

## MARKET OVERVIEW

Greenville/Spartanburg retail market performance has been strengthening for nearly two years, characterized by strong absorption, decreasing vacancy and healthy pricing. Second quarter net absorption surpassed 120,000 SF, bringing the year-to-date total to 41,131 SF. Average NNN asking rents decreased slightly in Q2 to \$12.41 PSF. Overall vacancy dropped slightly in Q2, to 4.4%, a decrease of 20 basis points since Q1 of 2023. The area has shown strong performance with grocers, discount retailers, and other retail services, while average annual population growth of 1.8% continues to spur additional consumer activity.

### ABSORPTION

Tenant demand rebounded in Q2 2023 after negative activity in Q1. Overall net absorption totaled 120,901 SF, bringing the year-to-date total to 41,131 SF. Greenville County continues to record a substantial amount of absorption relative to other submarkets, posting 192,341 SF through mid-year. Cherokee County was the only submarket to record negative net absorption in Q2, at (4,154) SF.

### VACANCY

Vacancy fell slightly in Q2 to 4.4% due to the absorption of vacant space and a lack of new deliveries. Year-over-year, vacancy is down by 40 basis points, an illustration of the market's consistent performance. Greenville and Pickens Counties both boast vacancy rates under 4.0%, while Cherokee County possesses the highest rate at 7.4%.

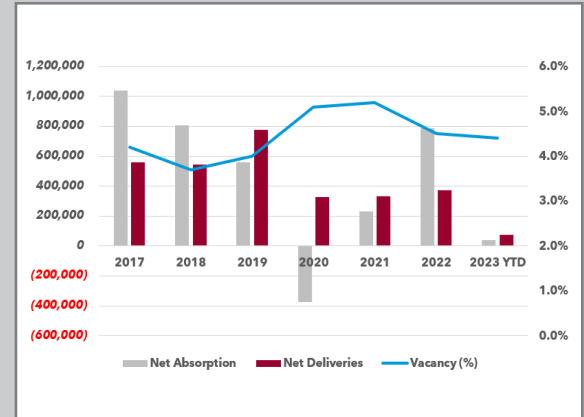
### RENTAL RATES

A lack of plentiful space options and low rates of new development activity are factors providing support for rental rates in Greenville/Spartanburg. Despite positive overall activity in Q2, average asking rents fell to \$12.41 PSF, down from an average of \$13.23 PSF in Q1.

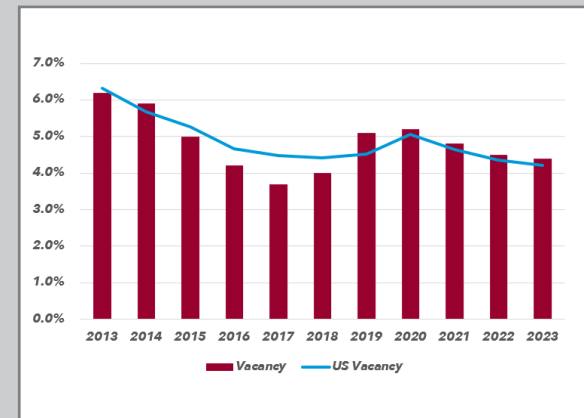
### DEVELOPMENT

While no new buildings delivered in Q2, the level of new construction increased during the second quarter to more than 315,000 SF. Greenville County has more than 265,000 SF under development in 10 buildings, the largest being a 85,000 Publix-anchored center in Travelers Rest. The center is scheduled to deliver in Q3 of 2023.

