

16,553,004 SF

Q2 Existing Inventory ↑
Q1 16,380,596 SF

-9,708 SF

Q2 Net Absorption ↓
Q1 15,489 SF

12.4%

Q2 Vacancy ↓
Q1 12.5 %

57,300 SF

Q2 Under Construction ↑
Q1 54,532 SF

\$23.44 PSF

Q2 Avg. Asking Rent (per yr.) ↓
Q1 \$23.60 PSF

MARKET OVERVIEW

Office space performance remained consistent in Greenville/Spartanburg during Q2, with slightly negative net absorption of 9,708 SF and vacancy falling slightly to 12.4%. Average asking rents fell slightly to \$23.44 PSF in Q2, down \$0.16 PSF from Q1. Consequently, market conditions have spurred investor interest for quality office properties; and developers are seeking public and/or private partnerships to build space and capitalize on Greenville's growing need for office product. Office sales activity has declined relative to 2022, with rolling 12-month volume down more than 50%, however, pricing has remained resilient, down less than 7% during the same period.

ABSORPTION

Net absorption totaled (9,708) SF in Q2, bringing the year-to-date total to 5,781 SF. At the submarket level, Greenville County gained 17,657 SF worth of net occupancy gains in Q2, followed by Pickens County, which posted 15,283 SF of net absorption. CBD Greenville, CBD Spartanburg and Anderson County each recorded net occupancy losses in Q2.

VACANCY

Overall vacancy decreased in Q1 to 12.4%, a 10 basis point (bp) decrease from the prior quarter and 10 bps higher than the rate one year ago. CBD Greenville has the highest vacancy (14.6%) in the market, representing 622,648 SF of space.

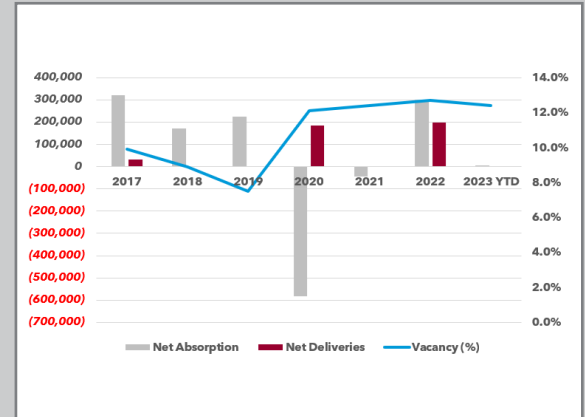
RENTAL RATES

Overall average asking rents fell slightly, to \$23.44 PSF in Q2, an increase of \$1.11 PSF since the end of 2022. The overall year-over-year average increased 7.6%. The highest average asking rents are located in CBD Greenville, at \$26.20 PSF.

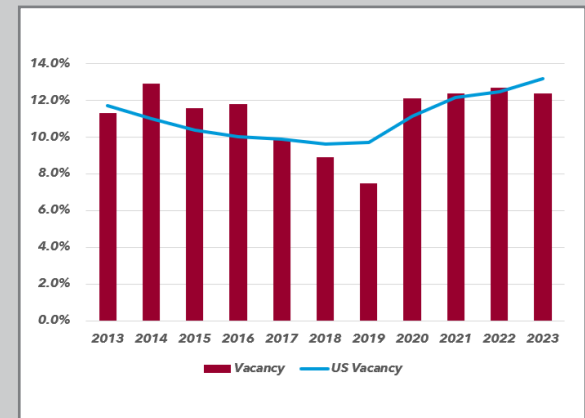
DEVELOPMENT

Development activity in Greenville-Spartanburg remains low, totaling 57,300 SF in one building. Developers continue to seek public and/or private partnerships to build space and capitalize on Greenville's growing need for office product.

