

# Upstate, South Carolina | Q2 2024

## RETAIL MARKET REPORT





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Market Indicators	Current Q2 2024		Prior Q1 2024	Year Ago Q2 2023
Inventory	93,025,291 SF	▲	92,965,929 SF	92,608,123 SF
Vacancy	3.2%	◀▶	3.2%	3.6%
Net Absorption	49,854 SF	▼	88,613 SF	149,656 SF
Market Rent/SF	\$14.69	▲	\$14.24	\$14.15
Availability	3.6M SF   3.8%	▲	3.5M SF   3.8%	3.7M SF   4.0%
Under Construction   Delivered	82,398 SF   8	▼	138,142 SF   12	336,529 SF   16

### RETAIL OVERVIEW

Greenville’s population growth and downtown revitalization have spurred some suburban strip center development and mixed-use, adaptive reuse projects near downtown and along key transportation routes. However, new construction starts have dropped by more than 55%, and most under-construction retail spaces are built-to-suit or fully pre-leased.

A cautious approach to new retail construction has resulted in record low levels of under-construction projects, leading to historically low vacancy and availability rates. This scarcity has driven retail rent growth, with annual increases exceeding the national average at 4.0%. Demand for retail space in Greenville has remained robust in the second quarter of 2024. Despite some closures in traditional malls, strong performance from grocery stores, discount outlets, and service-oriented retailers has driven the market to its best year for

retail leasing since 2016, with over 1.5 million square feet leased in 2023. This momentum continued into the first half of 2024, with nearly 400,000 square feet of new leases.

The Spartanburg retail market has a vacancy rate of 3.2%. This vacancy rate lower than it was this time last year. There has been 130,000 SF of positive absorption and 82,000 SF of net deliveries. Rents have increased about 4% in the past 12 months and are currently around \$14.24/SF.

Roughly 27,000 SF is under construction in the Spartanburg retail market. In the past year, there have been 117 sales, which traded for approximately \$124 million in volume.

Source:  CoStar



*“Greenville’s retail market is poised for continued growth, bolstered by a dynamic economy, strategic developments, and a supportive community. Retailers and investors should capitalize on the city’s strengths and emerging opportunities while remaining adaptive to ever changing consumer behaviors and market conditions.”*

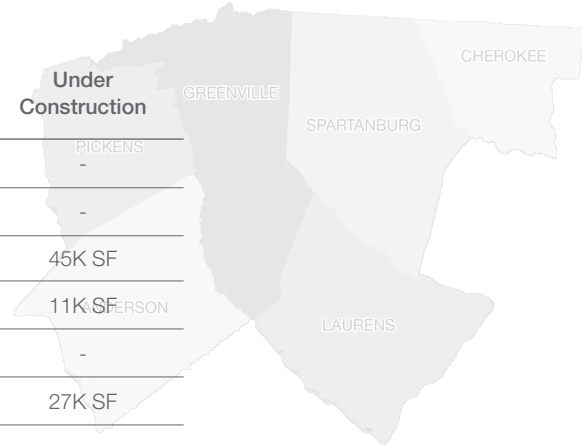


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	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Anderson	14.6M SF	\$9.06	3.1%	3.7%	57K SF	-
Cherokee	3.6M SF	\$11.16	6.2%	3.0%	5K SF	-
Greenville	39.6M SF	\$17.52	3.0%	3.9%	62K SF	45K SF
Laurens	3.2M SF	\$11.21	2.8%	3.2%	20K SF	11K SF
Pickens	7.2M SF	\$14.75	3.5%	4.0%	(34K) SF	-
Spartanburg	24.8M SF	\$14.25	3.2%	4.0%	(59K) SF	27K SF



### GREENVILLE CBD | INVENTORY 1M SF

VACANCY Q2: 10.2%  
Q1: 7.5%

RENTAL RATE Q2: \$24.97  
Q1: \$24.97

ABSORPTION Q2: (27K) SF  
Q1: (23K) SF

### SPARTANBURG CBD + WEST SIDE | INVENTORY 8.5M SF

VACANCY Q2: 4.1%  
Q1: 2.9%

RENTAL RATE Q2: \$14.17  
Q1: \$14.07

ABSORPTION Q2: (103K) SF  
Q1: 39K SF

Source: CoStar

### NOTABLE TRANSACTIONS



25 & 36 Webb Rd | Gray Court, SC  
9,000 SF  
Alex Campbell, CCIM



604 NE. Main St | Simpsonville, SC  
8,500 SF  
Jimmy Wright & Jake Scott



1815 E. Greenville St, Ste C | Anderson, SC  
1,250 SF  
John Powell, CCIM

### 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)