

FIGURES | SAN ANTONIO INDUSTRIAL | Q4 2025

Absorption ticks upward in Q4; other market fundamentals flat

▼ 10.86%
Vacancy Rate

▲ 879,872
SF Net Absorption

▼ 279,874
SF Construction Delivered

▲ 2.8M
SF Under Construction

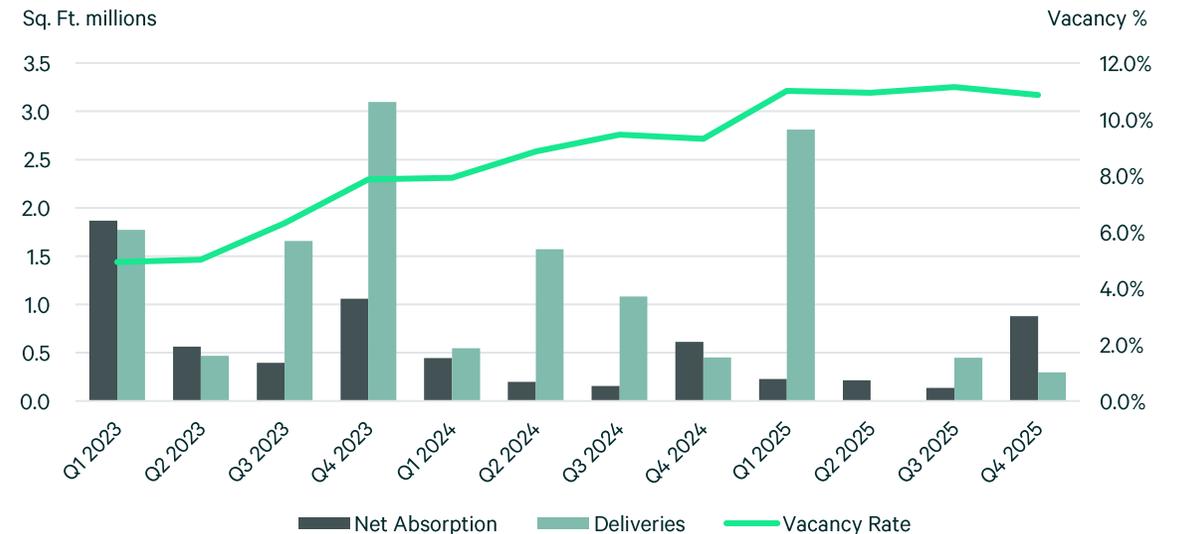
▼ \$8.48
NNN/YR Lease Rate

Note: Arrows indicate change from previous quarter.

KEY HIGHLIGHTS

- Market fundamentals were mostly flat quarter-over-quarter. Total net absorption notably increased to approximately 880,000 sq. ft., driven mostly by owner-user activity as Amazon occupied 560,500 sq. ft. at Rosillo Creek and Flooring Services occupied 265,415 sq. ft. at Park 35. Outside of owner-user activity, fourth-quarter move-ins and move-outs were dominated by tenants in the 50,000 – 75,000 sq. ft. range.
- Marketwide vacancy declined 20 basis points (bps) to 10.9% in the fourth quarter. Vacancy was slightly elevated throughout 2025 following a 180 bps jump to 11.1% in Q1, when just over 2.8 million sq. ft. of new construction hit the market.
- Although new supply continues to push vacancy, occupiers are slowly absorbing recently delivered speculative space; as of Q4, Industrial space constructed from 2020 - present is just under 70% occupied.
- Two projects totaling 297,874 sq. ft. delivered in the fourth quarter: Freeport 35 added 174,374 sq. ft. to the South submarket and Rail Drive added 122,500 sq. ft. to the Northeast submarket. Both projects are fully available as of Q4.

