

# Upstate, South Carolina | Q2 2024 **OFFICE MARKET REPORT**





# Upstate, South Carolina | Q2 2024

## OFFICE MARKET REPORT

Market Indicators	Current Q2 2024		Prior Q1 2024	Year Ago Q2 2023
Inventory	43,544,188 SF	▼	43,659,564SF	43,387,967 SF
Vacancy	7.8%	▼	7.9%	6.9%
Net Absorption	(29,651) SF	▲	(67,482) SF	(62,132) SF
Market Rent/SF	\$22.10	▲	\$21.78	\$21.23
Availability	3.8M SF   8.8%	▼	4.1M SF   9.3%	3.8M SF   8.7%
Under Construction   Delivered	168,188 SF   1	▼	177,642 SF   2	433,785 SF   1

### OFFICE OVERVIEW

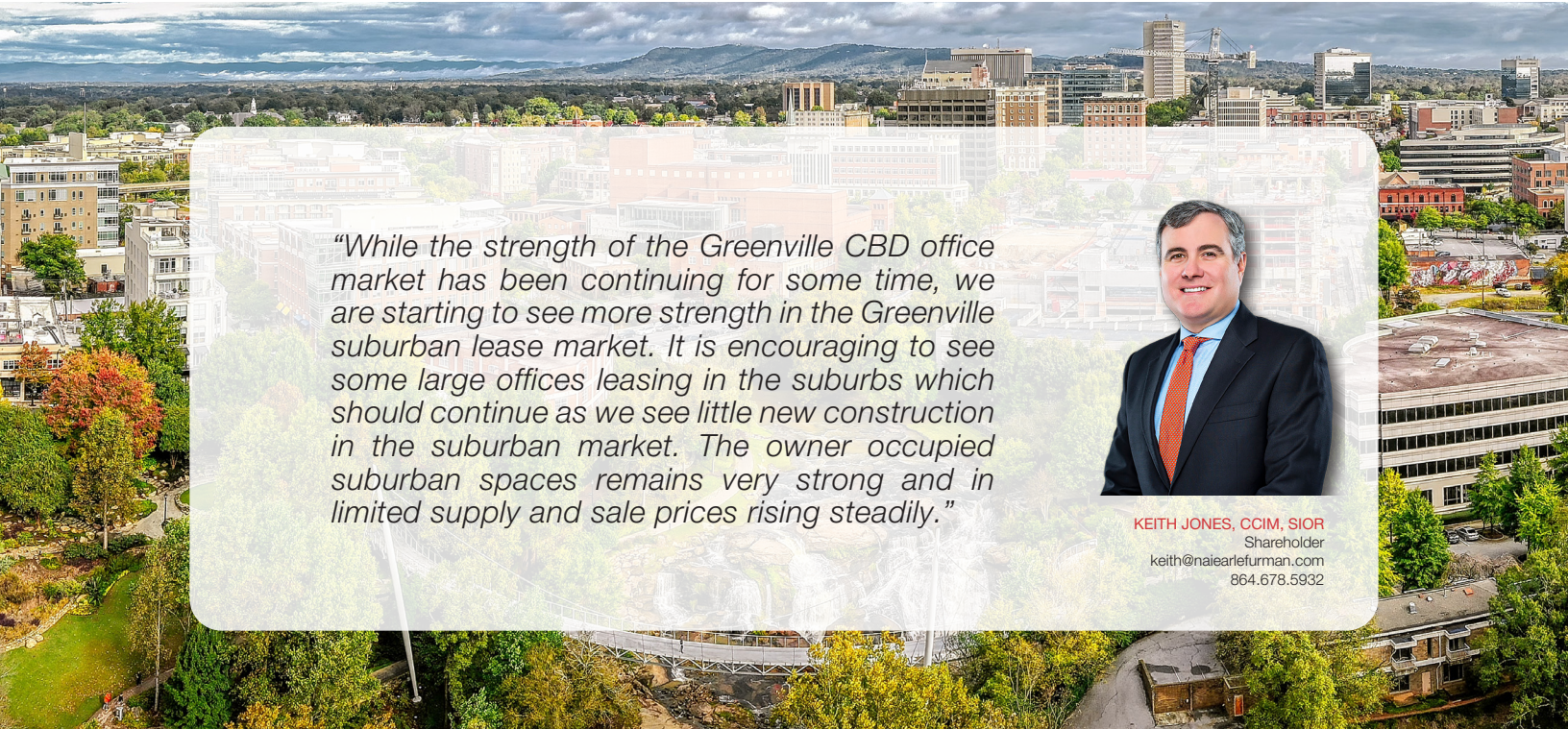
Like many tertiary markets in the Southeast, Greenville has seen strong job and population growth since 2020. While this job growth has kept office vacancies here below the national average, the area has not been immune from broader shifts in office use and a slowdown in office-using hiring. Greenville’s manufacturing and distribution sector often garners more national attention than other sectors. As the market becomes an increasingly important regional center, however, office-using sectors such as financial services and professional services have also grown, as have administrative offices for the many logistics and manufacturing companies here.

