Colliers

Greenville - Spartanburg

Office 25Q1

Key Takeaways

- Minimal availability continues to boost downtown rents
- Suburban Class C spaces continue to shed occupancy
- Upcoming development in Spartanburg likely to push rent growth

		YOY	Forecast
Vacancy Rate	14.53%	▼	▼
Net Absorption	-54.4K SF	▼	▲
Under Construction	56.5K SF	▼	—
Overall Class A Asking Lease Rates (FSG)	$32.14/SF	▲	▲

Downtown demand offset by suburban move-outs

Downtown Greenville Class A asking rents are beginning to stabilize after rising over 20% in the past two years behind a combination of high demand and low availability. The market saw healthy demand, recording over 118,000 square feet of new leases, though net absorption was negative for the first time in six quarters driven by move-outs from suburban Class C properties. While overall absorption has been strong, many suburban tenants have elected to downsize in favor of higher-quality space as a return-to-office trend continues to develop. As remaining pre-Covid leases expire, suburban space is likely to heat up as new market entrants attracted by the Upstate's overall business climate seek more affordable Class A and B options.

Market Indicators

4.06% Unemployment Rate

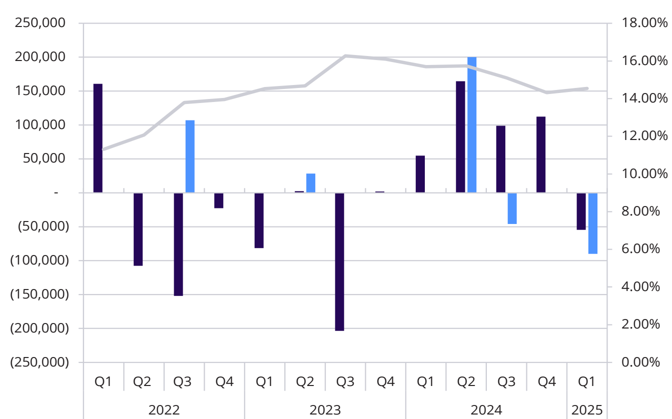
3.23% GDP - % change yr/yr

4.338% U.S. 10 Year Treasury Note

Historic Comparison

	24Q1	24Q4	25Q1
Total Inventory (in Millions of SF)	14.4	14.4	14.4
Supply Change (in Thousands of SF)	-	-	(93.0)
Net Absorption (in Thousands of SF)	54.8	112.4	(54.4)
Overall Vacancy	15.36%	14.32%	14.53%
Under Construction (in Thousands of SF)	226.5	56.5	56.5
Overall Class A Asking Lease Rates (FSG)	$26.93	$31.26	$32.14

Market Graph



The Greenville-Spartanburg market experienced net negative absorption at -54,396 square feet, pushing vacancy up slightly to 14.53% even as overall Class A lease rates grew to $32.14. The purchase of 55 E. Camperdown for conversion to hotel use lowered total inventory by 92,960 square feet, while 56,466 square feet remains under construction.

Recent Transactions

Lease
2 Independence Pt.
I-385/I-85
30.4K SF

Lease
55 Beattie Pl.
Greenville CBD
14.6K SF

Lease
15 S. Main St.
Greenville CBD
15.0K SF

Lease
935 S. Main St.
Greenville CBD
15.0K SF

Sale
10 Falcon Crest Dr.
Midtown
86.3K SF | $12.2M

Sale
1310 Union St.
Spartanburg Suburban
31.5K SF | $3.4M

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Downtown demand offset by suburban move-outs

Despite minimal Class A vacancy and sufficiently high rents, new Greenville CBD office construction is not imminent as pre-leasing has proven challenging. New construction is anticipated in 2025 in downtown Spartanburg, however, as part of Project Core, which centers around a new minor league baseball stadium in one of the nation's fastest-growing counties. Sales activity remains minimal in a challenging financing environment driven by broad economic uncertainty and a tenuous national office market just beginning to emerge from pandemic-related disruptions and broader workplace changes.

