

FIGURES | GREENVILLE-SPARTANBURG INDUSTRIAL | Q4 2025

# Class A net absorption posts second-highest year on record

▲ 6.2%

\*Direct Vacancy Rate

▲ 10.8%

\*\*Total Availability Rate

▼ 265k

Sq. Ft. Direct Net Absorption

▼ 1.4M

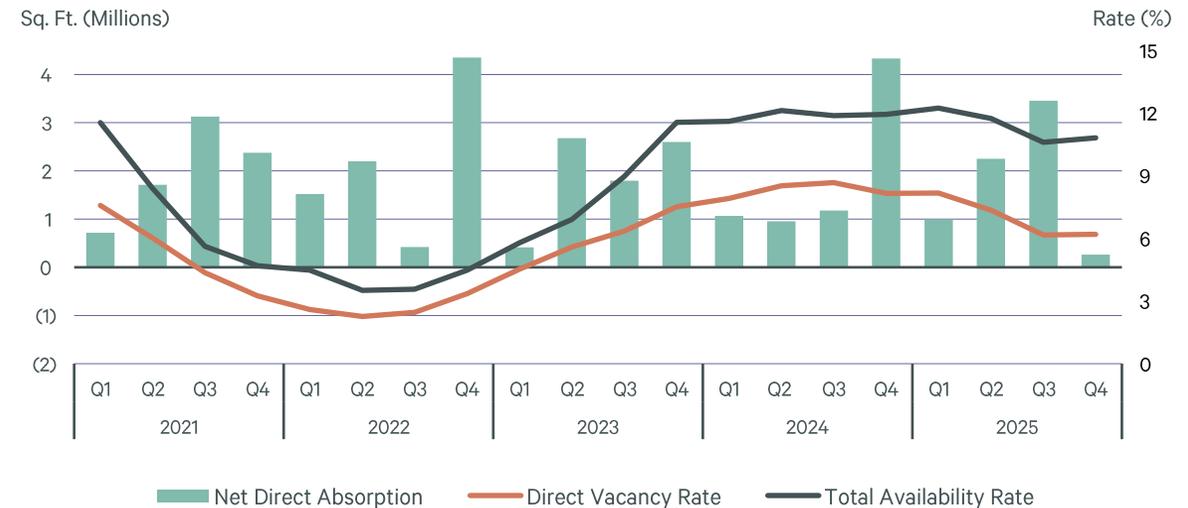
Sq. Ft. Under Construction

Note: Arrows indicate change from previous quarter.

## Key Takeaways

- The Greenville-Spartanburg industrial market remains fundamentally strong: vacancy continues to tighten year-over-year, rents are rising, and Class A absorption experienced near-record highs.
- There was broad momentum this period with 19 new leases - anchored by major Class A deals from First Solar and MEC - highlighting sustained demand for large, modern space across nearly every submarket.
- Available buildings and spec pipeline remains weighted toward smaller-to-mid-scale single load buildings, leaving a lack of available or upcoming product in the 500,000 sq. ft. or greater—an ongoing challenge for large user requirements.
- The market is poised for further momentum entering 2026, as sizeable tenant requirements convert into leases amid limited new supply. This will tighten availability and support further rent growth.

FIGURE 1: Historical Supply & Demand



Source: CBRE Research, Q4 2025

## Market Fundamentals

Direct vacancy edged up slightly from 6.17% in Q3 to 6.19% in Q4, though it remains well below the 8.15% level recorded one year ago. Class A vacancy followed a similar pattern, ticking up to 9.45% from Q3 2025 yet remaining meaningfully lower than the 15.37% posted year-over-year. Notably, while newly delivered vacant space can place upward pressure on vacancy, it does not materially impact net absorption unless space is leased at or before completion. Net absorption totaled 264,690 sq. ft. in the quarter, bringing year-to-date absorption to 6,964,560 sq. ft. Full-year absorption trailed 2024’s 7,529,877 sq. ft. modestly; however, 2025 marked the second-strongest year on record for Class A demand, with 7,559,320 sq. ft. absorbed (behind only 2022’s peak of 9,015,946 sq. ft.).

