



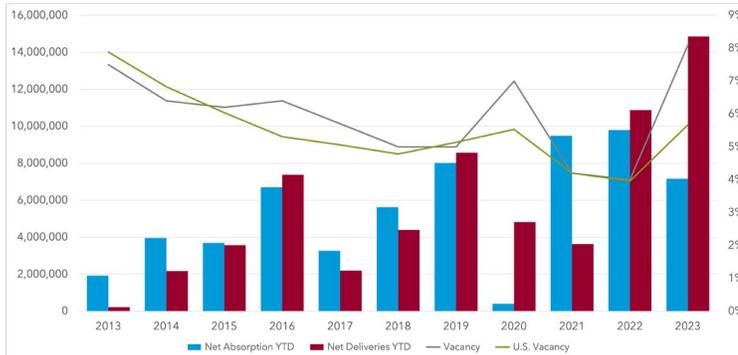
### INDUSTRIAL MARKET OVERVIEW

RANDALL BENTLEY, SIOR, CCIM, *President, Managing Principal*

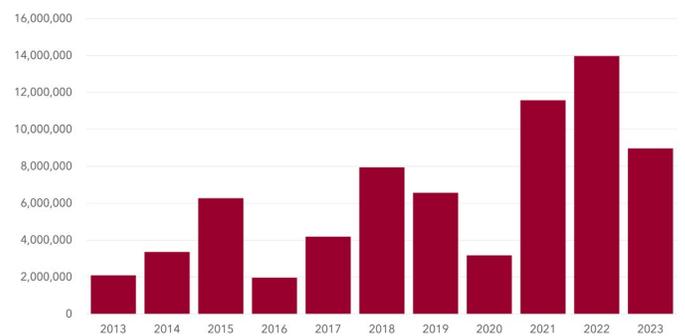
Major Southeastern population centers, such as Charlotte and Atlanta, have made the Greenville/Spartanburg industrial market popular for distribution center operations, as illustrated by Walgreens' 687,251 SF lease in Q4 2023. While growth in e-commerce and consumer spending boosted industrial real estate activity during COVID, cooling consumer spending led to slowing absorption in Q4, and vacancy rates are on the rise heading into early 2024. Approximately 15 million SF of industrial inventory has delivered in the past 12 months, and 8.9M SF is currently under construction. Like much of the nation, the pace of new construction has slowed recently as developers put groundbreakings on hold, which should alleviate supply pressures throughout 2024.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ 12 Mo. Net Absorption SF	7,162,476	10,773,895	10,781,392	12,471,173	9,799,521
▲ Vacancy Rate	8.3%	6.7%	7.3%	5.0%	4.0%
▲ Avg NNN Asking Rate PSF	\$4.91	\$4.90	\$4.67	\$4.57	\$4.60
▼ SF Under Construction	8,962,537	9,965,901	3,153,699	8,347,466	13,696,449
▲ Inventory SF	239,660,664	232,790,292	236,553,266	230,907,084	225,617,414

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
255 Black Hawk Road Greenville, SC	404,000 SF	\$17,855,000 \$44.20 PSF	Woodhill Real Estate Sunland Logistics Solutions	Class A
1515 Antioch Church Road, Bldg 1 Greenville, SC	146,262 SF	\$8,979,377 \$61.39 PSF	IP Capital Partners LLC Perceptive Capital	Class B
1515 Antioch Church Road, Bldg 2 Greenville, SC	88,405 SF	\$5,020,623 \$56.79 PSF	IP Capital Partners LLC Perceptive Capital	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
101 Alliance Parkway Williamston, SC	687,251 SF	Realty Income Corporation	Walgreens	Retailer
0 Casual Drive Wellford, SC	233,280 SF	STAG Industrial	Undisclosed	Undisclosed
260 Parkway East Duncan, SC	96,400 SF	Mapletree US Management, LLC	TEI Construction Services, Inc.	Construction

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