



● ● ● ● **QUARTERLEE**


INDUSTRIAL MARKET REPORT


Overview


The Greenville / Spartanburg market showed continued positive momentum in the third quarter, with vacancy decreasing 60 basis points to 6.7%. While the first half of 2023 had an influx in delivered inventory causing vacancy to trickle upward, Q3 ended with 2.5 million SF of new development, with 23% of that being pre-leased at the time of delivery. However, groundbreakings soared in Q3 at nearly 10 million SF under construction. Net absorption increased to 2 million SF, bringing year-to-date 2023 net absorption to 7.9 million SF.

Q3 Existing Inventory
 **232,790,292 SF**
Q2 236,553,266 SF

Q3 Net Absorption
 **1,951,621**
Q2 1,299,696 SF

Q3 Under Construction
 **9,965,901**
Q2 3,153,699 SF

Q3 Vacancy
 **6.7%**
Q2 7.3% SF

Q3 Avg. Asking Rent (per yr.)
 **\$4.90 PSF**
Q2 \$4.67 PSF

Absorption

Greenville-Spartanburg experienced robust absorption in Q3, surpassing 1.9 million square feet (MSF), elevating the year-to-date total to nearly 7.9 MSF. Predominantly driven by industrial warehouse demand, accounting for over 7.6 MSF throughout 2023, South Spartanburg led with 2.3 MSF move-in activity, followed by North Spartanburg, gaining 1.7 MSF in net occupancy year-to-date.

Vacancy

Even with 2.5 million SF delivered speculative inventory hitting the market in Q3, the overall vacancy rate dropped sixty basis points to 6.7%.

