

FIGURES | GREENVILLE INDUSTRIAL | Q2 2026

Industrial leasing velocity strengthen as construction pipeline contracts

▼ 5.3%
Vacancy Rate

▲ 2.4M
SF Net Absorption

▼ 798,000
SF Construction Delivered

▼ 2.1M
SF Under Construction

▼ \$6.21
NNN/YR Direct Lease Rate

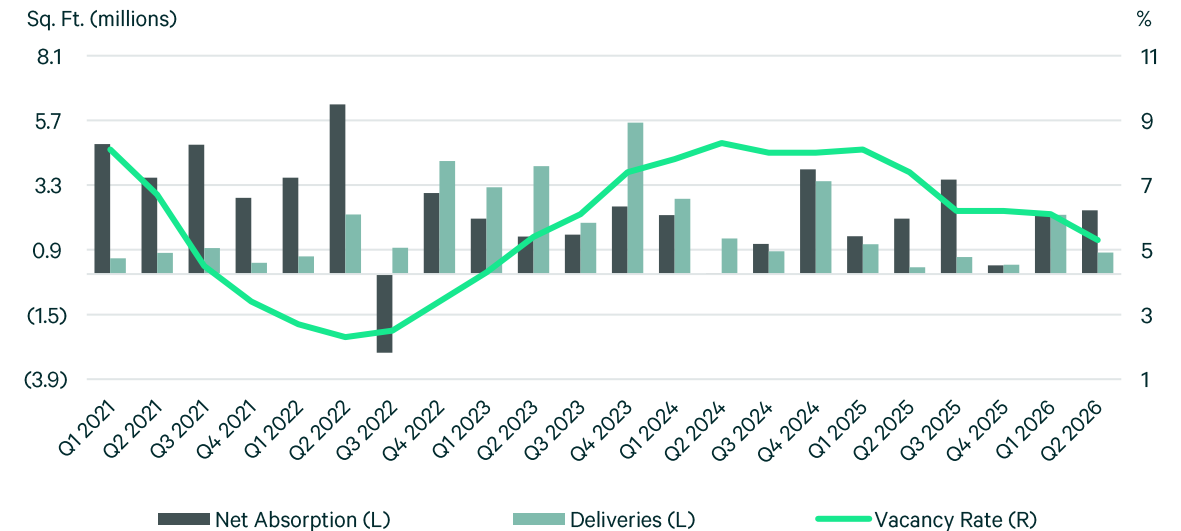
Note: Arrows indicate change from previous quarter.

Market Overview

The industrial market posted 2.4 million sq. ft. of positive net absorption in Q2 2026, up 6.3% from the prior quarter, while vacancy declined 80 basis points to 5.3%. Availability also tightened to 9.2%, down 240 basis points year-over-year. Limited new vacant space entered the market during the quarter, helping support declining vacancy. Much of the positive absorption was driven by occupancies of existing vacant Class A space, including BMW’s 918,000-sq.-ft. lease in Spartanburg West, which backfilled former DHL space, and Sunvia’s 621,000-sq.-ft. lease in Laurens. Detmold Group also signed 175,000 sq. ft. in Spartanburg West. New-to-market demand increased, particularly from owner-users, which played a key role in reducing vacancy. Manufacturing activity remains especially strong across the market.

Construction activity continued to be moderate, with 2.1 million sq. ft. underway, down 12.3% quarter-over-quarter and 42.1% year-over-year. Deliveries totaled 798,000 sq. ft., a 63.7% decline from Q1. While the development pipeline has contracted, select projects continue to move forward, including a 130,000 sq. ft. built-to-suit facility by SunCap that broke ground during the quarter and a roughly 720,000 sq. ft. expansion project that remains on track for completion by year-end.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q2 2026

Vacancy Rate

In Q2 2026, direct vacancy stood at 5.3%, down from 6.1% in Q1 2026 and 7.4% in Q2 2025. Compared with 8.3% in Q2 2024, the current rate is lower by 300 basis points. Vacancy previously peaked at 8.2% in Q2 2020 before declining to 2.3% in Q2 2022, then rising again as a wave of speculative development delivered to the market. Cherokee County continues to post the highest vacancy rate at 36.0%; however, the submarket contains only approximately 3.5 million sq. ft. of inventory and 1.0 million sq. ft. of available space. Spartanburg West recorded the largest volume of vacant space at 5.5 million sq. ft., representing a 6.3% vacancy rate.

