

SAN ANTONIO INDUSTRIAL MONTHLY MARKET SNAPSHOT

San Antonio Industrial vacancy rate at 6.4%

March 2021

MARKET HIGHLIGHTS

VACANCY AT 6.4%

Overall vacancy is at 6.4%, down from this time last year at 7.2%. The occupancy rate of the seven buildings totaling 827,000 sq. ft. delivered to the market so far in 2021 stands at 68.2%. Of the 18 properties comprising 6.7 million sq. ft. under construction, the availability rate stands at 16.1%. 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 1.4 million sq. ft. of net absorption recorded so far in 2021. February 2020 year-to-date registered at negative 276,000 sq. ft. In addition, leasing activity—which is comprised of both new leases and renewals—registered 4.5 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.

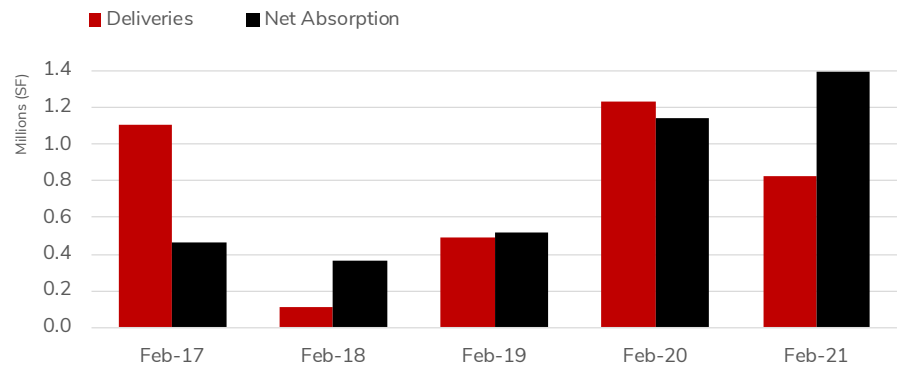
SECOND SITE FOR NAVISTAR

Navistar International Corp., which is constructing a commercial truck manufacturing campus in South San Antonio, has bought a second site nearby where it plans to develop new engineering and support facilities. The 150-acre site, previously used by Haliburton, is eight miles from the planned assembly facility and is expected to be operational by 2022. The investment in the Alamo City is anticipated to surpass \$275 million and increase the number of new jobs to more than 650, pending local incentive approvals.

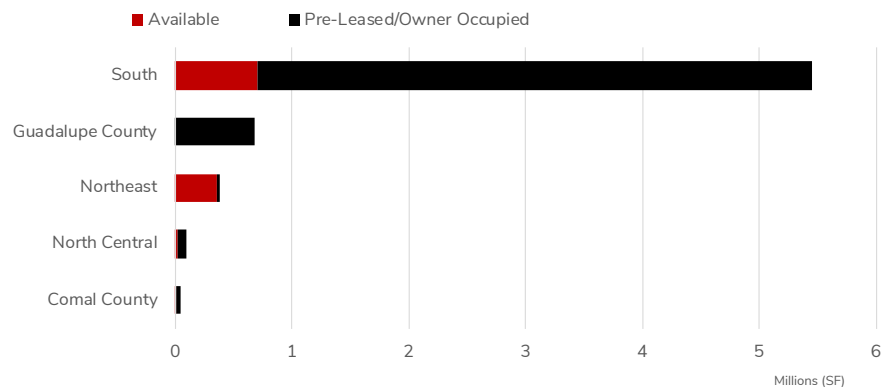
MARKET ACTIVITY

	FEBRUARY 2021		FEBRUARY 2020
Vacancy	6.4%	↓	7.2%
Availability	9.0%	↓	10.4%
Under Construction SF	6,650,212	↑	5,325,691
NNN Avg Asking Rent/MO	\$0.57	↑	\$0.50
Net Absorption SF YTD	1,393,807	↑	(275,997)
Leasing Activity SF YTD	4,509,990	↑	506,585
Deliveries SF YTD	827,131	↑	16,250

SUPPLY & DEMAND | FEBRUARY - YEAR OVER YEAR



CONSTRUCTION ACTIVITY



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