

# CoStar Industrial Statistics

Year - End 2017

## San Antonio Industrial Market



**CoStar**<sup>TM</sup>  
The knowledge market

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## Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 119 billion square feet of coverage in 5.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

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**CoStar Group, Inc.**

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## Terms & Definitions

**Availability Rate:** The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

**Available Space:** The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

**Build-to-Suit:** A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

**Buyer:** The individual, group, company, or entity that has purchased a commercial real estate asset.

**Cap Rate:** Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

**CBD:** Abbreviation for Central Business District. (See also: Central Business District)

**Central Business District:** The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

**Class A:** A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

**Class B:** A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Class C:** A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Construction Starts:** Buildings that began construction during a specific period of time. (See also: Deliveries)

**Contiguous Blocks of Space:** Space within a building that is, or is able to be joined together into a single contiguous space.

**Deliveries:** Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

**Delivery Date:** The date a building completes construction and receives a certificate of occupancy.

**Developer:** The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

**Direct Space:** Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

**Existing Inventory:** The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

**Flex Building:** A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

**Full Service Rental Rate:** Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

**Gross Absorption:** The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

**Growth in Inventory:** The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

**Industrial Building:** A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

**Landlord Rep:** (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

**Leased Space:** All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

**Leasing Activity:** The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

**Market:** Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

**Multi-Tenant:** Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

**Net Absorption:** The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

**Net Rental Rate:** A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

**New Space:** Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

**Occupied Space:** Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

**Office Building:** A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

**Owner:** The company, entity, or individual that holds title on a given building or property.

**Planned/Proposed:** The status of a building that has been announced for future development but not yet started construction.

**Preleased Space:** The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

**Price/SF:** Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

**Property Manager:** The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

**Quoted Rental Rate:** The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

**RBA:** Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

**Region:** Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

**Relet Space:** Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

**Rentable Building Area:** (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

**Rental Rates:** The annual costs of occupancy for a particular space quoted on a per square foot basis.

**Sales Price:** The total dollar amount paid for a particular property at a particular point in time.

**Sales Volume:** The sum of sales prices for a given group of buildings in a given time period.

**Seller:** The individual, group, company, or entity that sells a particular commercial real estate asset.

**SF:** Abbreviation for Square Feet.

**Single-Tenant:** Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

**Sublease Space:** Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

**Submarkets:** Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

**Suburban:** The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

**Tenancy:** A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

**Tenant Rep:** Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

**Time On Market:** A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

**Under Construction:** Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

**Vacancy Rate:** A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

**Vacant Space:** Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

**Weighted Average Rental Rate:** Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

**Year Built:** The year in which a building completed construction and was issued a certificate of occupancy.

**YTD:** Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

## San Antonio's Vacancy Increases to 6.0%

### Net Absorption Negative (60,171) SF in the Quarter

The San Antonio Industrial market ended the fourth quarter 2017 with a vacancy rate of 6.0%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (60,171) square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 296,079 square feet. Rental rates ended the fourth quarter at \$6.30, an increase over the previous quarter. A total of two buildings delivered to the market in the quarter totaling 58,500 square feet, with 927,164 square feet still under construction at the end of the quarter.

#### Absorption

Net absorption for the overall San Antonio Industrial market was negative (60,171) square feet in the fourth quarter 2017. That compares to positive 968,294 square feet in the third quarter 2017, positive 59,267 square feet in the second quarter 2017, and negative (229,870) square feet in the first quarter 2017.

Tenants moving out of large blocks of space in 2017 include: Buell's Inc. moving out of (65,106) square feet at 816 N Main St.

Tenants moving into large blocks of space in 2017 include: Total Products moving into 263,930 square feet at Pan Am Distribution Center - Building 1, and Southern Warehousing & Distribution moving into 147,840 square feet at Interchange East Distribution Center Bldg. 1.

The Flex building market recorded net absorption of negative (70,483) square feet in the fourth quarter 2017, compared to positive 49,159 square feet in the third quarter 2017, positive 97,828 in the second quarter 2017, and negative (179,793) in

the first quarter 2017.

The Warehouse building market recorded net absorption of positive 10,312 square feet in the fourth quarter 2017 compared to positive 919,135 square feet in the third quarter 2017, negative (38,561) in the second quarter 2017, and negative (50,077) in the first quarter 2017.

#### Vacancy

The Industrial vacancy rate in the San Antonio market area increased to 6.0% at the end of the fourth quarter 2017. The vacancy rate was 5.6% at the end of the third quarter 2017, 6.3% at the end of the second quarter 2017, and 6.2% at the end of the first quarter 2017.

Flex projects reported a vacancy rate of 8.9% at the end of the fourth quarter 2017, 8.4% at the end of the third quarter 2017, 8.8% at the end of the second quarter 2017, and 9.2% at the end of the first quarter 2017.

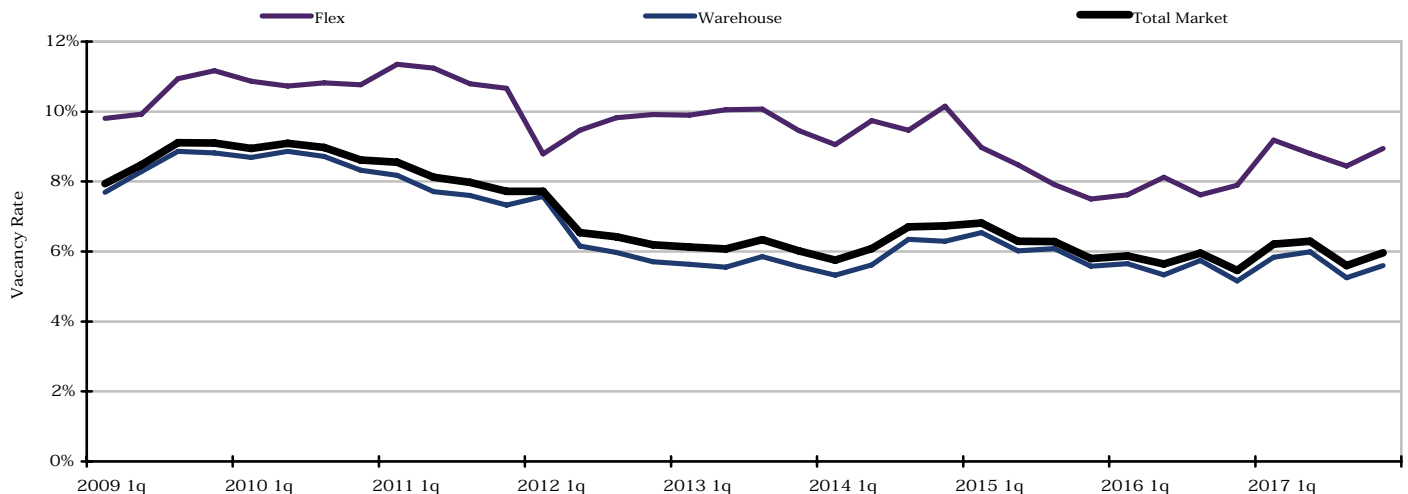
Warehouse projects reported a vacancy rate of 5.6% at the end of the fourth quarter 2017, 5.2% at the end of third quarter 2017, 6.0% at the end of the second quarter 2017, and 5.8% at the end of the first quarter 2017.

#### Largest Lease Signings

The largest lease signings occurring in 2017 included: the 214,536-square-foot lease signed by Ace Mart Restaurant Supply at 9850 Doerr Ln in the Comal County market; the 147,840-square-foot deal signed by Southern Warehousing & Distribution at Interchange East Distribution Center Bldg. 1 in the South market; and the 84,947-square-foot lease signed by US Auto Force at Eisenhower Point - Building 4 in the Northeast

## Vacancy Rates by Building Type

2005-2017



Source: CoStar Property®

market.

## Sublease Vacancy

The amount of vacant sublease space in the San Antonio market increased to 296,079 square feet by the end of the fourth quarter 2017, from 286,759 square feet at the end of the third quarter 2017. There was 226,096 square feet vacant at the end of the second quarter 2017 and 156,353 square feet at the end of the first quarter 2017.

San Antonio’s Flex projects reported vacant sublease space of 26,467 square feet at the end of fourth quarter 2017, up from the 24,695 square feet reported at the end of the third quarter 2017. There was 4,794 square feet of sublease space vacant at the end of the second quarter 2017, and 7,474 square feet at the end of the first quarter 2017.

Warehouse projects reported increased vacant sublease space from the third quarter 2017 to the fourth quarter 2017. Sublease vacancy went from 262,064 square feet to 269,612 square feet during that time. There was 221,302 square feet at the end of the second quarter 2017, and 148,879 square feet at the end of the first quarter 2017.

## Rental Rates

The average quoted asking rental rate for available Industrial space was \$6.30 per square foot per year at the end of the fourth quarter 2017 in the San Antonio market area. This represented a 2.3% increase in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$6.16 per square foot.

The average quoted rate within the Flex sector was \$9.49 per square foot at the end of the fourth quarter 2017, while Warehouse rates stood at \$5.85. At the end of the third quar-

ter 2017, Flex rates were \$9.35 per square foot, and Warehouse rates were \$5.77.

## Deliveries and Construction

During the fourth quarter 2017, two buildings totaling 58,500 square feet were completed in the San Antonio market area. This compares to five buildings totaling 145,402 square feet that were completed in the third quarter 2017, six buildings totaling 143,412 square feet completed in the second quarter 2017, and 746,218 square feet in six buildings completed in the first quarter 2017.

There was 927,164 square feet of Industrial space under construction at the end of the fourth quarter 2017.

Some of the notable 2017 deliveries include: I-35 Logistics Center, a 397,600-square-foot facility that delivered in first quarter 2017, and Enterprise Industrial Park Bldg. III, a 359,251-square-foot building that delivered in 2017.

The largest projects underway at the end of fourth quarter 2017 were Gateway 10 - Building 1, a 179,655-square-foot building, and Cornerstone Industrial Park - Building 3, a 144,137-square-foot facility that is 65% pre-leased.

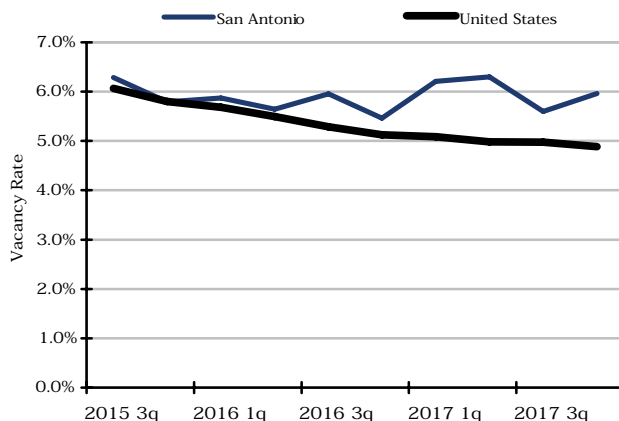
## Inventory

Total Industrial inventory in the San Antonio market area amounted to 126,641,039 square feet in 4,779 buildings as of the end of the fourth quarter 2017. The Flex sector consisted of 13,924,322 square feet in 797 projects. The Warehouse sector consisted of 112,716,717 square feet in 3,982 buildings. Within the Industrial market there are 355 owner-occupied buildings accounting for 18,147,748 square feet of Industrial space.

Reports compiled by: Jim Filler, CoStar Research Manager

## U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

# San Antonio Industrial Market



Markets

## CoStar Submarket Clusters & Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters	Submarkets
Atascosa County	Atascosa County
Bandera County	Bandera County
CBD	CBD
Comal County	Comal County
Guadalupe County	Guadalupe County
Kendall County	Kendall County
Medina County	Medina County
North Central	Far North Central North Central
Northeast	Northeast
Northwest	Far Northwest Far West Northwest
South	South
Wilson County	Wilson County



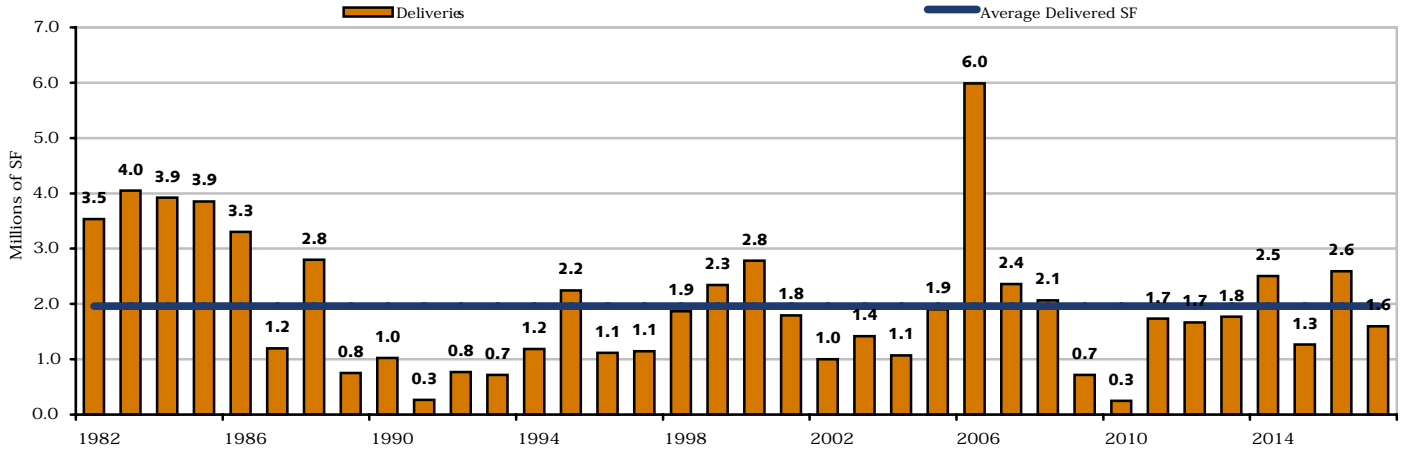


# San Antonio Industrial Market

Inventory & development

## Historical Deliveries

1982 - 2017



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

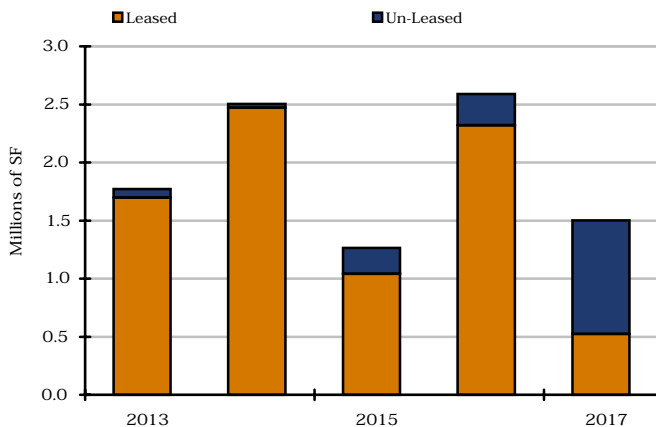
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Northeast	9	641,484	209,802	32.7%	32,588	71,276
North Central	1	100,000	0	0.0%	17,613	100,000
Northwest	1	96,930	96,930	100.0%	21,145	96,930
South	1	79,750	0	0.0%	38,974	79,750
Atascosa County	1	9,000	2,970	33.0%	9,405	9,000
Wilson County	0	0	0	0.0%	7,113	0
Bandera County	0	0	0	0.0%	6,911	0
CBD	0	0	0	0.0%	20,685	0
Kendall County	0	0	0	0.0%	9,276	0
Comal County	0	0	0	0.0%	39,048	0
All Other	0	0	0	0.0%	28,996	0
<b>Totals</b>	<b>13</b>	<b>927,164</b>	<b>309,702</b>	<b>33.4%</b>	<b>26,499</b>	<b>71,320</b>

