Research & Forecast Report GREENVILLE-SPARTANBURG, SC I INDUSTRIA



Crystal Baker Research Coordinator | South Carolina

Key Takeaways

Q1 2019

- Colliers International named Greenville-Spartanburg one of the top 10 Emerging U.S. Industrial Markets to Watch in 2019.
- > Increased interest from investors and developers will add speculative and build-to-suit buildings to the market.
- > 3.4 million square feet of industrial space was absorbed this quarter, confirming demand within the region.
- > 6.37 million square feet of new construction is expected to be delivered to the market in the next twelve months; quick absorption and demand are anticipated to continue.

Booming industrial region

A strong manufacturing workforce, convenient logistics' infrastructure and ample land for development generates high demand within the Greenville-Spartanburg industrial market. In addition, the Inland Port Greer continues to set container volume records — drawing interest from manufacturers and distributors. Many companies are moving to the area to set up regional distribution hubs, e-commerce fulfillment and import/export centers. Advanced manufacturing, automotive and distribution are each distinct demand drivers and are all buoyed by a strong labor force and supporting infrastructure. Investors and developers continue to purchase tracts of land and construct speculative and build-to-suit buildings in order to keep up with demand. Despite the extraordinary amount of square feet currently under construction, rapid building absorption is expected to occur and demand continue.

Market Indicators Relative to prior period	Q1 2019	Q2 2019*
VACANCY		₽
NET ABSORPTION	+	+
CONSTRUCTION		1
RENTAL RATE**	₽	1

Colliers

Note: Construction is the change in Under Construction. *Projected **Rent forecast is for metro-wide rents.

Summary Statistics Q1 2019 Greenville Industrial Market	Greenville-Spartanburg Market
Vacancy Rate	5.01%
Change From Q4 2018 (basis points)	-35
Absorption (Million Square Feet)	3.40
New Construction* (Million Square Feet)	2.84
Under Construction (Million Square Feet)	6.37
*New construction is buildings delivered	
Asking Rents NNN Per Square Foot Per Year	
Market	\$3.61

Market	\$3.61
Flex	\$8.30
Warehouse	\$3.37
Manufacturing	\$3.72



Inland Port Greer Rail Lifts Sources: South Carolina Ports Authority, Colliers International

Market Overview

The Greenville-Spartanburg industrial market is comprised of approximately 202.94 million square feet. During the first quarter of 2019, 2.84 million square feet of new industrial space were delivered. Ten proposed warehouse/distribution buildings and two proposed flex/R&D buildings will add 2.29 million square feet to the region when completed. Due to the ongoing high demand for industrial space within this region, the market absorbed 3.40 million square feet of industrial space this quarter, and the overall market vacancy rate dropped from 5.36% during the fourth quarter of 2018 to 5.01% during the first quarter of 2019. Market rental rates remain consistent for both manufacturing and warehouse space in the market.

Over 100,000 square feet

In general, Class A warehouse space ranges from \$4.35 per square foot, triple net, to \$4.75 per square foot, triple net. Manufacturing space depends heavily on the user's required improvements and range from \$4.75 per square foot, triple net, to \$5.50 per square foot, triple net. Class B warehouse and manufacturing space ranges from \$3.50 per square foot, triple net, to \$4.35 per square foot, triple net. Class C space is the most variable in terms of rate and business terms. These spaces are typically older, with some form of functional obsolescence, such as clear ceiling height under 18', metal or masonry shell, deferred building maintenance, etc. Rates on these spaces are typically under \$3.50 per square foot, triple net, and in some cases are offered as modified gross leases.

Warehouse/Distribution/Logistics

The warehouse/distribution/logistics market segment is the largest sector within the Greenville-Spartanburg industrial market,



Industrial Employment | Greenville-Spartanburg MSA

Source: Bureau of Labor Statistics, St. Louis Federal Reserve, Colliers International

consisting of approximately 178.94 million square feet, and there are currently 16 warehouse/distribution buildings are under construction which, upon completion, will add 4.65 million square feet to the Greenville-Spartanburg market.

Manufacturing

The manufacturing sector of the Greenville-Spartanburg market is comprised of approximately 18.70 million square feet of manufacturing buildings, and no new manufacturing buildings were delivered to the market this quarter. There are, however, five manufacturing buildings under construction that, once completed, will add 1.71 million square feet of manufacturing space to the market. This market sector has steady activity with the vacancy rate, only adjusting two basis points from 2.74% during the fourth quarter of last year to 2.72% this quarter, and had positive absorption. The average triple net weighted manufacturing rental rate dropped to \$3.72 per square foot this quarter.

Flex/R&D

The flex sector of the Greenville-Spartanburg market is comprised of approximately 5.30 million square feet; no new flex/R&D buildings were added to the market this quarter. This sector was active during the first quarter of 2019 and absorbed 74,408 square feet. Similarly, the vacancy rate dropped 141 basis points lower than last quarter; during the first quarter of 2019, the flex/R&D vacancy rate was 10.83%. Conversely, the average triple net weighted rental rate decreased slightly from \$8.76 per square foot during the fourth quarter of last year to \$8.30 per square foot during this quarter.

Commercial Real Estate Growth Cycle: Where the market stands and where it is going.





Spartan Exchange Rendering | Spartanburg, SC Source: SunCap Property Group

Construction Pipeline

Construction activity remains high in the Greenville-Spartanburg market, with 7.05 million square feet under construction and 2.84 million square feet of industrial construction delivered this quarter.