FIGURE 1: Historical Net Absorption Trend and Vacancy



Source: CBRE Research, Q4 2025

SUPPLY AND DEMAND

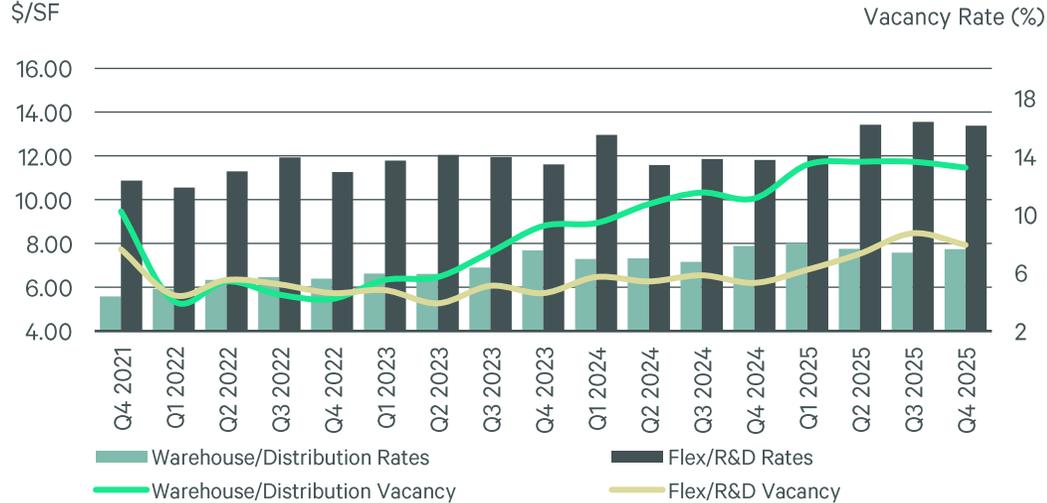
Industrial vacancy has climbed steadily year-over-year from a ten-year low of 3.4% in Q3 2022; since then, developers have added more than 16.0 million sq. ft. of new product to the market. As in previous quarters, vacancy is concentrated amongst recent speculative deliveries in the distribution segment, which is 13.2% vacant as of Q4 2025. Manufacturing vacancy remains minimal at 1.8%, and Flex/R&D vacancy dipped slightly to 7.9%. Vacancy is down quarter-over-quarter but has increased year-over-year across all size tranches.

Although leasing activity remains steady, occupiers continue to proceed with caution, having taken a “wait-and-see” approach over the last several quarters amidst economic and tariff-related uncertainty. Many occupiers have opted to renew in place rather than move into newly constructed space, suppressing absorption and prolonging vacancy in new, speculative distribution space.

DEVELOPMENT PIPELINE

2.8 million sq. ft. is currently underway, 67.2% of which is owner-user space. Product underway is comprised of 1.1 million sq. ft. in the Northeast submarket and 1.7 million sq. ft. in the South submarket, including JCB’s highly anticipated 1.0 million sq. ft. manufacturing facility and Toyota’s new 500,000 sq. ft. Rear Axle manufacturing facility.

FIGURE 2: Asking Rates & Vacancy, Warehouse/Distribution & Flex/R&D \$/SF



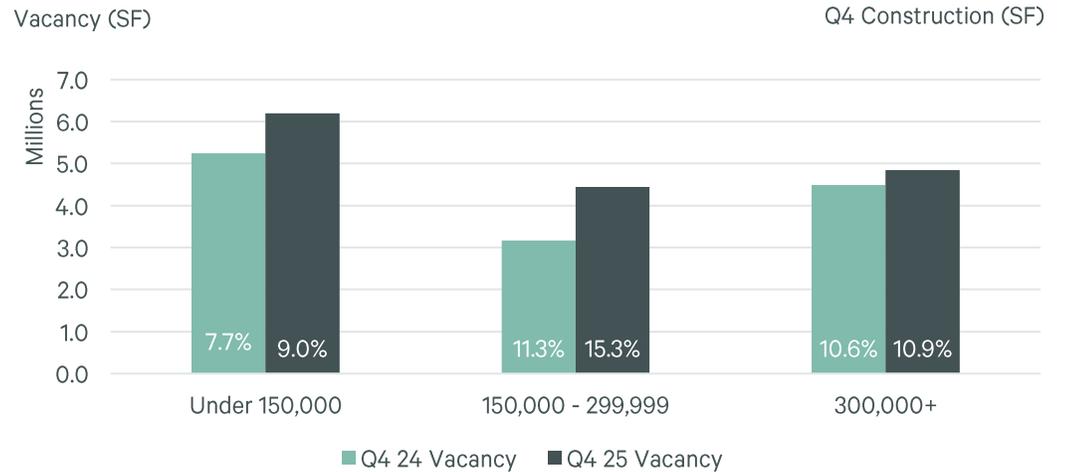
Source: CBRE Research, Q4 2025.

