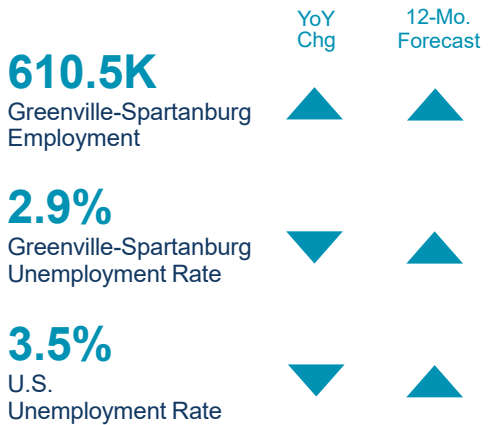


**ECONOMIC INDICATORS  
Q3 2022**



Source: BLS

**ECONOMY: Employment Growth as Inflationary Pressures Persist**

The Greenville-Spartanburg economy recorded another quarter of healthy growth by adding 4,900 jobs, bringing the total employment level to 610,500 for the MSA. The total employment level increased more rapidly than the civilian labor force, resulting in a 10 basis-point (bps) decrease in the unemployment rate, quarter-over-quarter (QOQ). With expectations of a hawkish Federal Reserve in the coming 12 months, forecasts predict an increase in the unemployment rate for the market; however, long-term economic prosperity is projected with over \$1.1 billion in capital investments and 2,725 new jobs announced year-to-date (YTD).

**SUPPLY and DEMAND: Construction Pipeline Expands**

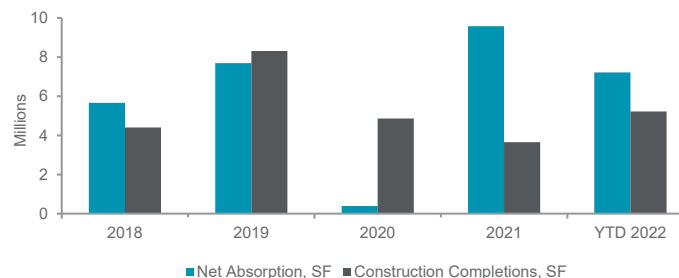
Supply of existing available space remained steady during the third quarter with the market posting a 2.4% overall vacancy rate. Although 2.1 million square feet (msf) of new warehouse/distribution (W/D) product was delivered to the market, 1.6 msf or 73.5% of that space was leased prior to construction completion by tenants ready to occupy. The pre-leasing activity paired with occupancy gains of nearly 634,000 sf in the Greer/Hwy 101 submarket balanced out the newly vacant space added to the market. The pipeline of new supply under construction continues to expand with an additional 3.1 msf of new projects breaking ground during Q3. With a total of 18.1 msf under construction, the Greenville-Spartanburg market ranks 11th in the nation, above larger metros such as Nashville, Philadelphia, and Charlotte in terms of pipeline size by square footage.

After a record-setting first half of the year, the demand for industrial space tapered off in the third quarter with 1.5 msf of new leasing activity. The Hwy 290 Corridor and Cherokee County submarkets together accounted for 55.3% of the recorded activity. The market is still on pace to set an annual record for both leasing activity and net absorption, which will be dependent on speculative construction progress for space-seeking tenants in the market with tight occupancy windows and if target delivery dates are met for pre-leased space.

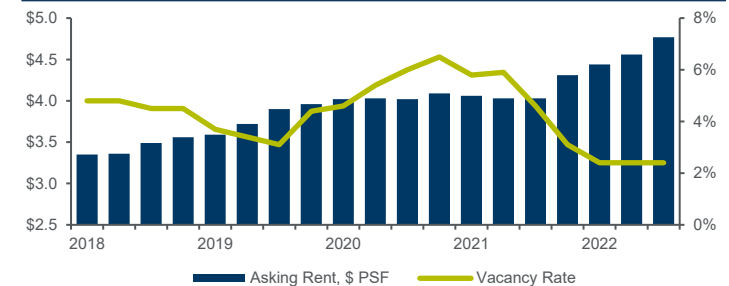
**PRICING: Limited Supply Drives Rents Higher**

Asking rents took a considerable step higher for the fourth consecutive quarter, increasing by 4.6% to \$4.77 per square foot (psf), as existing supply remains tight across Manufacturing and W/D product types. The average asking rate for the market increased by 18.4% year-over-year and is expected to continue in an upward trajectory over the next 12 months. Highly sought-after W/D space demanded an asking rate of \$5.14 psf on average with key submarkets such as the Greer/Hwy 101 Corridor and the Hwy 290 Corridor priced at an 11.0% and a 16.1% premium, respectively.

