SAN ANTONIO, TX

2025 MARKET AT A GLANCE

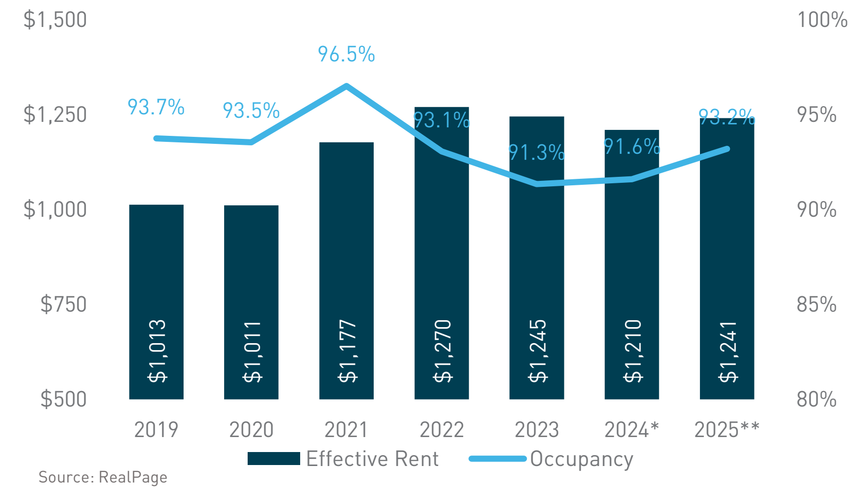
OCCUPANCY RATE (Q4 2025)	EFFECTIVE RENT (Q4 2025)	RENT SHARE OF WALLET (Q4 2025)
93.2%	$1,241	19.3%
UP 160 BPS YOY	UP 2.6% YOY	DOWN 10 BPS YOY

Declining Apartment Deliveries and Strong Demand Propel Rent and Occupancy Growth

Greater San Antonio is poised for a year of above-average demand, effective rent growth, and healthy occupancy rates as a critical crest of deliveries begins to decline in 2025. The market struggled to advance rents and occupancy rates after renters combined households to cut costs in 2022. At the same time, developers started constructing a record 14,360 apartment units, more than double the annual average of 5,434 units between 2010 and 2019. Many of these projects were delivered last year, further dampening the average effective rent despite renters re-entering the market in troves. With net absorption projected to remain strong in 2025, nearly 130% above the average from 2010 to 2019, occupancy is projected to climb 160 basis points to 93.2% by the fourth quarter. The average effective rent is forecast to ascend 2.6% to $1,241. Most of the same submarkets, New Braunfels/Schertz/Universal City, Far Northwest San Antonio, Central San Antonio, and North Central San Antonio will continue leading the market in leasing activity. However, South San Antonio ranked third this year, a submarket not listed among the top five for absorption since 2020. Developers of multiple commercial types have been busy in South San Antonio, with many projects predicated by the presence of the $2.1 billion Toyota manufacturing plant that has driven economic growth since 2006. Toyota itself is now expanding with a $531 million investment that will create over 400 jobs. JCB has promised 1,500 jobs after its 720,000-square-foot manufacturing plant is built near the Toyota plant in 2026. To meet the growing population, University Health is opening a 166-bed hospital in 2026.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2024 are projected values. 2025 figures are forecast projections.

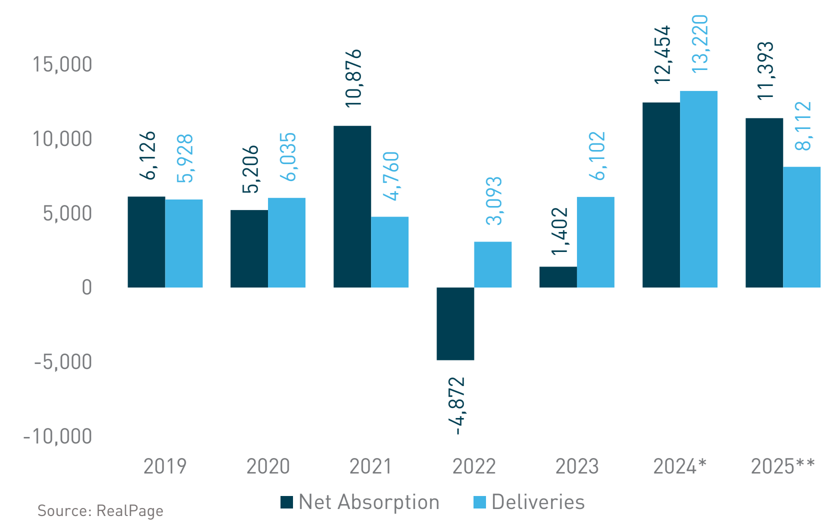
APARTMENT TRENDS



Source: RealPage

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.