FIGURE 3: Historical Construction & Deliveries



Source: CBRE Research, Q4 2025.

FIGURE 4: Year-over-Year Vacancy by Property Size Tranche



Source: CBRE Research, Q4 2025

OVERVIEW OF ECONOMIC TRENDS

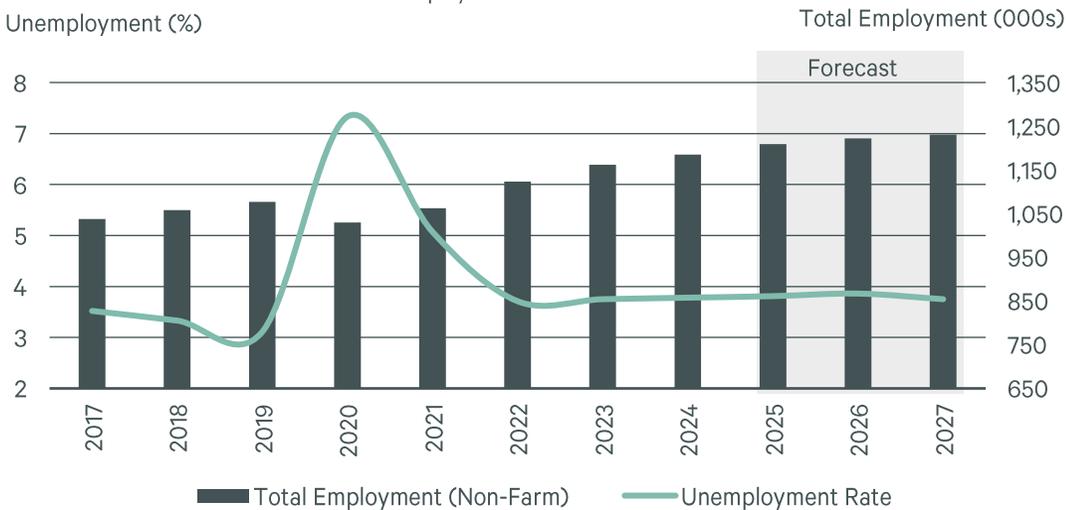
The U.S. economy is sending some mixed signals. Financial markets are focused on the upside, particularly AI's sizable contribution to growth in recent quarters. Some indicators of business activity, such as capital goods orders, are improving, and strengthening credit markets are helping to usher real estate into a new cycle.

The picture gets more melancholy when looking at households. Consumer confidence remains weak, with spending reportedly driven by a smaller segment of affluent households. This mosaic of data suggests that annual average GDP growth will be steady in 2026, at 2%, but a touch softer than in 2025. A key catalyst is a softer labor market, as companies are 'slow to hire, slow to fire'—a trend that is likely to last a few quarters. A consequence of this outlook is softer inflation and long-term bond yields trending just below 4% by H2 2026.

SAN ANTONIO MARKET FUNDAMENTALS

San Antonio's increasingly diversified economy continues to grow steadily, in spite of recent challenges including tariffs on manufacturing and federal job cuts related to its military bases. The city's year-to-date job growth rate of 1.7% significantly outpaced the US rate of 0.6%, GDP growth also exceeded the national average, at 1.7% compared to 1.3%. Job growth and GDP growth were both driven by state and local government, ambulatory healthcare, retail trade, and real estate.

