Q326

SOUTHWEST REGION



PREPARED BY :

SVN® COMMERCIAL REAL ESTATE ADVISORS


Q326
COLLECTIVE STRENGTH.
ACCELERATED GROWTH.
SVN
SOUTHWEST REGION

Q326

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THE SVN® BRAND

We believe in the power of **COLLECTIVE STRENGTH** to accelerate growth in commercial real estate. Our global coverage and amplified outreach to traditional, cross-market, and emerging buyers and tenants allows us to drive outsized success for our clients, colleagues, and communities. Our unique business model is built on the power of collaboration and transparency and supported by our open, inclusive culture. By proactively promoting properties and sharing fees with the entire industry, we build lasting connections, create superior wealth for our clients, and prosper together.

SVN® BY THE NUMBERS

200+
Office Owners Nationwide

3
Global Offices & Expanding

18
Core Services & Specialty Practice Areas

2,000+
Advisors & Staff

$15.5B
Total Value of Sales & Lease Transactions in 2024

66M+
SF in Properties Managed

That's the SVN Difference.



SOUTHWEST REGION OFFICES

The **SVN Southwest Region Quarterly Newsletter** will keep you informed and equipped with the latest trends, opportunities, and expert analysis in this thriving region. Our team of experienced professionals understands the dynamic nature of the Southwest's commercial real estate landscape. We are committed to delivering valuable content, including market indicators, investment opportunities, regulatory updates, and localized insights.

REGIONAL TRANSACTIONS

251
CLOSED DEALS

$145M
TOTAL VALUE



SOLD - $15,550,000
± 106,000 SF | Industrial
Kyle Kinney , Walt Arnold, CCIM, SIOR
SVN | Walt Arnold Commercial Brokerage



SOLD - Undisclosed
± 27,076 SF | Retail
Mike Knagg
SVN | J. Beard Real Estate



SOLD - $2,450,000
±7,265 SF | Medical
Brett Larson, CCIM
SVN | Insight Commercial



SOLD - $6,400,000
±28,400 SF | Industrial
Paul Chaffee, CCIM
SVN | The Equity Group

REGIONAL LISTINGS

696
LISTINGS ON MARKET

$906M
SALES LISTINGS VALUE



FOR SALE - $11,000,000
± 30,038 SF | Industrial
Anthony Ying
SVN | Vanguard



FOR SALE - $6,500,000
40 Units | Multifamily
Danny Lee, Brady Zinn
SVN | Desert Commercial Advisors



FOR SALE - $6,200,000
± 16,000 SF | Retail
Troy Meyer, Kevin Matthews
SVN | Denver Commercial



FOR SALE - $6,500,000
± 57,261 SF | Office
Jay Dabbs, CCIM, Travis Taylor, CCIM,
Steve Rodgers, CCIM
SVN | Traditions

LOS ANGELES

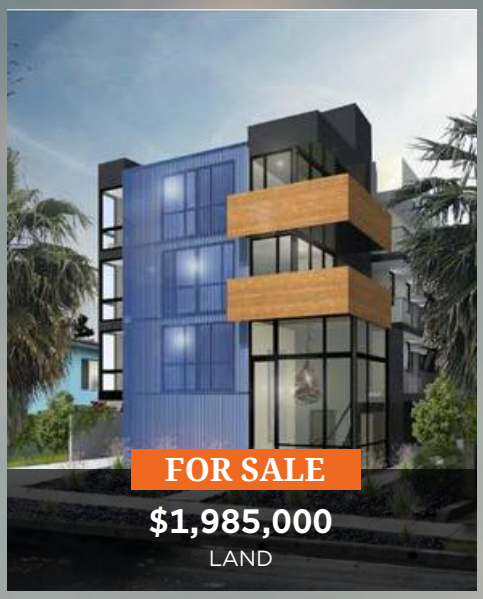
Los Angeles remains a global cultural hub shaped by diversity, entertainment, and world-class institutions. The city faces population shifts, affordability challenges, and pressure to keep downtown vibrant, while major infrastructure and transit investments—spurred by the upcoming 2028 Olympics—aim to drive growth balanced with sustainability. Notable commercial real estate developments (planned or under construction) in Los Angeles include:

- **Alloy Arts District (DTLA) -mixed-use high-rise project featuring 475 apartments along with office and retail space**
- **Habitat at La Cienega/Jefferson Station - 12-story residential tower with 260 apartments, a 243,000-square-foot office building, and commercial space**

FEATURED ON MARKET LISTINGS







CORP DRE 01881602

VIEW ALL LISTINGS

SOUTHERN CA - LOS ANGELES

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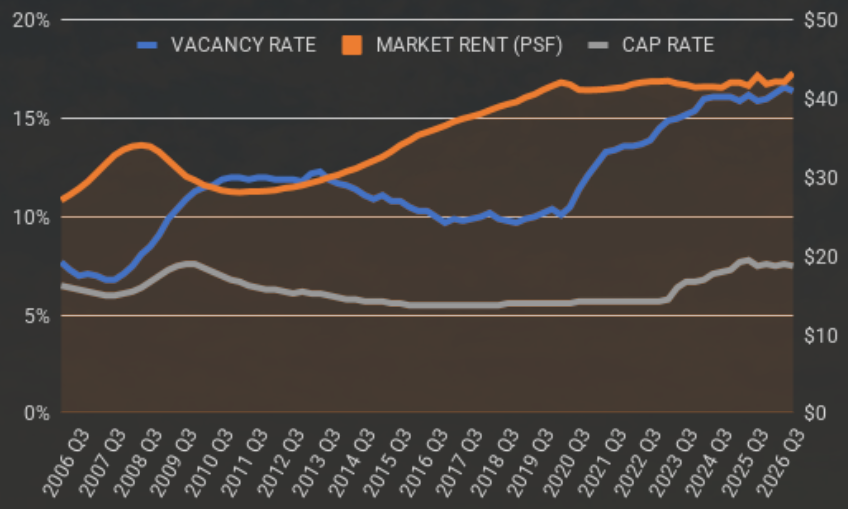
Josh Snyder
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OFFICE

Los Angeles' office market continues to experience uneven demand, with premium locations outperforming older properties in less competitive submarkets. During Q3 2026, vacancy stood at 16.4%, while market rents averaged $43.31 per square foot. Beverly Hills, Century City, and El Segundo continue to attract tenants seeking high-quality space, supported by legal, media, and aerospace-related activity. Meanwhile, Downtown Los Angeles faces persistent challenges from corporate downsizing, hybrid work arrangements, and aging inventory. Investment values averaged $341 per square foot, with cap rates at 7.5%. Limited construction, increasing demolitions, and office-to-residential conversions may gradually reduce excess inventory, although broader recovery remains constrained by subdued tenant expansion and employment uncertainty.



16.4% VACANCY RATE

7.5% CAP RATE

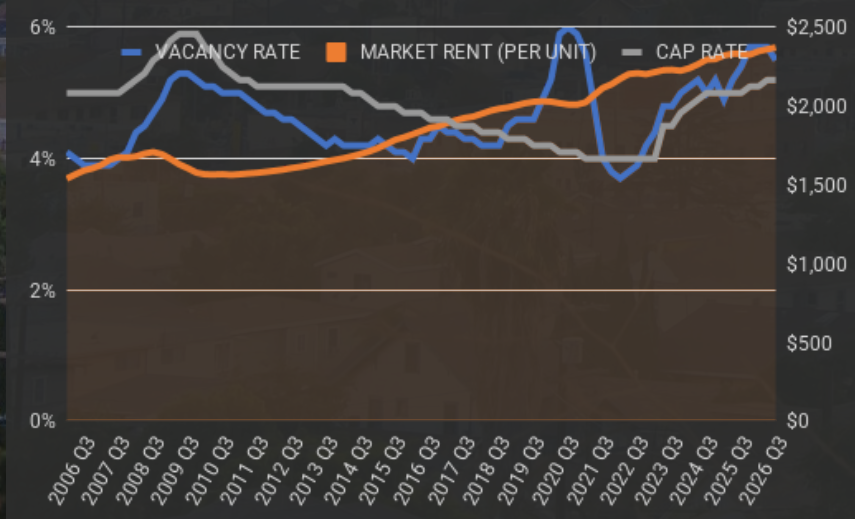
$43.31 MARKET RENT

$341 PRICE/SF

LOS ANGELES

MULTIFAMILY

Los Angeles' multifamily market continues to reflect a widening performance gap between luxury apartments and affordable rental communities. Vacancy stood at 5.5% in Q3 2026, with average market rents reaching $2,373 per unit monthly. Newly delivered upscale properties face greater competition and leasing concessions, particularly in Downtown LA and Santa Monica, while lower-priced communities maintain comparatively stable occupancy. Slower employment growth, population losses, and affordability constraints continue to influence renter demand. Investment values averaged $348,679 per unit, with cap rates at 5.2%. Although recent development has pressured rental growth, declining construction starts and a shrinking development pipeline may provide opportunities for improved occupancy and rent stabilization over the coming years.



5.5% VACANCY RATE

5.2% CAP RATE

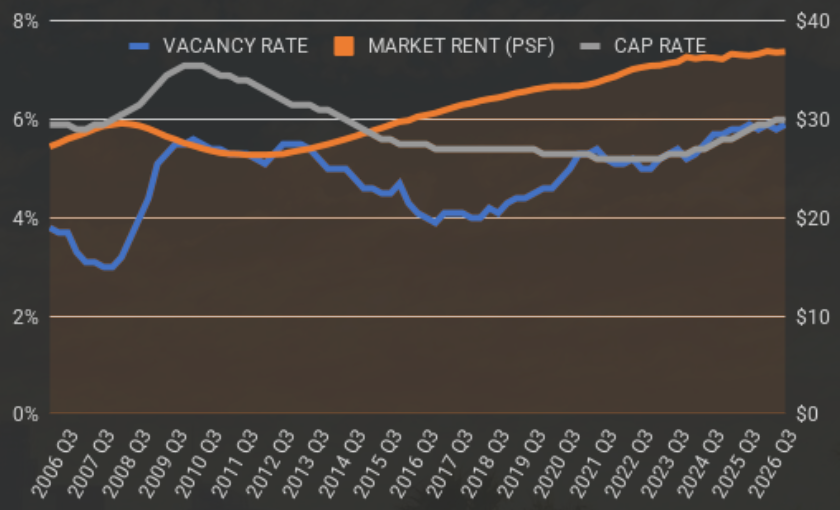
$2,373 MARKET RENT

$348,679 PRICE/UNIT

Data Source: CoStar

RETAIL

Store closures and cautious consumer spending continue to reshape Los Angeles' retail landscape, particularly among mid-sized spaces vacated by national chains. During Q3 2026, vacancy measured 5.9%, while market rents averaged $36.91 per square foot. Closures involving retailers such as Rite Aid, Joann, and Party City have increased available space, although grocery, discount, and fitness operators are helping backfill select locations. Suburban shopping centers generally demonstrate greater resilience than urban retail corridors facing elevated operating costs and weaker demand. Investment values averaged $402 per square foot, with cap rates at 6.0%. Limited new construction and continued redevelopment of obsolete properties should help moderate additional supply pressures, despite ongoing economic uncertainty.



5.9% ▲ VACANCY RATE

6.0% - CAP RATE

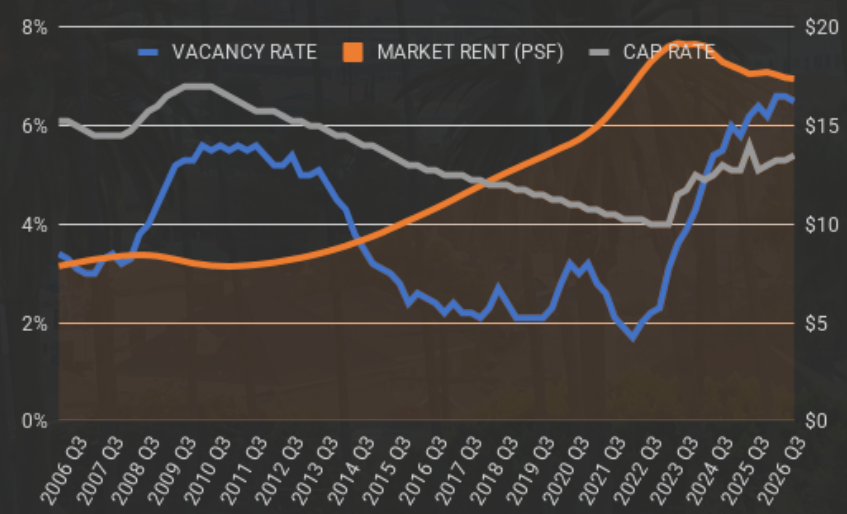
$36.91 ▼ MARKET RENT

$402 ▼ PRICE/SF

LOS ANGELES

INDUSTRIAL

Industrial leasing activity across Los Angeles is showing signs of stabilization, although tenant relocations and recent supply additions continue to influence market conditions. Vacancy reached 6.5% in Q3 2026, with market rents averaging $17.39 per square foot. Strong leasing volumes have not translated into sustained occupancy growth, as logistics users remain cautious amid fluctuating imports and consumer spending uncertainty. Smaller industrial facilities continue to attract comparatively stronger demand, while larger distribution properties face greater availability and pricing pressure. Investment values averaged $312 per square foot, with cap rates at 5.4%. A shrinking development pipeline and slowing rent declines could support gradual market improvement, although near-term demand remains uneven across submarkets.