Significant Transactions

Within the Greenville-Spartanburg market, CoStar reports 31 signed leases during the first quarter of 2019. Leasing this quarter was limited due to lack of available product. Four subleases were signed at 9855 Warren H. Abernathy Highway. CoStar reports 53 sale transactions from January 2019 to March 2019 including a 16-property portfolio sale of seven Spartanburg industrial properties totaling 1.04 million square feet.

2019 Q1 Construction Pipeline Greenville-Spartanburg							
PROPERTY NAME LOCATION	BUILDING SF	COUNTY	DEVELOPER				
COMPLETIONS							
Michelin Highway 101	2,500,000	Spartanburg					
2010 Nazareth Church Road, Building 1	273,000	Spartanburg					
360 Mayfield Road	25,200	Spartanburg					
512 John Ross Court	21,939	Anderson					
510 John Ross Court	12,000	Anderson					
121 Pine Road, Building 1	12,000	Anderson					
UNDER CONSTRUCTION (+100,000 SF)							
Electrolux 101 Masters Boulevard	800,000	Anderson	-				
Keurig Doctor Pepper Tyger River Industrial Park	708,067	Spartanburg	-				
GSP Logistics Parkway (BMW)	567,630	Spartanburg	Panatonni				
1359 Victor Hill Road	545,127	Spartanburg	Exeter Property Group				
Inland 85 Logistic Center	500,280	Spartanburg	CRG				
Fort Prince Commerce Center	436,800	Spartanburg	Courtland Development				
Smith Farms Industrial Park 7870 Reidville Road, Building 11A	396,073	Spartanburg	Red Rock Developments				
Augusta Grove 1700 Old Grove Road	300,645	Greenville	TPA Group				
1359 Victor Hill Road, Building B	285,240	Spartanburg	Exeter Property Group				
Apple Valley Phase II (U.S. Lumber)	275,400	Spartanburg	Panatonni				
5500 Highway 76	250,000	Anderson	-				
Woods Chapel Crossing	243,380	Spartanburg	Robinson Weekes				
Apple Valley Phase III (Fresenius Medical)	236,500	Spartanburg	Panatonni				
Spartan Exchange 1032 Tyger Lake Road	213,200	Spartanburg	SunCap				
Smith Farms Industrial Park 7870 Reidville Road, Building 11B	210,821	Spartanburg	Red Rock Developments				
Global Commerce Park 191 Clear Springs	170,691	Spartanburg	Cothran Properties				
385 Business Park	155,101	Greenville	Hughes Commercial				

Sales

- > One World Technologies Inc. purchased its 1,327,022-square-foot distribution facility for \$79.3 million. It is located at 100 Ryobi Drive in Anderson.
- One World Technologies Inc. also purchased a 546,683-squarefoot Class A distribution center located at 34 Commerce Drive in Gaffney for \$30 million.
- > STAG Industrial, Inc. purchased a 331,845-square-foot Class B warehouse in Piedmont for \$24.1 million.
- > Nutra Manufacturing LLC purchased 1050 Green Heron Drive, a 217,550-square-foot manufacturing facility, for \$5.5 million.
- > 54 Tedwall Court, an 80,000-square-foot warehouse in Greer, was purchased for \$3.85 million by Narp Real Estate, LLC.

Capital Investment & Employment

Over the past six months from September 2018 through February of 2019, there were \$366.04 million in capital investments from new companies, accounting for 875 jobs. Existing company expansions accounted for \$272.69 million in new capital, creating 1,010 additional jobs within the Greenville-Spartanburg region. The types of investments include advanced materials manufacturing, energy/solar farming, biosciences and automotive production. According to the Bureau of Labor Statistics data through February of 2019, industrial employment comprised 10.2% of the Greenville-Spartanburg total employment, or about 60,100 jobs in the region.

Market Forecast

Regional demand continues to grow in Greenville-Spartanburg as more and more users and employers move to the area. Manufacturers supporting the automotive industry are moving to the area and developers are building to meet these needs. There are currently 7.05 million square feet of industrial buildings under construction in this submarket with no indication of demand slowing in the near future.

The Greenville-Spartanburg market is also being seen by many users and logistics providers as an emerging alternative to regional competitors like Atlanta & Charlotte. The implementation of the recent federal regulation requiring electronic logging devices to be installed on all commercial trucks by December 2019 is also expected to create additional activity as companies look to diversify their supply chains to increase their trucking coverage within an 11-hour drive time.

With a strong import/export inland port, a healthy manufacturing business base and a growing regional population with strong employment, the Greenville-Spartanburg industrial market can expect high demand and dynamic market activity throughout 2019.

Greenville-Spartanburg named top industrial market to watch in 2019

Read the full report: view.ceros.com

10 Emerging U.S. Industrial Markets to Watch in 2019 The Greenville-Spartanburg market continues to see massive growth in the industrial sector. The strong manufacturing base has been bolstered with increased regional distribution demand and record container volume at the South Carolina Inland Port. With heavy manufacturing exports, the South Carolina Inland Port is one of the only intermodal terminals with more export than import volume, making it a cost-effective solution for new import distribution centers. Speculative development is at an all-time high and is being rapidly absorbed thanks to robust demand. We've also seen significant new manufacturing investments from companies like Keurig Dr. Pepper, thanks to our strong manufacturing workforce and the nation's lowest unionization rate.

