



GREENVILLE, SOUTH CAROLINA RESEARCH & FORECAST REPORT



Office Market Remains Stable in Q3.

The Greenville, South Carolina, office market remained stable during the third quarter of 2011. During this three month period, the office market absorbed 11,217 square feet of space. While activity was much more robust over this period than the net absorption suggests, leasing volume was largely concentrated to relocations and renewals of existing tenants, totaling more than 100,000 square feet of executed leases.

While the upstate economy has remained healthy thus far in 2011, the market has not experienced the anticipated post-recessionary expansion usually seen following an economic downturn. Although advanced manufacturing remains a staple of the local economy, new industries have been slow to locate in Greenville. This slow growth can largely be attributed to continued problems in the housing markets, and the inability for workers in other markets to sell their homes. Without flexibility in relocating executives it remains difficult for large operations to relocate or enter new markets.

The office market will remain stable through the end of 2011 and rental rates will remain largely unchanged. Any significant absorption will be dependent upon economic development activity and an influx of new companies to the market, which is not anticipated in the coming months.

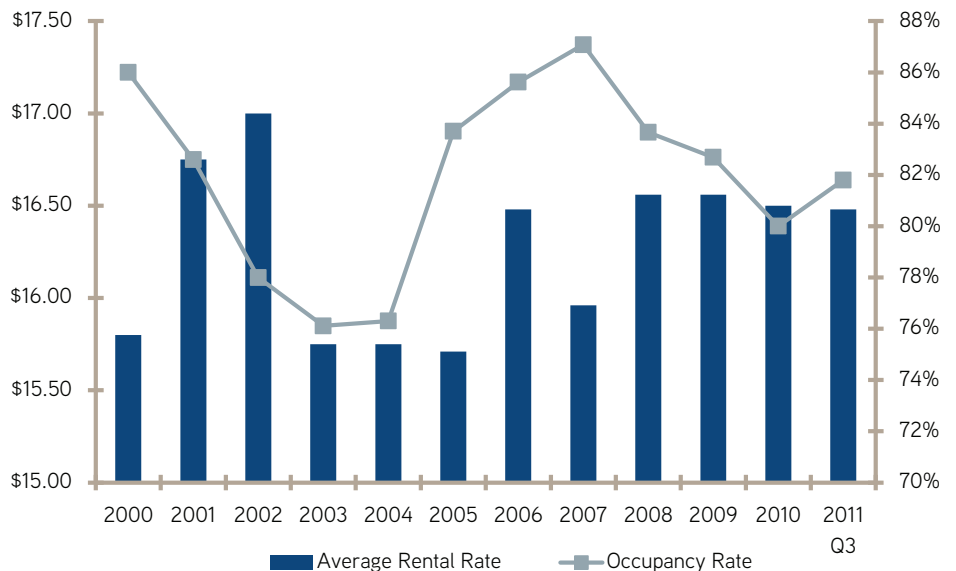
MARKET INDICATORS

	Q3 2011	Forecast
VACANCY	—	—
NET ABSORPTION	—	—
CONSTRUCTION	—	—
RENTAL RATE	—	—

QUICK UPDATES

- VACANCY REMAINS STABLE; LEASING VOLUME EXCEEDS 100K SF
- ACTIVITY WILL BE LIMITED TO RENEWALS AND RELOCATIONS
- MARKET WILL NOT EXPERIENCE SIGNIFICANT GROWTH UNTIL HOUSING MARKET REBOUNDS

2000 - 2011 Occupancy Rates and Average Asking Rents



	Buildings	Inventory	Direct Vacant	Direct Vacancy Rate	Sublease	Total Vacant	Q3 Absorption	Average Asking Rate
CBD								
A	21	1,916,225	156,770	8.2%	42,475	199,245	18,450	\$20.57
B	14	1,080,325	299,533	27.7%	11,951	311,484	11,252	\$17.22
C	6	187,306	38,917	20.8%	0	38,917	2,858	\$14.57
Total	41	3,183,856	495,220	15.6%	54,426	549,646	32,560	\$18.07

SUBURBAN MARKET								
A	30	1,930,772	406,316	21.0%	11,013	417,329	-9,590	\$17.52
B	25	2,058,396	380,347	18.5%	174,300	554,647	3,007	\$14.62
C	10	570,641	128,115	22.5%	-	128,115	-14,760	\$12.24
Total	65	4,559,809	914,778	20.1%	185,313	1,100,091	-21,343	\$15.57

MARKET TOTALS								
A	51	3,846,997	563,086	14.6%	53,488	616,574	8,860	\$18.82
B	39	3,138,721	679,880	21.7%	186,251	866,131	14,259	\$15.30
C	16	757,947	167,032	22.0%	-	167,032	-11,902	\$13.30
Total	106	7,743,665	1,409,998	18.2%	239,739	1,649,737	11,217	\$16.48

512 offices in 61 countries on 6 continents

- \$1.5 billion in annual revenue
- 979 million square feet under management
- Over 12,000 professionals
- 73,972 Lease/Sale Transactions
- \$59.6 Billion Total Transaction Value

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