



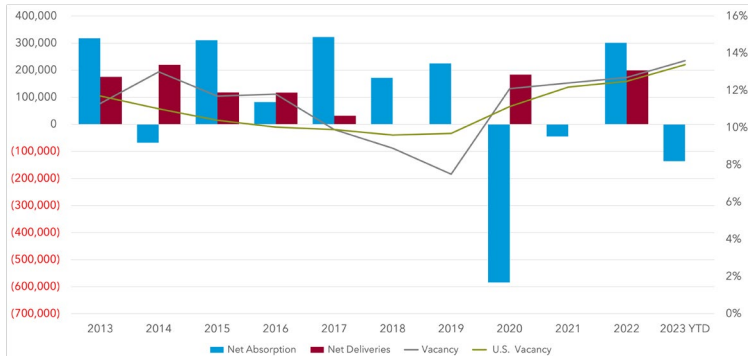
OFFICE MARKET OVERVIEW

DARATH MACKIE, Associate Broker

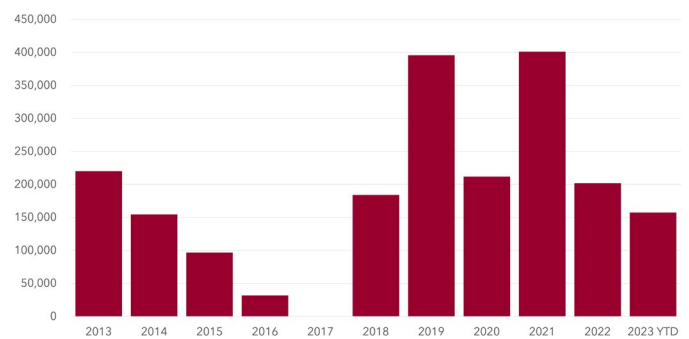
In the third quarter of 2023, the office space landscape in Greenville/Spartanburg experienced significant shifts. A negative net absorption of (142,376) square feet resulted in an increased vacancy rate of 13.6%. Average asking rents saw a marginal increase, reaching \$23.61 per square foot, compared to \$23.44 per square foot in Q2. Although office sales activity decreased by over 50% from 2022, prices have remained resilient, showing a modest decline of less than 7% over the same period. These trends highlight the evolving market conditions, emphasizing the need for strategic investment and development initiatives to meet the growing demands of Greenville's office space sector.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(186,988)	36,645	171,205	300,952	853,149
▲ Vacancy Rate	13.6%	12.4%	12.5%	12.7%	11.6%
▲ Avg NNN Asking Rate PSF	\$23.61	\$23.44	\$23.60	\$22.33	\$22.16
▲ SF Under Construction	157,300	57,300	54,532	201,795	201,795
▼ Inventory SF	16,020,373	16,553,004	16,380,596	16,372,346	16,358,918

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
310 Inglesby Parkway Duncan, SC	44,000 SF	\$4,350,000 \$98.86 PSF	The Southern Bank One Spartanburg, Inc.	Class A
25 Woods Lake Road (Bldg 6)* Greenville, SC	14,723 SF	\$1,610,075 \$109.36 PSF	Saddle Brook Properties LLC Winnebago Industries, Inc.	Class B
25 Woods Lake Road (Bldg 2)* Greenville, SC	13,256 SF	\$1,560,406 \$117.71 PSF	Saddle Brook Properties LLC Winnebago Industries, Inc.	Class B

* Part of portfolio (\$11.5M)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
550 S Main Street Greenville, SC	12,928 SF	Hughes Development Corporation	Womble Bond Dickinson LLP	Professional, Scientific, and Technical Services
777 Lowndes Hill Road Greenville, SC	9,030 SF	Continental Capital Partners LLC	Aeronix Inc.	Professional, Scientific, and Technical Services
777 Lowndes Hill Road Greenville, SC	7,903 SF	Continental Capital Partners LLC	Shepherd Outsourcing LLC	Administrative and Support Services