**SPACE DEMAND / DELIVERIES**



**OVERALL VACANCY & ASKING RENT**



## Industrial Q3 2022

## MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	YTD CONSTRUCTION COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)*	OVERALL WEIGHTED AVG NET RENT (FX)*	OVERALL WEIGHTED AVG NET RENT (W/D)*
Anderson County	28,450,379	804,748	2.8%	-144,800	-610,720	2,157,511	0	\$3.97	\$7.79	\$4.79
Cherokee County	10,561,803	20,000	0.2%	1,628,168	1,618,168	0	1,401,200	\$6.50	-	-
Greenville Downtown	3,082,527	31,516	1.0%	-3,122	-20,316	0	0	-	\$10.79	-
East Greenville	10,851,528	387,575	3.6%	48,058	-27,424	0	24,500	\$10.00	\$10.38	\$5.66
North Greenville	21,165,855	400,267	1.9%	-153,859	298,602	0	0	\$4.50	\$6.94	\$6.70
South Greenville	36,746,205	1,450,597	4.0%	462,951	1,093,614	3,347,740	787,200	\$3.12	-	\$4.78
Greer/Hwy 101 Corridor	29,865,173	488,358	1.6%	633,957	3,071,187	4,081,396	2,040,074	\$10.87	\$6.42	\$5.71
Hwy 290 Corridor	13,325,028	287,967	2.2%	-150,000	-141,446	5,125,562	0	\$2.75	-	\$5.97
Laurens County	13,566,177	0	0	0	190,192	320,122	0	-	-	-
North Spartanburg	43,975,096	1,297,979	3.0%	5,964	1,711,967	3,052,100	969,000	\$4.40	\$6.79	\$4.21
South Spartanburg	9,228,040	78,500	0.9%	0	112,000	0	0	-	-	\$5.01
Pickens County	6,815,460	120,000	1.8%	-80,000	-80,000	0	0	\$3.75	-	-
<b>MARKET TOTALS</b>	<b>227,633,271</b>	<b>5,367,507</b>	<b>2.4%</b>	<b>2,247,317</b>	<b>7,215,824</b>	<b>18,084,431</b>	<b>5,221,974</b>	<b>\$3.71</b>	<b>\$7.93</b>	<b>\$5.14</b>

\*Rental rates reflect weighted net asking \$psf/year

FX = Flex MF = Manufacturing W/D = Warehouse/Distribution

## KEY LEASE TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
0 SC Hwy 290	Hwy 290 Corridor	RDI USA, Inc.	474,867	Pre-Lease
1631 S Highway 14	Greer/Hwy 101 Corridor	Speedway Packaging	100,000	New Lease
141 Old Mill Rd	South Greenville	M@C Discount	92,000	New Lease
1610 Old Grove Rd	South Greenville	Timberlab	79,460	New Lease
130 Caliber Ridge Dr	Greer/Hwy 101 Corridor	TireHub	41,600	New Lease

## KEY SALES TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	SELLER   BUYER	SF	PRICE   \$ PSF
Access Point – Building 3	South Greenville	Hughes Commercial Properties   EastGroup Properties	298,530	\$21,063,215   \$70.56
Southchase Industrial Park - 260 Wilson Bridge Rd	South Greenville	Appian Investments   Altus Equity Group	69,770	\$6,125,000   \$87.79