Source: CoStar Property®

## Recent Deliveries

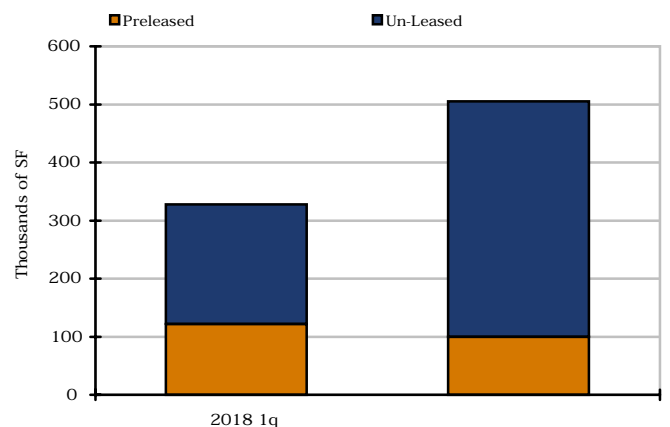
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

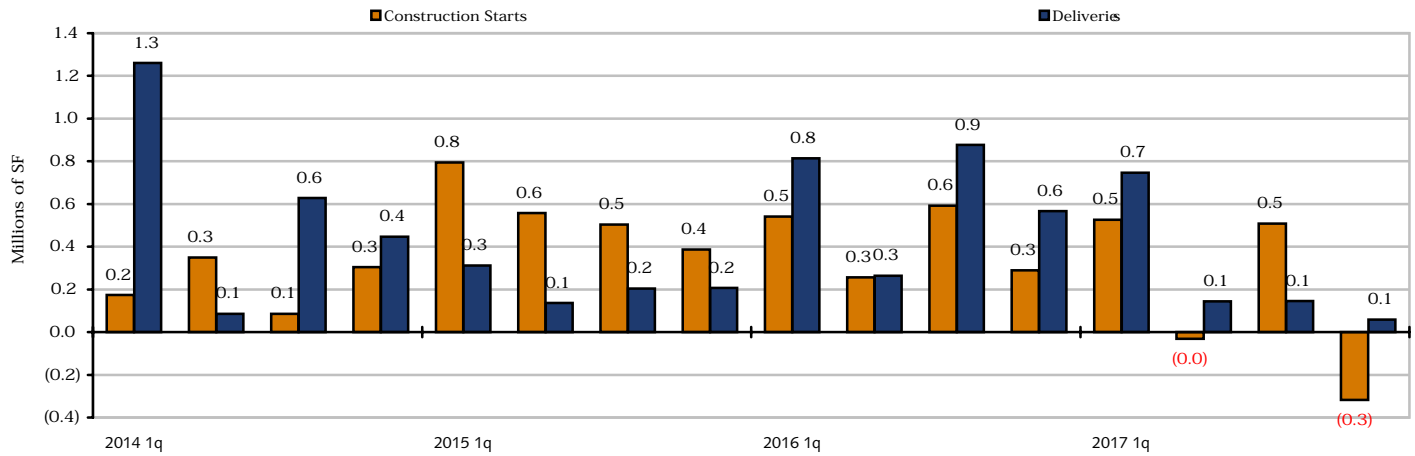
# San Antonio Industrial Market



Inventory & development

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	17	286,224	152,021	53.1%	\$11.19	12,000	274,224
50,000 SF - 99,999 SF	2	142,497	53,640	37.6%	\$6.20	0	142,497
100,000 SF - 249,999 SF	2	316,536	316,536	100.0%	\$4.92	0	316,536
250,000 SF - 499,999 SF	2	756,851	0	0.0%	\$4.75	0	756,851
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

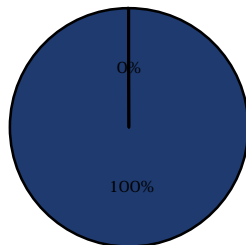
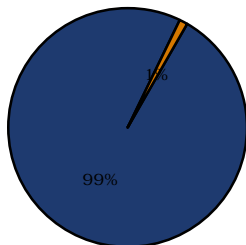
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

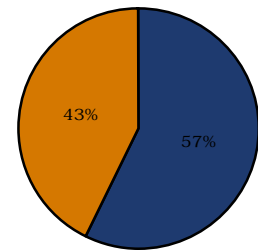
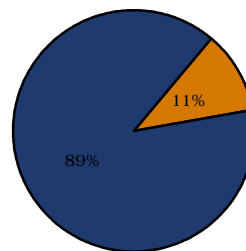
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

## Select Year-to-Date Deliveries

Based on Project Square Footage

<p><b>1. I-35 Logistics Center</b></p> <p>Submarket: <b>Comal County Industrial Market</b>            RBA: <b>397,600</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$4.75</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Stream Realty Partners-Central Texa</b>            Developer: <b>N/A</b></p>	<p><b>2. Enterprise Industrial Park Bldg III</b></p> <p>Submarket: <b>Comal County Industrial Market</b>            RBA: <b>359,251</b>            Occupied: <b>0%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>2017</b>            Leasing Co: <b>Colglazier Properties</b>            Developer: <b>N/A</b></p>	<p><b>3. 9850 Doerr Ln</b></p> <p>Submarket: <b>Comal County Industrial Market</b>            RBA: <b>214,536</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$4.98</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>HPI Real Estate Services &amp; Investme</b>            Developer: <b>N/A</b></p>
<p><b>4. 9342 SE Loop 410 - Bldg B- San Antonio Wholes</b></p> <p>Submarket: <b>South Industrial Market</b>            RBA: <b>102,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$1.00</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>RE/MAX Integrity</b>            Developer: <b>N/A</b></p>	<p><b>5. Interchange North - Building 2</b></p> <p>Submarket: <b>Northeast Industrial Market</b>            RBA: <b>71,520</b>            Occupied: <b>75%</b>            Quoted Rate: <b>\$8.00</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Industrial Group Southwest</b>            Developer: <b>Industrial Group Southwest, LLC</b></p>	<p><b>6. Eisenhower Point - Building 3</b></p> <p>Submarket: <b>Northeast Industrial Market</b>            RBA: <b>70,977</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$5.75</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Cavender &amp; Hill Properties, Inc.</b>            Developer: <b>N/A</b></p>
<p><b>7. Loop 337 Industrial Park</b></p> <p>Submarket: <b>Comal County Industrial Market</b>            RBA: <b>48,000</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$10.20</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Seidel Properties</b>            Developer: <b>N/A</b></p>	<p><b>8. 4800 Callaghan Rd</b></p> <p>Submarket: <b>Northwest Industrial Market</b>            RBA: <b>45,925</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Tey Oscar</b>            Developer: <b>Stalwart Contracting</b></p>	<p><b>9. 14886 Tradesman Dr</b></p> <p>Submarket: <b>Northwest Industrial Market</b>            RBA: <b>40,692</b>            Occupied: <b>25%</b>            Quoted Rate: <b>\$12.50</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>KW Commercial</b>            Developer: <b>N/A</b></p>
<p><b>10. 4700 Timco W</b></p> <p>Submarket: <b>Northwest Industrial Market</b>            RBA: <b>34,605</b>            Occupied: <b>95%</b>            Quoted Rate: <b>\$8.70</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>2017</b>            Leasing Co: <b>Timco Business Park Llc</b>            Developer: <b>N/A</b></p>	<p><b>11. 1287 Industrial Dr</b></p> <p>Submarket: <b>Comal County Industrial Market</b>            RBA: <b>15,618</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$9.60</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Seidel Properties</b>            Developer: <b>N/A</b></p>	<p><b>12. 4239 Dividend Dr</b></p> <p>Submarket: <b>Northeast Industrial Market</b>            RBA: <b>12,000</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>First Quarter 2017</b>            Leasing Co: <b>Colglazier Properties</b>            Developer: <b>N/A</b></p>
<p><b>13. 2139 Wald Rd</b></p> <p>Submarket: <b>Comal County Industrial Market</b>            RBA: <b>10,500</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$10.20</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>SVN Norris Commercial Group</b>            Developer: <b>N/A</b></p>	<p><b>14. 15143 Tradesman Dr</b></p> <p>Submarket: <b>Northwest Industrial Market</b>            RBA: <b>10,500</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$13.50</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Endura Advisory Group</b>            Developer: <b>N/A</b></p>	<p><b>15. University Oaks Centre - Building 1</b></p> <p>Submarket: <b>Northwest Industrial Market</b>            RBA: <b>10,000</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$13.00</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>Second Quarter 2017</b>            Leasing Co: <b>Endura Advisory Group</b>            Developer: <b>N/A</b></p>

## San Antonio Industrial Market



Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

- |  |  |  |
|--|--|--|
| <p><b>1. Gateway10 - Building 1</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>179,655</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>Second Quarter 2018</b><br/> Leasing Co: <b>Stream Realty Partners-Central Texa</b><br/> Developer: <b>N/A</b></p>               | <p><b>2. Cornerstone Industrial Park - Building 3</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>144,137</b><br/> Preleased: <b>65%</b><br/> Quoted Rate: <b>\$4.85</b><br/> Grnd Brk Date: <b>Fourth Quarter 2016</b><br/> Deliv Date: <b>First Quarter 2018</b><br/> Leasing Co: <b>Cavender &amp; Hill Properties, Inc.</b><br/> Developer: <b>N/A</b></p>       | <p><b>3. Green Mountain Business Park #7 b</b></p> <p>Submarket: <b>North Central Industrial Market</b><br/> RBA: <b>100,000</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>First Quarter 2017</b><br/> Deliv Date: <b>Second Quarter 2018</b><br/> Leasing Co: <b>CBRE</b><br/> Developer: <b>N/A</b></p>                               |
| <p><b>4. Alamo Ridge Business Park 4</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>96,930</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>\$5.35</b><br/> Grnd Brk Date: <b>Second Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2018</b><br/> Leasing Co: <b>Cavender &amp; Hill Properties, Inc.</b><br/> Developer: <b>N/A</b></p>           | <p><b>5. Eisenhower Point - Building 4</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>84,947</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>Fourth Quarter 2017</b><br/> Leasing Co: <b>Cavender &amp; Hill Properties, Inc.</b><br/> Developer: <b>N/A</b></p>                     | <p><b>6. Eisenhower Point Business Park Building 6</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>84,947</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>\$5.75</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>First Quarter 2018</b><br/> Leasing Co: <b>Cavender &amp; Hill Properties, Inc.</b><br/> Developer: <b>N/A</b></p> |
| <p><b>7. Port San Antonio</b></p> <p>Submarket: <b>South Industrial Market</b><br/> RBA: <b>79,750</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>\$12.00</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>Second Quarter 2018</b><br/> Leasing Co: <b>Cavender &amp; Hill Properties, Inc.</b><br/> Developer: <b>Peloton Commercial Real Estate</b></p> | <p><b>8. Interchange North - Building 3</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>50,050</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>\$10.87</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>First Quarter 2018</b><br/> Leasing Co: <b>Industrial Group Southwest</b><br/> Developer: <b>Industrial Group Southwest, LLC</b></p> | <p><b>9. Converse Business Center</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>42,957</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>\$12.00</b><br/> Grnd Brk Date: <b>Fourth Quarter 2017</b><br/> Deliv Date: <b>Second Quarter 2018</b><br/> Leasing Co: <b>TJ Elite Properties</b><br/> Developer: <b>N/A</b></p>                                |
| <p><b>10. 3067 E Commerce St</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>28,166</b><br/> Preleased: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Second Quarter 2016</b><br/> Deliv Date: <b>First Quarter 2018</b><br/> Leasing Co: <b>Unifirst Holdings</b><br/> Developer: <b>N/A</b></p>  | <p><b>11. Crosswinds Way Industrial Park - 2</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>20,625</b><br/> Preleased: <b>0%</b><br/> Quoted Rate: <b>\$10.88</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>First Quarter 2018</b><br/> Leasing Co: <b>First American Commercial Property</b><br/> Developer: <b>N/A</b></p>                | <p><b>12. 200 Eurostar Dr</b></p> <p>Submarket: <b>Atascosa County Industrial Market</b><br/> RBA: <b>9,000</b><br/> Preleased: <b>33%</b><br/> Quoted Rate: <b>\$13.00</b><br/> Grnd Brk Date: <b>Third Quarter 2017</b><br/> Deliv Date: <b>Fourth Quarter 2017</b><br/> Leasing Co: <b>DHR Real Estate Company</b><br/> Developer: <b>N/A</b></p>                               |
| <p><b>13. 6203 Krempen Ave</b></p> <p>Submarket: <b>Northeast Industrial Market</b><br/> RBA: <b>6,000</b><br/> Preleased: <b>50%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Fourth Quarter 2017</b><br/> Deliv Date: <b>Second Quarter 2018</b><br/> Leasing Co: <b>Commercial Property Investments</b><br/> Developer: <b>N/A</b></p>                        |  |  |



# San Antonio Industrial Market

Figures at a Glance

## Flex Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atascosa County	4	28,761	0	0	0.0%	5,028	0	9,000	\$13.00
Bandera County	0	0	0	0	0.0%	0	0	0	\$0.00
CBD	9	469,415	8,200	8,200	1.7%	(8,200)	0	0	\$6.75
Comal County	35	362,694	21,930	21,930	6.0%	(18,330)	0	0	\$11.10
Guadalupe County	21	190,847	0	0	0.0%	1,000	0	0	\$11.07
Kendall County	17	119,138	8,975	8,975	7.5%	(1,875)	0	0	\$13.37
Medina County	4	45,040	0	0	0.0%	0	0	0	\$0.00
North Central	283	4,467,468	358,390	384,857	8.6%	(113,102)	0	100,000	\$10.91
Northeast	176	2,859,692	370,998	370,998	13.0%	(177,214)	0	0	\$6.40
Northwest	224	4,956,251	434,446	434,446	8.8%	133,139	40,692	0	\$11.91
South	24	425,016	16,651	16,651	3.9%	76,265	0	0	\$9.21
Wilson County	0	0	0	0	0.0%	0	0	0	\$0.00
<b>Totals</b>	<b>797</b>	<b>13,924,322</b>	<b>1,219,590</b>	<b>1,246,057</b>	<b>8.9%</b>	<b>(103,289)</b>	<b>40,692</b>	<b>109,000</b>	<b>\$9.49</b>

