

# Greenville, SC



## Quick Stats

**25.7 msf**

**Inventory**

1Q20 25.5 msf

**10.4%**

**Vacancy**

1Q20 6.5%

**(8,353) sf**

**Net Absorption**

1Q20 56,063 sf

**10,351 sf**

**Deliveries**

1Q20 0 sf

**811,510 sf**

**Under Construction**

1Q20 480,861 sf

**\$20.87 psf**

**Average Asking Rents**

1Q20 \$20.73 psf

**4.6%**

**Unemployment**

1Q20 2.8%

## New Construction Deliveries on the Horizon

Vacancy in the Upstate office market remained steady for two consecutive quarters. Net absorption is still negative. However, it has improved from -457k square feet (sf) in the third quarter of 2020 to approximately -8k sf at the start of 2021. Impressively this quarter, overall rents have decreased, and square footage traded increased, despite there being a significant decrease in the quantity of lease transactions from last quarter. 900 Pendleton Street delivered 10,351 sf of brand-new inventory and six buildings are under construction for 811,510 sf, expected to deliver between now and early 2023, the majority of which is expected to be delivered in Greenville County and as soon as second quarter 2021. This could potentially send vacancy higher and add pressure on landlords to provide competitive lease terms.

Sales, just shy of \$40M in total, also managed to garner more revenue with fewer transactions than last quarter. At \$200.56 psf, Clemson University Research Foundation purchased 117,100 sf of office space at 7 Research Drive. The average price psf was \$145.63.

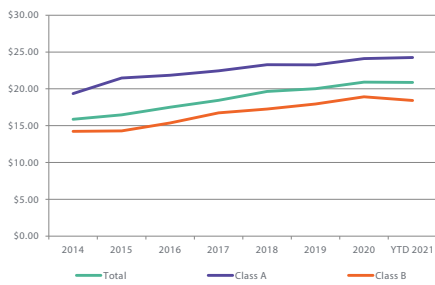
With the continued distribution of the Covid-19 vaccine, it can be expected that employees will begin to return to office. Many who were previously unemployed will feel safer to seek in person employment. Several companies stand ready to deliver employment opportunities to the Upstate. United Community Bank, the retail and commercial

banking service provider, plans to expand operations in Greenville County naming it the corporate headquarters. This \$24.8M investment will create 227 new jobs. As a part of a \$1B redevelopment project, Greenville County has broken ground on a five-story, 250,000 sf administrative building at 301 University Ridge Drive, a project that is sure to need a surplus of manpower. AnMed Health announced plans to expand their outpatient capacity with a three-year \$42M investment and are vigorously recruiting to meet staffing needs.

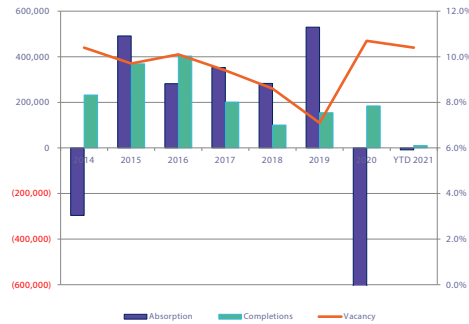
The amount of space under construction in the first quarter of 2021 is the most the market has seen in over a decade. If things stay on course, 75% of that new space will be available before year's end. It is reasonable to assume that Landlords should be prepared to be more flexible than they have had to be in some time.

\*The numbers reported herein are for Greenville, Spartanburg, and Anderson Counties, and considers all office buildings 10k sf and greater.

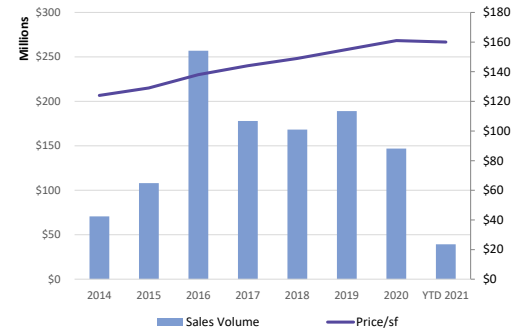
### Average asking rental rate (psf/year/FS)



### Quarterly absorption



### Office investment sales



## Select 1Q 2021 Lease Transactions

Tenant	Address	Type	Submarket	SF
Wyche Professional Association	200 E Broad St	New	Greenville	28,584 sf
Spaces by Regis	423 S Main St	New	Greenville	23,500 sf
Resurgent Capital Services	423 S Main St	New	Greenville	23,500 sf
Crossroads Treatment Centers	200 E Broad St	New	Greenville	20,824 sf
Undisclosed	1 Research Dr	New	Greenville	19,246 sf

