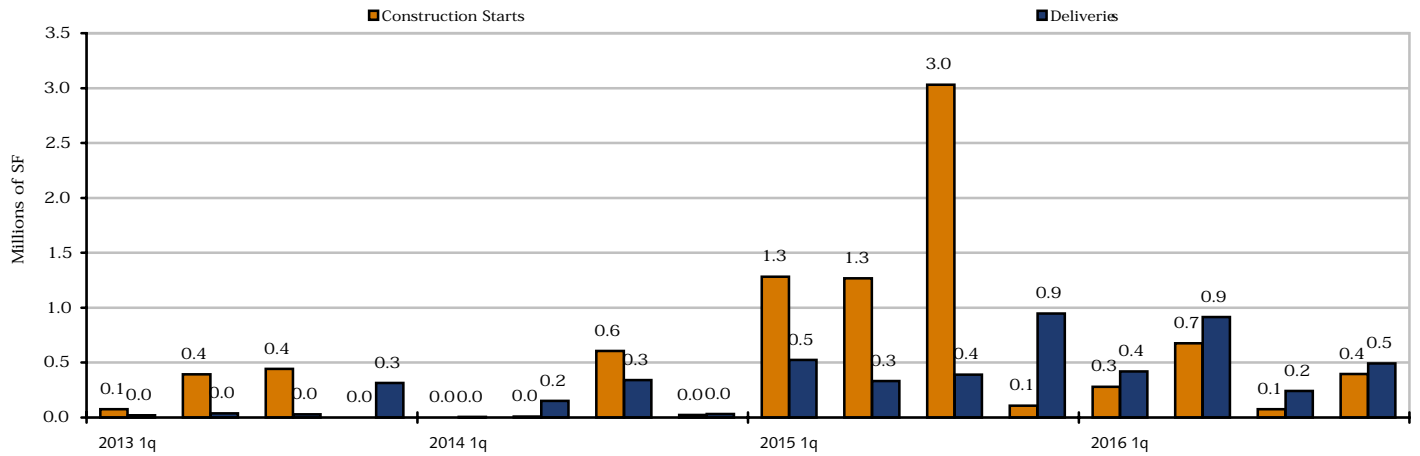
Source: CoStar Property®

Charleston/N Charleston Industrial Market

Inventory & development

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	9	128,223	96,359	75.1%	\$8.06	93,543	34,680
50,000 SF - 99,999 SF	3	237,500	224,675	94.6%	\$6.04	170,000	67,500
100,000 SF - 249,999 SF	4	585,848	585,848	100.0%	\$5.25	443,200	142,648
250,000 SF - 499,999 SF	3	1,097,856	747,000	68.0%	\$5.18	351,000	746,856
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

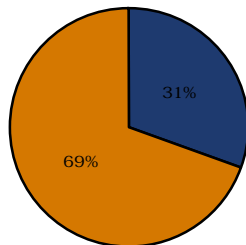
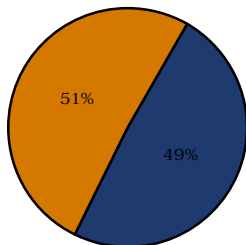
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

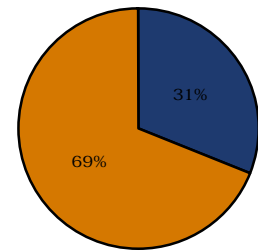
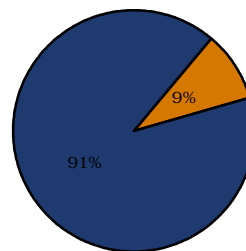
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

Charleston/N Charleston Industrial Market

Inventory & development

Select Year-to-Date Deliveries

Based on Project Square Footage

<p>1. 5300 International Blvd</p> <p>Submarket: North Charleston Industrial Market RBA: 396,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Fourth Quarter 2016 Leasing Co: The Boeing Company Developer: N/A</p>	<p>2. CRBC II</p> <p>Submarket: Greater Charleston Industrial Market RBA: 351,000 Occupied: 50% Quoted Rate: \$5.25 Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: CBRE Developer: Childress Klein</p>	<p>3. 1025 Northpointe Industrial Blvd</p> <p>Submarket: Outlying Berkeley County Industrial Market RBA: 350,856 Occupied: 0% Quoted Rate: \$5.15 Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2016 Leasing Co: Colliers International Developer: WestRock Company</p>
<p>4. 7748 Palmetto Commerce Pky</p> <p>Submarket: North Charleston Industrial Market RBA: 180,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: N/A Developer: N/A</p>	<p>5. WABCO Assembly & Distribution Facility</p> <p>Submarket: Dorchester County Industrial Market RBA: 145,200 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: N/A Developer: N/A</p>	<p>6. 9740 Patriot Blvd</p> <p>Submarket: North Charleston Industrial Market RBA: 142,648 Occupied: 100% Quoted Rate: \$5.25 Grnd Brk Date: Second Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: CBRE Developer: Pattillo Construction Company</p>
<p>7. Sportsman Boats Manufacturing Expansion</p> <p>Submarket: Dorchester County Industrial Market RBA: 118,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: Third Quarter 2016 Leasing Co: Sportsman Boats Manufacturing Developer: Sportsman Boats Manufacturing</p>	<p>8. Mankiewicz Coatings</p> <p>Submarket: Greater Charleston Industrial Market RBA: 90,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Third Quarter 2016 Leasing Co: Mankiewicz Coatings LLC Developer: N/A</p>	<p>9. 108 Slate Stone Dr</p> <p>Submarket: Outlying Berkeley County Industrial Market RBA: 80,000 Occupied: 100% Quoted Rate: \$5.75 Grnd Brk Date: First Quarter 2016 Deliv Date: Fourth Quarter 2016 Leasing Co: Colliers International Developer: N/A</p>
<p>10. Atlas Commerce Center BLDG 1</p> <p>Submarket: North Charleston Industrial Market RBA: 67,500 Occupied: 81% Quoted Rate: \$7.92 Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: Avison Young Developer: Atlas Capital Group, Inc.</p>	<p>11. 2580 Oscar Johnson Dr</p> <p>Submarket: North Charleston Industrial Market RBA: 31,210 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2016 Leasing Co: Carolina International Trucks Inc Developer: N/A</p>	<p>12. Westbrook Brewing Expansion</p> <p>Submarket: East Islands/Mt Pleasant Industrial Market RBA: 30,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: Westbrook Brewing Co. Developer: Westbrook Brewing Co.</p>
<p>13. 9500 Industrial Center Dr - Building 1</p> <p>Submarket: North Charleston Industrial Market RBA: 18,425 Occupied: 50% Quoted Rate: \$10.25 Grnd Brk Date: Third Quarter 2015 Deliv Date: First Quarter 2016 Leasing Co: Avison Young Developer: N/A</p>	<p>14. 3226 Maybank Hwy</p> <p>Submarket: West Islands Industrial Market RBA: 16,310 Occupied: 2% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2016 Deliv Date: Third Quarter 2016 Leasing Co: Asset Management & Consulting Servi Developer: N/A</p>	<p>15. 9481 Industrial Center Dr</p> <p>Submarket: North Charleston Industrial Market RBA: 11,220 Occupied: 75% Quoted Rate: \$10.25 Grnd Brk Date: Third Quarter 2015 Deliv Date: First Quarter 2016 Leasing Co: Avison Young Developer: N/A</p>

Charleston/N Charleston Industrial Market

Inventory & development

Select Top Under Construction Properties

Based on Project Square Footage

<p>1. Volvo North American Manufacturing</p> <p>Submarket: Outlying Berkeley County Industrial Market RBA: 2,300,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: Fourth Quarter 2018 Leasing Co: Volvo Cars of North America, LLC Developer: Landmark Construction Co Inc</p>	<p>2. Crosspoint Building 5</p> <p>Submarket: North Charleston Industrial Market RBA: 273,000 Preleased: 0% Quoted Rate: \$5.75 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Charleston Industrial Developer: Charleston Industrial</p>	<p>3. 0 Weber Dr</p> <p>Submarket: North Charleston Industrial Market RBA: 250,000 Preleased: 50% Quoted Rate: \$5.25 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: N/A</p>
<p>4. Crosspoint Building 2</p> <p>Submarket: North Charleston Industrial Market RBA: 182,000 Preleased: 0% Quoted Rate: \$5.00 Grnd Brk Date: First Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Charleston Industrial Developer: N/A</p>	<p>5. Airport Commerce Center - Building 200</p> <p>Submarket: North Charleston Industrial Market RBA: 154,000 Preleased: 0% Quoted Rate: \$6.25 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: JLL Developer: N/A</p>	<p>6. Airport Commerce Center - Building 100</p> <p>Submarket: North Charleston Industrial Market RBA: 144,000 Preleased: 0% Quoted Rate: \$6.25 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: JLL Developer: N/A</p>
<p>7. FedEx Distribution Center</p> <p>Submarket: North Charleston Industrial Market RBA: 123,500 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Third Quarter 2017 Leasing Co: Regional Construction Inc Developer: Regional Construction Inc</p>	<p>8. Airport Commerce Center - Building 300</p> <p>Submarket: North Charleston Industrial Market RBA: 100,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: JLL Developer: N/A</p>	<p>9. Google Data Center</p> <p>Submarket: Outlying Berkeley County Industrial Market RBA: 82,502 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: Google, Inc. Developer: Google, Inc.</p>
<p>10. Atlas Commerce Center BLDG 2</p> <p>Submarket: North Charleston Industrial Market RBA: 67,500 Preleased: 37% Quoted Rate: \$7.92 Grnd Brk Date: Third Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Avison Young Developer: N/A</p>	<p>11. 279 Treeland Dr</p> <p>Submarket: Outlying Berkeley County Industrial Market RBA: 20,000 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Grescon Development Developer: N/A</p>	<p>12. 277 Treeland Dr</p> <p>Submarket: Outlying Berkeley County Industrial Market RBA: 12,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: Grescon Development Developer: N/A</p>
<p>13. Boxell Aerospace</p> <p>Submarket: North Charleston Industrial Market RBA: 3,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Boxell Aerospace Developer: N/A</p>		

