

SAN ANTONIO RETAIL Monthly Market Snapshot

FEBRUARY 2020

Market Highlights

Steady retail market. Overall occupancy in the San Antonio retail market is at 94.6%, down 50 basis points from this time last year at 95.1%. Meanwhile, the triple-net average asking rental rate remains elevated at \$16.49 per sq. ft., up slightly from \$16.24 in January 2019. Preleasing of the 1.4 million sq. ft. currently under construction stands at 52%. In addition, there has been 243,000 sq. ft. of leasing activity year-to-date—which is comprised of both new leases and renewals—up 50% compared to this time in 2019.

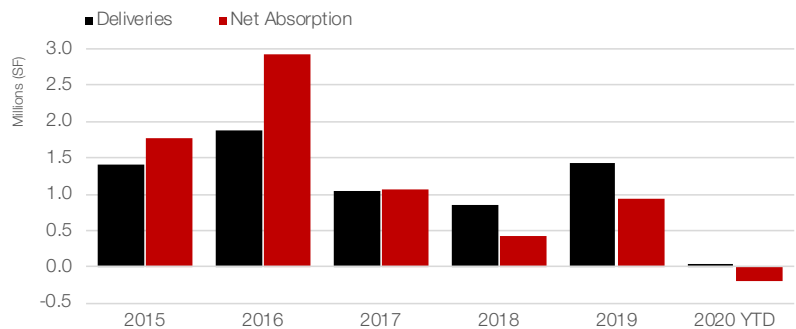
Urban revitalization. The Alameda Theater Conservatory is renovating the Alameda Theater at 318 W. Houston St. The project includes the construction of the Texas Public Radio headquarters adjacent to the Alameda Theater, which opened in February 2020. Phase one will include environmental remediation, monitoring, and oversight during site preparation work. The next phase of construction begins in May. Once complete in 2021, the historic Alameda Theater will serve as a live multimedia performing arts and film center that will feature the American-Latino multicultural story with diverse programming. The Alameda Theater was completed in 1949 as a Mexican American entertainment venue and was the largest movie palace dedicated to Spanish language films and performing arts at that time.

Strong quarterly job growth. In 2019, San Antonio's labor force expanded 2.1%, slightly above 2018's 2.0%. Job growth in the fourth quarter showed construction posting strong gains at 15.2% or 2,160 net jobs; leisure and hospitality registered at 12.5% or 4,190 jobs; and manufacturing listed an increase of 9.6% or 1,200 jobs. In December, the metro unemployment rate dropped to 3.0%, while the state jobless rate ticked up to 3.5%, and the nation remained at 3.5%. Recent solid job growth and a lower unemployment rate suggests continued growth in the San Antonio economy.

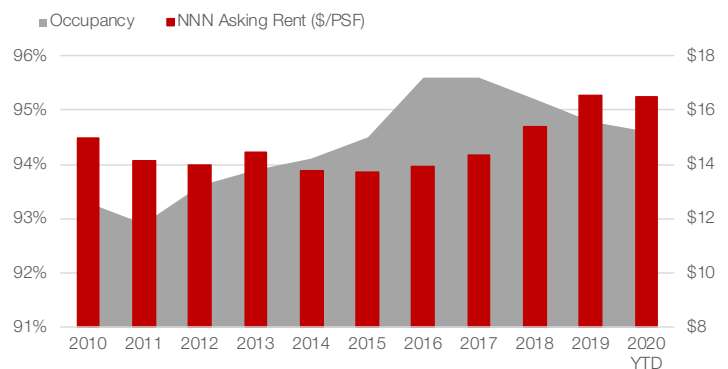
Market Activity

	Year-to-Date January	
	2020	2019
Occupancy Rate	94.6%	↓ 95.1%
Net Absorption (SF)	-184,904	↓ -87,713
Leasing Activity (SF)	243,318	↑ 162,634
Deliveries (SF)	40,168	↓ 376,328
Under Construction (SF)	1,390,925	↓ 1,742,315
Avg Asking NNN Rent (PSF)	\$16.49	↑ \$16.24

Supply & Demand



Occupancy & Rent



Leta Wauson

Director of Research

leta.wauson@naipartners.com

tel 713 275 9618

NAIPartners

HOUSTON | AUSTIN | SAN ANTONIO

www.naipartners.com