

SAN ANTONIO INDUSTRIAL MARKET 2023 PROPERTY TAX OUTLOOK REPORT

San Antonio Industrial Market Trends

San Antonio has recovered fairly quickly from the COVID-19 pandemic. With a relatively low unemployment rate of 3.7%, low cost of living, and a rapidly growing population, it is no surprise that San Antonio's economy has fared well through tough economic times. With major investments pouring into the Metropolitan Statistical Area (MSA) from companies such as Amazon, Tesla, Cuisine Solutions, NISSEI America, and dbtech, one would expect appraised values to trend accordingly.

The bullish investment sentiment surrounding the San Antonio market in the first half of 2022 was evident with strong leasing and transaction activity. The second half of 2022 was notably different, as the increased interest rate environment led to significantly slowed transaction volumes. Macroeconomic trends, such as high inflation, increased interest rates, and concerns surrounding a looming economic recession, will likely temper the enthusiasm we saw in the industrial market in the first half of 2022.

In 2022, the San Antonio industrial sector saw assessed values grow approximately 10% year over year, most notably in the Northeast (NE) submarket, which contains the largest volume of industrial commercial properties. Industrial assets located in the NE submarket were subject to an average increase of 5.6% and average taxes per square foot of \$1.53. Despite the volume of industrial assets within

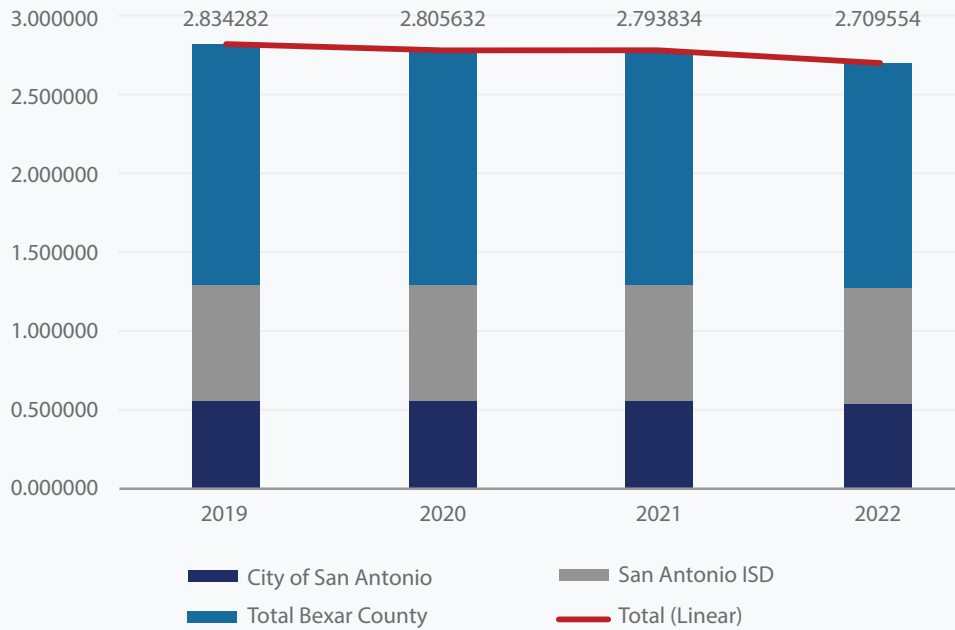
the NE submarket, the Far Northcentral (FNC) submarket holds rank as the submarket with the highest taxes per square foot at \$2.00, compared to the MSA average of \$1.65. With much uncertainty in the market, it is now more important than ever for taxpayers to explore assessment reductions moving into the 2023 assessment cycle.