Charleston/N Charleston Industrial Market

Figures at a Glance

Flex Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dorchester County	64	534,446	69,822	69,822	13.1%	(4,800)	0	0	\$11.88
Downtown Charleston	8	105,134	0	0	0.0%	0	0	0	\$0.00
E Charleston County	2	14,471	0	0	0.0%	0	0	0	\$0.00
East Islands/Mt Pleasant	45	510,161	27,891	27,891	5.5%	16,041	0	0	\$14.25
Greater Charleston	112	1,133,469	24,919	24,919	2.2%	(14,653)	0	0	\$11.61
James Island/Folly Beach	19	94,646	0	0	0.0%	0	0	0	\$0.00
North Charleston	203	2,517,436	179,003	179,003	7.1%	(58,057)	18,425	0	\$14.14
Outlying Berkeley County	74	1,703,973	13,992	13,992	0.8%	25,251	0	82,502	\$9.02
W Charleston County	0	0	0	0	0.0%	0	0	0	\$0.00
West Islands	14	107,422	16,036	16,036	14.9%	274	16,310	0	\$0.00
Totals	541	6,721,158	331,663	331,663	4.9%	(35,944)	34,735	82,502	\$13.04

Source: CoStar Property®

Warehouse Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dorchester County	284	6,917,951	235,156	235,156	3.4%	802,354	269,210	0	\$3.70
Downtown Charleston	33	727,760	50,727	50,727	7.0%	373	0	0	\$10.00
E Charleston County	3	35,595	0	0	0.0%	0	0	0	\$0.00
East Islands/Mt Pleasant	78	847,344	3,400	3,400	0.4%	29,600	30,000	0	\$12.00
Greater Charleston	363	7,302,567	706,669	706,669	9.7%	425,988	441,000	0	\$6.05
James Island/Folly Beach	61	629,591	13,400	13,400	2.1%	(9,400)	0	0	\$7.61
North Charleston	988	26,667,022	1,490,069	1,515,069	5.7%	799,094	841,808	1,297,000	\$5.29
Outlying Berkeley County	363	21,375,001	2,019,330	2,019,330	9.4%	443,600	451,099	2,332,000	\$4.54
W Charleston County	31	249,625	47,033	47,033	18.8%	(18,400)	0	0	\$3.70
West Islands	32	442,331	0	0	0.0%	0	0	0	\$0.00
Totals	2,236	65,194,787	4,565,784	4,590,784	7.0%	2,473,209	2,033,117	3,629,000	\$4.98

Source: CoStar Property®

Total Industrial Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dorchester County	348	7,452,397	304,978	304,978	4.1%	797,554	269,210	0	\$4.64
Downtown Charleston	41	832,894	50,727	50,727	6.1%	373	0	0	\$10.00
E Charleston County	5	50,066	0	0	0.0%	0	0	0	\$0.00
East Islands/Mt Pleasant	123	1,357,505	31,291	31,291	2.3%	45,641	30,000	0	\$13.99
Greater Charleston	475	8,436,036	731,588	731,588	8.7%	411,335	441,000	0	\$6.15
James Island/Folly Beach	80	724,237	13,400	13,400	1.9%	(9,400)	0	0	\$7.61
North Charleston	1,191	29,184,458	1,669,072	1,694,072	5.8%	741,037	860,233	1,297,000	\$5.91
Outlying Berkeley County	437	23,078,974	2,033,322	2,033,322	8.8%	468,851	451,099	2,414,502	\$4.60
W Charleston County	31	249,625	47,033	47,033	18.8%	(18,400)	0	0	\$3.70
West Islands	46	549,753	16,036	16,036	2.9%	274	16,310	0	\$0.00
Totals	2,777	71,915,945	4,897,447	4,922,447	6.8%	2,437,265	2,067,852	3,711,502	\$5.37

Source: CoStar Property®

Charleston/N Charleston Industrial Market

Figures at a Glance

Flex Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	541	6,721,158	331,663	331,663	4.9%	2,979	0	0	1	82,502	\$13.04
2016 3q	541	6,721,158	334,642	334,642	5.0%	(61,703)	1	16,310	1	82,502	\$12.89
2016 2q	541	6,723,273	245,580	268,660	4.0%	59,953	0	0	2	98,812	\$12.52
2016 1q	541	6,723,273	307,469	328,613	4.9%	(37,173)	1	18,425	2	98,812	\$11.55
2015 4q	540	6,704,848	251,871	273,015	4.1%	21,894	1	13,000	2	100,927	\$11.71
2015 3q	539	6,691,848	260,909	281,909	4.2%	45,601	1	24,000	3	113,927	\$10.68
2015 2q	538	6,667,848	282,510	303,510	4.6%	348,412	1	300,543	3	119,502	\$10.63
2015 1q	537	6,367,305	330,379	351,379	5.5%	259,688	1	252,898	4	420,045	\$10.62
2014	536	6,114,407	335,969	358,169	5.9%	493,078	1	341,520	2	553,441	\$10.83
2013	537	5,781,529	493,076	518,369	9.0%	9,721	1	6,438	2	594,418	\$10.32
2012	536	5,775,091	521,652	521,652	9.0%	275,575	3	206,793	0	0	\$10.90
2011	533	5,568,298	577,954	590,434	10.6%	174,631	4	142,197	2	58,793	\$10.56
2010	529	5,426,101	610,388	622,868	11.5%	23,508	2	31,296	1	2,074	\$9.87
2009	527	5,394,805	596,856	615,080	11.4%	(3,862)	3	21,586	2	31,296	\$11.48
2008	525	5,380,173	586,487	596,586	11.1%	715,405	22	677,916	1	6,886	\$11.36
2007	504	4,707,257	635,575	639,075	13.6%	98,412	8	110,312	17	621,904	\$11.56

Source: CoStar Property®

Warehouse Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	2,236	65,194,787	4,565,784	4,590,784	7.0%	1,252,923	4	491,510	12	3,629,000	\$4.98
2016 3q	2,232	64,703,277	4,800,218	5,352,197	8.3%	53,306	4	224,823	14	3,724,010	\$4.99
2016 2q	2,228	64,478,454	4,493,742	5,180,680	8.0%	499,845	6	916,348	16	3,871,833	\$4.97
2016 1q	2,222	63,562,106	4,139,094	4,764,177	7.5%	667,135	4	400,436	15	4,111,171	\$4.86
2015 4q	2,218	63,161,670	4,419,192	5,030,876	8.0%	1,435,549	3	934,399	17	4,249,607	\$4.88
2015 3q	2,216	62,228,672	4,883,343	5,533,427	8.9%	(754,154)	5	365,500	17	5,077,183	\$4.73
2015 2q	2,211	61,863,172	3,881,189	4,413,773	7.1%	437,542	2	32,500	14	2,430,613	\$4.60
2015 1q	2,210	61,834,232	4,289,791	4,822,375	7.8%	433,641	1	273,000	9	1,196,000	\$4.53
2014	2,209	61,561,232	4,449,432	4,983,016	8.1%	478,928	4	188,633	3	305,500	\$4.49
2013	2,210	61,469,625	5,245,374	5,370,337	8.7%	(665,333)	9	393,710	3	156,933	\$4.30
2012	2,202	61,083,414	4,261,293	4,318,793	7.1%	724,055	7	141,846	4	238,594	\$4.17
2011	2,196	60,944,368	4,683,302	4,903,802	8.0%	3,265,608	10	2,284,158	3	33,451	\$4.17
2010	2,187	58,670,708	5,537,320	5,895,750	10.0%	(250,997)	3	43,030	7	2,220,156	\$4.16
2009	2,184	58,627,678	4,766,606	5,601,723	9.6%	628,520	9	652,265	4	695,270	\$4.49
2008	2,177	57,989,841	5,178,700	5,592,406	9.6%	(983,204)	20	1,098,651	6	555,910	\$4.63
2007	2,158	57,003,763	3,581,124	3,623,124	6.4%	1,357,796	34	1,130,874	14	1,009,075	\$4.57

Source: CoStar Property®

Total Industrial Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	2,777	71,915,945	4,897,447	4,922,447	6.8%	1,255,902	4	491,510	13	3,711,502	\$5.37
2016 3q	2,773	71,424,435	5,134,860	5,686,839	8.0%	(8,397)	5	241,133	15	3,806,512	\$5.36
2016 2q	2,769	71,201,727	4,739,322	5,449,340	7.7%	559,798	6	916,348	18	3,970,645	\$5.37
2016 1q	2,763	70,285,379	4,446,563	5,092,790	7.2%	629,962	5	418,861	17	4,209,983	\$5.24
2015 4q	2,758	69,866,518	4,671,063	5,303,891	7.6%	1,457,443	4	947,399	19	4,350,534	\$5.32
2015 3q	2,755	68,920,520	5,144,252	5,815,336	8.4%	(708,553)	6	389,500	20	5,191,110	\$5.09
2015 2q	2,749	68,531,020	4,163,699	4,717,283	6.9%	785,954	3	333,043	17	2,550,115	\$4.94
2015 1q	2,747	68,201,537	4,620,170	5,173,754	7.6%	693,329	2	525,898	13	1,616,045	\$4.87
2014	2,745	67,675,639	4,785,401	5,341,185	7.9%	972,006	5	530,153	5	858,941	\$4.84
2013	2,747	67,251,154	5,738,450	5,888,706	8.8%	(655,612)	10	400,149	5	751,351	\$4.70
2012	2,738	66,858,505	4,782,945	4,840,445	7.2%	999,630	10	348,639	4	238,594	\$4.56
2011	2,729	66,512,666	5,261,256	5,494,236	8.3%	3,440,239	14	2,426,355	5	92,244	\$4.62
2010	2,716	64,096,809	6,147,708	6,518,618	10.2%	(227,489)	5	74,326	8	2,222,230	\$4.59
2009	2,711	64,022,483	5,363,462	6,216,803	9.7%	624,658	12	673,851	6	726,566	\$5.07
2008	2,702	63,370,014	5,765,187	6,188,992	9.8%	(267,799)	42	1,776,567	7	562,796	\$5.56
2007	2,662	61,711,020	4,216,699	4,262,199	6.9%	1,456,208	42	1,241,186	31	1,630,979	\$5.38