6.5% ▼ VACANCY RATE

5.4% ▲ CAP RATE

$17.39 ▼ MARKET RENT

$312 ▼ PRICE/SF

Data Source: CoStar



ORANGE COUNTY

Orange County's commercial real estate market remains highly desirable, supported by affluent demographics, strong employment centers, limited land supply, and access to both Los Angeles and San Diego. Retail and multifamily continue to benefit from strong local demand, while industrial remains attractive due to scarcity and regional logistics needs. Office is more selective, with tenants prioritizing quality, location, and efficient space. Overall, Orange County remains a stable but competitive market where asset quality and pricing discipline are key. Notable commercial real estate developments (planned or under construction) in Orange County include:

- **OCVIBE — Anaheim: A major mixed-use district**
- **DisneylandForward — Anaheim: Disney's long-term expansion plan**
- **The Canopy at Great Park — Irvine: New retail and dining destination**
- **Related Bristol — Santa Ana: A large mixed-use redevelopment**



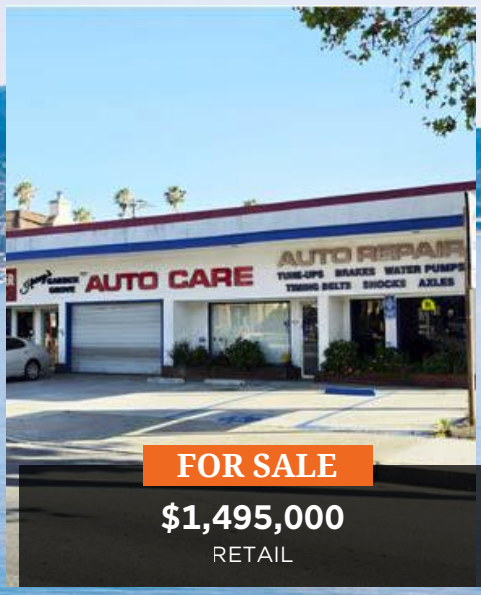
FEATURED ON MARKET LISTINGS



FOR LEASE
$1.99 SF/M NNN
RETAIL



FOR LEASE
$1.60 SF/YR GROSS
INDUSTRIAL



FOR SALE
$1,495,000
RETAIL

CORP DRE 01840569

VIEW ALL LISTINGS

SOUTHERN CA - ORANGE COUNTY

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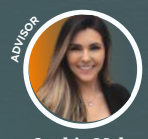
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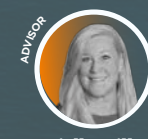
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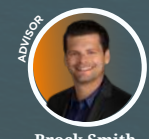
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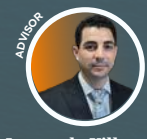
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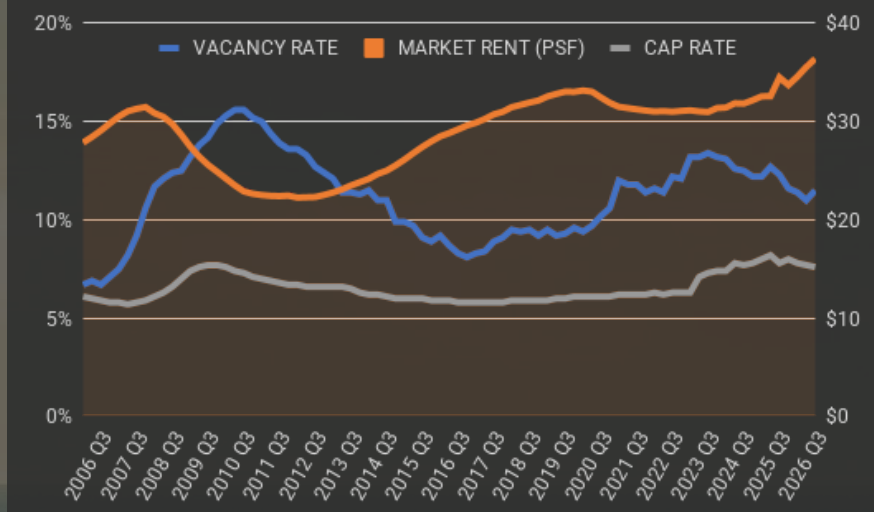
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Noah Brown
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ADVISOR
Dylan Alvord
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OFFICE

Orange County's office recovery is gaining traction as manufacturing, medical, and technology-related tenants expand their presence in preferred locations. Vacancy declined to 11.5% in Q3 2026, while market rents averaged $36.40 per square foot. Demand for newer, amenity-rich properties remains strongest in Irvine Spectrum and select coastal submarkets, even as traditional office users remain selective. Owner-occupant purchases and redevelopment of outdated campuses are also reducing competitive inventory. Market sale prices averaged $278 per square foot, with cap rates at 7.6%, reflecting continued caution in capital markets. With construction limited, sustained leasing and the removal of obsolete buildings could support further improvement, although slower office employment growth remains a concern.



11.5% ▼
VACANCY RATE

7.6% ▲
CAP RATE

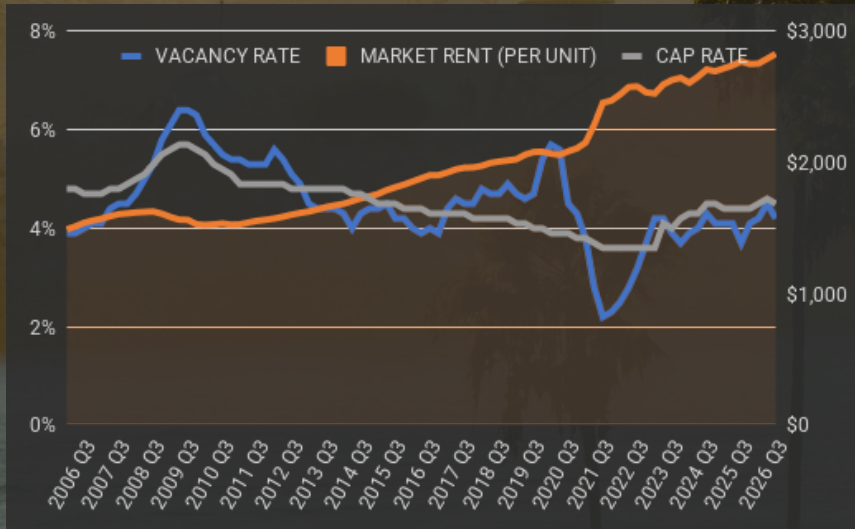
$36.40 ▼
MARKET RENT

$278 ▼
PRICE/SF

ORANGE COUNTY

MULTIFAMILY

Strong leasing at new apartment communities is reinforcing Orange County's position as a relatively tight multifamily market. Vacancy reached 4.2% in Q3 2026, while average monthly rents rose to $2,829 per unit. Stabilized properties have maintained strong occupancy, and demand for newer luxury units is helping absorb recent deliveries despite concessions during lease-up. Land scarcity and difficult entitlement processes continue to restrict future development, while construction activity is shifting toward select redevelopment sites. Market values averaged $450,608 per unit, with cap rates at 4.5%. A smaller pipeline should ease supply pressures and support additional rent growth, although modest employment gains and affordability pressures may limit the pace of improvement over the next several quarters.



4.2% ▼
VACANCY RATE

4.5% -
CAP RATE

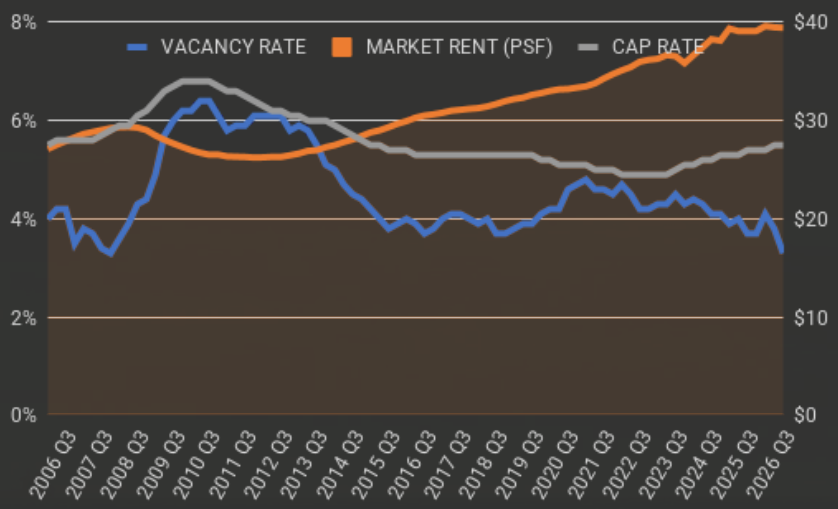
$2,829 ▲
MARKET RENT

$450,608 ▲
PRICE/UNIT

Data Source: CoStar

RETAIL

Scarcity of move-in-ready storefronts continues to distinguish Orange County retail, even as consumers and tenants become more price conscious. Vacancy stood at 3.3% in Q3 2026, while market rents averaged $39.45 per square foot. Grocery, discount, entertainment, and fitness operators are backfilling select larger spaces left by national chains, supporting occupancy across established shopping centers. Redevelopment of aging malls and limited new construction continue to restrain available inventory, particularly along prime retail corridors. Market sale prices averaged $445 per square foot, with cap rates at 5.5%. Despite slower rent growth and pressure on retailer margins, constrained supply and demand for well-located centers provide stability for investors and occupiers navigating an uneven consumer environment.



3.3% ▼
VACANCY RATE

5.5% -
CAP RATE

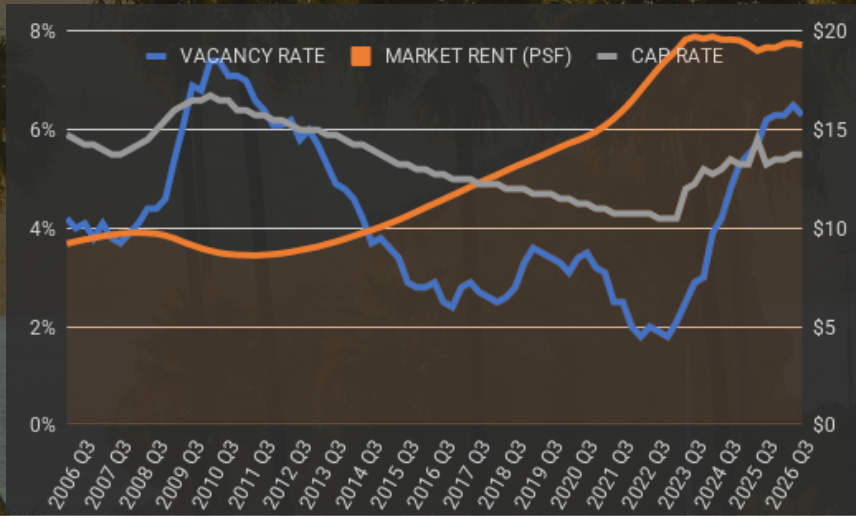
$39.45 ▼
MARKET RENT

$445 -
PRICE/SF

ORANGE COUNTY

INDUSTRIAL

A rebound in leasing and a sharply shrinking construction pipeline are gradually improving Orange County's industrial outlook. Vacancy measured 6.3% in Q3 2026, and market rents averaged $19.31 per square foot as landlords continued to compete for tenants. Small-bay buildings remain comparatively tight, while larger logistics facilities face greater availability and incentives following recent deliveries. Occupancy gains in Buena Park and Anaheim contrast with lingering softness in some Irvine properties. Investment pricing averaged $348 per square foot, with cap rates at 5.5%. Development remains constrained by scarce industrial land, positioning the market for better balance as new supply slows, although cautious expansion plans, volatile import volumes, and elevated operating costs remain risks to a sustained rebound.



6.3% ▼
VACANCY RATE

5.5% -
CAP RATE

$19.31 ▼
MARKET RENT

$348 ▼
PRICE/SF

Source: CoStar



INLAND EMPIRE

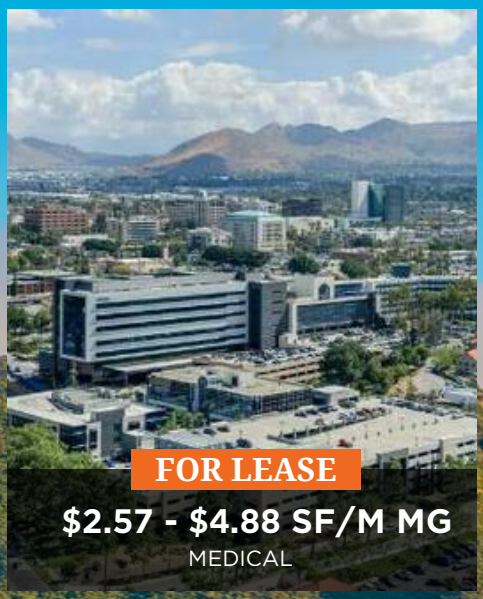
The Inland Empire remains one of Southern California's most dynamic regions, offering a diverse mix of industrial, retail, medical, and residential development. Its central location, expanding infrastructure, and access to major transportation corridors continue to attract businesses and investors across multiple sectors. As the region evolves, the Inland Empire's scale, connectivity, and growth-friendly environment keep it at the forefront of long-term opportunity. Notable commercial real estate developments (planned or under construction) in Inland Empire include:

- **The HUB at Ontario International Airport- 2.54 million SF of Class A industrial space actively under construction**
- **Amazon Middle-Mile Facility: 2.5 million SF "middle mile" distribution**
- **Marketplace at The District (Jurupa Valley): A 248-acre master-planned mixed-use destination**
- **The Ranch at Model Colony (Ontario): A 206,043 SF grocery- and national-retail-anchored shopping center**

FEATURED ON MARKET LISTINGS







CORP DRE 02075327

VIEW ALL LISTINGS

SOUTHERN CA - INLAND EMPIRE

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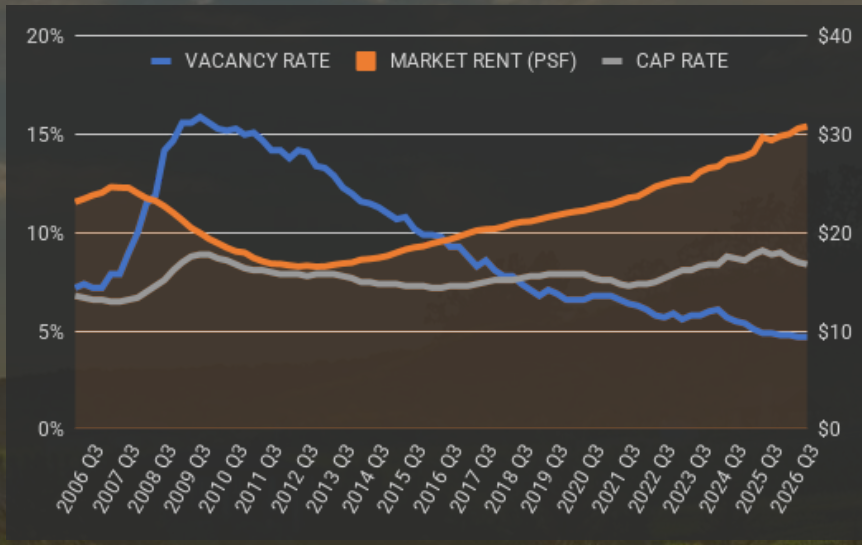
Gary Washburn
LIC. 00705913



Michael Billings
LIC. 02000891

OFFICE

The Inland Empire continues to stand apart from larger office markets, supported by limited supply and steady demand from healthcare, government, and local service firms. Vacancy measured 4.7% in Q3 2026, while market rents averaged $30.84 per square foot. Although leasing has moderated and larger blocks of space remain scarce, smaller tenants continue to support occupancy across Riverside, Ontario, and San Bernardino. Medical offices account for most construction, with few conventional projects moving forward. Market sale prices averaged $213 per square foot, and cap rates stood at 8.4%. Low development activity should help preserve tight conditions, though slower population growth and subdued hiring could limit future tenant expansion and rent gains.



