



XCELIGENT[™]
BUILDING DATA. EVERYWHERE.

OFFICE MARKET REPORT

San Antonio

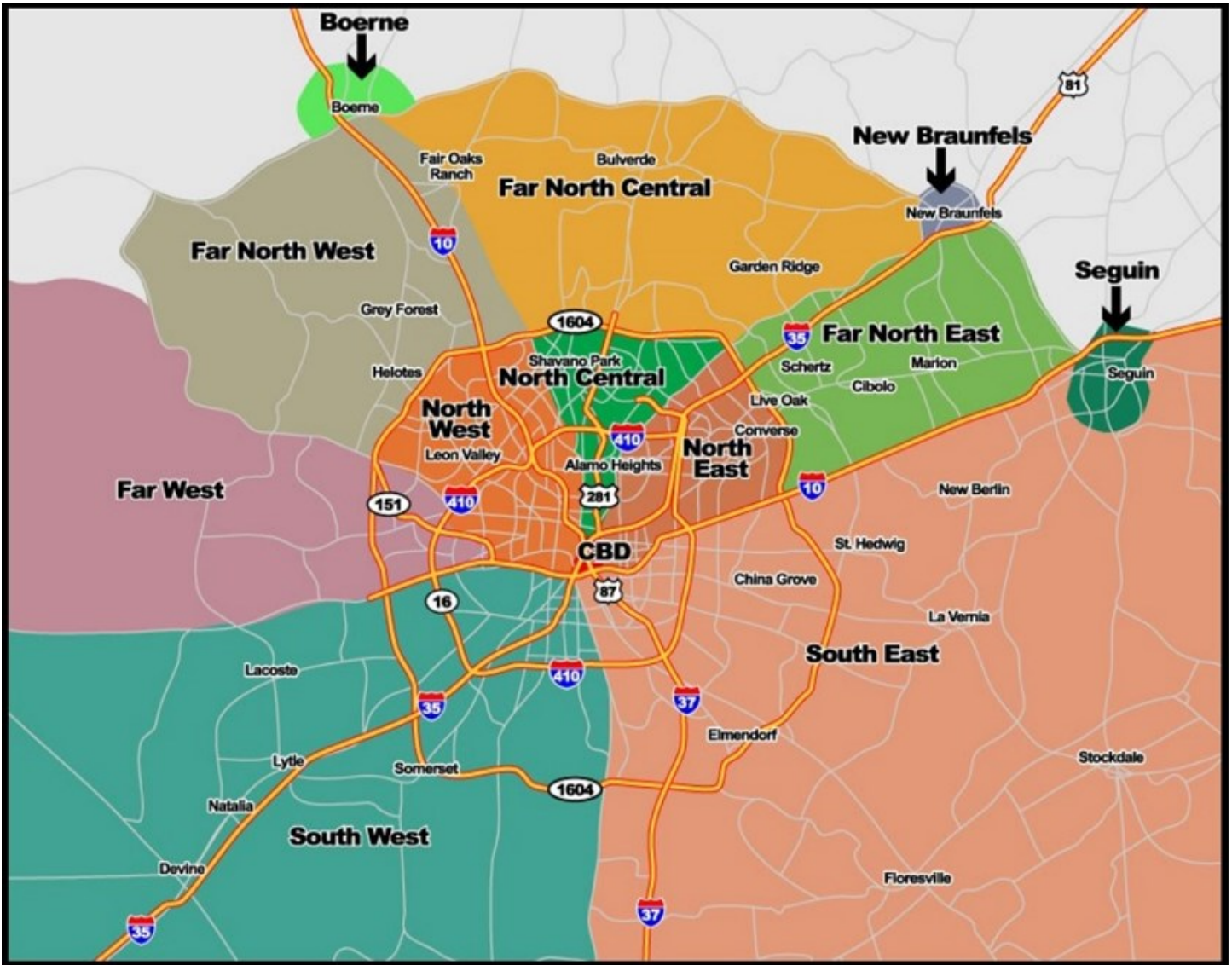
4th Quarter 2015

Xceligent is a leading provider of verified commercial real estate information which assists real estate professionals, appraisers, owners, investors and developers that make strategic decisions to lease, sell, buy and develop commercial properties.

Table of Contents/Methodology of Tracked Set	2
Office Market Map	3
San Antonio Office Overview	4-5
Statistics by Market	6
Vacancy Rates & Asking Rates	7-8
Leasing & Absorption	9-10
Office Advisory Board Members	11
Xceligent San Antonio Team	12

The San Antonio tracked set consists of an inventory of buildings considered to be competitive within the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