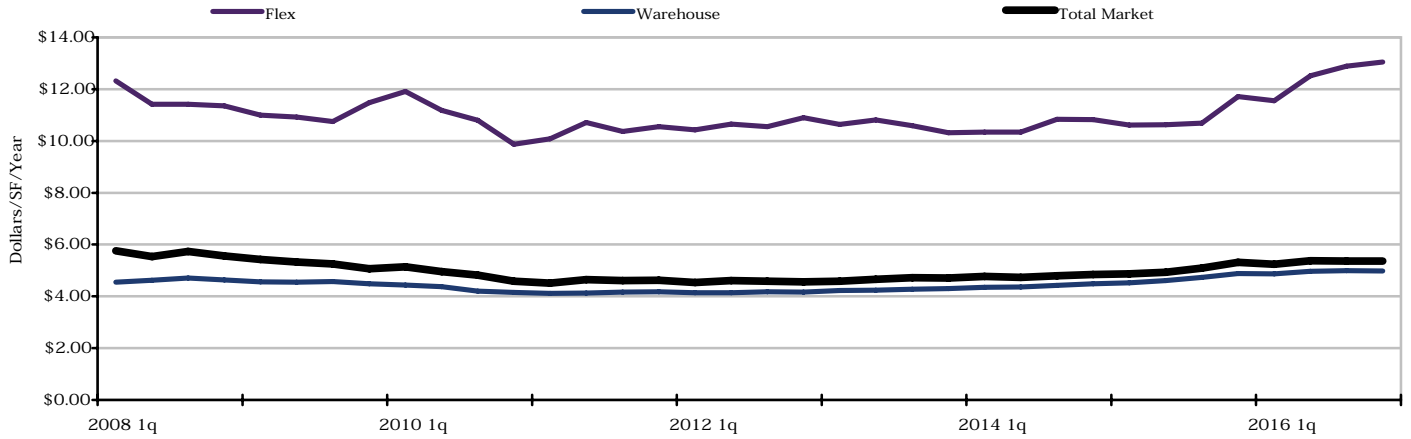
Source: CoStar Property®

Charleston/N Charleston Industrial Market

Leasing Activity

Historical Rental Rates

Based on Quoted Rental Rates



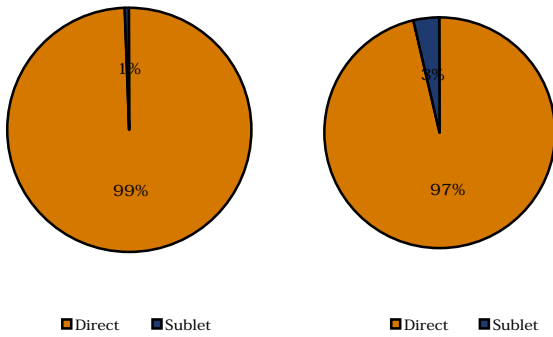
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Charleston/N Charleston

United States



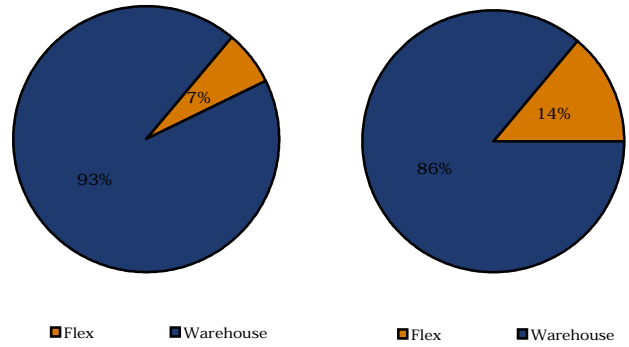
Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space by Building Type

Charleston/N Charleston

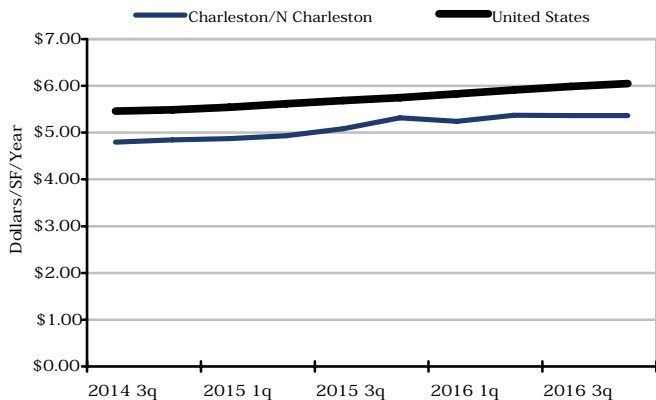
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

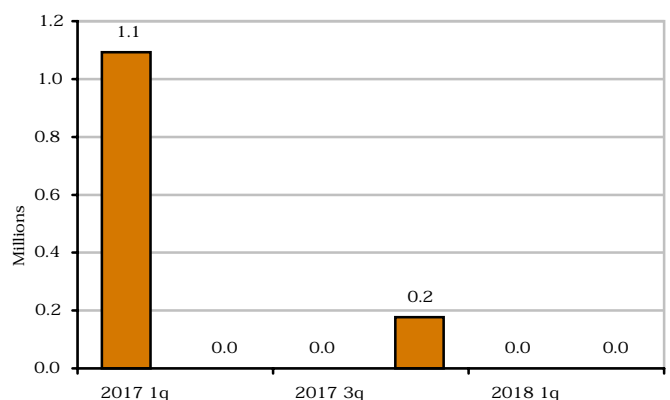
Based on Average Quoted Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



Source: CoStar Property®

* Includes Under Construction Space

Charleston/N Charleston Industrial Market

Leasing Activity

Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2016

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 Charleston Gateway Distribution Center	Outlying Berkeley County	473,124	3rd	Zinus, Inc	Newmark Cornish & Carey/Colliers/T3	CBRE
2 North Rhett Commerce Center - Building 1	Outlying Berkeley County	212,000	2nd	TVS	Colliers International	JLL
3 North Pointe Industrial Park	Outlying Berkeley County	145,803	4th	AmerCare, LLC	Carolina One Commercial	Colliers International
4 9740 Patriot Blvd	North Charleston	142,648	2nd	Aht Cooling Systems	Landmark Enterprises, Inc.	CBRE
5 2701 Azalea Dr	North Charleston	130,728	3rd	N/A	N/A	JLL
6 2650 Carner Ave	North Charleston	127,156	2nd	Neal Brothers	Colliers International	Kennedy Partners, LLC
7 7555 Palmetto Commerce Pky	North Charleston	112,009	1st	Conquer Logistics	N/A	Maybank Properties LLC
8 Remount Building 1*	North Charleston	110,496	2nd	Scientific Research Corp	Colliers International	N/A
9 Airport Commerce Center - Building 300	North Charleston	100,000	2nd	American Tire	N/A	JLL
10 320 Deming Way	Dorchester County	94,500	3rd	N/A	Colliers International	Colliers International
11 St. George Warehouse	Greater Charleston	90,000	4th	N/A	N/A	Rock Creek CRE
12 1028 Legrand Blvd	Greater Charleston	84,416	4th	N/A	N/A	Rock Creek CRE
13 430 Industrial Rd	Dorchester County	83,000	2nd	Capitol Materials	Twin Rivers Capital, LLC	CBRE
14 1031 Legrand Blvd	Greater Charleston	75,000	3rd	CLT Air Freight Carrier, LLC	Colliers International	N/A
15 Leeds Park International - 1	North Charleston	60,000	4th	N/A	N/A	Charleston Industrial
16 4450 Goer Dr	North Charleston	53,855	2nd	WYSE Logistics	CBRE	Avison Young
17 Crosspoint Building 5	North Charleston	52,000	4th	N/A	N/A	Childress Klein; Charleston Industr
18 4400 Arco Ln*	North Charleston	50,046	2nd	Key Logistics	N/A	N/A
19 2935 Ashley Phosphate Rd*	North Charleston	46,886	3rd	Professional Builder's Supply, LLC	N/A	N/A
20 212 Industrial Rd	Dorchester County	44,000	2nd	Village Originals	Colliers International	CBRE
21 Charleston Regional III*	Greater Charleston	42,039	2nd	Environmental Express	Colliers International	N/A
22 4500 Goer Dr*	North Charleston	40,000	2nd	Danger Boys Production, LLC	N/A	Colliers International
23 4500 Goer Dr	North Charleston	40,000	3rd	Midstates Packaging LLC	N/A	Colliers International
24 Crosspoint Building 4	North Charleston	39,000	1st	ThyssenKrupp	N/A	Charleston Industrial
25 7381 Spartan Blvd E	North Charleston	32,000	1st	N/A	N/A	Avison Young
26 7381 Spartan Blvd E	North Charleston	32,000	4th	Palm Casual Patio Furniture	Agent Owned Realty	Avison Young
27 Pepperdam Industrial Park - A*	North Charleston	31,250	4th	Graybar	N/A	Landmark Enterprises, Inc.
28 210 Industrial Dr - Bldg 1	Dorchester County	28,000	3rd	N/A	Colliers International	CBRE
29 4567 Piggly Wiggly Dr	North Charleston	26,464	3rd	Decor Corporation	CBRE	Lee & Associates
30 1850 Ashley River Rd*	Greater Charleston	26,000	3rd	G & S Supply Co	Rock Creek CRE	Avison Young
31 Atlas Commerce Center BLDG 2	North Charleston	25,000	4th	N/A	N/A	Avison Young
32 Atlas Commerce Center BLDG 1	North Charleston	22,500	3rd	Belimed Inc.	CBRE	Avison Young
33 8302 Dorchester Rd*	Dorchester County	22,275	4th	TCI Contracting, LLC	Avison Young	RE/MAX Pro Realty
34 Remount building 2	North Charleston	21,000	1st	CACI LLC	JLL	Landmark Enterprises, Inc.
35 Remount building 2*	North Charleston	20,674	3rd	Booz Allen Hamilton, Inc.	JLL	Landmark Enterprises, Inc.
36 2094 Wambaw Creek Rd	Greater Charleston	18,350	3rd	Composite Containers	N/A	Colliers International
37 6549 Fain St	North Charleston	18,000	2nd	Renfrow Brothers	N/A	Time Properties LLC
38 4260 Piggly Wiggly Dr*	North Charleston	17,765	1st	CHS Warehousing & Logistics,	N/A	N/A
39 4271 Piggly Wiggly Dr	North Charleston	16,800	2nd	B.E. and E., LLC.	N/A	Lee & Associates
40 Navy Yard - 1632	North Charleston	15,000	3rd	N/A	N/A	Palmetto Commercial Properties, LLC

