While vacancies and rent growth remain intact for now, a number of move outs have resulted in negative absorption and a slowdown in deliveries. This comes at a time when Spartanburg has posted record absorption and deliveries. Vacancies are roughly 50 basis points below the National Index, hovering near 5.0%, and rents have grown at an average rate of 4% annually since 2014. Greenville’s industrial market has enjoyed strong demand stemming from the rise of e-commerce and the emerging expectation of same-day or next-day delivery for customer bases across the US. Spartanburg has been one of the most in-demand industrial metros in the country over the past year. Both Greenville and Spartanburg rely heavily on demand from the auto manufacturing industry, however recent population growth and expansions from some of Spartanburg’s largest industrial-using firms have bolstered Spartanburg’s growth. And with plenty more industrial development still in the pipeline, Spartanburg will continue tapping into demand for space in the area.

NOTABLE TRANSACTIONS

**LEASED:** John Baldwin, CCIM leased ±65,000 SF of industrial warehouse space at 852 South Buncombe Rd, Greer, SC.

**LEASED:** ±142,000 SF in August Grove Business Park (Site 14) at 1700 Old Grove Rd., Piedmont, SC was leased to Orbis Corporation by brokers Grice Hunt, SIOR, Clay Williams, and Ford Borders, SIOR.

**SOLD:** Brokers Earle Furman, Jr., SIOR, Clay Williams, Gice Hunt, SIOR sold a warehouse/distribution center (Hampton Park) at 2819 Wade Hampton Blvd., Taylors, SC.
UPSTATE SC DEMOGRAPHICS

- **Population**: 1,302,257
- **Households**: 504,827
- **Median Age**: 39.4
- **Median Household Income**: $51,473
- **Unemployment Rate**: 3.8%

Inventory and Rent Information:

- **Greenville**
  - Inventory: 74.9 M SF
  - Vacancy Rate: 5.7%
  - Market Rent: $4.06/SF

- **Spartanburg**
  - Inventory: 87.6 M SF
  - Vacancy Rate: 5.2%
  - Market Rent: $3.76/SF

- **Pickens**
  - Inventory: 25 M SF
  - Vacancy Rate: 2.2%
  - Market Rent: $3.77/SF

- **Anderson**
  - Inventory: 8.5 M SF
  - Vacancy Rate: 0.9%
  - Market Rent: $3.56/SF

- **Laurens**
  - Inventory: 13.2 M SF
  - Vacancy Rate: 4.9%
  - Market Rent: $3.21/SF

- **Cherokee**
  - Inventory: 7.2 M SF
  - Vacancy Rate: 7.6%
  - Market Rent: $3.67/SF

CoStar October, 2019