Local Ryan Expertise

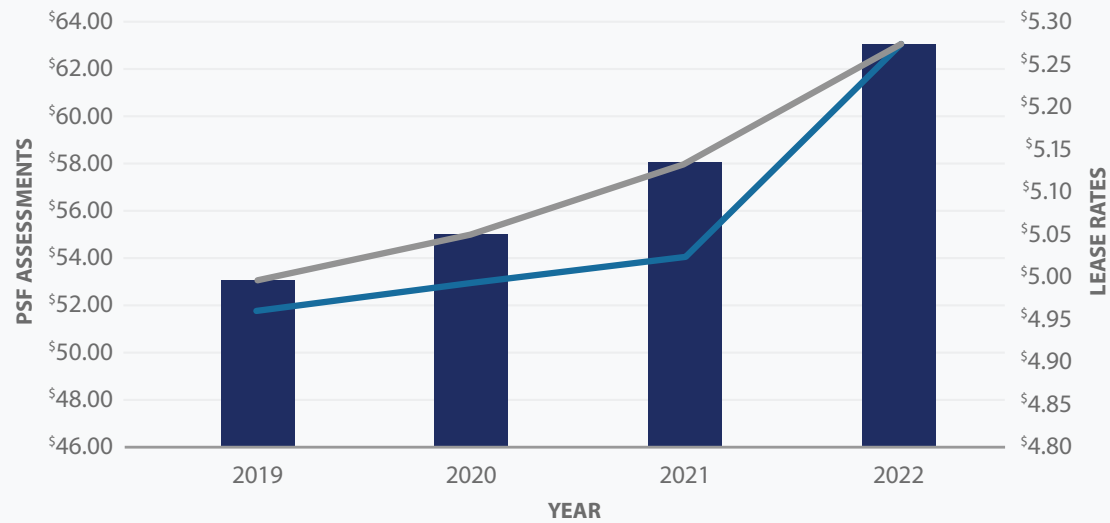
Ryan represents more than \$1.25 billion of the industrial property valuations in Bexar County. As a property owner in Bexar County, have you considered all appropriate possibilities for minimizing your properties' assessed values? Are you confident in your property tax budgets and projections?

Ryan's local San Antonio team can help. As the largest property tax practice in North America, our seasoned experts manage billions of dollars of our clients' real and personal property, with an emphasis on complex industrial property and commercial real estate. Ryan's business property tax compliance processes and controls ensure complete and accurate reporting in accordance with property tax regulations and tax law. Ryan's multidisciplinary consultants and valuation professionals provide proven planning strategies, acute valuation analysis, and results-oriented property tax appeal representation to a wide variety of business sectors with complex and unique properties to help reduce your property tax bills.

Historical Tax Rates



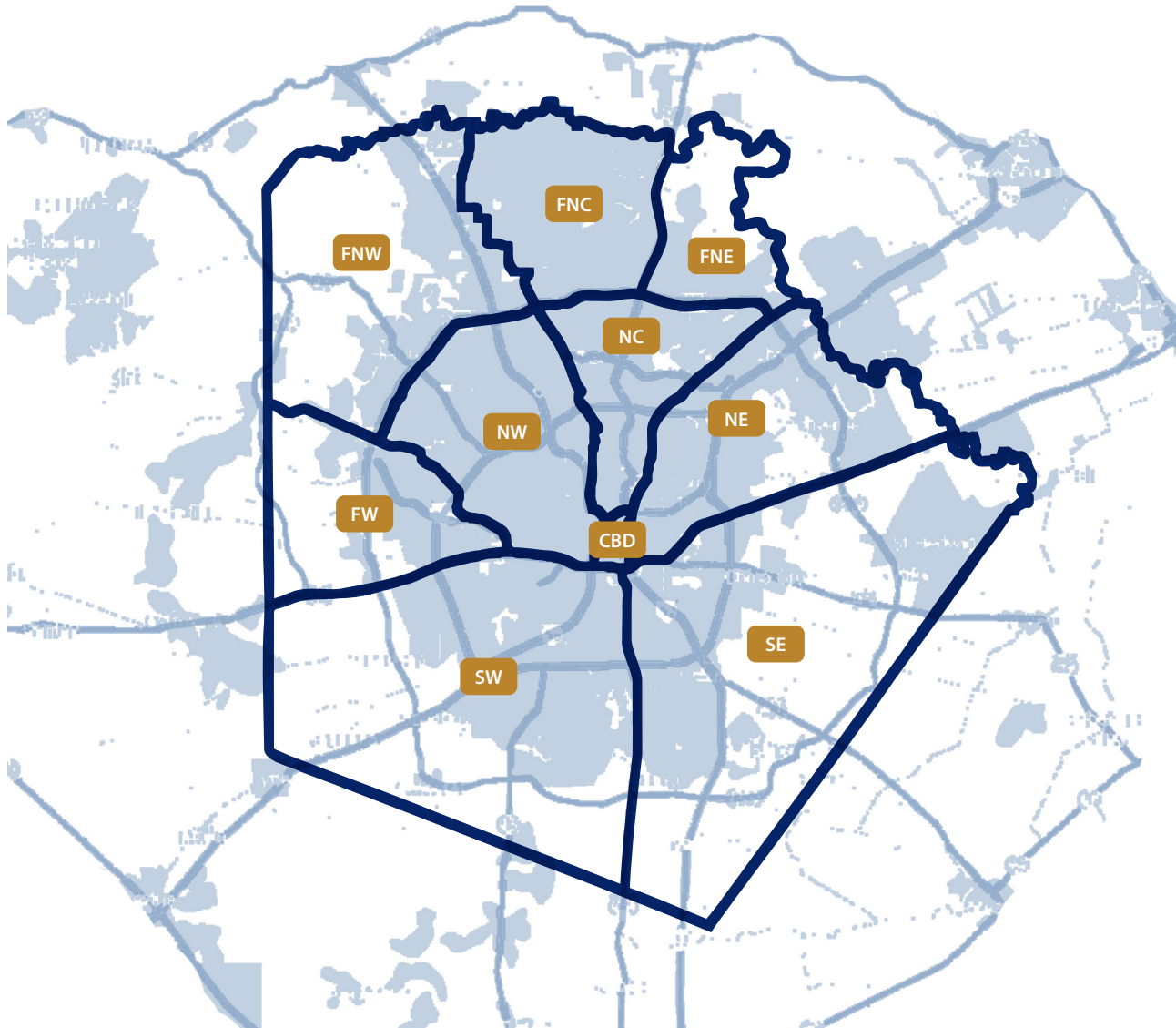
Assessment Trends – San Antonio Industrial



