



Myrtle Beach

Retail

22Q2

Key Takeaways

- Micro-concept restaurants are an emerging trend
- Myrtle Beach retail vacancy rates have steadily decreased over the past year from 4.51% to 2.79% despite new deliveries this quarter



Small restaurants with a “to-go” focus are popular

Interest in retail space of all types remains strong from both local and national tenants. However, the upfit cost is a major hindrance to new retail development. Restaurant tenants have shown a clear preference for second generation space over new construction. Another emerging trend is “micro-concepts” of larger brands. The micro-restaurant is a smaller version of a larger restaurant approximately 1,200 to 1,500 square feet. This trend allows restaurants to adapt to smaller, more efficient stores with an emphasis on carry-out options.

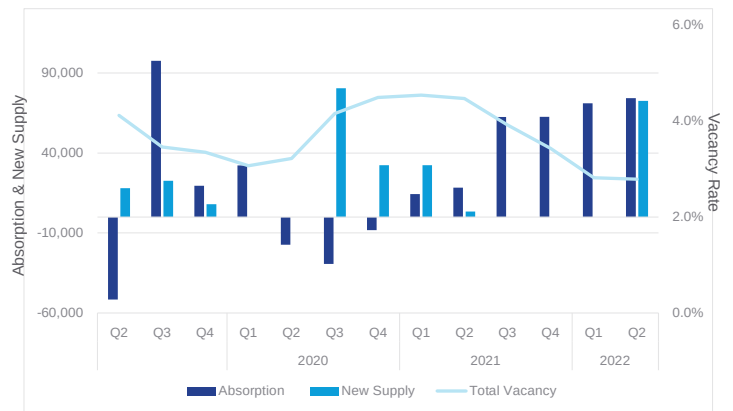
Local Market Indicators



Historic Comparison

	21Q2	22Q1	22Q2
Total Inventory (in Millions of SF)	11.6	11.6	11.7
New Supply (in Thousands of SF)	3.5	-	72.6
Net Absorption (in Thousands of SF)	18.4	71.1	74.3
Overall Vacancy	4.51%	2.82%	2.79%
Under Construction (in Thousands of SF)	103.7	85.4	51.6
Overall NNN Lease Rates (in \$/SF)	\$17.84	\$20.04	\$20.67

Absorption, New Supply & Vacancy Trends



Myrtle Beach retail vacancy rate has decreased from 4.51% during the second quarter of 2021 to 2.79% during the second quarter of 2022 despite new deliveries this quarter.

