

CHARLESTON, SC

2022 MARKET AT A GLANCE

Occupancy Rate

95.9%



UNCHANGED YOY

Effective Rent

\$1,537



UP 7.5% YOY

Rent Share of Wallet

25.8%



UP 90 BPS YOY

Apartment Market Fundamentals and Values Benefitting from Exceptional Job Opportunities

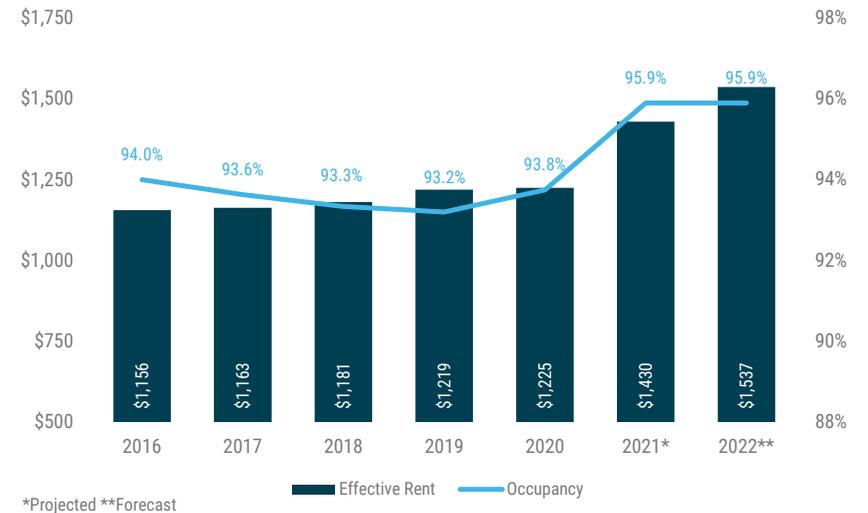
Charleston's sturdy economy pre-COVID pandemic enabled healthy leasing activity during the pandemic across Greater Charleston. Exceptional job opportunities, a population that has risen nearly 25% in the past decade, and the area's desirable lifestyle will continue to underpin strong demand for new multifamily inventory through 2022. Supporting future employment expansion and the multifamily market are Volvo Cars and Mercedes-Benz Vans, as these high-profile manufacturers have invested a combined \$1 billion for new local factories, employing about 2,600 people and could expand to 4,000 workers in the long term. New jobs will be created at Boeing South Carolina, where most of Boeing's Dreamliner production will be consolidated this year. Known as Silicon Harbor, a local burgeoning technology sector anchored by Google's expanding campus in Berkeley County, supports a robust, diversified business community. Total nonfarm employment is forecast to increase 3.2% year over year, higher than the 2.6% U.S. average during the same time. Elevated hiring will ameliorate apartment supply-demand pressure. Builders are forecast to complete more than 3,500 units this year against approximately 3,400 net units absorbed, keeping the 95.9% year-end occupancy rate unchanged from one year prior. Following recent robust rent gains, annual rent appreciation will slow to a still healthy 7.5%, resulting in \$1,537 average monthly effective rent by year-end. Meanwhile, investment activity will persist at a healthy pace for Charleston's apartment assets. Unit pricing is forecast to rise 7.8% to \$228,274 with first-year yields consistent to last year, averaging 4.6% metrowide.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

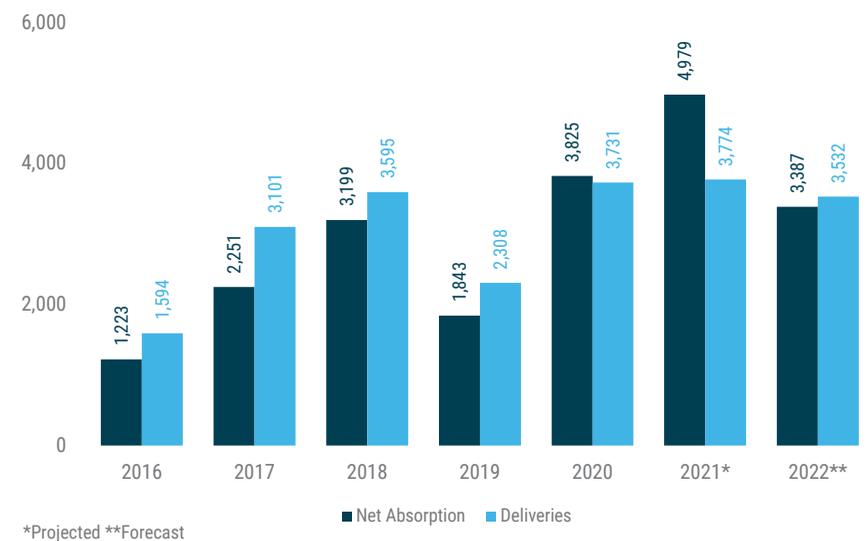
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy



