



MARKET OVERVIEW

In direct contrast to other markets with similar characteristics to Greenville-Spartanburg (GSP), the office market continues to experience increased demand. The positive activity has led to improving fundamentals, with vacancy in all classes falling below pre-Covid levels. Occupiers have absorbed more than 470,000 SF of space in 2022, led by gains in Class B of more than 279,000 SF. Class A office space experienced a slight increase in asking rents to \$25.27 PSF this quarter, while Class B office space saw an increase of 3.1% in asking rates this quarter to \$21.09 PSF. Average overall asking rental rates continue to increase this quarter, up 1.5% from the previous quarter. With continued economic development efforts focused on attracting National headquarters to Greenville-Spartanburg, the market should continue to see positive growth in the office sector.

ABSORPTION

Year-to-date overall absorption totals 473,361 SF, far outpacing Q3 YTD office performance from one year ago, which totaled (424,840) SF. CBD Greenville saw 76,967 SF of positive activity in Q3, followed by Greenville County's 67,915 SF. Class B space continued to outpace Class A in Q3, with more than 81,000 SF worth of net occupancy gains.

VACANCY

Overall vacancy declined in Q3 to 11.6%, a 40 basis point (bp) drop from the prior quarter and more than 3 percentage points lower than Q3 of 2021. The Greenville County submarket has the highest vacancy (13.9%) in the market, representing 1.2 MSF of space.

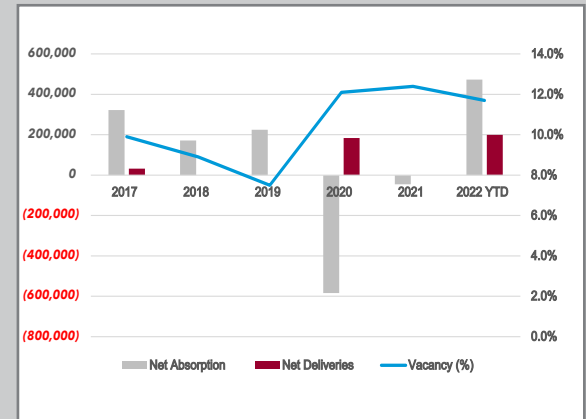
RENTAL RATES

Overall average asking rents reached \$22.16 PSF in Q3 after a brief decline in Q2. Asking rents year-over-year through Q3 increased by 1.7%, led by CBD Greenville, which currently averages \$24.31 PSF. The Spartanburg County submarket claims the lowest average asking rents in GSP at \$10.61 PSF.

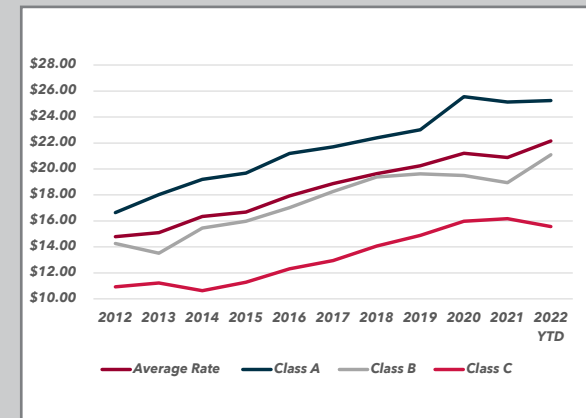
DEVELOPMENT

Development activity in Greenville-Spartanburg remains low, totaling 111,352 SF in two buildings. Judson Mills - The Westervelt is a 57,000 SF Class A project underway in Greenville County with a planned delivery date in Q3 of 2023.