> **David Feild** Market President Greenville-Spartanburg

Q1 2019 Industrial N	Aarket Sur	mmary Stat	istics Gree	enville-Sparta	anburg, SC			
MARKET	BUILDINGS	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLEASE VACANT (SF)	TOTAL VACANT (SF)	TOTAL VACANCY RATE (%)	NET ABSORPTION (SF)	RENTAL RATE (NNN)
ANDERSON COUNTY								
Flex/R&D	2	49,840	-	-	-	0.00%	-	-
Manufacturing	12	2,678,489	38,920	-	38,920	1.45%	-	-
Warehouse/Distribution	184	11,853,790	423,521	55,818	479,339	4.04%	-37,000	\$2.70
Anderson County Total	198	14,582,119	462,441	55,818	518,259	3.55	-37,000	2.70
AUGUSTA ROAD DONALDS	SON					1	1	
Flex/R&D	4	74,687	6,000	-	6,000	8.03%	-	\$6.00
Manufacturing	21	788,404	-	-	-	0.00%	31,500	-
Warehouse/Distribution	166	10,028,431	60,650	-	60,650	0.60%	-	\$3.65
Augusta Road Donaldson Total	191	10,891,522	66,650	-	66,650	0.61%	31,500	\$3.86
COWPENS								
Manufacturing	5	163,456	-	-	-	0.00%	-	-
Warehouse/Distribution	20	2,909,708	336,667	-	336,667	11.57%	-	-
Cowpens Total	25	3,073,164	336,667	-	336,667	10.96%	-	-
GAFFNEY								
Manufacturing	4	151,889	-	-	-	0.00%	-	-
Warehouse/Distribution	54	4,900,574	51,950	-	51,950	1.06%	546,183	\$3.61
Gaffney Total	58	5,052,463	51,950	-	51,950	1.03%	546,183	\$3.61
GREENWOOD COUNTY								
Flex/R&D	2	34,528	3,000	-	3,000	8.69%	-	\$3.75
Manufacturing	20	2,942,023	-	-	-	0.00%	-	-
Warehouse/Distribution	36	1,278,914	26,000	-	26,000	2.03%	58,700	-
Greenwood County Total	58	4,255,465	29,000	-	29,000	0.68%	58,700	\$3.75
HWY 101 CORRIDOR								
Flex/R&D	26	765,544	16,350	-	16,350	2.14%	575	\$7.21
Manufacturing	5	1,165,790	-	-	-	0.00%	-	-
Warehouse/Distribution	160	10,671,674	217,390	18,988	236,378	2.22%	2,492,352	\$4.42
Hwy 101 Corridor Total	191	12,603,008	233,740	18,988	252,728	2.01%	2,492,927	\$4.83
HWY 221 CORRIDOR								
Flex/R&D	1	73,404	-	-	-	0.00%	-	-
Manufacturing	17	510,663	68,900	-	68,900	13.49%	-30,200	\$3.13
Warehouse/Distribution	50	3,827,156	78,078	-	78,078	2.04%	-12,000	\$4.69
Hwy 221 Corridor Total	68	4,411,223	146,978	-	146,978	3.33%	-42,200	\$3.57
HWY 29/129 CORRIDOR								
Flex/R&D	4	782,894	5,435	-	5,435	0.69%	29,520	\$9.36
Manufacturing	11	351,454	-	-	-	0.00%	-	-
Warehouse/Distribution	158	12,714,545	678,883	-	678,883	5.34%	409,303	\$2.29
Hwy 29/129 Corridor Total	173	13,848,893	684,318	-	684,318	4.94%	438,823	\$2.38
HWY 290 CORRIDOR								
Flex/R&D	2	62,690	13,600	-	13,600	21.69%	3,000	\$6.85
Manufacturing	14	1,336,212	-	-	-	0.00%	-	-
Warehouse/Distribution	81	8,859,031	752,067	174,000	926,067	10.45%	-105,216	\$3.88
Hwy 290 Corridor Total	97	10,257,933	765,667	174,000	939,667	9.16%	-102,216	\$3.91
HWY 585 CORRIDOR								
Flex/R&D	13	524,045	74,255	_	74,255	14.17%	64,300	\$6.48
Manufacturing	28	748,803	10,000	-	10,000	1.34%	-	\$2.75
Warehouse/Distribution	100	9,191,231	995,008	-	995,008	10.83%	-29,703	\$3.69
Hwy 585 Corridor Total	141	10,464,079	1,079,263	-	1,079,263	10.31%	34,597	\$3.74