Submarket and Vintage	Property Count	Total NRA	Total Market Value	Average Value PSF	Total Taxes	Average Property Taxes	Tax PSF
CBD	18	991,961	\$45,559,490	\$49.28	\$1,231,497	\$88,107	\$1.57
<1970	12	652,665	\$23,288,310	\$41.42	\$631,009	\$52,584	\$0.97
1970-1979	1	32,400	\$2,220,000	\$68.52	\$60,152	\$60,152	\$1.86
1980-1989	3	114,338	\$6,857,880	\$59.10	\$182,856	\$60,952	\$1.60
1990-1999	2	192,558	\$13,193,300	\$72.11	\$357,480	\$178,740	\$1.86
FNC	8	321,902	\$23,962,770	\$81.09	\$578,942	\$66,447	\$2.00
>2009	2	56,486	\$6,648,000	\$117.46	\$166,490	\$83,245	\$2.95
1970-1979	2	95,623	\$5,387,770	\$55.47	\$115,158	\$57,579	\$1.20
1980-1989	2	129,329	\$8,467,000	\$65.81	\$211,766	\$105,883	\$1.64
1990-1999	1	20,000	\$1,910,000	\$95.50	\$47,281	\$47,281	\$2.36
2000-2009	1	20,464	\$1,550,000	\$75.74	\$38,247	\$38,247	\$1.87
FNE	1	67,838	\$6,150,168	\$90.66	\$133,357	\$133,356.81	\$1.97
1990-1999	1	67,838	\$6,150,168	\$90.66	\$133,357	\$133,356.81	\$1.97
FNW	8	305,323	\$25,414,775	\$83.46	\$566,556	\$68,486	\$1.80
>2009	1	21,920	\$2,286,100	\$104.29	\$46,216	\$46,216	\$2.11
1970-1979	1	33,642	\$2,006,780	\$59.65	\$43,312	\$43,312	\$1.29
1980-1989	4	157,869	\$12,780,500	\$81.90	\$298,832	\$74,708	\$1.89
1990-1999	1	66,952	\$6,291,235	\$93.97	\$136,553	\$136,553	\$2.04
2000-2009	1	24,940	\$2,050,160	\$82.20	\$41,643	\$41,643	\$1.67
FW	5	892,720	\$49,388,870	\$68.42	\$1,205,812	\$241,162	\$1.62
<1970	1	208,356	\$5,700,000	\$27.36	\$141,101	\$141,101	\$0.68
>2009	1	57,125	\$6,200,000	\$108.53	\$153,478	\$153,478	\$2.69
1980-1989	1	459,218	\$24,950,000	\$54.33	\$617,626	\$617,626	\$1.34
1990-1999	1	120,200	\$8,760,000	\$72.88	\$216,850	\$216,850	\$1.80
2000-2009	1	47,821	\$3,778,870	\$79.02	\$76,757	\$76,757	\$1.61