Recent Transactions



Sale
1953 Hwy 501
Carolina Forest
32.7K SF | \$2.5M



Sale
4300 Us-17 Hwy S
Hwy 17 / SC 22
14.5K SF | \$5.7M



Sale
2001 S. Kings Hwy
Hwy 17B / US 501
13.8K SF | \$2M



Lease
300 S. Kings Hwy
Hwy 17B / US 501
14.5K SF | \$14.49/SF



Lease
2000 Oakheart Blvd
Carolina Forest
6.3K SF | \$12/SF

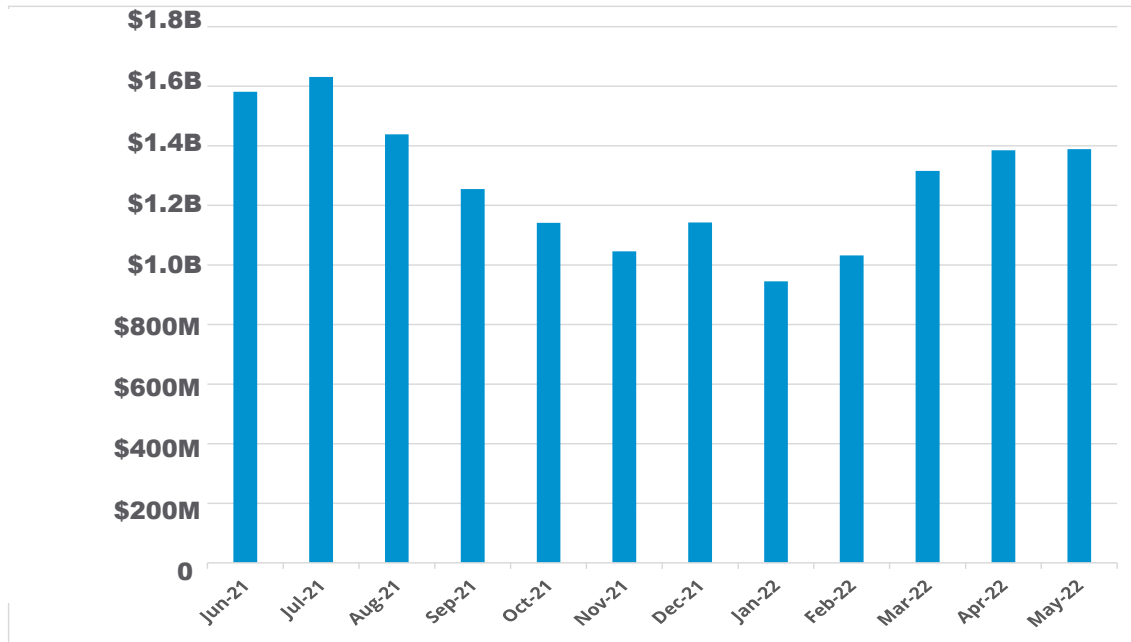


Lease
205 N. Kings Hwy
Hwy 17B / US 501
5.9K SF | \$11.18/SF

Source: CoStar, RCA, Elmston

Gross Retail Annual Sales

Myrtle Beach



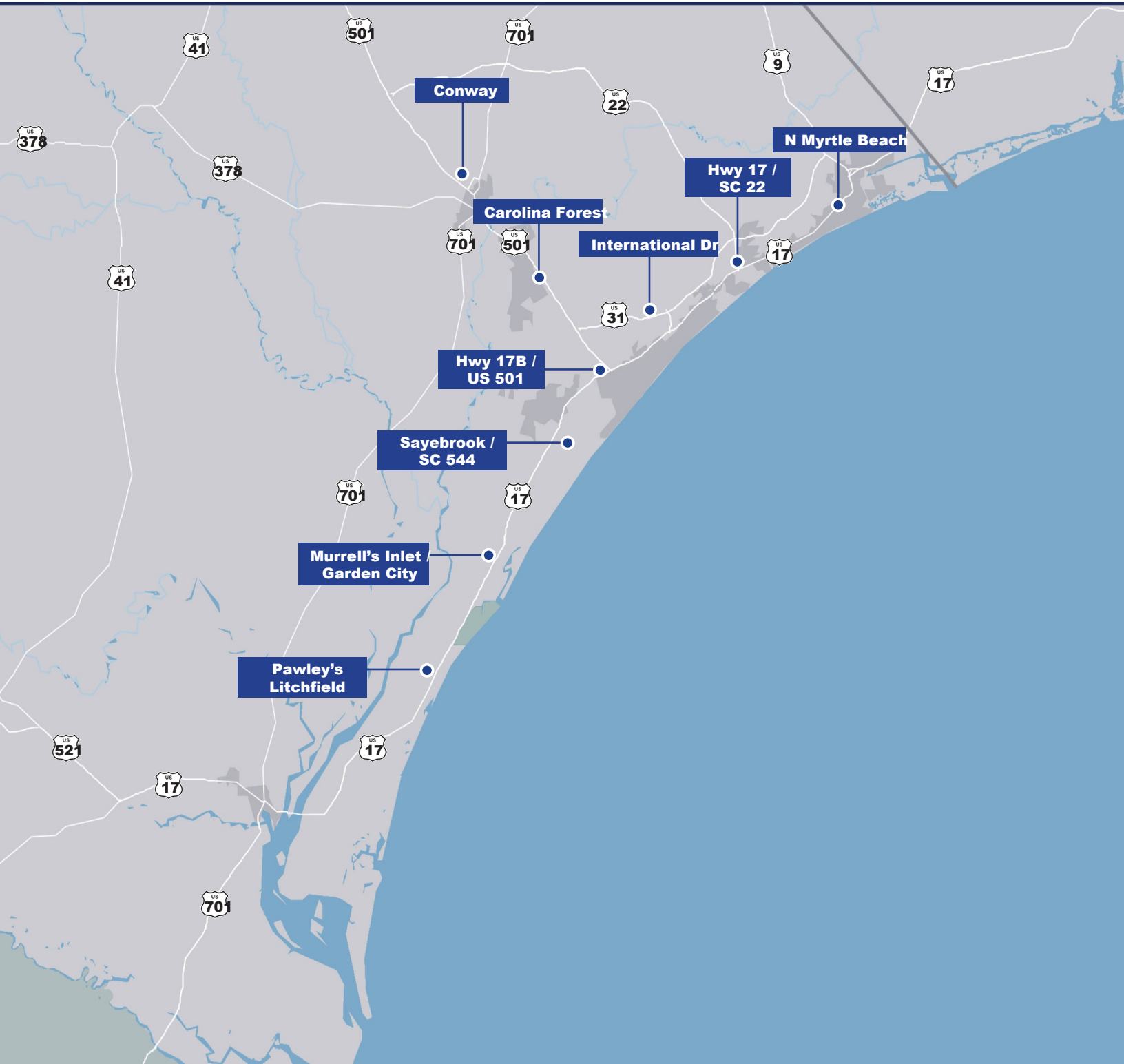
Source: S.C. Department of Revenue

Q2 2022 Retail Market Summary Statistics

Myrtle Beach

Shopping Center Market	Anchor space greater than ± 25,000 SF				Jr. anchor space 10,000 SF to 25,000 SF		Shop space less than ±10,000 SF	
	Inventory (SF)	Vacancy Rate (%)	Vacant (SF)	Asking Rent (NNN)	Vacant (SF)	Asking Rent (NNN)	Vacant (SF)	Asking Rent (NNN)
Myrtle Beach								
Carolina Forest	1,254,155	0.50%	-	-	-	-	6,250	\$23.77
Conway	1,185,310	15.43%	124,834	-	26,004	-	32,100	\$18.00
International Drive	218,875	0.61%	-	-	-	-	1,330	\$23.42
Murrells Inlet / Garden City	1,384,234	0.10%	-	-	-	-	1,430	\$25.00
North Myrtle Beach	1,502,074	0.62%	-	-	-	-	9,372	\$23.35
Pawleys / Litchfield	735,460	1.06%	-	-	-	-	7,800	\$18.13
Sayebrook / SC 544	1,139,373	3.96%	31,000	-	-	-	14,100	\$19.09
US 17 / SC 22	1,545,405	3.57%	50,000	-	-	\$11.65	5,181	\$22.00
US 17B / US 501	2,746,146	0.63%	-	-	11,022	-	6,273	\$27.25
Mvrtle Beach Total	11,711,032	2.71%	205,834	-	37,026	\$11.65	83,800	\$20.67

Submarket Map



396 offices in 68 countries on 6 continents

United States: 153

Canada: 29

Latin America: 24

Asia Pacific: 79

EMEA: 111



\$3.3B

in revenue



2B

square feet under management



17,000 +

professionals and staff