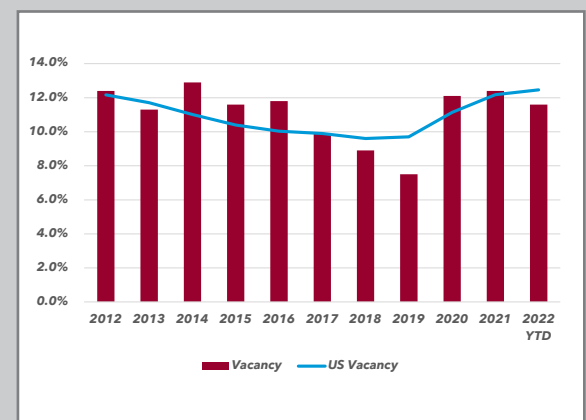
ABSORPTION & DELIVERIES



YEARLY VACANCY COMPARISON

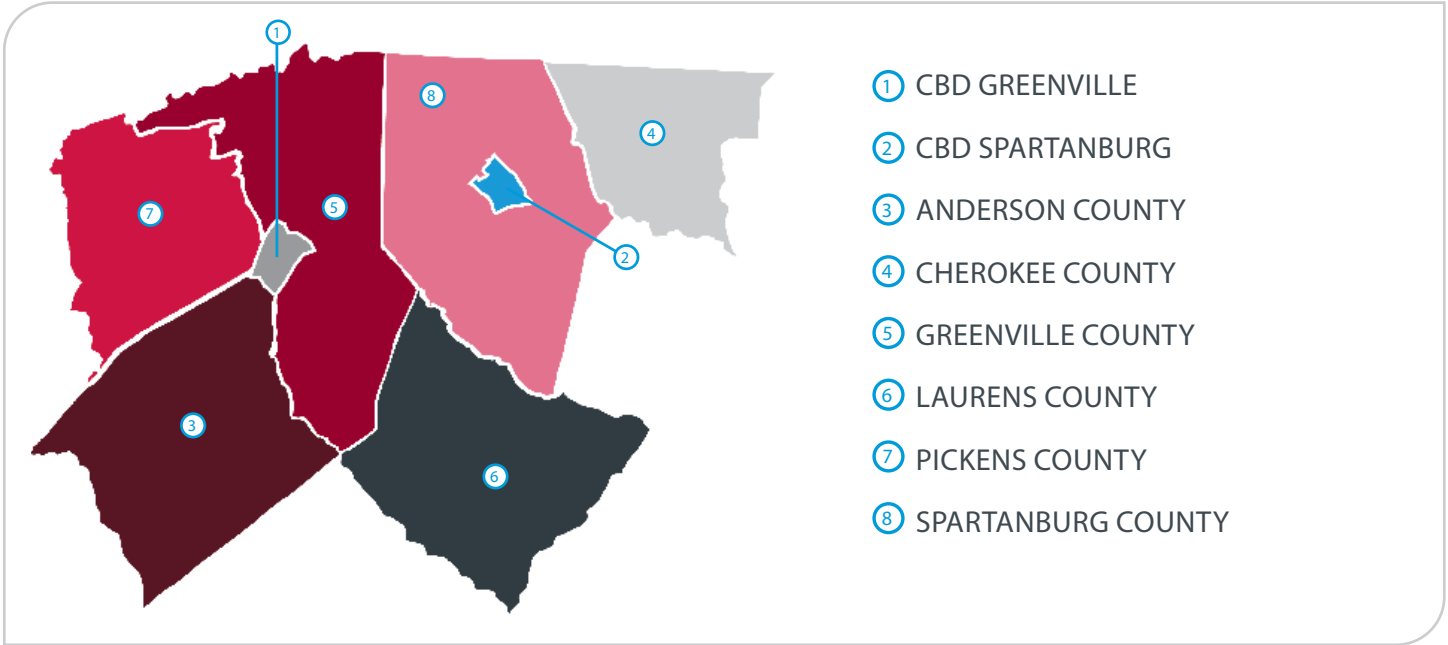


RENTAL RATES



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SUBMARKET MAP



SUBMARKET BREAKDOWN

SUBMARKET	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF	QUOTED RATES
	Total RBA	Total SF	Vac %			
CBD Greenville	4,271,391	478,931	11.2%	181,234		\$24.31
CBD Spartanburg	1,146,727	87,593	7.6%	(59,982)		\$17.33
Anderson Co.	754,256	8,611	1.1%	(3,500)		\$18.00
Cherokee Co.	28,738	-	0.0%	-		
Greenville Co.	8,934,478	1,238,988	13.9%	330,654	111,352	\$21.23
Laurens Co.	57,540	-	0.0%	-		
Pickens Co.	314,531	35,345	11.2%	(18,633)		\$14.60
Spartanburg Co.	863,257	50,801	5.9%	43,588		\$10.61
TOTAL	16,370,918	1,900,269	11.6%	473,361	111,352	\$22.16

CLASS

CLASS	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF	QUOTED RATES
	Total RBA	Total SF	Vac %			
A	4,730,181	680,851	14.4%	160,321	111,352	\$25.27
B	9,791,488	1,170,017	11.9%	279,112		\$21.09
C	1,849,249	49,401	2.7%	33,928		\$15.56
TOTAL	16,370,918	1,900,269	11.6%	473,361	111,352	\$22.16

NOTABLE TRANSACTIONS



LEASED

701 BROOKFIELD PARKWAY
GREENVILLE

TOTAL SF 29,000
TENANT IPS
TYPE NEW



LEASED

958 E MAIN STREET
SPARTANBURG

TOTAL SF 8,345
TENANT VERAMEX
TYPE NEW



LEASED

55 BEATTIE PLACE
GREENVILLE

TOTAL SF 7,251
TENANT WATERFORD BUSINESS
SOLUTIONS
TYPE NEW

UNDER
CONSTRUCTION

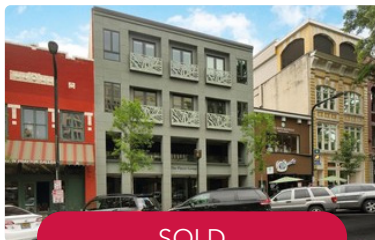
JUDSON MILL - THE WESTERVELT
GREENVILLE

TOTAL SF 57,000
DEVELOPER THREE CORNERS DEVELOPMENT
DELIVERY DATE Q3 2023

UNDER
CONSTRUCTION

JUDSON MILL - THE JENNY
GREENVILLE

TOTAL SF 54,352
DEVELOPER THREE CORNERS DEVELOPMENT
DELIVERY DATE Q3 2023



SOLD

22 S MAIN STREET
GREENVILLE

TOTAL SF 41,494
SALE PRICE \$4,800,000
RATE PER SF \$115.68
BUYER RICHARD T. LYNCH
SELLER B&B PROPERTIES, LLC



SOLD

208 E 1ST AVENUE
EASLEY

TOTAL SF 28,800
SALE PRICE \$1,500,000
RATE PER SF \$39.93
BUYER PICKEN COUNTY BEHAVIORAL
HEALTH
SELLER ALICE MANUFACTURING



SOLD

741-745 N PLEASANTBURG DRIVE
SIMPSONVILLE

TOTAL SF 23,918
SALE PRICE \$3,800,000
RATE PER SF \$158.88
BUYER KARD HOLDINGS LLC/KEVIN P.
BRADY
SELLER DIXIE PARADISE, LLC

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