

U.S. ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy and the U.S. into recession. Policies initiated to “flatten the curve” of potential infection include the voluntary and mandated shutdown of large sectors and regions of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all grinded to a halt while customers self-quarantine and practice social distancing.

RECORD-SETTING LAYOFFS, DECLINING EMPLOYMENT

Over the last two weeks (ending on March 28th), a cumulative 10 million people have applied for unemployment benefits—by far the largest number of applications in history since record-keeping began in 1967. Initial unemployment claims are a highly reliable leading indicator of trends in labor markets and therefore the economy at large. Given the size of the increase, along with other high-frequency data trends that are similarly bleak, it is widely believed that the U.S. economy has entered a recession. This was reinforced in early April when the Labor Department reported that payroll employment in the U.S. fell by 701,000 jobs in March, one of the largest declines in history. It's all but certain that even more jobs will be lost in the months ahead.

Given the way these events have unfolded and the huge number of layoffs, the current thinking among economic forecasters is that the second quarter of 2020 will see one of the largest real GDP declines in U.S. history. What is less clear is what the economic trajectory will be following Q2. As of this writing (4-7-2020), hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work in certain areas, but many unknowns remain. It is too soon to say if these signs are sustainable and how they will impact the trajectory of the economy.

We continue to monitor developments extremely closely and are working around the clock to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

TRENDS AND INSIGHTS

Cushman & Wakefield Covid-19 Webinar Replay

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**.

[Click to Replay](#)

COVID-19: A Wholly Unprecedented Policy Response

On March 27, 2020, an enormous \$2.2 trillion emergency coronavirus stimulus package was signed into law by President Trump. The legislative package—the Coronavirus Aid, Relief and Economic Security (CARES) Act—is the largest rescue package in U.S. history. [Click for Summary](#)

Lessons From Landlords In China's Post Covid-19 Recovery Phase

With local infections down, China is getting back to work. As the lights are turned back on in offices across the country, landlords and tenants alike are inevitably finding themselves in a new paradigm. [Click for Article](#)

2020 Asia Pacific Office Outlook

In this report, you will find detailed but succinct analysis of the trends in each of the region's key Grade A office markets over the next two years that we hope will help refine your organization's CRE strategy.

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CUSHMAN & WAKEFIELD
WEEKLY COVID-19 UPDATES

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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Anderson County	1,790,088	0	33,755	1.9%	-3,902	-3,902	0	0	\$12.04	\$17.38
Greenville CBD	5,768,037	29,987	410,990	7.6%	-14,248	-14,248	19,985	160,351	\$24.75	\$27.14
Greenville Suburban	12,500,524	75,090	842,953	7.3%	463,422	463,422	22,502	0	\$20.16	\$22.37
Pickens County	873,625	0	71,917	8.2%	3,300	3,300	2,432	0	\$11.95	N/A
Spartanburg CBD	1,818,640	5,616	74,828	4.4%	42,410	42,410	3,190	0	\$18.10	\$21.77
Spartanburg Suburban	2,485,934	0	108,634	4.4%	-16,172	-16,172	7,143	0	\$14.38	\$20.82
MARKET TOTALS	25,236,848	110,693	1,543,077	6.6%	474,810	474,810	55,252	160,351	\$21.09	\$23.83

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
10 S Academy Street	Greenville CBD	AGFA	18,880	Renewal
250 Executive Center Drive	Greenville Suburban (Pelham Road)	Integrated Power Services	8,808	New Lease
81 Rocky Slope Road	Greenville Suburban (Downtown Airport)	Hipp Engineering	5,460	New Lease
124 Verdae Boulevard	Greenville Suburban (Woodruff/I-385)	Movement Mortgage	5,166	New Lease
35 Creekview Court	Greenville Suburban (Pelham Road)	Greenville Ketamine Center	4,000	New Lease
850 S Pleasantburg Drive	Greenville Suburban (South Pleasantburg)	Rick Erwin's Dining	3,402	New Lease
620 N Main Street	Greenville Suburban (Stone Ave/E North)	AHWS Architects	2,676	New Lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
1005 Grove Road	Greenville Suburban (Medical)	David McCollum / Prisma Health	18,695	\$3.825M/\$204.60
3254 Brushy Creek Road	Greenville Suburban (Greer)	AEI Fund Management / Mark Peabody and Cheryl Trust	11,315	\$3.7M/\$322.58
150 D Street	Greenville Suburban (Greer)	Pinnacle Real Estate / Wilene B Mason Revocable Trust	5,255	\$1.35M/\$256.90
200 Church Street	Anderson County	Youngblood Development / Vasallo Construction	7,296	\$1.75M/\$239.86

BRIAN YOUNG, CCIM SIOR

Senior Vice President, Managing Broker

+1 864 370 8087 / brian.young@thalhimer.com

www.thalhimer.com

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Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

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