



Colliers Keenan Goldsmith 2004 Retail Report Greenville, SC



January 2005

IN THE PIPELINE

- **SHOPS AT THE POINT, A 120,000 SF CENTER ANCHORED BY CIRCUIT CITY AND WHOLE FOODS**
- **PARK WOODRUFF CENTER, ANCHORED BY HHGREGG**
- **RIVERPLACE, THE CBD'S LARGEST PLANNED MIXED-USE DEVELOPMENT BEGINS PHASE I CONSTRUCTION**
- **ICAR IS UNDERWAY, AND HUBBELL LIGHTING ANNOUNCES IN THE SUBURBS**
- **WALGREENS, HWY 276, MAULDIN, SC**

MARKET SUMMARY

Greenville Area Retail space increased by over 1,000,000 SF in 2004. Most new construction is focused on the I-385/I-85 area of Woodruff Road. This area of Woodruff Road has become a "super regional retail node" for the upstate of South Carolina. The overall vacancy rate for the surveyed market declined to 9.75% in 2004 from 11.96% in 2003. Average rents increased to \$12.23/SF, an increase of 5.30%.

The Shops at Greenridge on Woodruff Road is adding 600,000 SF anchored by **Lowes**, **Best Buy**, **Marshalls**, **Ross**, and **Dick's Sporting Goods**. Most stores will be opening in 2005.

The North Hampton Market on Wade Hampton Blvd. added 200,000 SF anchored by **Target**, **Marshalls**, and **Petsmart**. **Panera Bread** is opening its first free standing store in this market in an outparcel in front of Target.

Market	TOTAL SF	VACANCY RATE	AVERAGE RENT PER SF	AVERAGE PASS-THRU EXPENSES
North Greenville	622,742	10.44%	\$13.31	\$1.86
Eastside	1,958,234	12.57%	\$13.94	\$1.83
Haywood – Laurens- Pleasantburg Rds.	1,602,346	11.44%	\$12.97	\$1.85
Augusta Rd / S. Whitehorse Rd.	551,002	6.64%	\$12.33	\$1.53
Berea	579,670	12.65%	\$7.90	\$1.42
Mauldin / Simpsonville	1,597,481	4.75%	\$12.94	\$1.96
TOTALS	6,911,475	9.75%	\$12.23	\$1.74 /SF

PLEASANTBURG / LAURENS RD / HAYWOOD RD.

Big Box vacancies appear to be improving in this market area with **Old Time Pottery** going into the former K-mart space on Laurens Road, and **Wal-Mart** is rumored to be coming back to Laurens Road and take two currently empty Big Box spaces. On the down side **Rhodes Furniture** is closing on Haywood Road leaving another large void in that center.

MAULDIN / SIMPSONVILLE (WOODRUFF ROAD)

This Market Area continues to set the pace for new retail construction. The 600,000 SF **Shops at Greenridge** is well under construction with most shops planning 2005 openings. **The Shops at the Point** is scheduled to begin construction in



Colliers Keenan Goldsmith
201 E. McBee Ave, Ste 201
Greenville, SC 29601 USA
Tel: (864) 297-4950
Fax: (864) 527-5444
www.collierskeenan.com



Colliers Keenan Goldsmith
2004 Retail Report
 Greenville, SC



January 2005

2005 and will feature **Whole Foods Market**, which specializes in Natural and organic products, and a **Circuit City**. **Publix** opened its first store in Mauldin at Hwy 276 & Butler Road. They renovated a former Winn Dixie.

EASTSIDE

North Hampton Market, Greer's largest retail center opened for business in 2004. In the 3rd quarter of 2004, **Earthfare**, a growing natural food store operation, opened a 34,000 SF store on Pelham Road at I-85. **Milestone Village**, a 60,000 SF expansion of the Bi-Lo anchored Milestone Plaza, plans to break ground in 2005. Colliers Keenan Goldsmith is currently pre leasing a variety of high-end tenants

AUGUSTA RD / WHITE HORSE RD.

This market remains stable with a vacancy rate of only 6.64%. **Walgreens** is planning a new store at the intersection of Augusta Road and Faris Roads. Several new restaurants are also planned for 2005.

NORTH GREENVILLE

The Cherrydale shopping center area continues to dominate activity. **Lowes** opened its new store north of Cherrydale on Poinsett Hwy. **Wal-Mart** will build its first store in Travelers Rest with construction to begin in 2005. The store will be located on Hwy 25 By-Pass behind Burger King. **Eckerd** opened a new store on Hwy 25.

BEREA

Murphy's Furniture opened its first store in the Greenville market on Whitehorse Road. **WalGreens** opened a new store at Hwy 253 & Hwy 124.

REGIONAL MALLS

Haywood Mall has plans for a multimillion dollar face lift for 2005.

The **Greenville Mall** continues to struggle with its future as a totally enclosed mall. The lender which owns the mall is looking at options to best reposition it to this market.

FORECAST

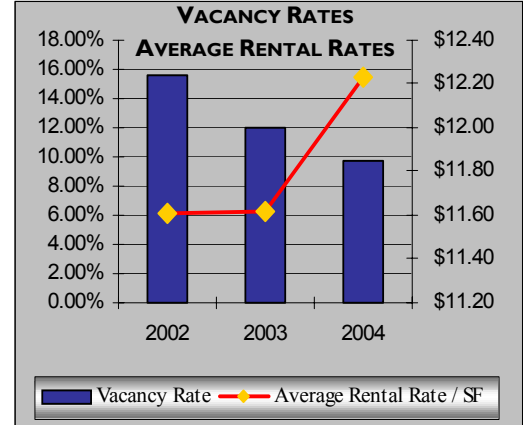
A host of new tenant concepts and pockets of increasingly wealthy demographics will drive demand and rental rate growth in 2005.

The pace of new development will depend on the strength of the economy and the continued trend of higher interest rates.

The ICAR Park development should bring more high paying jobs to the Greenville Market that will result in more housing starts, which will in turn spur more retail development.

Nationally, developers are forecasting 27 million new square feet of retailing space for 2005 of which 3.8 million square feet will be enclosed malls.

2005 retail sales growth is expected to slow to the rate of inflation, and with interest rates moving up, refinancing and home equity loans will decline, resulting in less discretionary spending. On a positive note economic expansion and GDP are expected to remain at



about a 3% growth. Service sectors are expected to lead the new job growth with an estimated 2.6 million new jobs. These higher paying jobs are good for retail sales.

Vacancy Rates nationally are expected to be around 10% which is about 25 points higher than the Greenville market.

Average Rental Rates nationally are expected to increase 2.50%. Rental rates in the Greenville Market increased by 5.30% in 2004 and should see gains somewhere in that same range for 2005.

SURVEY METHODOLOGY

The retail market review surveys shopping centers of 20,000 SF and up in the Greenville market area. The Downtown (Central Business District) is excluded. Regional Shopping Centers are addressed in this report, but their gross square footage and vacancy is excluded from the Market Summary. Colliers Keenan Goldsmith gratefully acknowledges those individuals who provided information about their properties.

For further information on the
 Greenville, SC
 Retail Market
 Contact
 James A. Hopple, CCIM
 at (864) 527-5439 or
jhopple@collierskeenan.com

201 E. McBee Ave, Ste 201
 Greenville, SC 29601 USA
 Tel: (864) 297-4950
 Fax: (864) 527-5444
www.collierskeenan.com

