

SAN ANTONIO OFFICE | INDUSTRIAL | RETAIL | MULTIFAMILY

Monthly Snapshot

Northwest Leads Year-to-Date Deliveries in San Antonio Office Market

DECEMBER 2023

SAN ANTONIO OFFICE

Eleven months into 2023, the overall vacancy rate in the San Antonio office market is 15.3%, up 170 basis points from the previous year's 13.6%. Year-to-date, net absorption—move-ins minus move-outs—is at -101,388 sq. ft., improving from the previous year-to-date figure of -1.1 million sq. ft. Microsoft expanded their office presence in San Antonio—occupying a 152,000-sq.-ft. building in November at 3545 Wiseman Boulevard. Year-to-date, deliveries are at 1.1 million sq. ft., nearly doubling from prior year-to-date number of 545,011 sq. ft. The Northwest submarket maintains its lead in year-to-date deliveries, reaching 878,781 sq. ft. The 550,000-sq.-ft. corporate campus (North Rim-Building 2), delivered in April, represents the largest delivery in 2023 thus far. The average asking rent (FSG) decreased 5% year-over-year to \$23.36 per sq. ft.

SAN ANTONIO INDUSTRIAL

The overall vacancy rate in the San Antonio industrial market as of November 2023 was 7.3%, up 390 basis points from 3.4% in November 2022. Year-to-date, net absorption is at 1.9 million sq. ft., down from the prior year-to-date statistic of 10.5 million sq. ft. Year-to-date, leasing activity—comprised of new leases and renewals—is at 7.2 million sq. ft., 16% down from the prior year-to-date figure of 8.5 million sq. ft. The Guadalupe County submarket led annual rent growth in San Antonio's industrial market, registering a 39% increase year-over-year from \$0.70 per sq. ft. to \$0.97 per sq. ft. The metro's average monthly rate (NNN) currently stands at \$0.70 per sq. ft., up 3% from \$0.68 per sq. ft. the previous year.

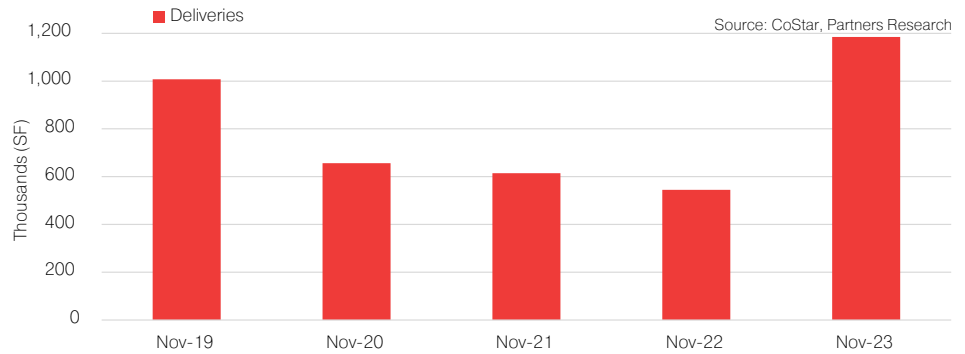
SAN ANTONIO RETAIL

As of November 2023, the overall vacancy rate in San Antonio's retail market is 3.9%, up 10 basis points from 3.8% the previous year. Year-to-date, net absorption is at 919,920 sq. ft., 61% down from the prior year-to-date tally of 2.3 million sq. ft. Construction is at 847,500 sq. ft.—across 50 buildings—21% down from the prior year's 1.0 million sq. ft. (67 buildings). Year-to-date, deliveries are at 1.0 million sq. ft., 41% down from the prior year-to-date figure of 1.7 million sq. ft. The availability rate decreased to 5.1%, as market fundamentals tightened in November—a 90,681 sq. ft. difference between year-to-date deliveries and net absorption. In turn, the average asking rent (NNN) increased 5% year-over-year to \$19.13 per sq. ft.