HWY S1 CORRIDOR Image: state sta	MARKET		INVENTORY (SF)	DIRECT VACANT (SF)	SUBLEASE VACANT (SF)	TOTAL VACANT (SF)	TOTAL VACANCY RATE (%)	NET ABSORPTION (SF)	RENTAL RATE (NNN)
Manufacturing 4 141,700 - - - 0.00% - Warehouz/Disribution 29 4,276,038 - - 0.00% - Maula Chirribution 34 4,31,820 13,304 - 13,304 0.00% - Maula Chirribution 14 293,369 15,770 - 15,7740 5,37% 6,953 Maula Chirribution 130 8,990,707 225,065 - 225,065 2.50% 94,000 Mauda Total 138 9,868,503 440,005 - 426,005 13.42% - PELMAR ROAD - 79,701 17,75% 1-3,8189 - - Manufacturing 7 1328,08 260,690 - 260,690 4.33% - - PELMAR ROAD - 154,989 12,43% - - - - - - - - - - - - - - - -	HWY 81 CORRIDOR								
Warchouse/Distribution 29 4.276.038 - - - 0.00% - Hwy 81 Corridor Total 34 4.431.620 13.304 - 13.304 0.00% - Hwy 81 Corridor Total 34 293.369 15.740 - 15.740 5.37% 6.953 Marul acturing 14 293.369 15.740 - 15.740 5.37% 6.953 Marul acturing 13 8.98.65.03 440.065 - 225.055 2.25.05 2.47% 10.09.53 PELMAR ROAD - 79.701 17.75% - 13.42% - Marulacturing 7 173.886 26.000 - 26.003 13.42% - Pelma Road Totat 124 54.00.638 26.059 - 26.004 33.858 - 33.081 - 33.081 2.43.73 Pelma Road Totat 102 4.422.55 166.681 3.81% 63.239 Pelmovir Totat 102 4.422.55 16	Flex/R&D	1	14,082	13,304	-	13,304	94,48%	-6,956	\$5.88
Hwy 81 Corridor Total344,431,82013,36413,3040.30%-6,956MAULDINFlex/R&D14293,26915,74015,7405.37%6,953Manulacturing14584,427200,000225,0652.50%9,0000Marulacturing1308,980,707225,055225,0652.50%9,0000Marulacturing1389,866,903440,095225,0652.50%9,0000PELHAM ROAD1775%PRIAT ROAD7139,806250,005260,00913,42%Marulacturing7139,806250,009260,0094.83%Pelham Road Total1245,400,538260,590260,0094.83%PictoMONTPictoMONT84.118,42571,600164,6813.81%63,239SIMPSON/LIE FOUNTAIN INNPier/R&D11312,942,3179,497SIMPSON/LIE FOUNTAIN INNPier/R&D113,268,6377,637 <td< td=""><td>Manufacturing</td><td>4</td><td></td><td>-</td><td>-</td><td>_</td><td>0.00%</td><td>-</td><td>-</td></td<>	Manufacturing	4		-	-	_	0.00%	-	-
Hwy 81 Corridor Total344,431,82013,36413,3040.30%-6,956MAULDINFlex/R&D14293,26915,74015,7405.37%6,953Manulacturing14584,427200,000225,0652.50%9,0000Marulacturing1308,980,707225,055225,0652.50%9,0000Marulacturing1389,866,903440,095225,0652.50%9,0000PELHAM ROAD1775%PRIAT ROAD7139,806250,005260,00913,42%Marulacturing7139,806250,009260,0094.83%Pelham Road Total1245,400,538260,590260,0094.83%PictoMONTPictoMONT84.118,42571,600164,6813.81%63,239SIMPSON/LIE FOUNTAIN INNPier/R&D11312,942,3179,497SIMPSON/LIE FOUNTAIN INNPier/R&D113,268,6377,637 <td< td=""><td>Warehouse/Distribution</td><td>29</td><td>4.276.038</td><td>-</td><td>_</td><td>_</td><td>0.00%</td><td>_</td><td>-</td></td<>	Warehouse/Distribution	29	4.276.038	-	_	_	0.00%	_	-
MAULDIN V V Signal				13,304	-	13,304		-6,956	\$5.88
Manufacturing 14 584,427 200,000 - 200,000 34.22% - Marubuaz/Distrbution 130 8,990,707 225,065 - 225,065 225,065 225,065 225,065 225,065 225,065 25,07% 94,000 Mauldin Total 155 9,866,503 440,060 - 225,065 225,065 225,065 - 94,000,753 PELHAN ROD 19 449,094 79,701 - 79,701 17,75% -18,189 Manufacturing 7 173,806 260,090 - 260,090 4.83% -54,688 Piethan Rod Total 124 5,400,638 260,690 - 260,690 4.83% -54,688 Piethons Fibribution 8 179,557 64,000 - 164,000 1.74% 53,739 Piedmont Total 102 4,422,356 168,681 - 168,681 3.81% 63,239 Simpsonville Fountain Inn 145 13,268,635 779,637 7	MAULDIN					,			
Warehouse/Distribution 130 8,990,707 225,065 - 225,065 2.50% 94,000 Maulin Total 158 9,666,503 440,805 - 2440,805 2.50% 94,000 PELHAM ROAD 19 449,094 77,710 17.75% -1.8,189 Manufacturing 7 193,806 260,000 - 260,000 13.42% Petham Road Total 124 5,406,638 260,090 - 260,000 4.83% -54,688 Piezoman 6 124,374 33,081 - 33,081 266,690 4,83% -54,688 Piezoman 8 4,11,8425 71,000 - 71,766 4,500 - Manufacturing 8 42,82,726 166,681 3.83% 63,239 SIMPSONVILE FOUNTAIN INN - - 10,140 11,04% - - - - - - - - - - - - - - -<	Flex/R&D	14	293,369	15,740	-	15,740	5.37%	6,953	\$6.63
Maudin Total 158 9,868,503 440,805 - 440,805 4.47% 100,953 PELHAR ROAD -	Manufacturing	14	584,427	200,000	-	200,000	34.22%	-	\$4.00