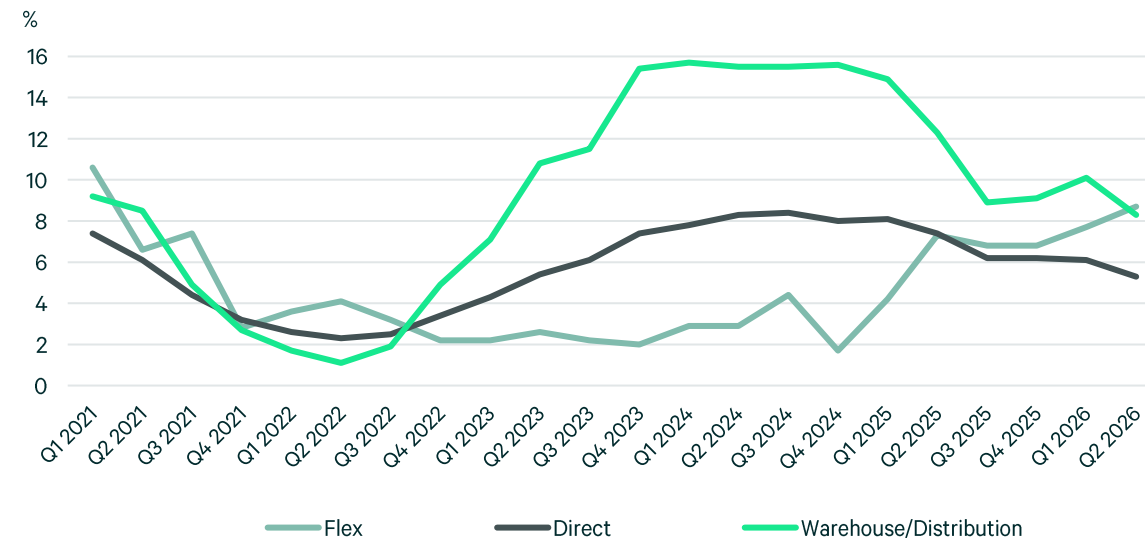
The quarter-over-quarter decline was driven by a combination of leasing activity and owner-user acquisitions that removed sizable blocks of available space from the market, including the approximately 498,000-sq.-ft. sale at Tyger Ridge Logistics Center and the 431,000-sq.-ft. sale at Duncan Logistics Center. Vacancy was further reduced by Sunvia's 621,000-sq.-ft. lease in Laurens, which absorbed a significant block of vacant Class A space. Notably, relatively little new vacant space was added to the market during Q2 2026, allowing occupancy gains to outpace new vacancies and contribute to the market's decline in vacancy. The market's ability to post declining vacancy despite a handful of newly available spaces highlights continued demand from manufacturing and owner-user occupiers across the region.

Asking Rent

The market-wide average asking rent was \$6.21 in Q2 2026, decreasing 0.3% from the prior quarter and 1.9% year-over-year. The decline follows a period of steady rent growth that pushed average rates from a low of \$3.62 in Q4 2020 to a recent peak of \$6.34 in Q4 2025. While asking rents have softened modestly over the past two quarters, current pricing remains well above levels recorded during the market's post-pandemic downturn. The recent moderation in average rents is partly attributable to continued leasing success among Class A properties, which has reduced the share of premium-priced space on the market. Consequently, a larger concentration of available Class B space is weighing on the market-wide average, masking the underlying strength of demand for top-tier product.

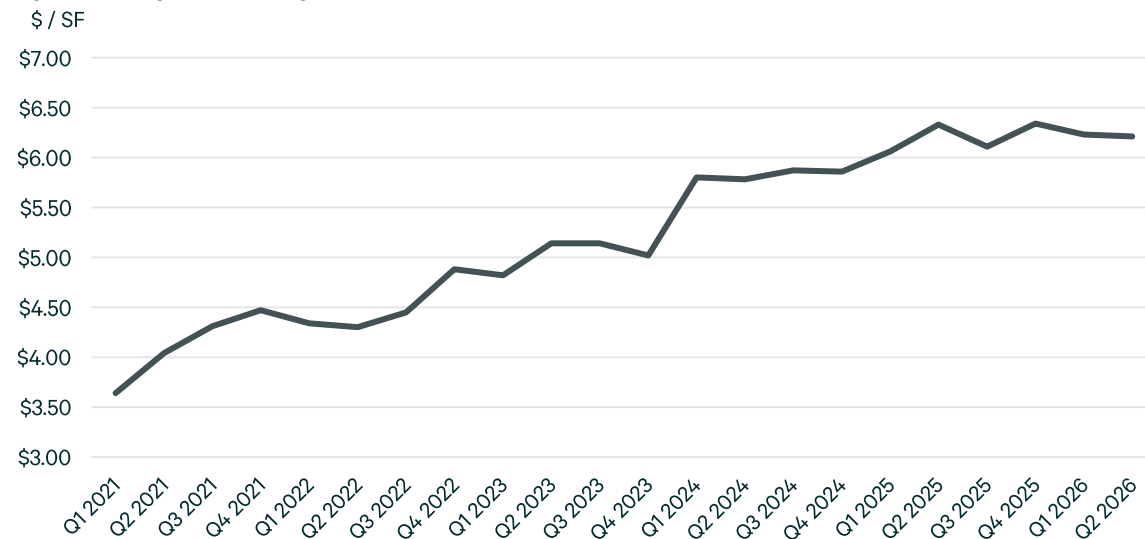
Rental rate growth in 2025 was driven by big box availabilities that have now successfully leased, removing high-dollar, large Class A availabilities from rental rate calculations. Although the successful leasing of this space has caused average rates to dip slightly, the new Class A high watermark rents continue to set the pace for modern warehouse facilities, averaging and achieving \$6.50 currently.

Figure 2: Vacancy Rate



Source: CBRE Research, Q2 2026

Figure 3: Average Direct Asking Rate



Source: CBRE Research, Q2 2026

Net Absorption

In Q2 2026, the market posted 2.4 million sq. ft. of positive net absorption, up 6.3% quarter-over-quarter and 14.9% year-over-year. Activity was led by Sunvia's 621,000-sq.-ft. occupancy in Laurens, the owner-user acquisitions of Tyger Ridge Logistics Center (499,000 sq. ft.) and Duncan Logistics Center (431,000 sq. ft.), which removed substantial vacant space from the market. Additional occupancy gains at Speedway Industrial & Technology Park and AIRSYS Cooling Technology Headquarters, which added another 264,000 sq. ft. further supported absorption.

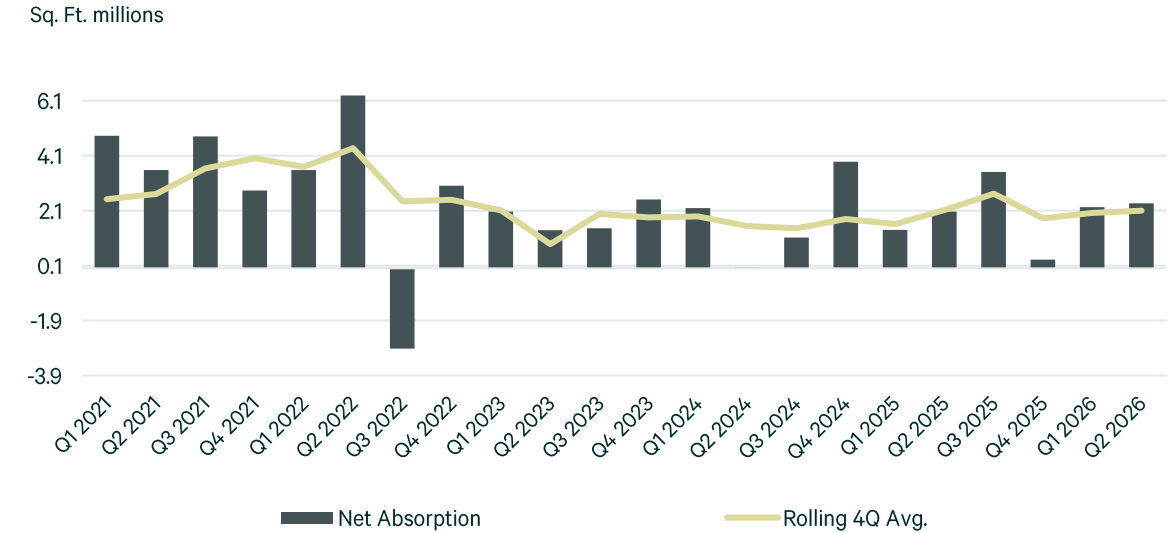
At the submarket level, Spartanburg West recorded the strongest performance with 1.1 million sq. ft. of positive net absorption, bringing its year-to-date total to 2.0 million sq. ft. Laurens followed with 621,000 sq. ft., while Pickens and I-85 West posted 348,000 sq. ft. and 267,000 sq. ft., respectively. No submarkets recorded negative net absorption during the quarter, highlighting broad-based demand across the market. Combined with limited new vacancy, strong leasing activity and owner-user transactions helped drive vacancy lower during the quarter.