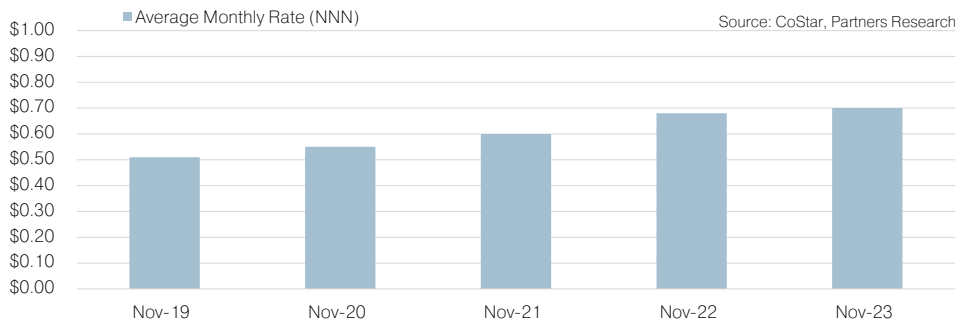
SAN ANTONIO MULTIFAMILY

Year-to-date, 4,628 multifamily units have been absorbed in San Antonio, up from 513 units this time last year. Overall occupancy remained flat year-over-year at 88.9%. As of November 2023, 18,081 units filled San Antonio's multifamily construction pipeline—across 82 buildings—4% up from 17,453 units in November 2022. Year-to-date, deliveries are at 8,481 units, 7% up from the prior year's 7,929 units. The average monthly rate (NNN) currently stands at \$1,214 per unit, slightly down from \$1,229 per unit the previous year.

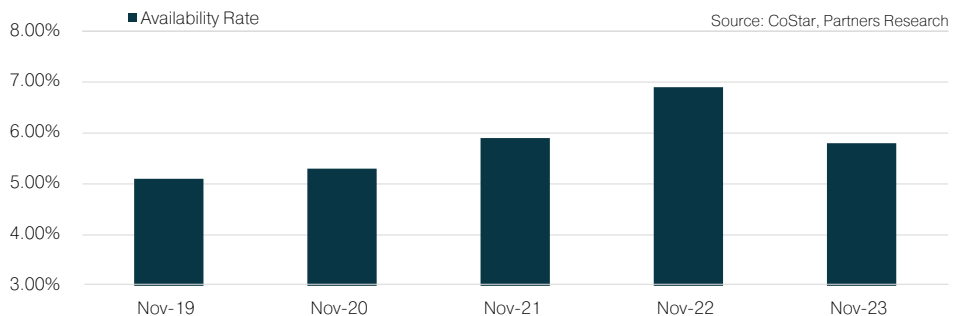
OFFICE | DELIVERIES



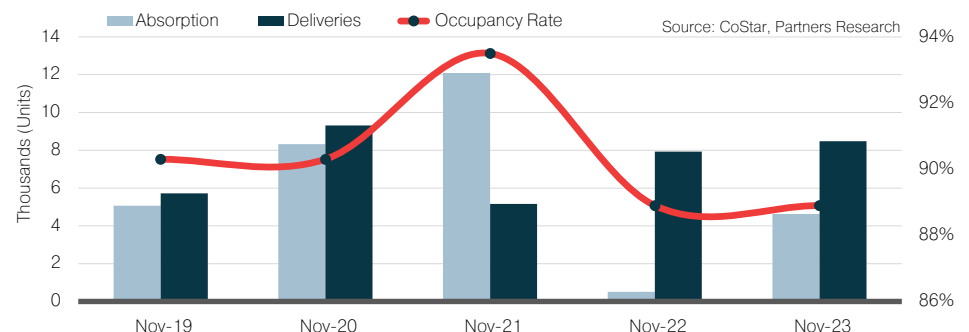
INDUSTRIAL | ANNUAL RENT GROWTH



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