

CHARLESTON, SOUTH CAROLINA

CUSHMAN & WAKEFIELD | THALHIMER

RESEARCH SPOTLIGHT

Charleston Market Report



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The Heart Of The Lowcountry

Founded in 1670 and settled as a colonial seaport, Charleston prospered from agriculture cultivation and its strategic location. Confederate soldiers fired the first shots of the American Civil War on Fort Sumter in 1861, and the city would be devastated by the war. The city slowly repaired damaged buildings and preserved historic architecture. Charleston's economy shifted with the construction of the Navy Yard in 1904 and the emergence of industrial and port activities. Today, the region benefits from a diverse range of industries and a thriving tourism industry.

The Port of Charleston is the most productive port in North America. Manufacturers continue to locate facilities in South Carolina in consideration of numerous business incentives and competitive tax rates. The port is thriving and remains integral for commerce in key industries including automotive manufacturing, consumer goods distribution, refrigerated/frozen exports, transloading resin and grain, and tire manufacturing which will continue to drive traffic through the port.



Economic Strides Moving the Needle

The greater Charleston region benefits from a fast-growing, well-educated population and diverse economy. Much of the Lowcountry's economy revolves around manufacturing, transportation, logistics and other port-related business. The Port of Charleston, owned and operated by the South Carolina State Ports Authority (SCSPA), is one of the ten busiest U.S. ports and handles over \$60 billion in goods each year.

Fast-growing business sectors such as automotive manufacturing, consumer goods distribution, refrigerated imports & exports, and transloading base commodities are contributing to increased port traffic. Steady container traffic at the port has marked historic highs in 2018 and the state of South Carolina is investing heavily in the supply chain of tomorrow by enhancing port-related infrastructure.

These investments include:

\$300 M

TO MAKE CHARLESTON THE DEEPEST PORT ON THE U.S. EAST COAST IN 2020

\$970 M

TO BUILD THE LEATHERMAN TERMINAL AND ADD AT LEAST 50% MORE CONTAINER CAPACITY

\$289 M

FOR A NEW DUAL-SERVED INTERMODAL RAIL FACILITY

\$600 M

FOR EXISTING FACILITIES AND ENHANCED IT SOLUTIONS

\$40 M

FOR CONSTRUCTION OF INLAND PORT DILLON

Other key industries for the Charleston region include Creative, Healthcare, Higher Education, Military, Power Systems, and Tourism. Technology companies like Blackbaud, which employs 1,400 workers at its Daniel Island headquarters, have also increased their presence in recent years.

CREATIVE

Advertising, Design, Architecture, Media, Etc.
Top Five Employer
26,000+ Regional Workforce
\$3.2 Billion Annual Economic Impact

HEALTHCARE

30,000+ Regional Workforce
200+ Physicians
#14 Among Mid-Size U.S. Metros In Growth Rate Of
Healthcare Jobs Over The Past Five Years

HIGHER EDUCATION

\$4.5 Billion In Total Economic Impact
42,000+ Regional Workforce
\$2.2 Billion In Labor Income



MILITARY

\$10.8 Billion In Annual Economic Impact
20,000+ Active Duty, Civilian And Contract
Civilian Personnel
15,000+ Military Retirees

POWER SYSTEMS

\$45 Million Largest Single Grant Ever For Wind
Power By The U.S. Department Of Energy
1st World's Most Advanced Drivetrain
Testing Facility
Top Economic Development Engine With
Potential Impact For Decades

TOURISM

7 Million Visitors Annually
\$7 Billion Annual Economic Impact
47,000+ Regional Workforce

An Educated And Fast-Growing Talent Pool

The region attracts new residents and retains many of the students graduating from nearby schools. Employment opportunities in a wide range of industries have steadily increased in recent years, while the unemployment rate remains near historically low levels. A number of international companies have moved to the region or expanded operations, while local firms are growing their presence with a strong labor pool. Strong population growth is fueling rent growth, while a large number of hotels have opened to accommodate tourists and business travelers.

