

# SAN ANTONIO INDUSTRIAL Monthly Market Snapshot

JUNE 2020

## Market Highlights

**Vacancy rate at 6.9%.** Overall vacancy is at 6.9%, down from this time last year at 7.2%. The occupancy rate of the 2.3 million sq. ft. delivered to the market so far in 2020 stands at 80.5%, and of the 4.1 million sq. ft. under construction, 42.4% has been spoken for. The vacancy rate for Class A properties is at 16.9%, up from the prior period at 15.7%. While the asking price for industrial properties has steadily grown over the past few years, it is currently at an average monthly rate of \$0.50 per sq. ft., down slightly from this time last year, with small fluctuations during the time in between.

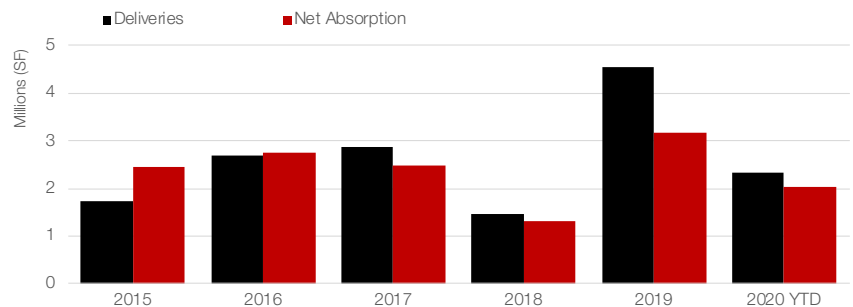
**Mobile emergency rooms.** Port San Antonio is home to over 80 businesses employing 14,000 across the manufacturing, aerospace, cybersecurity, applied technology and education sectors. Part of the manufacturing sector, Knight Aerospace has developed and begun production of the world's first air-worthy and completely self-contained medical unit for transporting critically ill or contagious patients by air. Earlier this month, the Royal Canadian Air Force purchased the first unit, which is currently under construction at the company's Port San Antonio facility.

**San Antonio economic indicators.** The Federal Reserve Bank of Dallas reported that San Antonio's economy contracted further in April as a result of the impacts of COVID-19. The San Antonio Business-Cycle Index declined at a historical pace. The unemployment rate continued to increase, and payrolls declined. However, more recent data on weekly initial claims for unemployment insurance suggest a sharp reduction in job losses. Home sales activity declined for the second consecutive month. In May, stock prices of San Antonio-based companies posted increases.

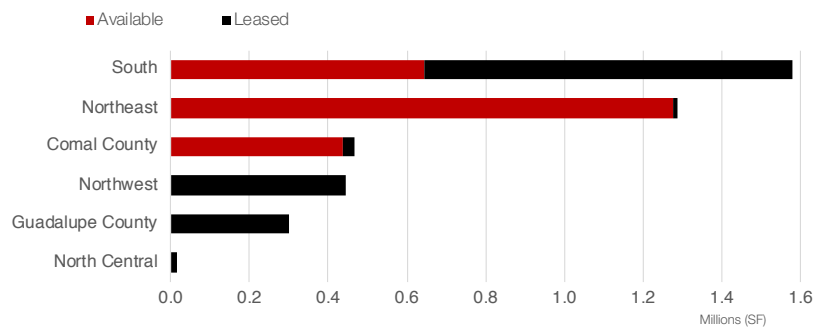
## Market Activity

	Year-to-Date	
	June 2020	June 2019
Vacancy	6.9%	7.2%
Availability	10.5%	10.1%
Net Absorption (SF)	2,037,540	286,125
Leasing Activity (SF)	2,142,813	1,911,620
Deliveries (SF)	2,343,047	1,914,236
Under Construction (SF)	4,095,056	4,551,226
NNN Avg Asking Rent (PSF)	\$0.50	\$0.51

## Supply & Demand



## Under Construction



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