



MARKET AT A GLANCE



OCCUPANCY RATE **93.3%**
Down **120 bps** since 2Q19



EFFECTIVE RENT **\$1,244**
Down **1.2%** since 2Q19

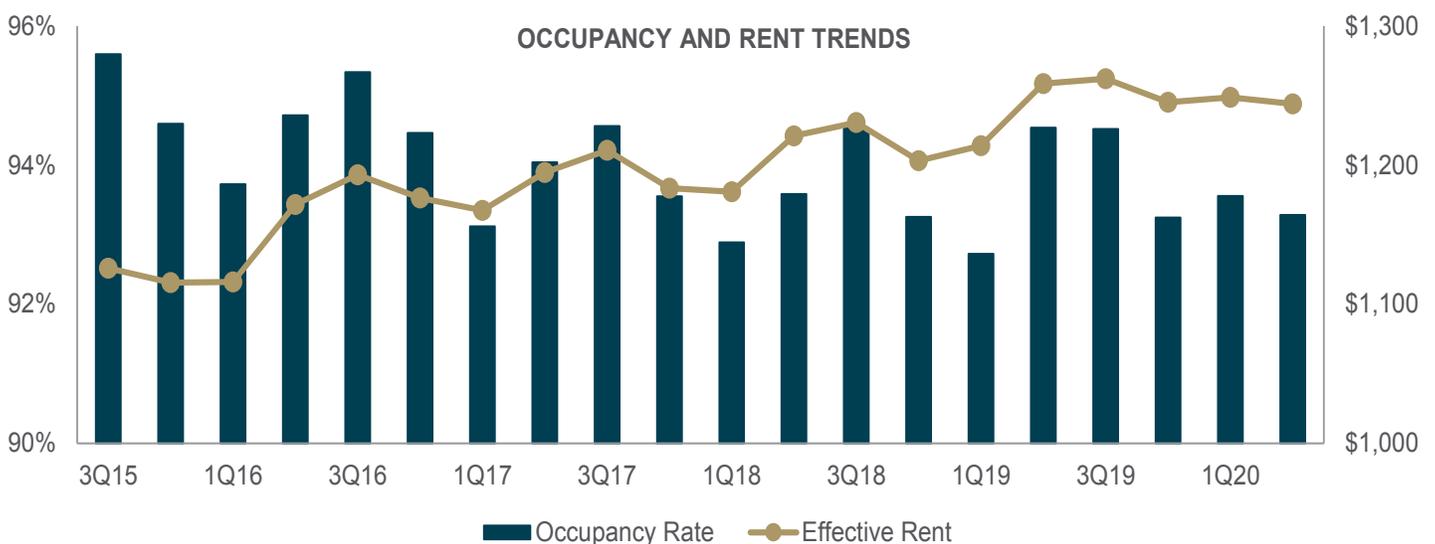


TOTAL INVENTORY **60,945**

OCCUPANCY AND RENT TRENDS

QUICK REOPENING SPURS 36% REHIRING, NW & DOWNTOWN ENTICE RENTERS

Charleston's high-profile manufacturers, including Volvo Cars, Boeing, and Mercedes-Benz Vans, recalled thousands of furloughed factory workers in the second quarter of 2020. The shelter-in-place order was lifted May 4, and the phased restart additionally reopened stores and shopping malls, restaurants, gyms, and attractions. This aided 19,600 employees to return to work during May and June, bringing back 36% of the total job losses from February to April. The swift reopening and bounce back in employment bolstered multifamily leasing activity. Located near major employers, the Summerville/Northwest Charleston and the Downtown/Mount Pleasant/Islands submarkets represented most of the total net absorption in the second quarter. While absorption was positive, leasing activity trailed new supply to shift down average occupancy in these areas. The submarket trends were reflected across the metro as occupancy lowered 30 basis points quarter over quarter to 93.3%. The influx of new supply caused similar headwinds for effective rent growth, which tapered 0.4% since March to \$1,244 per month. A positive sign on the owner side, no surveyed CMBS and Fannie Mae loans were 30+ days delinquent, compared to 0.5% of loans among comparable tertiary markets.



CHARLESTON

MULTIFAMILY REPORT

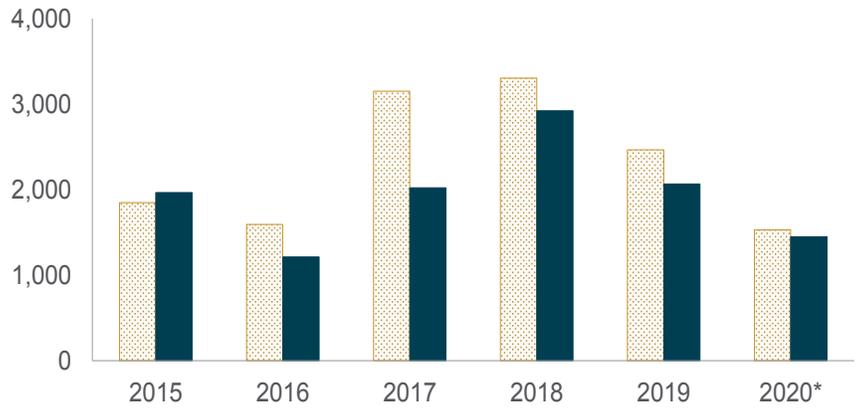
DELIVERIES AND DEMAND



DELIVERIES 1,530
Units YTD



NET ABSORPTION 1,449
Units YTD



*Year to date

■ Deliveries ■ Demand

ECONOMIC TRENDS

2019 2.7% UNEMPLOYMENT* 2020 12.5%
980 BPS CHANGE

2019 375.4k EMPLOYMENT** 2020 344.9k
-8.1% CHANGE

2019 16.1k EXISTING SFH SALES** 2020 15.6k
-3.1% CHANGE

2019 803.3k POPULATION** 2020 815.2k
1.5% CHANGE

2019 2.07% 10-YEAR TREASURY** 2020 0.73%
-130 BPS CHANGE

*May; **June



CHARLESTON

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Downtown/Mount Pleasant/Islands	92.0%	-30	-110	\$1,498	0.0%	-2.5%	252	981	346	1,299
North Charleston/Goose Creek	94.3%	-40	-150	\$1,051	0.2%	0.5%	-65	-154	0	90
Summerville/Northwest Charleston	93.6%	-50	-100	\$1,154	-2.0%	-2.0%	328	544	405	692
West Ashley	93.8%	20	-140	\$1,147	-0.5%	-1.4%	115	18	98	195
TOTALS	93.3%	-30	-120	\$1,244	-0.4%	-1.2%	630	1,389	849	2,276



CORPORATE HEADQUARTERS

521 Fifth Avenue
20th Floor
New York, NY 10175
(646) 600-7800 | Fax: (646) 600-7838
www.Berkadia.com

a Berkshire Hathaway and Jefferies Financial Group company

© 2020 Berkadia Proprietary Holding LLC

Berkadia® is a trademark of Berkadia Proprietary Holding LLC.

Axiometrics® is a trademark of Axiometrics Inc.

Commercial mortgage loan origination and servicing businesses are conducted exclusively by Berkadia Commercial Mortgage LLC and Berkadia Commercial Mortgage Inc. This website is not intended to solicit commercial mortgage loan brokerage business in Nevada. Investment sales and real estate brokerage businesses are conducted exclusively by Berkadia Real Estate Advisors LLC and Berkadia Real Estate Advisors Inc. For state licensing details for the above entities, visit: www.berkadia.com/legal/licensing.aspx