4.7% ▲ VACANCY RATE

8.4% - CAP RATE

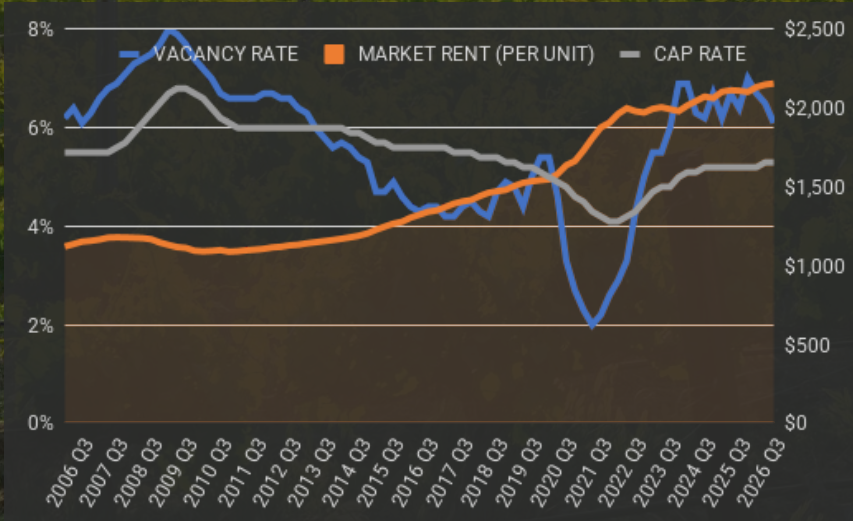
$30.84 ▲ MARKET RENT

$213 ▲ PRICE/SF

INLAND EMPIRE

MULTIFAMILY

Apartment demand across the Inland Empire is strengthening as renters absorb recently completed communities and seek more affordable options than nearby coastal markets. Vacancy declined to 6.1% in Q3 2026, while average monthly rents reached $2,157 per unit. Newer luxury properties continue to offer concessions, especially in Southwest Riverside County, but stabilized occupancy is improving across property classes. Construction has slowed sharply after several years of elevated deliveries, limiting future supply pressure. Market sale prices averaged $279,764 per unit, with cap rates at 5.3%. Continued leasing and a thinner development pipeline could support modest rent growth, although household affordability and slower employment gains may constrain the recovery.



6.1% ▼ VACANCY RATE

5.3% - CAP RATE

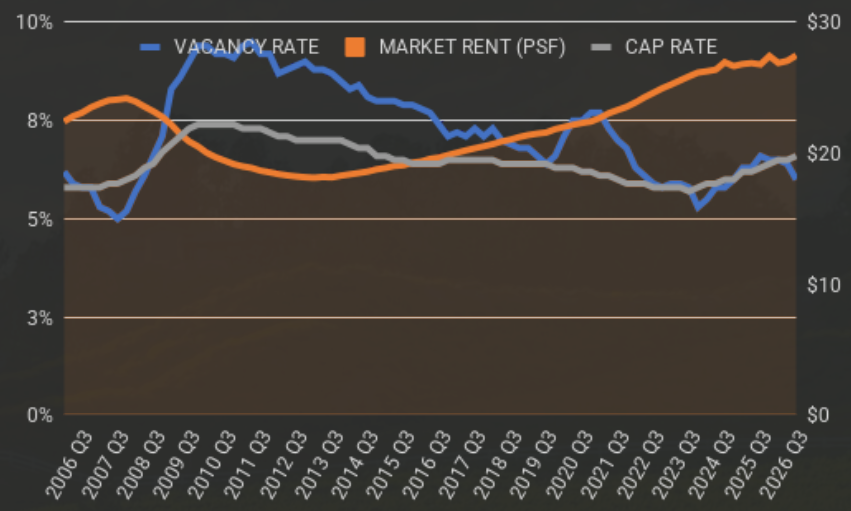
$2,157 ▲ MARKET RENT

$279,764 ▲ PRICE/UNIT

Data Source: CoStar

RETAIL

Retail leasing in the Inland Empire is gaining ground as new tenants fill spaces left by recent chain closures and shopping centers serve expanding residential areas. Vacancy declined to 6.0% in Q3 2026, while market rents averaged $27.48 per square foot. Grocery, discount, fitness, and entertainment users have helped backfill larger storefronts, particularly near growing communities in South Riverside and the Airport Area. Even so, slower consumer spending and higher occupancy costs temper pricing power. Market sale prices averaged $289 per square foot, with cap rates at 6.6%. Limited speculative construction and strong preleasing at new centers may support continued occupancy gains, although older malls and weaker submarkets remain challenged.



6.0% ▼ VACANCY RATE

6.6% ▲ CAP RATE

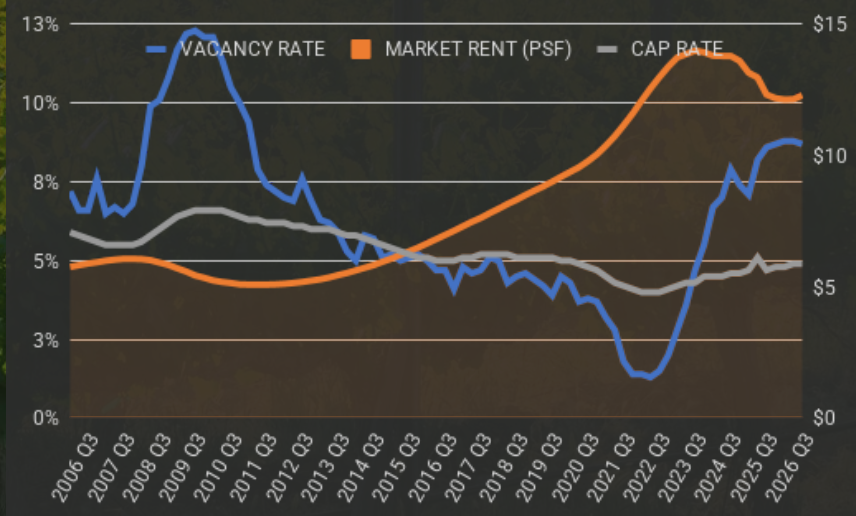
$27.48 ▲ MARKET RENT

$289 - PRICE/SF

INLAND EMPIRE

INDUSTRIAL

The Inland Empire's industrial market is beginning to regain balance as large logistics users absorb space and new development slows. Vacancy fell to 8.7% in Q3 2026, while market rents averaged $12.30 per square foot. Leasing remains active among distribution and e-commerce occupiers, although larger buildings still face substantial competition and landlords continue offering concessions. Smaller facilities are generally better positioned, with fewer available alternatives. Market sale prices averaged $258 per square foot, and cap rates measured 4.9%. A shrinking construction pipeline could support further vacancy improvement as recent deliveries are absorbed, but volatile port imports, uneven consumer demand, and excess sublease space remain significant near-term risks for owners.



8.7% ▼ VACANCY RATE

4.9% - CAP RATE

$12.30 - MARKET RENT

$258 - PRICE/SF

Data Source: CoStar



SAN DIEGO

San Diego is Known affectionately as "America's Finest City," it is positioned on the Pacific Coast of Southern California, directly adjacent to the U.S.–Mexico border. The city is celebrated globally for its nearly flawless Mediterranean climate, miles of stunning beaches. San Diego has emerged as a premier global hub for biotechnology, wireless technology (led by Qualcomm), and healthcare development. It consistently ranks as one of the most inventive and startup-friendly cities in the nation. Notable commercial real estate developments (planned or under construction) in San Diego include:

- **Midway Rising / Sports Arena Redevelopment**
- **Civic Center Redevelopment**
- **Seaport San Diego**
- **Manchester Pacific Gateway**

FEATURED ON MARKET LISTINGS







CORP DRE 01881593

VIEW ALL LISTINGS

SOUTHERN CA - SAN DIEGO

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Pouya Rostampour
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Mohit Uppal
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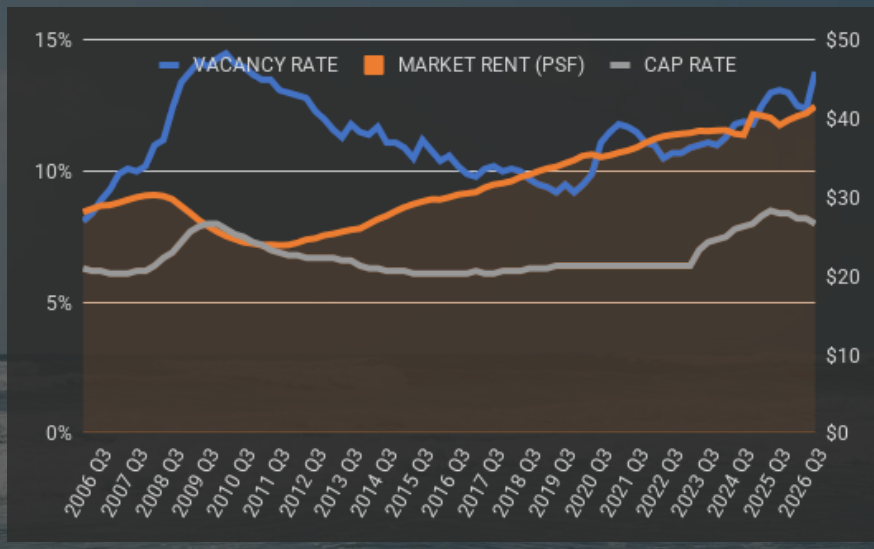
Michael McKinnon
LIC. 01394574



Gilbert Betancourt
LIC. 02200477

OFFICE

San Diego's office market continues to face uneven demand as businesses favor smaller footprints and premium suburban locations over aging downtown properties. Vacancy stood at 13.8% in Q3 2026, while market rents averaged $41.60 per square foot. Smaller professional service firms remain active, particularly in Del Mar Heights, Carmel Valley, and Rancho Bernardo, while larger technology and life sciences users remain cautious about expansion. Downtown continues to struggle with elevated availability, encouraging conversions and property repositioning. Market sale prices averaged $305 per square foot, with cap rates at 8.0%. Limited speculative construction may help contain future supply, although high operating costs, generous leasing concessions, and subdued office employment growth continue to challenge a broader recovery.



13.8% ▼ VACANCY RATE

8.0% - CAP RATE

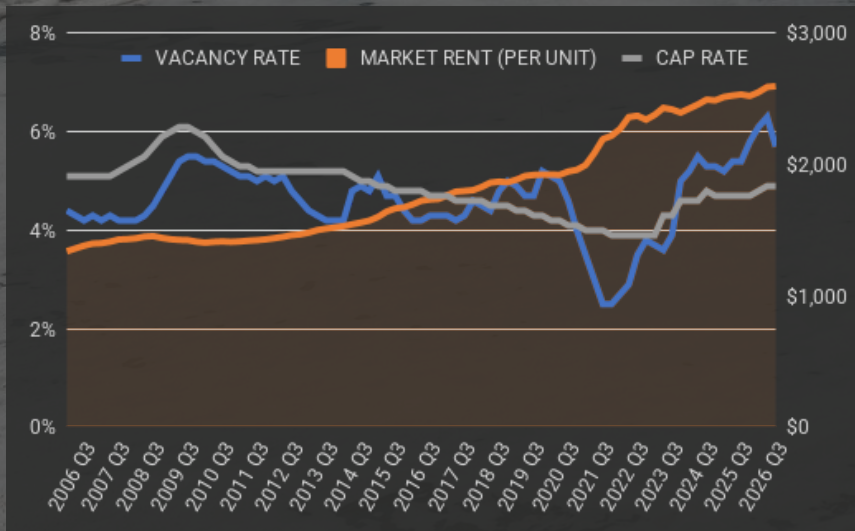
$41.60 ▼ MARKET RENT

$305 ▲ PRICE/SF

SAN DIEGO

MULTIFAMILY

San Diego's multifamily market continues to absorb a substantial wave of new apartments, with improving occupancy providing some relief to property owners. Vacancy declined to 5.7% in Q3 2026, while average monthly rents reached $2,598 per unit. New luxury communities in Mission Valley, Downtown, and Balboa Park face intense competition, prompting concessions and extended lease-up periods. Affordability remains a concern as elevated housing costs limit renter mobility and household formation. Market sale prices averaged $403,790 per unit, with cap rates at 4.9%. Although construction activity is beginning to moderate, recent deliveries will continue influencing performance. Stronger absorption and a gradually shrinking development pipeline could support improved conditions over the longer term.



5.7% ▼ VACANCY RATE

4.9% ▲ CAP RATE

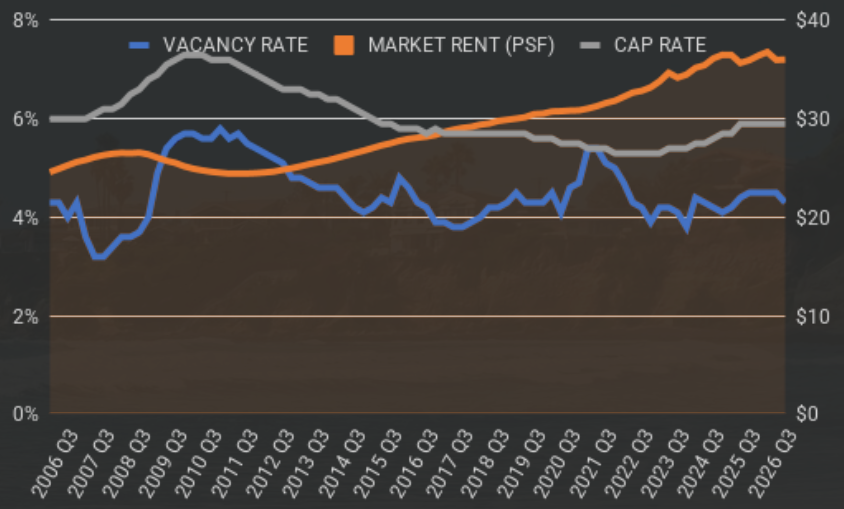
$2,598 ▲ MARKET RENT

$403,790 ▼ PRICE/UNIT

Data Source: CoStar

RETAIL

San Diego's retail market is showing signs of improved leasing activity, although pricing pressures persist across older shopping centers and larger vacant storefronts. Vacancy measured 4.3% in Q3 2026, while market rents averaged $36.03 per square foot. Grocery, fitness, discount, and food-service operators continue to support demand for well-located properties, with recent leasing helping absorb spaces vacated by national retailers. Older malls and less competitive centers face greater challenges, prompting redevelopment proposals that incorporate residential uses. Market sale prices averaged $396 per square foot, with cap rates at 5.9%. Limited construction helps protect existing occupancy, but slower consumer spending, rising operating expenses, and weaker rent growth could restrain near-term investment performance.