First Solar’s 1,290,729 sq. ft. lease at 2 Hyatt Street in Gaffney drove positive absorption of 555,520 sq. ft., while the remaining 735,209 sq. ft. will be absorbed once the building expansion is completed. Offsetting overall absorption, Custom Goods vacated 1,007,393 sq. ft. at 34 Commerce Drive, largely offsetting the quarter’s positive absorption impact.

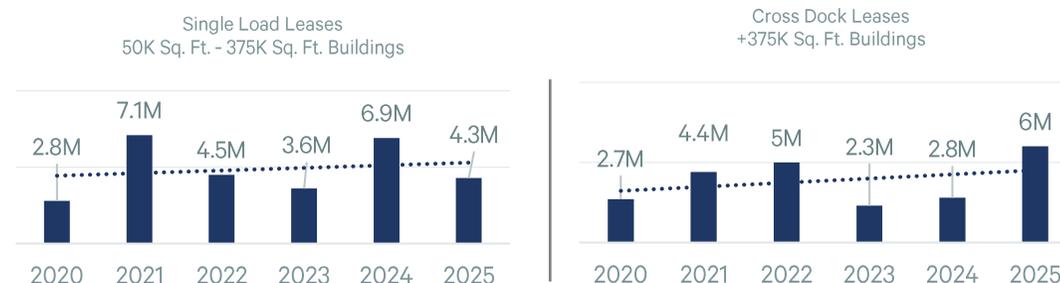
Rental rates continued their upward trajectory, with the overall direct average asking rate reaching \$6.13 per sq. ft., a 1.7% increase from last quarter and a 5.3% increase year-over-year. Strong market fundamentals are expected to continue driving absorption, reducing vacancy, and tightening the supply of functional space into the second half of 2026.

## Leasing Activity

The Greenville-Spartanburg industrial market demonstrated significant activity, having signed a total of 12,028,491 sq. ft. year-to-date. Q4 2025 saw 19 new lease transactions that collectively accounted for approximately 2,429,977 sq. ft. of space. A pivotal transaction in this period was First Solar's new lease for a substantial 1,290,729 sq. ft. at Cherokee Commerce Center 85, reflecting a notable commitment to the region. Following closely, MEC secured 307,840 sq. ft. at Hillside Industrial Park in Spartanburg West.

Beyond these anchor deals, the market observed consistent leasing across various submarkets, including I-85 West, Central Greenville, Anderson, Spartanburg East, and I-385 South, though Spartanburg West remains the year-to-date leader with nearly 5.7 million sq. ft. leased. Market transactions varied in size, ranging from smaller deals of 8,394 sq. ft. to mid-sized leases such as EPC Inc.'s 168,657 sq. ft. commitment. This broad spectrum of activity, predominantly comprised of new leases, reflects ongoing expansion and new market entries by a diverse tenant base throughout the Greenville-Spartanburg region.

FIGURE 2: Historical Lease Velocity: Single Load versus Cross Dock\*\*



- 2024 was led by single load leases followed by cross dock leasing increasing in 2025 to meet logistic and warehouse demand.

\*\*Note: Charts exclude all deals under 50,000 square feet from the Single Load category.

Source: CBRE Research, Q4 2025

FIGURE 3: Notable Leases Signed

Property Name	Address	Type	Tenant	Area
Cherokee Commerce Center 85	2 Hyatt St	New	First Solar	1,290,729
Hillside Industrial Park	1375 Howell Rd	New	MEC	307,840
Southchase Industrial Park	111 Southchase Blvd	New	EPC Inc.	168,657
Anderson Industrial Park	120 Sam McGee Rd	New	Akasol	141,053
Spartan Enterprise Park – Bldg. 2	2116 Chesnee Hwy	New	Bericap LLC	113,369

