

SAN ANTONIO INDUSTRIAL MONTHLY MARKET SNAPSHOT | JUNE 2022

Industrial vacancy in San Antonio plunges to record lows.

MARKET HIGHLIGHTS

AN ANALYSIS OF ACTIVITY DURING THE FIRST FIVE MONTHS OF THE YEAR—MAY 2022 COMPARED TO MAY 2021.

VACANCY RATE CONTINUES TO SHRINK

Almost halfway through 2022, overall vacancy in the San Antonio industrial market has tightened to an extraordinary low of 3.5%, dropping 240 basis points from last year at 5.9%. Availability is at 7.9%, up slightly from April 2021 at 7.8%. The difference between this figure and the vacancy rate reflects expected future move-outs. The San Antonio industrial market has recorded 3.1 million sq. ft. of leasing activity, comprised of new leases and renewals, while net absorption (move-ins minus move-outs) is at 7.1 million sq. ft. Notable projects completed that contributed to the above-average net absorption in 2022 include the 3.8 million-sq.-ft. Amazon SAT3 – Project Star at 6806 Cal Turner Drive, and the 900,000-sq.-ft. Navistar manufacturing facility at 14607 U.S. 281 S.

CONSTRUCTION LEVELS REMAIN HIGH

The San Antonio industrial market has 7.9 million sq. ft. under construction, comprising 35 projects. The largest projects underway are Oakmont 410 (639,525 sq. ft.) at 542 SE Loop 410, Rosillo Creek Industrial Park 1 (560,500 sq. ft.) at 6042 IH-10 East, and Galleria Industrial Park (528,040 sq. ft.) at 7602 IH-10 East.

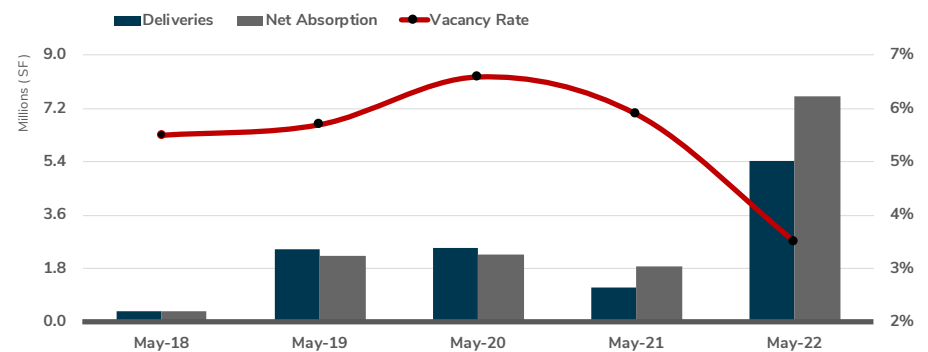
NEW INDUSTRIAL SPEC DEVELOPMENT

Westport Industrial Park, a 374,400-sq. ft. project has broken ground at 438 S. Callaghan Road in the Northwest submarket of San Antonio. Koontz Corp. is developing the park in phases, with the first of the two 187,200-sq.-ft. buildings set to be delivered in Q1 2023. NAI Partners—the commercial real estate services business of Partners Real Estate Company—are the exclusive leasing agents for Westport Industrial Park.

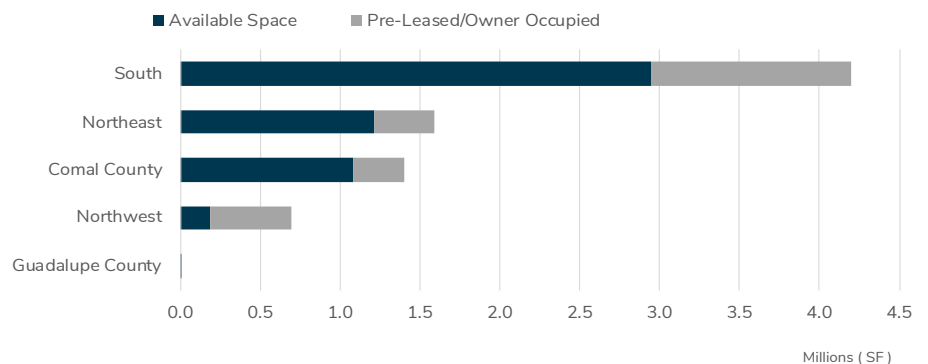
MARKET ACTIVITY

	MAY 2022	vs	MAY 2021
Vacancy	3.5%	↓	5.9%
Availability	7.9%	↑	7.8%
Under Construction SF	7,899,286	↓	8,877,739
NNN Avg Asking Rent/MO	\$0.60	↑	\$0.56
Net Absorption SF YTD	7,105,858	↑	1,554,096
Leasing Activity SF YTD	3,118,047	↓	7,443,641
Deliveries SF YTD	5,043,419	↑	934,190

SUPPLY & DEMAND | MAY - YEAR OVER YEAR



CONSTRUCTION ACTIVITY | MAY - YEAR TO DATE



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INDEPENDENTLY WRITTEN, RESEARCHED, EDITED, AND PRODUCED
IN-HOUSE BY PARTNERS REAL ESTATE COMPANY