Source: CoStar Property®

* Renewal

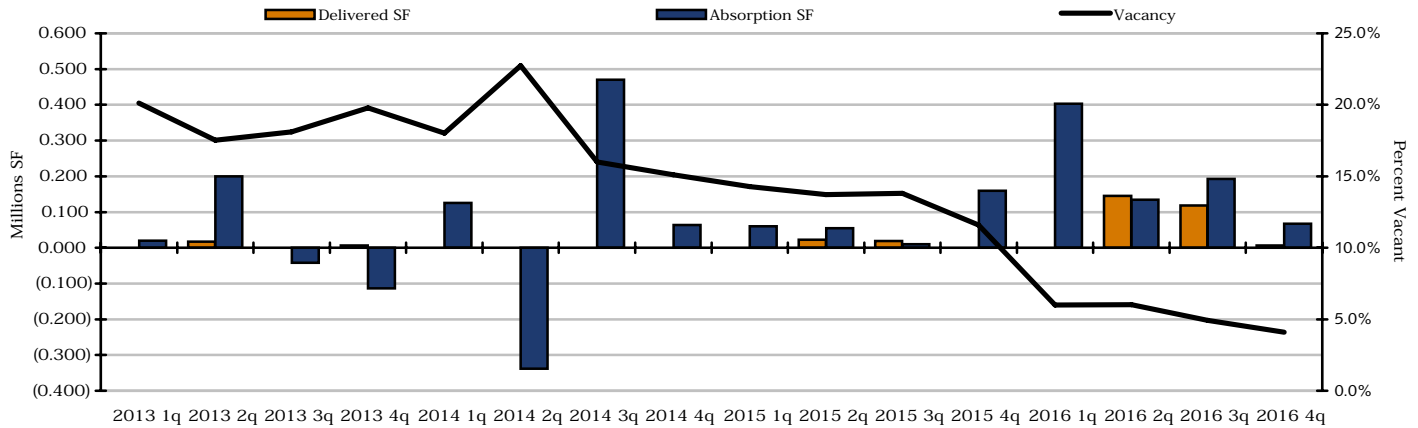
Charleston/N Charleston Industrial Market

Dorchester County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

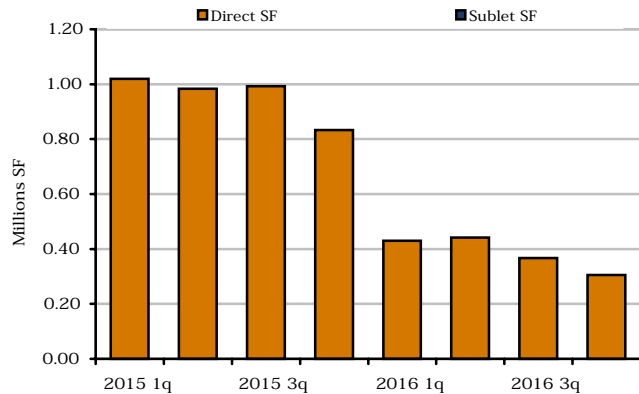
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

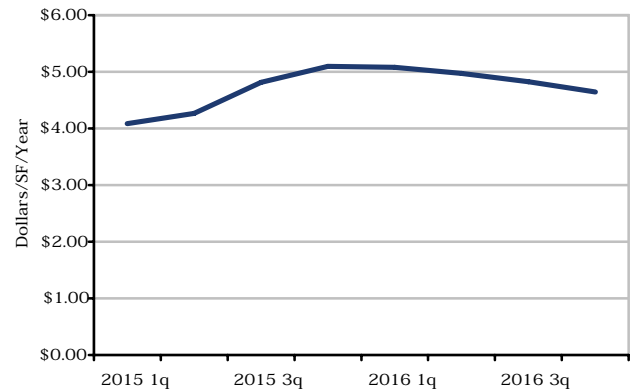
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	348	7,452,397	304,978	4.1%	67,535	1	6,010	0	0	\$4.64
2016 3q	347	7,446,387	366,503	4.9%	192,957	1	118,000	1	6,010	\$4.82
2016 2q	346	7,328,387	441,460	6.0%	134,096	1	145,200	2	124,010	\$4.97
2016 1q	345	7,183,187	430,356	6.0%	402,966	0	0	2	263,200	\$5.08
2015 4q	345	7,183,187	833,322	11.6%	159,121	0	0	2	263,200	\$5.09
2015 3q	345	7,183,187	992,443	13.8%	10,400	2	19,192	2	263,200	\$4.81
2015 2q	343	7,163,995	983,651	13.7%	54,898	1	22,500	2	19,192	\$4.27
2015 1q	343	7,145,055	1,019,609	14.3%	60,449	0	0	3	41,692	\$4.09
2014 4q	343	7,145,055	1,080,058	15.1%	64,028	0	0	1	22,500	\$4.04
2014 3q	343	7,145,055	1,144,086	16.0%	470,212	0	0	0	0	\$3.90
2014 2q	346	7,158,792	1,628,035	22.7%	(338,082)	0	0	0	0	\$3.90
2014 1q	346	7,158,792	1,289,953	18.0%	125,800	0	0	0	0	\$3.99
2013 4q	346	7,158,792	1,415,753	19.8%	(113,862)	1	6,438	0	0	\$3.44
2013 3q	345	7,152,354	1,295,453	18.1%	(42,300)	0	0	1	6,438	\$3.43
2013 2q	345	7,152,354	1,253,153	17.5%	199,822	1	16,960	1	6,438	\$3.31
2013 1q	344	7,135,394	1,436,015	20.1%	20,105	0	0	1	16,960	\$3.29

Source: CoStar Property®

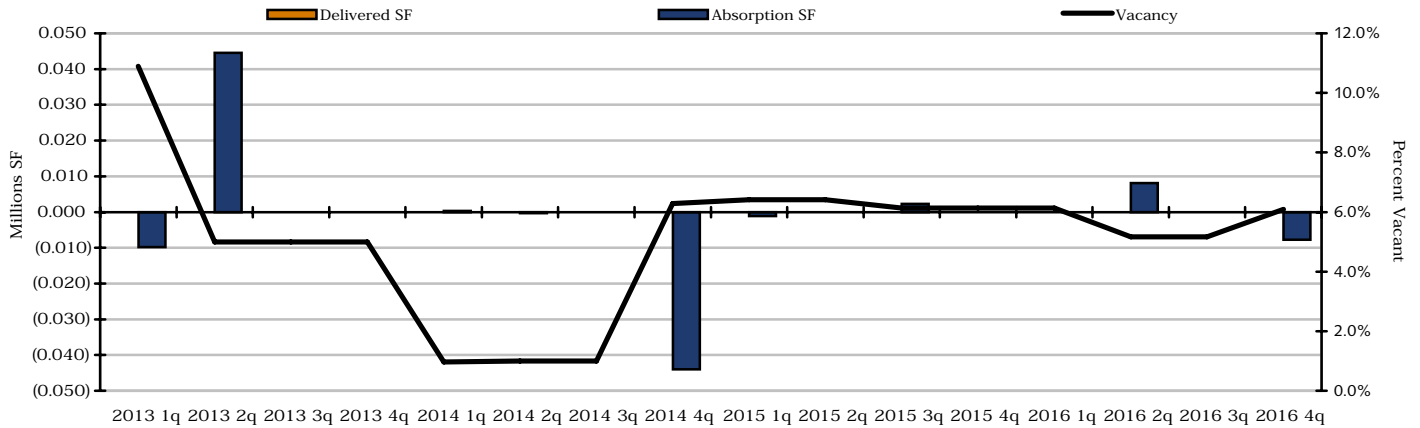
Charleston/N Charleston Industrial Market

Downtown Charleston Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

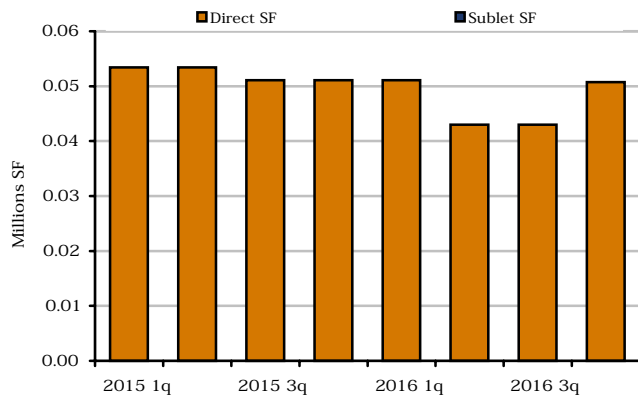
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

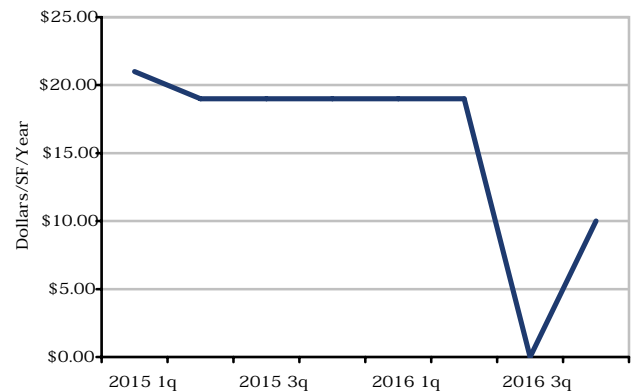
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	41	832,894	50,727	6.1%	(7,727)	0	0	0	0	\$10.00
2016 3q	41	832,894	43,000	5.2%	0	0	0	0	0	\$0.00
2016 2q	41	832,894	43,000	5.2%	8,100	0	0	0	0	\$19.00
2016 1q	41	832,894	51,100	6.1%	0	0	0	0	0	\$19.00
2015 4q	41	832,894	51,100	6.1%	0	0	0	0	0	\$19.00
2015 3q	41	832,894	51,100	6.1%	2,320	0	0	0	0	\$19.00
2015 2q	41	832,894	53,420	6.4%	0	0	0	0	0	\$19.00
2015 1q	41	832,894	53,420	6.4%	(1,100)	0	0	0	0	\$21.00
2014 4q	41	832,894	52,320	6.3%	(44,000)	0	0	0	0	\$21.00
2014 3q	41	832,894	8,320	1.0%	0	0	0	0	0	\$21.00
2014 2q	41	832,894	8,320	1.0%	(270)	0	0	0	0	\$21.00
2014 1q	41	832,894	8,050	1.0%	270	0	0	0	0	\$6.81
2013 4q	42	867,894	43,320	5.0%	0	0	0	0	0	\$5.48
2013 3q	42	867,894	43,320	5.0%	0	0	0	0	0	\$5.48
2013 2q	42	867,894	43,320	5.0%	44,498	0	0	0	0	\$5.48
2013 1q	43	875,394	95,318	10.9%	(9,820)	0	0	0	0	\$5.48