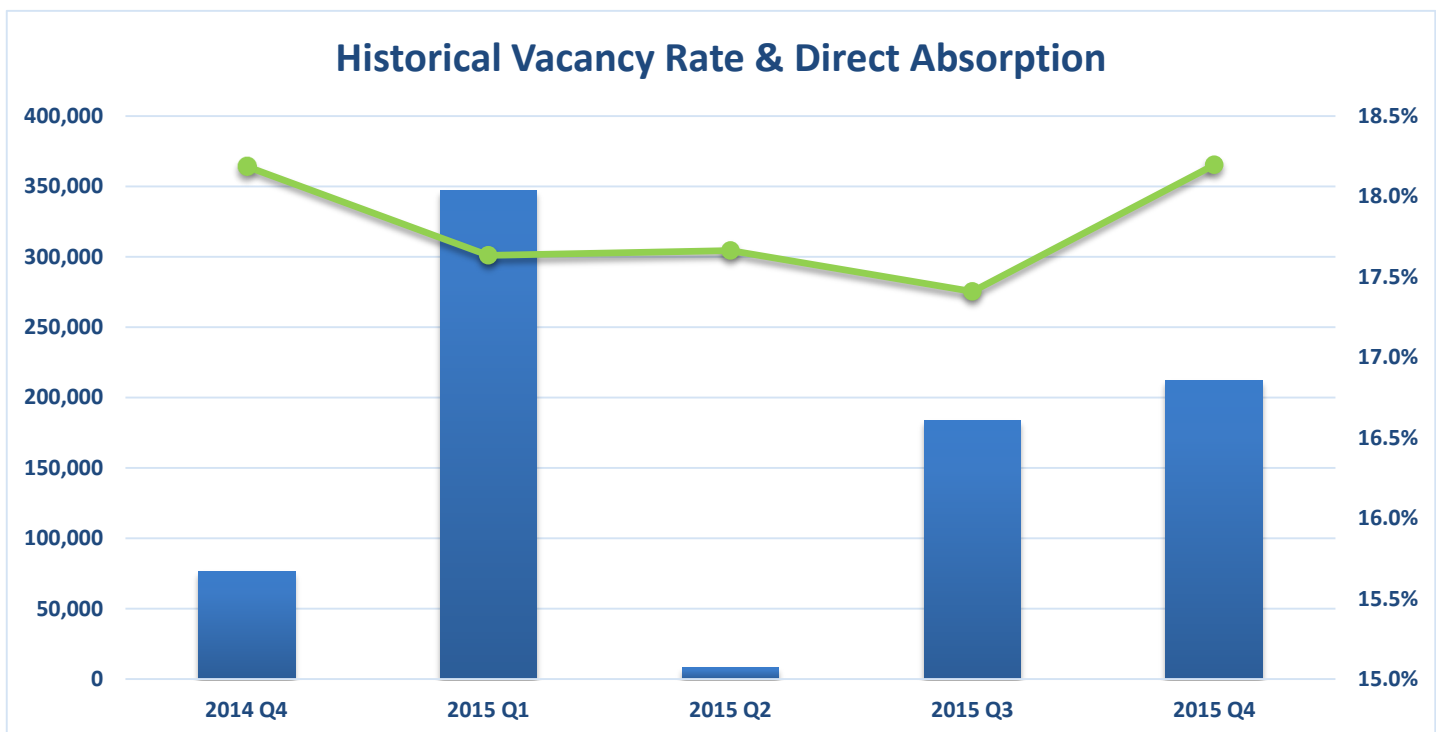
Tracked Inventory (Office)	The total square footage of all single and multi-tenant buildings greater than 20,000 sf, excluding owner occupied facilities. Medical, government, data centers and obsolete/remediation properties are excluded also excluded.
Available SF	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
Vacant SF	The total of the direct vacant square footage in a building that is being marketed.
Net Absorption	The net change in occupied square feet from quarter to quarter, expressed in square feet.
Note	This report reflects Direct Vacancy and Absorption, Sublease space is excluded.

