



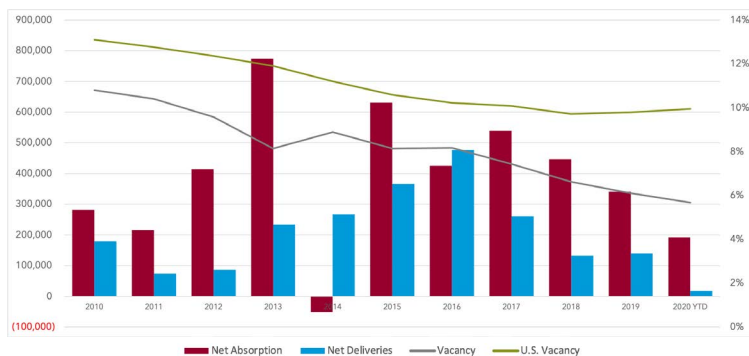
OFFICE MARKET OVERVIEW

DARATH MACKIE, Associate

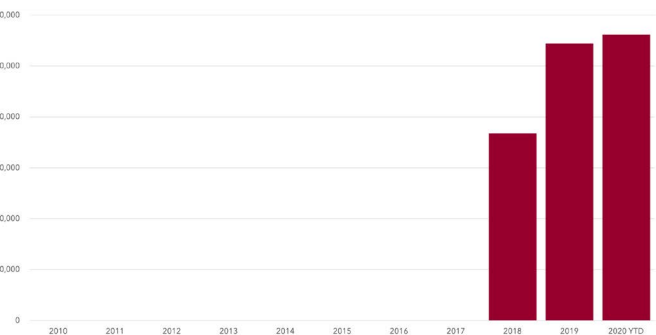
The overall Upstate SC vacancy decreased from 6.2% in Q4 of 2019 to 5.6% in Q1 of 2020 across all class types. Class A space had a significant decrease to 7.2% vacancy from 10.5% in the previous quarter, and Class B and C remained unchanged from the previous quarter. Overall net absorption increased in the First quarter to 212,541 SF. The overall market average asking rents increased again for the seventh quarter in a row to \$18.51 per square foot at the end of the 1st quarter of 2020. We experienced a significant square footage decrease in new construction deliveries in Q1 at 17,446 SF compared to 91,000 SF in the last quarter of 2019; however, we maintained the same number of deliveries at 3 buildings delivered.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▲ Net Absorption	212,541 SF	89,374 SF	71,561 SF	(396,728) SF	401,445 SF
▼ Vacancy Rate	5.60%	6.20%	6.50%	7.60%	6.50%
▲ Avg NNN Asking Rate	\$18.51/SF	\$18.17/SF	\$17.78/SF	\$17.70/SF	\$17.75/SF
▲ Under Construction	280,801 SF	234,797 SF	246,351 SF	188,627 SF	196,000 SF
▲ Inventory	40,576,039 SF	39,936,116 SF	39,869,859 SF	40,375,803 SF	40,185,832 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
850 S. Pleasantburg Dr Greenville, SC	36,446 SF	\$1,350,000 \$37.04/SF	Jake Van Gieson Ramsay Warne LLC/Charles Warne	Class C
1005 Grove Rd Greenville, SC	18,695 SF	\$3,825,000 \$204.60/SF	Prisma Healthcare Daniel McCollum	Class B
1 Real Estate Way Spartanburg, SC	13,921 SF	\$600,000 \$43.00/SF	NAI Earle Furman LLC Recor Investors (Remax Residential)	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
349 E. Main St Spartanburg, SC	12,750 SF	Mary Black Foundation	Spartanburg Academic Movement	Education
65 Concourse Way Greer, SC	11,750 SF	Fred Jones	Service Pros Installation Group	Construction
7001 Pelham Rd Greenville, SC	9,000 SF	Gerber Pelham Realty, LLC	Undisclosed	-