



YoY
Chg

12-Mo.
Forecast

11.2%

Vacancy Rate



-157K

Net Absorption, SF



\$21.86

Asking Rent, PSF



(Overall, All Property Classes)

ECONOMIC INDICATORS Q3 2021

YoY
Chg

12-Mo.
Forecast

586.4K

Greenville-Spartanburg
Employment

3.9%

Greenville-Spartanburg
Unemployment Rate

5.2%

U.S.
Unemployment Rate

Source: BLS

ECONOMY: Employment Recovery Continues

The Greenville/Spartanburg economy is making healthy progress in the pandemic recovery phase. With a quarterly unemployment rate of only 3.9%, employment fundamentals continued to improve at a more rapid pace than the U.S. average. Total employment figures remain on the rise with 19,800 jobs added throughout the past year, driving the region's total to 586,400 jobs. Nearly every main industry sector recorded growth over the past year including key office-using segments Professional and Business Services (2.4%) and Financial Activities (1.3%).

SUPPLY AND DEMAND: New Vacancies Slow but Still Outpace Leasing Activity

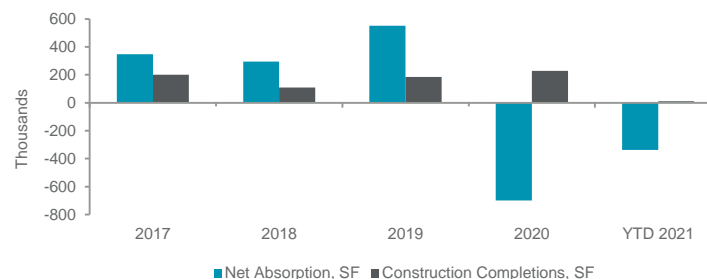
Demand remains below the historical average with 578,925 square feet (sf) leased across the Greenville/Spartanburg market in 2021 to date. However, a recent rise in touring activity indicates that leasing velocity will increase substantially in the final months of the year and into 2022. The Greenville suburbs recorded the highest volume, accounting for 57.6% of total demand year-to-date (YTD). The most significant new activity occurred in the West End section of the Greenville Central Business District (CBD) submarket, where Illumifin Corporation leased 21,572 sf. Construction is presently underway on more than 927,000 sf of office product including 301 University Ridge (250,000 sf) and 798 S. Church St. (200,000 sf), both part of the Greenville County Square redevelopment, and The Westervelt (157,270 sf) and The Jenny (54,532 sf) at Judson Mill, each of which are being built on a speculative basis and remain fully-available.

Overall vacancy continued to rise, albeit modestly, to 11.2%. However, vacancy in the CBD Class A market improved slightly, falling 20 basis points (bps) to 14.8%. Across Greenville/Spartanburg, the pace at which new vacancies are added to the market has slowed, indicating that demand may begin to outpace supply once again in the coming months.

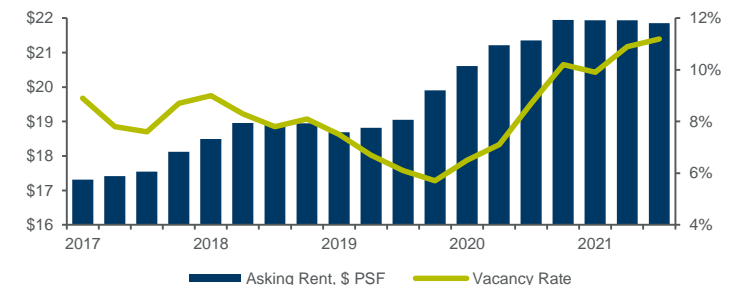
PRICING: Asking Rents Remain Stable

Gross asking rental rates have remained stable over the last three quarters despite the increase in vacant space options. At \$21.86 per square foot (psf), the overall gross rent has climbed 2.4% year-over-year (YOY). In lieu of raising asking rents, landlords have become increasingly-amenable to offering concessions in the form of rent abatement and tenant improvement allowances.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT





MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Anderson County	1,793,577	4,000	4,046	0.4%	-4,000	4,836	9,577	0	\$17.40	N/A
Greenville CBD	6,157,518	159,322	609,732	12.5%	-49,201	-65,045	196,908	450,000	\$24.11	\$25.64
Greenville Suburban	12,907,968	213,140	1,461,333	13.0%	-89,912	-212,614	333,704	436,802	\$20.38	\$23.36
Pickens County	894,422	0	71,004	7.9%	-13,612	-6,090	0	0	\$12.75	N/A
Spartanburg CBD	1,925,217	0	208,785	10.8%	-2,033	-1,653	17,958	0	\$23.12	\$23.91
Spartanburg Suburban	2,609,236	0	199,998	7.7%	1,833	-56,023	20,778	40,340	\$15.94	\$18.00
TOTAL MARKET	26,287,938	376,462	2,554,898	11.2%	-156,925	-336,589	578,925	927,142	\$21.86	\$24.46

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q3 2021

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
935 S Main St.	Greenville CBD	Illumifin Corporation	21,572	New Lease
1 Research Dr.	Greenville Suburban	ABB Inc.	15,441	New Lease
301 Railroad St.	Spartanburg Suburban	Quality Autism Care	12,476	New Lease
187 N. Church St.	Spartanburg CBD	Agape Care South Carolina	11,686	New Lease
1 E. Stone Ave.	Greenville Suburban	Prisma Health	10,981	New Lease

KEY SALES TRANSACTIONS Q3 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE \$ PSF
356 Centerpointe Blvd.	Greenville Suburban	Southern Dev. Corp. Of Gvill / Green Lower	80,000	\$9.5M \$119
478 Garrison Rd.	Greenville Suburban	McCleer Props LLC / Integrated Chasis Solutions LLC	15,128	\$1.8M \$115
200 Smith Hines Rd.	Greenville Suburban	ServiceMaster / Tropical Grille LLC	15,000	\$2.7M \$177
164 Milestone Way	Greenville Suburban	Grace Community Church / HC Gov. Realty Trust	14,500	\$2.2M \$154
220 S. Pendleton St.	Pickens County	Cornerstone Company / KKR Real Estate Trust LLC	12,400	\$5.1M \$410

KEY CONSTRUCTION COMPLETIONS YTD 2021

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
900 Pendleton St.	Greenville CBD	Family Legacy Inc.	10,351	Christopher Brown

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