Source: CoStar Property®

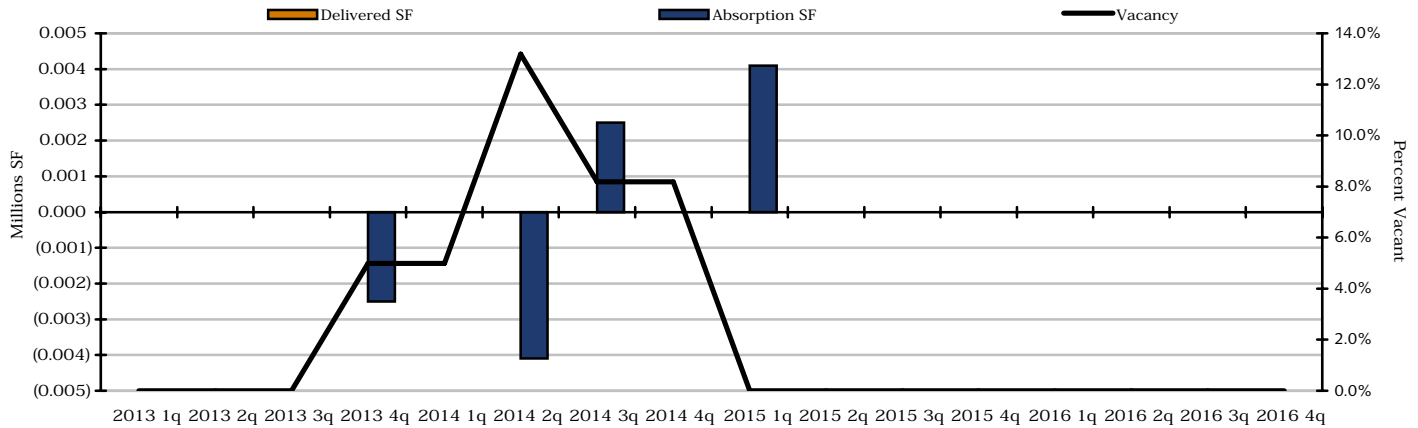
Charleston/N Charleston Industrial Market

E Charleston County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

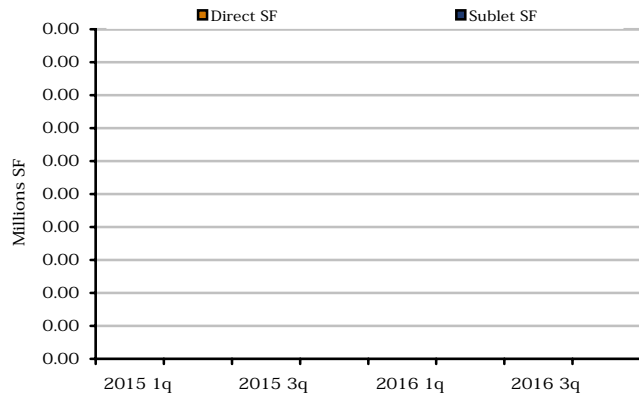
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

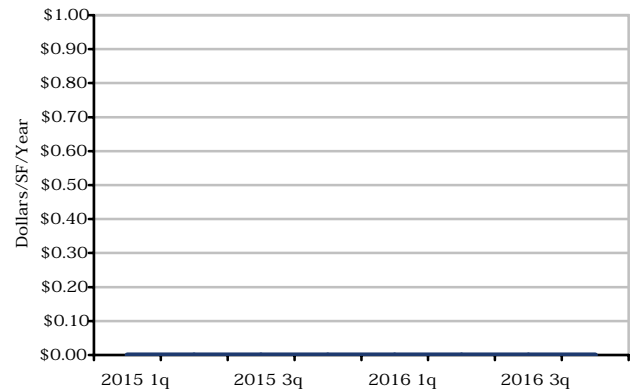
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2016 2q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2016 1q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2015 4q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2015 3q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2015 2q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2015 1q	5	50,066	0	0.0%	4,100	0	0	0	0	\$0.00
2014 4q	5	50,066	4,100	8.2%	0	0	0	0	0	\$12.96
2014 3q	5	50,066	4,100	8.2%	2,500	0	0	0	0	\$12.96
2014 2q	5	50,066	6,600	13.2%	(4,100)	0	0	0	0	\$12.96
2014 1q	5	50,066	2,500	5.0%	0	0	0	0	0	\$12.96
2013 4q	5	50,066	2,500	5.0%	(2,500)	0	0	0	0	\$14.40
2013 3q	5	50,066	0	0.0%	0	0	0	0	0	\$0.00
2013 2q	5	50,066	0	0.0%	0	0	0	0	0	\$15.36
2013 1q	5	50,066	0	0.0%	0	0	0	0	0	\$15.36

Source: CoStar Property®

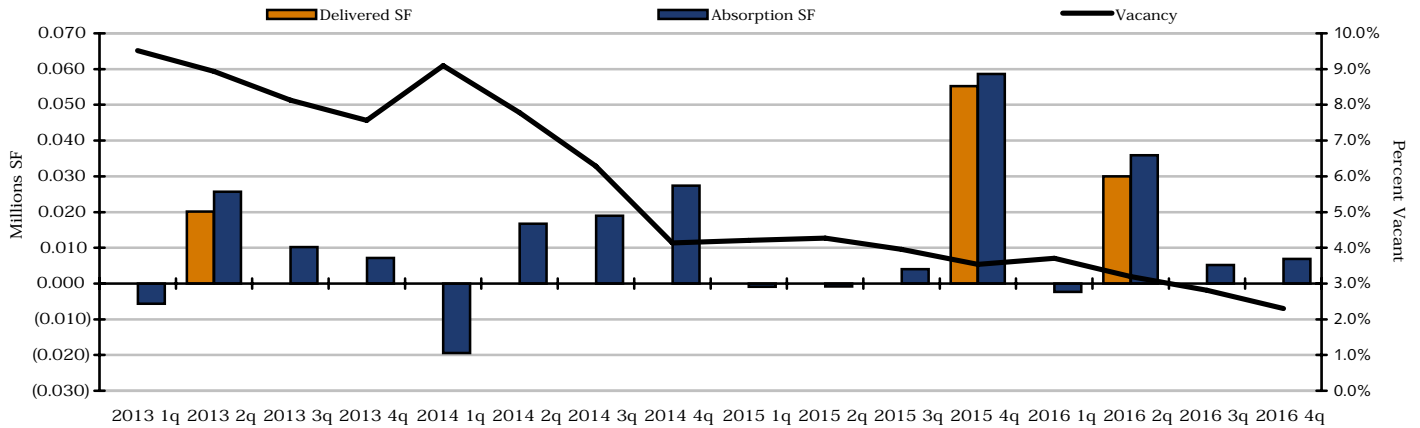
Charleston/N Charleston Industrial Market

East Islands / Mt Pleasant Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

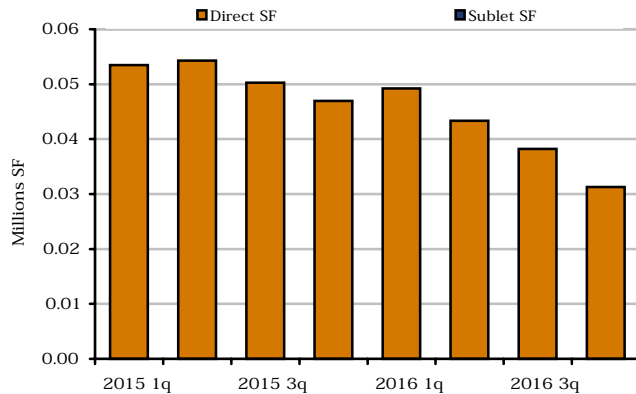
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

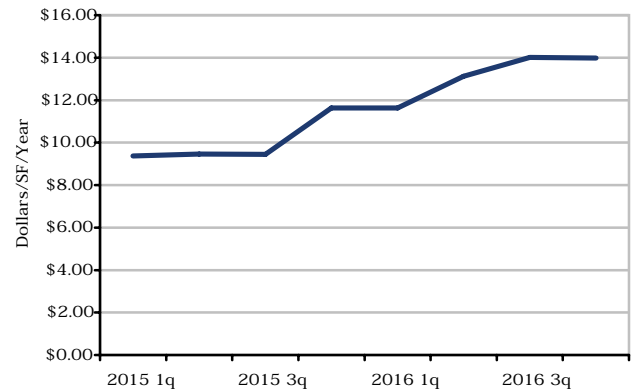
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	123	1,357,505	31,291	2.3%	6,900	0	0	0	0	\$13.99
2016 3q	123	1,357,505	38,191	2.8%	5,172	0	0	0	0	\$14.02
2016 2q	123	1,357,505	43,363	3.2%	35,869	1	30,000	0	0	\$13.12
2016 1q	122	1,327,505	49,232	3.7%	(2,300)	0	0	1	30,000	\$11.63
2015 4q	122	1,327,505	46,932	3.5%	58,629	1	55,261	1	30,000	\$11.63
2015 3q	121	1,272,244	50,300	4.0%	4,000	0	0	2	85,261	\$9.45
2015 2q	121	1,272,244	54,300	4.3%	(800)	0	0	2	85,261	\$9.47
2015 1q	121	1,272,244	53,500	4.2%	(900)	0	0	0	0	\$9.37
2014 4q	121	1,272,244	52,600	4.1%	27,412	0	0	0	0	\$9.42
2014 3q	121	1,272,244	80,012	6.3%	18,940	0	0	0	0	\$9.49
2014 2q	121	1,272,244	98,952	7.8%	16,720	0	0	0	0	\$9.47
2014 1q	121	1,272,244	115,672	9.1%	(19,407)	0	0	0	0	\$9.82
2013 4q	121	1,272,244	96,265	7.6%	7,165	0	0	0	0	\$9.90
2013 3q	121	1,272,244	103,430	8.1%	10,233	0	0	0	0	\$9.75
2013 2q	121	1,272,244	113,663	8.9%	25,655	1	20,125	0	0	\$9.40
2013 1q	120	1,252,119	119,193	9.5%	(5,608)	0	0	1	20,125	\$9.49