PELHAM ROAD 19 449.094 79,701 - 79,701 17,75% -18,189 Manufacturing 7 193,806 26,000 - 26,000 13,2% - Warehouse/Distribution 98 4,757,738 154,989 3.2,6% -36,499 Pelham Road Total 124 5,400,638 260,690 - 260,690 4.83% -54,688 PIEDMONT - - 33,081 2,6,690 4.83% -54,688 PIEOMONT - - 33,081 2,6,690 4.500 - Manufacturing 88 171,557 64,000 - 64,000 35,64% - SIMPSON/LLE FOUNTAIN 102 4,422,356 166,681 - 1166,681 3.81% 63,239 Simpsonville Fountain Inn 133 12,262,131 769,497 - 769,497 5,94% -242,466 Simpsonville Fountain Inn 145 13,266,635 779,537 - 779,637 58.68% -248,578	Warehouse/Distribution	130	8,990,707	225,065	-	225,065	2.50%	94,000	\$4.04
Flex/R&D 19 4490,94 79,701 79,701 17,75% 18,189 Manufacturing 7 193,806 26,000 - 26,000 13,42%	Mauldin Total	158	9,868,503	440,805	-	440,805	4.47%	100,953	\$4.11
Manufacturing 7 193,806 26,000 - 26,000 13,42% - Warehouse/Distribution 98 4,757,738 154,989 - 260,690 4,83% -36,499 Pelham Road Total 124 5,000,638 260,690 - 260,690 4,83% -54,688 PELMONT 5,000,638 260,690 - 260,690 4,83% -54,688 Manufacturing 8 170,557 64,000 - 64,000 35,64% - Piedmont Total 102 4,422,356 168,681 - 168,681 3,81% 63,239 SIMPSONVILLE FOUNTAIN INN 10,140 13,04% - - 0.00% - - 242,466 - 10,140 13,04% -<	PELHAM ROAD								
Warehouse/Distribution 98 4,757,738 154,989 - 154,989 3.26% 36,499 Pelham Road Total 124 5,400,638 260,690 - 260,690 4.83% 54,688 PIEDMONT		19	449,094	79,701	-	79,701	17.75%	-18,189	\$10.13
Petham Road Total 124 5,400,638 260,690 - 260,690 4.83% 54,688 PIEDMONT - - 33,081 26.60% 4,500 4,500 Manufacturing 6 124,374 33,081 - 33,081 26.60% 4,500 Marufacturing 88 4,179,557 64,000 - 17,600 1.74% 58.79 Piedmont Total 102 4,422,356 168,681 - 166,681 3.81% 63.239 SIMPSONVILLE FOUNTAIN INV - 10.140 13.04% -6,112 - - 0.00% -	Manufacturing	7	193,806	26,000	-		13.42%		-
PIEDMONT Flex/R&D 6 124,374 33,081 - 33,081 26,60% 4,500 Manufacturing 8 179,557 64,000 - 64,000 35,64% - Warehouse/Distribution 88 4,118,425 71,600 - 71,660 1.74% 58,739 SIMPSONVILLE FOUNTAIN INN Intermediate Intermediate <thintermediat< th=""></thintermediat<>	Warehouse/Distribution	98	4,757,738	154,989	-	154,989	3.26%	-36,499	\$5.46
Flex/R&D 6 124,374 33,081 33,081 26,60% 4,500 Manufacturing 8 179,557 64,000 64,000 35,64% Warehouse/Distribution 88 4,118,425 71,600 71,600 1.74% 58,739 Piedmont Total 102 4,422,56 168,681 10,640 13,04% -6,112 SIMPSONVILLE FOUNTAIN INF 0.00% Hex/R&D 4 77,776 10,140 10,400 13,04% 6,112 Manufacturing 8 228,728 0.00% 24,665 Simpsonville Fountain In Total 13,266,653 779,637 779,637 5.88% -248,678 WHTE HORSE 1 18,502 0.00% Whie Horse Total 73 5,159,491 637,594 637,594 12,36% -56,600 Warehouse/Distr	Pelham Road Total	124	5,400,638	260,690	-	260,690	4.83%	-54,688	\$7.10
Manufacturing 8 179,57 64,000 - 64,000 35,64% - Warehouse/Distribution 88 4,118,425 71,600 - 71,600 1.74% 58,739 Piedmon Total 102 4,422,356 166,681 - 168,661 3.81% 64,029 SIMPSONVILLE FOUNTAIN - 10,140 13.04% -6,112 - Manufacturing 8 228,728 - - 0.00% - - Warehouse/Distribution 133 12,962,131 769,497 5,94% -242,466 - Warehouse/Distribution 133 12,962,131 769,497 5,88% -248,578 WHTE HORSE - - 769,497 5,88% -248,568 Marufacturing 1 18,502 - - 0.00% 3.000 - WHTE HORSE - - 0.00% 3.000 - - 0.00% - - - 0.00% - -	PIEDMONT		1						_
Warehouse/Distribution 88 4,118,425 71,600 - 71,600 1.74% 58,739 Piedmont Total 102 4,422,356 168,681 - 168,681 3.81% 63,239 SIMPSONVILLE FOUNTAIN INN - - 10,140 13.04% 6,112 Manufacturing 8 228,728 - - - 0.00% - Simpsonville Fountain Inn 133 12,962,131 769,497 - 769,497 5,84% -242,466 Simpsonville Fountain Inn 145 13,268,635 779,637 5,88% -248,578 WHITE HORSE - - 0.00% - - Manufacturing 1 18,502 - - 0.00% 3.000 Warehouse/Distribution 73 5,159,491 637,594 12.26% -55,600 WireGo - 0.00% - - 0.00% - Manufacturing 16 485,147 - - 0.00% -<	Flex/R&D	6	124,374	33,081	-	33,081	26.60%	4,500	\$12.09
