

# The Upstate | Q2 2025 INDUSTRIAL MARKET REPORT



"The Upstate industrial market is effectively absorbing a record supply wave, driven by its strategic focus on manufacturing and logistics. Its strong appeal stems from its proximity to the I-85 corridor, BMW's largest global production facility, and the expanded Inland Port in Greer, making it ideal for automotive and distribution sectors. Since 2020, over 12 million SF of large-box logistics space has been added.

While supply initially outpaced demand, leasing activity strengthened by mid-2025, reducing vacancies to single digits from early 2024 peaks. The market is now shifting towards smaller properties (50,000 to 350,000 SF). Despite strong demand and rent growth exceeding the national average, the pace of rent increases has moderated in early 2025. Crucially, new construction has largely ceased, anticipating fewer deliveries by late 2025 and aiding market absorption."

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### INDUSTRIAL OVERVIEW

Industrial demand has remained stable in the Upstate heading into the second half of 2025. As supply subsides and new deliveries slow, that has helped bring availability rates down, with a particularly noticeable drop in large-box availabilities. Large leases underscored the market's reliance on the automotive industry. Major relocations, such as Izuzu's 1 million SF move in at Enterprise 85, Drive Automotive's 625,161-SF move in at Augusta Grove in Fountain Inn, and Yanfeng Automotive's 201,000-SF lease also in Fountain Inn, helped stabilize the market after moveouts from challenged electric bus-maker Proterra, which vacated 210,000 SF on Whitlee Court, and a general pullback in demand from logistics providers.

The Upstate area is nearing the end of a record supply wave, which at points saw construction reach nation-leading levels. While much of that wave was concentrated in neighboring Spartanburg, the Greenville market has expanded considerably as well.

Higher costs of capital have kept many investors on the sidelines heading into the second half of 2025. While continued rent growth in the industrial sector and a surge in institutional-grade deliveries have held investors' interest in Upstate South Carolina's industrial market, larger sales have become more difficult to pencil. Sales volume has held up better here than in other parts of the country. Though activity picked up in the second half of 2024, that was largely due to a handful of large deals.

## Industrial Trends

  
Vacancy

Q2



YOY



  
Rent/SF

Q2



YOY



  
Absorption

Q2



YOY



  
Construction

Q2



YOY



### Market Indicators

	Current Q2 2025	Prior Q1 2025	Year Ago Q2 2024
Inventory	282,838,531 SF	282,342,951 SF	275,390,863 SF
Vacancy	9.3%	8.7%	8.9%
Net Absorption	(1,028,952) SF	4,708,010 SF	909,549 SF
Market Rent/SF	\$5.36	\$5.26	\$5.23
Availability	33M SF   11.6%	34M SF   11.9%	34M SF   12.1%
Under Construction	3,729,859 SF	3,925,439 SF	8,456,247 SF
Delivered	517,580 SF	1,919,945 SF	2,671,057 SF

Source:  CoStar

# Industrial

## INDUSTRIAL OVERVIEW - COUNTY

	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Anderson	36.9M SF	\$5.46	5.2%	4.4%	199K SF	90K SF
Cherokee	14.5M SF	\$4.69	22.3%	30.5%	(124K) SF	423K SF
Greenville	85.4M SF	\$5.64	5.4%	8.1%	(334K) SF	367K SF
Laurens	16.1M SF	\$4.52	7.3%	11.2%	(478K) SF	50K SF
Pickens	7.6M SF	\$6.64	2.9%	6.1%	(8.7K) SF	848K SF
Spartanburg	122M SF	\$5.23	11.9%	14.3%	(284K) SF	2M SF

Source:  CoStar

### NOTABLE TRANSACTIONS



190 Old Roebuck Road | Moore, SC  
47,087 SF  
Alex Campbell, CCIM

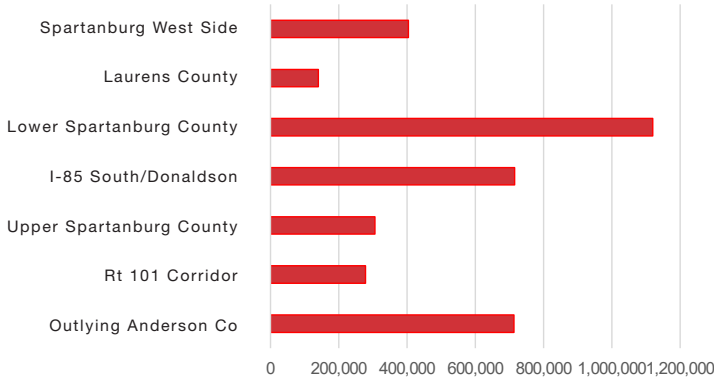


1701 Old Grove Rd, Unit C | Piedmont, SC  
127,865 SF  
Grice Hunt, SIOR, Clay Williams, SIOR,  
and Will Coker

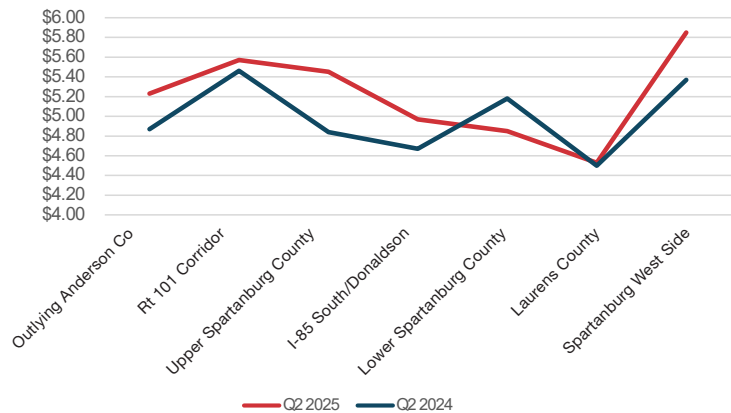


270 Feaster Road | Greenville, SC  
14,400 SF  
Bill Sims and Will Freeman

### FEATURED SUBMARKETS LEASING ACTIVITY



### FEATURED SUBMARKETS RENT



### ABOUT NAI EARLE FURMAN

NAI Earle Furman (NAIEF) is a leading commercial real estate brokerage and property management firm in the Upstate of South Carolina, delivering superior results for over 30 years. With three Upstate offices, NAIEF provides creative solutions, fostering a culture of collaboration, drive, and innovation through its unique shareholder-owned structure. Committed to the community, the NAIEF team are experts dedicated to improving the Upstate market. In 2017, NAIEF partnered with NAI Piedmont Triad (NC), further expanding in 2019 by joining NAI Columbia (SC Midlands), officially merging in January 2023. This strategic alliance enhances resources and expertise across all three firms. Learn more at [www.naief.com](http://www.naief.com)