Source: CoStar Property®

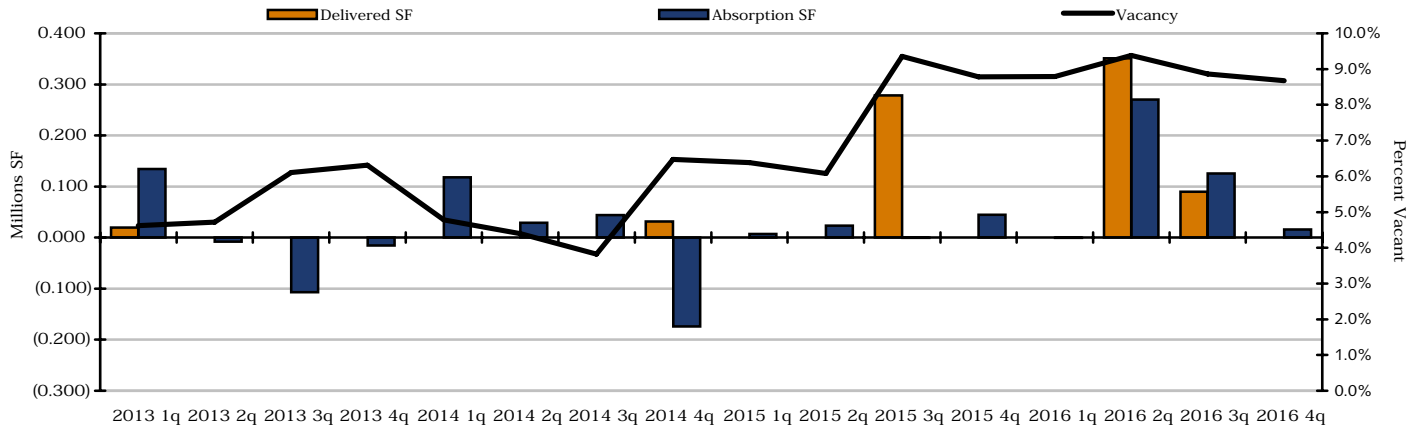
Charleston/N Charleston Industrial Market

Greater Charleston Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

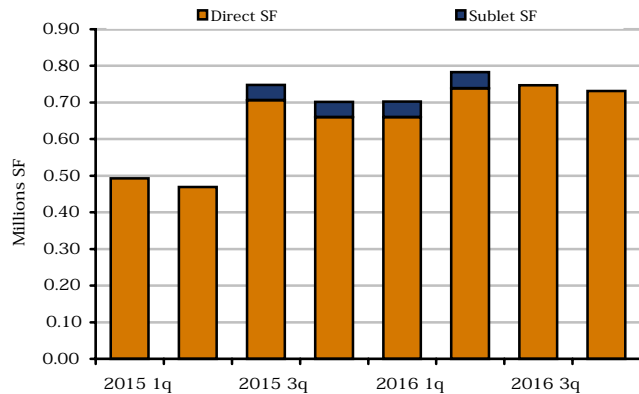
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

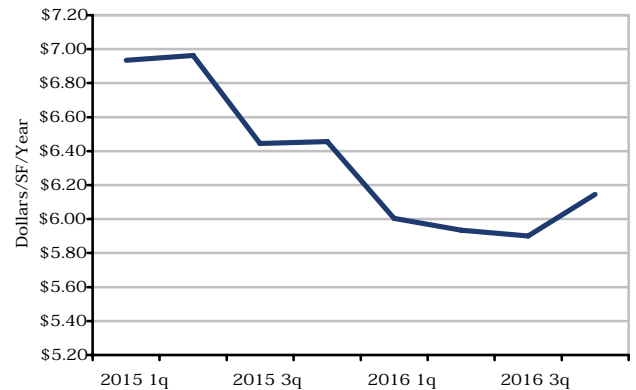
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	475	8,436,036	731,588	8.7%	15,898	0	0	0	0	\$6.15
2016 3q	475	8,436,036	747,486	8.9%	125,585	1	90,000	0	0	\$5.90
2016 2q	474	8,346,036	783,071	9.4%	270,517	1	351,000	1	90,000	\$5.93
2016 1q	473	7,995,036	702,588	8.8%	(665)	0	0	2	441,000	\$6.00
2015 4q	473	7,995,036	701,923	8.8%	44,890	0	0	2	441,000	\$6.46
2015 3q	474	7,996,437	748,214	9.4%	(398)	1	278,720	1	351,000	\$6.45
2015 2q	473	7,717,717	469,096	6.1%	23,338	0	0	1	278,720	\$6.96
2015 1q	473	7,717,717	492,434	6.4%	7,092	0	0	1	278,720	\$6.93
2014 4q	473	7,717,717	499,526	6.5%	(173,909)	1	31,700	0	0	\$6.54
2014 3q	472	7,686,017	293,917	3.8%	44,083	0	0	1	31,700	\$6.55
2014 2q	472	7,686,017	338,000	4.4%	29,187	0	0	0	0	\$6.72
2014 1q	472	7,686,017	367,187	4.8%	117,695	0	0	0	0	\$6.49
2013 4q	472	7,686,017	484,882	6.3%	(15,372)	0	0	0	0	\$6.53
2013 3q	472	7,686,017	469,510	6.1%	(106,751)	0	0	0	0	\$6.63
2013 2q	472	7,686,017	362,759	4.7%	(7,964)	0	0	0	0	\$6.48
2013 1q	472	7,686,017	354,795	4.6%	134,536	1	19,509	0	0	\$5.99

Source: CoStar Property®

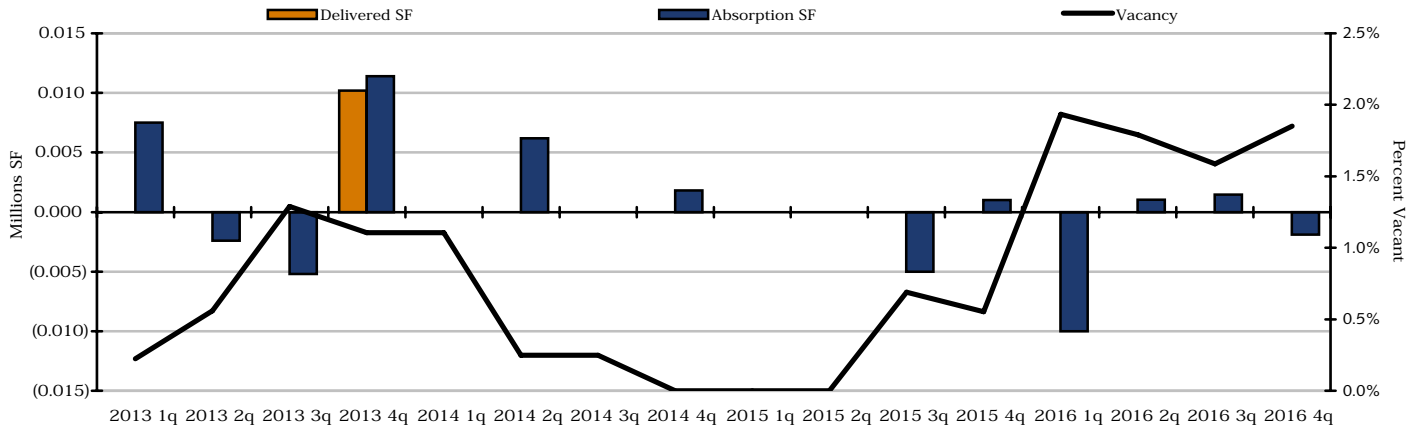
Charleston/N Charleston Industrial Market

James Island/Folly Beach Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

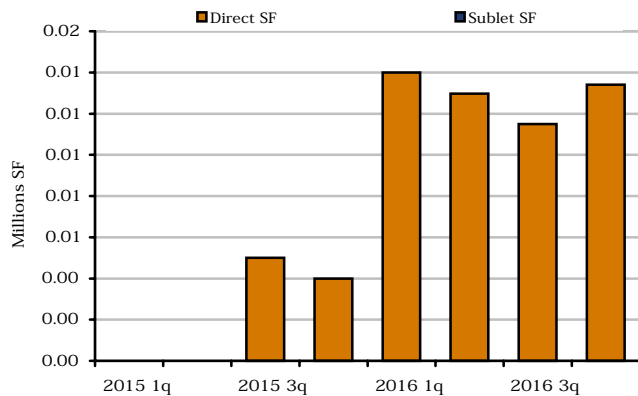
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

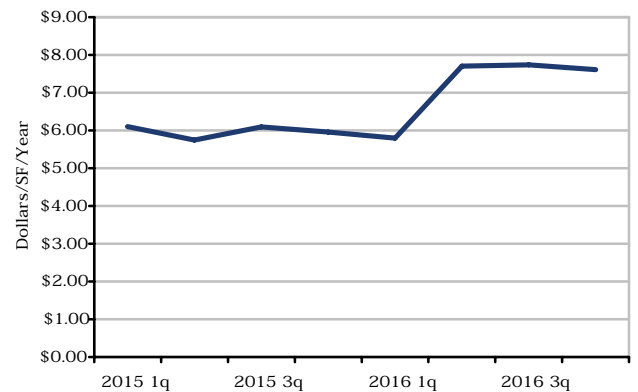
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	80	724,237	13,400	1.9%	(1,900)	0	0	0	0	\$7.61
2016 3q	80	724,237	11,500	1.6%	1,466	0	0	0	0	\$7.73
2016 2q	80	724,237	12,966	1.8%	1,034	0	0	0	0	\$7.70
2016 1q	80	724,237	14,000	1.9%	(10,000)	0	0	0	0	\$5.80
2015 4q	80	724,237	4,000	0.6%	1,000	0	0	0	0	\$5.95
2015 3q	80	724,237	5,000	0.7%	(5,000)	0	0	0	0	\$6.09
2015 2q	80	724,237	0	0.0%	0	0	0	0	0	\$5.75
2015 1q	80	724,237	0	0.0%	0	0	0	0	0	\$6.10
2014 4q	80	724,237	0	0.0%	1,800	0	0	0	0	\$6.12
2014 3q	80	724,237	1,800	0.2%	0	0	0	0	0	\$6.12
2014 2q	80	724,237	1,800	0.2%	6,204	0	0	0	0	\$5.76
2014 1q	80	724,237	8,004	1.1%	0	0	0	0	0	\$6.08
2013 4q	80	724,237	8,004	1.1%	11,400	1	10,200	0	0	\$6.10
2013 3q	79	714,037	9,204	1.3%	(5,204)	0	0	1	10,200	\$6.99
2013 2q	79	714,037	4,000	0.6%	(2,400)	0	0	0	0	\$4.32
2013 1q	79	714,037	1,600	0.2%	7,500	0	0	0	0	\$4.90