Piedmont Total1024,422,356168,681-168,6813.8.1%63,239SIMPSONVILLE FOUNTAIN INFlex/R&D477,77610,140-10,14013.04%-6,112Manufacturing8228,7280.00%-6,112Warehouse/Distribution13.312,962,131769,497-769,4975,94%-242,466Simpsonville Fountain In Total13,268,635779,637779,6375,88%-248,578WHTE HORSEFlex/R&D118,5020.00%-4Manufacturing1118,5020.00%3,000-Marufacturing1118,5020.00%3,000Marufacturing1118,502637,59412,26%-58,600-Withe Horse Total735,159,491637,594637,59412,26%-58,600-Wineo-130,605-637,59412,26%-58,600-Wineo0.00%Wineo Total130,605642,11312,26%Manufacturing16485,147642,113-103,073Warehouse/Distribution598,692,669642,113-642,1136.97%103,073 <td< td=""><td>Manufacturing</td><td>8</td><td>179,557</td><td>64,000</td><td>-</td><td>64,000</td><td>35.64%</td><td>-</td><td>-</td></td<>	Manufacturing	8	179,557	64,000	-	64,000	35.64%	-	-
SIMPSONVILLE FOUNTAIN INN Flex/R&D 4 77,776 10,140 - 10,140 13,04% -6,112 Manufacturing 8 228,728 - - - 0.00% - Warehouse/Distribution 133 12,962,131 769,497 - 769,497 5,94% -242,466 Simpsonville Fountain Inn Total 145 13,268,635 779,637 - 779,637 5.88% -248,578 WHTE HORSE - - 0.00% - - 0.00% - - Manufacturing 1 18,502 - - 0.00% - - Manufacturing 1 23,665 - - 0.00% - - Manufacturing 1 30,605 - - 637,594 12.26% - - - 0.00% - Manufacturing 16 485,147 - - - 0.00% - Warehouse/Distribution	Warehouse/Distribution	88	4,118,425	71,600	-	71,600	1.74%	58,739	\$3.43
Flex/R&D 4 77.776 10.140 10.140 13.04% 6.12 Manufacturing 8 228,728 0.00% Warehouse/Distribution 133 12,962,131 769,497 - 769,497 5.94% -242,466 Simpsonville Fountain Inn Total 145 13,268,635 779,637 5.88% -248,578 WHTE HORSE - - 0.00% -248,578 - Manufacturing 1 18,502 - - 0.00% 3,000 Warehouse/Distribution 73 5,159,491 637,594 - 637,594 12.36% -58,600 Wine Horse Total 75 5,201,658 637,594 - 637,594 12.36% -58,600 Wine Morse Total 75 5,201,658 637,594 - 637,594 12.36% -58,600 Wine Or 1 30,605 - - 0.00% - - Flex/R&D 1 30,	Piedmont Total	102	4,422,356	168,681	-	168,681	3.81%	63,239	\$8.06
Manufacturing 8 228,728 - - - 0.00% - Warehouse/Distribution 133 12,962,131 769,497 - 769,497 5.94% -242,466 Simpsonville Fountain Inn Total 145 13,268,635 779,637 - 779,637 5.88% -248,578 WHITE HORSE - - - 0.00% - - Manufacturing 1 18,502 - - 0.00% 3,000 Warehouse/Distribution 73 5,159,491 637,594 - 637,594 12,26% -55,600 Wine Horse Total 75 5,201,658 637,594 - 637,594 12,26% -55,600 Wine Go - - 0.00% - - - 0.00% - Warehouse/Distribution 59 8,692,669 642,113 - 642,113 7.3% 103,073 Wingo Total 76 9,208,421 642,113 - 642,113 6.97%	SIMPSONVILLE FOUNTAIN	INN				1			
Warehouse/Distribution 133 12,962,131 769,497 . 769,497 5.94% 242,466 Simpsonville Fountain Inn Total 145 13,268,635 779,637 . 779,637 5.88% 242,466 WHITE HORSE	Flex/R&D	4	77,776	10,140	-	10,140	13.04%	-6,112	\$6.86
Simpsonville Fountain Inn Total14513,268,635779,637779,637779,6375.88%248,578WHTE HORSEFlex/R&D118,5020.00%Manufacturing123,6650.00%3,000-Warehouse/Distribution735,159,491637,594-637,59412.26%-55,600WineGO637,59412.26%-55,600WineGO637,59412.26%-55,600-Warehouse/Distribution598,692,669642,113-642,1130.00%-Warehouse/Distribution598,692,669642,113-642,1136,97,963103,073Wingo Total769,208,421642,113-642,1136,97%103,073Other SUBMARKETS642,1136,97%103,073-Flex/R&D571,920,394303,010-303,01015,78%-3,183Manufacturing1226,028,300100,236-100,2361.66%-Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675,05%77,758Marcharcturing12,10861,696,0773,099,41317,0003,116,4135,05%74,408Marcharcturing15,755,295,828573,616-573,61610.83%74,408Manufacturing15,155,295,828573,6	Manufacturing	8	228,728	-	-	-	0.00%	-	-
Total Indian Indian <thindian< th=""> Indian <thindian< th=""> <thindian< th=""> <thindian< th=""></thindian<></thindian<></thindian<></thindian<>	Warehouse/Distribution	133	12,962,131	769,497	-	769,497	5.94%	-242,466	\$3.70