4.3% - VACANCY RATE

5.9% - CAP RATE

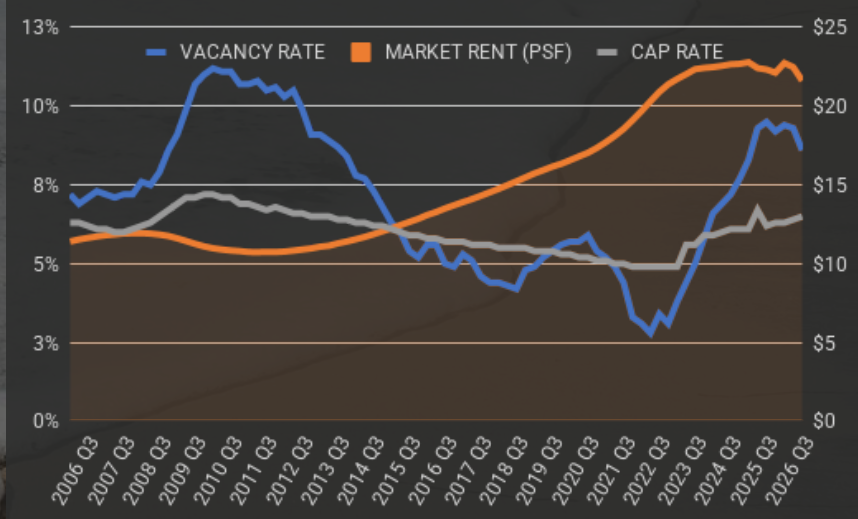
$36.03 ▼ MARKET RENT

$396 ▼ PRICE/SF

SAN DIEGO

INDUSTRIAL

Industrial conditions in San Diego remain challenging as new deliveries and cautious tenant expansion continue to pressure occupancy. Vacancy reached 8.6% in Q3 2026, while market rents averaged $21.62 per square foot. Leasing has improved among larger logistics, technology, and advanced manufacturing users, although small-bay and flex properties face softness. Otay Mesa continues to experience elevated availability following substantial development, while established North County industrial areas demonstrate more stable demand. Market sale prices averaged $315 per square foot, with cap rates at 6.5%. Landlords are increasingly offering concessions and flexible lease terms to retain tenants. Slowing construction may eventually support stabilization, but uncertain trade conditions and operating costs remain obstacles to sustained rent growth.



8.6% ▲ VACANCY RATE

6.5% - CAP RATE

$21.62 ▼ MARKET RENT

$315 ▼ PRICE/SF

Data Source: CoStar

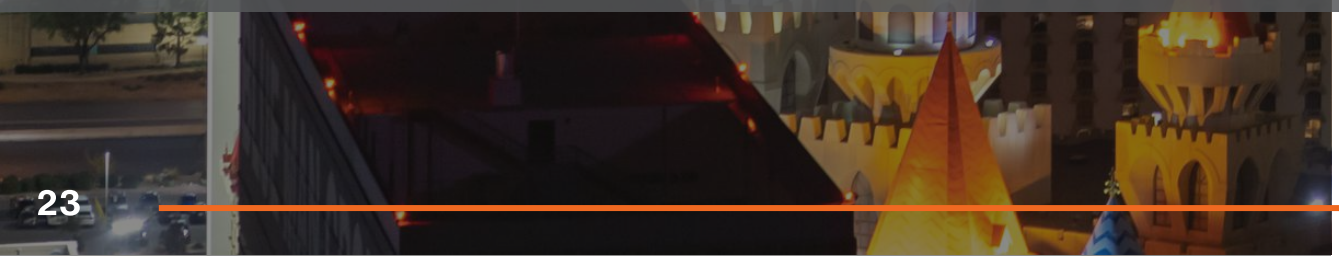


LAS VEGAS

Southern Nevada

As a key center for tourism, entertainment, and innovation, the city of Las Vegas has seen a significant increase in both population and economic activity, fueled by an attractive job market, favorable climate, and business incentives. This growth has notably positioned Las Vegas as a hotspot for commercial real estate investment. Recent developments in Las Vegas have focused on diversifying the economy beyond tourism, with significant strides in sectors such as technology, healthcare, and renewable energy. Notable commercial real estate developments (planned or under construction) in Las Vegas include:

- **Intermountain children's hospital - $724 million**
- **Brightline West high-speed rail - $12B**
- **Harry Reid's International Airport - 26-gate expansion**



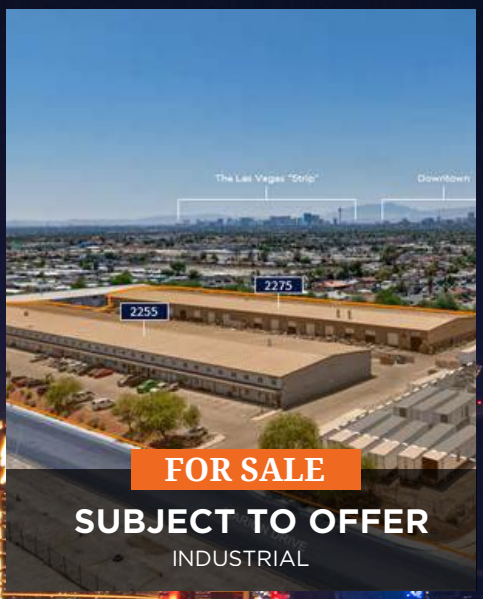
FEATURED ON MARKET LISTINGS



FOR LEASE

$4.00 SF/M NNN

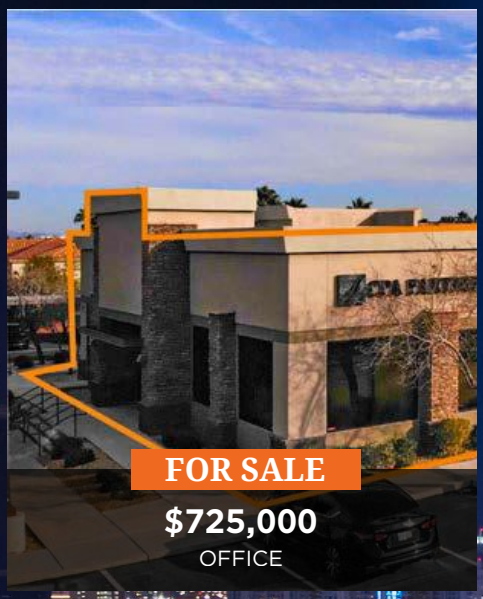
RETAIL



FOR SALE

SUBJECT TO OFFER

INDUSTRIAL



FOR SALE

$725,000

OFFICE

NRED B.20457.CORP

VIEW ALL LISTINGS

SOUTHERN NV - LAS VEGAS

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CHAIRMAN EMERITUS

Scott Godino

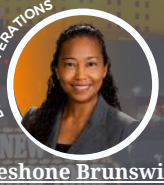
LIC. B.20457.CORP



CEO

Nolan Julseth-White, CCIM

LIC. BS.146060.LLC



DIR OF OPERATIONS

Deshone Brunswick

LIC. S.196144



SENIOR DIR OF PM

Heather Lambert

LIC. BS.143470



DIRECTOR

Ali Godino



DIR OF BROKERAGE

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LIC. BS.1000874.LLC



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Art Farmanali, SIOR

LIC. S.37529



SENIOR VP

Lisa Hauger

LIC. BS.37600.LLC



SENIOR VP

Pete Janemark, CCIM

LIC. S.76731



SENIOR VP

Jennifer Ott, CCIM

LIC. BS.54344.LLC



VICE PRESIDENT

Amelia Henry, CCIM

LIC. BS.144825



VICE PRESIDENT

Eric Rogosch

LIC. S.52003.LLC



ADVISOR

Layne McDonald

LIC. S.189805.LLC



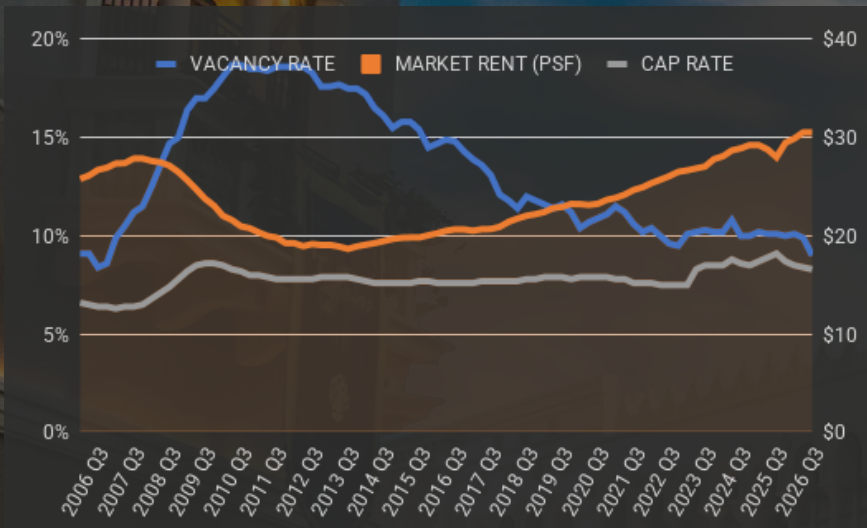
ADVISOR

Alexis Henry

LIC. BS.146632.LLC

OFFICE

Las Vegas continues to outperform many major office markets, supported by demand for smaller suites and expanding medical services. Vacancy declined to 9.0% in Q3 2026, while market rents averaged $30.53 per square foot. Southwest Las Vegas, Summerlin, and Henderson remain attractive to tenants seeking convenient suburban locations, while older office corridors face greater leasing challenges. Healthcare, professional services, and smaller businesses continue to support occupancy, although larger corporate requirements remain limited. Market sale prices averaged $271 per square foot, with cap rates at 8.3%. Restricted construction and positive absorption support the market's relative stability, but slower office employment growth and higher financing costs could moderate future leasing and investment activity.



9.0% ▼ VACANCY RATE

8.3% - CAP RATE

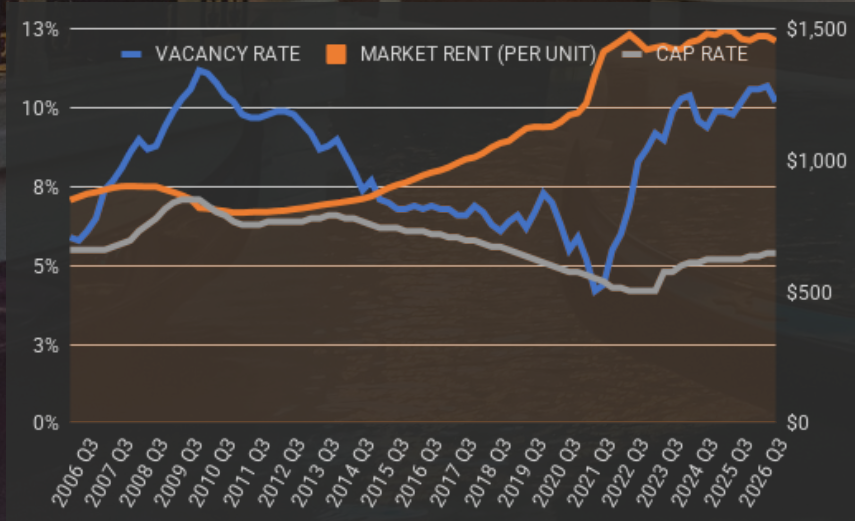
$30.53 ▲ MARKET RENT

$271 ▲ PRICE/SF

LAS VEGAS

MULTIFAMILY

Las Vegas' multifamily market is showing modest occupancy improvement, although competition among apartment communities continues to pressure rental rates. Vacancy declined to 10.2% in Q3 2026, while average monthly rents slipped to $1,456 per unit. Recently completed luxury properties continue offering substantial concessions to attract residents, encouraging renters to relocate rather than renew existing leases. Price-sensitive households and slower absorption at select developments remain challenges, particularly across newer communities. Market sale prices averaged $220,233 per unit, with cap rates at 5.4%. A shrinking construction pipeline should gradually ease supply pressures, but elevated vacancy, rising operating expenses, and limited rent growth are expected to influence investment decisions and near-term property performance.



10.2% ▼ VACANCY RATE

5.4% ▲ CAP RATE

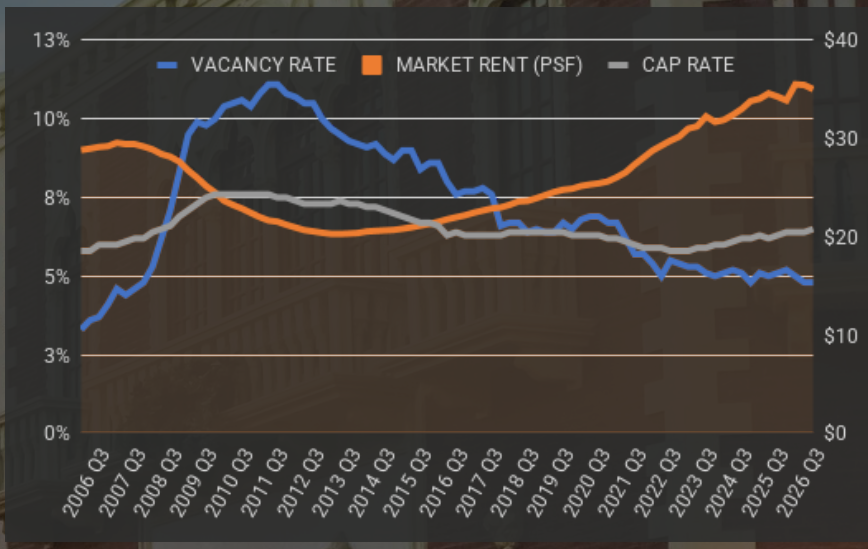
$1,456 ▼ MARKET RENT

$220,233 ▼ PRICE/UNIT

Data Source: CoStar

RETAIL

Retail demand across Las Vegas remains resilient, supported by population growth, tourism, and continued expansion into developing suburban communities. Vacancy measured 4.8% in Q3 2026, while market rents averaged $35.02 per square foot. Henderson, Summerlin, and Southwest Las Vegas continue to attract grocery, restaurant, and service-oriented tenants, with limited availability of well-located storefronts supporting leasing activity. New construction is concentrated near residential growth corridors, although rising development costs and tenant improvement expenses present challenges. Market sale prices averaged $330 per square foot, with cap rates at 6.5%. Strong demand for quality retail locations and continued preleasing should help maintain relatively stable occupancy, despite cautious consumer spending and moderating rental growth.