Source: CoStar Property®

## Warehouse Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atascosa County	125	1,184,528	266,900	272,900	23.0%	34,120	0	0	\$11.65
Bandera County	9	62,197	0	0	0.0%	0	0	0	\$0.00
CBD	180	3,439,987	85,096	85,096	2.5%	9,576	0	0	\$7.08
Comal County	293	12,445,195	1,790,461	1,790,461	14.4%	175,846	702,254	0	\$5.79
Guadalupe County	279	9,209,387	206,968	258,303	2.8%	(102,413)	5,200	0	\$6.25
Kendall County	70	687,887	157,150	157,150	22.8%	(12,940)	0	0	\$6.15
Medina County	56	993,153	0	0	0.0%	43,933	0	0	\$5.63
North Central	682	12,529,487	305,916	339,994	2.7%	(117,686)	0	0	\$7.50
Northeast	1,021	36,148,239	1,954,006	2,021,005	5.6%	145,126	154,497	641,484	\$5.22
Northwest	714	14,877,787	396,634	396,634	2.7%	387,087	76,425	96,930	\$6.89
South	524	20,932,606	860,632	971,832	4.6%	288,320	110,000	79,750	\$5.24
Wilson County	29	206,264	14,624	14,624	7.1%	(10,160)	4,464	0	\$8.35
<b>Totals</b>	<b>3,982</b>	<b>112,716,717</b>	<b>6,038,387</b>	<b>6,307,999</b>	<b>5.6%</b>	<b>840,809</b>	<b>1,052,840</b>	<b>818,164</b>	<b>\$5.85</b>

Source: CoStar Property®

## Total Industrial Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atascosa County	129	1,213,289	266,900	272,900	22.5%	39,148	0	9,000	\$11.70
Bandera County	9	62,197	0	0	0.0%	0	0	0	\$0.00
CBD	189	3,909,402	93,296	93,296	2.4%	1,376	0	0	\$7.03
Comal County	328	12,807,889	1,812,391	1,812,391	14.2%	157,516	702,254	0	\$5.86
Guadalupe County	300	9,400,234	206,968	258,303	2.7%	(101,413)	5,200	0	\$6.35
Kendall County	87	807,025	166,125	166,125	20.6%	(14,815)	0	0	\$6.50
Medina County	60	1,038,193	0	0	0.0%	43,933	0	0	\$5.63
North Central	965	16,996,955	664,306	724,851	4.3%	(230,788)	0	100,000	\$8.85
Northeast	1,197	39,007,931	2,325,004	2,392,003	6.1%	(32,088)	154,497	641,484	\$5.36
Northwest	938	19,834,038	831,080	831,080	4.2%	520,226	117,117	96,930	\$8.26
South	548	21,357,622	877,283	988,483	4.6%	364,585	110,000	79,750	\$5.40
Wilson County	29	206,264	14,624	14,624	7.1%	(10,160)	4,464	0	\$8.35
<b>Totals</b>	<b>4,779</b>	<b>126,641,039</b>	<b>7,257,977</b>	<b>7,554,056</b>	<b>6.0%</b>	<b>737,520</b>	<b>1,093,532</b>	<b>927,164</b>	<b>\$6.30</b>

Source: CoStar Property®

## San Antonio Industrial Market



Figures at a Glance

## Flex Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atascosa County	4	28,761	0	0	0.0%	5,028	0	9,000	\$13.00
Bandera County	0	0	0	0	0.0%	0	0	0	\$0.00
CBD	9	469,415	8,200	8,200	1.7%	(8,200)	0	0	\$6.75
Comal County	35	362,694	21,930	21,930	6.0%	(18,330)	0	0	\$11.10
Far North Central	7	71,819	0	4,674	6.5%	2,000	0	0	\$10.80
Far Northwest	24	215,448	6,000	6,000	2.8%	(6,000)	0	0	\$0.00
Far West	10	710,380	0	0	0.0%	75,840	0	0	\$0.00
Guadalupe County	21	190,847	0	0	0.0%	1,000	0	0	\$11.07
Kendall County	17	119,138	8,975	8,975	7.5%	(1,875)	0	0	\$13.37
Medina County	4	45,040	0	0	0.0%	0	0	0	\$0.00
North Central	276	4,395,649	358,390	380,183	8.6%	(115,102)	0	100,000	\$10.91
Northeast	176	2,859,692	370,998	370,998	13.0%	(177,214)	0	0	\$6.40
Northwest	190	4,030,423	428,446	428,446	10.6%	63,299	40,692	0	\$11.91
South	24	425,016	16,651	16,651	3.9%	76,265	0	0	\$9.21
Wilson County	0	0	0	0	0.0%	0	0	0	\$0.00
<b>Totals</b>	<b>797</b>	<b>13,924,322</b>	<b>1,219,590</b>	<b>1,246,057</b>	<b>8.9%</b>	<b>(103,289)</b>	<b>40,692</b>	<b>109,000</b>	<b>\$9.49</b>

Source: CoStar Property®

## Warehouse Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atascosa County	125	1,184,528	266,900	272,900	23.0%	34,120	0	0	\$11.65
Bandera County	9	62,197	0	0	0.0%	0	0	0	\$0.00
CBD	180	3,439,987	85,096	85,096	2.5%	9,576	0	0	\$7.08
Comal County	293	12,445,195	1,790,461	1,790,461	14.4%	175,846	702,254	0	\$5.79
Far North Central	22	997,222	0	0	0.0%	0	0	0	\$0.00
Far Northwest	54	622,007	4,800	4,800	0.8%	(675)	0	0	\$9.88
Far West	42	2,658,872	0	0	0.0%	212,939	0	0	\$11.66
Guadalupe County	279	9,209,387	206,968	258,303	2.8%	(102,413)	5,200	0	\$6.25
Kendall County	70	687,887	157,150	157,150	22.8%	(12,940)	0	0	\$6.15
Medina County	56	993,153	0	0	0.0%	43,933	0	0	\$5.63
North Central	660	11,532,265	305,916	339,994	2.9%	(117,686)	0	0	\$7.50
Northeast	1,021	36,148,239	1,954,006	2,021,005	5.6%	145,126	154,497	641,484	\$5.22
Northwest	618	11,596,908	391,834	391,834	3.4%	174,823	76,425	96,930	\$6.81
South	524	20,932,606	860,632	971,832	4.6%	288,320	110,000	79,750	\$5.24
Wilson County	29	206,264	14,624	14,624	7.1%	(10,160)	4,464	0	\$8.35
<b>Totals</b>	<b>3,982</b>	<b>112,716,717</b>	<b>6,038,387</b>	<b>6,307,999</b>	<b>5.6%</b>	<b>840,809</b>	<b>1,052,840</b>	<b>818,164</b>	<b>\$5.85</b>

Source: CoStar Property®

## Total Industrial Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atascosa County	129	1,213,289	266,900	272,900	22.5%	39,148	0	9,000	\$11.70
Bandera County	9	62,197	0	0	0.0%	0	0	0	\$0.00
CBD	189	3,909,402	93,296	93,296	2.4%	1,376	0	0	\$7.03
Comal County	328	12,807,889	1,812,391	1,812,391	14.2%	157,516	702,254	0	\$5.86
Far North Central	29	1,069,041	0	4,674	0.4%	2,000	0	0	\$10.80
Far Northwest	78	837,455	10,800	10,800	1.3%	(6,675)	0	0	\$9.88
Far West	52	3,369,252	0	0	0.0%	288,779	0	0	\$11.66
Guadalupe County	300	9,400,234	206,968	258,303	2.7%	(101,413)	5,200	0	\$6.35
Kendall County	87	807,025	166,125	166,125	20.6%	(14,815)	0	0	\$6.50
Medina County	60	1,038,193	0	0	0.0%	43,933	0	0	\$5.63
North Central	936	15,927,914	664,306	720,177	4.5%	(232,788)	0	100,000	\$8.84
Northeast	1,197	39,007,931	2,325,004	2,392,003	6.1%	(32,088)	154,497	641,484	\$5.36
Northwest	808	15,627,331	820,280	820,280	5.2%	238,122	117,117	96,930	\$8.22
South	548	21,357,622	877,283	988,483	4.6%	364,585	110,000	79,750	\$5.40
Wilson County	29	206,264	14,624	14,624	7.1%	(10,160)	4,464	0	\$8.35
<b>Totals</b>	<b>4,779</b>	<b>126,641,039</b>	<b>7,257,977</b>	<b>7,554,056</b>	<b>6.0%</b>	<b>737,520</b>	<b>1,093,532</b>	<b>927,164</b>	<b>\$6.30</b>

Source: CoStar Property®



# San Antonio Industrial Market

Figures at a Glance

## Flex Market Statistics

Year-End 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 4q	797	13,924,322	1,219,590	1,246,057	8.9%	(70,483)	0	0	2	109,000	\$9.49
2017 3q	797	13,924,322	1,150,879	1,175,574	8.4%	49,159	0	0	2	109,000	\$9.35
2017 2q	797	13,924,322	1,219,939	1,224,733	8.8%	97,828	1	40,692	1	100,000	\$9.30
2017 1q	795	13,876,530	1,267,295	1,274,769	9.2%	(179,793)	0	0	3	147,792	\$10.42
2016 4q	795	13,876,530	1,081,295	1,094,976	7.9%	(47,902)	0	0	2	47,792	\$10.41
2016 3q	796	13,887,225	1,050,332	1,057,769	7.6%	70,754	0	0	0	0	\$10.42
2016 2q	796	13,887,225	1,111,418	1,128,523	8.1%	(42,905)	1	38,400	0	0	\$10.30
2016 1q	797	13,858,027	1,039,315	1,056,420	7.6%	(17,053)	0	0	1	38,400	\$10.31
2015	797	13,858,027	1,033,573	1,039,367	7.5%	353,879	2	11,000	1	38,400	\$10.25
2014	795	13,873,052	1,389,264	1,408,271	10.2%	96,361	5	212,654	2	6,875	\$9.92
2013	790	13,660,398	1,275,671	1,291,978	9.5%	88,219	2	28,000	4	190,724	\$9.25
2012	788	13,632,398	1,332,877	1,352,197	9.9%	135,630	2	18,100	3	98,000	\$8.39
2011	784	13,594,979	1,439,954	1,450,408	10.7%	49,174	3	28,450	3	28,419	\$8.15
2010	780	13,553,929	1,430,922	1,458,532	10.8%	67,521	2	16,520	3	28,450	\$8.37
2009	779	13,539,809	1,484,203	1,511,933	11.2%	(54,153)	7	91,473	2	16,520	\$8.81
2008	770	13,429,980	1,322,011	1,347,951	10.0%	(188,825)	5	96,321	6	81,473	\$8.82

Source: CoStar Property®

## Warehouse Market Statistics

Year-End 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 4q	3,982	112,716,717	6,038,387	6,307,999	5.6%	10,312	2	58,500	11	818,164	\$5.85
2017 3q	3,978	112,291,346	5,630,876	5,892,940	5.2%	919,135	5	145,402	13	1,194,578	\$5.77
2017 2q	3,975	112,195,374	6,495,893	6,717,195	6.0%	(38,561)	5	102,720	12	840,006	\$5.61
2017 1q	3,969	112,058,049	6,392,430	6,541,309	5.8%	(50,077)	6	746,218	17	966,831	\$5.56
2016 4q	3,963	111,311,831	5,605,735	5,745,014	5.2%	779,851	11	566,871	19	1,287,298	\$5.64
2016 3q	3,951	111,176,911	6,242,245	6,389,945	5.7%	330,852	7	876,819	24	1,611,912	\$5.55
2016 2q	3,943	110,341,246	5,773,908	5,885,132	5.3%	537,530	5	225,190	26	1,897,107	\$5.45
2016 1q	3,939	110,143,941	6,090,408	6,225,357	5.7%	588,131	10	813,910	22	1,866,159	\$5.34
2015	3,931	109,437,936	5,999,758	6,107,483	5.6%	1,925,698	30	848,755	22	2,138,414	\$5.32
2014	3,898	108,217,888	6,441,399	6,813,133	6.3%	1,280,042	35	2,208,227	18	787,229	\$5.18
2013	3,858	106,032,627	5,749,136	5,907,914	5.6%	1,779,336	25	1,537,064	26	2,111,242	\$4.99
2012	3,825	104,296,392	5,725,346	5,951,015	5.7%	3,200,458	39	1,543,430	28	2,646,026	\$4.80
2011	3,778	102,667,377	7,457,320	7,522,458	7.3%	2,579,511	27	1,628,782	32	1,045,489	\$4.49
2010	3,745	100,973,250	8,313,163	8,407,842	8.3%	689,377	13	177,962	16	1,460,158	\$4.64
2009	3,727	100,764,379	8,724,195	8,888,348	8.8%	(389,786)	15	447,003	12	150,264	\$4.94
2008	3,699	100,155,239	7,669,895	7,889,422	7.9%	758,190	33	1,738,001	17	493,893	\$5.27

Source: CoStar Property®

## Total Industrial Market Statistics

Year-End 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 4q	4,779	126,641,039	7,257,977	7,554,056	6.0%	(60,171)	2	58,500	13	927,164	\$6.30
2017 3q	4,775	126,215,668	6,781,755	7,068,514	5.6%	968,294	5	145,402	15	1,303,578	\$6.16
2017 2q	4,772	126,119,696	7,715,832	7,941,928	6.3%	59,267	6	143,412	13	940,006	\$6.02
2017 1q	4,764	125,934,579	7,659,725	7,816,078	6.2%	(229,870)	6	746,218	20	1,114,623	\$6.01
2016 4q	4,758	125,188,361	6,687,030	6,839,990	5.5%	731,949	11	566,871	21	1,335,090	\$6.15
2016 3q	4,747	125,064,136	7,292,577	7,447,714	6.0%	401,606	7	876,819	24	1,611,912	\$6.08
2016 2q	4,739	124,228,471	6,885,326	7,013,655	5.6%	494,625	6	263,590	26	1,897,107	\$5.99
2016 1q	4,736	124,001,968	7,129,723	7,281,777	5.9%	571,078	10	813,910	23	1,904,559	\$5.90
2015	4,728	123,295,963	7,033,331	7,146,850	5.8%	2,279,577	32	859,755	23	2,176,814	\$5.90
2014	4,693	122,090,940	7,830,663	8,221,404	6.7%	1,376,403	40	2,420,881	20	794,104	\$5.92
2013	4,648	119,693,025	7,024,807	7,199,892	6.0%	1,867,555	27	1,565,064	30	2,301,966	\$5.67
2012	4,613	117,928,790	7,058,223	7,303,212	6.2%	3,336,088	41	1,561,530	31	2,744,026	\$5.35
2011	4,562	116,262,356	8,897,274	8,972,866	7.7%	2,628,685	30	1,657,232	35	1,073,908	\$4.97
2010	4,525	114,527,179	9,744,085	9,866,374	8.6%	756,898	15	194,482	19	1,488,608	\$5.12
2009	4,506	114,304,188	10,208,398	10,400,281	9.1%	(443,939)	22	538,476	14	166,784	\$5.48
2008	4,469	113,585,219	8,991,906	9,237,373	8.1%	569,365	38	1,834,322	23	575,366	\$5.76

