

# 4Q 2023 | OFFICE MARKET REPORT



Inventory  
**43,049,071 SF**



Gross Rent Overall  
**\$23.21** ↓



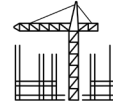
Vacancy  
**7.8%** ↑



Availability  
**4M SF 9.3%** ↑



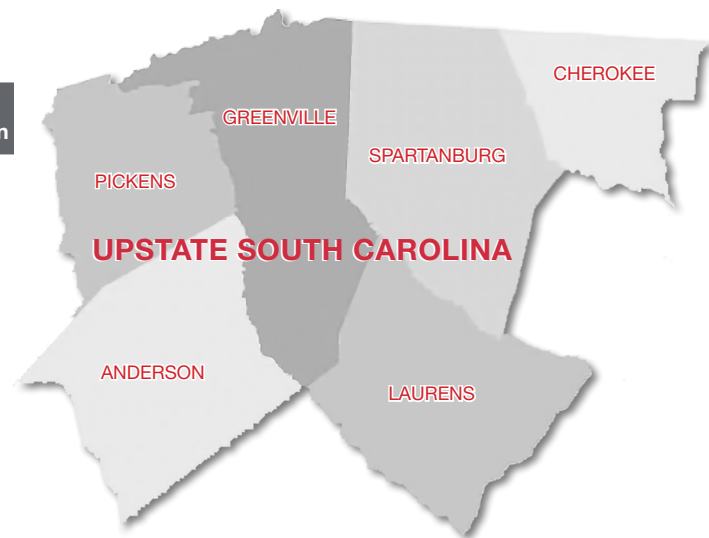
Net Absorption  
**(164,555) SF** ↓



Under Construction | Delivered  
**297,800 SF | 1**

## OFFICE MARKET OVERVIEW

County	Inventory	Gross Rent	Vacancy	Availability	Net Absorption	Under Construction
Anderson	4.0M SF	\$19.07/SF	2.7%	2.8%	(19K) SF	13.5K SF
Cherokee	346K SF	-	-	-	-	-
Greenville	28.1M SF	\$23.42/SF	10.1%	12.2%	(150K) SF	284.3K SF
Laurens	911K SF	-	1.0%	1.3%	233 SF	-
Pickens	1.9M SF	\$17.00/SF	3.0%	3.8%	(7.6K) SF	-
Spartanburg	7.7M SF	\$18.95/SF	4.4%	5.1%	11.3K SF	-



## OFFICE SUBMARKET HIGHLIGHTS

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

VACANCY ↑ Q4: 12.6% Q3: 12.5%      RENTAL RATE ↑ Q4: \$26.80 Q3: \$26.32      ABSORPTION ↓ Q4: (4K) SF Q3: 57K SF

### SPARTANBURG CBD | INVENTORY 2.5M SF

VACANCY ↓ Q4: 5.5% Q3: 5.9%      RENTAL RATE ↓ Q4: \$23.81 Q3: \$24.72      ABSORPTION ↓ Q4: 9K SF Q3: 12K SF

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## UPSTATE MARKET REVIEW

While the Greenville-Spartanburg area is known for its manufacturing and distribution prowess, Greenville’s urban core has earned national attention as an example of successful downtown redevelopment, which has attracted financial and professional services firms. Greenville’s strong population and employment growth over the past decade have helped South Carolina’s largest metro emerge as a notable tertiary office market. Vacancy rates remain below the national average, though elevated above pre-pandemic trends. While flat absorption has led to a bump in vacancy rates heading into 2024. Rent growth has also picked up but remains below peaks seen in 2016.

Investors have taken advantage of Greenville’s strong fundamentals and higher yields, though sales activity has

slowed amid rising interest rates and an uncertain outlook for office utilization. About \$128 million has closed in the market over the past 12 months, which is significantly lower than the more than \$300 million annual average that closed in 2021 and 2022.

The Spartanburg office market has a vacancy rate of 4.1%. This vacancy rate is 0.3% lower than it was this time last year. This decrease of vacancy occurred because there was 86,000 SF of positive absorption and 66,000 SF of net deliveries. Rents have increased 2.5% in the past 12 months and are currently around \$21.00/SF. Nothing is under construction in the Spartanburg office market. In the past year, there have been 51 sales, which have traded for approximately \$36.2 million in volume and 460,000 SF in stock.

Source:  CoStar

## NOTABLE 4Q TRANSACTIONS



**313 Mills Avenue | Greenville, SC**  
2,803 SF  
John Stathakis, CCIM & Scott Jones, SIOR



**850 S Pleasantburg Dr | Greenville, SC**  
7,749 SF  
Keith Jones, SIOR, CCIM, McNeil Epps, CCIM, SIOR, & Will Williamson



**531 South Main St | Greenville, SC**  
2,257 SF  
Shannon Caldwell

## UPSTATE SC DEMOGRAPHICS



POPULATION	HOUSEHOLDS	MEDIAN HOUSEHOLD INCOME	MEDIAN AGE	UNEMPLOYMENT RATE
1,367,218	598,950	\$60,975	40.0	4.0%

## 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. This strategic alliance equally benefits all three firms with additional manpower, expanded resources, and ever-evolving cross-market projects fueled by combined expertise. Learn more at [www.naief.com](http://www.naief.com)