

SAN ANTONIO INDUSTRIAL Monthly Market Snapshot

FEBRUARY 2021

Market Highlights

Vacancy rate drops to 6.4%. Overall vacancy is at 6.4%, down from this time last year at 7.0%. The occupancy rate of the four buildings totaling 242,000 sq. ft. delivered to the market so far in 2021 stands at 88.3%. Of the 17 properties comprising 6.1 million sq. ft. under construction, the availability rate stands at 13.7%. The asking price for industrial properties is currently at an average monthly rate of \$0.57 per sq. ft., up from this time last year at \$0.50 per sq. ft. due largely to the new product added to the market.

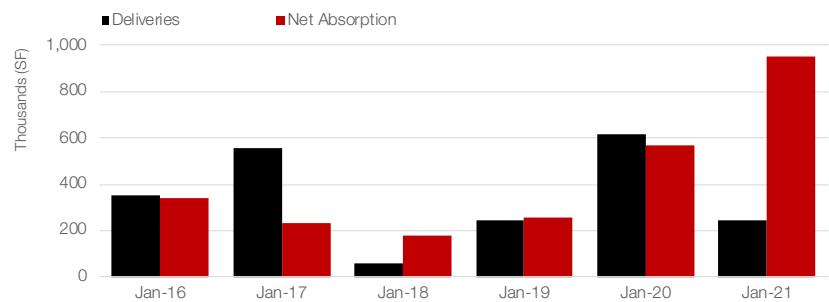
Net absorption increases. Demand for industrial space is way ahead of the game compared to this time last year with 951,000 sq. ft. of net absorption recorded so far in 2021. January 2020 registered at 92,000 sq. ft. In addition, leasing activity—which is comprised of both new leases and renewals—registered 4.1 million sq. ft., due primarily to Amazon signing a 3.8 million-sq.-ft. lease for a fulfillment center at 6806 Cal Turner Dr., dubbed Project Star, in San Antonio's South submarket. The company plans to occupy the new space once completed in Q1 2022. The expansion of online delivery during the pandemic is fueling the demand for more warehouse space for Amazon and other online retailers.

Restoration Hardware signs industrial lease. California-based Restoration Hardware (RH) has signed a 62,000-sq.-ft. industrial warehouse lease at 17745 Lookout Road in Building VI within Enterprise Industrial Park in Schertz. RH, known for upscale home furnishings, plans to use the space as a distribution facility and is set to open in March 2021. Other tenants at the park include TJ Maxx, Goodman Networks, Animal Supply Co., Wilsonart, ArchPoint and Chadwell Supply. RH currently operates a gallery at The Shops at La Cantera in San Antonio.

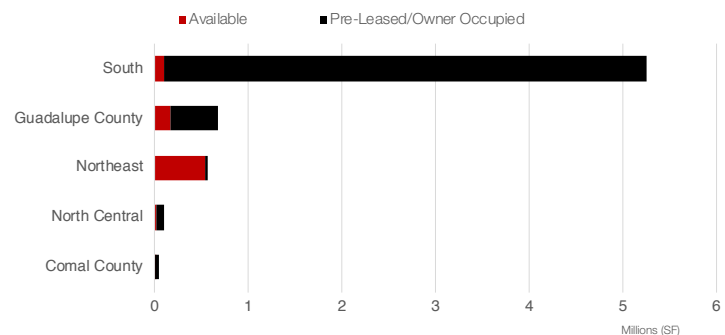
Market Activity

	January 2021		January 2020
Vacancy	6.4%	↓	7.0%
Availability	8.9%	↓	9.9%
Under Construction	6,105,663 SF	↑	4,938,403 SF
NNN Avg Asking Rent/MO	\$0.57 PSF	↑	\$0.50 PSF
Net Absorption YTD	950,656 SF	↑	91,562 SF
Leasing Activity YTD	4,107,383 SF	↑	122,706 SF
Deliveries YTD	241,970 SF	↑	16,250 SF

Supply & Demand | January YOY



Under Construction



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