

SAN ANTONIO INDUSTRIAL MONTHLY MARKET SNAPSHOT | DECEMBER 2021

San Antonio Industrial market continues at feverish pace, already breaking all-time leasing record with a month still to go

MARKET HIGHLIGHTS

VACANCY RATE AT 5.3%

The current vacancy rate is down 140 basis points year-over-year, sitting at 5.3%—the lowest rate realized since Q4 2018. Rising ecommerce demand, population and housing growth, and expanding automotive manufacturing are primary drivers of the burgeoning San Antonio industrial market. Despite an increasing supply of industrial space, vacancy continues to tighten.

DEMAND CONTINUING TO OUTPACE SUPPLY

Net absorption—representing demand for industrial space—registered 3.5 million sq. ft. during January through November 2021 in the San Antonio metro. That tally outpaced deliveries during the same time period, which totaled 1.9 million sq. ft. of supply. With 1.9 million sq. ft. delivered since the beginning of the year, 9.7 million sq. ft. under construction—including Amazon building or pre-leasing half of the total amount, and another 3 million sq. ft. proposed through 2022, the demand for industrial real estate will most likely continue to overtake supply. The growing advanced manufacturing group in San Antonio's South Submarket, anchored by Toyota Motor Manufacturing Texas and Navistar, accounts for a significant percentage of the other half of construction underway.

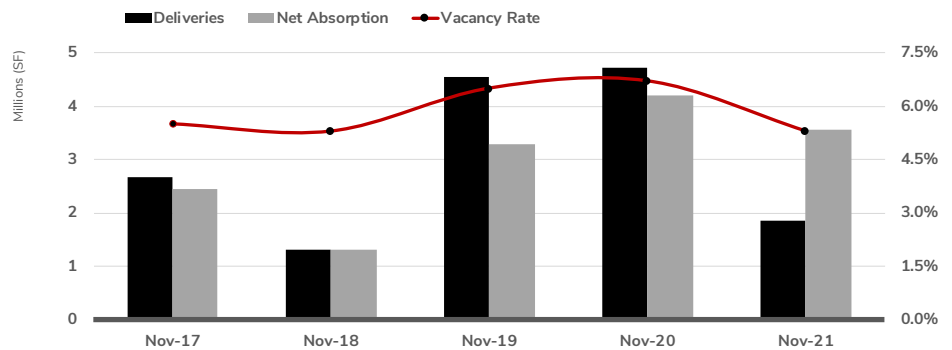
LEASING ACTIVITY AT ALL-TIME RECORD

The volume of signed lease transactions year-to-date through November hit an all-time record at 11.7 million sq. ft.—up from the prior period at 11.0 million sq. ft. In total, 401 new and renewal building lease transactions have been signed year-to-date.

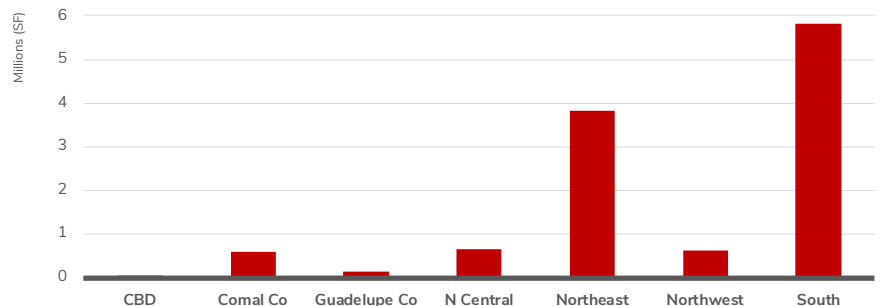
MARKET ACTIVITY

	NOVEMBER 2021	vs	NOVEMBER 2020
Vacancy	5.3%	↓	6.7%
Availability	7.3%	↓	9.0%
Under Construction SF	9,721,989	↑	6,634,315
NNN Avg Asking Rent/MO	\$0.56	↑	\$0.52
Net Absorption SF YTD	3,549,887	↓	4,205,118
Leasing Activity SF YTD	11,658,667	↑	11,041,753
Deliveries SF YTD	1,863,659	↓	4,724,198

SUPPLY & DEMAND | NOVEMBER - YEAR OVER YEAR



LEASING ACTIVITY | NOVEMBER 2021 YEAR-TO-DATE



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