FIGURE 5: San Antonio Labor Force and Unemployment



Source: BLS, Oxford Economics, Q4 2025.

FIGURE 6: Notable Q4 2025 Positive Space Absorptions

Occupier	Property	Total SF
Amazon (owner/user)	Rosillo Creek Industrial Park I	560,500
Flooring Services (owner/user)	Park 35 Phase I Bldg 4-5	265,415
Lefko	New Braunfels Commerce Center B	72,225
Duroshox	Centerpoint Logistics Phase II Bldg 5	57,560

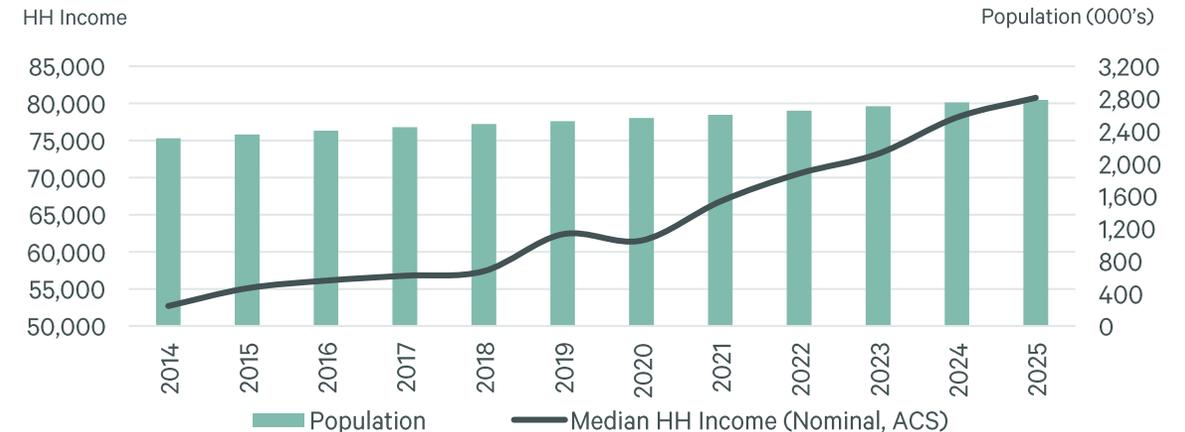
Source: CBRE Research, Q4 2025.

FIGURE 7: Notable Q4 2025 Negative Space Absorptions

Occupier	Property	Total SF
Glazer's	1002 S Callaghan	(98,014)
McCoy's (owner/user)	3194 N Interstate 35	(58,000)
Hub Group	Enterprise Industrial Park Bldg 5	(49,933)

Source: CBRE Research, Q4 2025.

FIGURE 8: Population Growth & Household Purchasing Power



Source: Oxford Economics, Q4 2025.

FIGURE 9: San Antonio Industrial Market Statistics

Submarket	Net Rentable Area (SF)	Total Vacancy (%)	Total Availability (%)	Asking Rate, NNN Avg. Annual (S/SF)**	Under Construction (SF)	Q4 2025 Deliveries (SF)	Q4 2025 Net Absorption	Year to Date Net Absorption
CBD	2,009,447	6.8	6.8	10.49	-	-	-	(66,920)
Class A	-	-	-	-	-	-	-	-
Class B	305,706	3.1	3.1	13.20	-	-	-	(3,065)
North Central	12,565,666	8.6	9.0	12.28	-	-	9,889	46,993
Class A	1,794,502	36.3	36.0	11.98	-	-	-	190,671
Class B	5,885,236	4.8	5.2	13.13	-	-	2,227	(70,116)
Northeast	86,502,006	13.6	13.9	7.58	1,100,817	122,500	989,452	1,645,662
Class A	38,741,383	22.4	21.5	7.50	1,100,817	-	909,890	1,852,843
Class B	25,942,080	7.0	8.6	7.88	-	122,500	49,662	45,414
Northwest	16,126,234	6.6	8.3	12.29	-	-	(85,395)	(180,279)
Class A	1,363,626	33.6	31.5	11.87	-	-	-	48,740
Class B	7,223,019	6.2	8.1	12.56	-	-	(81,659)	(148,049)
South	25,489,836	5.7	5.8	7.94	1,718,809	175,374	(34,074)	10,119
Class A	9,988,617	8.0	8.3	19.00	1,718,809	175,374	(1,414)	(4,206)
Class B	9,221,493	3.1	3.1	18.00	-	-	18,000	10,500
San Antonio Total*	142,693,189	10.9	11.3	8.48	2,819,626	297,874	879,872	1,455,575
Class A	51,888,128	20.4	19.8	7.90	2,819,626	175,374	908,476	2,088,048
Class B	48,577,534	5.9	7.0	10.73	-	122,500	(11,770)	(165,316)