Source: CoStar Property®

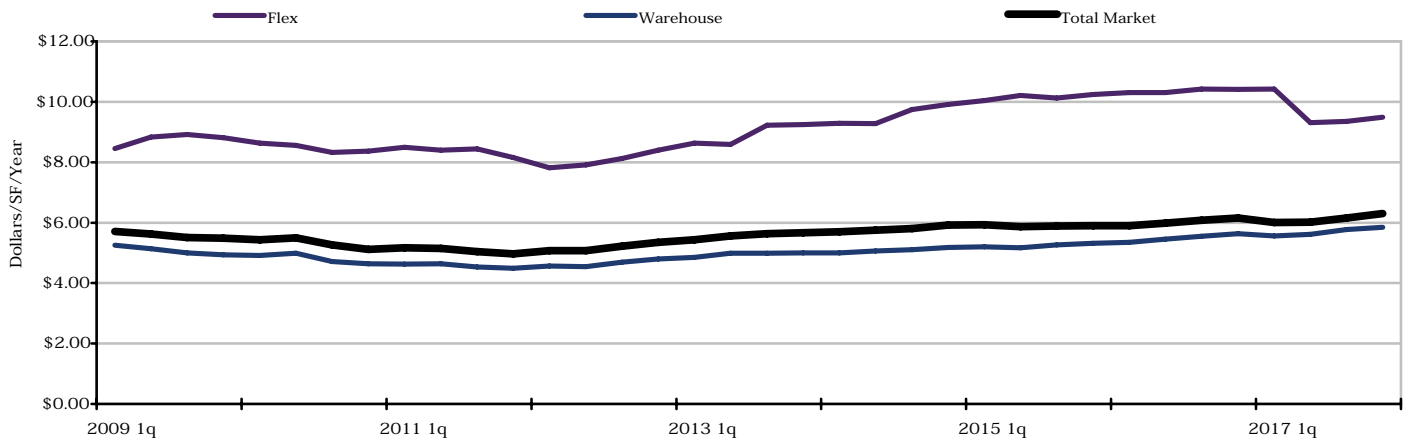
# San Antonio Industrial Market



Leasing Activity

## Historical Rental Rates

Based on Quoted Rental Rates



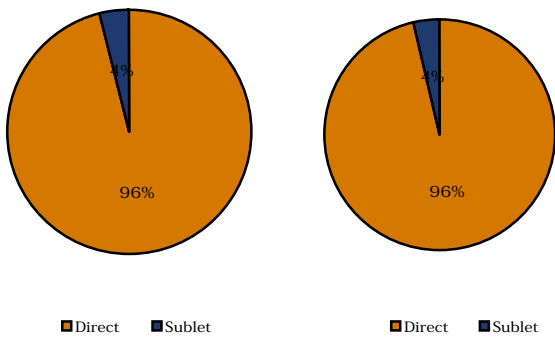
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

San Antonio

United States



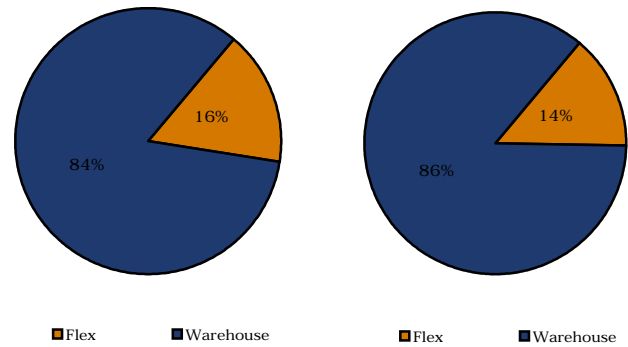
Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

San Antonio

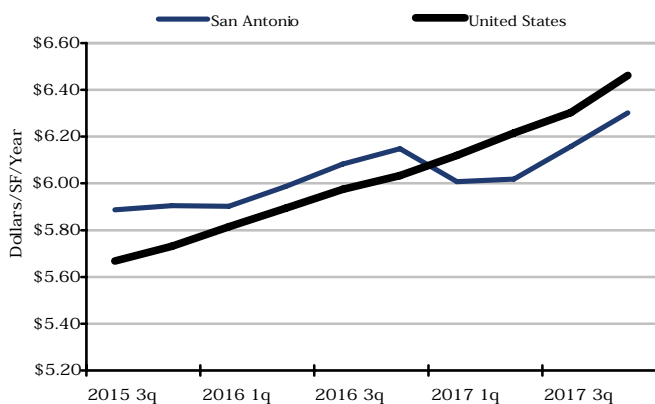
United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

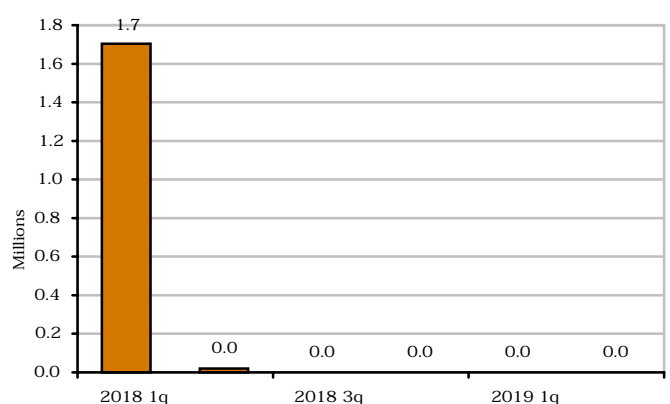
Based on Average Quoted Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space



### Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2017

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	9850 Doerr Ln	Comal County	214,536	3rd	Ace Mart Restaurant Supply	CBRE Inc.; CBRE	HPI Real Estate Services & Investme
2	Interchange East Distribution Center Bldg 1	South	147,840	1st	Southern Warehousing & Distribution	Direct Deal	CBRE
3	Cornerstone Industrial Park - Building 3	Northeast	93,377	2nd	N/A	N/A	Cavender & Hill Properties, Inc.
4	Eisenhower Point - Building 4	Northeast	84,947	2nd	US Auto Force	CBRE	Cavender & Hill Properties, Inc.
5	Enterprise Industrial Park - Bldg II	Comal County	80,265	2nd	N/A	N/A	Colglazier Properties
6	309 Clarence Tinker Dr	South	71,315	1st	N/A	N/A	Cavender & Hill Properties, Inc.
7	Eisenhower Point 1	Northeast	70,977	2nd	N/A	N/A	Cavender & Hill Properties, Inc.
8	709 Raymond Medina St - Bldg 1575	South	68,568	4th	Maestro	N/A	Cavender & Hill Properties, Inc.
9	East Kelly Railport - Bldg 3	South	57,983	2nd	N/A	N/A	Endura Advisory Group
10	San Antonio Distribution Center - Building 4	Northeast	56,700	4th	Southern Warehousing & Distribution	N/A	HPI Real Estate Services & Investme
11	1310 Cornerway Blvd	Northeast	54,400	2nd	Smurfit Kappa Group	Morrow Hill, LLC	Industrial Group Southwest
12	Alamo Ridge Business Park 4	Northwest	52,785	2nd	Greenstar LED	Pruitt Realty	Cavender & Hill Properties, Inc.
13	South Park - Bldg 2	South	50,000	4th	Smurfit Kappa Group	Morrow Hill, LLC	Industrial Group Southwest
14	9311-9319	North Central	46,762	4th	N/A	N/A	Cavender & Hill Properties, Inc.
15	Enterprise Industrial Park - Bldg II	Comal County	46,647	3rd	N/A	N/A	Colglazier Properties
16	Alamo Ridge Business Park 4	Northwest	44,145	4th	N/A	N/A	Cavender & Hill Properties, Inc.
17	Cornerstone, 5410 Dietrich	Northeast	40,800	3rd	N/A	N/A	Industrial Group Southwest
18	4234 Profit Dr	Northeast	40,326	3rd	N/A	N/A	Cavender & Hill Properties, Inc.
19	16911 Alamo Pky	Guadalupe County	37,500	2nd	Forward Air	N/A	N/A
20	220 Burleson St	Northeast	34,980	2nd	John Hart Design	Direct Deal	Reliance Commercial Property Servic
21	10101 FM 1102	Comal County	34,383	2nd	Commercial Fitness Consultants	Direct Deal	The Bailey Company
22	17401 Triton Dr	Guadalupe County	34,200	1st	N/A	N/A	Providence Commercial Real Estate S
23	309 Clarence Tinker Dr	South	33,489	1st	N/A	N/A	Cavender & Hill Properties, Inc.
24	Macro Distribution Center - Building 4	Northeast	33,000	3rd	N/A	N/A	Stream Realty Partners - Central Texa
25	Pan Am Distribution Center IV	Northeast	32,770	1st	N/A	N/A	Endura Advisory Group
26	639 Lanark Dr	Northeast	32,260	4th	N/A	N/A	World Class Capital Group
27	Prologis Tri-County II	Comal County	32,000	4th	N/A	N/A	Prologis; CBRE
28	5015 Airpark Dr	Northwest	31,274	1st	IBP	N/A	Cavender & Hill Properties, Inc.
29	Tri County 5	Comal County	31,250	1st	N/A	N/A	Industrial Group Southwest
30	Tri County 5	Comal County	31,250	4th	N/A	CBRE	Industrial Group Southwest
31	Tri-County Industrial Park - Building 5*	Comal County	30,610	1st	Arion Perfume & Beauty, Inc.	Peloton Commercial Real Estate	Prologis; CBRE
32	Interstate Business Park - Building 3	Northeast	27,000	4th	N/A	N/A	Cavender & Hill Properties, Inc.
33	Sentinel VI	North Central	26,627	2nd	N/A	N/A	Cavender & Hill Properties, Inc.
34	210 W Peden Aly	CBD	26,139	1st	N/A	N/A	DH Realty Partners, Inc.
35	Industry Park Distribution Center - Building	Northeast	25,000	2nd	Prime Source	N/A	HPI Real Estate Services & Investme
36	Green Mountain Business Park Building 5	North Central	24,421	2nd	Rooster Group	Direct Deal	Green Mountain Properties
37	Tri-County Business Park 3 - Bldg 3	Comal County	23,883	2nd	N/A	N/A	Industrial Group Southwest
38	18864 FM 2252	Comal County	23,165	4th	N/A	N/A	Eagle Commercial Realty Services
39	18864 FM 2252	Comal County	22,900	2nd	N/A	N/A	Eagle Commercial Realty Services
40	5108 Rittiman Rd	Northeast	22,489	3rd	N/A	N/A	Cavender & Hill Properties, Inc.

Source: CoStar Property®

\* Renewal

# San Antonio Industrial Market

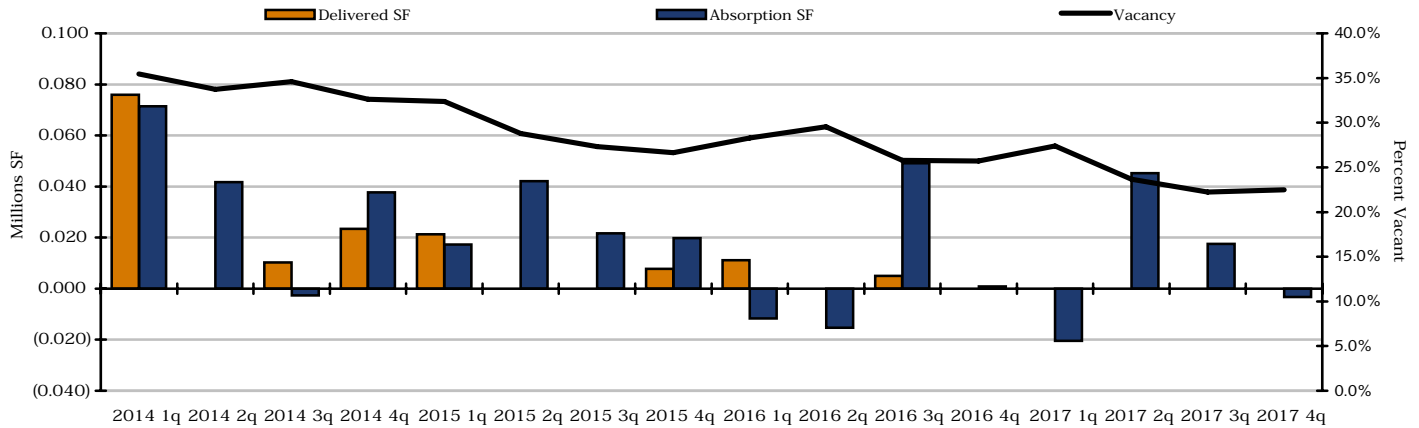


## Atascosa County Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

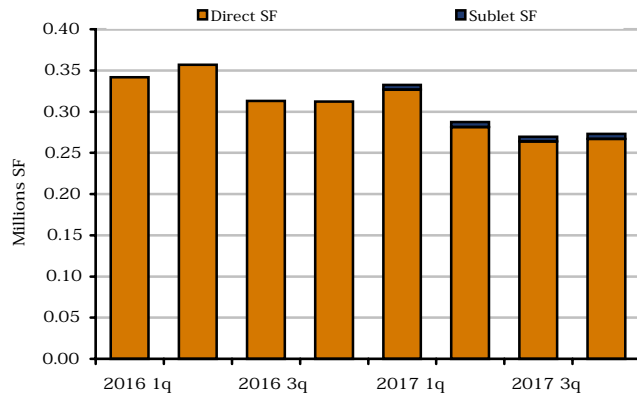
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

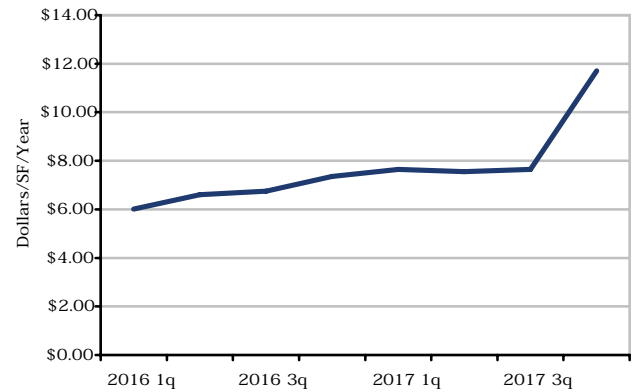
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	129	1,213,289	272,900	22.5%	(3,233)	0	0	1	9,000	\$11.70
2017 3q	129	1,213,289	269,667	22.2%	17,574	0	0	1	9,000	\$7.65
2017 2q	129	1,213,289	287,241	23.7%	45,210	0	0	0	0	\$7.55
2017 1q	129	1,213,289	332,451	27.4%	(20,403)	0	0	0	0	\$7.65
2016 4q	129	1,213,289	312,048	25.7%	822	0	0	0	0	\$7.35
2016 3q	129	1,213,289	312,870	25.8%	49,094	1	5,000	0	0	\$6.74
2016 2q	128	1,208,289	356,964	29.5%	(15,251)	0	0	1	5,000	\$6.60
2016 1q	128	1,208,289	341,713	28.3%	(11,702)	1	11,098	1	5,000	\$6.01
2015 4q	127	1,197,191	318,913	26.6%	19,737	1	7,800	2	16,098	\$6.07
2015 3q	124	1,181,391	322,850	27.3%	21,700	0	0	5	31,898	\$5.79
2015 2q	123	1,175,391	338,550	28.8%	42,100	0	0	4	21,800	\$5.01
2015 1q	123	1,175,391	380,650	32.4%	17,292	2	21,300	1	6,000	\$4.70
2014 4q	121	1,154,091	376,642	32.6%	37,708	3	23,400	2	21,300	\$4.35
2014 3q	118	1,130,691	390,950	34.6%	(2,700)	1	10,200	5	44,700	\$4.18
2014 2q	117	1,120,491	378,050	33.7%	41,750	0	0	4	33,600	\$3.49
2014 1q	113	1,085,641	384,950	35.5%	71,453	4	75,953	6	52,850	\$4.63