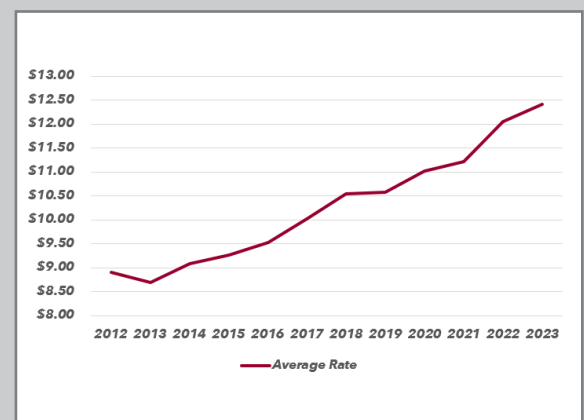
#### ABSORPTION & DELIVERIES



#### YEARLY VACANCY COMPARISON

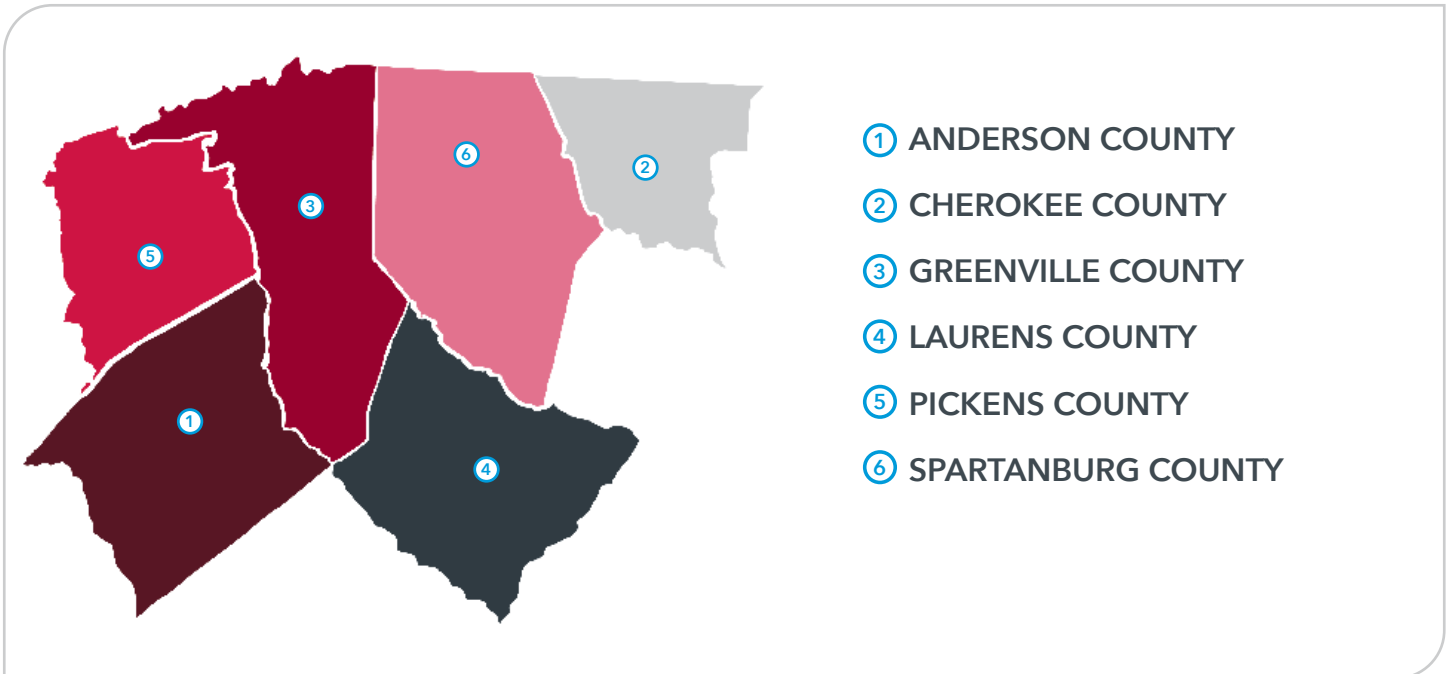


#### RENTAL RATES



The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information. The information provided herein of properties 7,500 SF+, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc. and Lee Proprietary Data. © Copyright 2023 Lee & Associates all rights reserved.

### SUBMARKET MAP



### SUBMARKET BREAKDOWN

SUBMARKET	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF	QUOTED RATES
	Total RBA	Total SF	Vac %			
Anderson Co.	10,421,394	584,651	5.6%	-207,280	-	\$7.86
Cherokee Co.	2,710,361	199,541	7.4%	-24,654	-	\$9.10
Greenville Co.	29,393,222	1,036,415	3.5%	192,341	265,477	\$14.05
Laurens Co.	2,147,593	103,249	4.8%	-5,014	10,500	\$10.94
Pickens Co.	5,203,834	175,820	3.4%	-2,719	11,695	\$13.97
Spartanburg Co.	18,063,865	877,928	4.9%	88,457	28,100	\$11.23
<b>TOTAL</b>	<b>67,940,269</b>	<b>2,977,604</b>	<b>4.4%</b>	<b>41,131</b>	<b>315,772</b>	<b>\$12.41</b>



### NOTABLE TRANSACTIONS



LEASED

**107 CANOY LN**  
PICKENS

**TOTAL SF** 34,928  
**TENANT** PLANET FITNESS  
**TYPE** DIRECT



LEASED

**499 - 535 LAURENS RD**  
SPARTANBURG

**TOTAL SF** 13,277  
**TENANT** DOLLAR GENERAL  
**TYPE** DIRECT



LEASED

**403 HWY 183**  
GREENVILLE

**TOTAL SF** 10,700  
**TENANT** SALTY FRYE'S GOLF CARTS  
**TYPE** DIRECT

UNDER  
CONSTRUCTION

**5000 OLD BUNCOMBE RD**  
GREENVILLE

**TOTAL SF** 85,000  
**DEVELOPER** SHAW RESOURCES  
**DELIVERY DATE** Q3 2023

UNDER  
CONSTRUCTION

**225 ENTERTAINMENT BLVD**  
GREENVILLE

**TOTAL SF** 50,236  
**DEVELOPER** SIROFLEX  
**DELIVERY DATE** Q3 2023

UNDER  
CONSTRUCTION

**O BRIDGEWAY**  
EAST GREENVILLE

**TOTAL SF** 34,493  
**DEVELOPER** HUGHES INVESTMENTS  
**DELIVERY DATE** Q3 2023



SOLD

**21 PLAZA DR**  
GREENVILLE

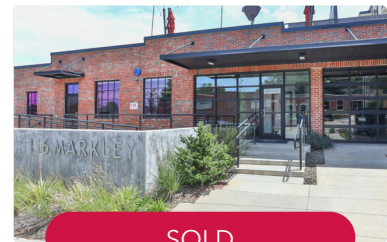
**TOTAL SF** 55,000  
**SALE PRICE** \$6,200,000  
**RATE PER SF** \$112.73  
**BUYER** SAP SC, LLC  
**SELLER** TR PLAZA LLC



SOLD

**100 ADAM MILLS RD**  
GREENVILLE

**TOTAL SF** 34,158  
**SALE PRICE** \$5,500,000  
**RATE PER SF** \$161.02  
**BUYER** FELLOWSHIP GREENVILLE  
**SELLER** YMCA OF GREATER GREENVILLE



SOLD

**116 - 118 N MARKLEY ST**  
GREENVILLE

**TOTAL SF** 25,080  
**SALE PRICE** \$8,892,789  
**RATE PER SF** \$354.58  
**BUYER** DORMIE CAPITAL PARTNERS  
**SELLER** N&H HOLDING COMPANY