Submarket and Vintage	Property Count	Total NRA	Total Market Value	Average Value PSF	Total Taxes	Average Property Taxes	Tax PSF
NC	67	3,825,755	\$265,936,800	\$67.14	\$6,629,494	\$122,259.54	\$1.71
<1970	16	645,863	\$30,213,880	\$50.08	\$786,657	\$49,166	\$1.22
>2009	4	549,313	\$48,775,000	\$90.51	\$1,213,141	\$303,285	\$2.21
1970-1979	10	515,947	\$29,424,040	\$55.91	\$743,834	\$74,383	\$1.44
1980-1989	11	401,425	\$22,429,220	\$55.14	\$545,435	\$49,585	\$1.36
1990-1999	15	1,094,374	\$77,693,640	\$75.40	\$1,919,682	\$127,979	\$1.75
2000-2009	11	618,833	\$57,401,020	\$94.36	\$1,420,746	\$129,159	\$2.30
NE	346	31,167,263	\$1,855,043,701	\$62.90	\$47,360,628	\$155,915.24	\$1.53
<1970	84	4,873,698	\$213,103,638	\$48.97	\$5,612,906	\$66,820	\$1.15
>2009	47	6,894,303	\$534,959,943	\$89.43	\$13,544,622	\$288,183	\$1.96
1970-1979	80	6,967,605	\$335,446,688	\$53.43	\$8,536,351	\$106,704	\$1.23
1980-1989	71	5,886,094	\$335,040,360	\$62.99	\$8,556,461	\$120,514	\$1.45
1990-1999	23	2,786,920	\$168,676,050	\$67.62	\$4,310,930	\$187,432	\$1.55
2000-2009	41	3,758,643	\$267,817,022	\$76.70	\$6,799,359	\$165,838	\$1.81
NW	109	6,703,189	\$381,785,659	\$56.52	\$9,667,802	\$123,250.13	\$1.59
<1970	38	1,798,885	\$60,272,999	\$36.31	\$1,599,333	\$42,088	\$0.89
>2009	4	527,739	\$41,413,530	\$78.48	\$1,049,014	\$262,253	\$1.99
1970-1979	18	744,614	\$42,295,710	\$58.95	\$1,082,990	\$60,166	\$1.45
1980-1989	28	1,915,989	\$114,442,830	\$63.56	\$2,878,210	\$102,793	\$1.50
1990-1999	9	322,393	\$25,181,770	\$82.07	\$624,443	\$69,383	\$1.94
2000-2009	12	1,393,569	\$98,178,820	\$73.94	\$2,433,812	\$202,818	\$1.75
SE	49	11,726,346	\$668,931,400	\$70.04	\$16,110,316	\$209,422.67	\$1.46
<1970	10	1,087,948	\$33,487,300	\$40.05	\$876,277	\$87,628	\$0.81
>2009	16	9,278,272	\$553,115,920	\$86.79	\$13,157,708	\$822,357	\$1.42
1970-1979	8	599,308	\$28,793,930	\$53.30	\$756,918	\$94,615	\$1.26
1980-1989	6	359,156	\$25,665,660	\$79.83	\$665,438	\$110,906	\$1.85
1990-1999	5	293,662	\$17,452,010	\$67.72	\$449,265	\$89,853	\$1.53
2000-2009	4	108,000	\$10,416,580	\$99.78	\$204,710	\$51,178	\$1.90
SW	48	7,042,251	\$460,949,610	\$62.13	\$11,506,647	\$181,684.11	\$1.56
<1970	13	683,428	\$21,996,910	\$36.23	\$582,538	\$44,811	\$0.85
>2009	19	4,970,157	\$359,687,180	\$86.24	\$8,877,013	\$467,211	\$1.79
1970-1979	8	539,261	\$22,184,520	\$40.20	\$567,019	\$70,877	\$1.05
1980-1989	1	158,309	\$7,250,000	\$45.80	\$191,324	\$191,324	\$1.21
1990-1999	1	45,600	\$4,625,000	\$101.43	\$121,307	\$121,307	\$2.66
2000-2009	6	645,496	\$45,206,000	\$67.25	\$1,167,445	\$194,574	\$1.81

Industrial Submarket Map



Technical Information Contacts

Please contact our team, so we can help ensure your assessments are correct and you're paying only the right amount of tax due.



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