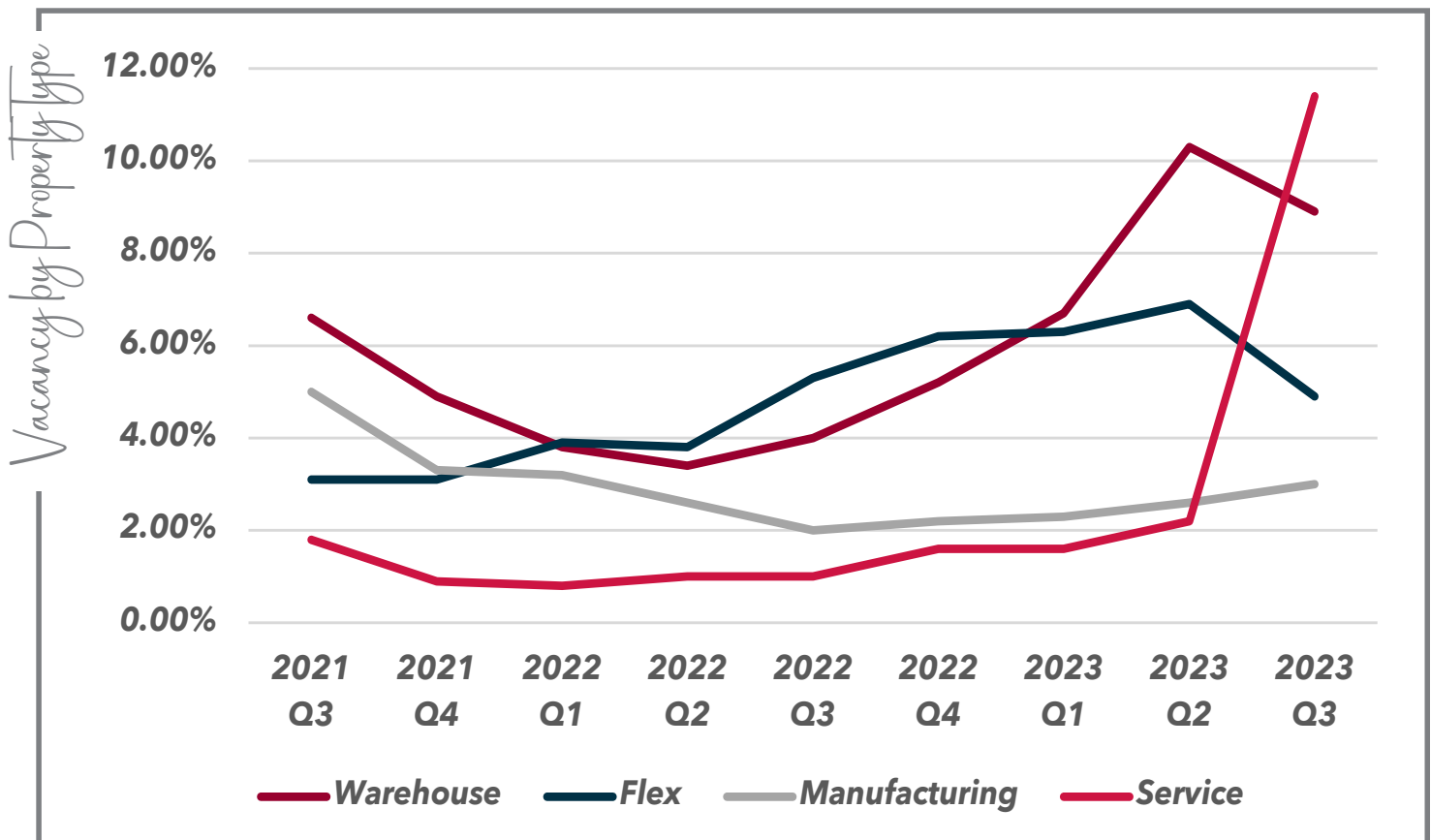
Rental Rates

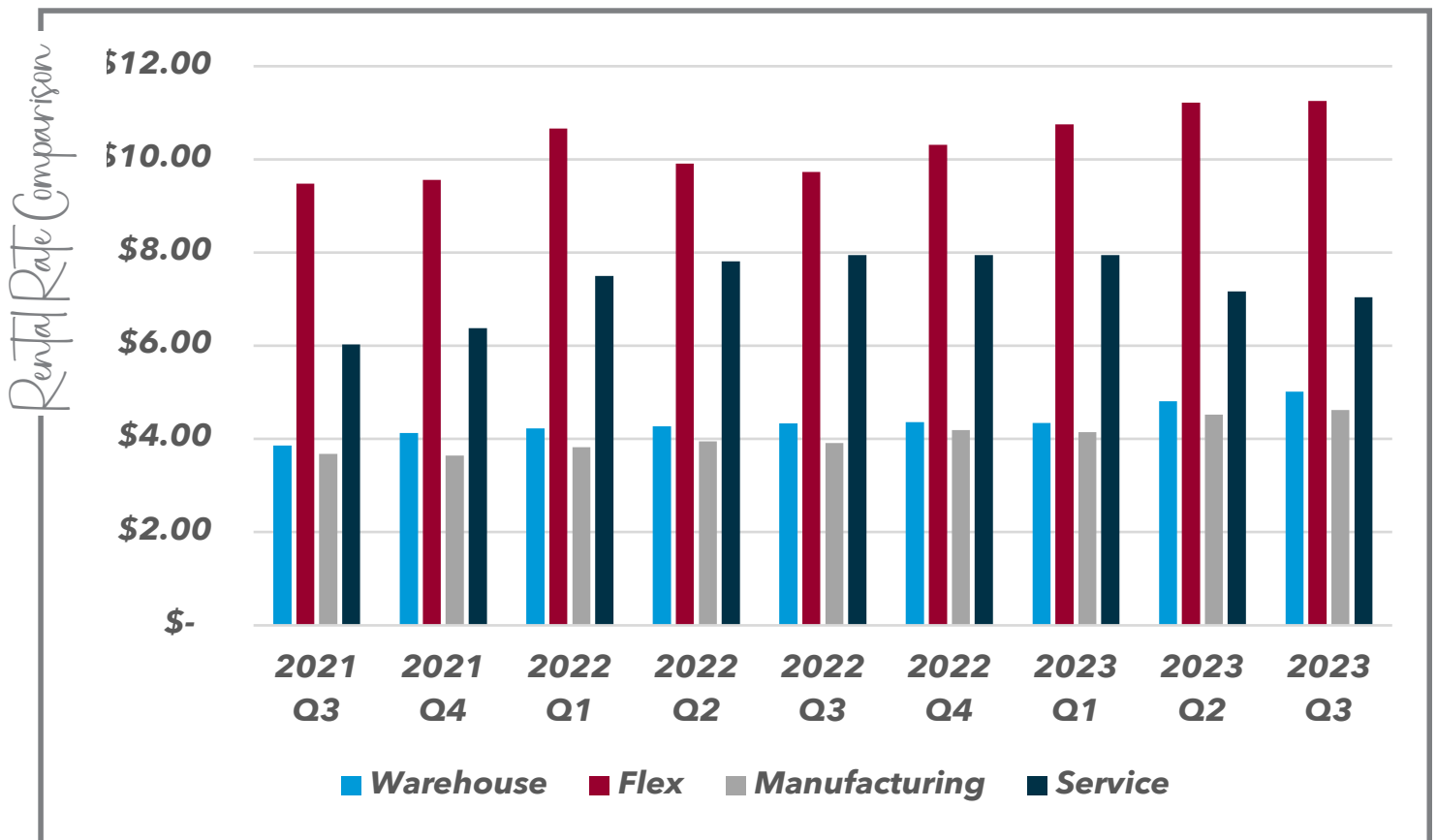
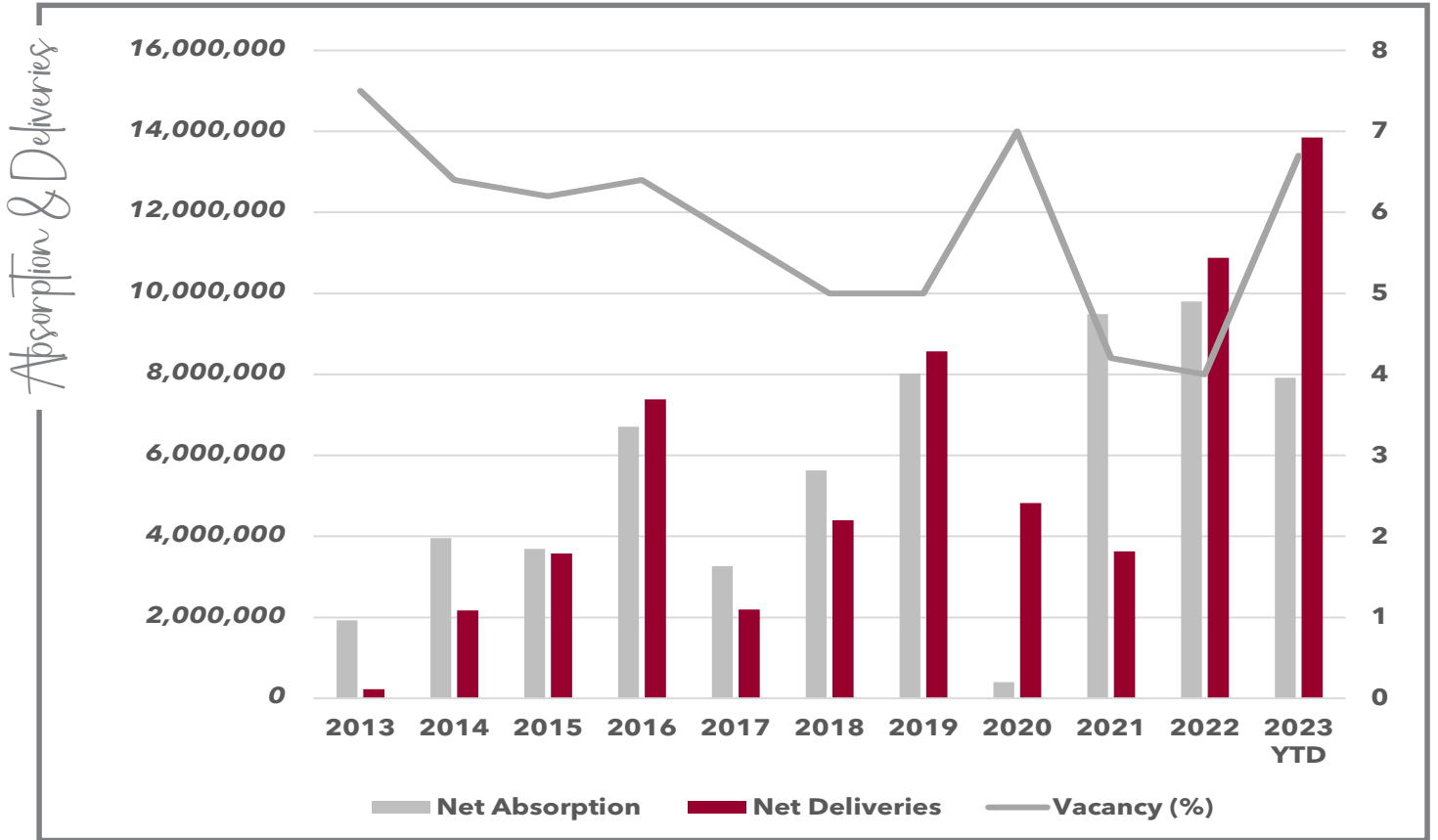
In Q3, reduced vacancy rates influenced a rise in average asking rents, reaching \$4.90 PSF, reflecting a \$0.23 PSF increase QoQ and \$0.33 since Q1 2023. Warehouses commanded \$5.02 PSF, while Flex spaces peaked at \$11.25 PSF.