Poinsett Plaza

Source: Colliers

Greenville-Spartanburg Capital Investments

Q3 2024 - Q1 2025

Date	Company	Investment	Jobs	County	Industry
9/10/2024	ARKU, Inc	$0	10	Spartanburg	Sheet metal leveling
9/17/2024	Keurig Dr Pepper, Inc	$141,000,000	84	Spartanburg	Producer of hot and cold beverages
9/24/2024	Smartpress	$9,600,000	150	Spartanburg	Commercial online printing company
10/29/2024	Casting Cleaning Resources	$5,000,000	42	Greenwood	Cleaning services
10/30/2024	Koops Automation Systems	$10,200,000	26	Greenville	Custom Automation Equipment
11/13/2024	Samaritan Biologics	$5,000,000	85	Greenville	Medical technology
11/14/2024	Nestle Prepared Foods Company	$150,000,000	0	Cherokee	food and bev
11/19/2024	Milo's Tea Company	$53,000,000	80	Spartanburg	Beverage company
12/3/2024	AFL (America Fujikura) - HQ	$155,000,000	150	Spartanburg	Fiber optics
12/4/2024	Drive Automotive Industries	$103,000,000	50	Greenville	Mobility technology
12/4/2024	Magna Drive Automotive	$97,000,000	150	Greenville	Mobility technology
12/9/2024	Meyn America, LLC	$50,000,000	172	Oconee	Poultry processing solutions
1/7/2025	Luck Companies	$132,000,000	25	Spartanburg	Quarrying and stone products manufacturing
2/11/2025	Eaton	$340,000,000	700	Union	Three-phase transformer manufacturer
2/12/2025	Isuzu	$280,000,000	700	Greenville	Commercial automotive assembly

Source: South Carolina Department of Commerce

Greenville-Spartanburg | Q1 2025 Office Market Summary

Market	Buildings	Inventory (SF)	Direct Vacant (SF)	Sublease Vacant (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Total Availability Rate (%)	Net Absorption (SF)	Average Asking Rental Rate (SF/YR)
Greenville CBD									
Class A	11	1,372,867	54,009	5,692	59,701	4.35%	5.64%	5018	$36.12
Class B	17	1,947,438	402,353	5,132	407,485	20.92%	26.74%	2397	$27.49
Class C	16	655,973	101,495	9,434	110,929	16.91%	19.30%	-11850	$24.81
Greenville CBD Total	**44**	**3,976,278**	**557,857**	**20,258**	**578,115**	**14.54%**	**18.22%**	**-4435**	**$29.60**
Spartanburg CBD									
Class A	2	149,543	1,771	-	1,771	1.18%	1.18%	2161	$31.00
Class B	4	367,506	35,203	-	35,203	9.58%	9.58%	-4405	$28.24
Class C	10	562,286	12,685	-	12,685	2.26%	2.67%	10309	$23.63
Spartanburg CBD Total	**16**	**1,079,335**	**49,659**	**-**	**49,659**	**4.60%**	**4.81%**	**8065**	**$27.56**
Suburban									
Class A	47	3,808,240	476,578	276,882	753,460	19.78%	24.77%	22508	$27.86
Class B	113	8,812,321	979,020	167,587	1,146,607	13.01%	13.38%	102316	$24.97
Class C	264	14,162,495	1,594,267	557,173	2,151,440	15.19%	15.66%	-135461	$19.45
Suburban Total	**424**	**26,783,056**	**3,049,865**	**1,001,642**	**4,051,507**	**15.13%**	**16.20%**	**-10637**	**$22.34**
Market									
Class A	38	3,510,664	261,712	28,482	290,194	8.27%	11.29%	33483	$32.14
Class B	51	4,339,214	779,047	5,132	784,179	18.07%	20.68%	2086	$26.89
Class C	116	6,530,021	772,319	243,410	1,015,729	15.55%	14.22%	-89965	$21.12
Market Total	**205**	**14,379,899**	**1,813,078**	**277,024**	**2,090,102**	**14.53%**	**15.45%**	**-54396**	**$25.67**