Construction Activity

Construction activity in the Greenville-Spartanburg industrial market continued to normalize in Q2 2026 following the wave of development that emerged during the post-pandemic period, when elevated occupier demand and supply chain realignment drove a rapid expansion of the development pipeline. At its peak, the market had 17.8 million sq. ft. under construction in Q3 2022, much of which has since been delivered and absorbed into inventory. As a result, the active pipeline has contracted to 2.1 million sq. ft., including built-to-suit and speculative properties, down 12.3% from the prior quarter and 42.1% year-over-year. Deliveries totaled 798,000 sq. ft. during the quarter, bringing additional space online while representing a slower pace than recent peak periods.

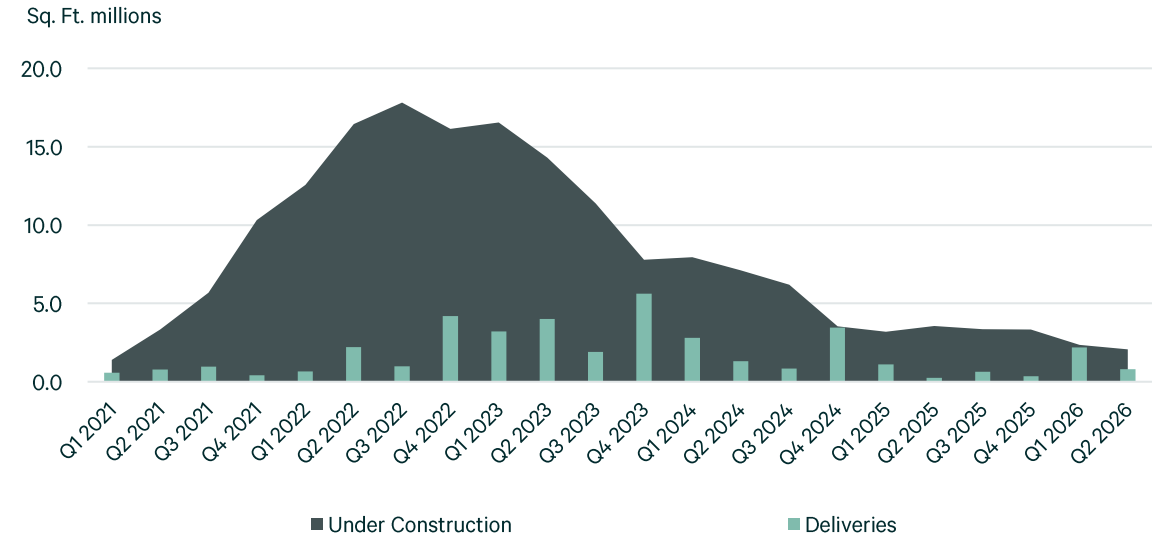
Current development activity is concentrated in several key submarkets, led by Cherokee County with 735,000 sq. ft. underway and Spartanburg West with approximately 525,000 sq. ft. under construction. Additional projects are in Anderson, I-85 West, and Laurens. Notably, the pipeline is currently weighted toward tenant-driven development, with approximately 1.2 million sq. ft. (56.5%) being built-to-suit compared with roughly 899,000 sq. ft. (43.5%) under speculative construction. The largest active projects include the 735,000 sq. ft. Cherokee Commerce Center 85 Building 2 expansion for First Solar and the 300,000 sq. ft. Woodward Manufacturing Facility, illustrating that much of the remaining development activity is tied to committed occupier demand rather than speculative inventory growth.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q2 2026

