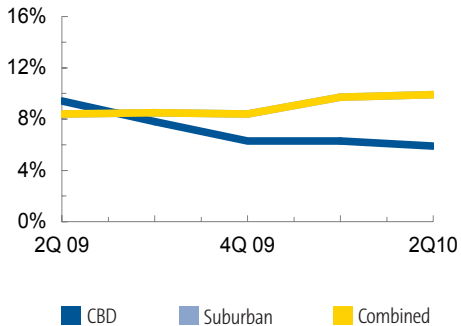


Vacancy Rate

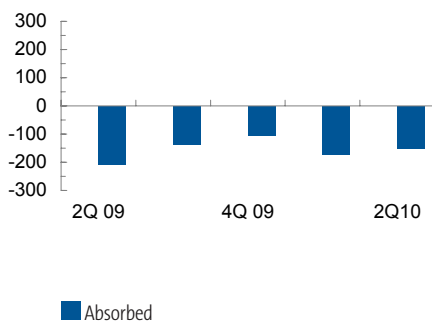


Showing Signs of Strength

The vacancy rate in the Charleston, SC MSA increased slightly 20 basis points to 9.9 percent and experienced positive absorption of almost 23,000 square compared with the end of the first quarter of 2010. This number can be attributed to the opening of a couple of retail developments that were previously under construction and are now reported as occupied. This trend is expected to continue as another Harris Teeter-anchored shopping center opened this quarter.

Absorption

(in Thousands of SF)



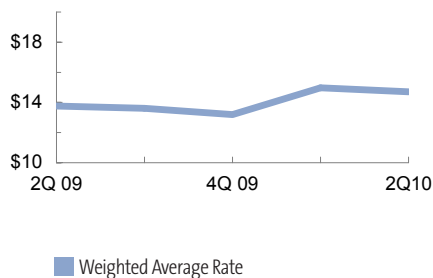
Leasing activity during the second quarter of 2010 has been strong compared to the previous two quarters. With the recent increase in activity coupled with the relatively few store closings this should have a positive impact on vacancy, and eventually, rental rates. Landlords with existing properties are poised to do well now that tenants are emerging and resuming their expansion plans. Many national retailers have realized they must expand to stay competitive and are reaping the benefits of reduced rental rates.

Retail property sales activity continues to be slower than normal and retail investment sales activity has been virtually non-existent as traditional financing sources continue to make it difficult to obtain loans for commercial real estate.

Leasing activity in Downtown Charleston has been very strong this quarter compared to late 2009 and early 2010. Several vacant spaces on King Street were leased during the second quarter of 2010. This is a trend that will continue over the next several months. As the number of vacancies decrease, tenants will once again be competing for prime spaces. The most notable retail announcement this quarter on King Street is that Saks Fifth Avenue will be closing in July and replaced by Forever 21.

Asking Rental Rates

(\$/SF/Yr. Full Service)



FORECAST

- The increase in leasing activity will bode well for vacancy rates over the next several quarters.
- Sales activity will remain slow until credit markets loosen.
- Rates will increase slightly over the next several quarters.