Source: CBRE Research, Q4 2025

## Development & Investment Activity

Development remained steady this quarter, with three new projects breaking ground in the I-85 West submarket at Augusta Arbor Park: 461 Augusta Arbor Way (87,480 sq. ft.), 1602 Antioch Church Rd. (142,560 sq. ft.), and 1600 Antioch Church Rd. (116,640 sq. ft.). Despite continued construction activity, the pipeline remains heavily skewed toward smaller-format buildings, with a notable absence of large-box product in the roughly 500,000 sq. ft. size range. Three notable projects delivered in Q4, including Southpoint Commerce Center Buildings A and B (both 40,600 sq. ft.) and Speedway Business and Technology Park Building 1, totaling 267,840 sq. ft. Overall, construction remains active with 12 buildings underway across the market, totaling 1,426,703 sq. ft., of which 1,171,707 sq. ft. is Class A space.

Industrial sales activity was led this quarter by institutional and owner-user buyers. EQT Real Estate acquired the 474,867 sq. ft. Class A warehouse in Moore as part of a larger portfolio at under , while other Class A and B assets traded between national developers and private investors. Owner-users also remained active, including the purchase of 1 Whitlee Ct in Greenville.

These deals, alongside numerous others, demonstrated heavy investor interest in the region's industrial real estate. Total sale volume reached a substantial \$397,572,492 reflecting a highly active market fueled by a mix of institutional and private investor participants.

## Economic Outlook

Regional labor conditions remain stable with unemployment at 4.2%, slightly below the national average of 4.4%. National GDP growth is projected to average 2% in 2026, slightly softer than last year, as hiring trends remain cautious. Greenville-Spartanburg's industrial sector, anchored by its inland port, could see the effects of the more macroeconomic environment, as broad themes of tariffs and onshoring continue to shape the dynamics of logistics-heavy markets.

Greenville-Spartanburg is showing signs of steady demand, supported by 10.6 million sq. ft. of total tenants in the market, driven prominently by third-party logistics. Looking ahead, leasing activity is expected to increase significantly as active requirements convert to signed deals, particularly in a market where new supply remains limited. This lack of additional inventory is expected to tighten availability and increase rental growth in the coming quarters.

FIGURE 4: Completed Speculative Deliveries 2025

Size Range (Sq. Ft.)	Buildings	Total Sq. Ft.	Average Sq. Ft.	Leased Sq. Ft.	Leased %	% of Total
<375K	4	429,040	107,260	0	0.0%	29.6%
375,001 – 600K	0	0	0	0	0.0%	0.0%
>600K	1	1,020,195	1,020,195	0	0.0%	70.4%
<b>Totals</b>	<b>5</b>	<b>1,449,235</b>	<b>289,847</b>	<b>0</b>	<b>0.0%</b>	<b>100.0%</b>

FIGURE 5: Speculative Deliveries in 2024

Size Range (Sq. Ft.)	Buildings	Total Sq. Ft.	Average Sq. Ft.	Leased Sq. Ft.	Leased %	% of Total
<375K	34	7,860,318	224,779	5,887,250	23.2%	44.7%
375,001 – 600K	8	3,165,650	446,706	2,214,050	0.0%	18.0%
>600K	6	6,563,708	1,093,951	3,435,768	47.7%	37.3%
<b>Totals</b>	<b>48</b>	<b>17,779,860</b>	<b>370,414</b>	<b>11,537,068</b>	<b>35.1%</b>	<b>100.0%</b>

FIGURE 6: Speculative Deliveries in 2023

Size Range (Sq. Ft.)	Buildings	Total Sq. Ft.	Average Sq. Ft.	Leased Sq. Ft.	Leased %	% of Total
<375K	8	1,688,821	211,103	0	0.0%	25.8%
375,001 – 600K	2	1,115,760	557,880	0	0.0%	17.1%
>600K	5	4,412,484	882,497	0	0.0%	57.1%
<b>Totals</b>	<b>15</b>	<b>6,543,145</b>	<b>467,368</b>	<b>0</b>	<b>0.0%</b>	<b>100.0%</b>