Source: CBRE Research, Q4 2025.

*As of Q2 2022, owner-occupied properties are now included in CBRE Research's tracked inventory for San Antonio Industrial to better reflect the entire market.

**Because Flex/R&D space commands higher rates per square foot than distribution space, the inclusion of older Class B Flex/R&D space in surveyed rental rates creates the illusion that Class B rates are higher than Class A rates. In fact, Class A rates for like kind assets remain higher than their Class B counterparts across the market.

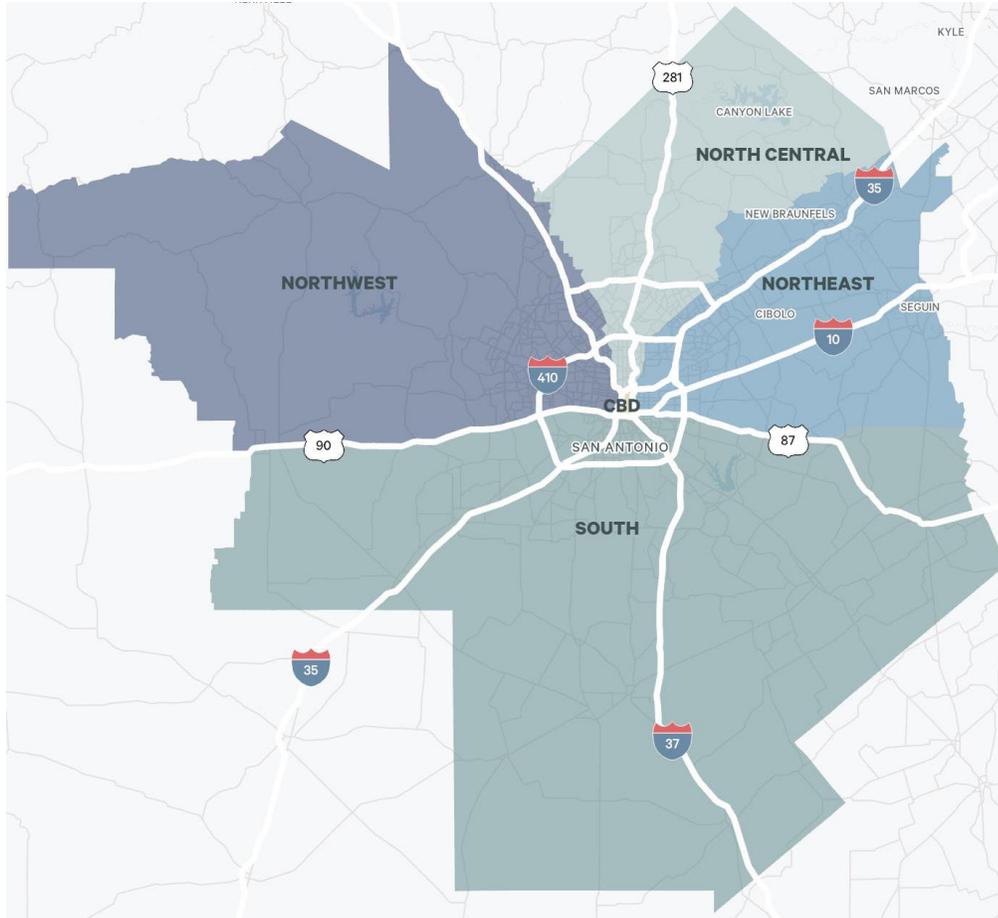
FIGURE 10: San Antonio Market Statistics, Distribution/Logistics & Flex/R&D, Manufacturing