## Select 1Q 2021 Sale Transactions

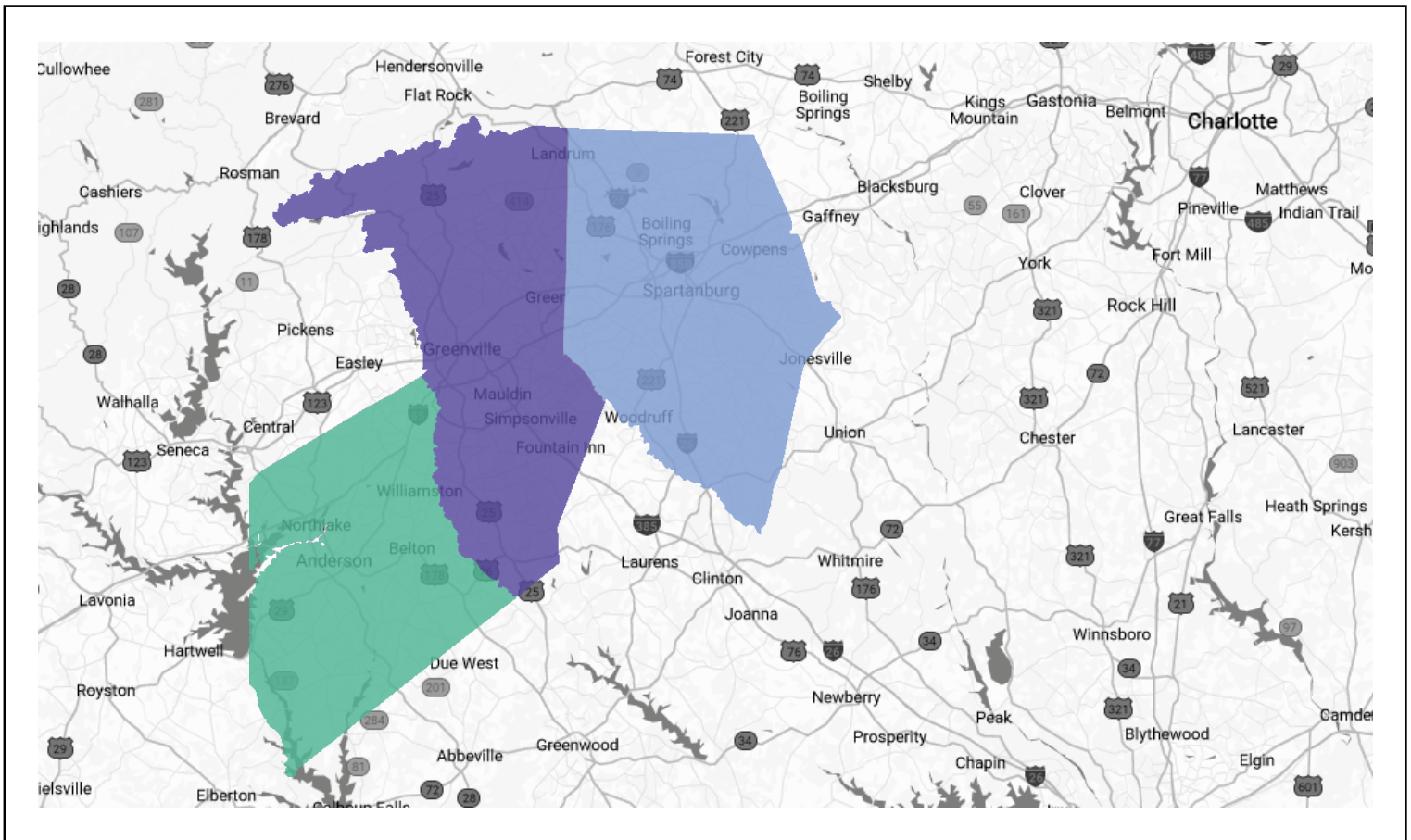
Property	Submarket	Buyer	Total sf	Purchase price	Price/sf
7 Research Dr	Greenville	Clemson University Research Foundation	117,100	\$23,485,000	\$200.56
391 Serpentine Dr	Spartanburg	Evergreen Medical Properties LLC	65,143	\$10,200,000	\$156.58
201 Caulder Ave	Spartanburg	Montgomery Development Group	58,000	\$900,000	\$15.52
601 E McBee Ave	Greenville	Kaplan Early Learning Company	19,005	\$2,750,000	\$144.70
501 Roper Mountain Rd	Greenville	Vitalink Research	10,856	\$2,000,000	\$184.23

## Select Construction Projects

Property	Submarket	Project status	Total sf	Tenant/Developer
701 Easley Bridge Rd Buildings 2, 3, 4	Greenville	Second Quarter 2021	286,510	Three Corners Development
301 University Rdg	Greenville	Third Quarter 2021	250,000	Wakefield Beasley & Associates
798 S Church St	Greenville	First Quarter 2023	200,000	The County of Greenville
65 Verdae Blvd	Greenville	Second Quarter 2021	75,000	Southern First Bank

## Market by the numbers

By submarket	Inventory SF	Total Vacancy	1Q2021 Net Absorption SF	SF Under Construction	Average Asking Rent psf
Anderson	1,796,682	0.8%	6,577	0	\$9.63
Greenville	19,946,495	11.2%	64,126	811,510	\$21.54
Spartanburg	4,581,209	9.5%	-79,056	0	\$17.46
Greenville CBD	4,813,917	14.1%	6,140	0	\$25.80
Spartanburg CBD	1,925,217	11.4%	-8,686	0	\$19.44



### Greenville Submarket Map

■ Anderson County

■ Greenville County

■ Spartanburg County

**Get more market information**

LaChrisha LaSane  
 Research Analyst  
 843 343 2680  
 lachrisha.lasane@avisonyoung.com



avisonyoung.com