Sources: CBRE Research, Q4 2025

Q4 2025 Greenville-Spartanburg Industrial Statistics

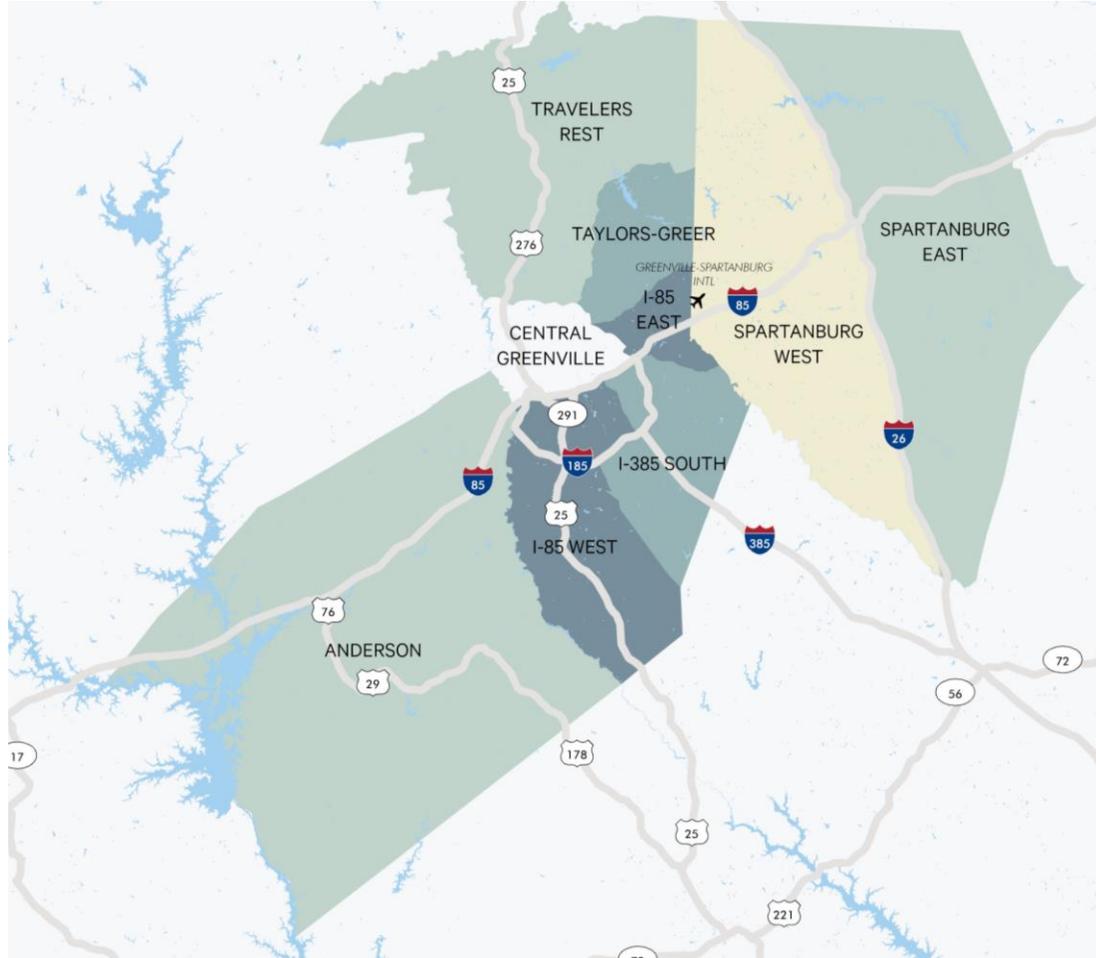
By Submarket	Inventory (Sq. Ft.)	Direct Vacancy (%)	Sublease Available (%)	Total Availability (%)	Avg Asking Lease Rate (per Sq. Ft. NNN)	Under Construction (Sq. Ft.)	YTD 2025 Total Direct Absorption (Sq. Ft.)	Q4 2025 Direct Net Absorption (Sq. Ft.)
Anderson County	29,614,979	4.7	0.0	6.6	\$5.42	60,000	656,553	228,868
Cherokee County	2,752,353	36.6	0.0	36.6	\$5.50	0	(451,873)	(451,873)
<b>Greenville County*</b>	<b>95,351,541</b>	<b>3.8</b>	<b>1.2</b>	<b>6.9</b>	<b>\$6.86</b>	<b>765,543</b>	<b>536,336</b>	<b>385,076</b>
<i>Central Greenville</i>	15,823,212	7.8	0.8	9.7	\$6.55	0	(103,098)	38,500
<i>I-385 South</i>	23,193,342	4.5	1.0	9.3	\$6.48	146,367	(29,338)	130,657
<i>I-85 East</i>	10,260,627	4.8	2.9	9.4	\$6.7	75,000	(33,491)	59,222
<i>I-85 West</i>	25,761,965	1.8	1.8	6.0	\$6.81	543,676	665,929	59,222
<i>Taylors-Greer</i>	16,719,065	2.4	-	2.4	\$3.88	-	46,334	46,334
<i>Travelers Rest</i>	3,593,330	0.8	-	0.8	\$7.25	-	(10,000)	-
Laurens County	14,241,093	5.3	1.4	9.9	\$5.79	-	70,000	-
Pickens County	2,825,931	11.5	-	11.5	\$7.31	-	469,920	-
<b>Spartanburg County*</b>	<b>102,989,501</b>	<b>8.0</b>	<b>5.3</b>	<b>15.0</b>	<b>\$6.45</b>	<b>601,160</b>	<b>5,683,624</b>	<b>102,619</b>
<i>Spartanburg East</i>	25,683,609	7.2	-	7.7	\$5.49	-	1,231,555	113,369
<i>Spartanburg West</i>	77,305,892	8.2	7.1	17.5	\$6.74	601,160	4,452,069	(10,750)
<b>Market Totals</b>	<b>247,775,398</b>	<b>6.2%</b>	<b>2.7%</b>	<b>10.8%</b>	<b>\$6.25</b>	<b>1,426,703</b>	<b>6,964,560</b>	<b>264,690</b>