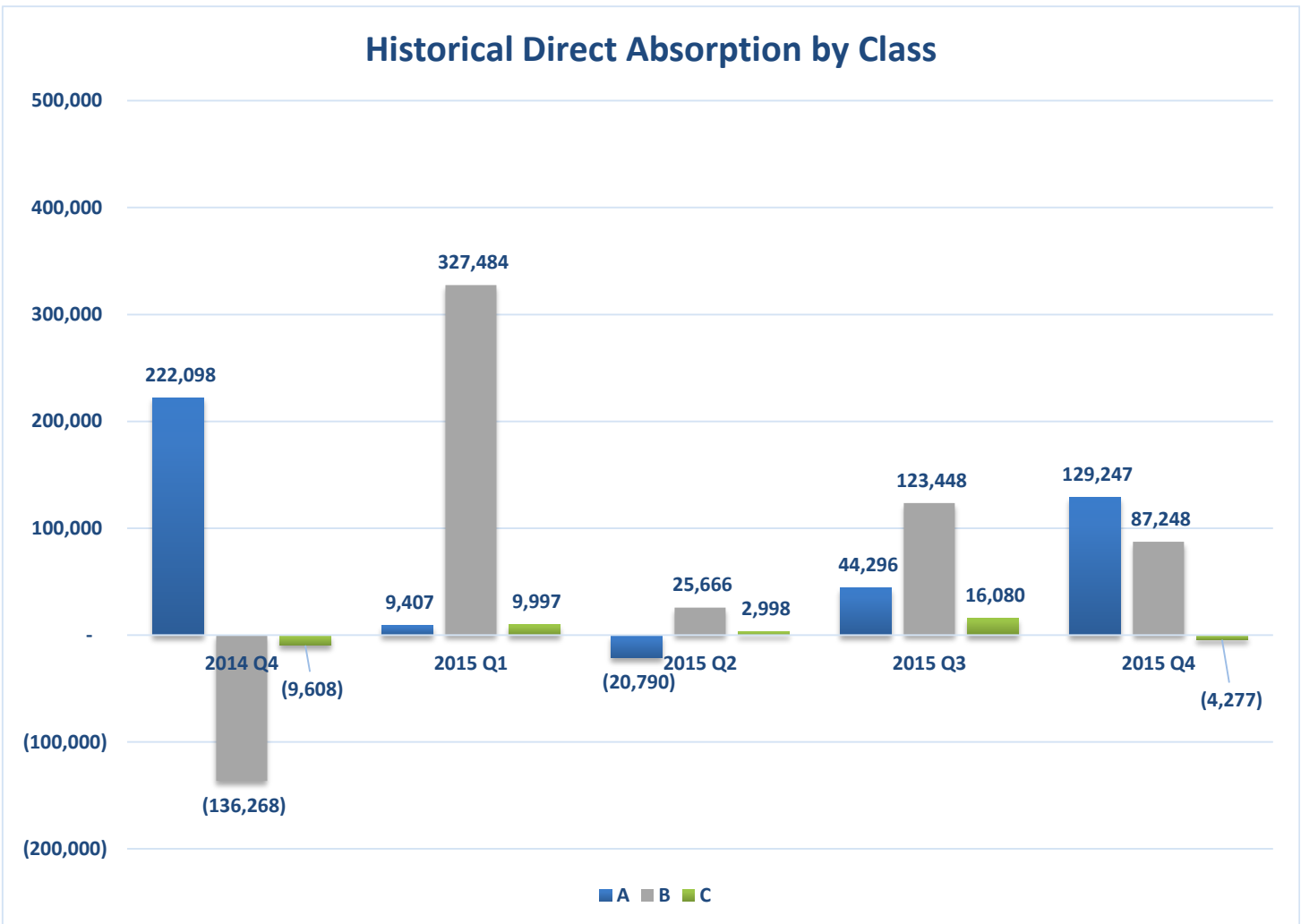
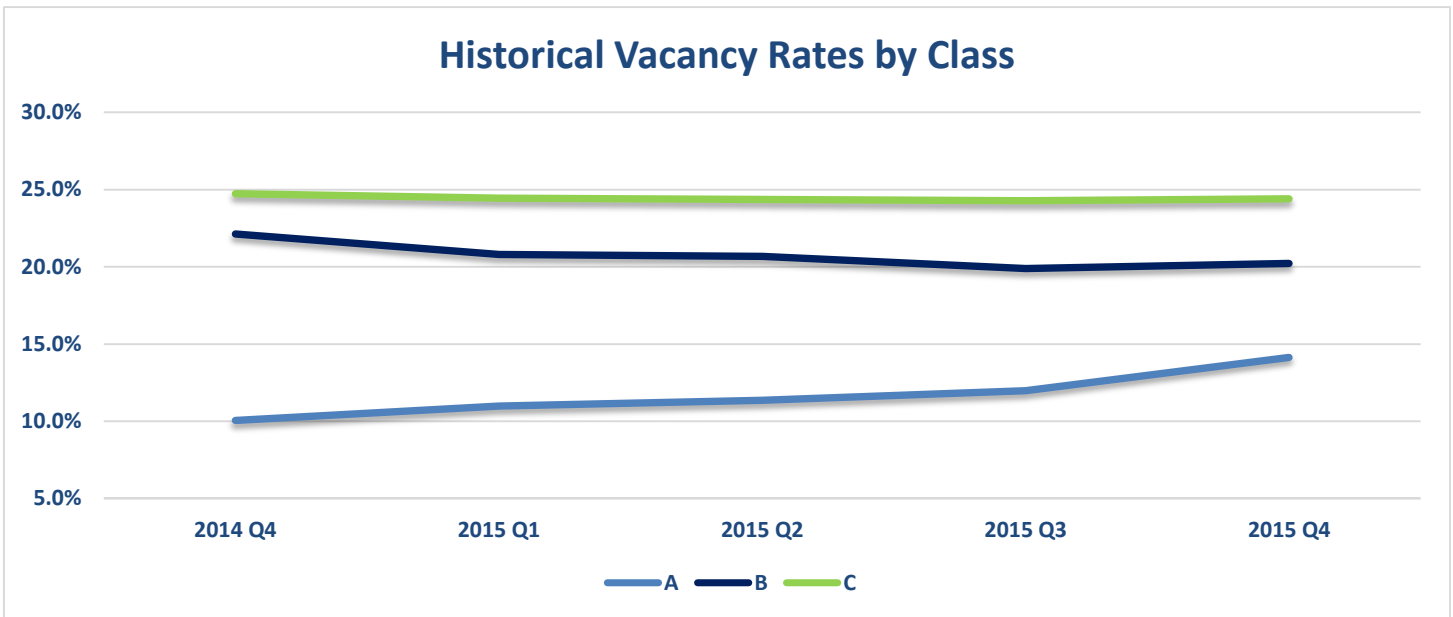


Overview

- The San Antonio office market continues to grow, with over 200,000 square feet of positive absorption in the final quarter of 2015, closing out the year with almost 600,00 square feet of positive absorption.
- The fourth quarter survey of approximately 30 million square feet of multi-tenant office space revealed that the citywide direct vacancy rate increased slightly, due to the addition of new inventory, to 18.5%, compared to 18.0% at close of the third quarter of 2015.
- The citywide average quoted full service gross rental rate for all classes of Office space increased to \$20.98 per square foot compared to the close of third quarter, at \$20.65.
- New Office Construction for San Antonio is slated to deliver approximately 800,000 sf in 2016.