Construction has been relatively limited here and has largely concentrated on build-to-suit properties for a handful of regional bank headquarters and regional offices. This has limited supply pressure and kept asking rents from falling. Construction starts

on new office space have slowed to near nothing in the past four quarters, which will mean fewer deliveries and less supply pressure in the coming years.

The Spartanburg office market has a vacancy rate of 3.4%. This vacancy rate is 1.7% lower than it was this time last year. This decrease of vacancy occurred because there was 160,000 SF of positive absorption and 20,000 SF of net deliveries. Vacancy is 5.4% in 4 & 5 Star buildings, and 55,000 SF has been absorbed in this asset class over the past year. In 3 Star buildings, 3.7% of space is vacant, and 77,000 SF has been absorbed over the past year. Currently, 2.3% of 1 & 2 Star space is vacant, and 24,000 SF has been absorbed in this space type over the past 12 months.

Source:  CoStar



*“While the strength of the Greenville CBD office market has been continuing for some time, we are starting to see more strength in the Greenville suburban lease market. It is encouraging to see some large offices leasing in the suburbs which should continue as we see little new construction in the suburban market. The owner occupied suburban spaces remains very strong and in limited supply and sale prices rising steadily.”*

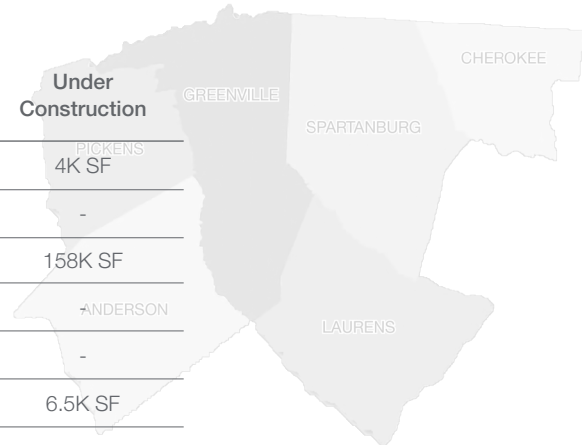


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	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Anderson	4M SF	\$13.95	2.9%	3.1%	(18K) SF	PICKENS 4K SF
Cherokee	349K SF	-	1.0%	1.6%	-	-
Greenville	28.5M SF	\$23.01	10.4%	11.6%	(63K) SF	158K SF
Laurens	931K SF	\$10.62	1.8%	2.1%	(8K) SF	ANDERSON
Pickens	1.9M SF	\$12.39	0.7%	1.6%	26K SF	-
Spartanburg	7.8M SF	\$17.13	3.4%	4.4%	33K SF	6.5K SF



### GREENVILLE CBD + WEST END | INVENTORY 6.6M SF

VACANCY  Q2: 13.2%  
Q1: 13.3%

RENTAL RATE  Q2: \$27.04  
Q1: \$26.91

ABSORPTION  Q2: 8K SF  
Q1: (11K) SF

### SPARTANBURG CBD | INVENTORY 2.5M SF

VACANCY  Q2: 3.0%  
Q1: 3.6%

RENTAL RATE  Q2: \$23.21  
Q1: \$22.60

ABSORPTION  Q2: 15K SF  
Q1: 45K SF

Source:  CoStar

### NOTABLE TRANSACTIONS



**301 University Ridge | Greenville, SC**  
84,588 SF  
Keith Jones, CCIM, SIOR, McNeil Epps, CCIM,  
SIOR, Jason Richards, SIOR, & Will Williamson



**745 Wade Hampton Blvd. | Greenville, SC**  
10,000 SF  
Michael Roth, CCIM, John Gray, & Drew Stamm



**736 E Main St | Spartanburg, SC**  
9,735 SF  
Katherine Fulmer

### ABOUT NAI EARLE FURMAN

NAI Earle Furman (NAIEF) is the Upstate's largest commercial real estate brokerage and property management firm and has been providing superior results to its clients for over thirty years. With three Upstate offices, NAIEF delivers creative solutions to ensure client success while promoting a culture of collaboration, drive, and innovation. The company's unique shareholder-owned structure creates an engaging environment which thrives on mentorship and common goals. Invested in the community and its people, the NAIEF team is committed to being experts in the field of commercial real estate and improving the Upstate market through its wide range of quality client services. In 2017, NAI Earle Furman and North Carolina's NAI Piedmont Triad joined forces to form a creative commercial real estate collaboration across state lines. The teams expanded their market footprint in 2019 by partnering with the newly rebranded NAI Columbia (formerly Avant) group operating in the South Carolina Midlands, and later merged in January 2023. In 2024, NAI Piedmont Triad opened its third location in Winston-Salem, NC bringing the total number of combined offices to seven. This strategic alliance equally benefits all three firms with additional manpower, expanded resources, and everevolving cross-market projects fueled by combined expertise. Learn more at [www.naief.com](http://www.naief.com)