Source: CoStar Property®

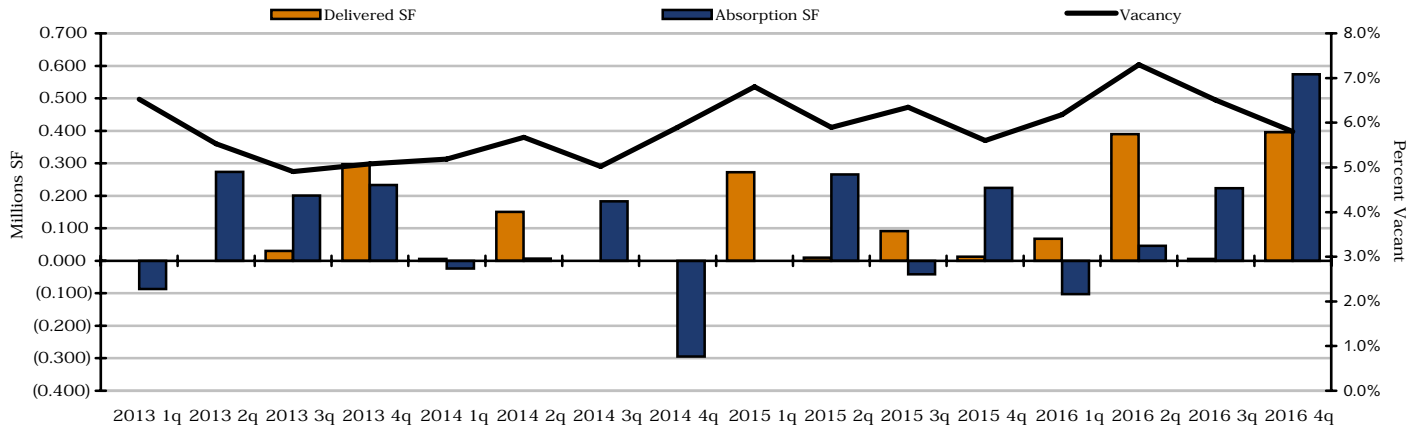
Charleston/N Charleston Industrial Market

North Charleston Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

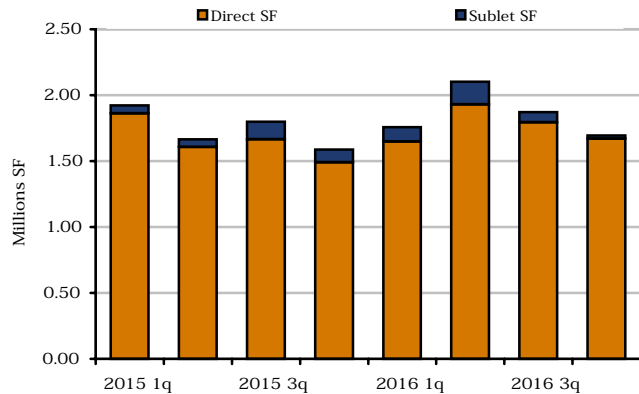
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

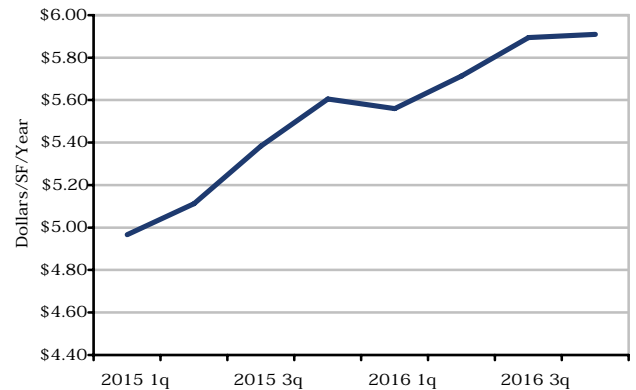
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	1,191	29,184,458	1,694,072	5.8%	573,682	1	396,000	9	1,297,000	\$5.91
2016 3q	1,190	28,788,458	1,871,754	6.5%	223,317	1	6,080	8	1,296,500	\$5.90
2016 2q	1,190	28,800,803	2,101,022	7.3%	46,149	3	390,148	8	1,235,080	\$5.71
2016 1q	1,187	28,410,655	1,757,023	6.2%	(102,111)	4	68,005	6	974,228	\$5.56
2015 4q	1,183	28,342,650	1,586,907	5.6%	224,747	1	13,000	9	860,233	\$5.61
2015 3q	1,182	28,329,650	1,798,654	6.3%	(41,783)	3	91,588	9	867,153	\$5.38
2015 2q	1,179	28,238,062	1,665,283	5.9%	266,180	1	10,000	8	854,446	\$5.11
2015 1q	1,178	28,228,062	1,921,463	6.8%	189	1	273,000	6	510,588	\$4.97
2014 4q	1,177	27,955,062	1,648,652	5.9%	(294,749)	0	0	2	283,000	\$4.93
2014 3q	1,179	28,006,993	1,405,834	5.0%	182,733	0	0	2	283,000	\$5.04
2014 2q	1,179	28,006,993	1,588,567	5.7%	6,552	2	150,933	1	10,000	\$4.87
2014 1q	1,177	27,856,060	1,444,186	5.2%	(23,349)	1	6,000	2	150,933	\$4.93
2013 4q	1,176	27,850,060	1,414,837	5.1%	233,648	4	296,917	3	156,933	\$4.88
2013 3q	1,172	27,553,143	1,351,568	4.9%	200,771	1	30,000	7	453,850	\$4.87
2013 2q	1,171	27,523,143	1,522,339	5.5%	273,888	0	0	5	304,850	\$4.75
2013 1q	1,171	27,523,143	1,796,227	6.5%	(87,168)	0	0	3	259,030	\$4.80

Source: CoStar Property®

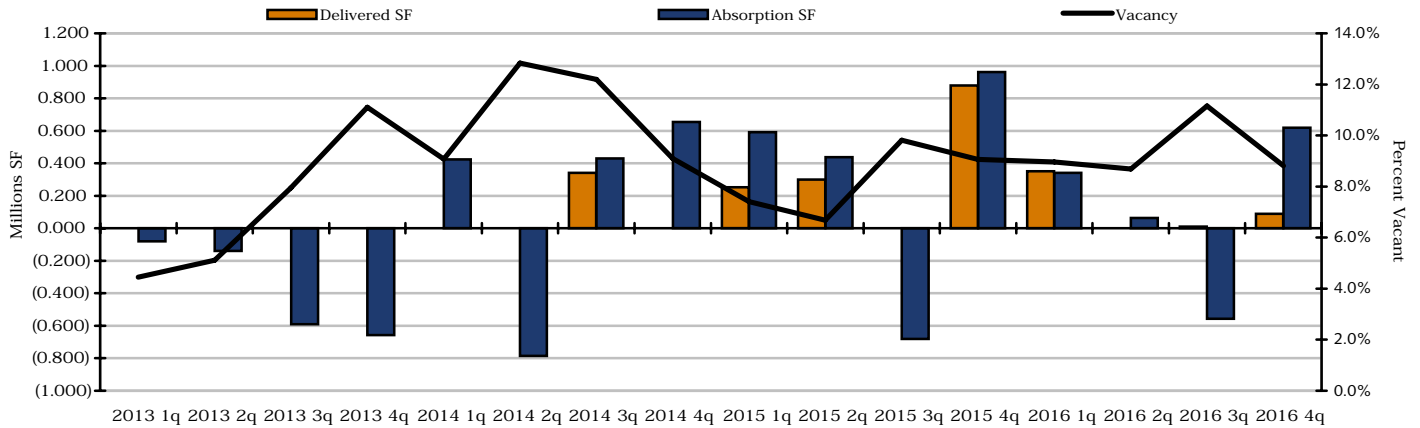
Charleston/N Charleston Industrial Market

Outlying Berkeley County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

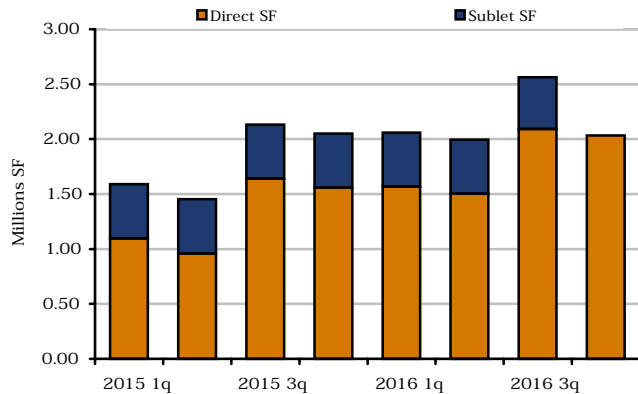
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

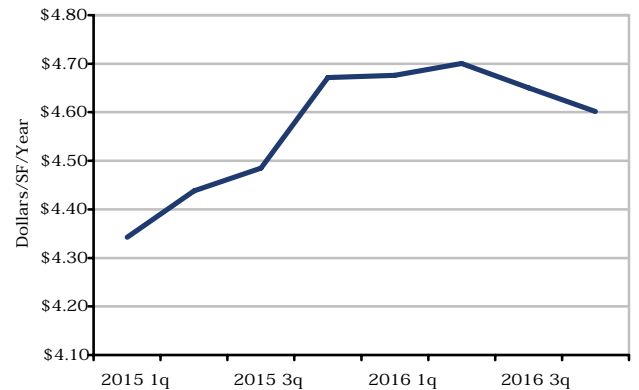
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	437	23,078,974	2,033,322	8.8%	619,914	2	89,500	4	2,414,502	\$4.60
2016 3q	435	22,989,474	2,563,736	11.2%	(557,168)	1	10,743	6	2,504,002	\$4.65
2016 2q	434	22,978,731	1,995,825	8.7%	64,033	0	0	6	2,505,245	\$4.70
2016 1q	434	22,978,731	2,059,858	9.0%	342,072	1	350,856	5	2,485,245	\$4.68
2015 4q	433	22,627,875	2,051,074	9.1%	961,391	2	879,138	5	2,756,101	\$4.67
2015 3q	431	21,748,737	2,133,327	9.8%	(680,567)	0	0	6	3,624,496	\$4.48
2015 2q	431	21,748,737	1,452,760	6.7%	437,098	1	300,543	4	1,312,496	\$4.44
2015 1q	430	21,448,194	1,589,315	7.4%	592,099	1	252,898	3	785,045	\$4.34
2014 4q	429	21,195,296	1,928,516	9.1%	655,322	0	0	2	553,441	\$4.35
2014 3q	429	21,195,296	2,583,838	12.2%	429,741	1	341,520	2	553,441	\$4.29
2014 2q	429	20,858,776	2,677,059	12.8%	(785,335)	0	0	2	594,418	\$4.27
2014 1q	429	20,858,776	1,891,724	9.1%	423,812	0	0	2	594,418	\$4.20
2013 4q	429	20,858,776	2,315,536	11.1%	(657,482)	0	0	2	594,418	\$4.26
2013 3q	429	20,858,776	1,658,054	7.9%	(590,296)	0	0	2	594,418	\$4.20
2013 2q	429	20,858,776	1,067,758	5.1%	(139,636)	0	0	1	341,520	\$4.23
2013 1q	429	20,858,776	928,122	4.4%	(80,076)	0	0	0	0	\$4.24