	# of Bldgs	Inventory (SF)	Available Sublease (SF)	Vacancy Rate (%)	Direct Qtrly Absorption (SF)	YTD Direct Net Absorption (SF)
A	68	10,724,506	122,512	14.1%	129,247	208,275
B	295	15,893,656	30,476	20.2%	87,248	359,865
C	95	3,394,460	800	24.4%	(4,277)	24,798
Grand Total	458	30,012,622	153,788	18.5%	212,218	592,938

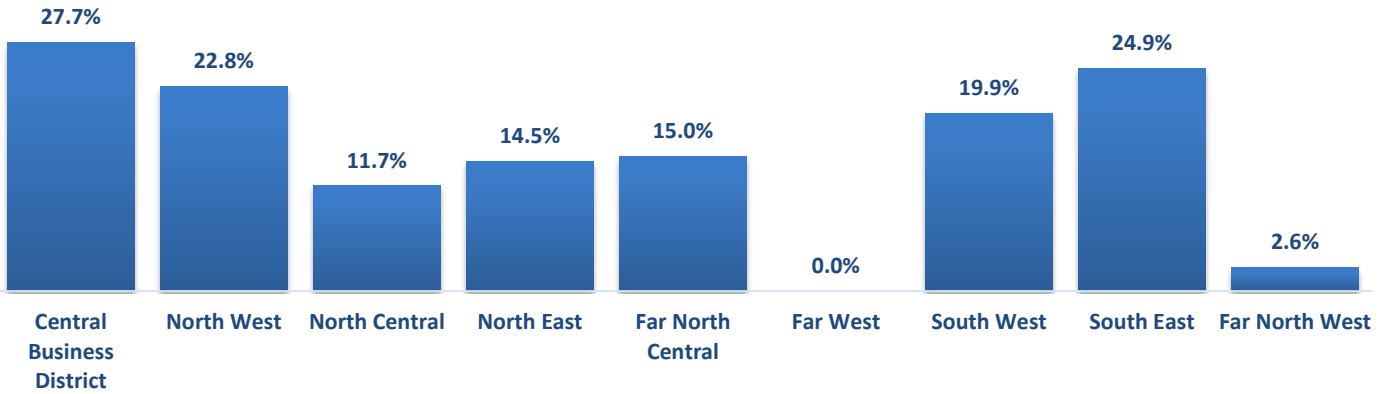




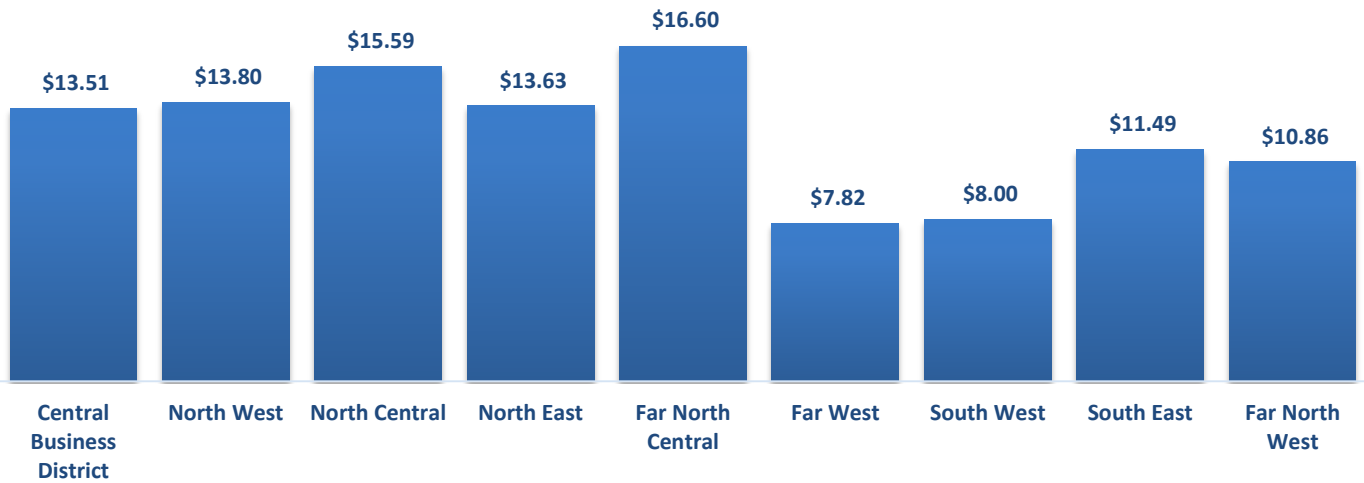
	# of Bldgs	Inventory (SF)	Direct Vacant (SF)	Available Sublease (SF)	Vacancy Rate (%)	Direct Qtrly Absorption (SF)	YTD Direct Net Absorption (SF)
Central Business District	56	5,863,137	1,625,543	40,490	27.7%	79,837	83,554
A	6	2,002,381	263,694	30,864	13.2%	9,745	(52,046)
B	30	2,884,113	1,003,470	9,626	34.8%	79,223	139,557
C	20	976,643	358,379	0	36.7%	(9,131)	(3,957)
North West	148	8,691,252	1,903,135	85,500	22.8%	31,360	255,685
A	18	2,468,563	568,789	82,700	26.2%	48,655	146,656
B	92	5,201,777	1,146,577	2,000	22.1%	(20,494)	111,386
C	38	1,020,912	187,769	800	18.4%	3,199	(2,357)
North Central	130	8,745,886	1,014,333	18,375	11.7%	(20,063)	73,938
A	22	3,255,767	287,816	3,925	9.0%	5,141	39,019
B	85	4,592,022	622,514	14,450	13.8%	(27,205)	14,780
C	23	898,097	104,003	0	11.6%	2,001	20,139
North East	32	1,951,508	283,182	5,023	14.5%	3,746	27,723
A	3	593,084	39,142	5,023	6.6%	2,373	987
B	20	1,074,019	164,903	0	15.4%	1,719	17,878
C	9	284,405	79,137	0	27.8%	(346)	8,858
Far North Central	61	2,906,136	437,323	2,423	15.0%	84,040	128,922
A	13	1,676,100	260,509	0	15.5%	63,333	87,103
B	48	1,230,036	176,814	2,423	14.4%	20,707	41,819
Far West	5	530,419	0	0	0.0%	31,600	31,600
A	2	249,344	0	0	0.0%	0	0
B	3	281,075	0	0	0.0%	31,600	31,600
South West	5	306,857	60,961	0	19.9%	0	0
B	5	306,857	60,961	0	19.9%	0	0
South East	12	503,856	123,551	1,977	24.9%	1,698	4,960
B	7	289,453	24,591	1,977	9.2%	1,698	2,845
C	5	214,403	98,960	0	46.2%	0	2,115
Far North West	9	513,571	13,444	0	2.6%	0	(13,444)
A	4	479,267	13,444	0	2.8%	0	(13,444)
B	5	34,304	0	0	0.0%	0	0
Grand Total	458	30,012,622	5,461,472	153,788	18.5%	212,218	592,938

	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4		2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4
Central Business	27.9%	27.2%	28.8%	27.7%	27.7%		\$20.16	\$20.22	\$20.22	\$20.38	\$20.85
A	10.6%	11.1%	13.4%	13.7%	13.2%		\$25.09	\$25.30	\$25.24	\$25.15	\$25.83