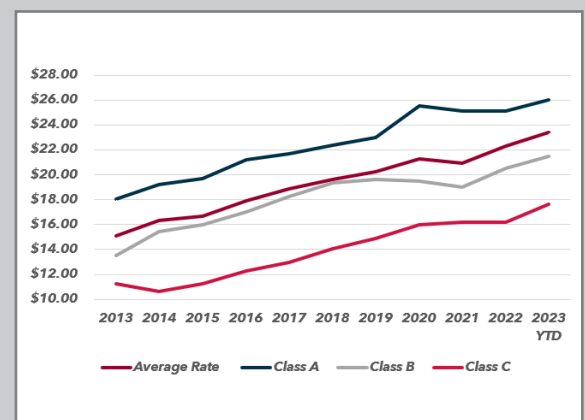
ABSORPTION & DELIVERIES



YEARLY VACANCY COMPARISON

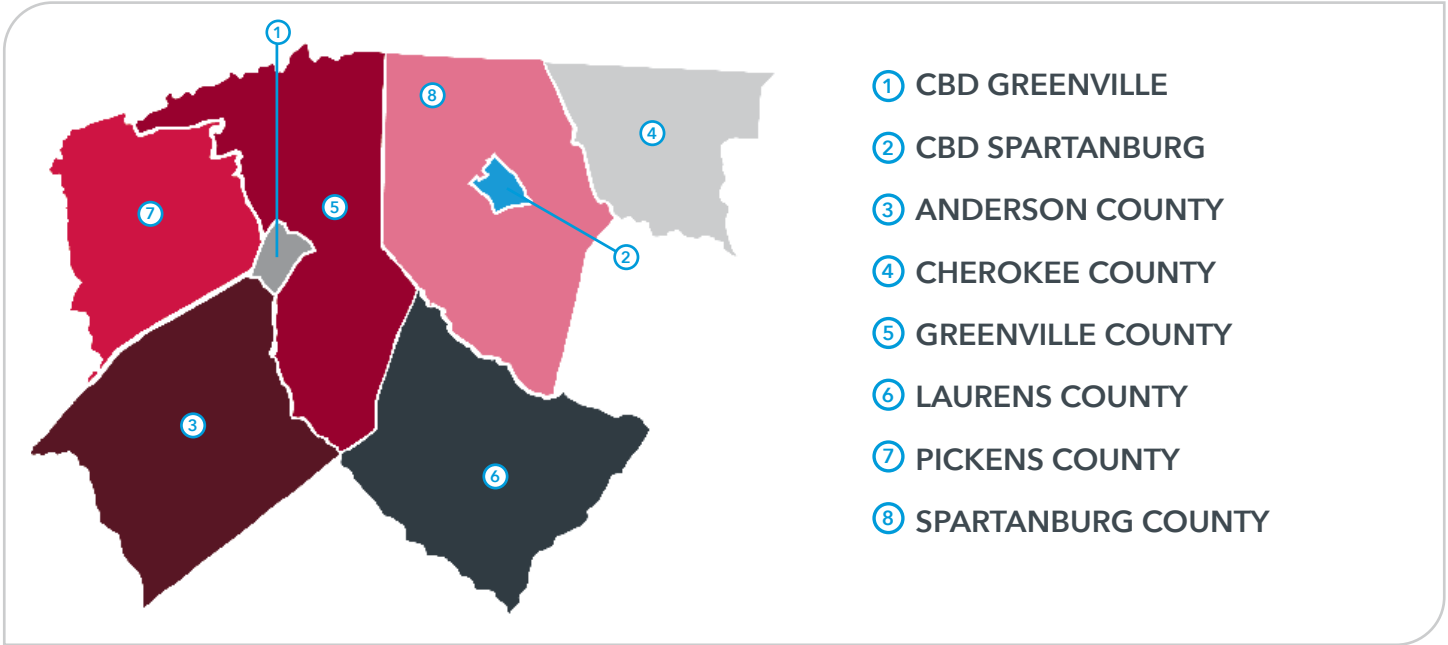


RENTAL RATES



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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 | 4,256,906 | 622,648 | 14.6% | (90,877) | - | \$26.20 |
| CBD Spartanburg | 1,180,733 | 81,026 | 6.9% | 3,087 | - | \$18.08 |
| Anderson Co. | 772,009 | 20,586 | 2.7% | (11,975) | - | \$20.00 |
| Cherokee Co. | 28,738 | - | 0.0% | - | - | |
| Greenville Co. | 9,079,490 | 1,259,760 | 13.9% | 91,693 | 57,300 | \$22.18 |
| Laurens Co. | 57,540 | - | 0.0% | - | - | |
| Pickens Co. | 314,531 | 20,062 | 6.4% | 15,283 | - | \$17.00 |
| Spartanburg Co. | 863,057 | 53,231 | 6.2% | (1,430) | - | \$18.00 |
| TOTAL | 16,553,004 | 2,057,313 | 12.4% | 5,781 | 57,300 | \$23.44 |

CLASS

| CLASS | EXISTING INVENTORY | VACANCY | | YTD NET ABSORPTION | UNDER CONSTRUCTION SF | QUOTED RATES |
|--------------|--------------------|------------------|--------------|--------------------|-----------------------|----------------|
| | Total RBA | Total SF | Vac % | | | |
| A | 4,645,950 | 799,123 | 17.2% | (24,084) | - | \$26.02 |
| B | 9,848,744 | 1,179,118 | 12.0% | 10,558 | 57,300 | \$21.49 |
| C | 2,058,310 | 79,072 | 3.8% | 19,307 | | \$17.61 |
| TOTAL | 16,553,004 | 2,057,313 | 12.4% | 5,781 | 57,300 | \$23.44 |

NOTABLE TRANSACTIONS



LEASED

104 S MAIN ST.
CBD GREENVILLE

TOTAL SF 21,450
TENANT THRIVE COWORKING
TYPE DIRECT



LEASED

80 INTERNATIONAL DR.
CBD GREENVILLE

TOTAL SF 21,412
TENANT TECH 24 COMMERCIAL
FOOD SERVICE
TYPE DIRECT



LEASED

531 E MAIN ST.
CBD SPARTANBURG

TOTAL SF 20,000
TENANT PINNACLE BANK
TYPE DIRECT

UNDER
CONSTRUCTION

701 EASLEY BRIDGE ROAD
NORTH SPARTANBURG

TOTAL SF 57,300
DEVELOPER THREE CORNERS DEVELOPMENT
DELIVERY DATE 2023



SOLD

2210 N 81 HWY
ANDERSON

TOTAL SF 12,661
SALE PRICE \$3,050,000
RATE PER SF \$240.90
BUYER LONGLEAF REALTY PARTNERS
SELLER TM MEDICAL PROPERTIES
ANDERSON



SOLD

1560 WADE HAMPTON BLVD
GREENVILLE

TOTAL SF 4,800
SALE PRICE \$1,700,000
RATE PER SF \$354.17
BUYER APPLIED NETWORK
CONSULTING GROUP
SELLER JDL HOLDINGS



SOLD

35 CESSNA CT
GREENVILLE

TOTAL SF 9,100
SALE PRICE \$1,400,000
RATE PER SF \$153.85
BUYER INTERCHANGE HOLDINGS LLC
SELLER KELLOGG DEVELOPMENT