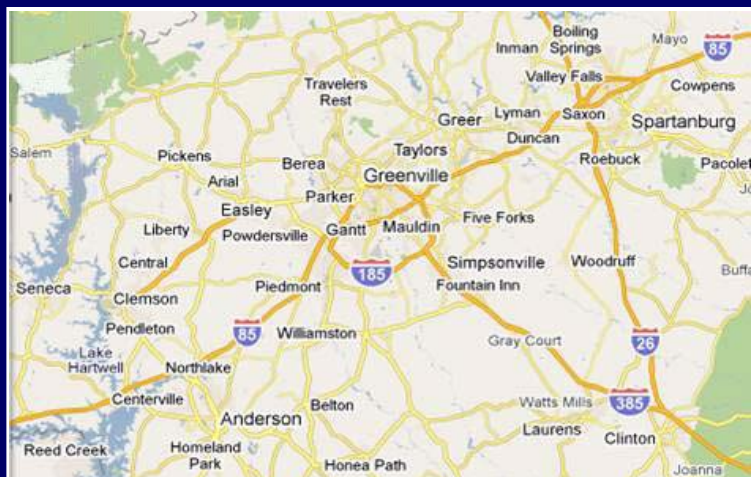


COMMERCIAL REAL ESTATE ♦ RETAIL MARKET REPORT

OUR MARKET DEFINED: The Upstate SC retail market includes the counties of Greenville, Spartanburg, Anderson, Pickens, Laurens, and Cherokee.

Current Retail Inventory:
78,034,477 SF
8,467 buildings, including 928 centers



AT A GLANCE

- ♦ **Vacancy** dropped steadily throughout the year from the peak in 3rd quarter 2009.
- ♦ **Net Absorption** saw a significant increase in 1st quarter 2010 from 4th quarter 2009 and saw rises and falls throughout the year.
- ♦ **Rental Rates** decreased in 2010, hitting bottom in 3rd quarter as the “dust settled” from the recession.



TOTAL MARKET STATISTICS	2010 Year End	2010 Mid Year	2009 Year End
Vacancy	7.5 %	7.7 %	7.9 %
Net Absorption (SF)	69,977	151,433	8,700
Asking Rates (/SF)	\$9.93	\$9.95	\$10.23

EXPERT ANALYSIS

The Upstate retail market EOY 2010 indicates that 2011 is well-positioned to be a “dealmakers” market. There is more liquidity in the debt markets, banks continue to discharge distressed assets, and investment sales are predicted to rebound. Improving market factors have attracted many investors seeking to increase acquisitions. In 2010, investors largely played the “waiting game”. Market stabilization was deliberate and strategic. Comparing, EOY 2009 to EOY 2010, net absorption, vacancy, construction starts, and rent indicators are all down. As the economy establishes the “new normal”, expect to see strategic investments that capitalize on supply and demand. With no or minimal new product on the market and prime retailers targeting the Upstate for expansions, rents and the need for quality products will increase. With US business and consumer confidence indicators up, the retail market is prepared for a brighter day.

- Deanna Hemberger, Retail Broker

For more information, please contact our Retail Market Experts:

Deanna Hemberger
dhemberger@bentleycommercial.com

James McKissick
jmckissick@bentleycommercial.com

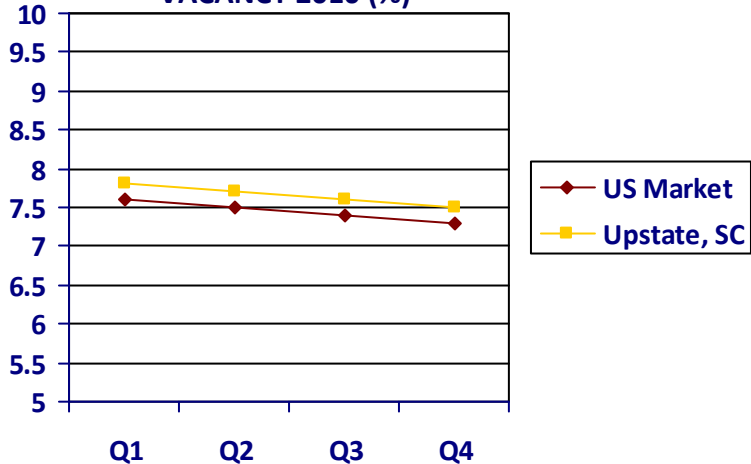
4 TH QTR. 2010	GREENVILLE	SPARTANBURG	ANDERSON	PICKENS	*TOTAL
TOTAL INVENTORY (SF)	33,784,429	23,172,443	12,205,263	5,151,416	78,034,477
DIRECT VACANT (SF)	2,354,496	1,667,598	1,134,741	320,007	5,741,858
VACANCY RATE	.073	.073	.095	.062	.075
NET ABSORPTION (SF)	68,801	120,796	(36,300)	206,470	462,776
DELIVERIES (SF)	116,193	14,233	6,500	174,994	331,920
UNDER CONSTRUCTION (SF)	11,049	0	0	184,070	195,119
AVERAGE ASKING RATE (/SF)	\$ 10.74	\$ 10.12	\$ 7.97	\$ 8.99	\$ 9.93

MARKET ACTIVITY OVERVIEW

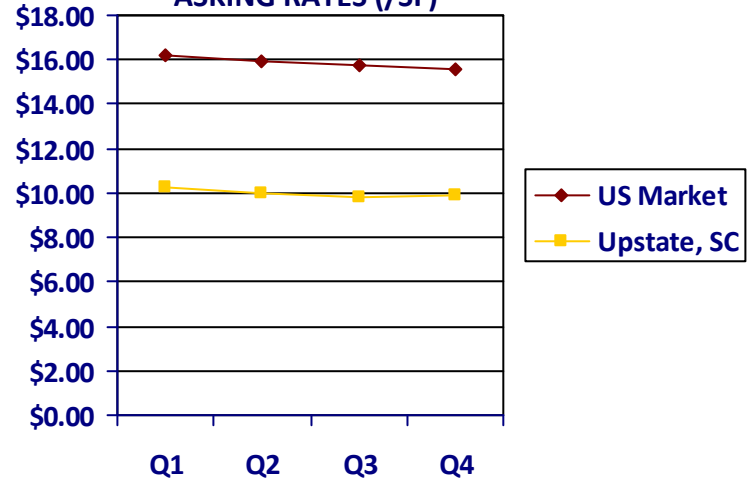
The Greenville/Spartanburg market continued to attract prime tenants and first-class deliveries in 2010, both large and small operators. Leading the arrivals are the long-awaited Apple store in Haywood Mall, BuyBuy Baby in The Shops at Greenridge, Trader Joe's at Academy Sports, and the Carolina Ale House downtown on Main Street, to name a few. Many national retailers chose the Upstate above other South Carolina areas as their first- to- market locations, confirming the strength and resilience of our market.

New construction and deliveries were greatly reduced in 2010 due to tightened leasing ratios for construction capital over the past three to four years. However, the Upstate moves forward from a recessionary economy to recovery and retail sector indicators reflect positive changes that continue to bolster activity. Vacancy has maintained a declining path each quarter of 2010 while declining asking rates halted in the third quarter and began to rise in Q 4. With no reported new construction starts beyond March / April 2011, the Greenville/Spartanburg market will prove to be a lucrative place for retail investments.