Submarket	DISTRIBUTION/LOGISTICS					FLEX/R&D					MANUFACTURING				
	Total Vacant (SF) Total RBA(SF)	Vacancy Rate (%)	NNN \$/SF	Q4 2025 Net Absorption (SF)	YTD Net Absorption (SF)	Total Vacant (SF) Total RBA(SF)	Vacancy Rate (%)	NNN \$/SF	Q4 2025 Net Absorption (SF)	YTD Net Absorption (SF)	Total Vacant (SF) Total RBA(SF)	Vacancy Rate (%)	NNN \$/SF	Q4 2025 Net Absorption (SF)	YTD Net Absorption (SF)
CBD	26,993	2.4%	12.54	-	(8,165)	-	-	-	-	20,000	108,755	18.5%	-	-	(78,755)
	1,109,948					312,235					587,264				
North Central	645,426	8.3%	13.32	(10,507)	68,636	367,943	11.8%	11.91	15,439	(26,600)	42,000	2.6%	-	6,148	6,148
	7,745,832					3,125,466					1,641,633				
Northeast	11,113,890	16.1%	7.49	937,599	1,410,075	274,343	7.6%	9.81	51,853	41,047	240,748	1.8%	7.25	-	194,540
	68,842,605					3,610,793					13,395,438				
Northwest	833,141	8.2%	8.42	(107,150)	(106,789)	227,871	6.7%	16.02	21,755	(71,490)	9,000	0.4%	8.89	-	(2,000)
	10,202,614					3,378,799					2,544,821				
South	1,383,589	7.8%	7.60	18,000	47,726	11,962	1.6%	19.00	(1,414)	(5,447)	50,992	0.7%	-	(50,660)	(50,660)
	17,810,672					727,123					6,875,044				
San Antonio Total	14,003,039	13.2%	7.75	837,942	1,411,483	882,119	7.9%	13.38	87,633	(42,490)	451,495	1.8%	10.66	(44,512)	69,273
	105,711,671					11,154,416					25,044,200				

Source: CBRE Research, Q4 2025.

As of Q2 2022, owner-occupied properties are now included in CBRE Research's tracked inventory for San Antonio Industrial to better reflect the entire market.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the Total Building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days.

Survey Criteria

Includes known market relevant industrial buildings 20,000 sq. ft. and greater in size in the greater metropolitan area of San Antonio, TX. Buildings which have begun construction as evidenced by site excavation or foundation work.

Contacts

Kim Thaker Longoria
Field Research Analyst
kim.thaker@cbre.com

Jeremy Bock
Research Manager
jeremy.bock@cbre.com

Marc L. Miller
Research Director
marc.miller1@cbre.com

CBRE SAN ANTONIO OFFICE

1803 Broadway, Suite 825
San Antonio, TX 78215

© 2026 CBRE, Inc. All rights reserved. This information has been obtained from sources believed reliable but has not been verified for accuracy or completeness. CBRE, Inc. makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy, completeness, or reliability of the information contained herein. You should conduct a careful, independent investigation of the property and verify all information. Any reliance on this information is solely at your own risk. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such marks does not imply any affiliation with or endorsement of CBRE. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.

Nothing in this report should be construed as an indicator of the future performance of CBRE’s securities or of the performance of any other company’s securities. You should not purchase or sell securities—of CBRE or any other company—based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CBRE as well as against CBRE’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

