

# Quarterly Newsletter

## First Quarter, 2009



A Slow Economy =  
A Great Time to Invest in Commercial Real Estate

**By: Peter J. Couchell, CCIM**  
**Investment/Office Group Broker and Principal**



We are all aware of the current state of the market and its negative ramifications, however in the world of commercial real estate a slow economy can lend itself to investment opportunities. Regardless of economic health, commercial real estate offers many benefits:

- A solid, tangible and fixed investment with less volatility than the stock market
- Unrivaled tax benefits
- Properties can be bought and sold without paying capital gains taxes
- Potential for ongoing cash flow and appreciation with income-producing properties
- Potential for ongoing debt reduction through tenant rental income

Properties are being offered at higher cap rates as owners are anxious and qualified buyers become more scarce. In the past year, repricing in the marketplace has caused the price per square foot to decline and cap rates to rise. This has narrowed the gap between construction cost and the value of the real estate for income producing properties, thus reducing the exposure for the investor. Interest rates are still low, and this coupled with higher cap rates, leads to increased cash on cash returns. Another opportunity is that the lack of financing in the marketplace will result in little additional construction in 2009 causing a favorable supply/demand situation for investors.

We must also not forget the benefits of investing in the Upstate. We have remained relatively insulated from the downturn due to our excellent geographic location, low cost of living and strong employer base. In addition, the Upstate has not been overbuilt and has not seen unrealistic appreciation peaks.

For investors with cash on hand, patience and foresight, this can truly be a buyer's market. If you are interested in learning more please, call us today 864 232 9040.



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## RECENT TRANSACTIONS

John Baldwin and Michael Greer, CCIM, SIOR represented David Harner of Paramount Development Corporation in purchasing 18 acres of land at the intersection of Highway 153 and Issaqueena Trail in Clemson, South Carolina. The site has passed final zoning approval for a Lowe's Home Center and retail out-parcels. Lowe's is estimating a late 2009 or early 2010 opening.

Scott Jones, SIOR and Keith Jones represented T. Walter Brashier in selling a 10,000 square foot office property located at 270 S. Pleasantburg Drive in Greenville, South Carolina. The purchaser, Braemore Company was represented by Clay Mardre.

Glenn Batson represented Cindy Burnette in selling a 10,000 square foot industrial property located at 7002-7004 Pelham Road in Greenville, South Carolina.

David Feild represented Young Office in leasing a 63,600 square foot industrial property located at 1290 Ridge Road in Greenville, South Carolina.

Earle Furman, SIOR, Jon Good, SIOR and Clay Mardre represented Prevost Family et al. in selling an 18,609 square foot retail space located at the intersection of North Main Street and College Street. They also represented the Prevost Family in selling a 4,200 square foot retail space located at 243 North Main Street. Both properties are located in downtown Greenville, South Carolina.

## BRENT ILLINGWORTH PROMOTED TO ASSISTANT VP OF PROPERTY MANAGEMENT



Brent Illingworth of NAI Earle Furman, LLC has been promoted to Assistant Vice President of Property Management. Brent joined the company in 2007 as a property manager. His management portfolio includes large office properties such as the Extended Stay Hotels corporate headquarters building, 10 Falcon Crest, 15 Brendan Way and Greenville Business Center.

He has two B.S. degrees from St. Louis University, over four years experience in non-profit management and over three years of real estate experience.

The NAI Earle Furman, LLC Property Management division manages over 4 million square feet of commercial space in North and South Carolina. They offer a full service property management program that encompasses a unique hands-on approach to real estate management.

## - IN THE NEWS -

### LINENS 'N THINGS BUILDING IN SPARTANBURG HAS NEW TENANT

By Francis B. Allgood - GSA Business

T.J. Maxx has signed a lease to occupy the former Linens 'n Things in the Dorman Centre shopping center in Spartanburg. This is not a new market for the low-price department store, but a move from its current location also on W.O Ezell Boulevard.

"The addition of TJ Maxx adds a prominent national retailer, further strengthening the tenant mix at Dorman Center," said Ann Smith, Southeast leasing director of Inland US Management LLC. "With the addition of TJ Maxx, occupancy is approximately 97%."

Smith says there are a handful of remaining small spaces between 1,400-3,500 square feet that remain available. There are no plans for additional construction at Dorman Centre at this time. "This demonstrates that some national retailers, like TJ Maxx, are taking the opportunity to relocate and improve their position in the marketplace," she said. "The strength and superior location of Dorman Centre has solidified its reputation as the premier regional power center in the Spartanburg region."

# Featured Properties



## 2222 Augusta St. - For Sublease

- ±4,000 SF Retail Space in Augusta Commons
- Densely Populated, High Income Area
- Excellent Tenant Mix including: Talbot's, Foxfire, Chico's, Grey Goose, NY Butcher Shoppe
- Former Childress Jewelers location
- 2007 Traffic Count: 21,200 VPD
- New Rate for Year 1 - call for details

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## 1502-E Antioch Church Rd - For Lease

- ±20,000 SF Warehouse
- Building May be Leased Entirely or Sub-Divided into Two Spaces
- Convenient Access to I-85 & Donaldson
- Fully Sprinklered Building
- 26' Height at Eaves, 30' Height at Center
- Warehouse is Enclosed by Secure Fence

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## 18 Page Court - For Sale or Lease

- ±6.234 Acre Site
- ±92,600 SF of Warehouse, ±5,835 SF of Office
- Sprinklered (Wet)
- 5 Dock Doors w/ Levelers
- 1 Drive-In (14' x 14')
- Ceiling Heights: 30,000 SF – 12'1" to 14'8"  
45,000 SF – 20'5" to 23'8"

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## 1025 Lowndes Hill Road - For Sale

- Investment Property
- 15,000 SF Total: ±1,262 SF Office, ±3,082 SF Showroom, ±10,656 SF Warehouse
- Excellent Access to I-385 & I-85 Interstates
- Convenient to Downtown Airport
- Leased thru March 2010

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### About NAI Earle Furman, LLC

Founded by Earle Furman, Jr. in 1986, NAI Earle Furman, LLC has become a leading full service commercial real estate brokerage firm in the Upstate of South Carolina specializing in the office, industrial, investment and retail sectors. NAI Earle Furman, LLC offers a wide range of services including sales, leasing, development, site selection, consulting and property management. We strive towards excellence not only as a quality commercial real estate company, but also as a team united to provide the best service to our customers, clients, and community through integrity, dedication, and diligence in every aspect of life.

### Our NAI Global Partnership

As the world's only managed network of commercial real estate firms, New America International (NAI) works together to help clients strategically optimize their assets throughout the world. As a member of this network, NAI Earle Furman, LLC is able to provide commercial real estate services to our local Upstate clients, as well as national and international clients. We have immediate access to over 5,000 professionals working out of 325 offices in 55 countries throughout the world. The NAI Global Network has annual sales and leasing transactions of \$45 billion and manages 200 million square feet of property. Like no other network, we are global in our thinking, yet local in our approach.

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