Source: CoStar Property®

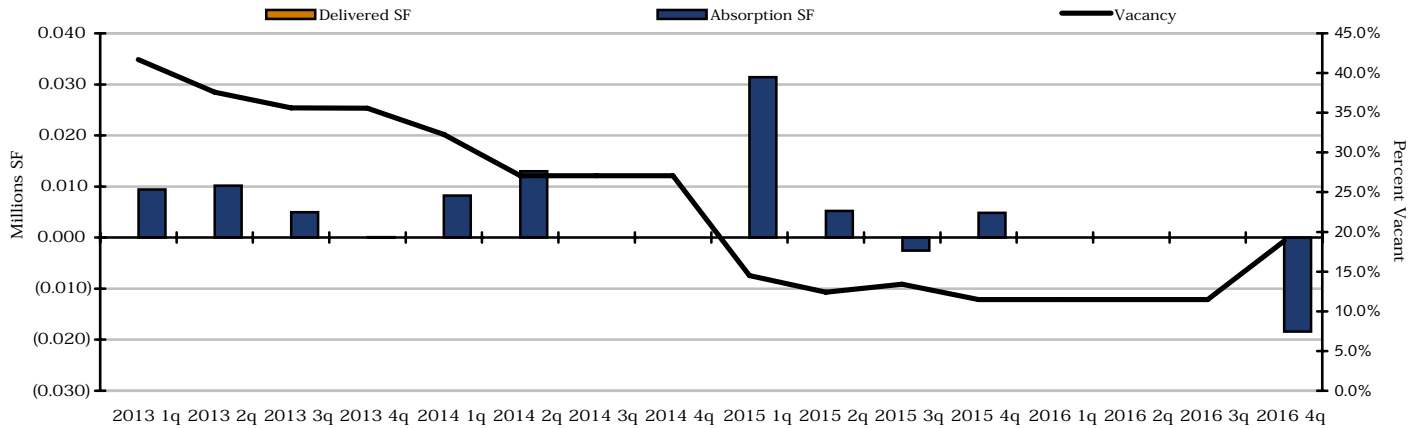
Charleston/N Charleston Industrial Market

W Charleston County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

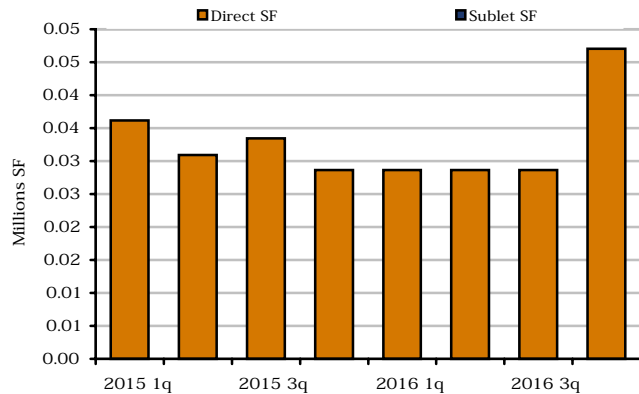
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

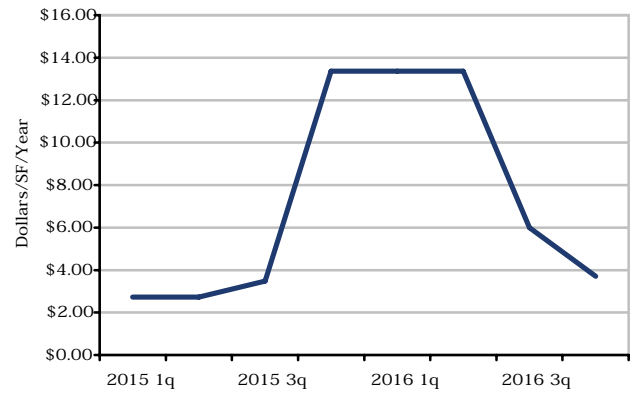
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	31	249,625	47,033	18.8%	(18,400)	0	0	0	0	\$3.70
2016 3q	31	249,625	28,633	11.5%	0	0	0	0	0	\$6.00
2016 2q	31	249,625	28,633	11.5%	0	0	0	0	0	\$13.36
2016 1q	31	249,625	28,633	11.5%	0	0	0	0	0	\$13.36
2015 4q	31	249,625	28,633	11.5%	4,825	0	0	0	0	\$13.36
2015 3q	31	249,625	33,458	13.4%	(2,525)	0	0	0	0	\$3.48
2015 2q	31	249,625	30,933	12.4%	5,240	0	0	0	0	\$2.72
2015 1q	31	249,625	36,173	14.5%	31,400	0	0	0	0	\$2.72
2014 4q	31	249,625	67,573	27.1%	0	0	0	0	0	\$3.03
2014 3q	31	249,625	67,573	27.1%	0	0	0	0	0	\$2.97
2014 2q	31	249,625	67,573	27.1%	13,000	0	0	0	0	\$2.97
2014 1q	31	249,625	80,573	32.3%	8,200	0	0	0	0	\$2.97
2013 4q	31	249,625	88,773	35.6%	100	0	0	0	0	\$3.43
2013 3q	31	249,625	88,873	35.6%	5,000	0	0	0	0	\$3.87
2013 2q	31	249,625	93,873	37.6%	10,200	0	0	0	0	\$3.87
2013 1q	31	249,625	104,073	41.7%	9,426	0	0	0	0	\$3.84

Source: CoStar Property®

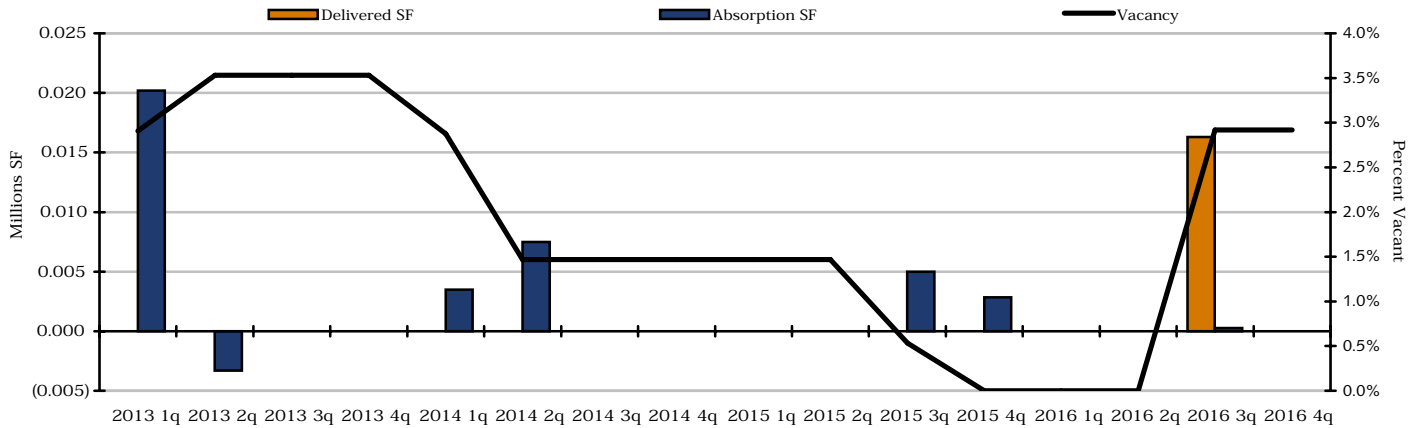
Charleston/N Charleston Industrial Market

West Islands Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

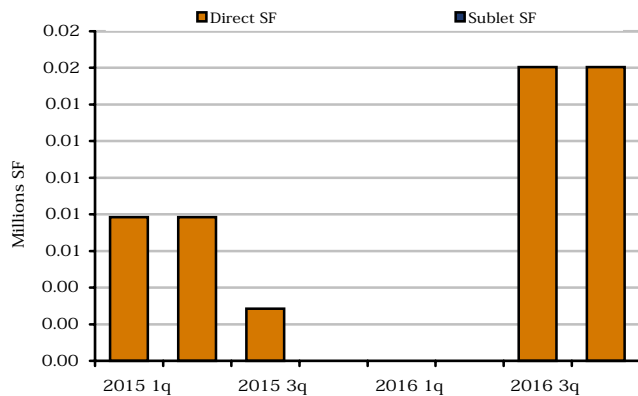
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

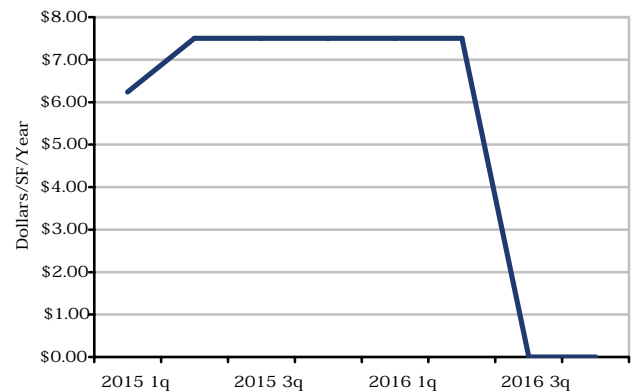
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	46	549,753	16,036	2.9%	0	0	0	0	0	\$0.00
2016 3q	46	549,753	16,036	2.9%	274	1	16,310	0	0	\$0.00
2016 2q	45	533,443	0	0.0%	0	0	0	1	16,310	\$7.50
2016 1q	45	533,443	0	0.0%	0	0	0	1	16,310	\$7.50
2015 4q	45	533,443	0	0.0%	2,840	0	0	0	0	\$7.50
2015 3q	45	533,443	2,840	0.5%	5,000	0	0	0	0	\$7.50
2015 2q	45	533,443	7,840	1.5%	0	0	0	0	0	\$7.50
2015 1q	45	533,443	7,840	1.5%	0	0	0	0	0	\$6.24
2014 4q	45	533,443	7,840	1.5%	0	0	0	0	0	\$6.56
2014 3q	45	533,443	7,840	1.5%	0	0	0	0	0	\$6.56
2014 2q	45	533,443	7,840	1.5%	7,500	0	0	0	0	\$6.56
2014 1q	45	533,443	15,340	2.9%	3,496	0	0	0	0	\$6.56
2013 4q	45	533,443	18,836	3.5%	0	0	0	0	0	\$6.56
2013 3q	45	533,443	18,836	3.5%	0	0	0	0	0	\$6.84
2013 2q	45	533,443	18,836	3.5%	(3,320)	0	0	0	0	\$6.84
2013 1q	45	533,443	15,516	2.9%	20,200	0	0	0	0	\$6.84

Source: CoStar Property®