10,220

PEOPLE
ANNUAL NET IN-MIGRATION

25,000

CANDIDATES SCREENED & LOOKING
FOR SPECIFIC OCCUPATIONS

14,800

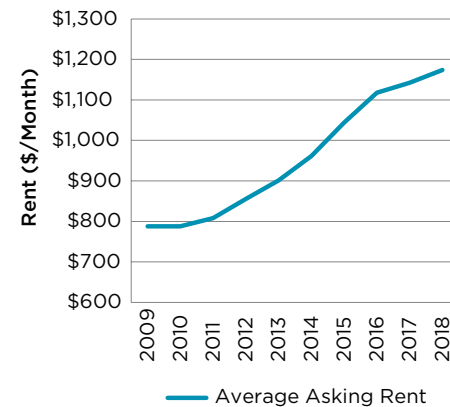
STUDENTS ENROLLED IN HIGH SCHOOL
CAREER ACADEMIES

40,000

STUDENTS ENROLLED IN AREA
COLLEGES/UNIVERSITIES



Multifamily Average Asking Rents



TOP 20



Company	Product or Service	Employees
Joint Base Charleston	Area U.S. military commands	22,000
Medical University Of South Carolina (MUSC)	Hospital, post-secondary education, research	13,000
The Boeing Company	Aircraft manufacturing	7,000
Roper St. Francis Healthcare	Roper and Bon Secours St. Francis Hospitals	5,700
Trident Health System	Hospital system	2,600
Walmart Inc.	Retail merchandise	2,300
Robert Bosch LLC	Anti-lock brake systems, fuel injectors, common rail & unit injectors	2,000
College of Charleston	Post-secondary education	2,000
U.S. Postal Service	Postal/shipping service (federal government)	2,000
Blackbaud, Inc.	Specialty computer software development & design	1,400
Publix Supermarkets	Retail grocery stores	1,200
iQor	Inbound/outbound customer service call center	1,200
BenefitFocus	Custom benefits software	1,000
Harris Teeter Supermarkets	Retail grocery stores	1,000
KapStone Charleston Kraft, LLC	Paper, packaging manufacturing	1,000
Kiawah Island Golf Resort/The Sanctuary at Kiawah	Resort	1,000
Nucor Steel	Manufacture carbon & alloy steel in various forms	1,000
Volvo Car USA LLC	Manufacture Volvo S60 sedans for sale in the United States and for export	950
Science Applications International Corporation (SAIC)	Scientific, engineering and technology applications company; national security, energy, critical infrastructure, health sectors	915
Mercedes-Benz Vans, LLC	Assembly of Sprinter vans for the U.S. market under the brands Mercedes-Benz and Freightliner; Semi-knockdown (SKD) production of Metris van	900



Recent Relocations & Expansions



Company	\$ Investment	# Jobs	Date
MAHLE Behr Charleston, Inc.	\$36 million	115	10/3/2018
o2si smart solutions	\$2.4 million	20	8/23/2018
Ingevity	\$5 million	100	7/25/2018
Kuehne + Nagel	Undisclosed	180	7/11/2018
BLG Logistics	Undisclosed	28	6/25/2018
J. Geiger Shading Technology	\$1.1 million	26	4/10/2018
Low Country Case & Millwork	\$7 million	10	3/29/2018
Holy City Brewing	Undisclosed	15	3/1/2018
Frontier Logistics	\$33.5 million	34	2/6/2018
Innovative Vehicle Solutions	\$2.5 million	108	1/23/2018
Charleston's Rigging & Marine Hardware	Undisclosed	18	1/11/2018
Firefly Distillery	\$7.3 million	20	12/20/2017
Choate Construction	\$1 million	20	12/13/2017
	\$95.8M	694	



Excelling As A Regional Destination

Charleston's growing population, tourism scene, and numerous accolades are attracting infrastructure investments to support future growth. Development activity has accelerated in recent years and is poised to reshape the retail, office, and industrial markets with Charleston's economy continuing to be one of the most attractive in the country.

