

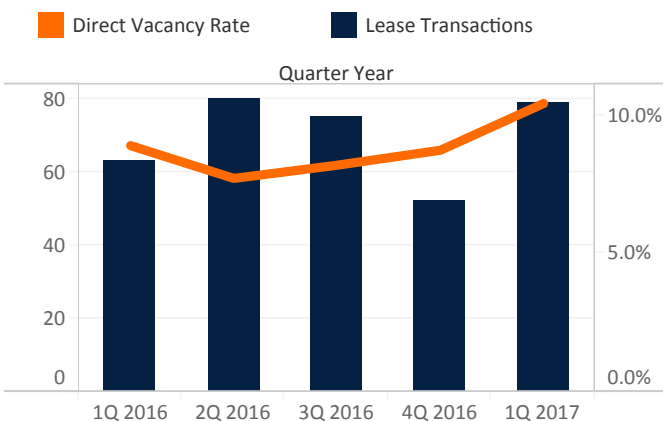
Market Overview

The San Antonio industrial market recorded 68,126 square feet of negative absorption during 1Q 2017. Absorption was down from nearly 300,000 sf recorded during 1Q 2016. The total vacancy rate has increased from 8.4% in 1Q 2016 to 10.6% at the close of first quarter 2017. Direct vacancy rates increased 2.3 percentage points from 8.1% to 10.4% during the same time period. Weighted average rent growth continued to improve at \$5.50 per square foot (psf). Weighted average asking rents in all product types increased 6.0% at the close of 1Q 2017 compared to 1Q 2016. Warehouse weighted average rents improved 4.4% year-over-year, recording \$5.64 psf at the close of 1Q 2017. Flex rates improved 4.8% year-over-year, recording \$10.05 psf at the close of 1Q 2017.

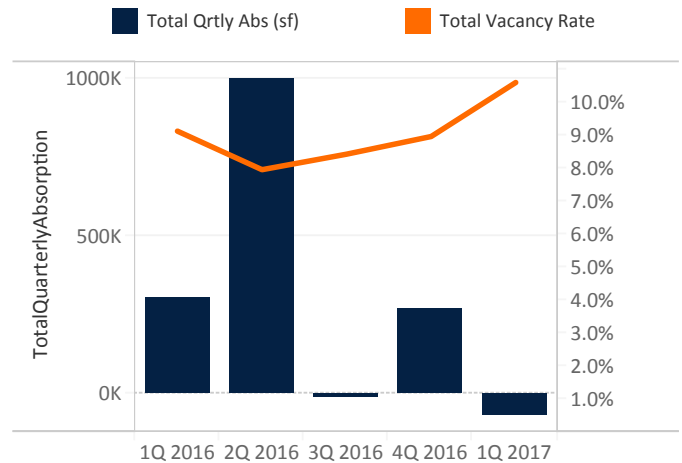
Market Recap

Inventory (sf)	39,234,346
# of Bldgs	505
Total Qrtly Abs (sf)	-68,126
Total Avail Rate	16.6%
Total Vacancy Rate	10.6%
U/C Inventory (sf)	2,956,523
Delivered (sf)	339,822
Weighted Average Asking Rate (NNN)	\$5.50

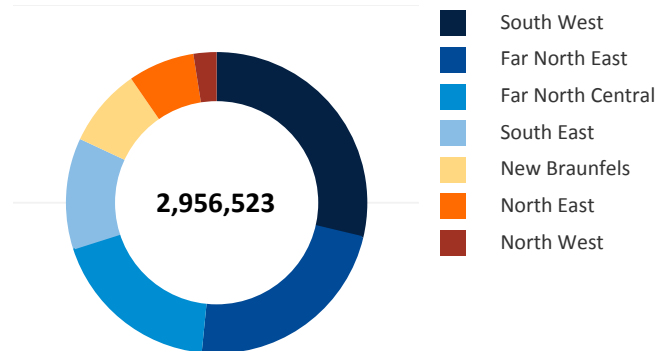
Leasing Activity Trends



Absorption and Vacancy Rate



Construction by Market



For information on how to receive the complete Xceligent Market Trends report, contact Xceligent at info@xceligent.com.

All market statistics are based on the Xceligent statistical tracked set as defined by an Advisory Board of top commercial real estate professionals in the market.

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy.