

MARKETBEAT

Retail Snapshot 2Q 2016

Greenville



ECONOMIC INDICATORS

National

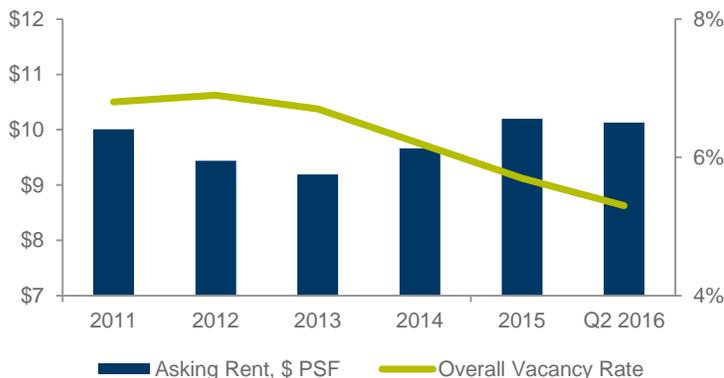
	2Q 2015	2Q 2016	12-Month Forecast
GDP Growth	2.7%	1.8%	▼
CPI Growth	0.0%	1.1%	▲
Consumer Spending Growth	3.3%	2.8%	▼
Retail Sales Growth	2.1%	2.6%	▲

Regional

	2Q 2015	2Q 2016	12-Month Forecast
Household Income	\$46,944.46	\$48,257.89	▲
Population Growth	1.4%	1.4%	■
Unemployment	5.32%	4.88%	▼

Source: Moody's Analytics

Rental Rate vs. Overall Vacancy



Economy

As with every Presidential election year, the impending election has the markets awash with uncertainty. As for monetary policy, the FED is expected to keep interest rates unchanged through the year. Retail employment is up over the last year, allowing non-residential construction to benefit from the growth of the retail trade. The Upstate is at or below National unemployment rates with retail employing the third largest group of workforce after manufacturing and healthcare.

Market Overview

Most recently, Greenville has experienced an influx of national and regional restaurant tenants. The much anticipated Biscuit Head recently opened at South Ridge. Charlotte's Bottle Cap Group opened Brazwells and Ink N Ivy, while Charleston-based Caviar & Bananas and Husk plan to open within the year. More inventory will soon come online with the completion of Stone & Main, Wade Hampton's NorthPointe, South Ridge and Keys Village. Spartanburg's second large-chain hotel, AC Hotel, is moving forward and on track for an anticipated opening date of mid-2017. Along with continued development at Drayton Mill, the Montgomery building restoration/redevelopment is set to begin in November. Blue Ridge Brewing Company relocated in Greer's downtown. Tropical Grille is remodeling Mauldin's Old General Store with plans to open in November.

Outlook

The growing demand for retail space within the urban cores of Greenville, Spartanburg and Anderson are pushing the focus of smaller retailers and restaurants to outlying areas. In turn, these outlying areas are becoming robust in character and flavor. There are several corridors undergoing a transformation, but the most notable are I-85/Pelham Road, West Greenville and Stone Avenue at Wade Hampton. The growing demand for a Main Street presence by national and regional tenants has overwhelmed the pocketbooks of many small businesses, thus raising rental rates. Many projects are just in the beginning stages of development; all the while, Greenville's notoriety continues to grow in the national spotlight. The growing demand for retail space is the catalyst for new development. The market continues to be optimistic for the retail industry through 2016.

About Cushman & Wakefield

Cushman & Wakefield is a global leader in commercial real estate services, helping clients transform the way people work, shop, and live. The firm's 43,000 employees in more than 60 countries provide deep local and global insights that create significant value for occupiers and investors around the world. Cushman & Wakefield is among the largest commercial real estate services firms in the world with revenues of \$5 billion across core services of agency leasing, asset services, capital markets, facilities services (branded C&W Services), global occupier services, investment management (branded DTZ Investors), tenant representation and valuations & advisory. To learn more, visit www.cushmanwakefield.com or follow @Cushwake on Twitter.

Brad McGetrick

Director, Brokerage Services
11100 W. Broad Street
Glen Allen, VA 23060
Tel: +1 804 697 3558
Fax: +1 804 697 3479
brad.mcgetrick@thalhimer.com