The retail market is benefitting from the number of visitors and residents arriving in the Lowcountry. North Charleston has the largest volume of retail sales in the state, while specialty and souvenir retailers thrive in popular areas such as King Street and Daniel Island. Along with national trends, food halls and coworking concepts are also opening locations in Charleston. These concepts cater to the gig economy, driving foot traffic and offering superior amenities for businesses.



8
Airlines

31
Nonstop
Flights

26
Cities
Served

\$200+
Million
In Income

1,915
Jobs

\$450
Million
Spent By
Visitors

With sustained growth in recent years, Charleston is home to the busiest airport in South Carolina.

The number of passengers traveling through the airport is anticipated to exceed 4 million in 2018. Charleston International Airport recently launched nonstop international flights to London for business and tourism travel. The airport continues to be a major contributor to the regional economy.

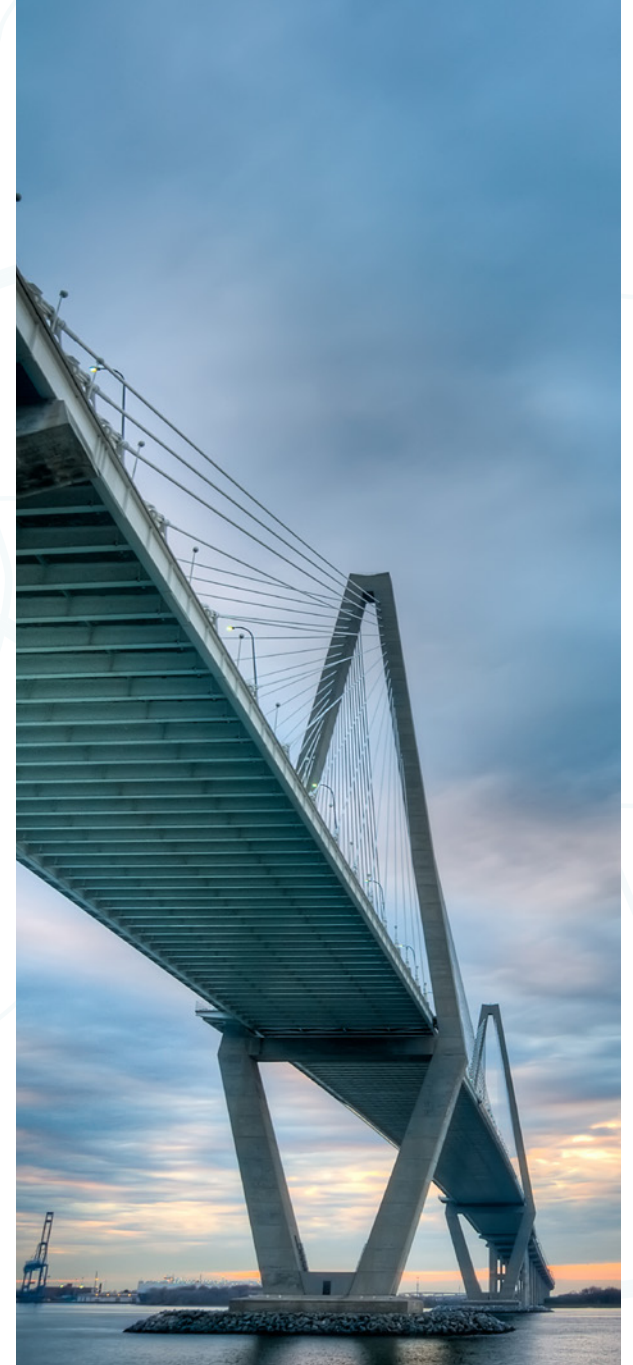
8 Airlines currently service Charleston International Airport with **nonstop flights to 31 airports** and **26 cities** in the United States and United Kingdom.

Charleston International Airport creates more than **\$200 million in income** by supporting **1,915 jobs** in Berkeley, Charleston and Dorchester counties.

Visitors spend an estimated **\$450 million** directly in the Charleston region, helping support over 6,000 jobs and nearly \$200 million in income.

Source: Charleston Regional Development Alliance

Location Overview



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