

GREENVILLE, SC

July 2003

2003 MID-YEAR OFFICE MARKET

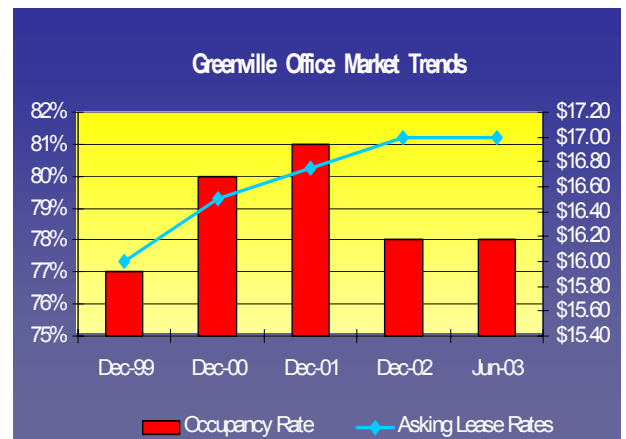
Market Summary

The Greenville office market began to exhibit signs of a turnaround during the first six months of 2003, fueled primarily by the continued improvement in the Central Business District (CBD). Overall market occupancy was 78% at mid-year, and the availability rate (availability rate is vacant space added to sub-lease space) was 25%. In other words, 25% of the total inventory of office space is available, either through direct vacant space from landlords or sub-lease space. Net absorption for the first six months of the year was 28,000 SF, due mainly to strong absorption in the CBD.

OFFICE INVENTORY & PERCENT VACANT MID-YEAR 2003					
	CBD		SUBURBAN		TOTAL MARKET
	CLASS A	TOTAL	CLASS A	TOTAL	
Total Inventory	1,267,599	2,580,834	1,860,879	3,461,465	6,042,297
Direct Vacant SF	121,263	315,010	554,402	1,023,734	1,338,744
Sublease SF	14,923	72,291	52,385	128,564	200,855
Direct Vacancy Rate	9.57%	12.21%	29.79%	29.57%	22.15%
Availability Rate (direct & sublease)	10.74%	15.01%	32.61%	33.29%	24.61%
YTD New Product	0	0	0	0	0
YTD Net Absorption	11,354	41,801	12,000	14,000	28,000
Average Rental Rate*	\$18.25	\$17.25	\$17.50	\$16.75	\$17.00
Occupancy Rate June 30, 2003	90.4%	87.8%	70.9%	70.4%	77.9%

Central Business District

The CBD market fueled the slight turnaround of the overall market. The occupancy rate was 87.8% at mid-year, up from 86.2% at year-end 2002. Many consider Class A space to be the true barometer of the health of the market. The Class A occupancy rate was 90.4%, up from 89.5% at year-end 2002. The CBD availability rate was 15%, down slightly from 16.7% at year-end 2002. Net absorption for the period was strong at 42,000 SF.



201 E. McBee Ave, Ste 201
PO Box 10825
Greenville, SC 29603-0825
Tel: 864-297-4950
Fax: 864-527-5444

COLLIERS
KEENAN GOLDSMITH

OFFICE MARKET





238 Offices Worldwide

134	Americas
	102 United States
	17 Canada
	15 Latin America
58	Europe, Middle East & Africa
46	Greater Asia

US Locations

Akron, OH	Miami, FL
Allentown, PA	Milwaukee, WI
Atlanta, GA	Minneapolis, MN
Austin, TX	Nashville, TN
Bakersfield, CA	New Jersey
Baltimore, MD	New York, NY
Beachwood, OH	Oakland, CA
Bellevue, WA	Orlando, FL
Boise, ID	Palo Alto, CA
Boston, MA	Park City / Ogden, UT
Carlsbad, CA	Philadelphia, PA
Charleston, SC	Phoenix, AZ
Charlotte, NC	Pittsburgh, PA
Chicago, IL	Pleasanton, CA
Cincinnati, OH	Plymouth Meeting, PA
Clearwater, FL	Portland, OR
Cleveland, OH	Provo, UT
Columbia, SC	Raleigh, NC
Dallas/Ft. Worth, TX	Reno, NV
Dayton, OH	Roseville, CA
Denver, CO	Sacramento, CA
Detroit, MI	St. Charles, MO
Fairfield, CA	St. Louis, MO
Ft. Lauderdale, FL	St. Paul, MN
Ft. Myers, FL	Salt Lake City, UT
Fresno, CA	San Diego, CA
Gilroy, CA	San Francisco, CA
Greenville, SC	San Jose, CA
Hartford, CT	San Mateo, CA
Honolulu, HI	Scottsdale, AZ
Houston, TX	Seattle, WA
Indianapolis, IN	Stamford, CT
Jacksonville, FL	Stockton, CA
Kansas City, MO	Sun Valley, ID
Las Vegas, NV	Tacoma, WA
Los Angeles, CA	Tampa, FL
Louisville, KY	Walnut Creek, CA
Memphis, TN	Washington, DC

Suburban Market

The suburban market continued its decline during the period. The suburban occupancy rate was 70.4%, a decrease from 71.9% at year-end 2002. This was due primarily to several large tenants vacating space in the suburbs. The Class A occupancy rate remained at 70.2%. The availability rate was 32.6%, up from 31.8% at year-end 2002. Net absorption was a negative 14,000 SF for the first six months of the year.

Selected Building Sales

Date	Address	SF	Price	Price / SF	Location	Comments
2/03	18 Interchange Blvd.	18,000	\$1,100,000	\$61.00	Suburban	2-Story formerly Hallmark Center
12/02	Pelham Road	110,413	4,000,000	\$36.00	Suburban	Former Carolina Investors HQ
10/02	1225 S. Church St.	8,350	\$830,000	\$99.00	CBD	Two Story
7/02	Pelham Road	6,930	\$1,350,000	\$195.00	Suburban	Former Bank
7/02	Brookfield Pkwy.	39,506	\$4,800,000	\$122.00	Suburban	Lakeside at Brookfield Office bldg.
4/02	800 E. Washington St.	22,260	\$765,000	\$34.00	CBD	Two Office Condos
4/02	8 Pelham Road	6,390	\$735,000	\$115.00	Suburban	Two Story
12/01	Executive Center Dr.	432,622	\$25,261,103	\$58.00	Suburban	9 Office bldgs formerly known as the Koger Center
12/01	601 E. McBee Ave.	22,260	\$1,700,000	\$76.00	CBD	Two Story
12/01	Pleasantburg Dr.	156,322	\$9,827,807	\$63.00	Suburban	3 Office bldgs formerly known as Koger Park Central
8/01	Manly St.	7,293	\$675,000	\$93.00	CBD	Two Office bldgs.
12/00	600 Independence Blvd.	11,577	\$600,000	\$52.00	Suburban	Two Story

Survey Methodology--The Colliers Keenan Goldsmith, LLC Office Market Review surveys multi-tenant office buildings greater than 20,000 SF in the Greenville, SC Metropolitan area. Absorption rates are based only on the buildings surveyed. Colliers Keenan Goldsmith greatly appreciates and acknowledges those individuals who provided us with information about their properties. The accuracy of this report is a reflection of the participation and cooperation of those individuals and companies.

For more information on the Greenville, SC

Office Market contact:

Brent L. Freeman at 864-527-5440

bfreeman@collierskeen.com

201 E. McBee Ave, Ste 201
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Greenville, SC 29603-0825
Tel: 864 297-4950
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