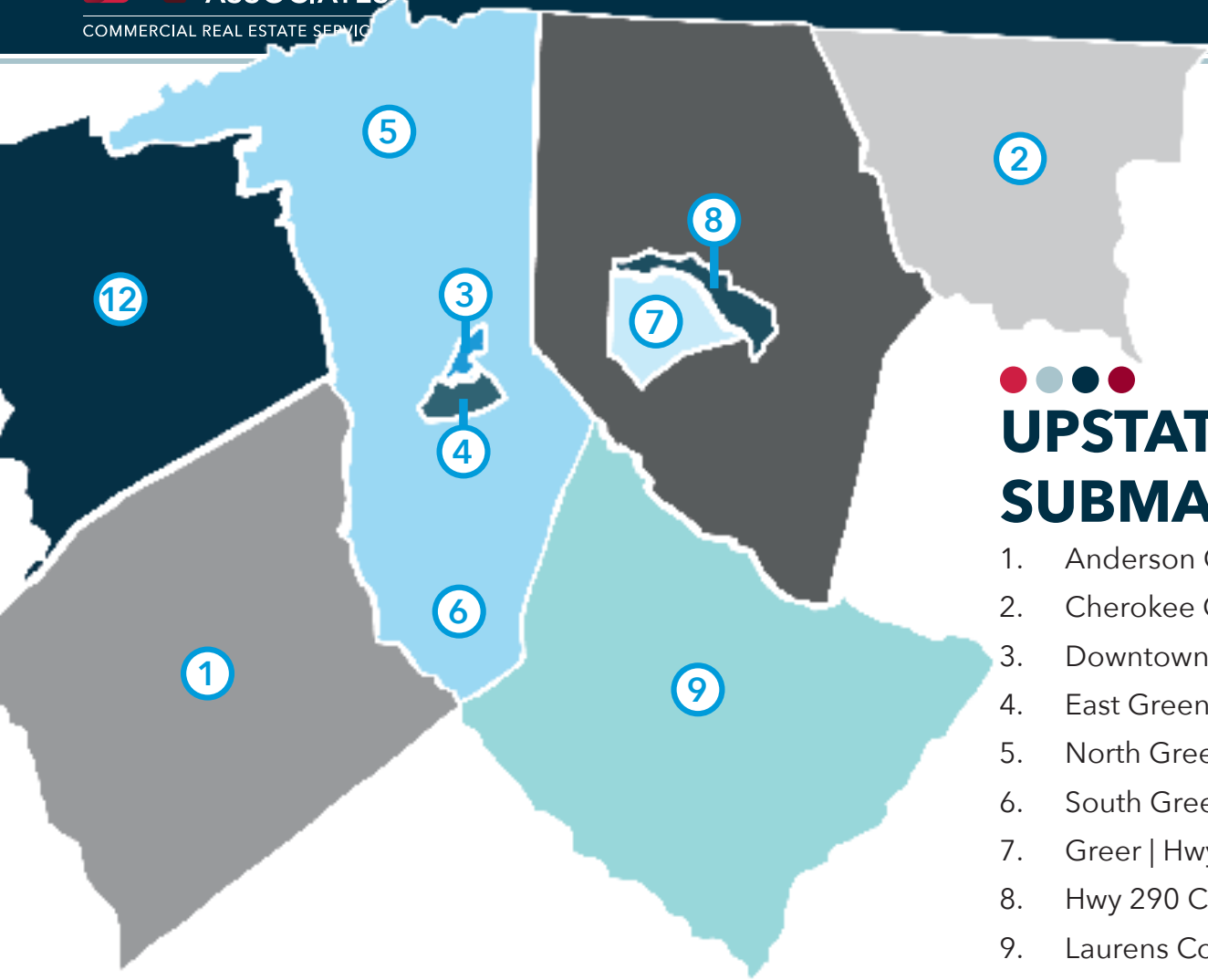
Development

Groundbreakings soared in Q3 2023, ending at nearly 10 million SF under construction, with 20% already having pre-leasing activity.