## KEY CONSTRUCTION COMPLETIONS YTD 2022

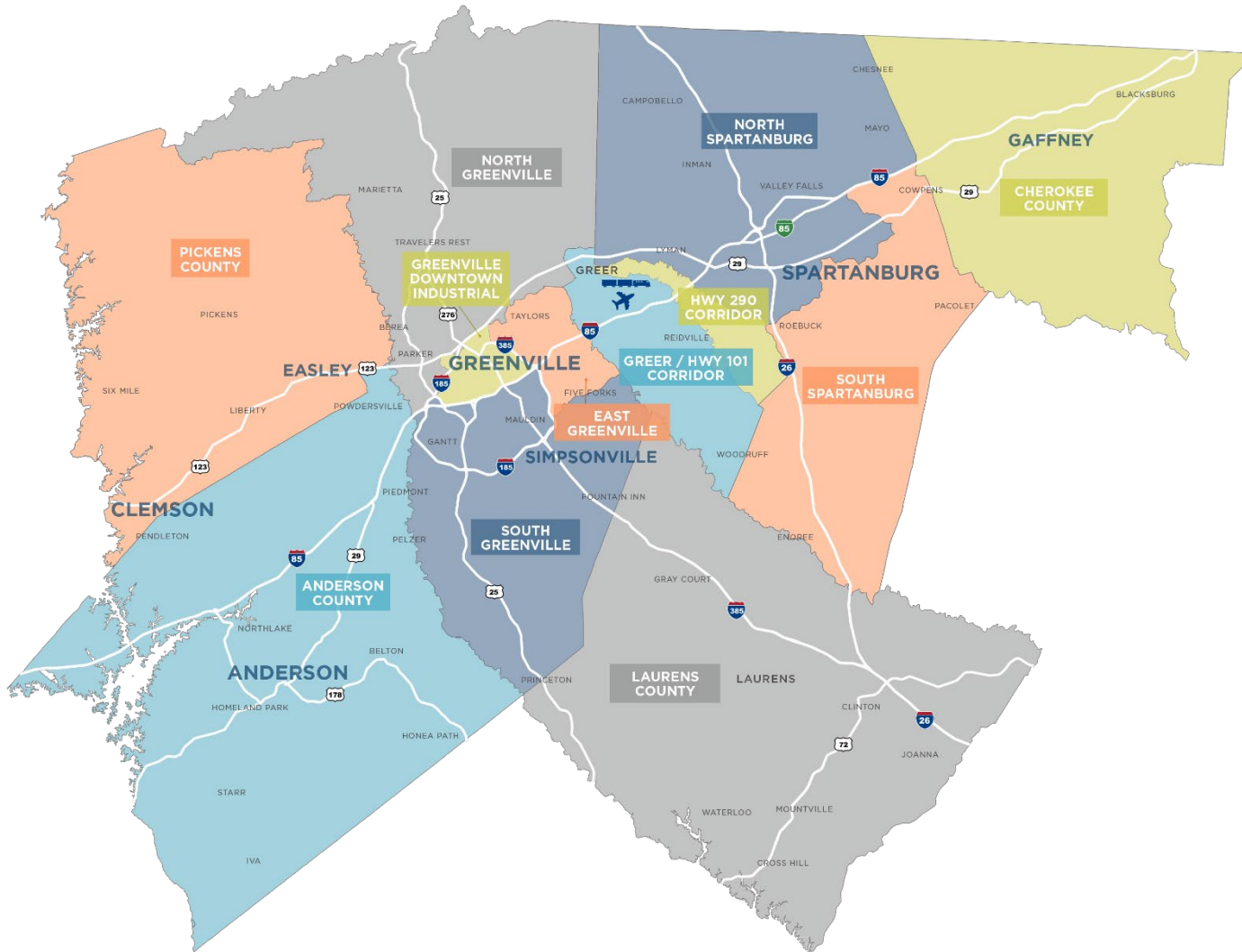
PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER   DEVELOPER
600 Webber Rd	Cherokee County	DHL	1,401,200	CBRE Investment Management   DHL
Freeman Farm Rd	Greer/Hwy 101 Corridor	BMW	911,571	Becknell Industrial
282 Old Lowe Rd	North Spartanburg	Michelin	564,000	GIC Real Estate   EQT Exeter

# GREENVILLE, SC

Industrial Q3 2022



## INDUSTRIAL SUBMARKETS



### Drew Walters

Research Analyst

+1 864 704 1345 / [andrew.walters@cushwake.com](mailto:andrew.walters@cushwake.com)

### JP Price

Research Manager

+1 704 335 4433 / [jp.price@cushwake.com](mailto:jp.price@cushwake.com)

[cushmanwakefield.com](http://cushmanwakefield.com)

### A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in 400 offices and 60 countries. In 2021, the firm had revenue of \$9.4 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com) or follow @CushWake on Twitter.

©2022 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.