4.8% - VACANCY RATE

6.5% - CAP RATE

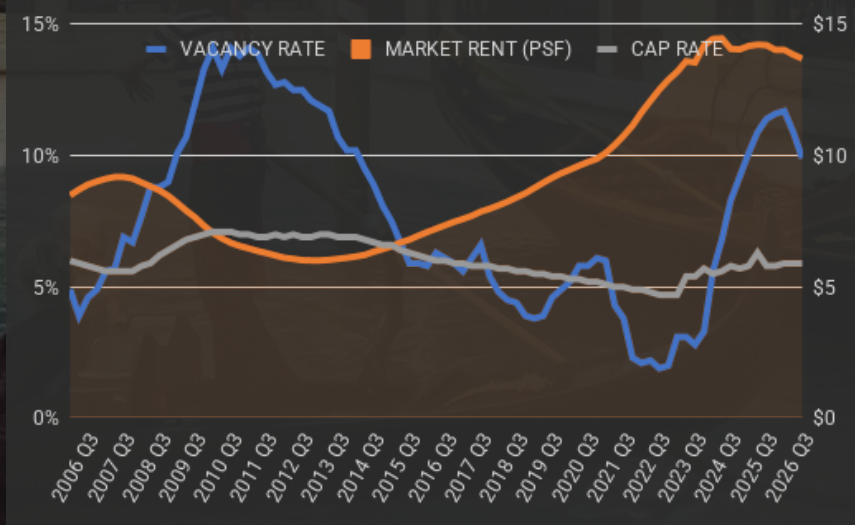
$35.02 MARKET RENT

$330 PRICE/SF

LAS VEGAS

INDUSTRIAL

Following an extended period of new construction, Las Vegas' industrial market is beginning to absorb excess inventory as development activity slows. Vacancy fell to 9.9% in Q3 2026, while market rents averaged $13.70 per square foot. Smaller warehouse properties continue to attract stronger leasing interest than large distribution facilities, where newly delivered space and tenant incentives remain prevalent. North Las Vegas and the Interstate 15 corridor account for substantial industrial development, with logistics and distribution demand supporting absorption. Market sale prices averaged $225 per square foot, with cap rates at 5.9%. Although improving occupancy is encouraging, abundant available space and competition from neighboring logistics markets could limit near-term rent growth and investor confidence.



9.9% - VACANCY RATE

5.9% - CAP RATE

$13.70 MARKET RENT

$225 - PRICE/SF

Data Source: CoStar



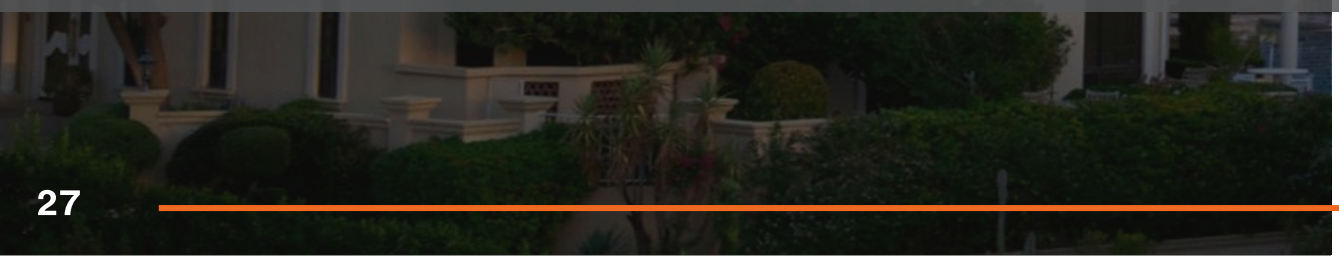
SVN
DESERT COMMERCIAL ADVISORS

Central Arizona

PHOENIX

Phoenix remains one of the fastest-growing major metros, driven by steady population inflows, job opportunities, and a relatively affordable cost of living. The region continues to attract new businesses and investment, supported by ongoing infrastructure expansion and a pro-growth environment. This sustained momentum is strengthening the local economy, creating long-term opportunity, and reinforcing Phoenix's position as a top destination for both companies and residents. In addition, Phoenix is emerging as a global hub for semiconductor manufacturing and its ancillary industries, attracting significant capital investment and further elevating the region's profile on an international scale.

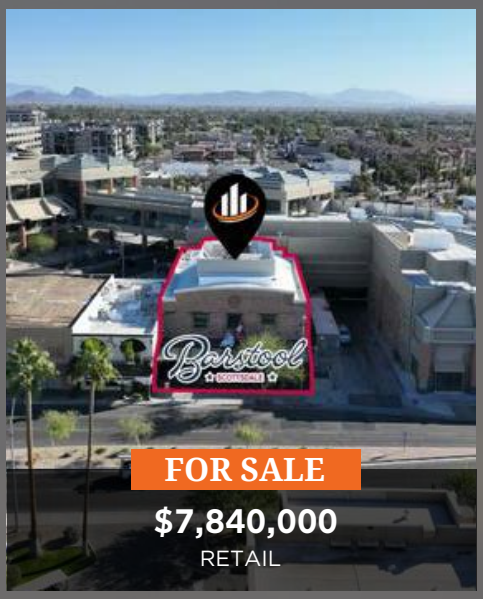
- **Taiwan Semiconductor Manufacturing Company (TSMC Chip Manufacturing Campus) - $165B**
- **Halo Vista (North Phoenix "City Within a City") - $7B**
- **Intel (Chandler Semiconductor Expansion) - $20B**



FEATURED ON MARKET LISTINGS



FOR SALE
$11,538,000
RETAIL



FOR SALE
$7,840,000
RETAIL



FOR SALE
$3,700,000
OFFICE

ADRE LC662202000

VIEW ALL LISTINGS

PHOENIX

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SENIOR ADVISOR
Jonathan Levy
LIC. SA648012000



SENIOR ADVISOR
Richard Lewis
LIC. SA674245000



ASSOCIATE ADVISOR
Tom Lindsey
LIC. SA532180000



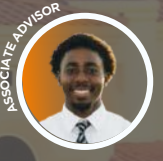
ASSOCIATE ADVISOR
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LIC. SA684791000



ASSOCIATE ADVISOR
Paul Nehmeh
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LIC. SA721574000



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LIC. SA693314000



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Steven Stoehrer
LIC. SA720204000



ASSOCIATE ADVISOR
Erik Keith
LIC. SA654733000



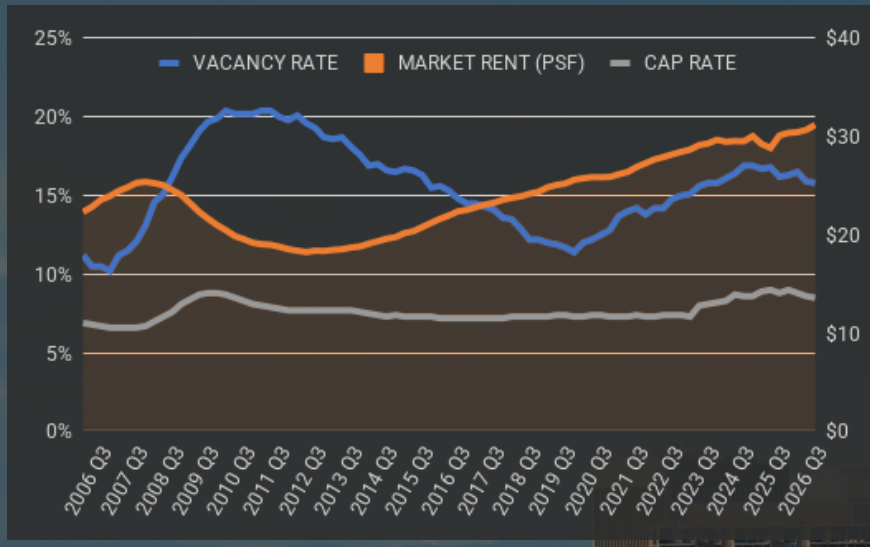
ADMINISTRATIVE ASSISTANT
Taylor Martin



BROKERAGE OPERATIONS
Candice Spencer
LIC. SA718061000

OFFICE

Phoenix's office market continues its gradual recovery as tenants pursue premium space and owners reposition or remove outdated buildings. Vacancy declined to 15.8% in Q3 2026, while market rents averaged $31.19 per square foot. The Camelback Corridor, Scottsdale, and Tempe remain preferred locations for businesses seeking modern amenities and move-in-ready suites. Meanwhile, older suburban properties face persistent competition as companies consolidate into smaller, higher-quality spaces. Market sale prices averaged $222 per square foot, with cap rates at 8.5%. Limited speculative construction and continued redevelopment should support improving occupancy, although sluggish office employment growth and elevated tenant improvement costs could constrain the pace of recovery.



15.8% ▼
VACANCY RATE

8.5% -
CAP RATE

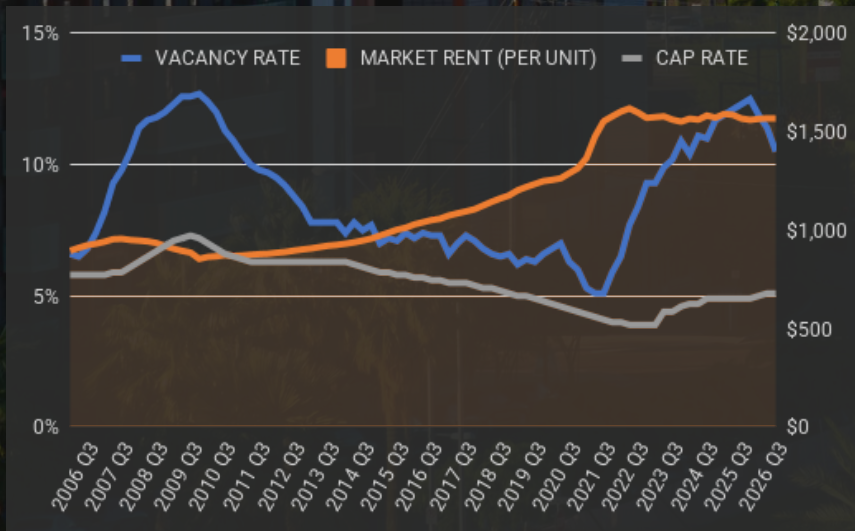
$31.19 ▼
MARKET RENT

$222 ▲
PRICE/SF

PHOENIX

MULTIFAMILY

Phoenix's multifamily market is showing signs of recovery as strong apartment absorption and slowing construction begin easing supply pressures. Vacancy declined to 10.5% in Q3 2026, while average monthly rents reached $1,568 per unit. Newly completed luxury communities continue offering concessions, particularly in Downtown Phoenix, Tempe, and the West Valley, where recent development has intensified competition. Chandler, Gilbert, and Scottsdale demonstrate greater stability amid more limited supply additions. Market sale prices averaged $267,876 per unit, with cap rates at 5.1%. Although elevated vacancy and rent concessions continue challenging property performance, a shrinking development pipeline and sustained renter demand should support gradual stabilization, with recovery likely varying across submarkets.



10.5% ▼
VACANCY RATE

5.1% ▲
CAP RATE

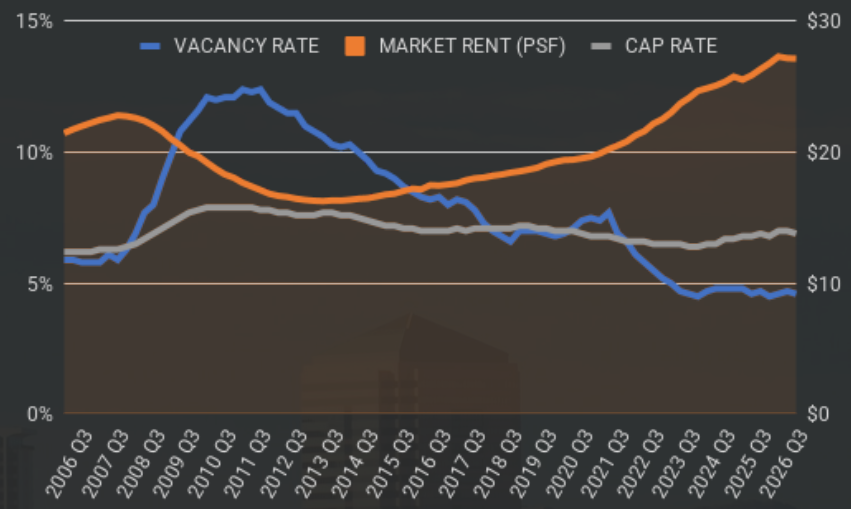
$1,568 ▼
MARKET RENT

$267,876 ▼
PRICE/UNIT

Data Source: CoStar

RETAIL

Retail fundamentals across Phoenix remain strong as population growth, limited construction, and demand for well-located space support leasing activity. Vacancy stood at 4.6% in Q3 2026, while market rents averaged $27.16 per square foot. Grocery, discount, fitness, and experiential retailers continue backfilling spaces vacated by national chains, particularly in established shopping centers. New development remains concentrated in expanding communities such as Buckeye, Surprise, and Queen Creek, where retailers are following residential growth. Market sale prices averaged $266 per square foot, with cap rates at 6.9%. Although rising operating costs and recent store closures present challenges, limited speculative construction and continued tenant demand should help preserve relatively tight market conditions.



