

NAI Earle Furman

Upstate, SC 3Q16

Office Market Report

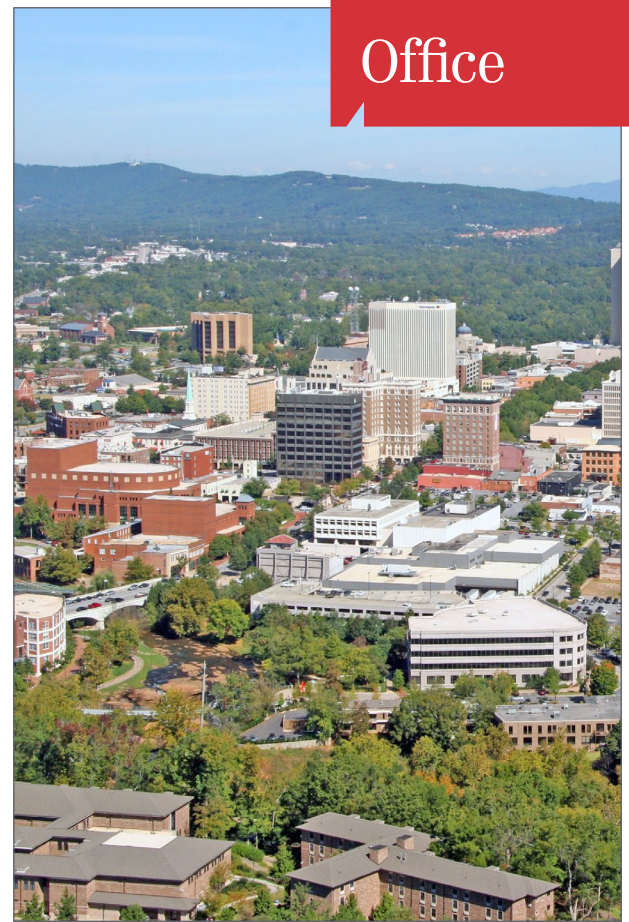
As the third quarter comes to a close in the Greenville/Spartanburg Office market, the vacancy rate decreased to 7.4%. This vacancy rate is down from the second quarter where the vacancy rate was situated at 8%. The decrease in vacancy rate continues to illustrate that the upstate office market is healthy and is in landlords' favor. In the third quarter, office net absorption totaled a positive 108,727 square feet. Rental rates ended the third quarter at \$16.02, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 23,238 square feet, with 376,074 square feet still under construction at the end of the quarter.

Tenants moving out of large blocks of space in 2016 include: Concentrix Corporation moving out of 39,496 square feet at 2000 Wade Hampton Blvd. - Building I; Infor, Inc. moving out of 30,000 square feet at 50 Datastream Plz; and Guardian Building Products moving out of 28,130 square feet at 979 Batesville Rd.

Tenants moving into large blocks of space in 2016 include: Regional Management Corporation moving into 51,713 square feet at 979 Batesville Rd; Advanced Technology Systems moving into 45,000 square feet at 110 Frederick St.; and Wynit Distribution moving into 37,000 square feet at ONE Greenville - Phase II.

During the third quarter 2016, three buildings totaling 23,238 square feet were completed in the Greenville/Spartanburg market area. This compares to three buildings totaling 24,600 square feet that were completed in the second quarter 2016, nine buildings totaling 201,428 square feet completed in the first quarter 2016, and 198,794 square feet in five buildings completed in the fourth quarter 2015.

John Stathakis
NAIEF Office Division Broker



Upstate Economy in 3Q16*

Total Population ⁺	983,857
Total Households ⁺	359,007
Median Household Income ⁺	\$45,115
Total Labor Force [^]	475,133
Unemployed [^]	23,763
Unemployment Rate [^]	Greenville County: 4.7% Spartanburg County: 5.3% Anderson County: 5.2%

*Includes data for Greenville, Spartanburg and Anderson counties
+US Census Bureau, 2010 Census & 2015 estimates
^scworks.org: October 2016 data

Trends for 3Q16



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Below is a sampling of office submarkets in the Upstate as of 10/17/16. Only multi-tenant buildings larger than 20,000 square feet which are non-owner occupied and non-medical are included in the data sets below. If all office spaces of all sizes were included, the sample of properties would total 36,000,000 square feet for the Upstate market (Greenville, Spartanburg and Anderson markets combined). For data on additional counties or submarkets, please send a request to marketing@naief.com. Data source: CoStar.

