

## MARKET OVERVIEW

Greenville/Spartanburg industrial market activity has continued to grow substantially throughout the first three quarters of 2022. Slated as one of the fastest growing areas of the US, the Carolinas have attained National attention in significant growth patterns across all sectors. Industrial space is in high demand and inventory is low; however, over 18.5 million SF of industrial space is currently under construction. The GSP market's ideal location continues to attract new industry with its interstate interface and short drive to Charlotte, Atlanta and Port of Charleston. The nearby Inland Port of Greer extends the Port of Charleston's reach 212 miles inland to the GSP market which provides convenient connection via interstate and railway to the rest of the nation.

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### ABSORPTION

Third quarter absorption in Greenville-Spartanburg totaled more than 1.9 MSF, bringing the year-to-date measure to 6.9 MSF. The vast majority of demand occurred in the industrial warehouse sector, which claimed more than 5.6 MSF of the total absorption. The North Spartanburg submarket recorded 839,638 SF of move-in activity during Q3, followed by the Greer/Hwy 101 and South Greenville submarkets, which both absorbed more than 400,000 SF.

### VACANCY

Overall vacancy increased marginally in Q3 to 3.2%. Vacancy levels increased slightly across most submarkets, due in part to new building deliveries that have not yet fully occupied. Space availability continues to remain suppressed, giving landlords the upper hand in negotiations.

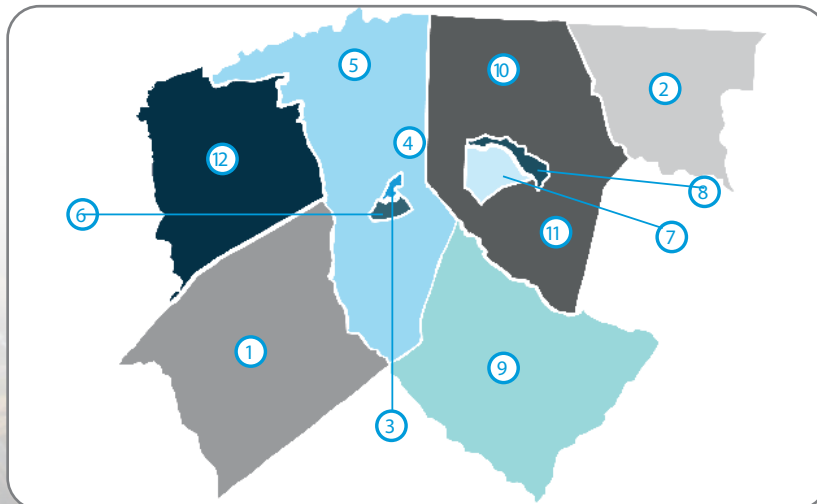
### RENTAL RATES

Average asking rents increased slightly in Q3, to \$4.39 PSF. This is an increase of \$.06 PSF quarter-over-quarter and a 10.5% increase year-over-year. Warehouse asking rents average \$4.31 PSF, while Flex rents average \$9.69 PSF of Q3. A lack of broad space availability continues to place upward pressure on asking rents.

### DEVELOPMENT

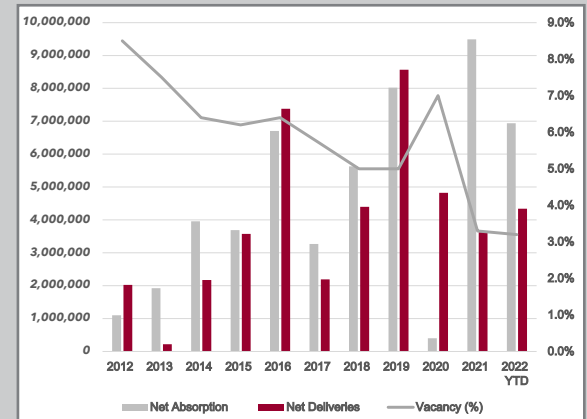
More than 18.5 MSF of space is under construction as of the third quarter, a slight increase over Q2. South Spartanburg (5.1 MSF), North Spartanburg (4.4 MSF) and Hwy 290 (2.7 MSF) are the most active submarkets for new construction activity. The vast majority of space consists of warehouse, with more than 12.9 MSF underway.