B	37.4%	35.7%	37.1%	34.9%	34.8%		\$17.90	\$17.87	\$18.26	\$17.89	\$18.05
C	36.3%	36.1%	36.5%	35.8%	36.7%		\$16.63	\$16.63	\$16.65	\$15.74	\$16.00
North West	22.3%	22.0%	21.0%	21.0%	22.8%		\$19.22	\$19.66	\$20.04	\$20.23	\$20.16
A	17.9%	21.7%	20.0%	22.4%	26.2%		\$25.29	\$25.67	\$24.73	\$24.75	\$24.65
B	24.9%	22.7%	21.8%	20.8%	22.1%		\$18.78	\$19.06	\$19.20	\$19.51	\$19.51
C	18.2%	18.7%	18.9%	18.7%	18.4%		\$15.16	\$15.20	\$15.32	\$15.39	\$15.25
North Central	12.1%	12.2%	11.8%	11.7%	11.7%		\$21.31	\$21.47	\$21.58	\$21.61	\$22.33
A	10.4%	10.4%	9.8%	9.7%	9.0%		\$24.56	\$25.21	\$25.15	\$25.16	\$25.67
B	13.0%	13.5%	13.1%	13.1%	13.8%		\$20.27	\$20.45	\$20.52	\$20.54	\$20.82
C	13.8%	12.8%	12.1%	11.8%	11.6%		\$14.46	\$14.31	\$15.05	\$14.36	\$14.21
North East	15.1%	14.5%	14.9%	14.7%	14.5%		\$18.40	\$18.37	\$18.10	\$18.42	\$18.33
A	6.8%	5.9%	7.0%	7.0%	6.6%		\$23.50	\$23.50	\$23.50	\$23.50	\$23.50
B	16.8%	16.4%	16.6%	15.5%	15.4%		\$18.05	\$18.02	\$17.52	\$18.09	\$18.12
C	26.3%	25.5%	24.6%	27.7%	27.8%		\$15.09	\$15.11	\$15.11	\$15.93	\$15.57
Far North Central	9.9%	9.0%	10.6%	10.2%	15.0%		\$22.69	\$23.83	\$23.84	\$24.95	\$24.66
A	2.7%	2.9%	6.0%	4.8%	15.5%		\$0.00	\$0.00	\$0.00	\$29.00	\$29.00
B	17.8%	15.7%	15.9%	16.4%	14.4%		\$22.69	\$23.83	\$23.84	\$24.24	\$24.29
C	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Far West	8.5%	6.0%	6.0%	6.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	25.7%	11.2%	11.2%	11.2%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
South West	19.9%	19.9%	19.9%	19.9%	19.9%		\$15.75	\$15.50	\$15.50	\$15.50	\$15.50
A	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	19.9%	19.9%	19.9%	19.9%	19.9%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	0.0%	0.0%	0.0%	0.0%	0.0%		\$15.75	\$15.50	\$15.50	\$15.50	\$15.50
South East	25.9%	25.5%	25.3%	25.3%	24.9%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	10.2%	10.2%	9.8%	9.8%	9.2%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	47.1%	46.2%	46.2%	46.2%	46.2%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Far North West	0.0%	0.0%	0.0%	2.6%	2.6%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A	0.0%	0.0%	0.0%	2.8%	2.8%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	0.0%	0.0%	0.0%	0.0%	0.0%		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grand Total	18.2%	17.8%	17.9%	17.6%	18.5%		\$20.14	\$20.36	\$20.50	\$20.65	\$20.98