\*Greenville County and Spartanburg County lines are subtotals of the submarkets included within them.

By Property Subtype	Inventory (Sq. Ft.)	Direct Vacancy (%)	Sublease Available (%)	Total Availability (%)	Avg Asking Lease Rate (per Sq. Ft. NNN)	Under Construction (Sq. Ft.)	YTD 2025 Total Direct Absorption (Sq. Ft.)	Q4 2025 Direct Net Absorption (Sq. Ft.)
Manufacturing	103,209,363	2.4	0.4	4.2	\$5.75	-	(338,392)	263,857
R&D/Flex	7,524,543	8.3	1.2	14.0	\$8.57	-	(22,912)	(20,912)
Warehouse/Distribution	137,041,492	8.9	4.6	15.6	\$6.32	1,426,703	7,325,864	20,436
By Property Class	Inventory (Sq. Ft.)	Direct Vacancy (%)	Sublease Available (%)	Total Availability (%)	Avg Asking Lease Rate (per Sq. Ft. NNN)	Under Construction (Sq. Ft.)	YTD 2025 Total Direct Absorption (Sq. Ft.)	Q4 2025 Direct Net Absorption (Sq. Ft.)
Class A Warehouse/Dist.	73,240,757	11.9	6.7	20.5	\$6.57	1,169,707	7,325,864	(34,106)
Class B Warehouse/Dist.	34,135,484	3.3	2.3	9.3	\$6.53	256,996	(26,192)	(39,700)

Source: CBRE Research, Q4 2025

### Submarket Map



#### CBRE Offices

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#### Survey Criteria

The CBRE, Inc. Industrial MarketView report provides statistics based on a revised set of inventory consisting of industrial properties in the following submarkets: Anderson, Central Greenville, I-385 South, I-85 East, I-85 West, Laurens County, Pickens, Spartanburg East, Spartanburg West, Taylors-Greer and Travelers Rest. All properties are industrial properties greater than 10,000 sq. ft. Absorption is counted when the lease is signed and is not based on physical occupancy; when a building delivers, preleases are counted as absorption in the quarter of delivery. Historical data is reflective of the current set of inventory rather than previously published report figures and is subject to revision as additional information becomes available.

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