



Industrial Trends

Vacancy

Q1
▼

YOY
▼

Rent/SF

Q1
▲

YOY
▼

Absorption

Q1
▲

YOY
▲

Construction

Q1
▼

YOY
▼

The Upstate | Q1 2025

INDUSTRIAL MARKET REPORT



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“The Upstate Industrial market showed strong momentum in Q1 2025, with a notable uptick in leasing activity and overall absorption. Demand was particularly strong in the sub-100,000 square foot size range, driven by smaller users seeking move-in ready space. Rear-load product led the way, with over 1.5 million square feet absorbed during the quarter—a clear indicator of market confidence and continued tenant demand. While larger bulk spaces saw moderate interest, smaller, more flexible facilities were the most competitive. Developers and landlords are responding by prioritizing functional, well-located assets that appeal to the growing pool of mid-sized users.”

INDUSTRIAL OVERVIEW

South Carolina’s Upstate, anchored by Greenville and Spartanburg, has emerged as a hub for manufacturers and distributors—particularly those tied to the automotive industry. The presence of BMW’s largest global production facility in Spartanburg and proximity to the I-85 corridor have attracted major retailers and logistics operations. Since 2020, over 12 million SF of industrial space has delivered in Greenville, much of it large-box. Although this outpaced leasing for a time, demand is catching up in 2025, easing vacancy pressures. Smaller-box space remains tight, with availability below 5%.

Spartanburg has seen a sharper shift. More than 18 million SF—mostly speculative, large-box product—delivered over the past two years, pushing vacancies to record highs. Leasing has slowed amid softer retail demand and rising sublet availabilities. Rent growth has cooled but remains above national averages.

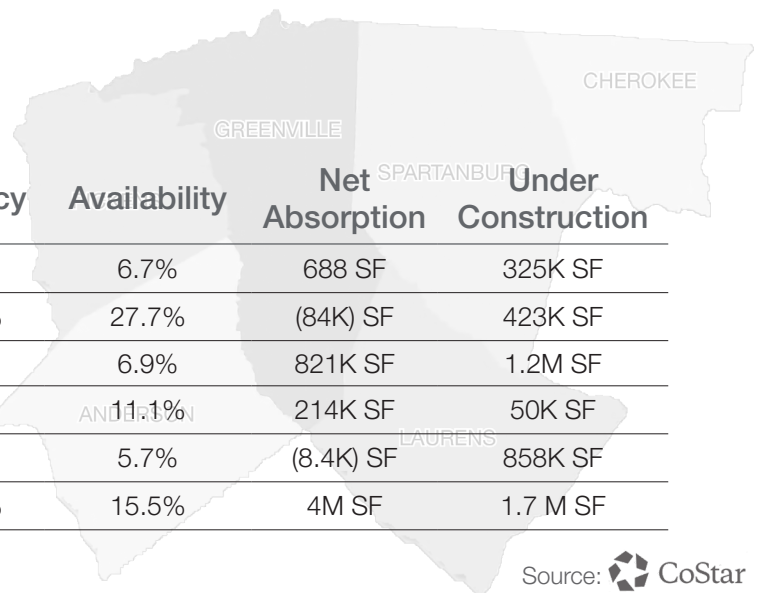
Construction has dramatically slowed across both markets, down over 60% from peak levels. With fewer starts and deliveries expected later in 2025, the market may stabilize as it works through the recent supply wave, particularly in larger footprints.

Market Indicators	Current Q1 2025	Prior Q4 2024	Year Ago Q1 2024
Inventory	20,530,132 SF	24,156,239 SF	20,481,930 SF
Vacancy	8.5%	9.8%	8.7%
Net Absorption	5,124,650 SF	2,296,822 SF	2,210,615 SF
Market Rent/SF	\$5.22	\$5.20	\$5.24
Availability	34M SF 11.9%	34.2M SF 12.0%	33.8M SF 5%
Under Construction	4,371,055 SF	5,543,425 SF	10,408,080 SF
Delivered	1,404,600 SF	3,554,018 SF	823,100 SF

Industrial

INDUSTRIAL OVERVIEW - COUNTY

	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Anderson	36.7M SF	\$5.66	5.2%	6.7%	688 SF	325K SF
Cherokee	14.6M SF	\$4.46	14.4%	27.7%	(84K) SF	423K SF
Greenville	85.3M SF	\$5.50	5.3%	6.9%	821K SF	1.2M SF
Laurens	16.1M SF	\$4.52	3.9%	11.1%	214K SF	50K SF
Pickens	7.5M SF	\$4.53	2.2%	5.7%	(8.4K) SF	858K SF
Spartanburg	122M SF	\$5.25	11.0%	15.5%	4M SF	1.7 M SF



Source: CoStar

NOTABLE TRANSACTIONS



562 Gilliam Road | Greer, SC
47,045 SF
 Hunter Garrett, CCIM, SIOR, John Staunton, SIOR, and Josh Kenyon

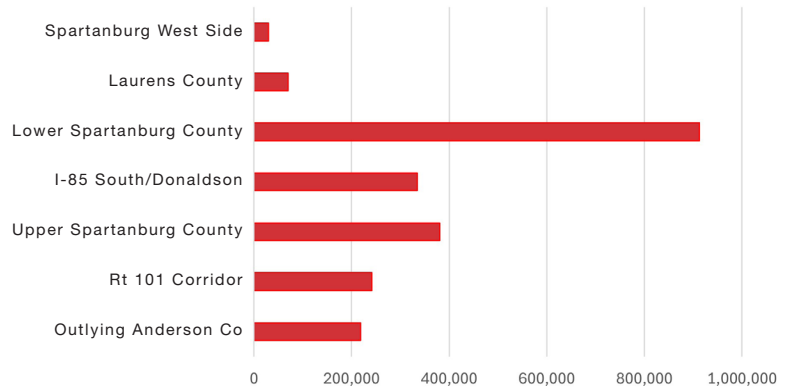


106 Old Dominion Drive | Duncan, SC
20,000 SF
 Grice Hunt, SIOR, Clay Williams, SIOR, and Will Coker

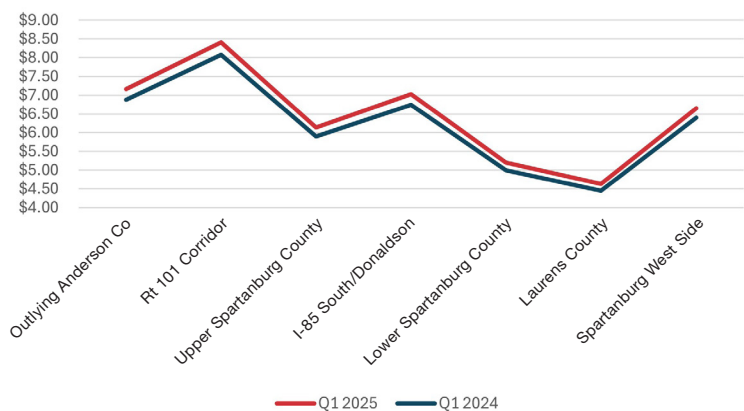


815 Tom Cat Lane | Spartanburg, SC
10,000 SF
 Brian Hammond, Richard Heatly, Alec Moncini, and Scout Hammond

FEATURED SUBMARKETS LEASING ACTIVITY



FEATURED SUBMARKETS RENT



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