Source: CoStar Property®



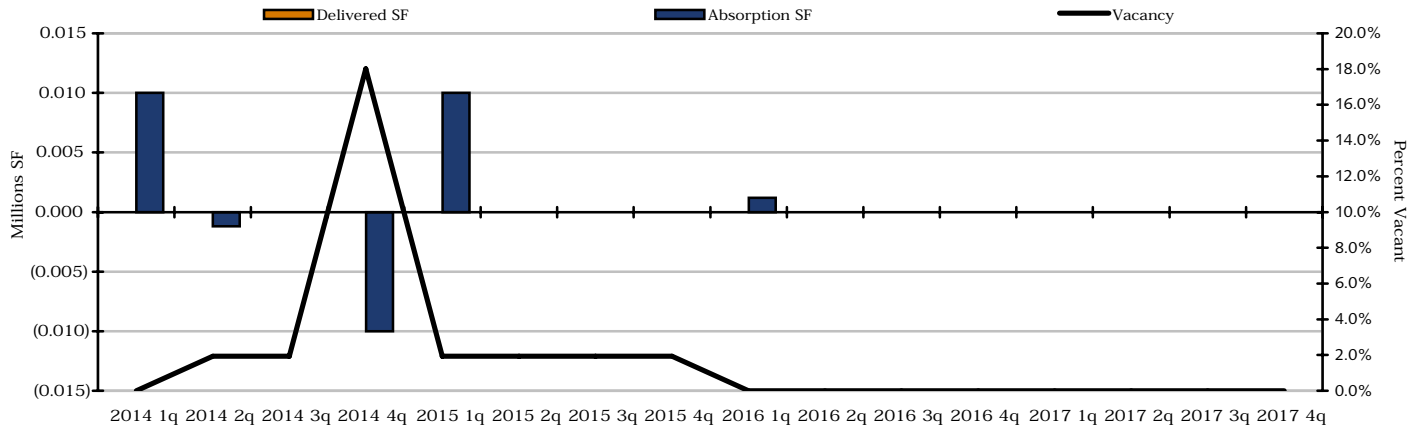
# San Antonio Industrial Market

## Bandera County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

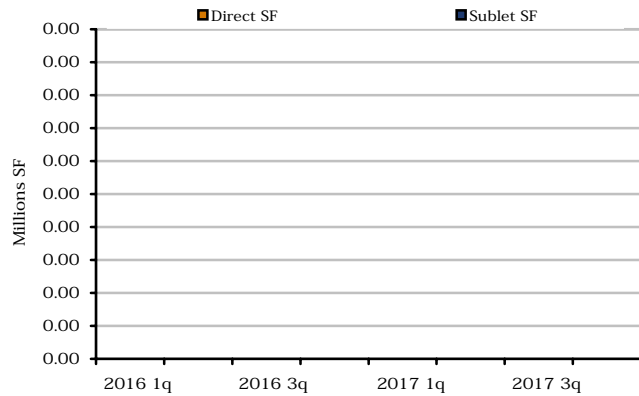
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

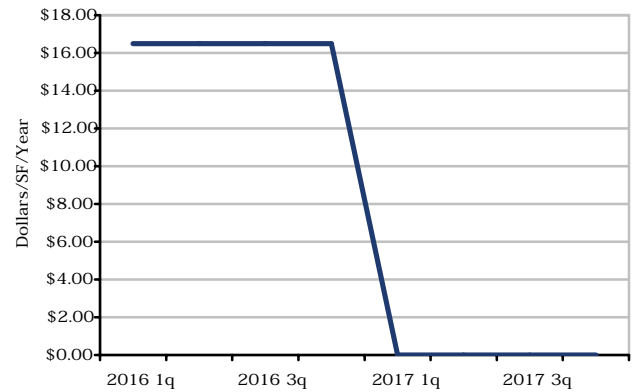
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	9	62,197	0	0.0%	0	0	0	0	0	\$0.00
2017 3q	9	62,197	0	0.0%	0	0	0	0	0	\$0.00
2017 2q	9	62,197	0	0.0%	0	0	0	0	0	\$0.00
2017 1q	9	62,197	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	9	62,197	0	0.0%	0	0	0	0	0	\$16.50
2016 3q	9	62,197	0	0.0%	0	0	0	0	0	\$16.50
2016 2q	9	62,197	0	0.0%	0	0	0	0	0	\$16.50
2016 1q	9	62,197	0	0.0%	1,200	0	0	0	0	\$16.50
2015 4q	9	62,197	1,200	1.9%	0	0	0	0	0	\$16.50
2015 3q	9	62,197	1,200	1.9%	0	0	0	0	0	\$16.50
2015 2q	9	62,197	1,200	1.9%	0	0	0	0	0	\$16.50
2015 1q	9	62,197	1,200	1.9%	10,000	0	0	0	0	\$16.50
2014 4q	9	62,197	11,200	18.0%	(10,000)	0	0	0	0	\$16.50
2014 3q	9	62,197	1,200	1.9%	0	0	0	0	0	\$5.36
2014 2q	9	62,197	1,200	1.9%	(1,200)	0	0	0	0	\$5.36
2014 1q	9	62,197	0	0.0%	10,000	0	0	0	0	\$3.60

Source: CoStar Property®

# San Antonio Industrial Market

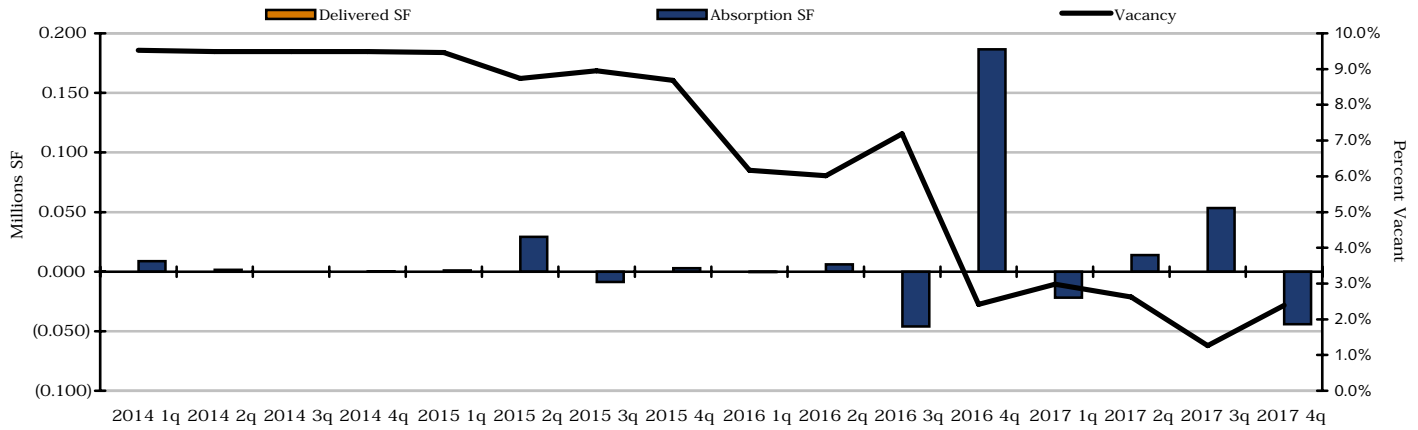


## CBD Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

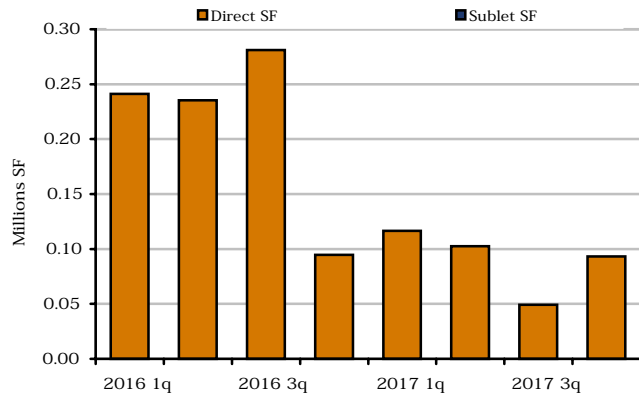
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

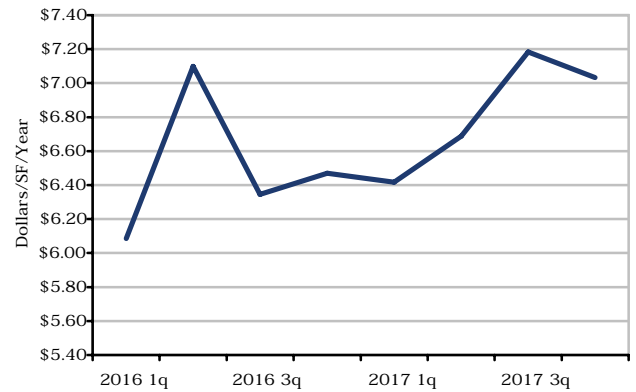
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	189	3,909,402	93,296	2.4%	(44,116)	0	0	0	0	\$7.03
2017 3q	189	3,909,402	49,180	1.3%	53,421	0	0	0	0	\$7.18
2017 2q	189	3,909,402	102,601	2.6%	13,993	0	0	0	0	\$6.69
2017 1q	189	3,909,402	116,594	3.0%	(21,922)	0	0	0	0	\$6.42
2016 4q	189	3,909,402	94,672	2.4%	186,510	0	0	0	0	\$6.47
2016 3q	189	3,909,402	281,182	7.2%	(45,917)	0	0	0	0	\$6.35
2016 2q	189	3,909,402	235,265	6.0%	6,000	0	0	0	0	\$7.10
2016 1q	189	3,909,402	241,265	6.2%	(255)	0	0	0	0	\$6.09
2015 4q	191	4,017,307	348,915	8.7%	2,895	0	0	0	0	\$5.95
2015 3q	192	4,025,978	360,481	9.0%	(8,671)	0	0	0	0	\$5.22
2015 2q	192	4,025,978	351,810	8.7%	29,100	0	0	0	0	\$5.22
2015 1q	192	4,025,978	380,910	9.5%	1,068	0	0	0	0	\$5.22
2014 4q	192	4,025,978	381,978	9.5%	100	0	0	0	0	\$5.22
2014 3q	192	4,025,978	382,078	9.5%	(100)	0	0	0	0	\$5.28
2014 2q	192	4,025,978	381,978	9.5%	1,400	0	0	0	0	\$5.19
2014 1q	192	4,025,978	383,378	9.5%	8,719	0	0	0	0	\$4.86

Source: CoStar Property®



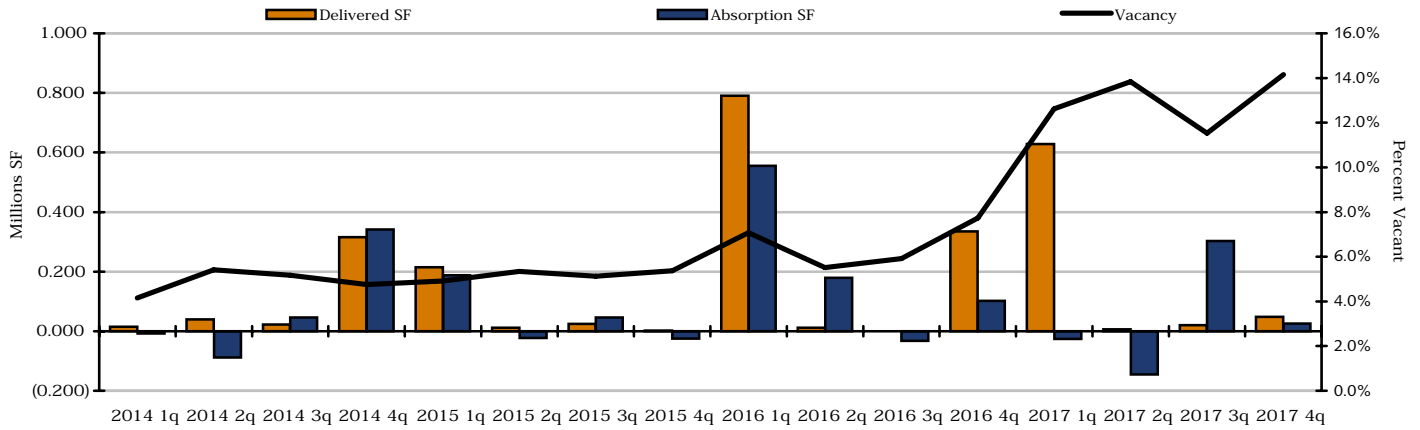
# San Antonio Industrial Market

## Comal County Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

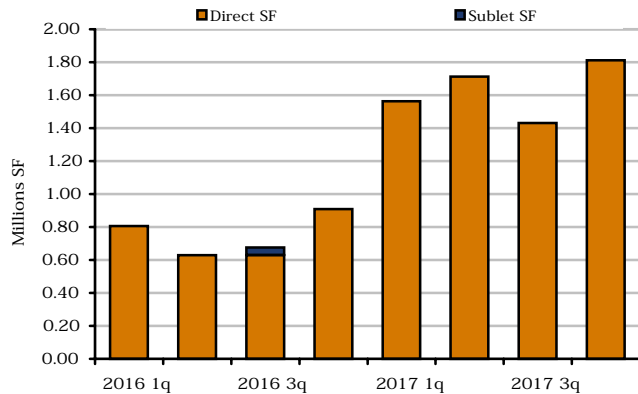
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