Figure 5: Construction Activity



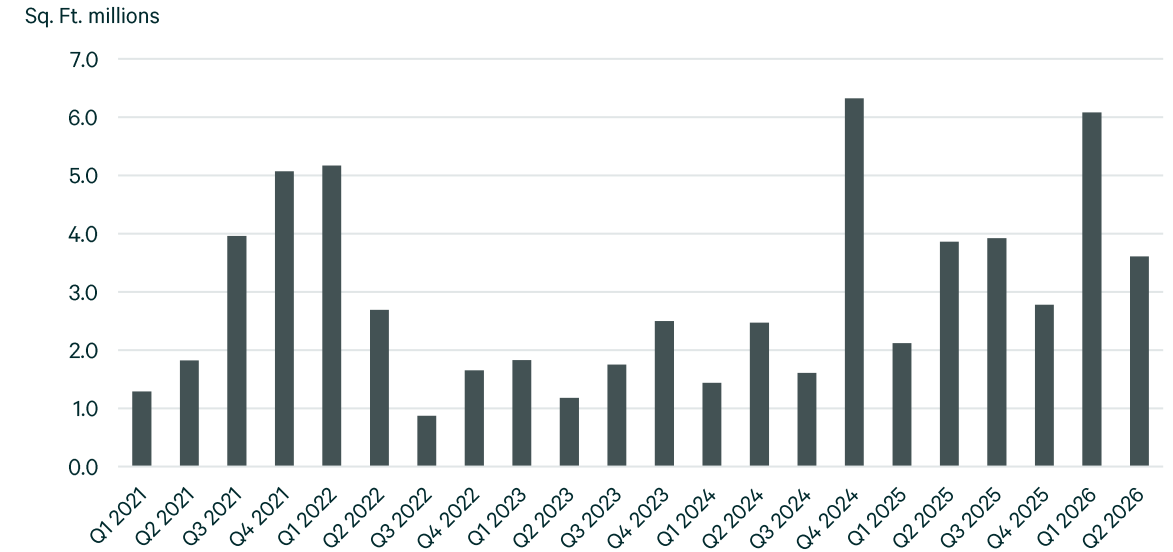
Source: CBRE Research, Q2 2026

Leasing Activity

Leasing activity totaled 3.6 million sq. ft. in Q2 2026, bringing the year-to-date to 9.7 million sq. ft. While volume moderated from the prior quarter, demand remained supported by several large transactions: BMW signed the quarter's largest lease at 917,694 sq. ft. at 520 Logistics Drive Rd, followed by Sunvia's 621,000 sq. ft. commitment at 1200 Commerce Blvd. Additional notable activity included Vertiv's 408,000 sq. ft. renewal, RGH Enterprises' 348,000 sq. ft. extension, and new leases by Detmold Group and Flex Tire Solutions totaling 340,000 sq. ft. Together, these transactions demonstrate continued demand from manufacturing, automotive, and logistics occupiers. Leasing activity was concentrated in Spartanburg West and Anderson, which combined for more than 2.3 million sq. ft. of volume.

Among submarkets, Spartanburg West recorded the highest leasing activity at 1.4 million sq. ft., followed by Anderson at 922,000 sq. ft. Leasing was also positive in Laurens, I-85 West, I-85 East, I-385 South, Central Greenville, and Spartanburg East. Although leasing volume declined from the exceptionally strong first quarter, the market's six-quarter rolling average remained elevated at 3.7 million sq. ft., well above levels seen throughout 2023 and 2024. This suggests tenant demand remains healthy despite quarter-to-quarter fluctuations in activity.

