

The Upstate | Q4 2025 INDUSTRIAL MARKET REPORT



"The fourth quarter of 2025 saw a noticeable increase in absorption, contributing to the strong rebound in market performance we experience in 2024. Total absorption thus far for 2025 is just over 12.2 million square feet, outpacing absorption YTD compared to this time last year. While lease rates have stabilized, reflecting a more measured pace of growth, they remain aligned with market fundamentals. Importantly, the combination of positive absorption and a recent slowdown in new supply has driven vacancy rates down to approximately 6.2%—the lowest in recent years. This improved balance has reignited interest from institutional investors. As absorption continues to trend upward, we anticipate sustained investor confidence in the region. As we begin 2026, the outlook remains optimistic, underpinned by the region's solid fundamentals, resilience, and its enduring appeal as a destination for business growth and expansion."

Clay Williams, SIOR | Shareholder | clay@naiearlefurman.com | 864.678.5938

INDUSTRIAL OVERVIEW

Greenville's industrial market is entering a period of stabilization as 2025 comes to a close. Rising leasing activity and a receding wave of new construction are leading to lower availability rates. However, performance still varies between property sizes, location, and quality types. Looking ahead, the outlook is cautiously optimistic. The thinner construction pipeline is likely to tighten market conditions heading into 2026, provided absorption remains positive. Risks tilt toward the downside, with trade disruptions, a sluggish housing market, and consolidations among manufacturers and distributors potentially weighing on demand.

The Spartanburg industrial market closed 2025 in a markedly stronger position after digesting years of rapid expansion. Leasing activity surged earlier in the year, driven by demand for large distribution centers and steady manufacturing growth, even as national trends softened. This momentum helped push vacancies down from recent highs, though rates remain above the national average.

Industrial Trends


Vacancy Rate

Q4



YOY



Market Asking Rent/SF

Q4



YOY



Absorption SF (Qtr)

Q4



YOY



Under Construction

Q4



YOY



Market Indicators

	Current Q4 2025	Year Ago Q4 2024	5 Year Average
Vacancy Rate	6.2%	8.2%	7.3%
12 Mo. Absorption SF	12.2 M	7.0 M	6.3 M
Absorption SF (Qtr)	4.0 M	1.8 M	1.8 M
12 Mo. Delivered SF	3.7 M	8.4 M	8.6 M
Mkt Asking Rent Growth (YOY)	3.6%	6.4%	8.1%
Market Asking Rent/SF	\$6.71	\$6.48	\$5.83
Market Sale Price/SF	\$70.00	\$67.00	\$63.00
12 Mo. Sales Volume	\$745.9 M	\$680.3 M	\$903.7 M
Market Cap Rate	8.6%	8.6%	8.2%
Months on Market	8.8	8.8	8.9

Inventory

	Current Q4 2025	Year Ago Q4 2024	5 Year Average
Existing Buildings	1,634	1,615	1,568
Existing SF	277.8 M	252.1 M	234.1 M
Construction Starts SF	0.6 M	1.5 M	2.2 M
Under Construction SF	3.0 M	5.0 M	10.1 M

Data for 30,000+ SF Industrial Properties

Source:  CoStar

Industrial

INDUSTRIAL OVERVIEW - COUNTY

	Inventory	Rental Rate	Vacancy	Availability	Net Absorption	Under Construction
Anderson	36.6M SF	\$5.56	4.5%	4.7%	210K SF	357K SF
Cherokee	15.1M SF	\$4.71	14.4%	17.0%	1.3M SF	-
Greenville	84.6M SF	\$6.31	5.8%	7.5%	766K SF	482K SF
Laurens	15.8M SF	\$4.92	7.1%	12.5%	(190K) SF	10K SF
Pickens	8.2M SF	\$8.65	2.0%	5.2%	19K SF	536K SF
Spartanburg	122M SF	\$5.41	10.7%	12.8%	839K SF	2M SF

Source:  CoStar

NOTABLE TRANSACTIONS



1375 Howell Road | Duncan, SC
307,840 SF
Grice Hunt, SIOR, Clay Williams, SIOR, and Will Coker

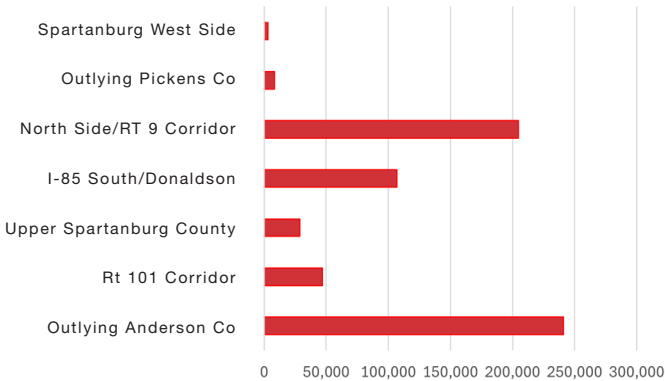


3094 S Hwy 14 | Greer, SC
30,000 SF
Ben Duncan, Drew Stamm, Hunter Garrett, CCIM, SIOR, and Grice Hunt, SIOR

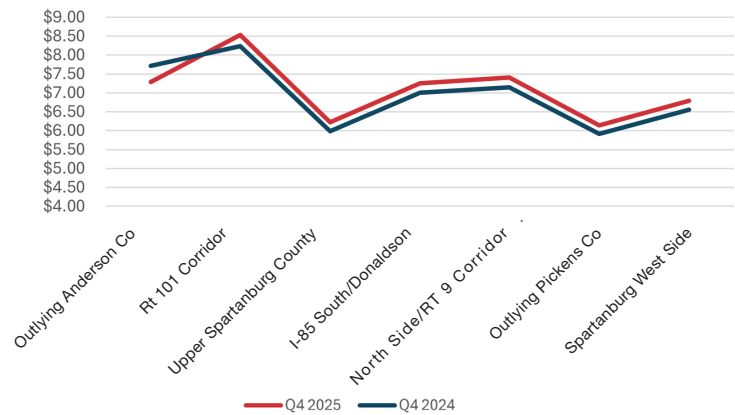


3335 Wade Hampton Blvd | Taylors, SC
15,490 SF
Alex Campbell, CCIM

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