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Dear Friend,

Coldwell Banker Commercial Cornerstone is pleased to present our current *Market Update* and *Listing Summary*. We have organized the information in the *Market Update* by the different submarkets in Sumter as we see it, while the *Listing Summary* is broken down by property type. We hope that you find this material informative and useful.

We appreciate your continued interest in the Sumter commercial real estate market. Our area has seen significant new activity recently with both local players as well as outside developers and we expect that to continue in the foreseeable future.

If you have an interest in any of the properties on the attached list, or if we can be of service to you in any of your commercial real estate undertakings whether locally or across the state, please let us know.

Best Regards,

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Broad St. Extension is continuing to develop west toward Columbia. Beginning at Alice Dr. and moving west, Gateway Plaza has received an infusion of new life with the much anticipated opening of TJ Maxx as well as fellow retailers Tuesday Morning and Final Markdown. Also, Anytime Fitness opened a 24-hour exercise facility in this shopping center. Across Broad from here, the Palmetto Used Auto Sales lot in front of Wal-Mart has been purchased by a developer with plans for a new shopping center containing Firehouse Subs and other retail. The small lot next to Golden Corral sold at auction to an investor from Utah who routinely buys surplus Wal-Mart outparcels. Doctors Care is building a new facility adjacent to IHOP on the east side while Applebee's will be relocating beside IHOP to the west. On this same parcel, a Country Inn and Suites is going up directly behind where Applebee's will be located while another hotel, Candlewood Suites, is planned for the west side of Logan's Steakhouse. If you're in the market for a new cell phone company, you might try having lunch at Quizno's. After lunch you can take in the cell phone equivalent to the "auto-mile", where three different companies have lined up next to each other. Across the street from Goodwin Honda, the sale of a portion of the property recently closed to a developer with plans for a smaller scale Home Depot. The corner of Broad St. and Mason Rd. was purchased by a local developer and no plans for the property have been revealed yet. G&G Metal Fabrication has relocated to the former Heatherbrook Furniture building on Stamey Livestock Rd. just off of Broad St. while Heatherbrook has relocated to Hwy. 521 North. A group of local investors has purchased the southeast corner of Broad St. and Carter Rd. and have it under contract to a developer that hopes to lure in a grocery store to anchor a shopping center. The southwest corner was bought by Toumey Hospital and rumor has it that they have plans for a wellness center. The parcel on the north side of this intersection has been purchased by local investors. The A-1 Self Storage near the intersection of Loring Mill Rd. and Broad St. recently changed hands and the Church's Chicken in front of Shaw AFB is now open. Finally, the northeast corner of Hwy. 378 and Hwy. 261 has been purchased by a local investment group with plans for possible commercial development including a convenience store.

Broad Street will be experiencing some high profile change as Sumter will soon have its first Starbucks Coffee, Petco, and another undisclosed junior box retailer on the corner of Alice and Broad where O.J. Hallman's and Farrar's Exxon are currently located. The target date for opening is the fall of '08 with construction starting around the first of the year. Heading east, a new title loan business has opened across from Wendy's. Further down, the old Advance Auto building is empty, as well as the former Amigos Mexican restaurant. The lot beside and behind Red Lobster has been purchased with a Goodwill store planned for this site. Tucker Oil has completed its rebuild of the Shell gas station at the Bultman Dr. and Broad St. intersection. Behind this station, Steve & Barry's has roughly four more cars in their parking lot than High Point Furniture Outlet. Applebee's will soon be moving to a new location out on Broad St. Extension next to IHOP. Immediately behind Aldi on Wise Dr., over three acres of general commercial property was purchased by an investment group who has cleared it in preparation for sale and/or development. Moving east towards Miller Rd., Crusader Rent-to-Own has replaced Hollywood Box Office Video in the building next to Sycamore Square. O'Reilly Auto Parts will soon make their debut in Sumter as they have purchased the vacant lot beside NAPA for a retail store (yes, FOUR auto parts stores within one block!). Zebra Custom Designs is inching closer to the end of their renovation of the Curtis Mathis building, while a little bit further down the old Mr. B's continues to get considerable

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interest, but has not sold. Scarborough Funeral Home remains vacant with no plans in the near future that we are aware of. Finishing out the Broad St. report is Advantage Hospice, who has located in the building that previously held Webster Rogers.

