

SAN ANTONIO INDUSTRIAL MONTHLY MARKET SNAPSHOT | SEPTEMBER 2021

San Antonio Industrial vacancy rate down 110 basis points year-over-year to 5.7%

MARKET HIGHLIGHTS

SUPPLY

Demand for industrial space (2.6 million sq. ft.) outpaced supply (1.4 million sq. ft.) during the first eight months of 2021 in the San Antonio metro. This is the first time since 2016 that the amount of net absorption was greater than the amount of square feet delivered from January through August. With 1.4 million sq. ft. delivered since the beginning of the year, 9 million sq. ft. under construction, and another 5 million sq. ft. planned through 2022, according to CoStar, the demand for industrial real estate may continue to outpace supply.

DEMAND

Overall industrial net absorption has remained strong, increasing to 2.6 million sq. ft. so far this year—above the five-year average of 2.2 million sq. ft. of demand during the first eight months of a year. According to commercial real estate association NAIOP's most recent Industrial Space Demand Forecast, the nationwide push—including San Antonio—toward industrial development is likely to continue for the rest of the year and through 2022. In addition, the vacancy rate is at 5.7%, dropping 100 basis points year-over-year.

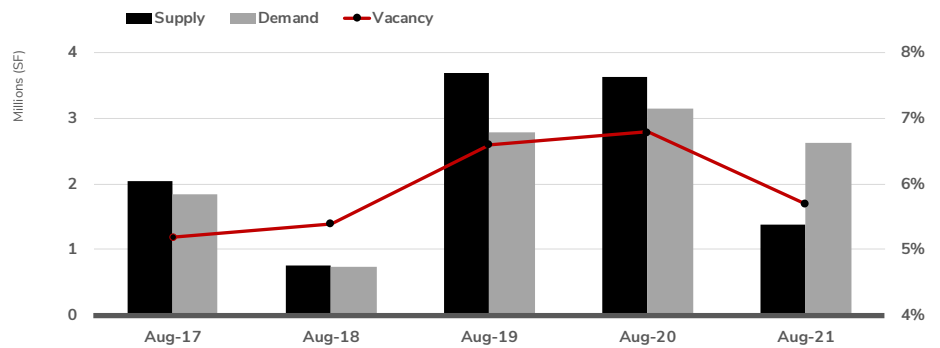
LEASING

The volume of signed lease transactions year-to-date through August hit an all-time record at 10 million sq. ft.—up from the prior period at 7.8 million sq. ft. San Antonio industrial leasing volume was up almost 30% through the first eight months of 2021 compared with the same period last year. In total, 22 new building lease transactions of more than 50,000 sq. ft. were executed over the eight-month period. Some of the largest leases in 2021 include: Amazon for 327,600 sq. ft. at 6655 Lancer Blvd. in the South submarket in June; CHEP for 140,400 sq. ft. at the Logistics Commerce Center in the Northeast submarket in August; and Amazon for 125,841 sq. ft. at Corner Ridge Crossing in the Northeast submarket in April.

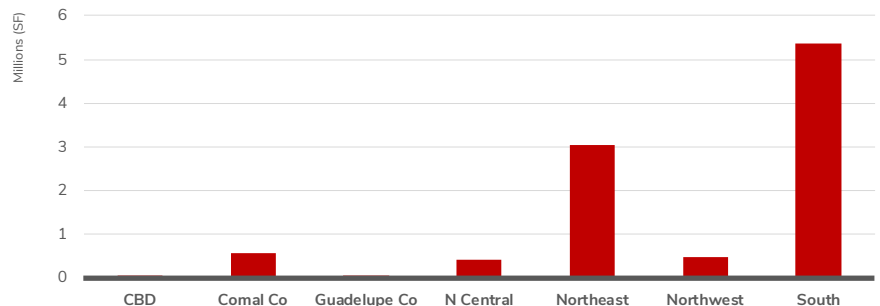
MARKET ACTIVITY

	AUGUST 2021	vs	AUGUST 2020
Vacancy	5.7%	↓	6.7%
Availability	7.8%	↓	9.1%
Under Construction SF	8,926,795	↑	3,374,285
NNN Avg Asking Rent/MO	\$0.55	↑	\$0.52
Net Absorption SF YTD	2,637,562	↓	3,160,807
Leasing Activity SF YTD	9,941,708	↑	7,801,546
Deliveries SF YTD	1,372,101	↓	3,634,795

SUPPLY & DEMAND | AUGUST - YEAR OVER YEAR



LEASING ACTIVITY | AUGUST 2021 YEAR-TO-DATE



LETA WAUSON

DIRECTOR OF RESEARCH

leta.wauson@naipartners.com

tel 713 275 9618

NAIpartners
BROKERAGE SERVICES
www.naipartners.com