Submarkets

Anderson County									
Class A	-	-	-	-	-	-	-	-	-
Class B	1	238,235	-	-	-	-	-	-	-
Class C	3	96,768	550	-	550	0.57%	0.57%	6750	-
Anderson County Total	**4**	**335,003**	**550**	**-**	**550**	**0.16%**	**0.16%**	**6750**	**-**
I-385 / I-85									
Class A	23	1,915,209	205,932	22,790	228,722	11.94%	16.56%	26304	$25.63
Class B	16	685,553	110,428	-	110,428	16.11%	16.11%	4094	$26.07
Class C	26	1,700,776	169,184	80,971	250,155	14.71%	10.10%	-4147	$23.38
I-385 / I-85 Total	**65**	**4,301,538**	**485,544**	**103,761**	**589,305**	**13.70%**	**13.93%**	**26251**	**$25.47**
Mauldin									
Class A	1	73,045	-	-	-	-	-	-	-
Class B	10	996,102	231,063	-	231,063	23.20%	23.20%	-	$25.94
Class C	5	532,746	86,684	96,853	183,537	34.45%	45.94%	-52208	$21.99
Mauldin Total	**16**	**1,601,893**	**317,747**	**96,853**	**414,600**	**25.88%**	**29.70%**	**-52208**	**$24.58**
Midtown									
Class A	-	-	-	-	-	-	-	-	-
Class B	1	47,700	-	-	-	-	-	-	-
Class C	29	1,584,020	365,873	50,000	415,873	26.25%	20.54%	-41951	$19.73
Midtown Total	**30**	**1,631,720**	**365,873**	**50,000**	**415,873**	**25.49%**	**19.94%**	**-41951**	$19.73
North Greenville									
Class A	-	-	-	-	-	-	-	-	-
Class B	-	-	-	-	-	-	-	-	-
Class C	5	179,310	8,810	6,152	14,962	8.34%	8.34%	727	$24.00
N. Greenville Total	**5**	**179,310**	**8,810**	**6,152**	**14,962**	**8.34%**	**8.34%**	**727**	**$24.00**