Retail Trends Report—Second Quarter 2010

Charleston, SC

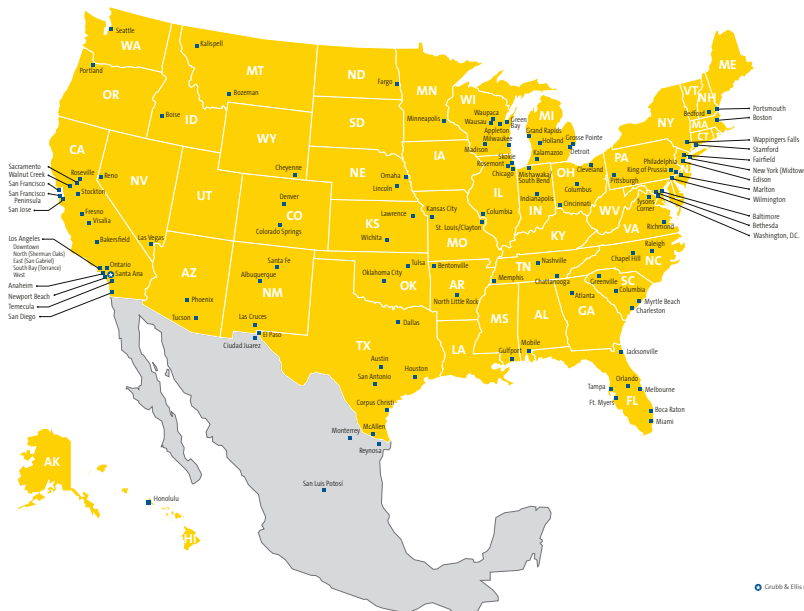


By Submarket	Total SF	Vacant SF	Vacancy %	NET ABSORPTION		Under Construction SF	ASKING RENT	
				Current	Year To Date		Neighborhood	Power
Downtown Charleston	473,652	27,791	5.9%	1,927	1,927	-	-	-
East Cooper	3,368,570	294,147	8.7%	63,121	66,494	60,500	17.71	-
Goose Creek	931,333	49,320	5.3%	1,600	41,600	-	12.06	-
Moncks Corner	419,614	-	-	3,000	3,000	-	-	-
North Charleston	5,790,650	752,292	13.0%	(5,453)	(143,459)	42,437	15.16	-
Summerville	2,674,888	247,683	9.3%	(10,285)	(44,635)	-	19.76	-
West Ashley	4,447,920	341,085	7.7%	12,256	14,617	-	11.93	-
West Islands	1,293,796	205,226	15.9%	(43,424)	(89,474)	-	8.87	-
Totals	19,400,423	1,917,544	9.9%	22,742	(149,930)	102,937	14.64	-

By Property Type	Total SF	Vacant SF	Vacancy %	Current	Year To Date	Under Construction SF	ASKING RENT
Community	2,985,714	510,785	17.1%	(16,230)	867	-	12.33
Free-standing	3,509,306	-	-	-	23,861	-	-
Neighborhood	6,821,598	1,074,150	15.7%	23,181	(116,370)	60,500	14.64
Outlet	384,084	4,500	1.2%	-	-	-	22.28
Regional	1,253,280	76,985	6.1%	(1,892)	(17,292)	-	16.35
Specialty/Theme	584,550	34,764	5.9%	-	(40,450)	-	28.00
Strip	1,549,307	157,237	10.1%	11,612	(6,617)	42,437	15.97
Super-regional	1,971,569	31,332	1.6%	4,144	4,144	-	16.00
Urban Retail	341,015	27,791	8.1%	1,927	1,927	-	22.83
Totals	19,400,423	1,917,544	9.9%	22,742	(149,930)	102,937	14.71

Grubb & Ellis Office Locations

as of 1st Quarter 2010



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RETAIL TERMS AND DEFINITIONS

Total SF: Retail inventory includes all multi-tenant and single tenant buildings at least 50,000 square feet. Shopping malls are not included in calculations.

Retail Building Classifications: Super Regional Centers are properties with greater than two million square feet of space, drawing from a trade area encompassing multiple smaller submarkets. Small Strip Centers are centers of 50,000 to 150,000 square feet, and include many local and grocery anchored centers.

Vacancy and Availability: The vacancy rate is the amount of physically vacant space divided by the inventory and includes direct and sublease vacant. The availability rate is the amount of space available for lease divided by the inventory.

Direct Vacant: This is the vacancy rate in space offered on the market directly by the landlord in single and multi-tenant buildings. This excludes vacant space offered for sublease and vacant space that is not offered on the market, for whatever reason.

Net Absorption: The net change in physically occupied space over a period of time.

Asking Rent: The dollar amount asked by landlords for available space expressed in dollars per square foot per year in most parts of the country and dollars per square foot per month in areas of California and selected other markets. Retail rents are reported on a triple net basis where all costs including, but not limited to, real estate taxes, insurance and common area maintenance are borne by the tenant on a pro rata basis.

** Grubb & Ellis statistics are audited annually and may result in revisions to previously reported quarterly and final year-end figures.*