### SUBMARKET MAP

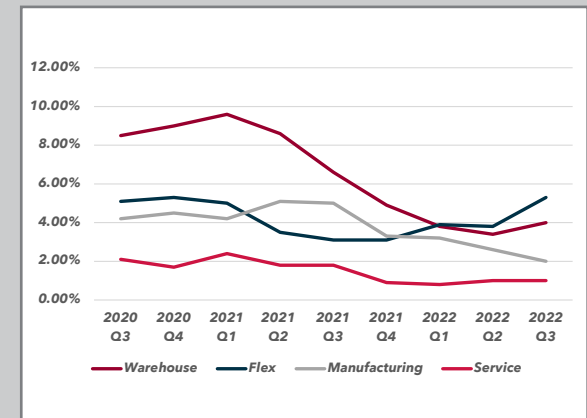


- |                       |                            |
|-----------------------|----------------------------|
| 1 ANDERSON CO.        | 7 GREER   HWY 101 CORRIDOR |
| 2 CHEROKEE CO.        | 8 HWY 290 CORRIDOR         |
| 3 DOWNTOWN GREENVILLE | 9 LAURENS COUNTY           |
| 4 E. GREENVILLE       | 10 N. SPARTANBURG          |
| 5 N. GREENVILLE       | 11 S. SPARTANBURG          |
| 6 S. GREENVILLE       | 12 PICKENS CO.             |

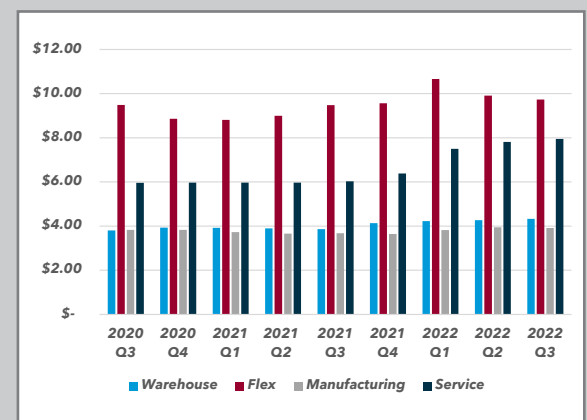
### ABSORPTION & DELIVERIES



### VACANCY RATES



### GREENVILLE RENTAL RATES COMPARISON



### SUBMARKET BREAKDOWN

SUBMARKET	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
Anderson Co.	27,241,224	1,011,053	3.7%	(739,829)	127,148
Cherokee Co.	11,831,786	-	-	1,540,000	1,510,600
Downtown Greenville	2,753,517	54,883	2.0%	37,421	-
E. Greenville	13,326,857	517,013	3.9%	156,005	273,000
N. Greenville	19,713,412	347,574	1.8%	519,292	0
S. Greenville	35,675,620	1,749,232	4.9%	858,553	1,943,802
Greer   Hwy 101 Corridor	21,374,448	786,715	3.7%	1,494,987	2,428,017
Hwy 290 Corridor	10,135,017	121,440	1.2%	506,951	2,682,380
Laurens Co	13,252,670	25,000	0.2%	230,733	-
N. Spartanburg	42,604,147	1,047,847	2.5%	1,839,133	4,454,542
S. Spartanburg	17,011,342	1,341,351	7.9%	149,900	5,134,668
Pickens Co.	6,445,380	130,691	2.0%	347,416	-
<b>TOTAL</b>	<b>221,365,420</b>	<b>7,132,799</b>	<b>3.2%</b>	<b>6,940,562</b>	<b>18,554,157</b>