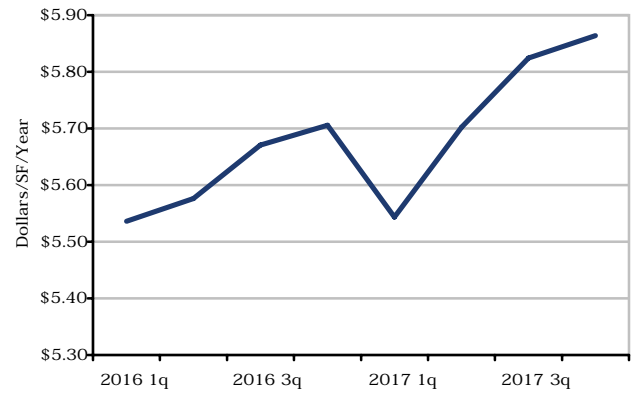
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	328	12,807,889	1,812,391	14.2%	25,259	1	48,000	0	0	\$5.86
2017 3q	326	12,400,638	1,430,399	11.5%	303,120	2	20,500	2	407,251	\$5.82
2017 2q	324	12,380,138	1,713,019	13.8%	(144,713)	1	6,000	4	427,751	\$5.70
2017 1q	323	12,374,138	1,562,306	12.6%	(26,150)	3	627,754	5	433,751	\$5.54
2016 4q	320	11,746,384	908,402	7.7%	102,082	5	334,721	5	643,754	\$5.71
2016 3q	315	11,411,663	675,763	5.9%	(32,867)	0	0	7	946,857	\$5.67
2016 2q	314	11,397,663	628,896	5.5%	179,538	1	12,000	6	551,257	\$5.58
2016 1q	315	11,394,865	805,636	7.1%	555,127	8	790,812	6	549,257	\$5.54
2015 4q	307	10,604,053	569,951	5.4%	(24,475)	1	2,162	10	1,017,348	\$5.64
2015 3q	306	10,601,891	543,314	5.1%	45,768	2	24,000	7	971,510	\$5.41
2015 2q	304	10,577,891	565,082	5.3%	(22,555)	1	12,000	5	951,348	\$5.35
2015 1q	302	10,553,891	518,527	4.9%	188,279	3	214,925	4	424,000	\$5.61
2014 4q	299	10,338,966	491,881	4.8%	341,178	1	315,362	6	250,925	\$5.58
2014 3q	298	10,023,604	517,697	5.2%	46,370	1	21,930	5	542,287	\$5.63
2014 2q	297	10,001,674	542,137	5.4%	(88,684)	1	39,884	4	550,055	\$5.73
2014 1q	296	9,961,790	413,569	4.2%	(7,706)	1	15,120	3	377,176	\$5.47

Source: CoStar Property®

# San Antonio Industrial Market

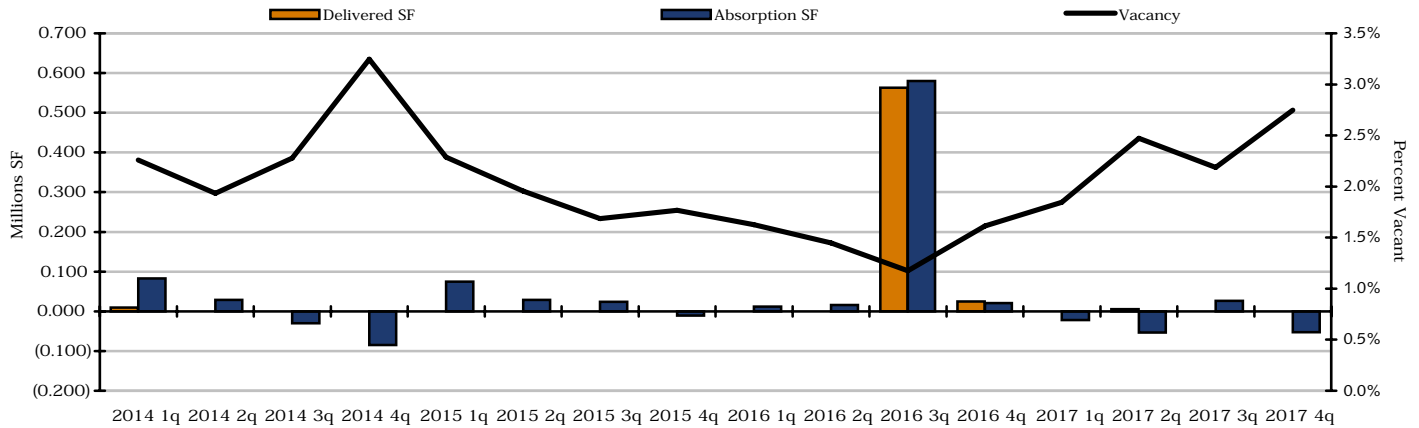


## Guadalupe County Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

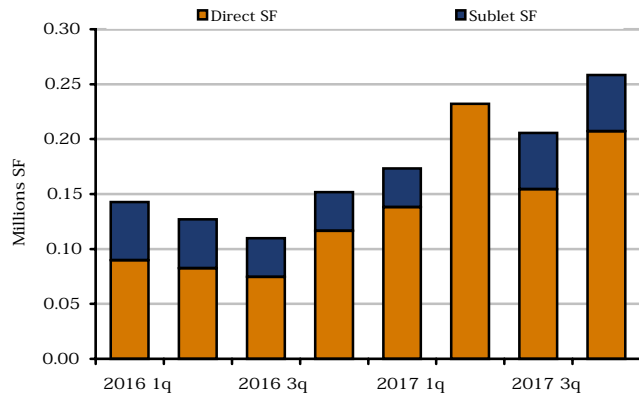
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

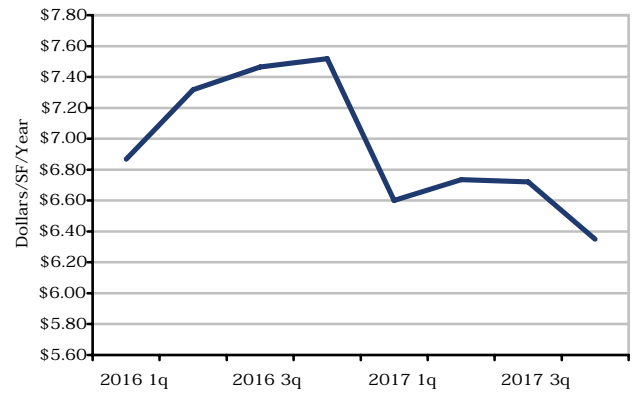
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	300	9,400,234	258,303	2.7%	(52,578)	0	0	0	0	\$6.35
2017 3q	300	9,400,234	205,725	2.2%	26,521	0	0	0	0	\$6.72
2017 2q	299	9,399,142	232,246	2.5%	(53,664)	1	5,200	0	0	\$6.74
2017 1q	298	9,393,942	173,382	1.8%	(21,692)	0	0	1	5,200	\$6.60
2016 4q	298	9,393,942	151,690	1.6%	20,480	1	25,000	1	5,200	\$7.52
2016 3q	296	9,331,442	109,670	1.2%	580,194	2	563,000	2	62,500	\$7.46
2016 2q	294	8,768,442	126,864	1.4%	15,850	0	0	4	625,500	\$7.32
2016 1q	294	8,768,442	142,714	1.6%	12,250	0	0	3	588,000	\$6.87
2015 4q	294	8,768,442	154,964	1.8%	(10,650)	0	0	2	582,000	\$6.12
2015 3q	295	8,771,990	147,862	1.7%	23,788	0	0	1	557,000	\$5.93
2015 2q	295	8,771,990	171,650	2.0%	28,900	0	0	0	0	\$5.93
2015 1q	295	8,771,990	200,550	2.3%	74,601	0	0	0	0	\$5.91
2014 4q	296	8,781,890	285,051	3.2%	(84,941)	0	0	0	0	\$5.65
2014 3q	296	8,781,890	200,110	2.3%	(30,332)	0	0	0	0	\$5.33
2014 2q	296	8,781,890	169,778	1.9%	28,650	0	0	0	0	\$5.33
2014 1q	296	8,781,890	198,428	2.3%	83,057	1	9,100	0	0	\$5.49

Source: CoStar Property®



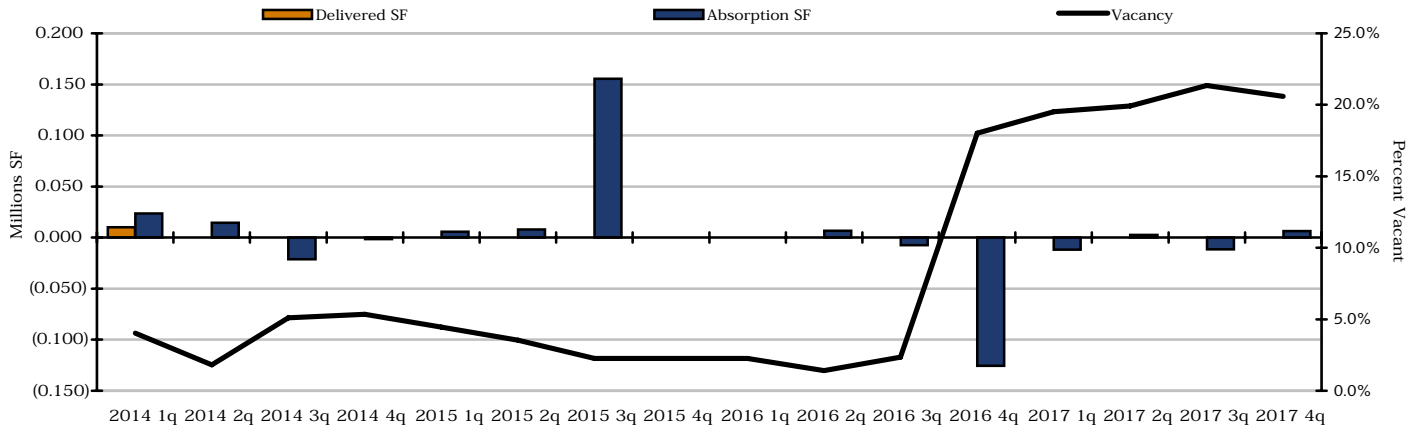
# San Antonio Industrial Market

## Kendall County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

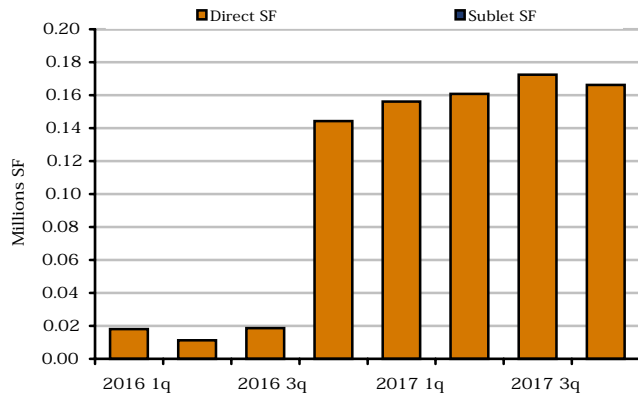
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

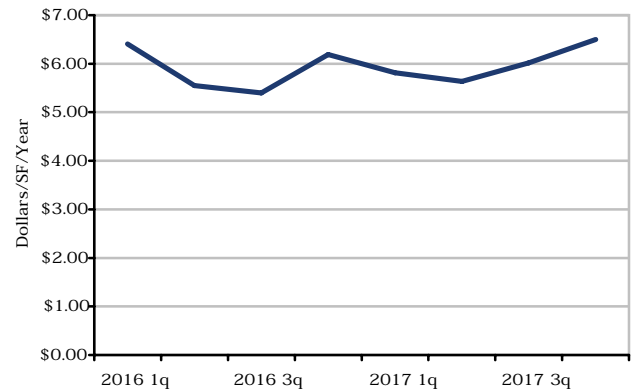
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	87	807,025	166,125	20.6%	6,210	0	0	0	0	\$6.50
2017 3q	87	807,025	172,335	21.4%	(11,615)	0	0	0	0	\$6.02
2017 2q	87	807,025	160,720	19.9%	2,550	0	0	0	0	\$5.64
2017 1q	86	799,925	156,170	19.5%	(11,960)	0	0	1	7,100	\$5.81
2016 4q	86	799,925	144,210	18.0%	(125,500)	0	0	1	7,100	\$6.19
2016 3q	86	799,925	18,710	2.3%	(7,500)	0	0	0	0	\$5.40
2016 2q	86	799,925	11,210	1.4%	6,790	0	0	0	0	\$5.55
2016 1q	86	799,925	18,000	2.3%	0	0	0	0	0	\$6.41
2015 4q	86	799,925	18,000	2.3%	0	0	0	0	0	\$6.53
2015 3q	86	799,925	18,000	2.3%	155,556	0	0	0	0	\$6.59
2015 2q	85	649,269	22,900	3.5%	7,775	0	0	1	150,656	\$6.59
2015 1q	84	647,394	28,800	4.4%	5,800	0	0	2	152,531	\$6.37
2014 4q	84	647,394	34,600	5.3%	(1,600)	0	0	2	152,531	\$6.78
2014 3q	84	647,394	33,000	5.1%	(21,300)	0	0	0	0	\$6.61
2014 2q	84	647,394	11,700	1.8%	14,380	0	0	0	0	\$7.89
2014 1q	84	647,394	26,080	4.0%	23,700	1	10,000	0	0	\$7.91

Source: CoStar Property®

# San Antonio Industrial Market

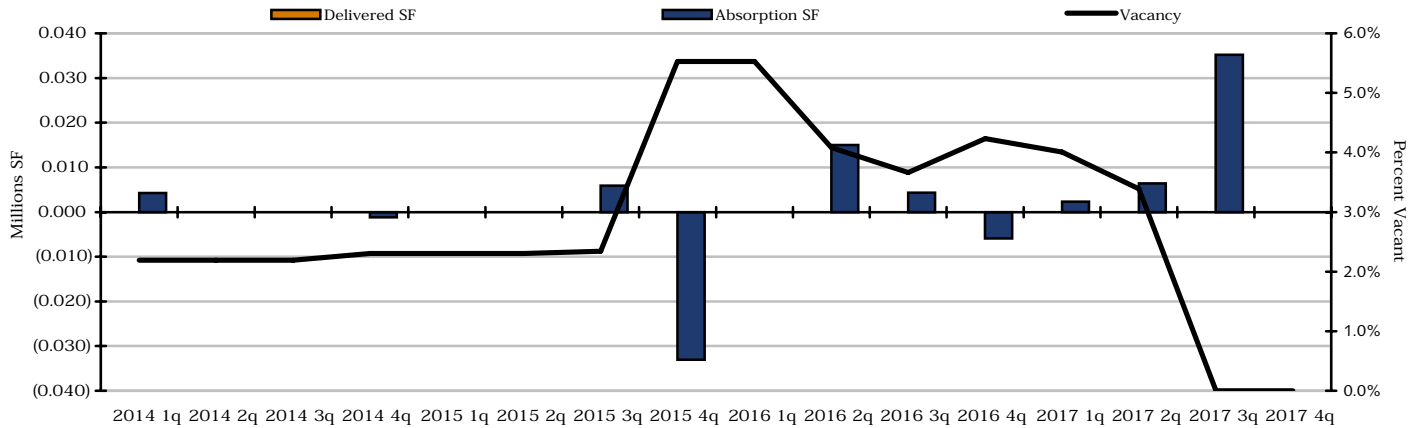


## Medina County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

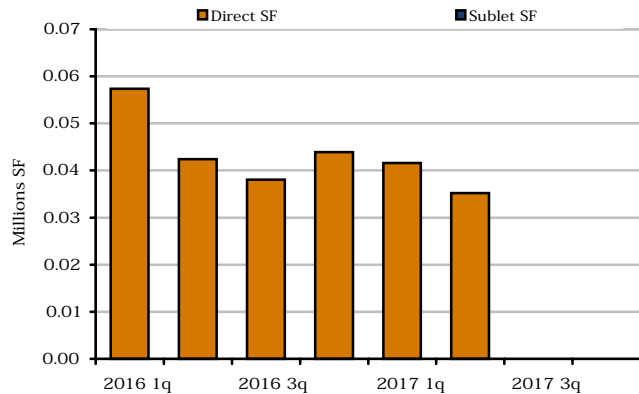
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