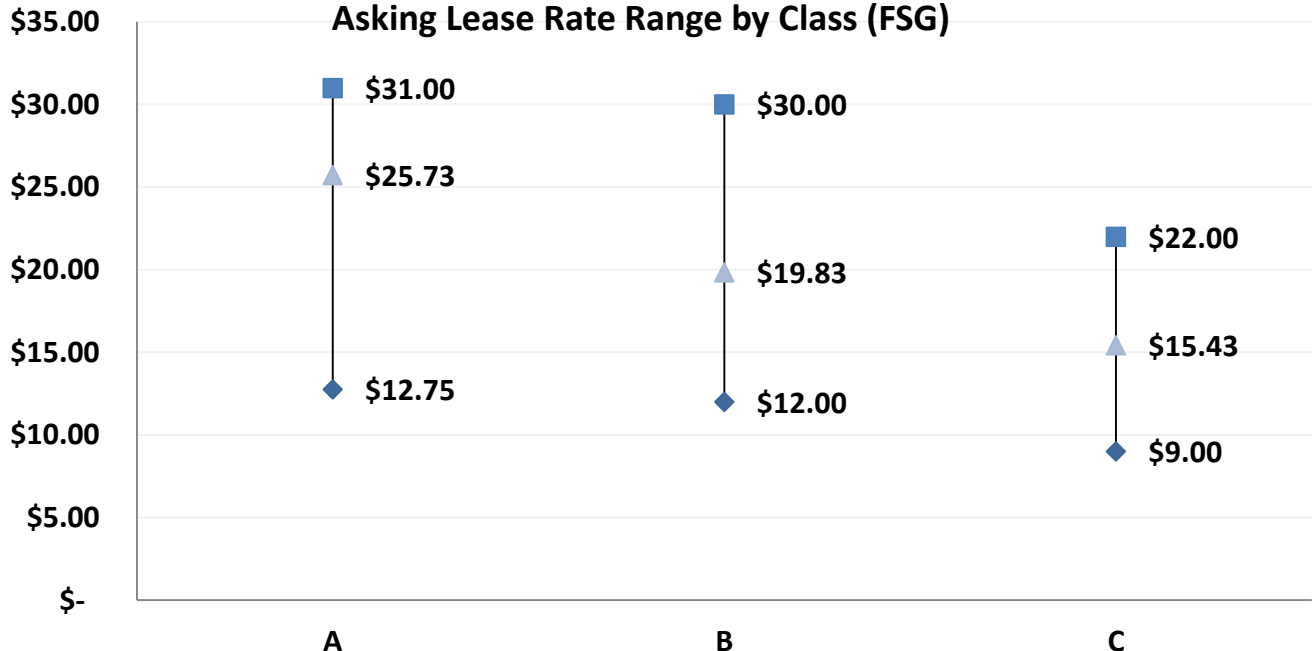
Vacancy Rate by Market

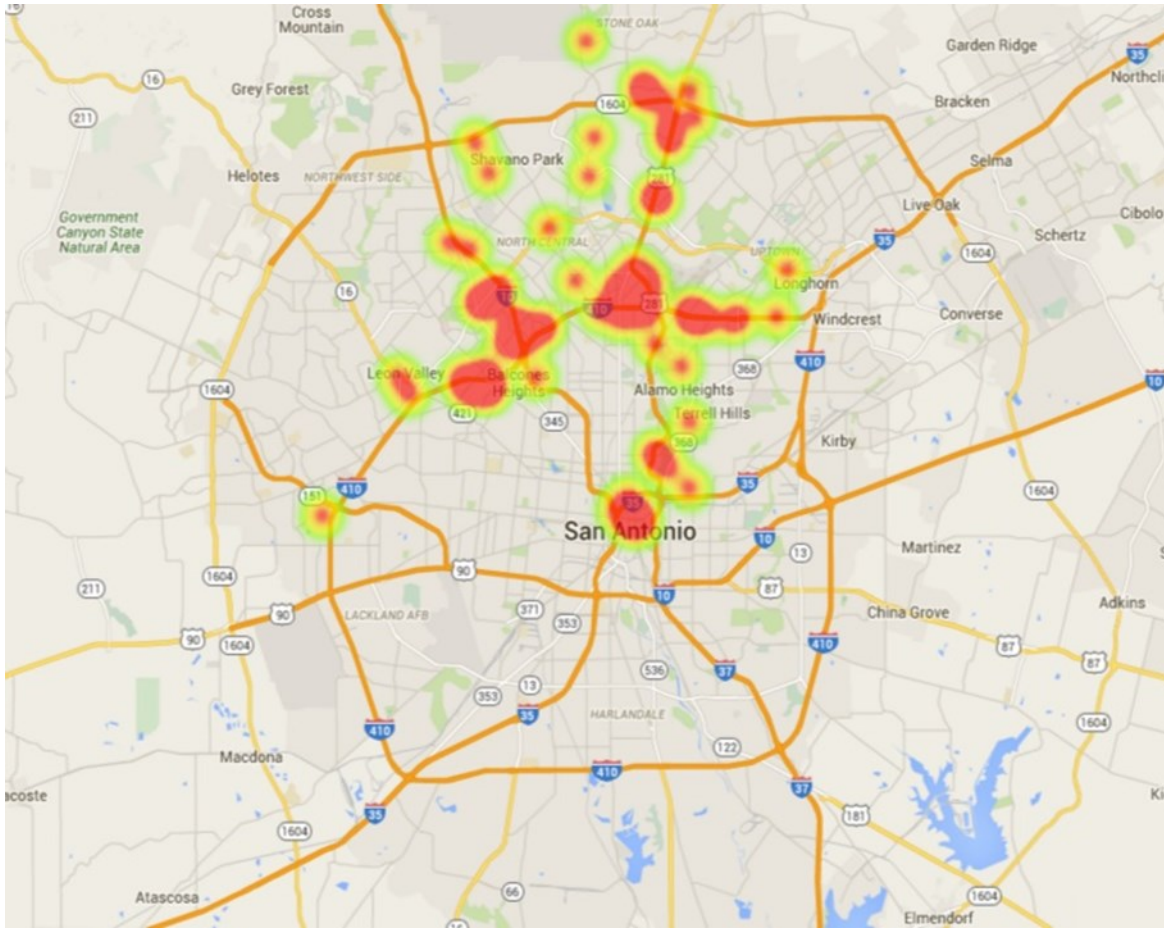


Average Asking Rates by Market



Asking Lease Rate Range by Class (FSG)