#### WAREHOUSE

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2022 Q3	126,698,249	5,009,454	4.0%	5,660,293	12,943,026
2022 Q2	124,611,555	4,154,409	3.3%	4,075,018	15,805,260
2022 Q1	122,033,213	4,845,132	4.0%	1,669,269	13,779,524

#### FLEX

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2022 Q3	6,847,576	365,940	5.3%	(99,128)	1,501,500
2022 Q2	6,847,576	264,290	3.9%	-3,478	1,501,500
2022 Q1	6,847,576	267,181	3.9%	(6,369)	1,501,500

#### SERVICE

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2022 Q3	3,472,287	34,000	1.0%	2,000	0
2022 Q2	3,472,287	36,455	1.0%	(455)	0
2022 Q1	3,472,287	49,600	1.4%	8,400	0

#### MANUFACTURING

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2022 Q3	84,347,308	1,723,405	2.0%	1,377,397	4,109,631
2022 Q2	84,347,308	1,935,991	2.3%	910,359	1,164,980
2022 Q1	84,347,308	2,138,621	2.5%	390,667	542,576



### NOTABLE TRANSACTIONS



LEASED

3448 MOORE DUNCAN HIGHWAY  
SPARTANBURG

TOTAL SF 474,867  
TENANT RDI-USA INC  
LANDLORD HILLWOOD  
TYPE DIRECT



LEASED

1631 S HIGHWAY 14  
GREENVILLE

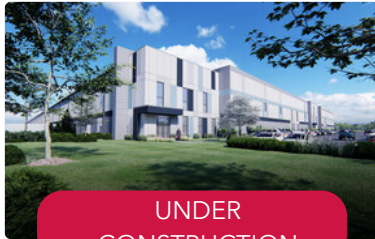
TOTAL SF 100,000  
TENANT SPEEDWAY PACKAGING  
LANDLORD COVINGTON GROUP, INC  
TYPE DIRECT



LEASED

1610 OLD GROVE ROAD  
GREENVILLE

TOTAL SF 79,460  
TENANT TIMBERLAB INC  
LANDLORD STAG INDUSTRIAL HOLDINGS  
TYPE DIRECT



UNDER  
CONSTRUCTION

SC GLOBAL LOGISTICS  
S. SPARTANBURG

TOTAL SF 1,805,555  
DEVELOPER FLINT DEVELOPMENT  
DELIVERY DATE Q4 2022



UNDER  
CONSTRUCTION

0 FORT PRINCE BOULEVARD  
N. SPARTANBURG

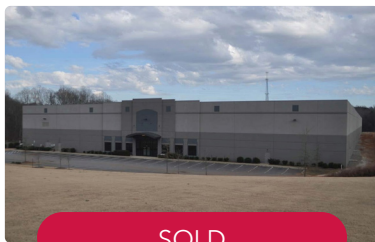
TOTAL SF 1,501,500  
DEVELOPER CRG  
DELIVERY DATE Q4 2022



UNDER  
CONSTRUCTION

REIDVILLE ROAD  
GREER

TOTAL SF 1,091,888  
DEVELOPER RED ROCK DEVELOPMENT  
DELIVERY DATE Q1 2023



SOLD

40 TYGER ROAD  
HWY 290 CORRIDOR

TOTAL SF 221,645  
SALE PRICE \$21,628,590  
RATE PER SF \$97.58  
BUYER GIC REAL ESTATE  
SELLER EQT EXETER  
NOTE PORTFOLIO SALE



SOLD

350 OLD LAURENS ROAD  
S. GREENVILLE

TOTAL SF 298,530  
SALE PRICE \$21,063,215  
RATE PER SF \$70.56  
BUYER EASTGROUP PROPERTIES INC  
SELLER HUGHES COMMERCIAL  
PROPS.



SOLD

2901 N BLACKSTOCK ROAD  
N. SPARTANBURG

TOTAL SF 337,000  
SALE PRICE \$18,462,678  
RATE PER SF \$54.79  
BUYER GIC REAL ESTATE  
SELLER EQT EXETER  
NOTE PORTFOLIO SALE



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