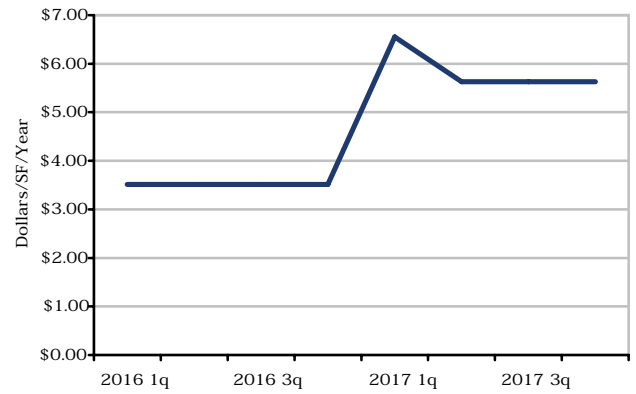
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	60	1,038,193	0	0.0%	0	0	0	0	0	\$5.63
2017 3q	60	1,038,193	0	0.0%	35,183	0	0	0	0	\$5.63
2017 2q	60	1,038,193	35,183	3.4%	6,400	0	0	0	0	\$5.63
2017 1q	60	1,038,193	41,583	4.0%	2,350	0	0	0	0	\$6.55
2016 4q	60	1,038,193	43,933	4.2%	(5,900)	0	0	0	0	\$3.51
2016 3q	60	1,038,193	38,033	3.7%	4,350	0	0	0	0	\$3.51
2016 2q	60	1,038,193	42,383	4.1%	15,000	0	0	0	0	\$3.51
2016 1q	60	1,038,193	57,383	5.5%	0	0	0	0	0	\$3.51
2015 4q	60	1,038,193	57,383	5.5%	(33,083)	0	0	0	0	\$3.51
2015 3q	60	1,038,193	24,300	2.3%	5,900	0	0	0	0	\$3.51
2015 2q	59	1,031,793	23,800	2.3%	0	0	0	1	6,400	\$3.51
2015 1q	59	1,031,793	23,800	2.3%	0	0	0	1	6,400	\$3.51
2014 4q	59	1,031,793	23,800	2.3%	(1,200)	0	0	0	0	\$3.51
2014 3q	59	1,031,793	22,600	2.2%	0	0	0	0	0	\$3.51
2014 2q	59	1,031,793	22,600	2.2%	0	0	0	0	0	\$3.51
2014 1q	59	1,031,793	22,600	2.2%	4,260	0	0	0	0	\$4.32

Source: CoStar Property®





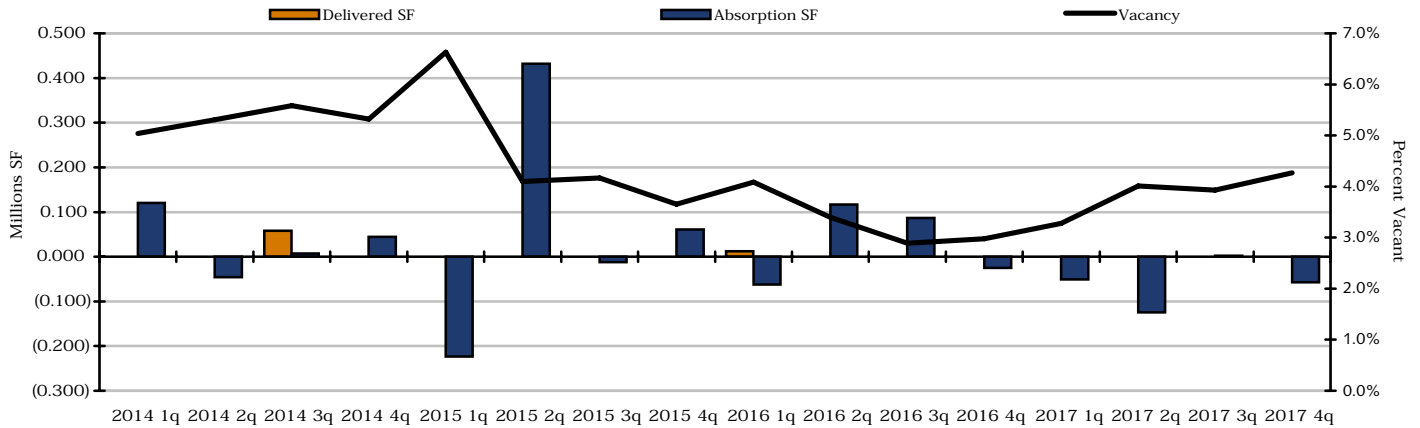
# San Antonio Industrial Market

## North Central Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

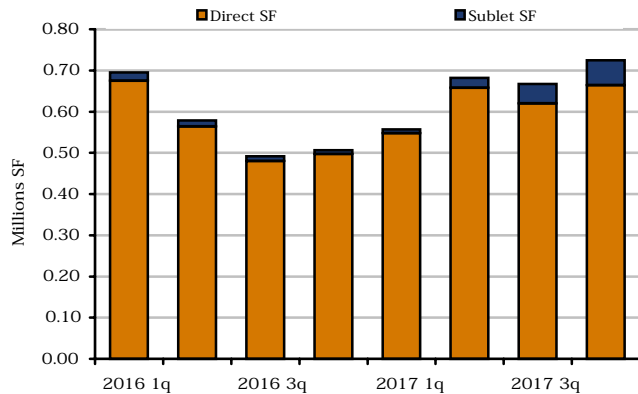
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

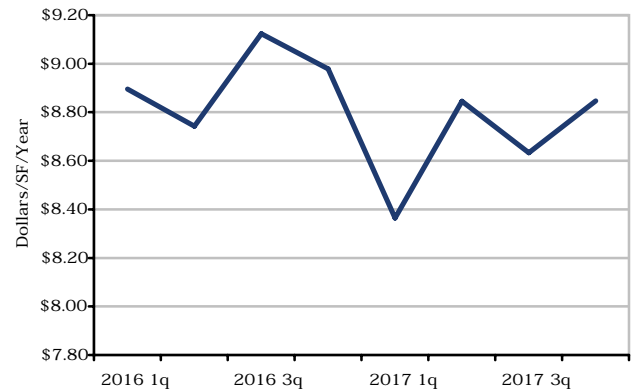
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	965	16,996,955	724,851	4.3%	(57,423)	0	0	1	100,000	\$8.85
2017 3q	965	16,996,955	667,428	3.9%	2,593	0	0	1	100,000	\$8.63
2017 2q	966	17,008,955	682,021	4.0%	(124,875)	0	0	1	100,000	\$8.85
2017 1q	966	17,008,955	557,146	3.3%	(51,083)	0	0	1	100,000	\$8.36
2016 4q	966	17,008,955	506,063	3.0%	(25,008)	0	0	0	0	\$8.98
2016 3q	967	17,019,650	491,750	2.9%	86,684	0	0	0	0	\$9.12
2016 2q	967	17,019,650	578,434	3.4%	117,088	0	0	0	0	\$8.74
2016 1q	967	17,019,650	695,522	4.1%	(62,209)	1	12,000	0	0	\$8.90
2015 4q	966	17,007,650	621,313	3.7%	60,787	0	0	1	12,000	\$8.41
2015 3q	967	17,035,550	710,000	4.2%	(11,988)	0	0	1	12,000	\$8.25
2015 2q	967	17,035,550	698,012	4.1%	431,724	0	0	0	0	\$8.38
2015 1q	967	17,035,550	1,129,736	6.6%	(223,166)	0	0	0	0	\$8.35
2014 4q	967	17,035,550	906,570	5.3%	44,691	0	0	0	0	\$8.17
2014 3q	967	17,035,550	951,261	5.6%	7,598	1	58,000	0	0	\$7.99
2014 2q	966	16,977,550	900,859	5.3%	(45,495)	0	0	1	58,000	\$7.54
2014 1q	966	16,977,550	855,364	5.0%	120,293	0	0	1	58,000	\$7.36

Source: CoStar Property®

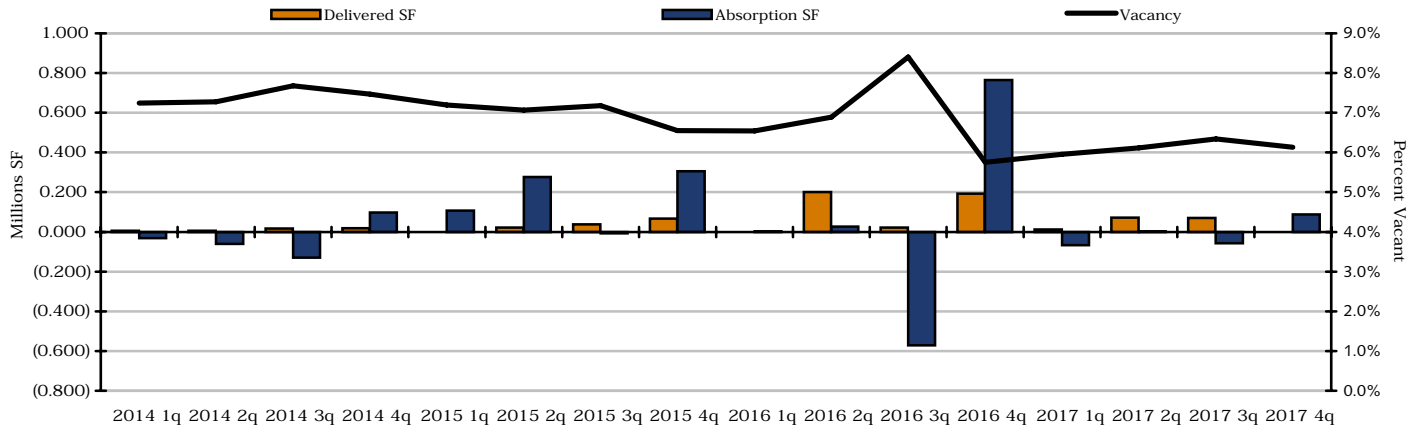
# San Antonio Industrial Market



## Northeast Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

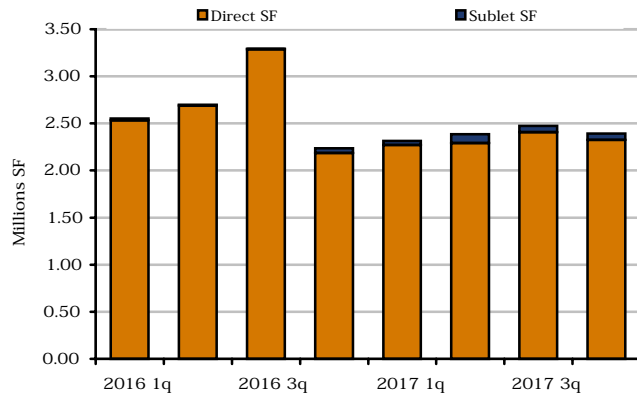
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

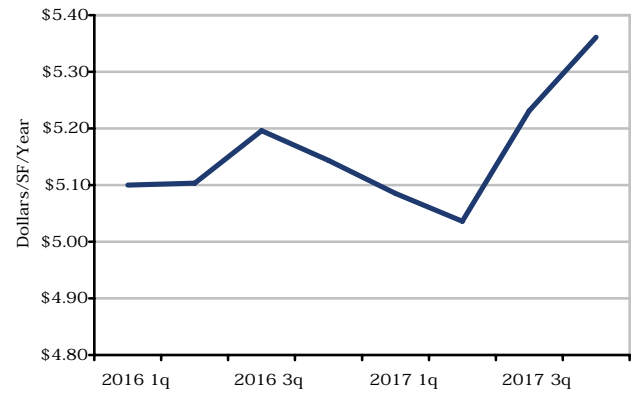
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	1,197	39,007,931	2,392,003	6.1%	88,549	0	0	9	641,484	\$5.36
2017 3q	1,196	39,000,311	2,472,932	6.3%	(56,419)	1	70,977	8	600,147	\$5.23
2017 2q	1,197	38,967,856	2,384,058	6.1%	2,807	1	71,520	4	250,900	\$5.04
2017 1q	1,196	38,896,336	2,315,345	6.0%	(67,025)	1	12,000	5	322,420	\$5.09
2016 4q	1,195	38,884,336	2,236,320	5.8%	764,226	3	193,333	6	334,420	\$5.14
2016 3q	1,193	39,174,854	3,291,064	8.4%	(570,604)	2	22,500	6	305,019	\$5.20
2016 2q	1,191	39,152,354	2,697,960	6.9%	26,507	2	201,240	7	255,999	\$5.10
2016 1q	1,190	38,978,999	2,551,112	6.5%	2,481	0	0	7	423,673	\$5.10
2015 4q	1,190	38,978,999	2,553,593	6.6%	305,509	3	67,085	3	213,240	\$5.24
2015 3q	1,187	38,911,914	2,792,017	7.2%	(7,609)	1	37,580	6	280,325	\$5.27
2015 2q	1,186	38,874,334	2,746,828	7.1%	276,102	2	21,970	6	305,905	\$5.08
2015 1q	1,182	38,631,364	2,779,960	7.2%	107,006	0	0	6	335,635	\$5.22
2014 4q	1,182	38,631,364	2,886,966	7.5%	96,857	1	18,000	3	77,055	\$5.21
2014 3q	1,181	38,613,364	2,965,823	7.7%	(130,213)	3	16,600	2	27,970	\$5.03
2014 2q	1,177	38,586,510	2,808,756	7.3%	(60,630)	1	6,000	6	60,722	\$4.71
2014 1q	1,176	38,635,885	2,797,501	7.2%	(31,556)	1	6,400	6	75,747	\$4.89