The **Downtown** area continues to gain momentum. Thompson Construction has completed its large project on the corner of Hampton and Main and the finished product has received rave reviews from all who have toured it. This project will serve as the company's corporate offices and will likely include some additional lease space for retail and/or professional office. Across Hampton St. from the Thompson offices and between Alderman Drugs and James Formal Wear, there are plans for a restaurant, fresh market, and bakery. Now that the large parking lot on Sumter and Hampton Streets is nearing completion of its massive makeover, we are preparing to begin work on our future office in the former Bank of Sumter building on the corner of Liberty and Main. It appears now that we will take the upstairs of this building and market the downstairs for lease. The potential development of the lot adjacent to Rotary Plaza on Liberty St. has significantly grown in scope. The original plan was for a Joey's Seafood Restaurant on this site but there is now genuine interest from a developer to build apartments there and incorporate the restaurant into the project, as well. This would be another huge boost to the Downtown area. Just down Liberty, Sumter Board of Realtors has completed its new building and moved in next to the Clark Law Firm. On the other side of Rotary Plaza on S. Main, the adjacent building is being renovated in preparation for an old fashioned soda shop (and possibly other retail). Cherokee Glass has opened up a new store at 108 S. Main, and on Caldwell St., Shot of Sugar has moved in two doors down from the Brick Street Café. The project aimed at using the old Western Auto property for Central Carolina's Health Sciences program has just received the funding necessary to begin the renovations and it is expected that construction will begin sometime next year.

Wesmark Blvd., which has traditionally been one of the hottest areas in Sumter, is still a sure bet to see continued growth and opportunities for development. Beginning on the east end, there is available space for lease next to Brewer's and the new businesses locating in this area appear to be doing well. Businesses attract business, so we expect this stretch along Wesmark to continue to attract other retailers. Palmetto Subs has opened a store in the old TCBY building. The old Winn-Dixie store at Alice and Wesmark may see some new life soon as a proposed "call center" operation hopes to make it their home. In the rest of this shopping center, several small retail units are still vacant. At the intersection of Wilson Hall Rd., NBSC is nearing completion of a new branch bank.

Hwy. 76/378 Bypass East: On South Pike West near Wesmark Blvd., C&A Carpet has opened a new store beside A Ring Around The Roses, and Bob's Appliance has also purchased a lot here. On the other side of Wesmark beginning with the corner parcel, several lots have been purchased by investors looking to benefit from a traditionally strong commercial area. The shopping center at the foot of the Wise Dr. bridge still has several empty spaces but has added a few new tenants recently. New apartment complexes have sprung up on both sides of the bypass, one on South Pike Rd. and the other on North Pike Rd. beside the National Guard Armory. The old Dragon Chinese Restaurant, which we all miss, remains vacant. Although there is little change along this

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corridor, opportunities still exist for investors or developers to take advantage of the traffic on Hwy. 378 and the frontage roads, with relatively less expensive ground cost than is typical on the west end of Broad St. Extension. East of Main St., Garden Grove Nursery has closed up shop. Further down, a regional convenience store chain has decided to capitalize on this underserved market as Corner Pantry has purchased a corner lot at the intersection of Hwy. 378 and U.S. 401 with plans to build in the near future. The next intersection at Hwy. 76 business (E. Liberty St.) and Hwy. 378 is still available, so don't overlook this site or you may be reading about who is building on it in our next market update.

The Bultman Drive submarket will likely see some significant changes in the future. Beginning north of Broad St., there is an eight acre tract that is under contract to an out-of-town multi-family developer just past Rast St. Back across Broad, a salon and spa has taken the place of McDuffie's Sleep Rite shop. Further down, Lo-Rey Village has recently changed ownership and Congressman John Spratt has moved his local office into a space here. Meanwhile, the shopping center where Talbots is located continues to have a vacant space. Scott & Stringfellow has relocated into Plantation Point on the west side of the road, and a couple of buildings down, The Art Shop has changed ownership. The Overstock Market has also moved into the area, leaving its former location on Broad St. There have been some other small businesses that have opened among the strip centers headed toward Miller Rd. The big news, however, is that Sumter School District 17 purchased twelve acres on the corner of Bultman Dr. and Kilgo St. for their future district office complex. This will bring a considerable increase in traffic and people to this area. Further down on S. Guignard, Allstate Insurance Agency has been taken over by Kerry Brewer while the building itself has a new owner, as well. Across Shot Pouch Creek from Stanley Welch Clothiers, a small parcel has been purchased, but plans for the site are unknown to us.