Source: RealPage

*Projected **Forecast

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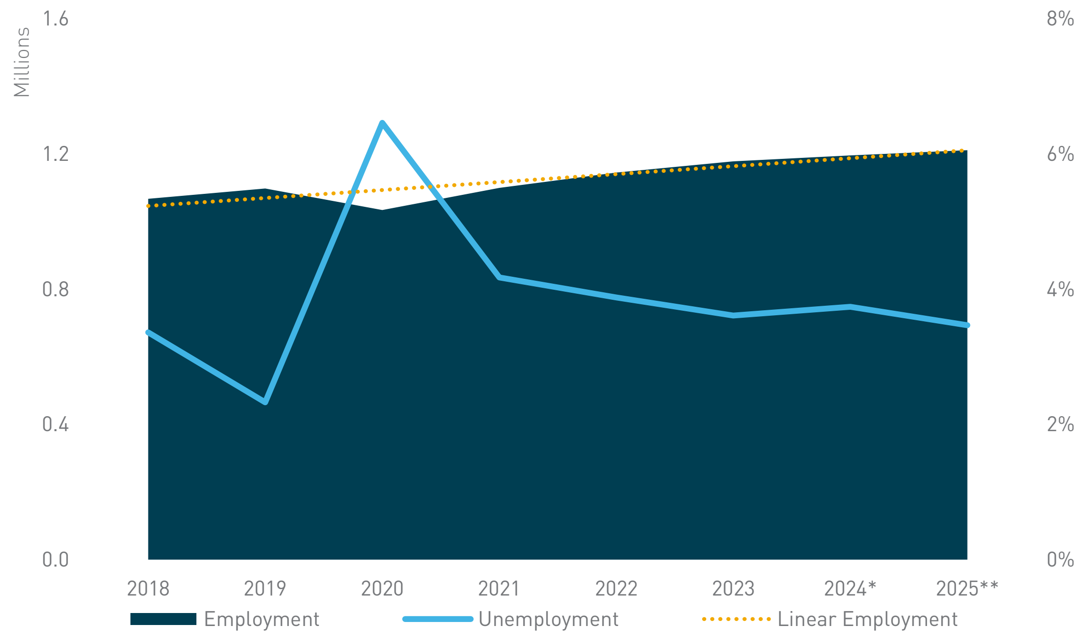
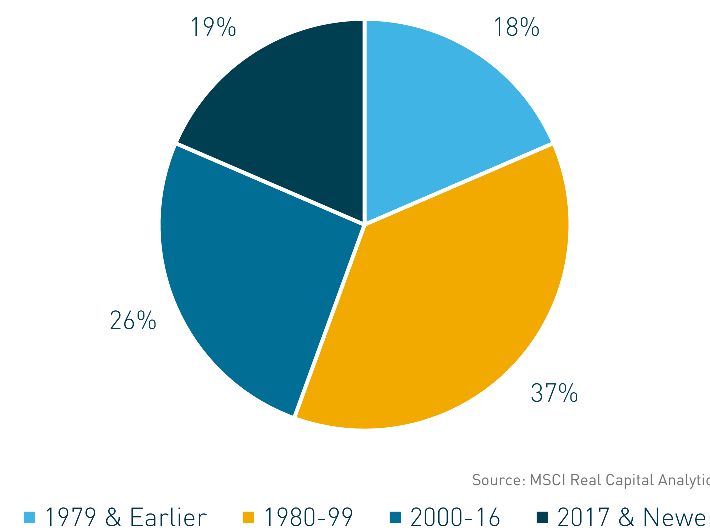
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



Source: MSCI Real Capital Analytics

*YTD through Oct.

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2025)	UNEMPLOYMENT (DEC. 2025)	MEDIAN HOUSEHOLD INCOME (DEC. 2025 SAAR)
1,211,000	3.5%	$77,214
UP 1.3% YOY	DOWN 20 BPS YOY	UP 3.2% YOY

PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
$131,838	5.5%
DOWN 13.9% YOY	UP 80 BPS YOY