

4Q 2023 | INDUSTRIAL MARKET REPORT



Inventory
259,989,238 SF



NNN Rent Overall
\$5.17



Vacancy
9.4% ↑



Availability
31.8M SF 11.9% ↑



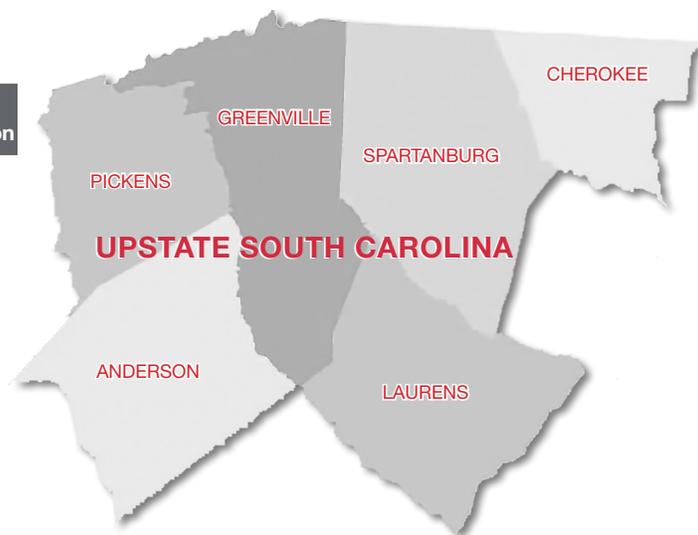
Net Absorption
(312,159) SF ↓



Under Construction | Delivered
6,822,918 SF | 15

INDUSTRIAL MARKET OVERVIEW

County	Inventory	Market Rent	Vacancy	Availability	Net Absorption	Under Construction
Anderson	31.6M SF	\$5.04/SF	9.3%	12.9%	523K SF	600K SF
Cherokee	13.1M SF	\$4.75/SF	13.0%	15.1%	(688K) SF	301K SF
Greenville	82.2M SF	\$5.63/SF	5.3%	6.7%	79.6K SF	483K SF
Laurens	14.8M SF	\$4.50/SF	6.2%	10.2%	4.2K SF	621K SF
Pickens	7.4M SF	\$4.38/SF	4.0%	4.7%	35K SF	-
Spartanburg	110M SF	\$5.57/SF	12.8%	15.7%	(267K) SF	4.8M SF



INDUSTRIAL SUBMARKET HIGHLIGHTS

GREENVILLE COUNTY | INVENTORY 82.2 M SF

VACANCY ↑ Q4: 5.3%
Q3: 4.6%

RENTAL RATE ↓ Q4: \$5.63
Q3: \$5.67

ABSORPTION ↓ Q4: 79.6K SF
Q3: 423K SF

SPARTANBURG COUNTY | INVENTORY 110M SF

VACANCY ↑ Q4: 12.8%
Q3: 8.8%

RENTAL RATE ↓ Q4: \$5.57
Q3: \$5.82

ABSORPTION ↓ Q4: (267M) SF
Q3: 2.7M 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 slowing absorption over the past few quarters, and vacancy rates are on the rise heading into early 2024. Longer-term, however, population growth along the Interstate 85 corridor, as well as strength in the automotive sector, poises Greenville and neighboring Spartanburg to benefit from major federal investments in electrification of vehicles and other high-tech manufacturing. Most recently, BMW broke ground on a \$1.7 billion investment in an electric vehicle production center and an additional EV battery production facility in Woodruff.

Compared to Spartanburg, which has seen one of the largest expansions of industrial inventory in the U.S. over the past few years, Greenville’s industrial market is more subdued. Of the more than 28 million SF of industrial space absorbed in the combined Greenville-Spartanburg area since 2021, Spartanburg accounted for nearly two-thirds of the activity despite having only a quarter of the area’s population and workforce. In Greenville, new supply and slowing demand has pushed up the vacancy rate to 5.9%, more than a 250-basis-point increase since mid-2022. Rent growth, at 8.4% year over year, remains above national trends, though the quarterly pace of growth slowed in the second half of 2023.

Source:  CoStar

NOTABLE 4Q TRANSACTIONS



1610 Old Grove Rd | Piedmont, SC
 252,385 SF
 Grice Hunt, SIOR, Clay Williams, SIOR,
 and Will Coker



140 Lakeside Industrial Way | Greer, SC
 22,500 SF
 Hunter Garrett, CCIM, SIOR & John Staunton,
 SIOR



1050 Canaan Rd | Roebuck, SC
 17,600 SF
 Stuart Smith

UPSTATE SC DEMOGRAPHICS



POPULATION	HOUSEHOLDS	MEDIAN HOUSEHOLD INCOME	MEDIAN AGE	UNEMPLOYMENT RATE
1,367,218	538,950	\$60,975	40.0	4.0%

ABOUT NAI EARLE FURMAN

NAI Earle Furman (NAIEF) is the Upstate’s largest commercial real estate brokerage and property management firm that 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 NAI Piedmont Triad (based in North Carolina) joined forces to form a creative commercial real estate collaboration across state lines. Together, they 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 merging 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