Flex/R&D118,5020.00%.Manufacturing123,6650.00%3,000Warehouse/Distribution735,159,491637,594-637,59412.36%-58,600White Horse Total755,201,658637,594-637,59412.26%-55,600WINGOFlex/R&D130,605637,59412.26%-55,600Manufacturing16485,1470.00%-Manufacturing16485,147-642,1137.39%103,073Wingo Total769,208,421642,113-642,1137.39%103,073OTHER SUBMARKETSFlex/R&D571,920,394303,010-303,01015.78%-3,183Manufacturing1226,028,300100,236-100,2361.66%-Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675.05%77,758Other Submarket Total1,10861,696,0773,099,41317,0003,116,4135.05%74,408MARKET TOTALFlex/R&D1575,295,828573,616573,61610.83%74,408Manufacturing31718,702,513508,056-508,0562.72%4,300		145	13,268,635	779,637	-	779,637	5.88%	-248,578	\$3.74
Manufacturing 1 23,665 - - 0.00% 3,000 3,000 Warehouse/Distribution 73 5,159,491 637,594 - 637,594 12.36% -58,600 White Horse Total 75 5,201,658 637,594 - 637,594 12.26% -55,600 WINGO 75 5,201,658 637,594 - 637,594 12.26% -55,600 WINGO - 637,594 12.26% -55,600 Flex/R&D 1 30,605 - - 60.00% - Manufacturing 16 485,147 - - 0.00% - Warehouse/Distribution 59 8,692,669 642,113 - 642,113 6.97% 103,073 OTHER SUBMARKETS 642,113 10.0236 1.66% - Flex/R&D 57 1,920,394 303,010 - 303,010 15.78% -3.183	WHITE HORSE								
Warehouse/Distribution 73 5,159,491 637,594 - 637,594 12.36% -58,600 White Horse Total 75 5,201,658 637,594 - 637,594 12.36% -58,600 WINGO U U 0.00% 12.26% -55,600 U Flex/R&D 1 30,605 - - - 0.00% - Manufacturing 16 485,147 - - 0.00% - 0.00% - Warehouse/Distribution 59 8,692,669 642,113 - 642,113 6.37,594 103,073 Wingo Total 76 9,208,421 642,113 - 642,113 6.97% 103,073 OTHER SUBMARKETS S 1,920,394 303,010 - 303,010 15.78% -3,183 Manufacturing 122 6,028,300 100,236 1.06% - S Warehouse/Distribution 929 53,747,383 2,696,167 17,000 3,116,413	Flex/R&D	1	18,502	-	-	-	0.00%	-	-
White Horse Total755,201,658637,594637,59412.26%55,600WINGOFlex/R&D130,6050.00%Manufacturing16485,1470.00%Warehouse/Distribution598,692,669642,113642,1137.39%103,073Wingo Total769,208,421642,113642,1136.97%103,073OTHER SUBMARKETSFlex/R&D571,920,394303,010303,01015.78%-3,183Manufacturing1226,028,300100,236100,2361.66%Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675.05%77,758Other Submarket Total1,10861,696,0773,099,41317,0003,116,4135.05%74,575Flex/R&D1575,295,828573,616573,61610.83%74,408Manufacturing31718,702,513508,0562.72%4,300	Manufacturing	1	23,665	-	-	-	0.00%	3,000	-
WINGO Flex/R&D 1 30,605 - - - 0.00% - Manufacturing 16 485,147 - - 0.00% - Warehouse/Distribution 59 8,692,669 642,113 - 642,113 7.39% 103,073 Wingo Total 76 9,208,421 642,113 - 642,113 6,97% 103,073 OTHER SUBMARKETS 57 1,920,394 303,010 - 303,010 15.78% -3,183 Manufacturing 122 6,028,300 100,236 - 100,236 1.66% - Warehouse/Distribution 929 53,747,383 2,696,167 17,000 2,713,167 5.05% 77,758 Other Submarket Total 1,108 61,696,077 3,099,413 17,000 3,116,413 5.05% 74,575 MARKET TOTAL	Warehouse/Distribution	73	5,159,491	637,594	-	637,594	12.36%	-58,600	\$3.75
Flex/R&D130,6050.00%Manufacturing16485,1470.00%Warehouse/Distribution598,692,669642,113642,1137.39%103,073Wingo Total769,208,421642,113642,1136.97%103,073OTHER SUBMARKETSFlex/R&D571,920,394303,010303,01015.78%-3,183Manufacturing1226,028,300100,236100,2361.66%Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675.05%77,758Other Submarket Total1,10861,696,0773,099,41317,0003,116,4135.05%74,4575Flex/R&D1575,295,828573,616573,61610.83%74,408Manufacturing31718,702,513508,056508,0562.72%4,300	White Horse Total	75	5,201,658	637,594	-	637,594	12.26%	-55,600	\$3.75
Manufacturing16485,1470.00%Warehouse/Distribution598,692,669642,113642,1137.39%103,073Wingo Total769,208,421642,113642,1136.97%103,073OTHER SUBMARKETSFlex/R&D571,920,394303,010303,01015.78%-3,183Manufacturing1226,028,300100,236100,2361.66%Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675.05%77,758Other Submarket Total1,10861,696,0773,099,41317,0003,116,4135.05%74,575Flex/R&D1575,295,828573,616-573,61610.83%74,408Manufacturing31718,702,513508,056-508,0562.72%4,300	WINGO								
Warehouse/Distribution598,692,669642,113-642,1137.39%103,073Wingo Total769,208,421642,113-642,1136,97%103,073OTHER SUBMARKETSFlex/R&D571,920,394303,010-303,01015.78%-3,183Manufacturing1226,028,300100,236-100,2361.66%-Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675.05%77,758Other Submarket Total1,10861,696,0773,099,41317,0003,116,4135.05%74,575Flex/R&D1575,295,828573,616-573,61610.83%74,408Manufacturing31718,702,513508,056-508,0562.72%4,300	Flex/R&D	1	30,605	-	-	-	0.00%	-	-