4.6% ▼ VACANCY RATE

6.9% ▼ CAP RATE

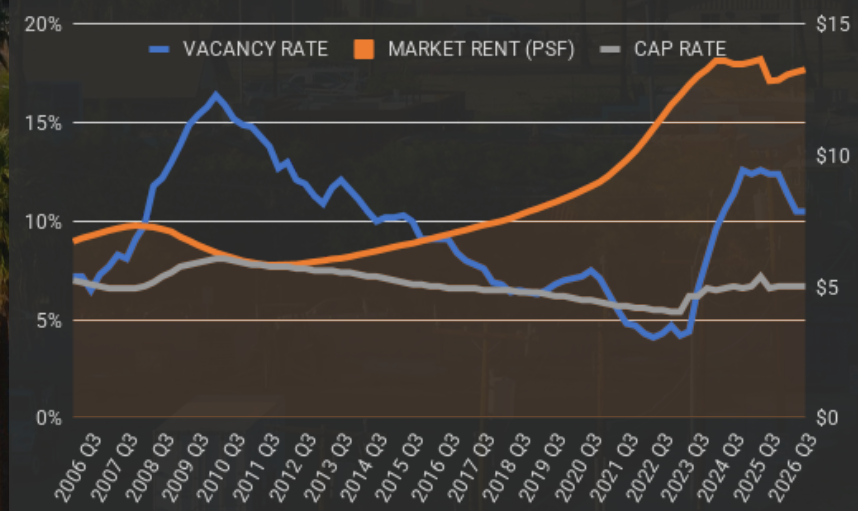
$27.16 ▲ MARKET RENT

$266 ▲ PRICE/SF

PHOENIX

INDUSTRIAL

Phoenix's industrial market continues to absorb substantial new inventory, supported by logistics, semiconductor manufacturing, and data center expansion. Vacancy measured 10.5% in Q3 2026, while market rents averaged $13.28 per square foot. Large modern distribution facilities in Glendale and Goodyear continue attracting major tenants, while mid-sized warehouses face greater competition from recent deliveries. Small-bay properties remain comparatively resilient, benefiting from limited construction and steady local demand. Market sale prices averaged $191 per square foot, with cap rates at 6.7%. Although industrial absorption remains strong, the development pipeline and abundant available space could prolong leasing incentives. Slower construction and continued advanced manufacturing investment should gradually improve supply-demand conditions.



10.5% ▲ VACANCY RATE

6.7% - CAP RATE

$13.28 ▲ MARKET RENT

$191 ▲ PRICE/SF

Data Source: CoStar



DENVER

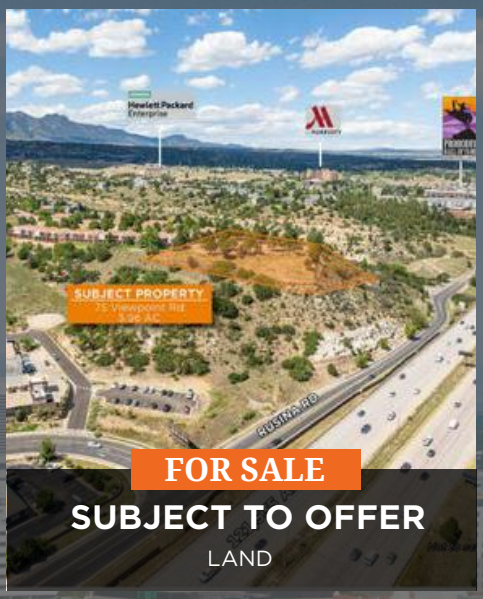
North-Central Colorado

Denver is entering a new era of district-scale development, as former rail yards, surface parking lots and industrial land become sports, entertainment and mixed-use neighborhoods. Two new stadium projects, a reimagined Cherry Creek and growing downtown housing are pulling investment toward the urban core and creating new demand for retail, hospitality and service tenants. Along the wider Front Range, Colorado Springs and Northern Colorado keep maturing as markets in their own right, giving investors and occupiers more options across Colorado.. Notable commercial real estate developments (planned or under construction) in Denver include:

- **Clayworks, CoorsTek HQ at The Pottery (Golden) -The Pottery, a four-story building of about 182,000 SF**
- **Scheels at Mineral Place (Littleton) -In September, Scheels announced a store of more than 300,000 SF that will anchor the Mineral Place redevelopment near C-470 alongside Costco.**
- **OneVela (Downtown Colorado Springs). A $225M, 27-story mixed-use tower with 400 residential units, which will be the tallest building in Colorado Springs.**

FEATURED ON MARKET LISTINGS







EC 100021133

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DENVER

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LIC. ER100031562



Steve Kawulok
LIC. EA40002842



Troy Meyer
LIC. EA.040031211



Kevin Matthews
LIC. FA.100037845



Albert M. Lindeman
LIC. IA.100086731



Corey Murray
LIC. FA100019516



Doug Carter
LIC. EA222121



Elizabeth Leder
LIC. FA100065415



John Lutkewitte
LIC. FA100076953



Oxana Eremiants
LIC. FA100031690



Peter O'Bryan
LIC. FA100098951



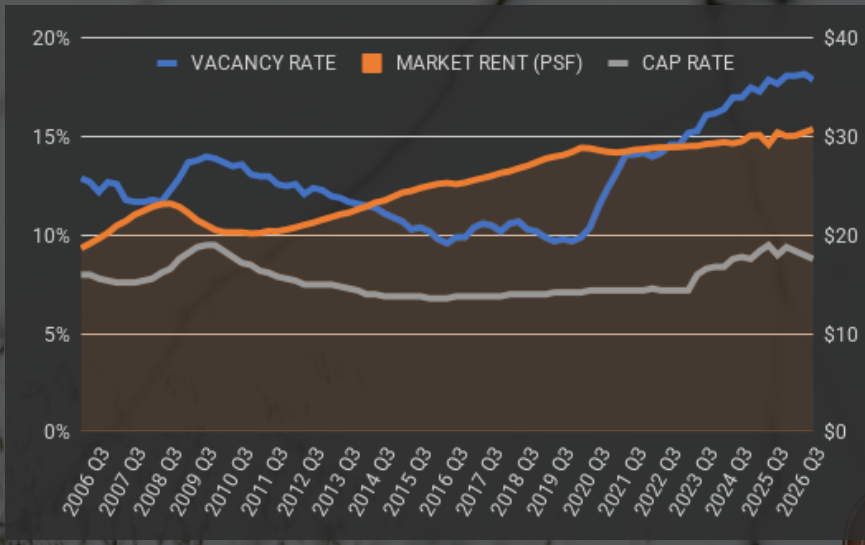
Bill Reilly
LIC. IA100007601



Caitlin Stepan

OFFICE

Denver's office market is showing signs of stabilization as tenant move-outs slow and demand concentrates in higher-quality buildings. Vacancy declined to 17.9% in Q3 2026, while market rents averaged $30.78 per square foot. Cherry Creek continues to outperform, attracting legal, financial, and energy firms seeking walkable, amenity-rich locations. Downtown faces persistent large-block vacancies and discounted sublease competition, while older buildings struggle to retain tenants. Market sale prices averaged $225 per square foot, with cap rates at 8.8%. Limited new construction and the demolition or conversion of obsolete offices should gradually reduce excess inventory, although weak office employment growth and costly tenant improvements remain obstacles to a broader recovery across the metro area.



17.9% ▼ VACANCY RATE

8.8% - CAP RATE

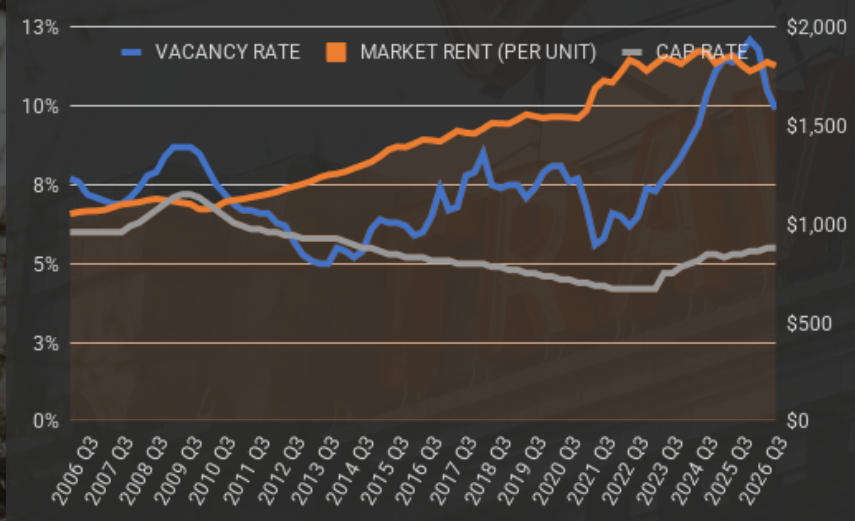
$30.78 ▼ MARKET RENT

$225 ▼ PRICE/SF

DENVER

MULTIFAMILY

Denver's apartment market is gradually recovering from a historic development wave as leasing demand begins to outpace new deliveries. Vacancy fell to 9.9% in Q3 2026, while average monthly rents declined to $1,806 per unit. Newly built luxury communities continue offering substantial concessions, drawing renters from mid-tier properties and placing pressure on effective rents. Downtown has begun absorbing its recent additions, while Aurora and East Denver remain exposed to ongoing construction. Market sale prices averaged $308,969 per unit, with cap rates at 5.5%. Slower building starts should ease future competition, although elevated vacancy and widespread incentives may delay meaningful rent growth as the market works through its remaining supply and adjusts to more moderate leasing conditions.



9.9% ▼ VACANCY RATE

5.5% ▲ CAP RATE

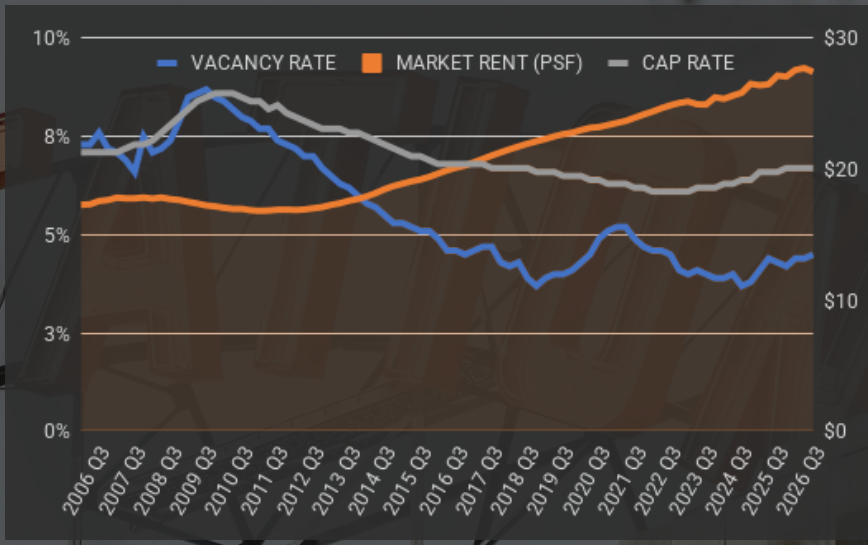
$1,806 ▼ MARKET RENT

$308,969 ▼ PRICE/UNIT

Data Source: CoStar

RETAIL

Limited development continues to underpin Denver's retail market, although national store closures and slower consumer activity have tempered leasing momentum. Vacancy eased to 4.5% in Q3 2026, while market rents averaged $27.44 per square foot. Grocery-anchored centers, drive-through restaurants, and neighborhood retail remain comparatively resilient, especially in growing suburbs. Cherry Creek benefits from restaurants and upscale shopping, while downtown storefronts face softer foot traffic and continued vacancies. Market sale prices averaged $275 per square foot, with cap rates at 6.7%. New construction remains focused on preleased and smaller-format properties, helping contain supply. Backfilling former big-box spaces could support occupancy, although slower job and population growth present risks.



4.5%
VACANCY RATE

6.7%
CAP RATE

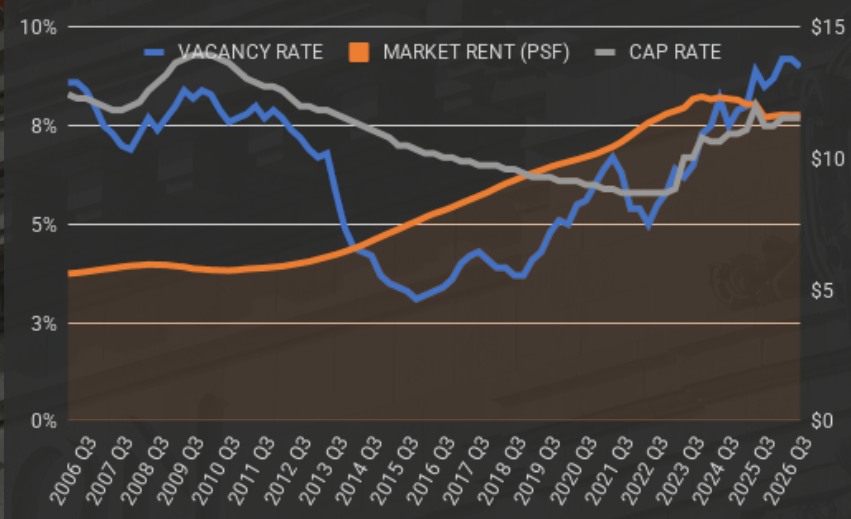
$27.44
MARKET RENT

$275
PRICE/SF

DENVER

INDUSTRIAL

Denver's industrial market remains tenant-favorable despite modest improvement in occupancy, as recent construction and cautious expansion plans keep available space elevated. Vacancy declined to 9.0% in Q3 2026, while market rents averaged $11.66 per square foot. Aerospace and defense users are generating leasing interest in Northwest and Southeast Denver, while logistics activity near the airport provides selective support. Older warehouses face more competition from modern buildings offering greater clear heights and upgraded power. Market sale prices averaged $170 per square foot, with cap rates at 7.7%. A slowing development pipeline may eventually ease supply pressure, but generous concessions, weak rental growth, and prolonged leasing decisions continue to challenge owners throughout the market.



