



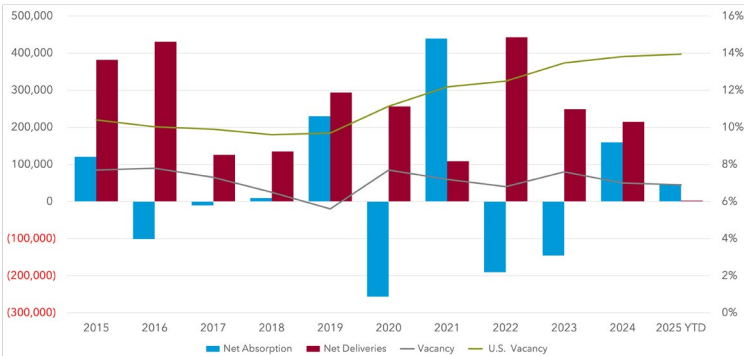
### OFFICE MARKET OVERVIEW

DARATH MACKIE, *Vice President*

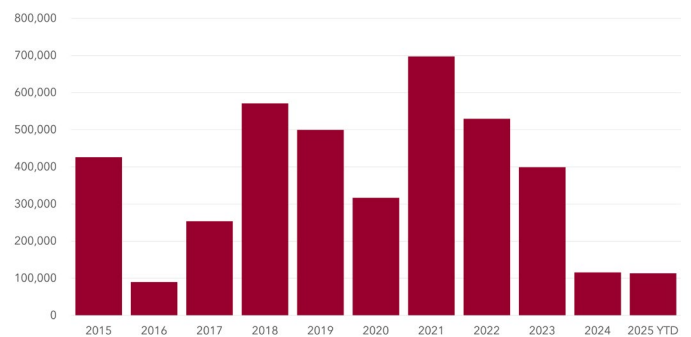
The office market showed signs of steady improvement in Q1 2025. Net absorption reached 402,439 square feet, maintaining a positive trend despite a slight decline from 470,979 SF in Q4 2024. This marks the fourth consecutive quarter of positive absorption, highlighting ongoing recovery and strengthening tenant demand. The vacancy rate slightly decreased to 6.9%, down from 7.0% in the previous quarter, continuing a slow but consistent downward trend from a high of 7.7% in Q1 2024. Asking rents also edged upward, with the average NNN asking rate rising to \$23.06 per SF annually, up from \$22.97 last quarter. This reflects growing landlord confidence and market stability.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Net Absorption SF	402,439	470,979	165,723	(129,990)	(150,759)
▼ Vacancy Rate	6.9%	7.0%	7.3%	7.6%	7.7%
▲ Avg NNN Asking Rent PSF	\$23.06	\$22.97	\$22.89	\$22.81	\$22.66
▲ Sale Price PSF	\$131.24	\$130.44	\$130.38	\$131.06	\$130.65
▼ Cap Rate	7.4%	7.9%	7.6%	-	7.7%
▼ Under Construction	113,766	116,044	86,044	159,966	197,304
▲ Inventory	44,517,686	44,515,408	44,515,408	44,415,020	44,500,234

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10 Falcon Crest Drive Greenville, SC	86,280 SF	\$12,200,000 \$141.40 PSF	Cd Greenville LLC Moje LLC	Class B
1310 Union Street Spartanburg, SC	31,498 SF	\$3,400,000 \$107.94 PSF	Ltpip Union Street LLC Merit Investments LLC	Class B
203 W. Fremont Avenue Spartanburg, SC	9,000 SF	\$995,000 \$110.56 PSF	Danbury Commons LP Dialysis Clinic, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2 Independence Point Greenville, SC	30,273 SF	Tso ICP LP	Safe-Guard	Safety
935 S. Main Street Greenville, SC	15,020 SF	FP Holdings LLC	First Bank on the Lake	Financial
33 Villa Road Greenville, SC	7,972 SF	Piedmont Center Holding LLC	South Carolina Learns	Education

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, 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., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com