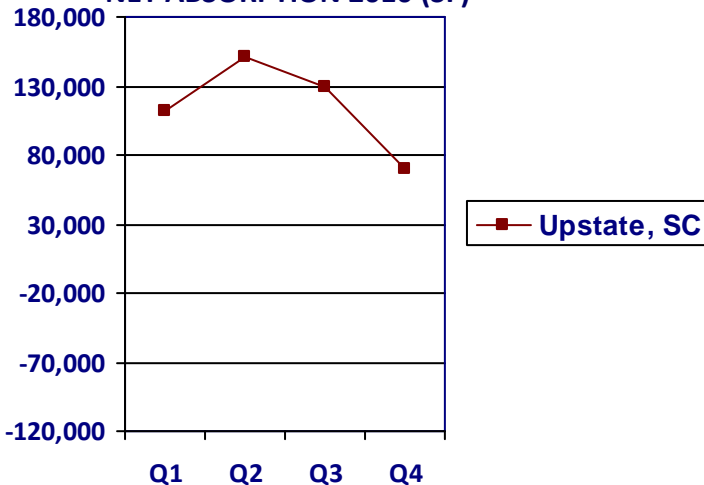
VACANCY 2010 (%)



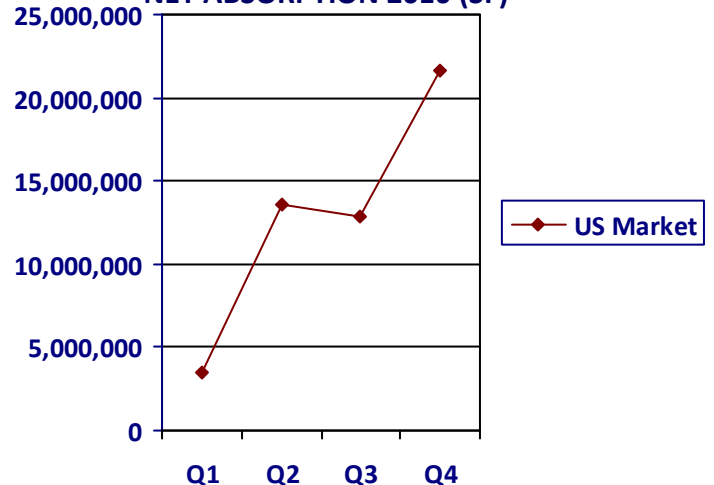
ASKING RATES (/SF)



NET ABSORPTION 2010 (SF)



NET ABSORPTION 2010 (SF)



SIGNIFICANT RETAIL LEASE TRANSACTIONS

TENANT	ADDRESS	SUBMARKET	SF	QRT. LEASED
ROOMS TO GO	MAGNOLIA PARK- WOODRUFF ROAD	GREENVILLE	35,000	3rd
BUYBUY BABY	1125 WOODRUFF ROAD	GREENVILLE	28,000	3rd
ROSS DRESS FOR LESS	EASLEY TOWN CENTER	PICKENS	24,938	4th
BED BATH & BEYOND	EASLEY TOWN CENTER	PICKENS	23,020	4th
HARRISON'S WORKWEAR	400 WEST BLACKSTOCK ROAD	SPARTANBURG	22,000	3rd
PIEDMONT HEALTH & FITNESS	219 EAST BLACKSTOCK ROAD	SPARTANBURG	19,572	4th
TRADER JOE'S	59 WOODRUFF INDUSTRIAL LANE	GREENVILLE	10,500	4th
APPLE, INC.	HAYWOOD MALL- 700 HAYWOOD ROAD	GREENVILLE	7,333	3rd

SIGNIFICANT RETAIL SALE TRANSACTIONS

BUYER	ADDRESS	SUBMARKET	SF	PRICE	SALE DATE
KIMCO REALTY (TRADER JOE'S)	59 WOODRUFF ROAD	GREENVILLE	116,000	\$18,380,000	11/22/10
QUIKTRIP CORPORATION	4123 CLEMSON BLVD.	ANDERSON	5,613	\$1,100,000	11/22/10
<i>*W & Z, LLC</i>	<i>645 FAIRVIEW ROAD</i>	<i>GREENVILLE</i>	<i>6,000</i>	<i>\$1,050,000</i>	<i>6/29/10</i>
ASSET VENTURES FUND 1 LTD (CROSSPOINTE PLAZA)	WOODS CROSSING ROAD	GREENVILLE	79,678	\$5,000,000	7/30/10
3-12 SOUTH MAIN, LLC (CAROLINA ALE HOUSE)	113 SOUTH MAIN STREET	GREENVILLE	16,000	\$1,300,000	6/24/10

**BENTLEY COMMERCIAL DEALS*



MAGNOLIA PARK IS IN BLOOM!