9.0%
VACANCY RATE

7.7%
CAP RATE

$11.66
MARKET RENT

$170
PRICE/SF

Data Source: CoStar



ALBUQUERQUE

Albuquerque is the largest metropolitan area in New Mexico, serving as a vibrant economic and cultural hub for the state. Albuquerque's commercial real estate market is characterized by stability, a low-cost operating environment for entrepreneurs, and distinct sector-by-sector performance. Notable commercial real estate developments (planned or under construction) in Albuquerque include:

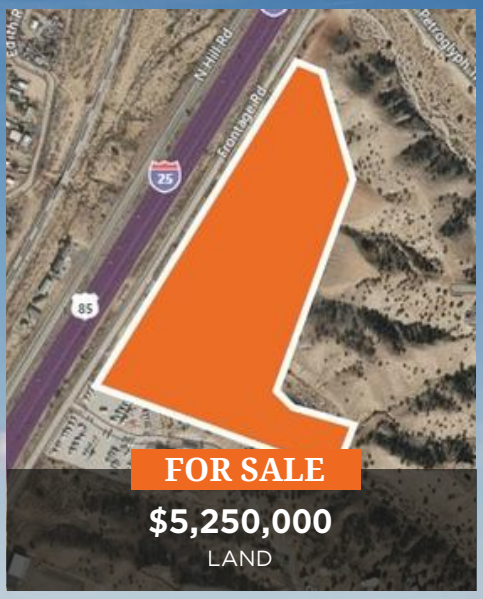
- **The Rev A one-of-a-kind boutique hotel with a 112-room development will offer a complete suite of amenities, including a rooftop bar, flexible meeting spaces, and an on-site restaurant for both hotel guests and visitors.**
- **Artiste I - will feature 185 single-family residential lots, following the progress made by Montage 5**
- **The Highlands is a 12-acre mixed-use hub along Historic Route 66 in Albuquerque, combining residential, hospitality, retail, and dining around a central landscaped plaza.**
- **Legacy @ Journal Center is a master-planned, a 21 acres of mixed-use development site located in Albuquerque, New Mexico.**



FEATURED ON MARKET LISTINGS



FOR SALE
$6,150,500
INDUSTRIAL



FOR SALE
$5,250,000
LAND



FOR SALE
$2,400,000
LAND

NMREC 02075327

VIEW ALL LISTINGS

ALBUQUERQUE

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Walt Arnold
LIC. 9117



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Betty Beachum
LIC. 19847



SENIOR ADVISOR

Paul Cook
LIC. 13024



ADVISOR

Nicholas Eveleigh
LIC. REC-2022-0900



ADVISOR

Katrina Flores
LIC. REC-2022-0768



ASSOCIATE

Reese Good-Aumell
LIC. 54359



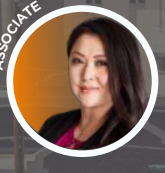
SENIOR ADVISOR

Hunter Greene
LIC. 33022



ASSOCIATE

Bill Hackett
LIC. REC-2022-1257



ASSOCIATE

Janet Torres
LIC. 55004



SENIOR ADVISOR

Larry Ilfeld
LIC. 15408



ASSOCIATE

Angela Izquierdo
LIC. 54863



ADVISOR

Kyle Kinney
LIC. 52685



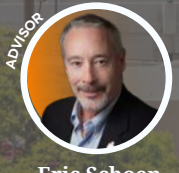
SENIOR ADVISOR

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LIC. 2469



SENIOR ADVISOR

Steve Lyon
LIC. 15729



ADVISOR

Eric Schoen
LIC. REC-2025-0412



SENIOR ADVISOR

Joel T. White
LIC. 33465



ADVISOR

Zane Van Winkle
LIC. REC-2025-0309



SENIOR ADVISOR

Amar Tesch
LIC. REC-2024-0453



SENIOR ADVISOR

Kim Lantz
LIC. REC-2026-0269



ASSOCIATE

Courtney Lewis
LIC. 55106

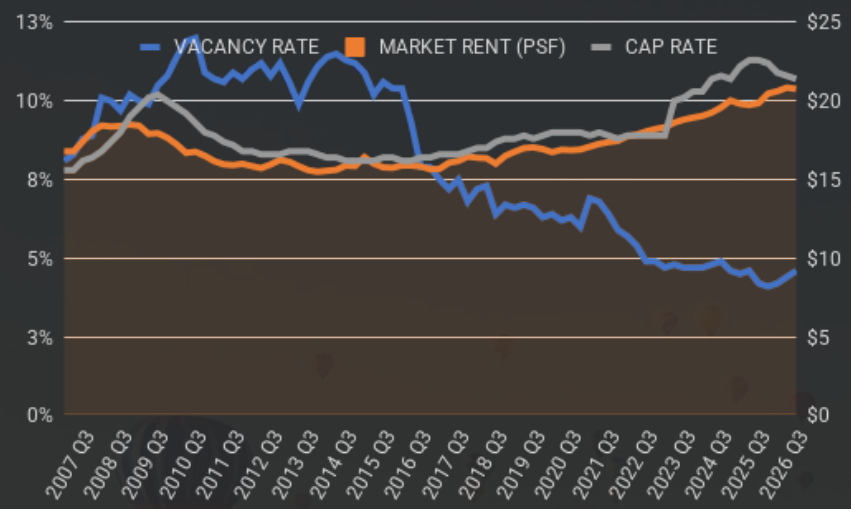


ASSOCIATE

Zadok Bishop
LIC. REC-2025-0217

OFFICE

Albuquerque's office market remains comparatively tight, although subdued tenant demand and weaker rents signal a cautious outlook. Vacancy reached 4.6% in Q3 2026, while market rents averaged $20.77 per square foot. Government, healthcare, education, and defense-related occupiers continue to anchor leasing, with North I-25 and Northeast Heights attracting selective commitments. Limited sublease competition and almost no speculative construction have helped prevent the vacancy pressures facing larger metros. Market sale prices averaged $121 per square foot, with cap rates at 10.7%. Older properties and businesses exposed to federal spending decisions face greater uncertainty, while the market's relative affordability and restrained supply should support longer-term stability across the region.



4.6% ▲ VACANCY RATE

10.7% ▼ CAP RATE

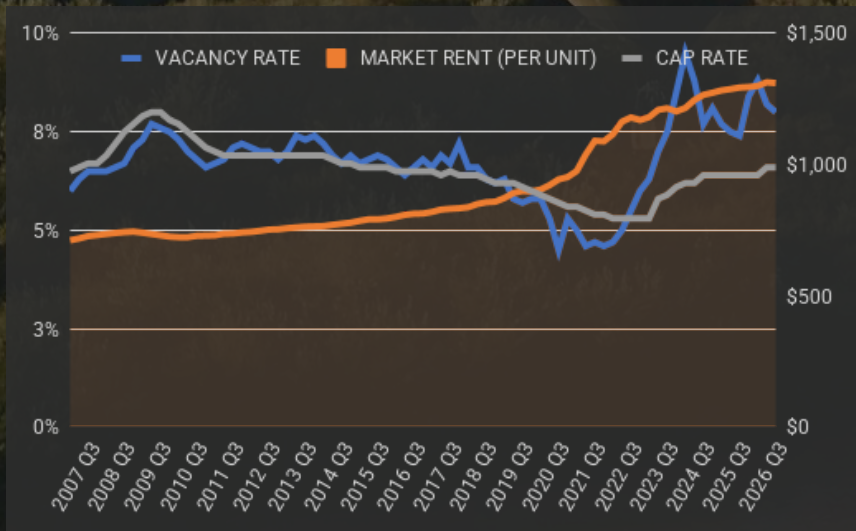
$20.77 ▲ MARKET RENT

$121 ▲ PRICE/SF

ALBUQUERQUE

MULTIFAMILY

Albuquerque's multifamily market is finding firmer footing as recently delivered apartments are gradually absorbed, though leasing incentives remain widespread. Vacancy declined to 8.0% in Q3 2026, while average monthly rents reached $1,311 per unit. New luxury communities face the most competition, with concessions also drawing renters away from some mid-tier properties. Government, healthcare, and defense-related employment provide a relatively stable demand base, but recent construction continues to influence occupancy. Market sale prices averaged $145,670 per unit, with cap rates at 6.6%. A smaller development pipeline should ease pressure over time, although modest population growth and continued lease-up competition may keep rent gains limited in the near term as owners prioritize occupancy.



8.0% ▼ VACANCY RATE

6.6% - CAP RATE

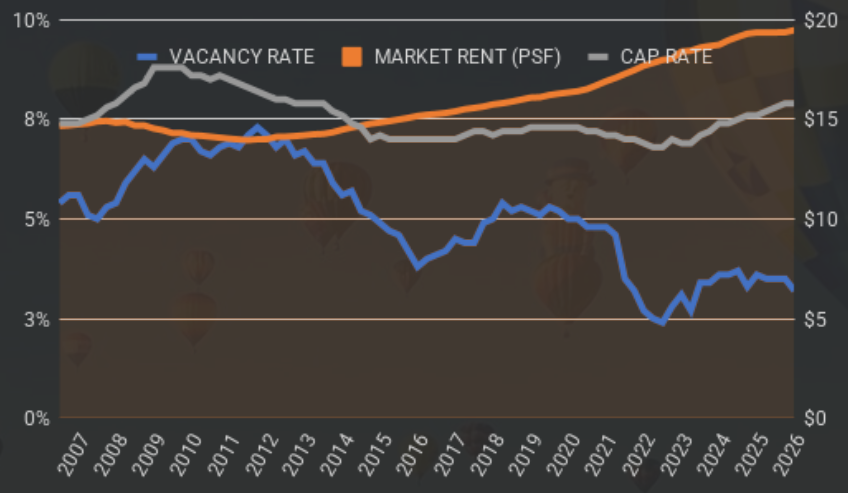
$1,311 - MARKET RENT

$145,670 ▲ PRICE/UNIT

Data Source: CoStar

RETAIL

Albuquerque's retail market continues to benefit from limited new construction and demand for everyday goods and services, even as leasing activity moderates. Vacancy stood at 3.2% in Q3 2026, while market rents averaged $19.48 per square foot. Fitness operators, grocers, and discount retailers have helped absorb larger storefronts, including spaces in established shopping centers. New projects are predominantly small, preleased developments serving restaurants, banks, and other convenience-oriented tenants. Market sale prices averaged $196 per square foot, with cap rates at 7.9%. Although consumer caution and a slower pace of rent increases may limit near-term gains, constrained supply and continued backfilling should help sustain healthy occupancy across the metro and its surrounding communities.



3.2% - VACANCY RATE

7.9% - CAP RATE

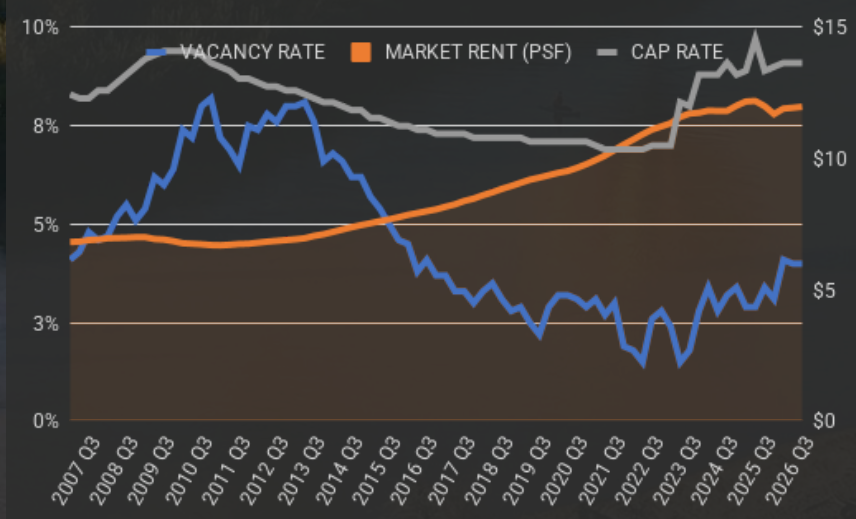
$19.48 MARKET RENT

$196 PRICE/SF

ALBUQUERQUE

INDUSTRIAL

Preleased development and steady logistics demand are keeping Albuquerque's industrial market tight despite a meaningful volume of construction. Vacancy reached 4.0% in Q2 2026, while market rents averaged $11.94 per square foot. Assets were valued near $114 per square foot, and cap rates averaged 9.1%, providing comparatively attractive yields. Recent absorption has been driven by distributors, data center users, and advanced industrial occupiers along the West I-40 and Los Lunas corridors. Because nearly all space under construction is committed, the pipeline should create limited near-term vacancy pressure. Tenant expansion may remain selective, but disciplined development supports continued stability across the market.



4.0% - VACANCY RATE

9.1% - CAP RATE

$11.98 MARKET RENT

$114 - PRICE/SF

Data Source: CoStar



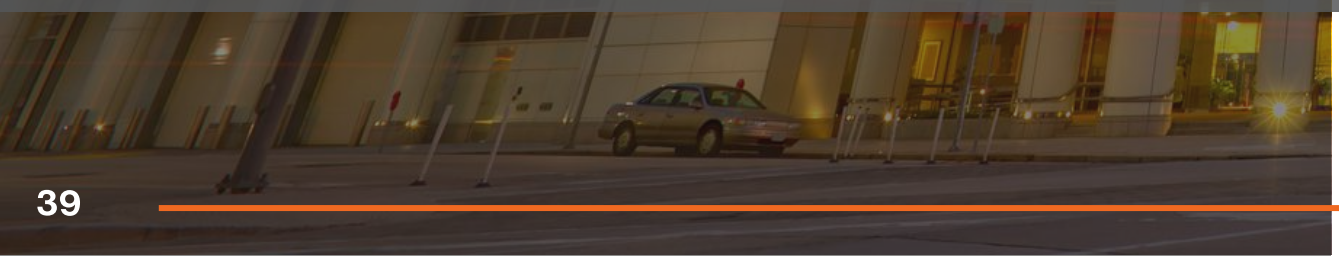
SVN
J. BEARD REAL ESTATE
GREATER HOUSTON

Southeast Texas

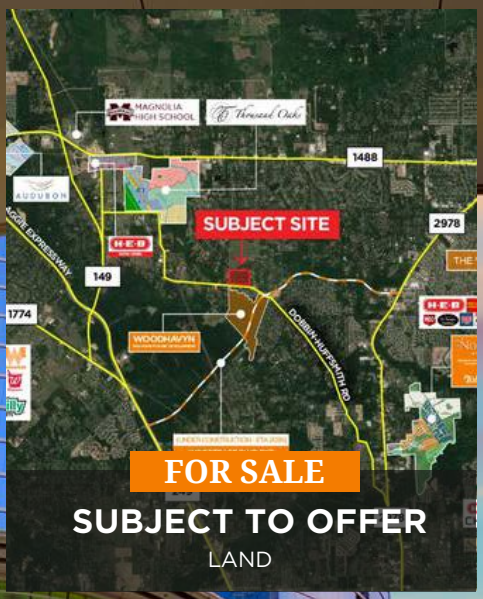
GREATER HOUSTON

Houston's economy is driven by a diverse mix of industries, including energy, manufacturing, healthcare, aerospace, and logistics. Anchored by the Texas Medical Center, NASA, and the Port of Houston, these sectors benefit from extensive infrastructure, a skilled workforce, and strong global trade connections. While energy remains a cornerstone, Houston's expanding industries have established the region as a major hub for commerce, innovation, and industrial development. Notable commercial real estate developments (planned or under construction) in Houston include:

