

## MARKETBEAT

## San Antonio, TX

Industrial Q1 2019

CUSHMAN &  
WAKEFIELDSAN ANTONIO  
COMMERCIAL ADVISORS

## SAN ANTONIO INDUSTRIAL

## Economic Indicators

	Q1 18	Q1 19	12-Month Forecast
San Antonio Employment	1,054k	1,069k	▲
San Antonio Unemployment	3.4%	3.3%	■
US Unemployment	4.1%	3.8%	▼

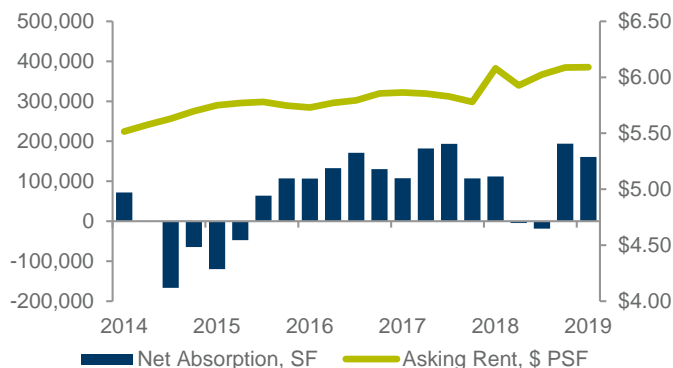
## Market Indicators (Overall, All Classes)

	Q1 18	Q1 19	12-Month Forecast
Vacancy	8.4%	7.3%	▼
YTD Net Absorption (sf)	112k	161k	▲
Under Construction (sf)	1.6M	4.0M	▼
Average Asking Rent*	\$6.08	\$6.09	▲

\*Rental rates reflect net asking \$psf/year

## Overall Net Absorption/Overall Asking Rent

## 4-QTR TRAILING AVERAGE FOR BOTH



## About Cushman &amp; Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value by putting ideas into action for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with 48,000 employees in approximately 400 offices and 70 countries. In 2017, the firm had revenue of \$6.9 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com) or follow @CushWake on Twitter.

©2019 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.

## Economy

Fueled by bio-research, healthcare, tourism, the US Military, and international trade, San Antonio's vibrant economy continues to steam into 2019 as a key market for commercial real estate. Situated at the crossroads of IH-10 and IH-35 along the NAFTA (USMCA) corridor, San Antonio fields unique opportunities for the development and expansion of international trade, while the railway/runway expansion projects at San Antonio's heavy industrial and logistics trade hub, Port San Antonio, allows the city to serve as a critical junction for trans-American shipping and commerce. With unemployment at 3.3%, down 0.1% from Q1 18, and an educated and skilled workforce eagerly rising to meet the demand of new job growth, San Antonio's economy continues to thrive with the start of the new year, with no signs of slowing down.

## Market Overview &amp; Outlook

With construction at a near all-time high, and vacancies remaining steady, San Antonio's industrial market continues to paint a picture of strong rental rates, reliable growth, and consistent leasing going into the new year. With vacancy falling 110 basis points from the previous year, 60 basis points from the previous quarter, and the market showing strong positive absorption, San Antonio's leasing activity reflects a high demand for industrial space and increased development. Rents have remained steady from last quarter and last year, due to increased competition in the market from new development projects, only up \$0.01 from Q1 18. New development projects in San Antonio include: the 1.5 million square feet (msf) TJ Maxx Distribution Center in the south side of town; the Pan Am West Industrial Park, 4 buildings totaling over 431,525 square feet (sf); Brooks Business Park, bringing 350,000 sf to market; Eisenhower Point Business Park Buildings VII and VIII, with their combined 336,167 sf; and the 327,600 sf Foster Ridge Distribution Center project on the East side. With increased demand for space in the city, vacancies are expected to remain low throughout the next year, despite the increased development activity.

With rents increasing, vacancy lower than average, and construction continuing to show no signs of withdrawal, San Antonio's industrial market propels into 2019 with a full head of steam, promising continued growth and prosperity.

Cushman & Wakefield San Antonio  
Commercial Advisors  
200 E. Grayson, Ste. 124  
San Antonio, TX 78215  
[www.sacadvisors.com](http://www.sacadvisors.com)

For more information, contact:  
Ben Kaplan, Analyst  
Tel: +1 210 305 4281  
[bkaplan@sacadvisors.com](mailto:bkaplan@sacadvisors.com)