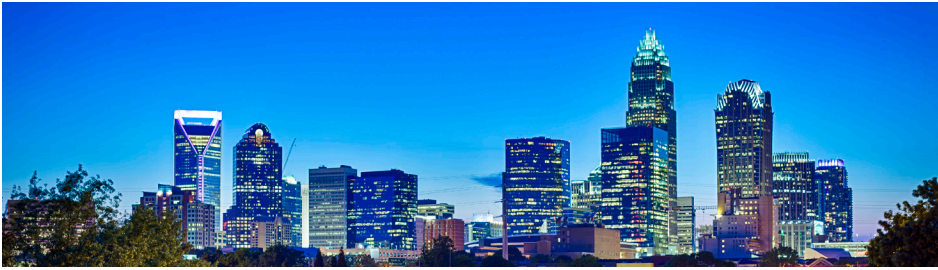


Office Market Report



Uncertainty clouds the future of the Charlotte office market. How does the pandemic affect large office users in the Charlotte CBD? The fundamentals remain strong. According to CoStar, vacancy remains at historic lows of 7.96% versus the 10-year average of 9.81%. Corporations and investors remain bullish on the market as Fortune 50, Centene, recently announced a regional headquarters in University City.



Vacancy
7.7%



Average Rent
\$29.44/SF



Net Absorption
-414,798 SF

Rental and Vacancy Rates

Direct Asking Rent (\$/SF)	Total Vacancy Rate	Q1 Change
\$38.97	Market Class A CBD 7.2%	▲ 0.60%
\$37.13	Market Class B CBD 6.7%	▲ 0.60%
\$37.52	Market Class A Suburban 12.7%	▲ 1.90%

Recent Transactions

Tenant	Size	Submarket	Sector
1 Curvature	41,716	Airport	Office
2 Global Payments	40,390	South/485	Office
3 Kimley-Horn	25,528	CBD	Office
4 Bettor.com	24,872	CBD	Office
5 Undisclosed	23,821	CBD	Office
6 JLL	23,646	CBD	Office
7 Odyssey Logistics	22,000	Airport	Office
8 Willis Towers Watson	22,000	Airport	Office

Occupier's Perspective



5 largest submarkets by total inventory: CBD, Airport, University, Midtown/SouthEnd, and York County.



We recommend that occupiers begin to formulate their strategy for renewal or relocation a minimum of 12 months from lease expiration.

Market Trends



COVID-19 makes future of office market uncertain. How will teleworking affect corporate real estate demand?

Roughly 6.6 million square feet of office space is currently under construction.

Centene announces Charlotte as the site for a new regional headquarters bringing 6,000 jobs to the region.