Q3 ended with 2.5 million SF of new development, with 23% of that being pre-leased at the time of delivery.







UPSTATE SUBMARKET

1. Anderson County
2. Cherokee County
3. Downtown Greenville
4. East Greenville
5. North Greenville
6. South Greenville
7. Greer | Hwy 101 Corridor
8. Hwy 290 Corridor
9. Laurens County
10. North Spartanburg
11. South Spartanburg
12. Pickens County

Warehouse

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2023 Q3	137,900,431	12,278,488	8.9%	7,683,691	9,965,901
2023 Q2	141,662,249	14,609,028	10.3%	4,918,176	3,153,699
2023 Q1	135,723,826	9,076,034	6.7%	4,720,227	6,841,606

Flex

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2023 Q3	6,349,865	309,905	4.9%	37,859	0
2023 Q2	6,116,697	422,913	6.9%	-15,277	0
2023 Q1	6,792,662	427,273	1.6%	-7,015	0

SUBMARKET	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vacancy %		
Anderson Co.	28,669,006	2,499,808	8.7%	658,429	533,000
Cherokee Co.	12,322,370	834,918	6.8%	-192,050	0
Downtown Greenville	2,781,533	36,000	1.3%	55,145	0
E. Greenville	13,171,478	378,729	2.9%	358,945	305,500
N. Greenville	19,312,669	196,834	1.0%	81,710	0
S. Greenville	38,314,950	1,745,545	4.6%	2,431,386	251,100
Greer Hwy 101 Corridor	22,844,558	2,560,224	11.2%	1,019,637	265,387
Hwy 290 Corridor	11,813,554	1,487,403	12.6%	-179,816	4,034,799
Laurens Co	14,216,119	911,601	6.4%	-886,601	0
N. Spartanburg	43,779,491	2,842,349	6.5%	2,150,299	4,098,755
S. Spartanburg	19,240,561	1,787,746	9.3%	2,635,163	477,360
Pickens Co.	6,324,003	291,002	4.6%	-217,311	0
TOTAL	232,790,292	15,572,159	6.7%	7,914,936	9,965,901

Distribution

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2023 Q3	3,460,887	393,784	11.4%	-18,593	0
2023 Q2	3,472,087	74,896	2.2%	0	0
2023 Q1	3,472,287	56,303	1.6%	-20,303	0

Manufacturing

PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONSTRUCTION SF
	Total RBA	Total SF	Vac %		
2023 Q3	85,079,109	2,589,982	3.0%	1,079,009	1,505,840
2023 Q2	85,302,233	2,219,556	2.6%	470,407	1,505,840
2023 Q1	84,918,309	1,950,424	2.3%	3,826,338	1,505,840

TOP OVERALL MARKET PROPERTIES

TOP 3 INDUSTRIAL LEASES - QUARTER 3



LEASED

153 GIBBONS ROAD

AREA CHEROKEE COUNTY
TOTAL SF 423,000
TENANT CROWN 3PL
TYPE DIRECT



LEASED

140 SMITH FARMS PARKWAY

AREA GREER | HWY 101
TOTAL SF 304,884
TENANT ROGER CLEVELAND
TYPE DIRECT



LEASED

FOX HILL BUILDING III

AREA SOUTH GREENVILLE
TOTAL SF 251,100
TENANT CONFIDENTIAL
TYPE DIRECT

TOP 3 INDUSTRIAL SALES - QUARTER 3



SOLD

200 INTERNATIONAL BLVD

AREA LAURENS COUNTY
TOTAL SF 320,122
PRICE \$32,000,000 / \$99.96 PSF
BUYER LIGHTSTONE GROUP
SELLER TECTONIC & ANGELO GORDON



SOLD

2930-2939 GREENVILLE HWY

AREA PICKENS COUNTY
TOTAL SF 257,086
PRICE \$15,750,000 / \$61.26 PSF
BUYER NV LLC
SELLER DIGITAL BRIDGE GROUP INC.