Greenville - Spartanburg

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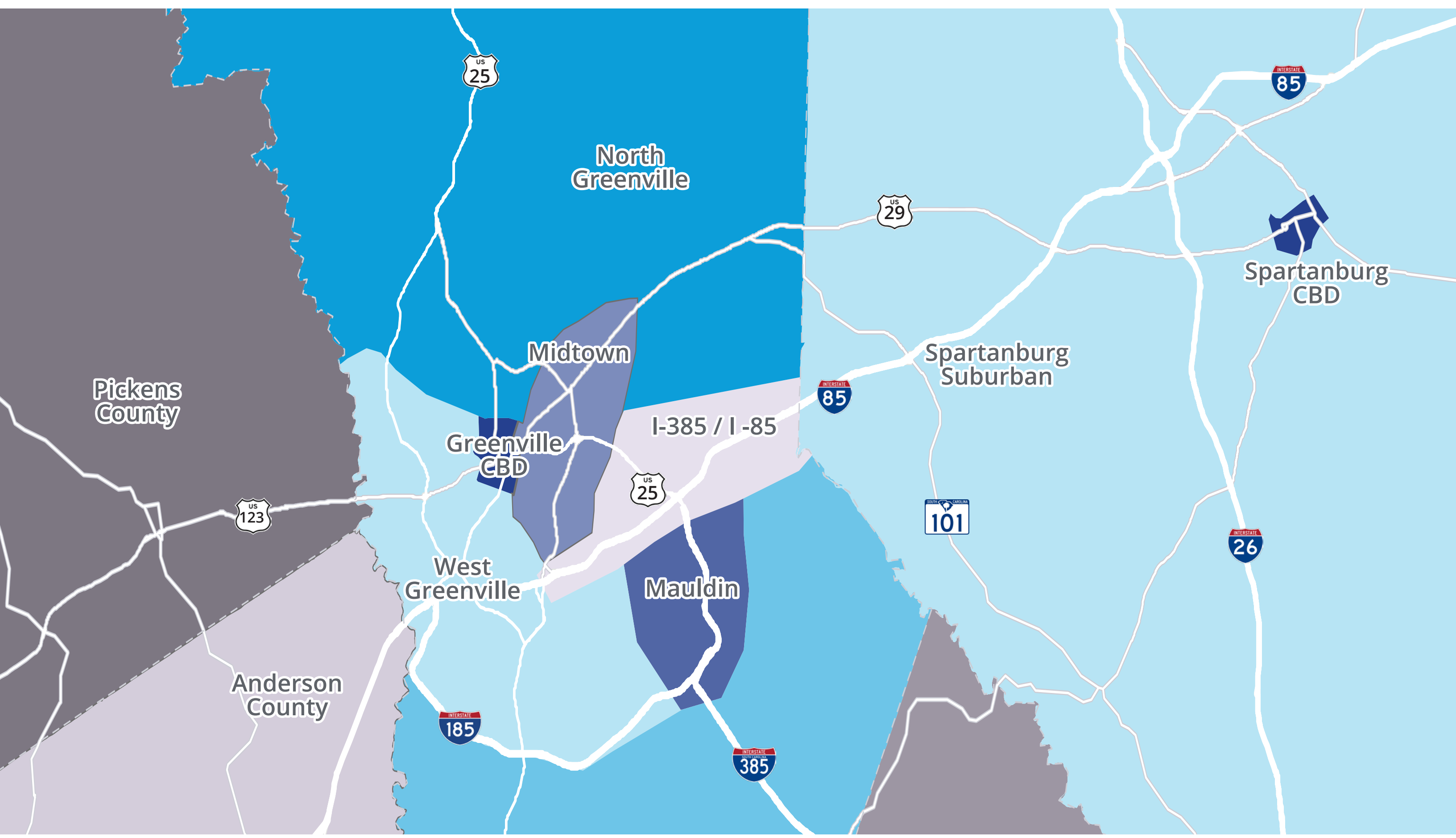
Market	Buildings	Inventory (SF)	Direct Vacant (SF)	Sublease Vacant (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Total Availability Rate (%)	Net Absorption (SF)	Average Asking Rental Rate (SF/YR)
Pickens County									
Class A	-	-	-	-	-	-	-	-	-
Class B	-	-	-	-	-	-	-	-	-
Class C	3	88,514	-	-	-	-	-	-	$21.00
Pickens County Total	**3**	**88,514**	**-**	**-**	**-**	-	-	**-**	**$21.00**
Spartanburg Suburban									
Class A	-	-	-	-	-	-	-	-	-
Class B	1	56,680	-	-	-	-	-	-	-
Class C	12	873,736	5,889	-	5,889	0.67%	0.93%	3554	$19.12
Spartanburg Suburban Total	**13**	**930,416**	**5,889**	**-**	**5,889**	**0.63%**	**0.88%**	**3554**	**$19.12**
West Greenville									
Class A	-	-		-			-	-	
Class B	1	-	-	-	-	-	-	-	-
Class C	7	255,892	21,149	-	21,149	8.26%	8.26%	-1149	-
W. Greenville Total	**8**	**211,717**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Submarket Map



501 offices in 66 countries on 6 continents

United States: 156
Canada: 45
Latin America: 20
Asia Pacific: 41
EMEA: 112

$4.3B
Annual revenue

2B
Square feet managed

19,000
Professionals

Colliers' office dataset includes all office buildings greater than 20,000 square feet, excluding medical office, office condominiums and government-owned and -occupied buildings. Colliers adjusts building inventory data and classification on an ongoing basis, and comparisons should not be made to previously published market reports. In Q4 of 2024, Colliers updated guidelines for building classification. Class A buildings are prominent, well-located, professionally managed properties broadly representing the most-competitive spaces in the market, generally built within the past 20 years. Class B buildings may be somewhat older or less favorably located but can often compete with newer spaces if renovated. Class C buildings represent the oldest and least competitive properties in the market.

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Colliers | South Carolina is the largest full-service commercial real estate firm in South Carolina with 66 licensed real estate professionals covering the state with locations in Charleston, Columbia, Greenville and Spartanburg. Colliers is an Accredited Management Organization (AMO) through the Institute of Real Estate Management (IREM) and is the largest manager of commercial real estate properties in South Carolina with a portfolio of over 25 million square feet of office, industrial, retail and healthcare properties. Colliers' staff hold the most professional designations of any firm in South Carolina. Colliers | South Carolina's partner, LCK, provides project management services for new facilities and renovations across South Carolina.

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