Figure 6: Leasing Activity Trend



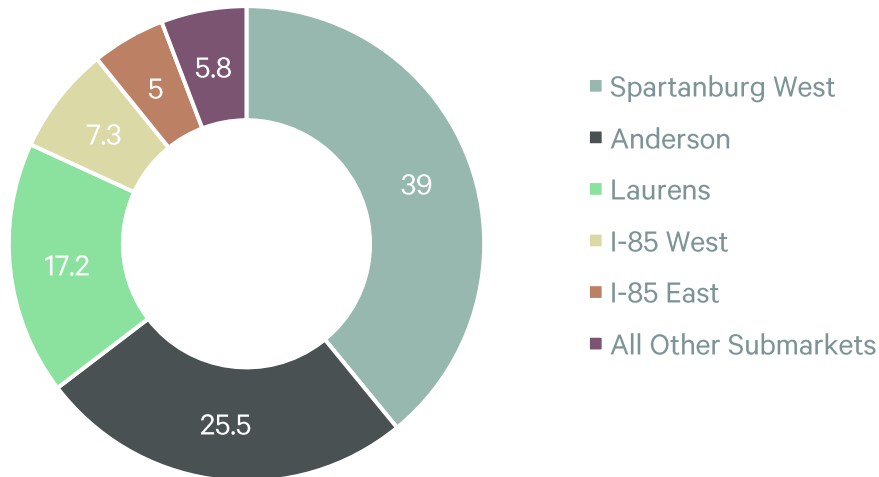
Source: CBRE Research, Q2 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
BMW	918,000	New Lease	520 Logistics Drive Rd	Spartanburg West
Sunvia	621,000	New Lease	1200 Commerce Blvd	Laurens
Vertiv	408,000	Renewal	1810 Easley Hwy	Anderson
RGH Enterprises	348,000	Renewal	110 Exchange Logistics Park Dr	Anderson
Detmold Group	175,000	New Lease	2781 New Cut Rd	Spartanburg West
Flex Tire Solutions	165,000	New Lease	290 Old Anderson Rd	Anderson
Tri-Glass	100,000	New Lease	1104 Piedmont Hwy	I-85 West
Confidential Tenant	80,000	New Lease	1627 S SC-14	I-85 East

Source: CBRE Research, Q2 2026

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q2 2026

Market Statistics by Product Type

Figure 9

Product Type	NRA (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q2 2026 Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Distribution/Logistics	135.35M	7.4	13.1	9.6	3.5	6.31	1.97M	2.78M	353,000	1.76M
Manufacturing - General	101.78M	2.2	3.7	3.4	0.3	5.28	407,000	1.81M	264,000	300,000
R&D/Flex	7.65M	11.1	14.0	13.7	0.3	7.87	(12,000)	(1,000)	182,000	-
Total	244.78M	5.3	9.2	7.1	2.1	6.21	2.36M	4.59M	798,000	2.06M

Source: CBRE Research, Q2 2026

Market Statistics by Size

Figure 10

Size Range	NRA (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q2 2026 Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Below 50K SF	28.07M	7.8	9.6	9.5	0.1	6.63	89,000	34,000	15,000	-
50K-99,999 SF	26.99M	6.5	8.1	8.0	0.1	6.33	39,000	12,000	182,000	167,000
100K-249,999 SF	58.79M	7.9	12.0	9.7	2.3	6.24	26,000	(11,000)	-	861,000
250K-499,999 SF	47.83M	6.9	12.6	9.2	3.5	6.32	1.59M	1.91M	602,000	300,000
500K-749,999 SF	27.55M	0.1	4.2	3.6	0.6	5.89	621,000	621,000	-	735,000
750,000 SF +	55.55M	2.0	6.2	2.9	3.3	5.50	-	2.02M	-	-
Total	244.78M	5.3	9.2	7.1	2.1	6.21	2.36M	4.59M	798,000	2.06M

