



Upstate, South Carolina | Q1 2024  
**INDUSTRIAL MARKET REPORT**

# Upstate, South Carolina | Q1 2024 INDUSTRIAL MARKET REPORT

Market Indicators	Current Q1 2024		Prior Q4 2023	Year Ago Q1 2023
Inventory	262,903,766 SF	▲	262,343,526 SF	246,900,964 SF
Vacancy	8.6%	▼	10.0%	4.9%
Net Absorption	4,279,565 SF	▲	(1,126,099) SF	3,570,475 SF
Market Rent/SF	\$5.23	▲	\$5.11	\$4.69
Availability	35.5M SF   13.0%	▼	35.7M SF   13.1%	23.3M SF   8.8%
Under Construction   Delivered	10,101,624 SF   1	▲	9,666,063 SF   19	16,775,802 SF   20

## INDUSTRIAL OVERVIEW

The Greenville-Spartanburg area, also known as South Carolina's Upstate, has become a destination for auto parts makers and other manufacturers and distributors looking to locate near BMW's largest global production facility in Spartanburg. Greenville's location along the Interstate 85 corridor, which has accounted for a substantial share of the population and job growth in the Southeastern United States over the past decade, has also attracted distributors from major retailers in recent years.

The balance between industrial supply and demand has shifted rapidly in Spartanburg as of early 2024. Supply pressures led to a record level of deliveries in 2023 just as demand slowed, particularly for the largest boxes that have constituted most recent development in the area. Despite overall positive net absorption through the year, vacancy rates surged nearly 10 percentage points in 2023 thanks to

the delivery of more than 14 million SF, which is nearly double the deliveries seen in any prior year.

While rent growth in the market remains higher than the national average on a year-over-year basis, the pace of rent increases has slowed considerably heading into 2024 and rents were essentially flat through 23Q4. Competition for tenants among larger boxes is likely to cool rent growth through 2024. However, construction starts in 2023 were about one-third the level of 2022, which will mean fewer new deliveries in 2025. This tighter market could stabilize rent growth in the longer term, once the market has time to absorb the more recent construction wave.

Source:  CoStar

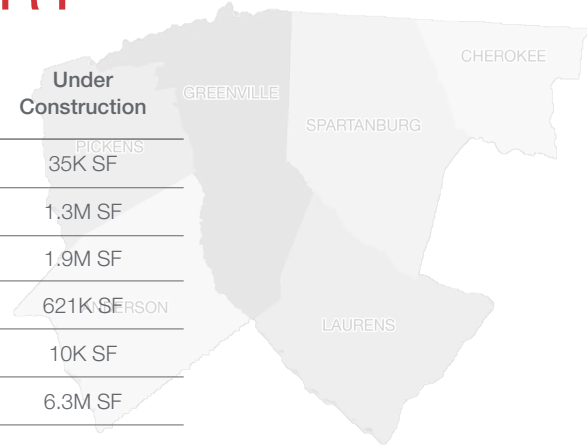
*"Overall, Q1 2024 in the Upstate Industrial Market was stable. While we have an abundant supply of new speculative buildings, absorption and lease rates are holding steady. We are still seeing continued demand for warehouse/manufacturing space in most size ranges and building conditions. We are optimistic about the year ahead."*



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	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Anderson	32.2M SF	\$5.04	4.7%	8.1%	2M SF	35K SF
Cherokee	13.6M SF	\$4.40	15.0%	22.8%	702K SF	1.3M SF
Greenville	82.4M SF	\$5.26	6.1%	9.1%	(549K) SF	1.9M SF
Laurens	14.7M SF	\$4.50	6.0%	9.3%	25K SF	621K SF
Pickens	7.5M SF	\$4.83	4.2%	4.9%	(18K) SF	10K SF
Spartanburg	112.5M SF	\$5.45	11.4%	16.9%	2M SF	6.3M SF



## GREENVILLE COUNTY | INVENTORY 82.4M SF

VACANCY Q1: 6.1%  
Q4: 5.5%

RENTAL RATE Q1: \$5.26  
Q4: \$5.24

ABSORPTION Q1: (549K) SF  
Q4: 456K SF

## SPARTANBURG COUNTY | INVENTORY 112.5M SF

VACANCY Q1: 11.4%  
Q4: 13.3%

RENTAL RATE Q1: \$5.45  
Q4: \$5.30

ABSORPTION Q1: 2M SF  
Q4: (421K) SF

Source: CoStar

### NOTABLE TRANSACTIONS



133 White Horse Court | Greenville, SC  
80,000 SF  
Grice Hunt, SIOR, Clay Williams, SIOR, & Will Coker



6021 Ponders Court | Greenville, SC  
9,200 SF  
Earle Furman, SIOR & Jon Good, SIOR



790 Duncan Reidville Rd | Duncan, SC  
60,000 SF  
Grice Hunt, SIOR, Clay Williams, SIOR, & Will Coker

## 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 everevolving cross-market projects fueled by combined expertise. Learn more at [www.naief.com](http://www.naief.com)