Menin Development purchased the former Greenville Mall site in 2007 with plans to create a top quality mixed-use shopping experience near the intersection of Woodruff Road and I-385. With Phases I and II completed in 2010, Phase III construction is planned for 1st quarter 2011.

Magnolia Park is a regional center and community gathering place with approximately 700,000 square feet of existing retail tenants on campus. Development plans are in place to bring an additional 400,000 square feet of retail, 375,000 square feet of office, hotel and residential uses to make Magnolia Park a landmark destination serving all of Upstate South Carolina.

Marc Yavinsky, EVP for Menin Development stated, "Over the past six months, we have had an incredible amount of interest in Magnolia Park as tenants are coming back to the market for top quality locations." Existing tenants include Regal Cinemas, Costco, and Rooms-To-Go. Recent announcements have added Cheddar's Casual Café, Inc., and La Parrilla Mexican Restaurant to the park, both of which are newcomers to the state of South Carolina. Superplay USA, an indoor playground for families with bowling, mini golf, arcades, and more, also plans to call Magnolia Park home.

(Sources: magnoliapark.com, menindevelopment.com)

A FEW NEWCOMERS IN GREENVILLE IN 2010

Downtown

- ◆ Natural Baby
- ◆ Pedal Chic
- ◆ Ult Divan
- ◆ Carolina Ale House

Haywood Road

- ◆ Apple, Inc.
- ◆ Papa's & Beer

Woodruff Road/Verdae

- ◆ Planet Fitness
- ◆ Trader Joe's
- ◆ BuyBuy Baby
- ◆ Doctor's Express

IN THE NEWS



Retail Sales Rise for Sixth Straight Month in Greenville

December 2010 retail sales rose 0.6%, which drove sales to the biggest annual increase since 1999 and to pre-recession levels. Retail sales were at a record low beginning the year, but made significant progress throughout the year, which indicates economic recovery is well underway. Motor vehicle sales were up 1.1%, building materials sales were up 2%, health and personal care products were up 1.6%, and furniture sales were up 1%.

(Source: GSA Business)

Pent-up Shopping Demand Fuels Surge in Retail Leasing

Leasing and occupancy of US malls and shopping centers continued to improve across the country in fourth quarter 2010. Absorption of retail space has been positive for six consecutive quarters, consumer spending is up to 4.4%, and retail sales are up to a healthy 7%, all figures we have not seen since 2006 and the housing boom. "American consumers went on a buyer's strike during the recession. Finally, they are loosening up the purse strings and there's a lot of pent up demand that will continue to play out over the next year."

Retail construction, like most other commercial categories, remained stifled, with developers delivering a record low of less than 50 million square feet. In 2010. That compares with the 176 million square feet started in 2007. Very few large centers are under construction, with grocery-anchored centers taking the biggest hit. Big Box value retailers such as Sam's club and Costco are competing for the value conscious shoppers. "We've not yet hit bottom for deliveries of new construction, we're probably still a year away."



With very little new supply of retail space expected and a strengthening economy, vacancy rates are expected to decline and CoStar is forecasting a strong recovery in 2011.

(Source: CoStar)

KEY TERMS AND DEFINITIONS

Anchor Tenant: A large national or regional retailer that serves as primary draw for a shopping center; a store strategically located in a retail property in order to enhance, bring attention to, or increase traffic at the property. Sometimes called a "destination" tenant, usually these tenants lease at least 25,000 SF.

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Cap Rate: The Capitalization Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certificate of occupancy must have been issued.

General Retail: Typically are single tenant freestanding general purpose commercial buildings with parking. Many single retail buildings fall into this use code, especially when they don't meet any of the more detailed use code descriptions.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets.

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Rentable Building Area (RBA): The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

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