Source: CBRE Research, Q2 2026

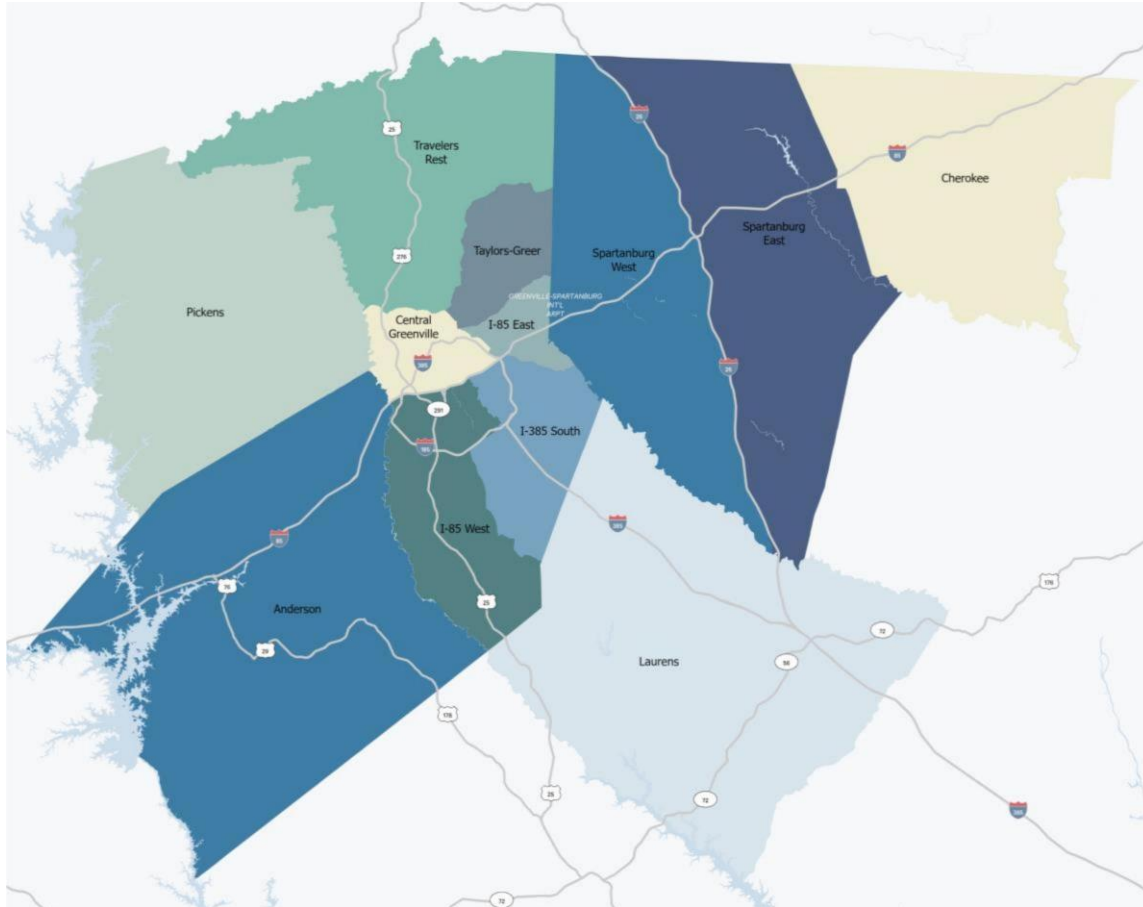
Market Statistics by Submarket

Figure 11

Submarket	NRA (SF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q2 2026 Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Anderson	27.56M	4.7	6.9	6.6	0.3	5.70	33,000	(1,000)	-	248,000
Central Greenville	14.67M	8.4	9.5	9.5	-	6.68	(23,000)	55,000	-	-
Cherokee	2.80M	36.0	36.0	36.0	-	5.50	-	-	-	735,000
I-385 South	22.46M	5.1	11.1	10.1	1.0	6.20	(37,000)	205,000	-	-
I-85 East	10.19M	5.9	7.7	7.2	0.5	7.33	55,000	(38,000)	-	-
I-85 West	26.05M	3.1	4.8	3.7	1.1	6.56	267,000	289,000	197,000	427,000
Laurens	14.21M	0.9	5.6	4.2	1.4	5.50	621,000	621,000	-	130,000
Pickens	3.22M	1.4	1.4	1.4	-	-	348,000	348,000	338,000	-
Spartanburg East	25.24M	3.5	4.3	3.8	0.5	5.20	-	1.07M	-	-
Spartanburg West	87.07M	6.3	13.0	8.3	4.8	6.44	1.10M	2.03M	264,000	525,000
Taylors-Greer	8.00M	4.7	5.4	5.4	-	3.94	-	-	-	-
Travelers Rest	3.31M	0.9	1.5	1.5	-	9.07	-	-	-	-
Total	244.78M	5.3	9.2	7.1	2.1	6.21	2.36M	4.59M	798,000	2.06M

Source: CBRE Research, Q2 2026

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

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.

Contacts

Joseph Velazquez

Senior Research Analyst
+1 843 720 3556
joseph.velazquez@cbre.com

Kenlie Chap

Associate Research Director
+1 704 612 9102
kenlie.chap@cbre.com

Audrey Frey

Senior Managing Director
+1 864 720 6200
audrey.frey@cbre.com