Wilson Hall Rd. has continued to see some new activity as a new office building is planned adjacent Palmetto Family Dentistry. Also, a couple of local investors have purchased the northeast corner of Wilson Hall Rd. and Tahoe Dr. Lastly, Sumter Printing has just begun an expansion project to add 4,000SF to accommodate growth.

The **Patriot Parkway** submarket continues its steady appreciation as Piggly Wiggly comes closer to starting their retail center at the corner of Loring Mill Rd. The Pig went through City Council with an ordinance amendment for their site plan which includes their store as an anchor to 40,000+ SF of retail as well as 50+ townhouse units on the 40-acre corner tract. On Declaration Blvd. just behind FastER Care, a small lot has transferred and plans are being reviewed for a childcare facility. Also on Declaration, a home medical supply business is close to finishing their new building and should be moving in any week. Adjacent to this, a local medical practice is preparing to build an office here and may begin construction before our next Market Update. Adding to this mini medical park, Sumter Psychiatry is nearing the end of their building project on Constitution Dr., one block off of Patriot Pkwy. Several other lots have sold since our last Market Update to end users, and several other projects are getting closer to going vertical. Rumors of a few institutional users inspecting this area persist. Sumter County Parks and Recreation continues their plans to complete a soccer complex by the fall of 2008, with the baseball fields due for completion summer 2009. Residential

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developments off the Parkway continue to plow forward with mixed success as the housing market reportedly plateaus.

The **Second Mill/Savannah Square** submarket continues to be a solid retail area, although growth has been slow. Zaxby's completed construction of a new restaurant beside Sonic on McCray's Mill and it appears to be doing well. Polar Bear Cleaners has opened in the Shops on Savannah, but several spaces in this center remain vacant. Nothing has been able to make a go of it in the large space beside Dollar General where Big Lots used to be, as it remains vacant. A new Super Power Car Wash has opened beside the older carwash in front of the Piggly Wiggly. Across the bridge, Liberty Square appears to be full once again.

The **Pocalla/Hwy 15 South** area has probably been the most talked about submarket in Sumter County over the last year, and for good reason. Beginning on the south end, the parent company for Young's Food Stores purchased the hard corner of Nettles Rd. and Hwy. 15S apparently to defend against competition of its existing store on the opposite corner. The big story, however, is that Paramount Development has finally closed on the parcel located on the southwest corner of Lewis Rd. and Hwy. 15S with construction to begin soon on a new Wal-Mart Supercenter. As a result of this transaction, Tony's Pizza was purchased by its long-time operator, who had previously leased this property. Immediately across Lewis Rd., a local developer purchased Pocalla Springs Golf Course and is working on a design that will include over 300 residential lots on the back while the frontage on Hwy. 15S and Lewis Rd. is designated for commercial use. SAFE, the Bank of Clarendon, and a drug store developer have already purchased property here. Adding to the frenzy, a Lowe's developer has been considering a sizable portion of this site, although this appears to be cooling off somewhat. Across the road at Pocalla Crossing Shopping Center, Pancho's Mexican Restaurant has opened for business. Meanwhile, the corner parcel opposite Subway at the intersection on Hwy 15S and Pack Rd. has been sold to a fast-food restaurant user. While we haven't been told directly which restaurant it is, we strongly suspect that the menu will consist primarily of biscuits and spicy chicken...ayyyyyy! Surrounding this corner, the remainder of this 55 acre parcel has been cleared in an effort to enhance its marketability to any potential suitors. With all the impending growth along this stretch, several new stoplights and secondary roads likely will be installed, which will create valuable corner lots. One thing is for certain, this area will undergo a tremendous transformation in the next few years and beyond. Further north near the intersection with S. Guignard, B&B Construction purchased several lots on Swampfox Run (behind the BBQ Hut) and built a new office here. Also on Swampfox Run, Shealy Electrical has moved into the previously vacant warehouse at the end of the cul-de-sac. The lot on S. Guignard Ext. beside L.C. Childcare Preschool also changed ownership recently with the new owners having no immediate plans for the property. Back on Hwy. 15S beside Auto Zone, a developer has contracted on a lot with plans to locate a wholesale/retail company here. With the completion of the road widening project along here and on Hwy. 521S, there is strong potential for businesses to pop up around this intersection in the future.