Q2 2026 Retail Market Outlook

THE UPSTATE

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Upstate South Carolina & Piedmont Triad, NC Commercial Real Estate Market

Regional Growth & In-Migration

The Upstate of South Carolina and North Carolina's Piedmont Triad continue to rank among the Southeast's fastest-growing metro corridors, sustained by a durable in-migration wave rather than a single-quarter spike. Households and businesses relocating from higher-cost, higher-tax markets in the Northeast and West cite a consistent set of drivers: a milder, four-season climate less exposed to coastal storm risk; a strong quality of life anchored by walkable downtowns, outdoor recreation in the nearby Blue Ridge foothills, and revitalized urban cores; South Carolina's and North Carolina's comparatively favorable individual and corporate tax positioning relative to peer states; and a cost of living that remains well below the national average even as home prices climb. Layered on top of these lifestyle drivers is deep and broadening job availability, which is doing as much to pull in new residents as any single tax or climate factor.

Major Job Announcements Driving Demand

Each of the region's three core markets posted headline-grabbing investment news this year. In the Piedmont Triad, the Carolina Core continues to benefit from sustained economic development momentum, most notably JetZero's roughly 14,500-job aviation manufacturing commitment, part of a broader package that pledged 16,000 jobs to the Triad and contributes to a statewide pipeline targeting 59,000 new positions in 2026 across aerospace, biotech, advanced manufacturing, and EVs. In Greenville-Spartanburg, Isuzu North America's $280 million assembly plant in Greenville County anchors a new wave of automotive investment, joined by ZF Chassis Systems' $55.4 million Spartanburg County expansion and Siemens' $165 million data-center and electrical-equipment build-out in Spartanburg — all reinforcing the supplier ecosystem built around BMW's Spartanburg plant. In Columbia, Scout Motors' build-out in Blythewood remains the region's marquee project: a $2 billion production center expected to deliver more than 4,000 permanent jobs, supplemented by a $300 million, roughly 1,000-job Supplier Park announced last fall, with the first assembly workers already training on-site ahead of 2027 vehicle production.

Industrial Absorption & Construction Pipeline

Industrial demand across the combined footprint remains robust, with net absorption continuing to outpace new deliveries as automotive OEMs, tier-one and tier-two suppliers, and logistics users backfill existing inventory. Speculative development, which slowed sharply over the past two years as developers worked through elevated vacancy and financing costs, is expected to resume in 2027, positioning well-located sites in Greenville-Spartanburg, the Piedmont Triad, and the Columbia/Blythewood corridor to capture the next wave of supplier and distribution demand once shovels are back in the ground.

Housing: Challenge and Opportunity

Population and job growth of this magnitude are straining housing supply across every sector — for-sale, market-rate multifamily, workforce, and senior housing all face inventory shortfalls that are pushing prices and rents upward faster than wage growth in some submarkets. For investors and developers, this same imbalance represents one of the region's clearest opportunities: build-to-rent, workforce housing near new manufacturing campuses, and multifamily near urban cores in Greenville, Winston-Salem, Greensboro, and Columbia are each positioned to absorb sustained demand. Bridging this gap will be a defining theme for the region's real estate market through the remainder of the year and into 2027.

BY THE NUMBERS
Q2 2026 RETAIL MARKET REPORT

MARKET INDICATORS Greenville MSA*	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 2Q26	92,533,846	3.4%	(5,248)	$16.39	3,503,274	337,531	73,629
	▲	=	▼	▼	▲	▼	▼
Previous Quarter 1Q26	92,462,577	3.4%	10,986	$16.41	3,320,796	395,748	92,303
	▲	▼	▲	▲	▼	▲	▲
Previous Year 2Q25	92,290,206	3.6%	(16,134)	$15.25	3,614,008	306,331	44,535

** Anderson, Cherokee, Greenville, Laurens, Pickens, and Spartanburg Counties*

Source: CoStar

SUBMARKET TRENDS

GREENVILLE CBD | INVENTORY 835K SF

VACANCY		RENTAL RATE		ABSORPTION	
▼	Q2: 4.1% Q1: 5.7%	▲	Q2: $30.11 Q1: $28.47	▲	Q2: 14K SF Q1: (7K) SF

SPARTANBURG CBD + WEST SIDE | INVENTORY 8M SF

VACANCY		RENTAL RATE		ABSORPTION	
▼	Q2: 4.6% Q1: 5.6%	▲	Q2: $20.07 Q1: $17.36	▲	Q2: 80K SF Q1: 5K SF

Source: CoStar

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KEY TAKEAWAYS

The commercial real estate market in the Upstate remained resilient through Q2 2026, supported by strong population growth, manufacturing investment, and continued business expansion. Leasing activity remains healthy across most sectors, while elevated interest rates have slowed down investment sales.

Retail continues to lead the market, with low vacancy and steady rent growth, particularly in Greenville, Greer, and Spartanburg. Industrial demand has normalized following significant new development but remains supported by the region's manufacturing and logistics base, including a $1 Billion manufacturing investment in Blacksburg. The office market continues to outperform national trends. Limited new construction and steady tenant demand have kept vacancy relatively low. Older office buildings remain competitive by offering updated space, tenant improvements, and flexible lease terms.

