

What's Happening In... Charleston?



Situated on South Carolina's Atlantic coast, Charleston is a city best known for its stylish historical architecture, beautiful botanical gardens, and the elegant cobbled streets of the French Quarter and Battery District.

A host of popular beaches, delicious Southern cuisine, and cultural events like the popular Spoleto Festival add to the city's appeal for visitors, so it's no surprise that this charming city is a top draw for tourists. In fact, in 2022, the Greater Charleston area's tourism income hit record-breaking highs, a trend which continued into 2023.

Economic Drivers

Other key industries fueling the city's economy include aerospace and military installations, tech, manufacturing, and the healthcare and education sectors.

Charleston's thriving port is also one of the top ten cargo hubs in the US. Operations related to the port contribute around \$87 billion to the South Carolina economy annually according to a 2023 study, and are estimated to support one out of every nine jobs in the state.

CRE Snapshot

Given the above figures, it's no surprise that Charleston has shown steady commercial real estate (CRE) performance over the last year as well. Recent market reports from NAI Charleston show that:

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The retail market in the city remains tight, with a vacancy rate of 3.6% as of Q3 2023 – a figure that has remained stable over the past year. The report adds, however, that new construction is limited, and that retail growth is currently slow.

Meanwhile, Charleston office properties face the same quandary as we've seen in the rest of the country, with some areas showing particularly high vacancy rates. Overall, however, the vacancy rate has decreased over the past year (to 7.7% as of Q3 2023), and the market “remains fairly steady overall.”

Industrial performance has also been somewhat of a mixed bag, with an increase in vacancy to 5.9%, though the market overall “remains resilient.” NAI Charleston's Sarah Shelley notes: “South Carolina continues to be a sought-after market by advanced manufacturers and significant investments are being made by new and existing companies throughout the Charleston MSA.”

New Development in the Cards

Among the biggest new projects coming to the area is the redevelopment of the former Charleston Naval Complex in nearby North Charleston. The project will reimagine the former naval site as a mixed-use district including residential multifamily units, retail, office, and entertainment space.

The city is also ramping up efforts to become a pedestrian and bike-friendly city, a fact which is sure to contribute to the appeal of this pretty city for investors, and visitors, in the years to come.

Interested in learning more about investment opportunities in Charleston? Contact our team at NAI Charleston for insight into the latest trends, opportunities, and hot properties in the Charleston area.