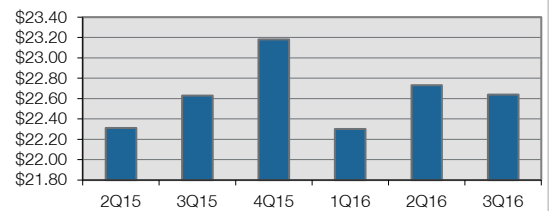
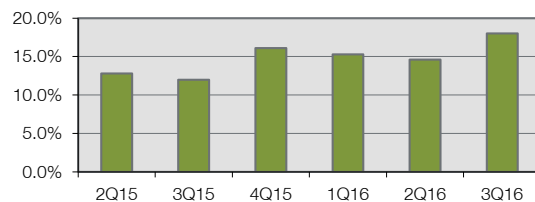
Office Submarket Overview:

Submarket	# of Buildings	Total RBA (SF)	Vacant (%)	Total Net Absorption (SF)	Total Avg. Rate
Greenville CBD					
Class A	13	1,522,204	24.80%	(83,431)	\$18.98
Class B	21	1,205,613	9.70%	(9,949)	\$16.36
All Classes	35	2,749,517	18.00%	(93,380)	\$22.64
Greenville Suburban					
Class A	16	1,445,489	9.00%	35,087	\$21.46
Class B	58	2,705,053	19.20%	18,938	\$16.36
Class C	4	103,454	40.10%	0	\$17.37
All Classes	78	4,253,996	16.20%	54,025	\$17.59
Spartanburg					
Class A	7	674,774	9.20%	0	\$19.81
Class B	9	410,892	36.60%	(181)	\$13.59
Class C	2	75,000	46.70%	0	\$11.72
All Classes	18	1,160,666	21.30%	(181)	\$15.39

Overall Vacancy Rates (%)

Average Asking Rental Rates

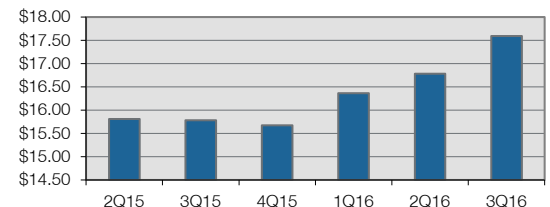
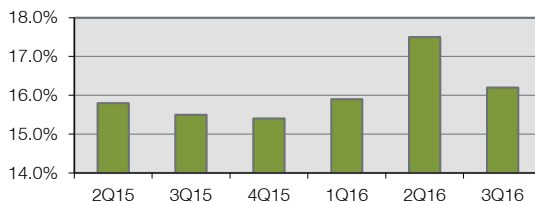
Greenville CBD



Greenville Suburban

Overall Vacancy Rates (%)

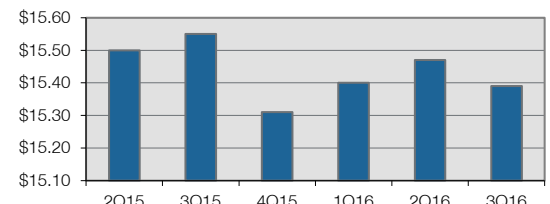
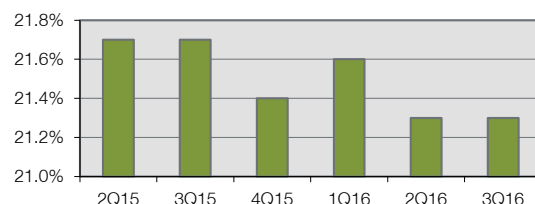
Average Asking Rental Rates



Spartanburg

Overall Vacancy Rates (%)

Average Asking Rental Rates



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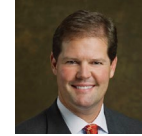
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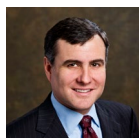
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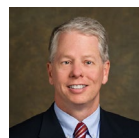
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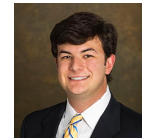
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About Us

Solid Foundation. Proven Results.

Founded by J. Earle Furman in 1986, NAI Earle Furman is celebrating its 30th year as a leading full-service commercial real estate brokerage firm in the Upstate of South Carolina specializing in the office, industrial, investment and retail sectors. NAI Earle Furman offers a wide range of services including sales, leasing, development, site selection, consulting and property management. A partnership with NAI Global allows NAI Earle Furman to access a network of worldwide real estate connections and offer international commercial real estate services to Upstate clients, while retaining local personality and knowledge.

The firm has 80 team members and completed nearly 600 transactions in 2015. The Property Management team manages 5.5 million square feet of commercial space in North and South Carolina.

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Brokerage Services

- Tenant Representation
- Landlord Representation
- Market Analysis
- Financial Analysis
- Site Selection
- Lease Versus Own Analysis
- Due Diligence Consulting
- Lease Review and Renewal Services
- Tax Deferred Exchanges
- Development
- Land Acquisition and Disposition



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