Source: CoStar Property®

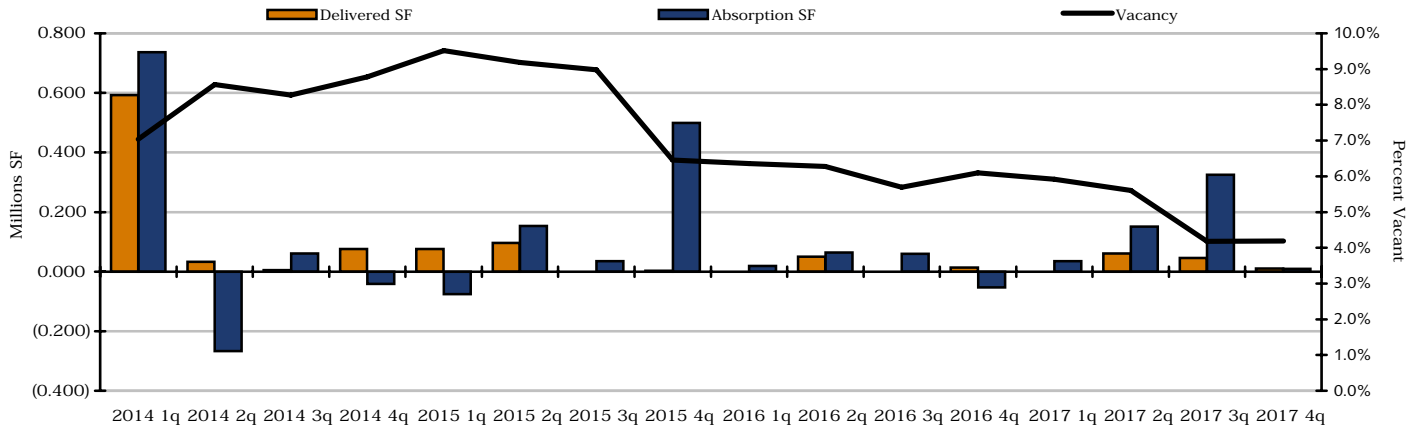


# San Antonio Industrial Market

Northwest Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

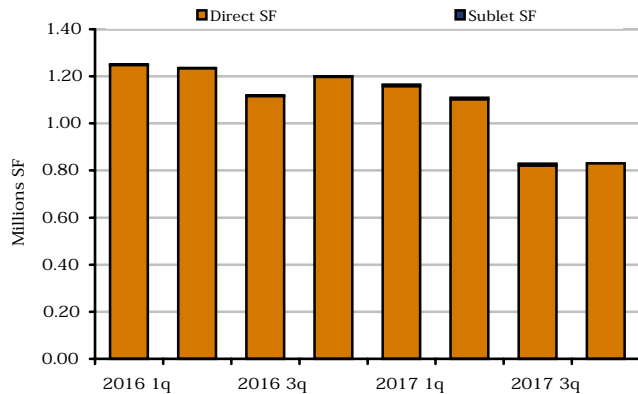
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

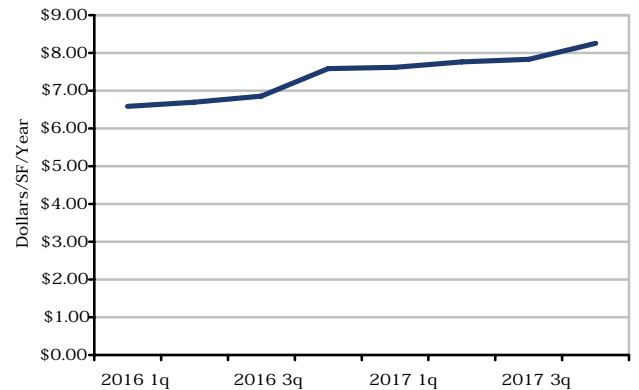
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	938	19,834,038	831,080	4.2%	8,830	1	10,500	1	96,930	\$8.26
2017 3q	937	19,823,538	829,410	4.2%	325,462	1	45,925	2	107,430	\$7.83
2017 2q	936	19,777,613	1,108,947	5.6%	150,835	3	60,692	3	153,355	\$7.77
2017 1q	932	19,682,316	1,164,485	5.9%	35,099	0	0	6	238,152	\$7.62
2016 4q	932	19,682,316	1,199,584	6.1%	(52,578)	2	13,817	6	238,152	\$7.58
2016 3q	929	19,654,099	1,118,789	5.7%	60,302	0	0	7	191,072	\$6.85
2016 2q	930	19,711,213	1,236,205	6.3%	63,999	3	50,350	5	171,072	\$6.69
2016 1q	927	19,660,863	1,249,854	6.4%	18,705	0	0	3	50,350	\$6.58
2015 4q	927	19,660,863	1,268,559	6.5%	499,027	1	2,400	3	50,350	\$6.68
2015 3q	926	19,658,463	1,765,186	9.0%	34,608	0	0	3	14,350	\$6.65
2015 2q	927	19,664,850	1,806,181	9.2%	152,854	1	96,324	1	2,400	\$6.85
2015 1q	926	19,568,526	1,862,711	9.5%	(75,062)	3	76,344	1	96,324	\$6.77
2014 4q	923	19,492,182	1,711,305	8.8%	(40,980)	1	75,840	4	172,668	\$6.90
2014 3q	922	19,429,037	1,607,180	8.3%	60,758	1	4,560	6	250,044	\$6.87
2014 2q	921	19,424,477	1,663,378	8.6%	(266,301)	2	33,084	6	245,004	\$7.11
2014 1q	919	19,391,393	1,363,993	7.0%	736,100	5	592,849	4	113,484	\$7.21

Source: CoStar Property®

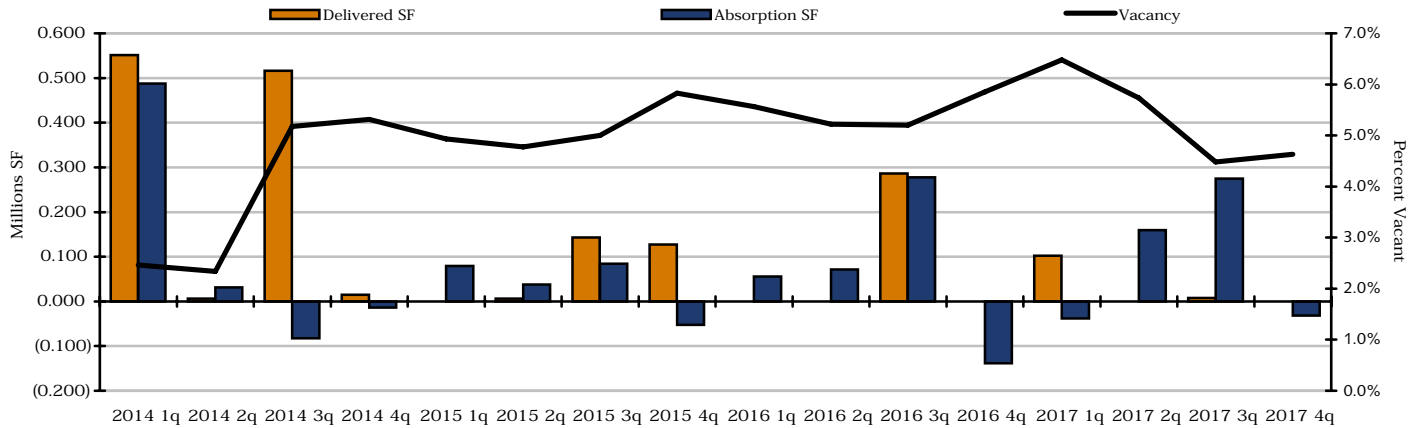
# San Antonio Industrial Market



## South Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

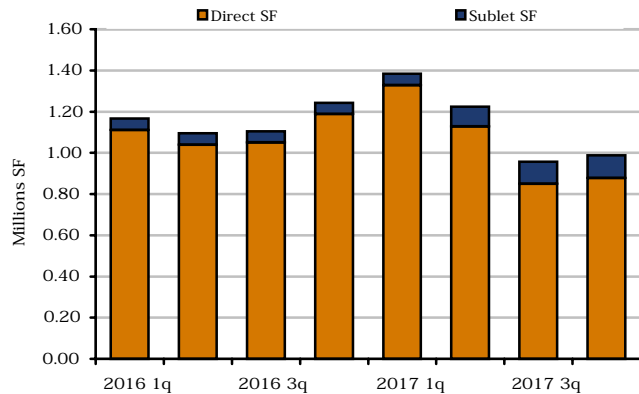
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

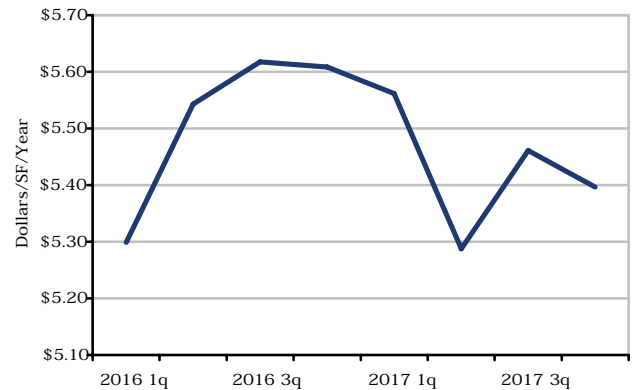
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	548	21,357,622	988,483	4.6%	(31,669)	0	0	1	79,750	\$5.40
2017 3q	548	21,357,622	956,814	4.5%	274,914	1	8,000	1	79,750	\$5.46
2017 2q	547	21,349,622	1,223,728	5.7%	159,588	0	0	1	8,000	\$5.29
2017 1q	547	21,349,622	1,383,316	6.5%	(38,248)	1	102,000	1	8,000	\$5.56
2016 4q	546	21,247,622	1,243,068	5.9%	(138,109)	0	0	1	102,000	\$5.61
2016 3q	546	21,247,622	1,104,959	5.2%	277,870	2	286,319	1	102,000	\$5.62
2016 2q	543	20,959,343	1,094,550	5.2%	71,608	0	0	3	288,279	\$5.54
2016 1q	543	20,959,343	1,166,158	5.6%	55,481	0	0	3	288,279	\$5.30
2015 4q	543	20,959,343	1,221,639	5.8%	(52,354)	6	127,000	2	285,778	\$5.02
2015 3q	537	20,832,343	1,042,285	5.0%	84,165	4	142,865	7	128,960	\$5.02
2015 2q	534	20,693,735	987,842	4.8%	37,849	1	6,000	8	258,665	\$4.95
2015 1q	533	20,687,735	1,019,691	4.9%	79,300	0	0	7	254,865	\$4.84
2014 4q	533	20,687,735	1,098,991	5.3%	(13,873)	3	14,700	3	119,625	\$4.81
2014 3q	530	20,673,035	1,070,418	5.2%	(82,676)	2	516,530	4	71,825	\$4.79
2014 2q	528	20,156,505	471,212	2.3%	31,620	1	6,000	5	531,230	\$4.67
2014 1q	527	20,150,505	496,832	2.5%	487,248	4	551,369	6	537,230	\$4.39

Source: CoStar Property®



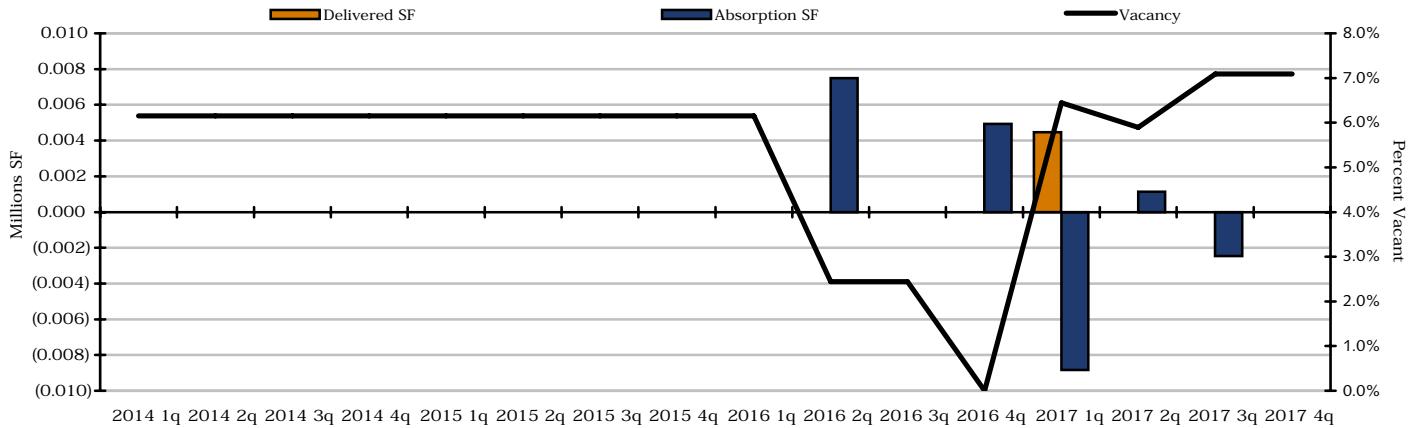
# San Antonio Industrial Market

## Wilson County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

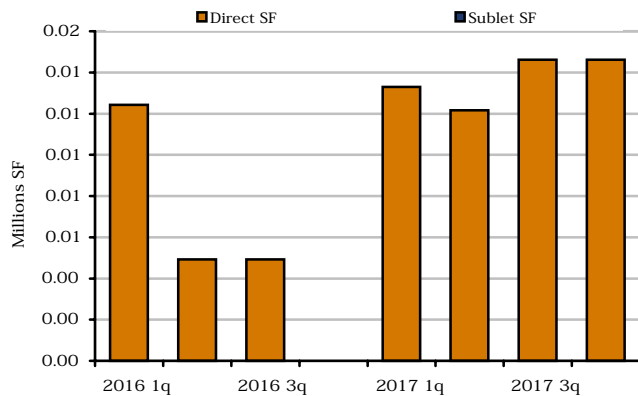
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

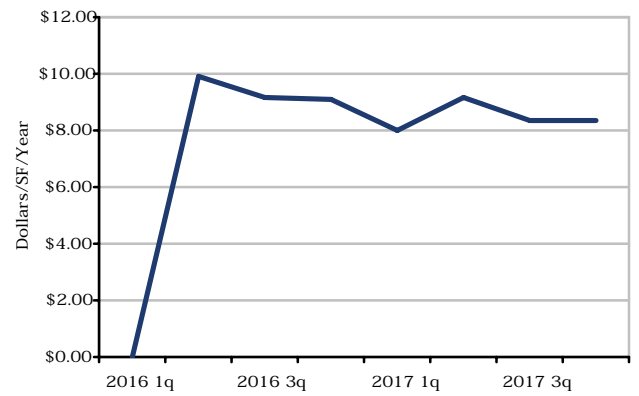
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	29	206,264	14,624	7.1%	0	0	0	0	0	\$8.35
2017 3q	29	206,264	14,624	7.1%	(2,460)	0	0	0	0	\$8.35
2017 2q	29	206,264	12,164	5.9%	1,136	0	0	0	0	\$9.16
2017 1q	29	206,264	13,300	6.4%	(8,836)	1	4,464	0	0	\$8.00
2016 4q	28	201,800	0	0.0%	4,924	0	0	1	4,464	\$9.09
2016 3q	28	201,800	4,924	2.4%	0	0	0	1	4,464	\$9.17
2016 2q	28	201,800	4,924	2.4%	7,496	0	0	0	0	\$9.91
2016 1q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2015 4q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2015 3q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2015 2q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2015 1q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2014 4q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2014 3q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2014 2q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00
2014 1q	28	201,800	12,420	6.2%	0	0	0	0	0	\$0.00

Source: CoStar Property®