

MARKET OVERVIEW

At year-end 2022, the Greenville/Spartanburg industrial market has shown substantial growth throughout the year. Ranked as one of the fastest growing areas of the U.S., the Carolinas have attained National attention in significant growth patterns across all sectors. Industrial space continues to be in high demand with a vacancy rate of 4.0%; however, over 13 million square feet 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

Fourth quarter absorption in Greenville-Spartanburg totaled more than 2.8 MSF, bringing the year-to-date measure to 9.8 MSF. The vast majority of demand in 2022 occurred in the industrial warehouse sector, which claimed more than 6.0 MSF of the total absorption. The South Spartanburg submarket recorded more than 3.0 MSF of move-in activity during Q4, followed by the South Greenville submarket, which absorbed more than 650,000 SF.

VACANCY

Overall vacancy increased in Q4 to 4.0% due to the delivery of more than 6.5 MSF of new space, some of which remained uncommitted. The new vacant space entering the market provides some relief to tenants in need of greater space options, but added upwards of 3 MSF to overall vacancy.

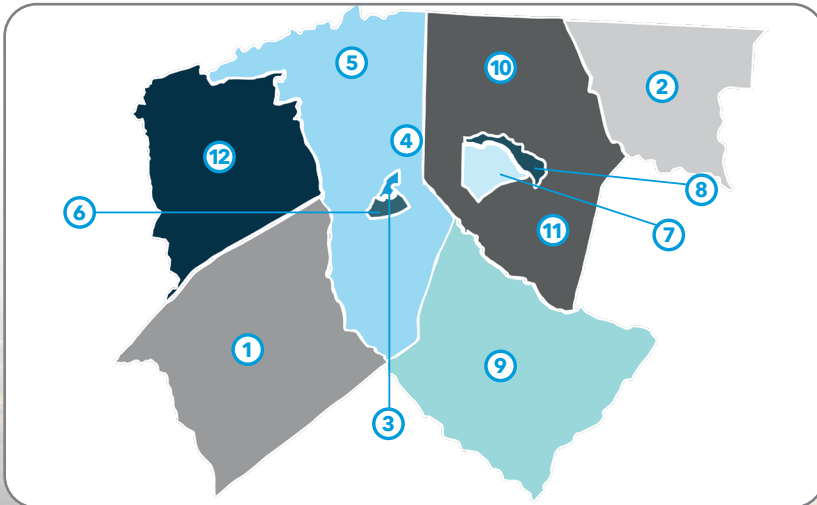
RENTAL RATES

Average asking rents increased in Q4, to \$4.60 PSF. This is an increase of \$0.21 PSF quarter-over-quarter and a 10% increase year-over-year. Warehouse asking rents averaged \$4.36 PSF, while Flex rents averaged \$10.31 PSF. A lack of broad space availability continues to place upward pressure on asking rents.

DEVELOPMENT

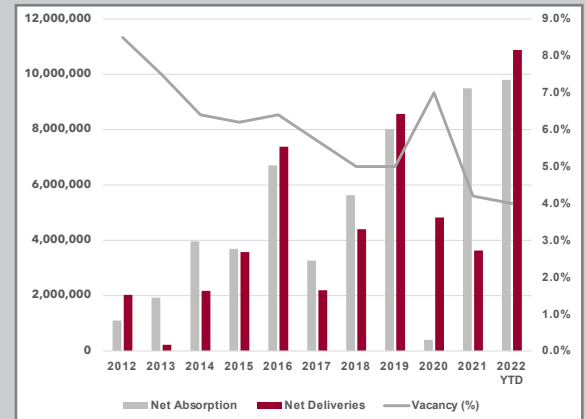
More than 13.6 MSF of space is under construction as of Q4. While this is a significant decline from the Q3 total of more than 18.5 MSF, it's due to the delivery of more than 6.5 MSF to the market. North Spartanburg (5.3 MSF), Greer/Hwy 101 (2.1 MSF) and South Spartanburg (2.1 MSF) are the most active submarkets for new construction activity.