In 2021, Elmston changed its retail data collection methodology. Retail submarkets were identified where there was a large concentration of retail activity in traditional suburban and urban environments. Within these submarkets, all retail properties were included except freestanding restaurants, automotive dealerships, automotive repair, movie theatres and other special purpose buildings. Each property was then divided into three categories of space, anchor (25,000 s.f. or larger), junior anchor (10,000 s.f. to 25,000 s.f.) and shop space (10,000 s.f. or smaller) for the purpose of tracking vacancy and rental rate dating back to the beginning of 2017. Because of the changes to our methodology, users of the report should not compare data from reports published before May 2021.

About Elmston | South Carolina

Elmston | South Carolina has over 140 staff members, including 62 licensed real estate professionals, covering the entire state with locations in Charleston, Columbia, Greenville and Spartanburg. Total 2021 brokerage volume exceeded \$1 billion, which included over 590 sales and leasing transactions. In addition to traditional commercial real estate representation services for our clients, the company is actively engaged in Corporate Solutions and Healthcare Services. Elmston is an Accredited Management Organization (AMO) through the Institute of Real Estate Management (IREM) and is the largest manager of commercial real estate properties in South Carolina, with a portfolio of over 17 million square feet of office, industrial, retail and healthcare properties. Elmston' staff hold 54 professional designations, the most of any firm in South Carolina. Elmston | South Carolina's partner, LCK, provides project management services for new facilities and renovations across South Carolina and set a new record by managing a portfolio of projects approaching \$1 billion in volume during 2021.



Elmston.co