

SAN ANTONIO OFFICE MONTHLY MARKET SNAPSHOT | NOVEMBER 2021

Net absorption in San Antonio Office market up substantially year-over-year

MARKET HIGHLIGHTS

VACANCY CONTINUES TO RISE

Overall vacancy in the San Antonio office market is at 10.7%, up from 10.4% in October 2020. Net absorption (move-ins minus move-outs) is at positive 349,000 sq. ft., up from 32,000 sq. ft. at this time last year. There have been eight properties totaling 669,000 sq. ft. delivered so far in 2021, with 211,000 sq. ft. of available space. The amount of square feet delivered to the San Antonio office market has been equal to or outpaced net absorption—representing demand for office space—for the third consecutive period since 2019.

CONSTRUCTION ACTIVITY REMAINS CONSTANT

San Antonio has 1.2 million sq. ft. underway (74% preleased), representing 1.8% of inventory, on top of the 669,000 sq. ft. that delivered during 2021. There is 803,000 sq. ft. of proposed projects that have been announced, although they have not broken ground yet. The amount of construction underway and in the pipeline has been on average about 1.3 million sq. ft. over the past decade. Of the 13 buildings under construction, the range in size varies from the Jefferson Bank headquarters at 230,000 sq. ft. to smaller medical office buildings at 30,000 sq. ft.

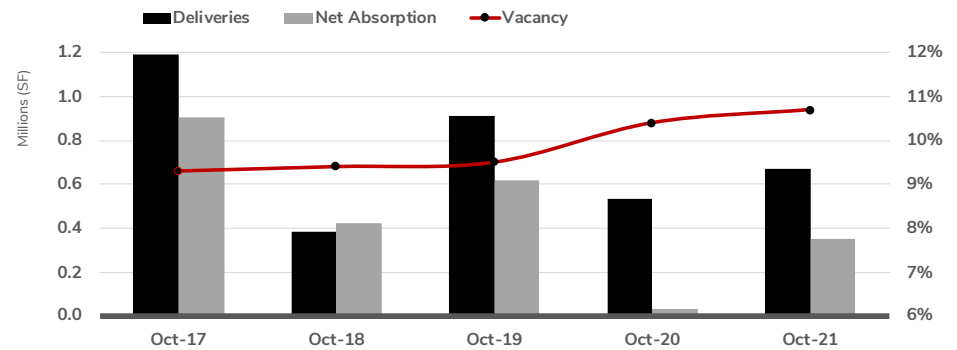
SIGNIFICANT LEASE TRANSACTIONS IN 2021

Medtronic signed a renewal for 145,025 sq. ft. in Overlook at the Rim in the Far Northwest submarket in September; TaskUs Inc. expanded its leased headquarters at Heritage Plaza in New Braunfels, adding 35,000 sq. ft. to its existing space to total three stories and 105,729 sq. ft.; a lease for 80,312 sq. ft. in Port San Antonio was signed in July; and University Health inked a deal for 40,544 sq. ft. in Wonderland of the Americas in the Northwest submarket in July.

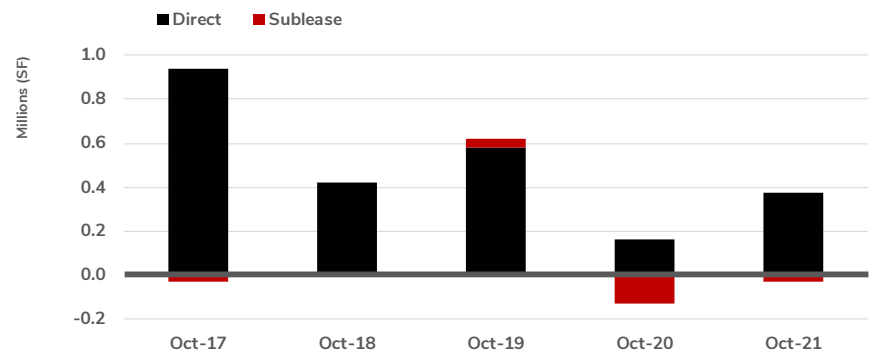
MARKET ACTIVITY

	OCTOBER 2021	vs	OCTOBER 2020
Vacancy	10.7%	▲	10.4%
Availability	14.5%	▲	13.9%
Under Construction SF	1,174,225	▼	1,496,279
Gross Average Asking Rent	\$23.89	▲	\$23.54
Net Absorption SF YTD	348,591	▲	31,504
Leasing Activity SF YTD	1,814,904	▼	3,711,976
Deliveries SF YTD	669,123	▲	532,778

SUPPLY & DEMAND | OCTOBER - YEAR OVER YEAR



NET ABSORPTION | OCTOBER - YEAR OVER YEAR



LETA WAUSON

DIRECTOR OF RESEARCH
leta.wauson@naipartners.com
tel 713 275 9618

NAIpartners
BROKERAGE SERVICES
www.naipartners.com