SOLD

10 JACK CASEY COURT

AREA SOUTH GREENVILLE
TOTAL SF 113,000
PRICE \$10,600,000 / \$93.81 PSF
BUYER BUC PACKAGING
SELLER IPS PACKAGING

TOP 3 UNDER CONSTRUCTION - QUARTER 3



SC GLOBAL LOGISTICS

AREA HWY 290
TOTAL SF 1,805,855
DELIVERY Q4 2023



1120 EAST MOUNT OLIVE ROAD

AREA NORTH SPARTANBURG
TOTAL SF 1,189,440
DELIVERY Q1 2024



2536 CHESNEE HIGHWAY

AREA NORTH SPARTANBURG
TOTAL SF 1,019,200
DELIVERY Q2 2024

LEE FEATURED INDUSTRIAL PROPERTIES



FOR LEASE

12490 HWY 56 NORTH

AREA CLINTON
TOTAL SF $\pm 517,440$ SF ($\pm 63,000$ - 517,440 SF)
RATE CALL FOR PRICING



FOR SALE OR LEASE

274 ENKA HERITAGE PARKWAY

AREA CANDLER, NC
TOTAL SF $\pm 224,640$ SF
RATE CALL FOR PRICING



FOR SALE

6 SHELTER DRIVE

AREA GREER
TOTAL SF $\pm 172,725$ SF
RATE CALL FOR PRICING



FOR SALE OR LEASE

BANNER FARM ROAD

AREA MILLS RIVER, SC
TOTAL SF $\pm 171,155$ SF
RATE CALL FOR PRICING



FOR LEASE

200 NATIONAL AVENUE

AREA SPARTANBURG
TOTAL SF $\pm 149,856$ SF
RATE \$4.25/SF (NNN)



FOR LEASE

560 COMMERCE PARK DRIVE

AREA CLINTON
TOTAL SF $\pm 140,636$ SF
RATE CALL FOR PRICING

LEE FEATURED INDUSTRIAL PROPERTIES



FOR LEASE

230 MASTERS BOULEVARD

AREA ANDERSON
TOTAL SF $\pm 125,000$
RATE CALL FOR PRICING



FOR LEASE

5475 N BLACKSTOCK ROAD

AREA SPARTANBURG
TOTAL SF $\pm 120,000$ SF ($\pm 20,000$ - $120,000$ SF)
RATE CALL FOR PRICING



FOR SALE OR LEASE

6997 PELHAM ROAD

AREA PELHAM ROAD
TOTAL SF $\pm 108,912$ SF
RATE CALL FOR PRICING



FOR LEASE

130 KNIGHTSRIDGE ROAD

AREA SPARTANBURG
TOTAL SF $\pm 20,000$ SF - $\pm 100,000$ SF
RATE CALL FOR PRICING



FOR LEASE

4802 NINETY SIX HIGHWAY

AREA NINETY-SIX
TOTAL SF $\pm 93,136$ SF
RATE CALL FOR PRICING



FOR SALE OR LEASE

500 UCCI WAY

AREA SPARTANBURG
TOTAL SF $\pm 81,600$ SF
RATE \$4,500,000 (CALL FOR LEASE RATE)

meet our INDUSTRIAL EXPERTS

WISE GUIDANCE,
LOYAL TO YOU.

Lee & Associates Greenville / Spartanburg is founded on a culture of collaborative synergy and forward-thinking ingenuity. Our firm specializes in delivering innovative and strategic solutions to a diverse set of clients including landlords, tenants, and developers across the Upstate of South Carolina and the Western region of North Carolina. Whether your needs entail owner or tenant representation, property marketing, research and demographics analysis, or asset and property management, our extensive expertise spanning over four decades stands ready to serve your needs.

Within our dual office locations situated in Greenville and Spartanburg, our team comprises a total of fourteen seasoned brokers complemented by a dedicated support staff of seven individuals. This collective expertise and personnel structure uniquely position us to adeptly manage a wide spectrum of industrial real estate endeavors, be it investments, developments, build-to-suit projects, or comprehensive property management.



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LISTINGS



Lee & Associates Commercial Real Estate in Greenville/Spartanburg, part of a nationwide network of offices, brings a hyper-focused local approach to the dynamic Upstate of South Carolina. While we benefit from being part of a broader international network, we understand that every real estate market is unique.

Our team is deeply ingrained in the Upstate community, providing invaluable insights and expertise in navigating the local commercial real estate landscape. Whether you're looking to buy, sell, lease, or invest we're dedicated to delivering results and fostering long-lasting relationships throughout the market.

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