Overall, the Upstate's strong economic fundamentals and disciplined development continue to position the market for long-term stability, led by the increasing population that now exceeds over a million residents.

SIGNIFICANT TRANSACTIONS

6135 WHITE HORSE RD
GREENVILLE, SC

5,200 SF
Rob Schmidt, CCIM, Peter Couchell, CCIM, Lawrence Myers and AJ Quartararo

210 WESTGATE MALL DR
SPARTANBURG, SC

9,860 SF
Jimmy Wright, Jake Scott and Charles Wheeler

201 SHA LANE
SPARTANBURG, SC

5,250 SF
Stuart Smith

DEAL HIGHLIGHT *Our team represented both the buyer and seller in the off-market acquisition of 6135 White Horse Road, a fully occupied 5,200 SF retail strip center in Greenville. Through thorough due diligence, including a detailed property condition assessment, the buyer was able to negotiate a seller credit at closing, a direct result of careful analysis that added immediate value to the transaction. This deal reflects the continued demand for well-located retail investment product as Greenville's population and commercial base continue to grow. (Associate AJ Quartararo)*

RECENT PROJECTS SHAPING OUR MARKET

New Target Opening Near Clemson/Seneca

A new Target store is set to open in the Upstate, becoming the closest location for Clemson students and residents in the Seneca area. The opening represents a significant national retailer investment, adding a major big-box anchor to the local retail landscape. This kind of anchor tenant often spurs additional retail and service development in the surrounding area, making it one to watch in the coming quarters.

Source: Post and Courier (June 2026)

Greenville County Welcomes Two New Coffee Shops

Two new coffee shops have opened in Greenville County: Phin+ in Mauldin, specializing in Vietnamese coffee, and Crown + Bloom Coffee Co. in Simpsonville, set in the former library building. Both aim to create welcoming, community-focused spaces. Phin+ drew its owners to Mauldin for its growth potential, while Crown + Bloom got its start as a pop-up in a 1967 camper before settling into its current location.

Source: SCBIZ (May 2026)

New to the Street: Dave's Hot Chicken

Dave's Hot Chicken opened a new location at 100 Fritz Drive in Anderson, part of its continued expansion across Upstate South Carolina. The Nashville-style chain offers hand-breaded chicken tenders and sliders with heat levels up to the "Reaper," plus crinkle-cut fries and signature sauces.

Source: Upstate Business Journal (April 2026)

RETAIL ACTIVITY SNAPSHOT

KEY RETAIL DEMAND DRIVERS IMPACTING OUR REGION

The Southeastern U.S. retail commercial real estate sector continues to demonstrate strong fundamentals, supported by durable demographic trends, job creation, and structural supply constraints.

At the core is sustained population and income growth across key Sunbelt markets. While in-migration has normalized from peak pandemic rates, the steady influx of higher-earning households continues to expand trade area density and elevate median household purchasing power, driving resilient spending across both daily-needs and lifestyle retail segments.[1]

Continued economic expansion across the region—fueled by corporate relocations, industrial investments, and major manufacturing projects—is providing a reliable engine for employment growth. This expands the local consumer base, particularly in high-growth suburban corridors where residential development and new commercial hubs converge.

Concurrently, supply discipline remains a defining feature of the market. High construction costs, elevated financing rates, and conservative lending standards have kept new retail starts near historic lows. This lack of speculative development has held regional retail vacancy near record-low levels and sustained steady rent growth for well-located assets.[2]

Leasing activity is primarily anchored by essential and value-driven categories, with grocery operators, fast-casual dining, discount retailers, and health-and-wellness concepts driving net absorption.[3]

1. U.S. Census Bureau 2. Wall Street Journal 3. Shopping Center Business

PROPERTY SPOTLIGHTS: RETAIL OPPORTUNITIES

10 Chrome Dr
Greenville, SC

±9,617 SF | 2.24 Acres

Freestanding restaurant building | Former Quaker Steak & Lube

Sale Price / Lease Rate
$2,695,000 / $17.50/SF NNN

222 and 224 E. Main St
Westminster, SC

±7,080 SF

±3,520 SF and ± 3,560 SF retail spaces – Zoned Retail

Sale Price
$250,000

161 S Pine St
Spartanburg, SC

±3,546 SF | 0.95 Acres

QSR building available for GL, BTS, or Sale

Sale Price / Lease Rate
$1,975,000 / $132,000/year NNN

507 E. Main St
Spartanburg, SC

±6,000 SF | 0.89 Acres

Formerly Bob's Car Wash | Traffic count: 25,000 VPD

Sale Price
$875,000

PROPERTY MANAGEMENT SPOTLIGHT

15,000 SF

RETAIL CENTER

6606 Calhoun Memorial Highway & 601 Williams Avenue | Easley, SC

NEW ASSIGNMENT
Helping new ownership reposition and revitalize property through exterior cosmetic enhancements

NOTES
Excited to support new ownership and maximize the well-positioned property's long-term value