Wingo Total769,208,421642,113-642,1136.97%103,073OTHER SUBMARKETSFlex/R&D571,920,394303,010-303,01015.78%-3,183Manufacturing1226,028,300100,236-100,2361.66%-Warehouse/Distribution92953,747,3832,696,16717,0002,713,1675.05%77,758Other Submarket Total1,10861,696,0773,099,41317,0003,116,4135.05%74,575MARKET TOTALFlex/R&D1575,295,828573,616-573,61610.83%74,408Manufacturing31718,702,513508,056-508,0562.72%4,300	Manufacturing	16	485,147	-	-	-	0.00%	-	-
OTHER SUBMARKETS Flex/R&D 57 1,920,394 303,010 - 303,010 15.78% -3,183 Manufacturing 122 6,028,300 100,236 - 100,236 1.66% - Warehouse/Distribution 929 53,747,383 2,696,167 17,000 2,713,167 5.05% 77,758 Other Submarket Total 1,108 61,696,077 3,099,413 17,000 3,116,413 5.05% 74,575 MARKET TOTAL	Warehouse/Distribution	59	8,692,669	642,113	-	642,113	7.39%		\$3.30
Flex/R&D 57 1,920,394 303,010 303,010 15.78% 3,183 Manufacturing 122 6,028,300 100,236 100,236 1.66% Warehouse/Distribution 929 53,747,383 2,696,167 17,000 2,713,167 5.05% 77,758 Other Submarket Total 1,108 61,696,077 3,099,413 17,000 3,116,413 5.05% 74,575 MARKET TOTAL	-	76	9,208,421	642,113	-	642,113	6.97%	103,073	\$3.30
Manufacturing 122 6,028,300 100,236 - 100,236 1.66% - Warehouse/Distribution 929 53,747,383 2,696,167 17,000 2,713,167 5.05% 77,758 Other Submarket Total 1,108 61,696,077 3,099,413 17,000 3,116,413 5.05% 74,575 MARKET TOTAL	OTHER SUBMARKETS					1			
Warehouse/Distribution 929 53,747,383 2,696,167 17,000 2,713,167 5.05% 77,758 Other Submarket Total 1,108 61,696,077 3,099,413 17,000 3,116,413 5.05% 74,575 MARKET TOTAL Flex/R&D 157 5,295,828 573,616 - 573,616 10.83% 74,408 Manufacturing 317 18,702,513 508,056 - 508,056 2.72% 4,300	Flex/R&D				-			-3,183	\$7.49
Other Submarket Total 1,108 61,696,077 3,099,413 17,000 3,116,413 5.05% 74,575 MARKET TOTAL	3							-	\$3.50
MARKET TOTAL Flex/R&D 157 5,295,828 573,616 - 573,616 10.83% 74,408 Manufacturing 317 18,702,513 508,056 - 508,056 2.72% 4,300									\$2.93
Flex/R&D 157 5,295,828 573,616 - 573,616 10.83% 74,408 Manufacturing 317 18,702,513 508,056 - 508,056 2.72% 4,300		1,108	61,696,077	3,099,413	17,000	3,116,413	5.05%	74,575	\$3.23
Manufacturing 317 18,702,513 508,056 - 508,056 2.72% 4,300									
					-				\$8.30
Warehouse / Distribution 2 E/0 170.000 (2/ 0.017.000 2/E.00/ 0.000.0/E E.000/ 0.010.00/	-				-				\$3.72
Warehouse/Distribution 2,548 1/8,939,636 8,817,239 265,806 9,083,045 5.08% 3,318,624 Market Total 3,022 202,937,977 9,898,911 265,806 10,164,717 5.01% 3,397,332	Warehouse/Distribution	2,548	178,939,636	8,817,239	265,806	9,083,045	5.08%	3,318,624	\$3.37 \$3.61

Source: CoStar, Colliers International

In January 2017, Colliers International benchmarked its industrial data set statewide. The new standard for collection is all industrial buildings 10,000 square feet or larger that can be readily adapted to an alternative industrial use. All properties were placed into a revised set of markets and submarkets and divided into three categories. Warehouse/Distribution, a facility primarily used for the storage or distribution or both of materials, goods and merchandise. Manufacturing, a facility used for the conversion, fabrication or assembly of raw or partly wrought materials into products or goods. Flex/R&D, a building designed to be used in a variety of ways with at least 30% of the rentable building area used as office. It is usually located in an industrial park setting. Specialized flex buildings can include service centers, showrooms, offices, warehouses and more. Due to the adjustments of the building inventory, comparison of data included in previously published market reports should be avoided.

400 offices in68 countries on6 continents

\$3.3

billion in annual revenue

2

billion square feet under management

17,000+

professionals and staff

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Accelerating success.