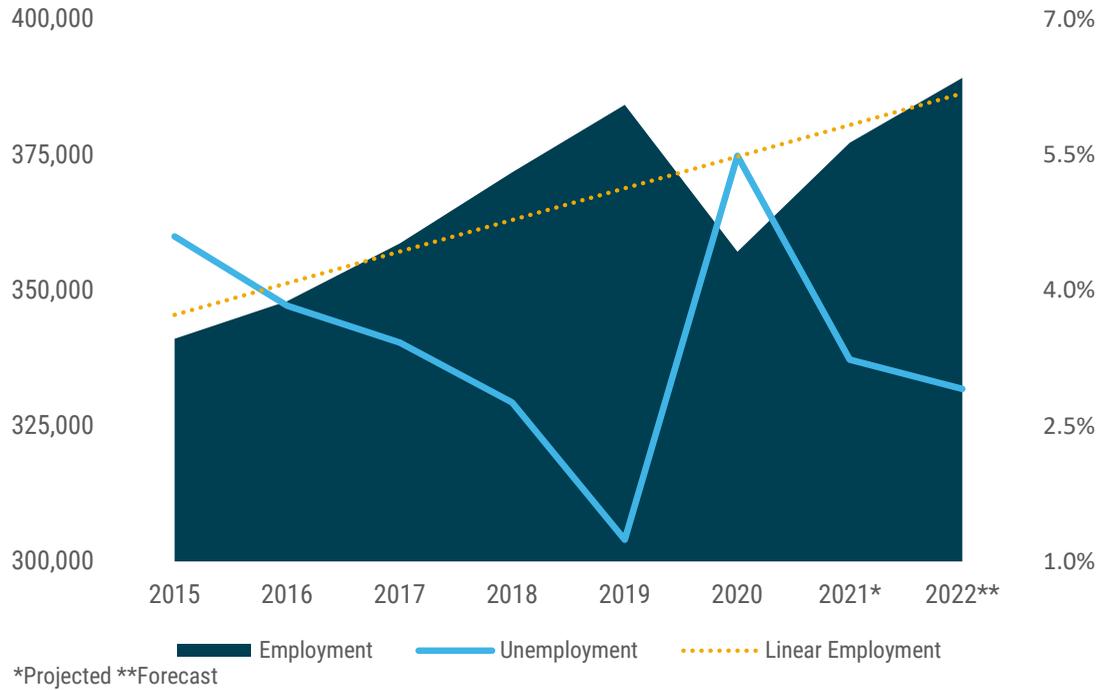
Absorption & Deliveries



CHARLESTON, SC

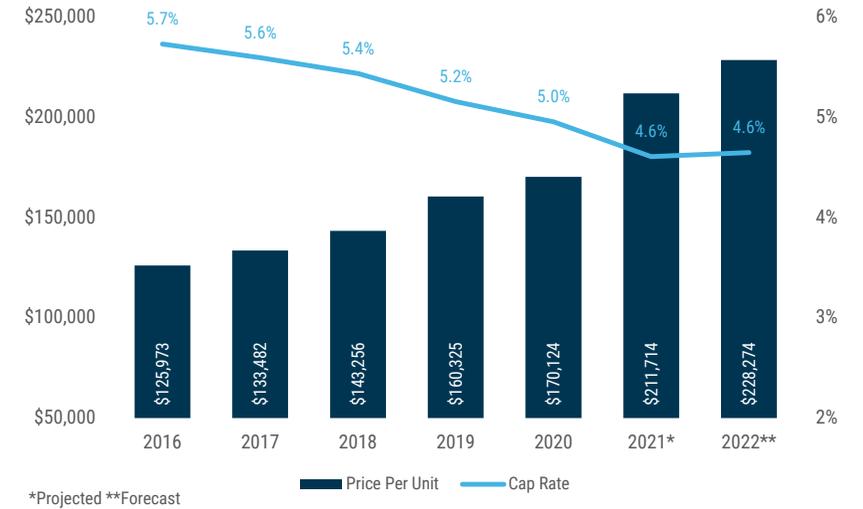
EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



<p>Employment</p> <p>389,200</p> <p>↑</p> <p>UP 3.2% YOY</p>	<p>Unemployment</p> <p>2.9%</p> <p>↓</p> <p>DOWN 30 BPS YOY</p>	<p>Median Household Income</p> <p>\$71,457</p> <p>↑</p> <p>UP 3.5% YOY</p>
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<p>Price Per Unit</p> <p>\$228,274</p> <p>↑</p> <p>UP 7.8% YOY</p>	<p>Cap Rate</p> <p>4.6%</p> <p>=</p> <p>UNCHANGED YOY</p>
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