

## Q1 2022 | OFFICE MARKET REPORT



★ UPSTATE, SC

INVENTORY

42,147,552 SF

\*ANDERSON, CHEROKEE, GREENVILLE, LAURENS,  
PICKENS, & SPARTANBURG COUNTIES

VACANCY

7.0%



AVAILABILITY

3,596,880 SF



8.4%

BUILDINGS DELIVERED

2



NET ABSORPTION

289,346 SF



GROSS RENT OVERALL

\$22.20



BUILDINGS UNDER CONSTRUCTION

12

839,457 SF

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## SPARTANBURG CBD

INVENTORY: 2.4 M SF

VACANCY	▼	Q1: 3.1% Q4: 7.0%
ABSORPTION <small>12 Month Net Absorption SF</small>	▲	Q1: 95 K SF Q4: 19 K SF
RENTAL RATE <small>Gross Rent</small>	▲	Q1: \$23.06 Q4: \$22.89

## GREENVILLE CBD + WEST END

INVENTORY: 6.3 M SF

VACANCY	▼	Q1: 10.7% Q4: 11.4%
ABSORPTION <small>12 Month Net Absorption SF</small>	▼	Q1: 45 K SF Q4: 83 K SF
RENTAL RATE <small>Gross Rent</small>	▼	Q1: \$24.46 Q4: \$24.98

## UPSTATE MARKET REVIEW

While the Greenville-Spartanburg area is known for its manufacturing and distribution prowess, Greenville's urban core has earned national attention as an example of successful downtown redevelopment, which has attracted financial services and professional firms. Vacancy rates remain below the national average, and absorption has turned positive after increasing leasing activity in 21Q4. Rent growth remains largely flat, but began to pick up in early 2022. Construction is on the rise in Greenville, driven by a few large adaptive reuse and conversion projects. About 760,000 SF of office space is currently under construction in Greenville.

Office rents in the Spartanburg Market were rising at a 2.1% annual rate during the second quarter of 2022, and have posted an average annual gain of 2.7% over the past three years. In addition to 53,000 SF that has delivered over the past three years (a cumulative inventory expansion of 0.7%), there is 81,000 SF currently underway. Vacancies in the metro were somewhat below the 10-year average as of 22Q1, and trended down over the past four quarters.

Source:  CoStar

## NOTABLE Q1 TRANSACTIONS



### SOLD

Bill Sims sold a ±15,600 SF office building located at 50 Directors Dr, Greenville, SC



### SOLD

Steve Wunder sold an ±8,296 SF building located at 1225 Cross Anchor Rd, Woodruff, SC



### LEASED

Geoff Beans and Jimmy Wright leased ±25,584 SF of office space at The McClaren located at 322 Rhett St, Greenville, SC

## UPSTATE SC DEMOGRAPHICS



POPULATION  
1,335,417



HOUSEHOLDS  
520,037



MEDIAN  
HOUSEHOLD  
INCOME  
\$56,443

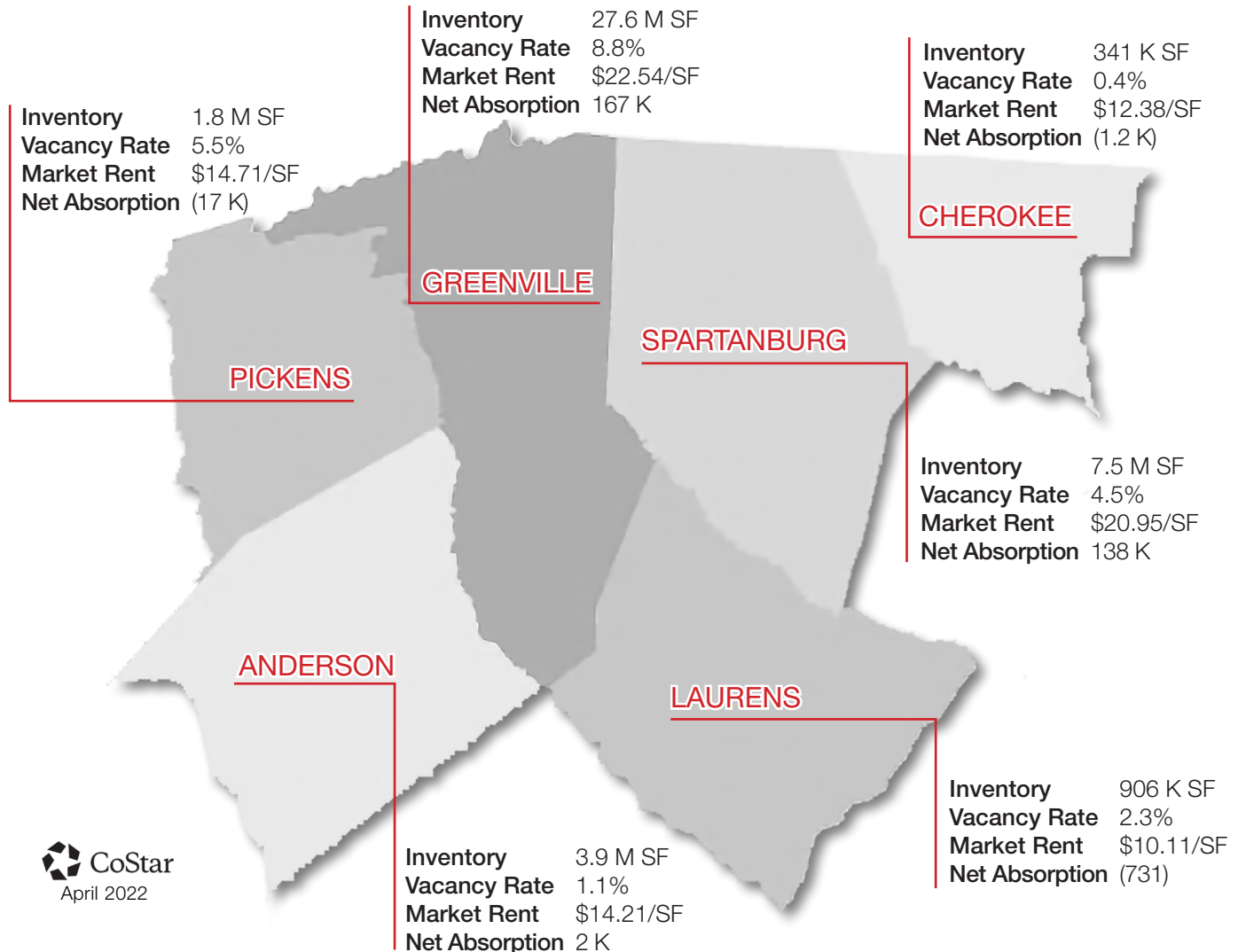


MEDIAN AGE  
39.7



UNEMPLOYMENT  
RATE  
4.8%

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## 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, serving the Upstate of South Carolina, 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. 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](http://www.naief.com)