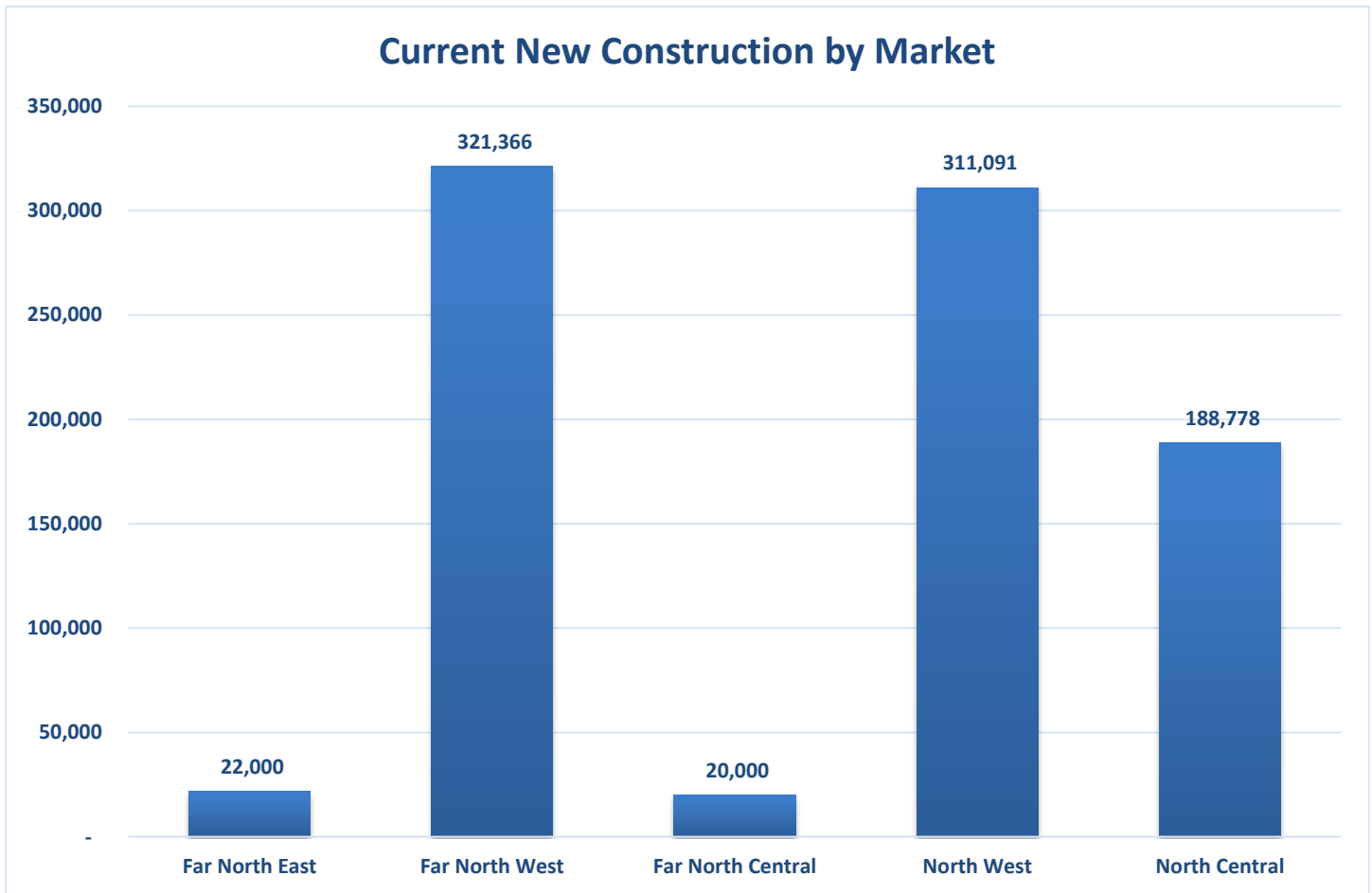




Largest Absorption Changes

Property Name	SF Occupied or Vacated	Tenant Name	Market	Building Class
The Rand Building	50,870	Geekdom	CBD	B
RidgeWood Plaza	36,750	EOG	Far North Central	A
151 Technology Center Bldg 2	31,600	Sears	Far West	B
Fountainhead Business Park II	26,370	communications company	North West	A
The Rand Building	16,956	Cloud Academy	CBD	B
RidgeWood Business Center II	15,409	Lennar Homes	Far North Central	A
The Pyramid Building	(6,862)	Leading Edge Personnel	North Central	A
The Modern on Main	(7,920)	Bexar County Housing Authority	CBD	C
Energy Plaza II	(9,190)	Undisclosed	North Central	B
One Park Ten	(10,361)	Undisclosed	North West	B
Northwest Center	(18,073)	Law Office of Davidson Troilo Ream & Garza	North West	A
Tech Park I	(40,953)	BAE Systems	North West	B

Top Transactions						
Property Name	Sale Price	SF Sold	Buyer	Seller	Market	Building Class
The Forum Office Complex	52,162,500	406,125	Forum Owner LP	Intercontinental San Antonio Forum LP	North West	A
Travis Park Plaza	11,600,000	160,172	Graystreet Travis Office LLC	SA Travis Office Building LTD	CBD	B
Greatview Office Building	4,000,000	44,822	Greatview Office Building LLC	Starboard Corporation	North West	B
Mossrock Office Building	3,105,000	44,607	Ventura Gonzalez	Domicilio Conocido Inc	North West	B
Westside Professional Building	3,000,000	52,416	Jel Zarzamora LLC	P & R Almond Orchards Inc, Ferdosh Nankani, Denise Dyck, Thomas Cattani Incorporated, & Coldwater Farms Inc	North West	C
6363 De Zavala Rd	2,785,000	17,907	Family Endeavors Inc	Joy Unlimited Inc	North West	B
200 E Main Plz	2,652,000	25,918	Witz Realty LLC	Paul B Carter & Marline Carter Larson	CBD	C
20642 Stone Oak Pkwy	1,800,000	7,980	SCAJ Enterprises, Series LLC-Series A	ACM Trinity Properties LLC	Far North Central	B



San Antonio		Research	
Cavender & Hill Properties, Inc.	Joe Carroll	CBRE	Nick Ianetta
CBRE	Taylor Dorris	Kennedy Wilson	Raelin Fontenot
	Lindsey Tucker	Transwestern	Yesenia Dominguez
Endura Advisory Group	Teresa Corbin	Endura Advisory Group	Wendy Cash
	Vicki Cade		
REOC San Antonio	Brian Harris		
	Kim Gately		
Peloton Commercial Real Estate	Amber Austin		
	Jason Adkinson		
Reata Real Estate Services	Andrew Polunsky		
Providence Commercial Real Estate Services	Dan Gostylo		
	Steve Garza		
	Seth Prescott		
Steam Realty Partners	Ryan Harrison		
Transwestern	Russell Noll		
Travis Commercial	Lisa Mittel		
San Antonio Commercial Advisors	Paul Fagan		
	Bryan Sethney		
R.L. Worth & Associates	Rick Littleton		

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. **For more information, please contact :**

Elisabeth Niles	Director of Analytics	(830) 328-2673	eniles@xceligent.com
Doug Swanson	Director of Client Services	(210) 288-0218	dswanson@xceligent.com