SUBMARKET MAP

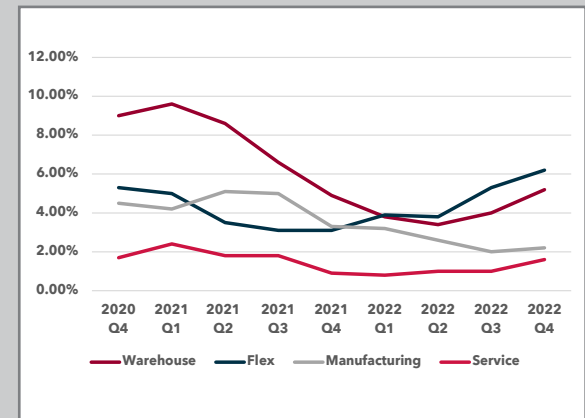


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|-----------------------|----------------------------|
| ① ANDERSON CO. | ⑦ GREER HWY 101 CORRIDOR |
| ② CHEROKEE CO. | ⑧ HWY 290 CORRIDOR |
| ③ DOWNTOWN GREENVILLE | ⑨ LAURENS COUNTY |
| ④ E. GREENVILLE | ⑩ N. SPARTANBURG |
| ⑤ N. GREENVILLE | ⑪ S. 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.	27,319,224	1,297,653	4.7%	-1,010,429	0
Cherokee Co.	12,205,814	284,768	2.3%	1,313,032	210,600
Downtown Greenville	2,753,517	54,866	2.0%	37,438	0
E. Greenville	13,042,333	703,993	5.4%	-41,775	273,000
N. Greenville	19,663,412	365,599	1.9%	501,267	0
S. Greenville	35,699,533	1,591,204	4.5%	1,517,441	2,015,872
Greer Hwy 101 Corridor	21,542,025	933,297	4.3%	1,567,045	2,112,163
Hwy 290 Corridor	11,014,239	1,149,581	10.4%	464,270	1,696,920
Laurens Co	13,252,670	25,000	0.2%	230,733	0
N. Spartanburg	43,357,343	2,035,175	4.7%	1,559,525	5,277,857
S. Spartanburg	19,264,889	516,240	2.7%	3,228,558	2,110,037
Pickens Co.	6,502,415	45,691	0.7%	432,416	0
TOTAL	225,617,414	9,003,067	4.0%	9,799,521	13,696,449

WAREHOUSE

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2022 Q4	128,338,478	6,642,523	5.2%	435,367	10,689,109
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 Q4	6,816,216	425,986	6.2%	-3,046	1,501,500
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 Q4	3,472,287	56,303	1.6%	-22,303	0
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 Q4	86,990,433	1,878,255	2.2%	2,448,941	1,505,840
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

2415 N HIGHWAY 81
ANDERSON CO.

TOTAL SF 658,000 SF
TENANT ORIAN RUGS, INC.
TYPE DIRECT



LEASED

550 MASON FARM LANE
SPARTANBURG CO.

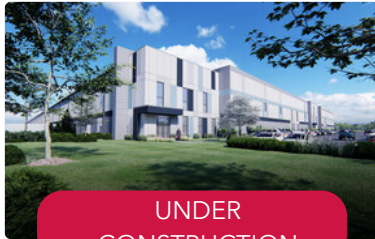
TOTAL SF 303,580 SF
TENANT BONDED LOGISTICS
TYPE DIRECT



LEASED

50 PEACHVIEW BOULEVARD
CHEROKEE CO.

TOTAL SF 226,968 SF
TENANT THE ROBERT ALLEN GROUP
TYPE DIRECT



UNDER
CONSTRUCTION

SC GLOBAL LOGISTICS
S. SPARTANBURG CO.

TOTAL SF 1,805,855 SF
DEVELOPER PRP REAL ESTATE
INVESTMENT MANAGEMENT
DELIVERY DATE Q1 2023



UNDER
CONSTRUCTION

0 FORT PRINCE BOULEVARD
N. SPARTANBURG CO.

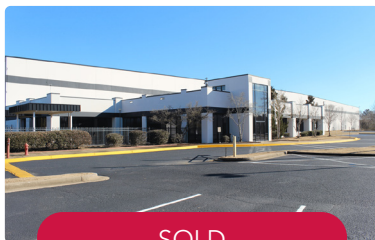
TOTAL SF 1,501,500 SF
DEVELOPER WALMART STORES
DELIVERY DATE Q1 2023



UNDER
CONSTRUCTION

600 WEBBER ROAD
CHEROKEE CO.

TOTAL SF 1,300,000 SF
DEVELOPER DHL
DELIVERY DATE Q1 2023



SOLD

34 COMMERCE DRIVE
CHEROKEE CO.

TOTAL SF 915,911 SF
SALE PRICE \$80,500,00
RATE PER SF \$87.89
BUYER LRC PROPERTIES
SELLER TECHTRONIC INDUSTRIES
NORTH AMERICA



SOLD

877 TORRINGTON ROAD
LAURENS CO.

TOTAL SF 190,192 SF
SALE PRICE \$10,584,595
RATE PER SF \$55.65
BUYER SOUTHPAW VENTURES, LLC
SELLER RAVINE PARK PARTNERS



SOLD

6997 PELHAM ROAD
GREENVILLE CO.

TOTAL SF 108,912 SF
SALE PRICE \$5,000,000
RATE PER SF \$45.91
BUYER CUSINO LAW
SELLER BOSTIK, INC.



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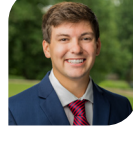
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