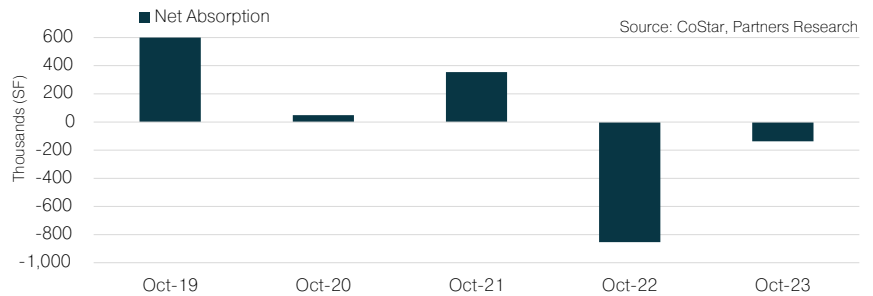


### Microsoft expands footprint in San Antonio Office market

#### San Antonio Office

Ten months into 2023, the overall vacancy rate in the San Antonio office market was 15.4%, up 170 basis points from the previous year's 13.7%. Year-to-date, net absorption is at -136,949 sq. ft., improving from the previous year-to-date figure at -853,664 sq. ft. A notable move-in within the last year includes Microsoft occupying a 107,000-sq.-ft. office space at 3545 Wiseman Boulevard in September 2023. This marks the fourth Microsoft office space within San Antonio—expanding their total office footprint in the metro to 355,736 sq. ft. Year-to-date, deliveries registered at 1.1 million sq. ft.—the highest year-to-date deliveries seen since Q4 2017 (1.0 million sq. ft.) However, this increase in supply has decreased the average asking rent by 5% year-over-year to \$23.20 per sq. ft.

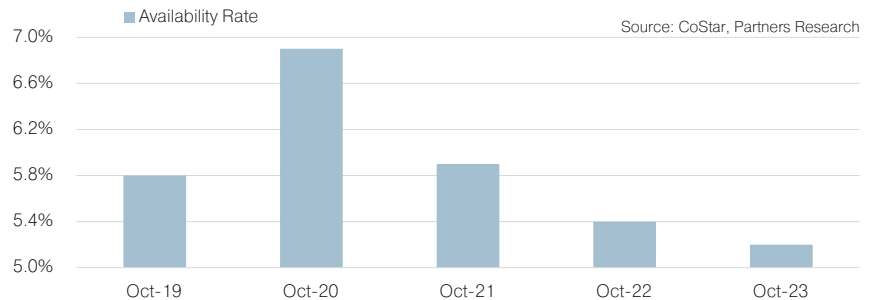
#### Office | Net Absorption



#### San Antonio Retail

As of October 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 871,637 sq. ft., down from the prior year-to-date tally of 1.9 million sq. ft. Construction is at 769,754 sq. ft.—across 49 buildings—down from the prior year's 1.0 million sq. ft. (65 buildings). Year-to-date, deliveries are at 956,193 sq. ft., down from the prior year-to-date number of 1.3 million sq. ft. The tempered onset of supply has driven the availability rate down 20 basis points to 5.2%—the lowest availability rate noted since Q2 2005 (4.9%). The average monthly rate surpassed \$19.00 per sq. ft., currently standing at \$19.18 per sq. ft.—a record-high for the metro's retail sector—up 5% from \$18.30 per sq. ft. the prior year.

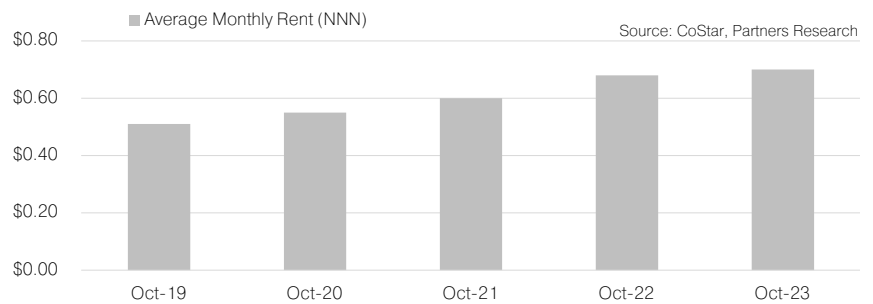
#### Retail | Availability



#### San Antonio Industrial

The overall vacancy rate in the San Antonio industrial market as of October 2023 was 7.1%, up 370 basis points from 3.4% in October 2022. Year-to-date, net absorption is at 2.2 million sq. ft., down from the prior year-to-date statistic of 10.1 million sq. ft. Year-to-date, leasing activity—comprised of new leases and renewals—equaled 6.6 million sq. ft., down from the prior year-to-date figure of 7.8 million sq. ft. The Guadalupe County submarket led annual rent growth in San Antonio's industrial market, registering a 40% increase year-over-year from \$0.70 per sq. ft. to \$0.97 per sq. ft. The metro's average monthly rate currently stands at \$0.70 per sq. ft., up 3% from the \$0.68 per sq. ft. the previous year.

#### Industrial | Rent



#### San Antonio Multifamily

Year-to-date, 3,117 multifamily units have been absorbed in San Antonio, up from 529 units this time last year. Overall occupancy in San Antonio's multifamily sector declined to 88.9% in October 2023, down 120 basis points from 90.1% in October 2022. As of October 2023, 19,321 units filled San Antonio's construction pipeline—across 89 buildings—13% up from 17,047 units in October 2022. Notable projects underway within the past year include a 2-story, 421,000-sq.-ft. apartment building (350 units) at 13939 Farm to Market Road 1560 in January 2023, and a 373,000-sq.-ft. apartment building (373 units) at 7910 South New Braunfels in November 2022. These two projects are set to be delivered in December 2024 and September 2024, respectively. The average monthly rate currently stands at \$1,211 per unit, slightly down from \$1,227 per unit last year.

#### Multifamily | Construction

