UPSTATE SOUTH CAROLINA

1Q 2023 | INDUSTRIAL MARKET REPORT

Inventory
244,017,546 SF

NNN Rent Overall
$4.71

Vacancy
5.6%

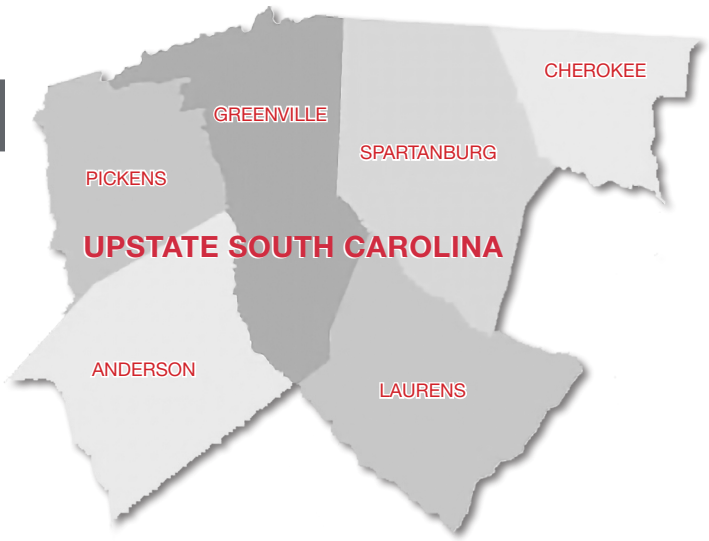
Availability
27M SF 10.5%

Net Absorption
1,948,550 SF

Under Construction | Delivered
19,279,379 SF | 19

INDUSTRIAL MARKET OVERVIEW

County	Inventory	Market Rent	Vacancy	Availability	Net Absorption	Under Construction
Anderson	30M SF	$4.24/SF	6.2%	10.5%	205K SF	1.5M SF
Cherokee	12.7M SF	$4.04/SF	6.4%	9.0%	(567K) SF	301K SF
Greenville	78.4M SF	$4.66/SF	4.6%	7.8%	739K SF	2.5M SF
Laurens	14.5M SF	$3.50/SF	0.2%	5.9%	320K SF	760K SF
Pickens	7.6M SF	$5.01/SF	3.9%	4.2%	(198K) SF	-
Spartanburg	100M SF	$5.29/SF	7.1%	13.7%	1.4M SF	14.2M SF



INDUSTRIAL SUBMARKET HIGHLIGHTS

GREENVILLE COUNTY | INVENTORY 78.4M SF

VACANCY — Q1: 4.6% / Q4: 3.5%

RENTAL RATE — Q1: $4.66 / Q4: $4.46

ABSORPTION — Q1: 739K SF / Q4: 359K SF

SPARTANBURG COUNTY | INVENTORY 100M SF

VACANCY — Q1: 7.1% / Q4: 3.9%

RENTAL RATE — Q1: $5.29 / Q4: $5.00

ABSORPTION — Q1: 1.4M SF / Q4: 328K SF

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UPSTATE MARKET REVIEW

Greenville's industrial market thrives on the automotive industry and an advantageous location with quick access to interstates, population centers, and ports. While growth in e-commerce and consumer spending boosted industrial real estate activity during the coronavirus pandemic, cooling consumer spending led to slower absorption in late 2022. Longer-term, however, population growth along the Interstate 85 corridor as well as strength in the automotive sector, poise Greenville and neighboring Spartanburg to benefit from major federal investments in electrification of vehicles and other high-tech manufacturing. Most recently, BMW announced a $1.7 billion investment in an electric vehicle production center and an additional EV battery production facility in Woodruff, both in the Spartanburg market. With less developable land than Spartanburg, the Greenville market is less likely to see a surge in new development and will face increasing competition from its neighbor, even as net deliveries and under-construction stock continues to expand.

While strong demand from logistics tenants rapidly filled new space, bringing major firms such as TTI, Custom Goods, and West Logistics to the market, leasing activity has slowed heading into 2023. Annual rent growth in Spartanburg, at 12.3%, continues to outpace historical norms and the U.S. average., though it has declined since peaks of near 14% reached in 22Q3. Home to BMW's largest global production facility, which announced a $1.7 billion expansion in October 2022, Spartanburg also benefits from easy access to major ports and interstates, proximity to many major metros in the Southeast.

Source: CoStar

NOTABLE 1Q TRANSACTIONS



1101 Syphrit Rd | Welford, SC
24,218 SF
Alex Campbell, CCIM



1995 Perimeter Rd | Greenville, SC
31,360 SF
Hunter Garrett, CCIM, SIOR & John Staunton, SIOR



852 S Buncombe Rd | Greer, SC
65,000 SF
John Baldwin, CCIM

UPSTATE SC DEMOGRAPHICS

POPULATION	HOUSEHOLDS	MEDIAN HOUSEHOLD INCOME	MEDIAN AGE	UNEMPLOYMENT RATE
829,470	**331,048**	**$61,913**	**37.9**	**2.6%**

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 ever-evolving cross-market projects fueled by combined expertise. Learn more at **www.naief.com**