

# SAN ANTONIO RETAIL Monthly Market Snapshot

JUNE 2019

## Market Highlights

**New construction 90% occupied.** San Antonio has maintained an occupancy rate in the retail sector at or above 94.0% for five years, registering at 94.8% nearing the end of Q2 2019. Tenancy of the 1 million sq. ft. delivered to the market year-to-date stands at 90.0%, and of the 1.5 million sq. ft. currently under construction, 42.3% of that space is available for lease. Year-to-date net absorption is positive 544,000 sq. ft., with 1.2 million sq. ft. of leasing activity recorded. The ever-increasing average asking rate of renting retail space is \$15.88 per sq. ft. on a triple net basis, up \$1.07 or 7.2% from this time last year at \$14.81 per sq. ft.

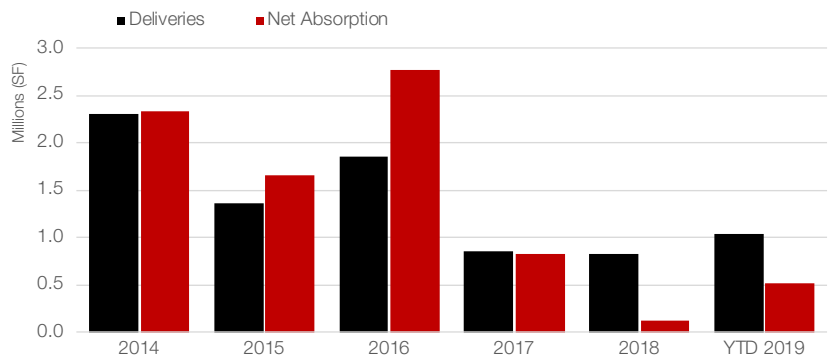
**50-acre mixed-use development.** Parkline, a new \$500 million mixed-use development, is being built near the University of Texas at San Antonio at Interstate 10 between University Boulevard and West Hausman Road. Construction has started on phase one, including apartments and a Starbucks, as well as roadways to support the rest of the development. By Q3 2019, a 136-room Aloft Hotel and another 18,000 sq. ft. of retail space is scheduled to get underway. Upon full build-out, Parkline is expected to include 1 million sq. ft. of office space, 1,149 apartments and townhome units, the Aloft Hotel and up to 108,000 sq. ft. of restaurant and retail space.

**San Antonio job growth steady.** In the three months ending in April, the metro area added jobs at an annualized rate of 1.7%. Growth in the period through April expanded in professional and business services (2,300 jobs), financial activities (1,700 jobs), and the construction sector (1,600 jobs). Areas of contraction included health and education services (1,800 jobs) and leisure and hospitality (1,400 jobs). The unemployment rate fell for the third consecutive month, to 2.9% in April. This is significantly lower than the state's rate at 3.7%, and the nation's at 3.6%.

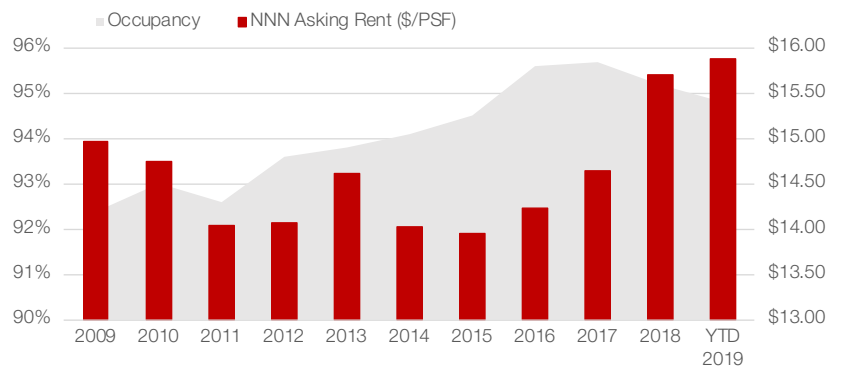
## Market Activity

	Year-to-Date June	
	2019	2018
Occupancy Rate	94.8%	95.6%
Net Absorption (SF)	520,241	98,943
Leasing Activity (SF)	1,181,487	1,483,578
Deliveries (SF)	1,037,461	309,754
Under Construction (SF)	1,615,353	1,542,068
Avg Asking NNN Rent (PSF)	\$15.88	\$14.81

## Supply & Demand



## Vacancy & Rent



**Leta Wauson**

Director of Research

leta.wauson@naipartners.com

tel 713 275 9618

**NAIPartners**

HOUSTON | AUSTIN | SAN ANTONIO

[www.naipartners.com](http://www.naipartners.com)