MARKET REPORT

The Continued Rise of Upstate South Carolina's Hospitality Sector

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Greenville, a city in the heart of South Carolina's Upstate area, strengthened coming out of the pandemic and has continued its upward trajectory since. Supported by a strong economic base, thriving tourism industry, and small-town charm, the Greenville market remains one to watch.

Greenville's Lodging Evolution

While Greenville's lodging sector has traditionally focused on business travelers, it has evolved in recent years to embrace a wider variety of demand. Given the strong presence of major companies in the automotive manufacturing, advanced materials, aerospace, aviation, and health services fields, commercial demand has always been strong for area hotels. The market's diverse employment base and expanding economy continues to attract new companies and new residents. This relocation demand, coupled with the growth of the market's tourism sector since 2020 and expansion of the city's downtown neighborhood, has resulted in lodging demand shifting more towards the leisure segment.



Downtown Greenville in particular has experienced significant growth in recent years, transforming into a live-work-play center. At the height of the pandemic, the city was a popular refuge where people could enjoy the area's mix of nature and culture. This reputation resulted in significant demand for local hotels and supported a strong post-pandemic recovery, with leisure travel quickly returning to pre-pandemic levels. As the market has continued to recover, commercial demand has returned given return-to-office mandates and some normalization of tourism demand. Nevertheless, leisure demand

continues to dominate for many hotels. For instance, the Grand Bohemian Lodge Greenville, Autograph Collection, has captured more than its fair share of leisure demand since opening in 2022 given the property's prime location at the Falls Park on the Reed and Liberty Bridge, two of Downtown's main tourist attractions.

In late 2024, the entire Upstate area of South Carolina was affected by Hurricane Helene. In addition to some loss of life, businesses and residents experienced unprecedented levels of flooding, property damage from downed trees and debris, loss of utilities, and other effects. Local hotel demand and average daily rate (ADR) surged through early 2025 given the presence of utility-repair and tree crews, insurance adjusters, government-assistance teams, and displaced residents. More than a year later, demand and ADR have returned to typical levels, and much of the region has recovered, although some residents and businesses continue to establish a new normal.

Thriving Tourism Sector

In 2024, VisitGreenvilleSC evolved the city's brand marketing, moving away from the organization's prior strategy of differentiating it from the other "Greenvilles" across the country. Marketing efforts now highlight the city's wide variety of attractions and Southern charm. The market's food culture is a strong draw for visitors, with the area home to several James Beard Award-winning chefs and destinations that have landed on many diners' bucket lists. The Fall for Greenville food festival held each autumn brings diners from across the country. Greenville even hosted the filming of several episodes of the Bravo network's popular *Top Chef* competition series in the summer of 2025, which will air in 2026.

The annual Greenville Scottish Games, Greenville Jazz Fest, and Artisphere remain popular draws. The Peace Center, CCNB Amphitheater, and Bon Secours Wellness Arena host sporting events, concerts, and off-Broadway performances throughout the year. Additionally, the nearby BMW Zentrum museum is a popular destination for car enthusiasts. As noted above, Greenville appeals strongly to outdoor enthusiasts; in addition to activities such as cycling, hiking, golfing, and camping, visitors can enjoy more urban outdoor destinations such as the Reedy River falls at Falls Park in the downtown area and the Prisma Health Swamp Rabbit Trail.

Greenville's enhanced brand marketing, vibrant culinary and cultural scene, and abundance of outdoor and entertainment attractions continue to drive strong leisure travel, fueling hotel demand across the region.

Hotel Development Slows

Along with the increase in tourism, the market's hotel supply expanded in the years prior to 2024. Over 700 guestrooms opened during the peak of the pandemic, including the Holiday Inn Woodruff Road, DoubleTree by Hilton Woodruff Road, and AC Hotel Greenville. Between late 2021 and mid-year 2023, almost 550 additional guestrooms have come online, including the Hotel Hartness and the highly anticipated Grand Bohemian Lodge Greenville, Autograph Collection.

Given the current lending and economic environment, hotel supply growth has slowed in recent years, with only two economy chain-scale hotels opening since mid-year 2023 and only the DoubleTree by Hilton Greenville Airport currently under construction. On the transaction side, the 100-year-old Westin Poinsett Hotel, a longstanding fixture in Downtown Greenville, was listed for sale in early October 2025.

Greenville’s Hotel Industry Maintains Momentum

According to performance metrics compiled by STR since the pandemic, occupancy across the Greenville market has improved in recent years. A strong increase was realized in 2022, with occupancy rising by 12% and ADR growing by more than 16%. Growth slowed in 2023 but remained positive, with occupancy improving by roughly 1% and a strong increase in ADR of more than 7%.

While 2024 performance was reportedly continuing to realize improvement in line with the growth of the market and strong tourism, the year-end statistics are skewed by the impact of Hurricane Helene in late September 2024. The storm resulted in eleven fatalities in the Upstate area and significant damage across the region. While much of the market has recovered and infrastructure has been largely restored, many communities are still working to complete repairs and regain a sense of normality. As the atypically high occupancy levels and strong ADR growth from late 2024 and early 2025 moderate, the area’s performance metrics should normalize, but the market outlook is positive overall.

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Sources

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