- **CityNorth Industrial Park | $150 Million Redevelopment – North Houston**
- **Eli Lilly | $6.5 Billion Manufacturing Campus – Generation Park**
- **Bristol Myers Squibb | $2.3 Billion Manufacturing Campus – Generation Park**
- **100 Park Place | Class A Office Development – Westheimer**



FEATURED ON MARKET LISTINGS







TREC 519836-BB

VIEW ALL LISTINGS

GREATER HOUSTON

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LIC. 319384


EVP OF ASSET SERVICES
Scott Hill
LIC. 414690

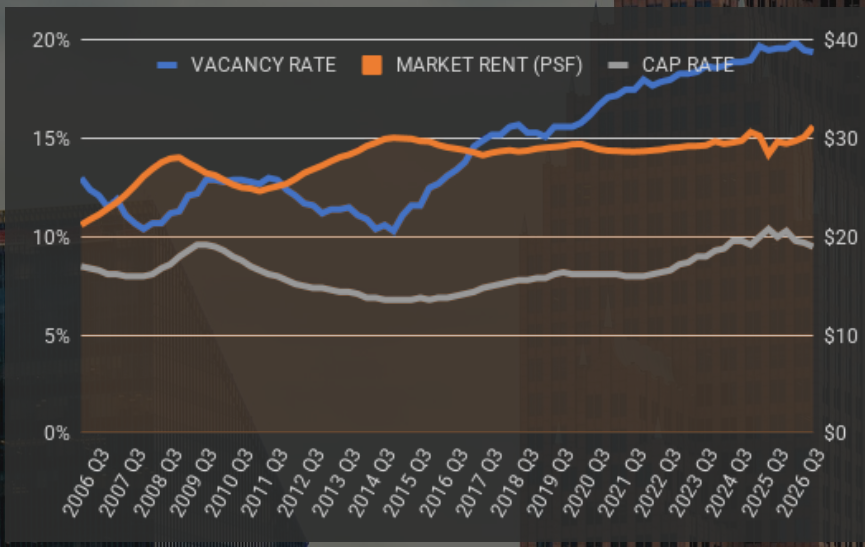

EXECUTIVE DIRECTOR PM
Misty Kelly
LIC. 477904


SENIOR ADVISOR
Dimitri Jordan
LIC. 594006-SA


SENIOR ADVISOR
Zach Armstrong
LIC. 611293-SA

OFFICE

Houston's office market is showing gradual signs of improvement, although elevated vacancy and aging inventory continue to challenge owners. Vacancy measured 19.4% in Q3 2026, while market rents averaged $31.25 per square foot. Energy, legal, and financial services tenants remain focused on newer, amenity-rich buildings in CityCentre, the Energy Corridor, and The Woodlands. Older towers face discounted sublease competition and costly improvements, encouraging selective conversions and redevelopment. Market sale prices averaged $210 per square foot, with cap rates at 9.5%. A sharply reduced construction pipeline may help absorb excess space, but smaller tenant requirements, cautious hiring, and continued concessions suggest that any broader recovery will be gradual, particularly for older properties without significant upgrades.



19.4% ▼ VACANCY RATE

9.5% ▲ CAP RATE

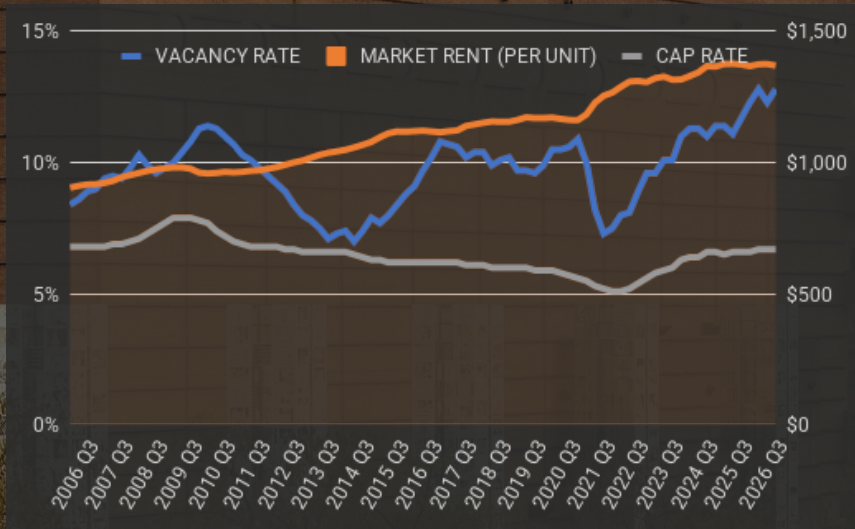
$31.25 ▼ MARKET RENT

$210 ▼ PRICE/SF

GREATER HOUSTON

MULTIFAMILY

Houston's multifamily market continues to work through an extended supply wave as new apartment deliveries exceed leasing demand in several submarkets. Vacancy reached 12.8% in Q3 2026, while average monthly rents declined to $1,370 per unit. Competition remains intense among newly completed properties, with widespread concessions and softer pricing also affecting mid-tier communities. Suburban locations such as Northwest Houston and Sugar Land continue to attract renters seeking relative affordability and convenient employment access. Market sale prices averaged $152,342 per unit, with cap rates at 6.7%. Slowing construction should eventually ease pressure, but elevated availability and moderate job growth may delay meaningful rent recovery, particularly in areas with substantial recent development.



12.8% ▼ VACANCY RATE

6.7% ▼ CAP RATE

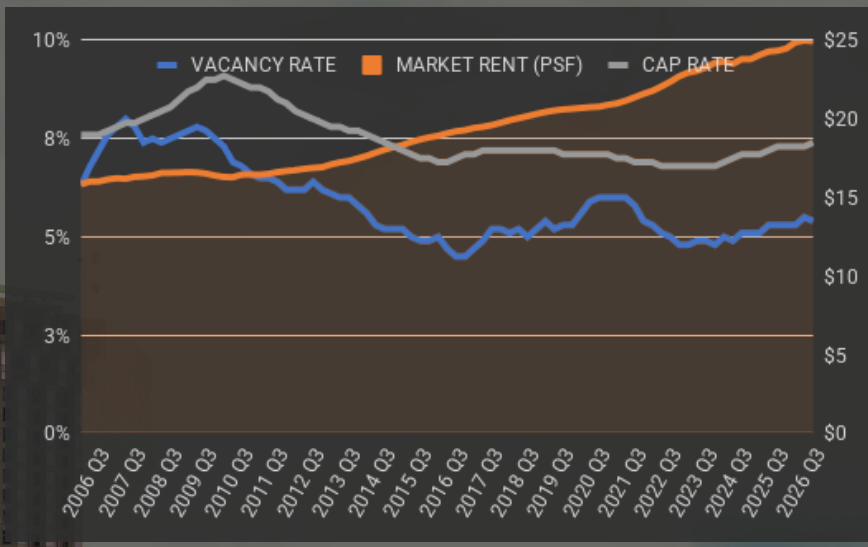
$1,370 ▼ MARKET RENT

$152,342 ▼ PRICE/UNIT

Data Source: CoStar

RETAIL

Houston's retail market remains relatively resilient as grocery, fitness, and entertainment operators backfill vacant storefronts across established and growing communities. Vacancy declined to 5.4% in Q3 2026, while market rents averaged $24.95 per square foot. Leasing is strongest in Montgomery County, Katy, and Bridgeland, where residential growth supports demand for neighborhood centers and daily-needs retailers. Older centers in less competitive corridors continue to face longer leasing periods and selective tenant expansion. Market sale prices averaged $256 per square foot, with cap rates at 7.4%. Much of the development pipeline is preleased, helping contain future vacancy, though cautious consumers and rising buildout costs may limit rental gains and challenge smaller retailers.



5.4% ▼ VACANCY RATE

7.4% ▲ CAP RATE

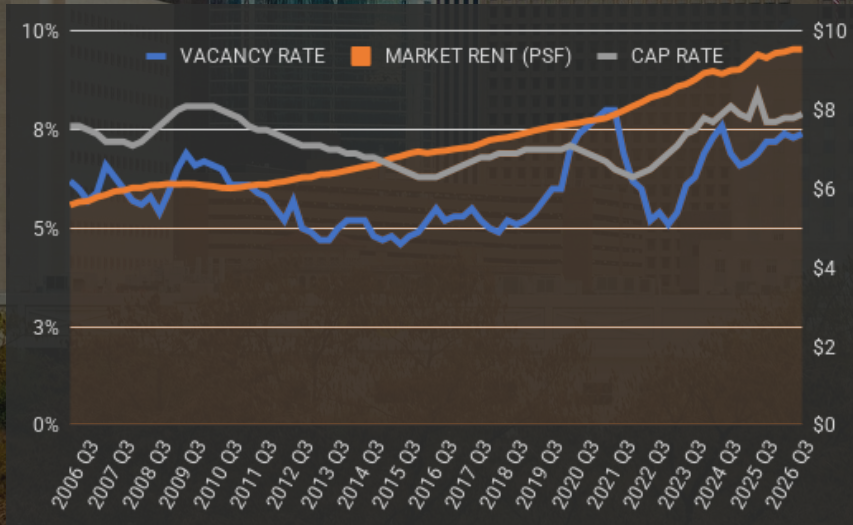
$24.95 ▼ MARKET RENT

$256 ▲ PRICE/SF

GREATER HOUSTON

INDUSTRIAL

Houston's industrial market continues to attract major logistics and manufacturing users, yet recent development is outpacing occupancy gains. Vacancy rose to 7.4% in Q3 2026, while market rents averaged $9.55 per square foot. Demand favors modern distribution buildings with efficient loading, ample power, and access to the Port of Houston, while older and mid-sized facilities face more competition. Significant construction along major freight corridors and tenant relocations have increased available space and leasing incentives. Market sale prices averaged $109 per square foot, with cap rates at 7.9%. Strong port activity and population growth support long-term demand, although a substantial unleased pipeline and trade uncertainty could delay rent stabilization, particularly in development-heavy outer submarkets.



7.4% ▲ VACANCY RATE

7.9% ▼ CAP RATE

$9.55 ▼ MARKET RENT

$109 ▼ PRICE/SF

Data Source: CoStar



SAN ANTONIO

Southern Texas

San Antonio, Texas, is a vibrant city known for its rich cultural heritage and historical significance, including the famous Alamo. The city features a picturesque River Walk lined with shops, restaurants, and entertainment options, making it a popular destination for both locals and tourists. Just a short drive northeast lies New Braunfels, a charming town famous for its German heritage, water activities on the Guadalupe and Comal Rivers, and the historic Schlitterbahn Waterpark. Together, these cities offer a blend of history, recreation, and cultural experiences in the heart of Texas. Notable commercial real estate developments (planned or under construction) in San Antonio include:

- **New Braunfels Town Center at Creekside – New Braunfels**
- **Seguin Exchange – Seguin, a 544-acre mixed-use development**
- **The Neue – Downtown New Braunfels**



FEATURED ON MARKET LISTINGS



FOR SALE

SUBJECT TO OFFER

RETAIL



FOR SALE

SUBJECT TO OFFER

OFFICE



FOR SALE

$2,300,000

LAND

TREC 9011826

VIEW ALL LISTINGS

SAN ANTONIO

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Travis Taylor, MAI, CCIM

LIC. 549653



Jay Dabbs, CCIM

LIC. 623922



Erica Gold, CPM

LIC. 623922



Tommy Traugot

LIC. 701343

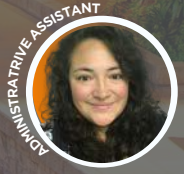


Jackson Olmsted

LIC. 786951-SA



Amber Lucio



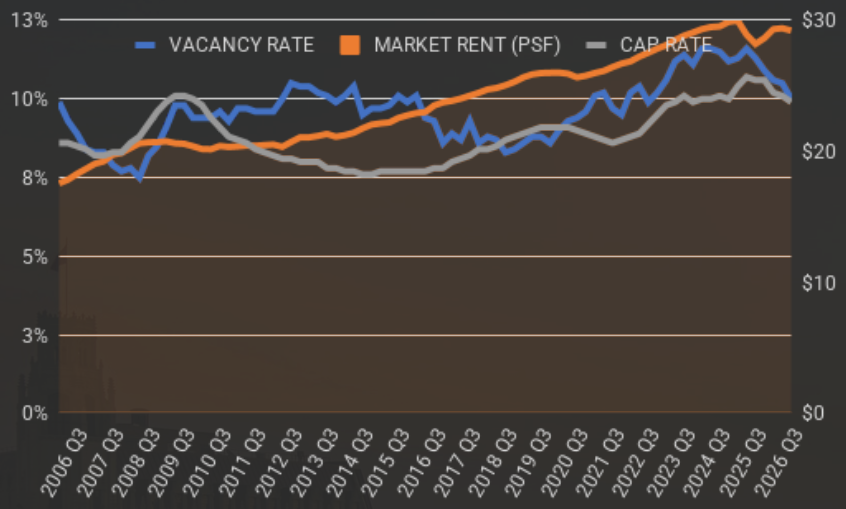
Ashley Pena



Ashley Trevino

OFFICE

San Antonio's office market continues to demonstrate resilience as limited construction and steady demand from smaller tenants support occupancy. Vacancy declined to 10.0% in Q3 2026, while market rents averaged $29.22 per square foot. Professional services, healthcare, and financial firms remain active, particularly along the Northwest I-10 corridor, Stone Oak, and the emerging Broadway financial district. Larger corporate downsizing remains a risk, although smaller leases and demand for modern properties help offset those pressures. Market sale prices averaged $182 per square foot, with cap rates at 9.9%. Restrained development should help maintain market balance, but slowing population growth, cautious hiring, and continued tenant improvement costs may limit stronger rental gains.



10.0% ▼ VACANCY RATE

9.9% ▼ CAP RATE

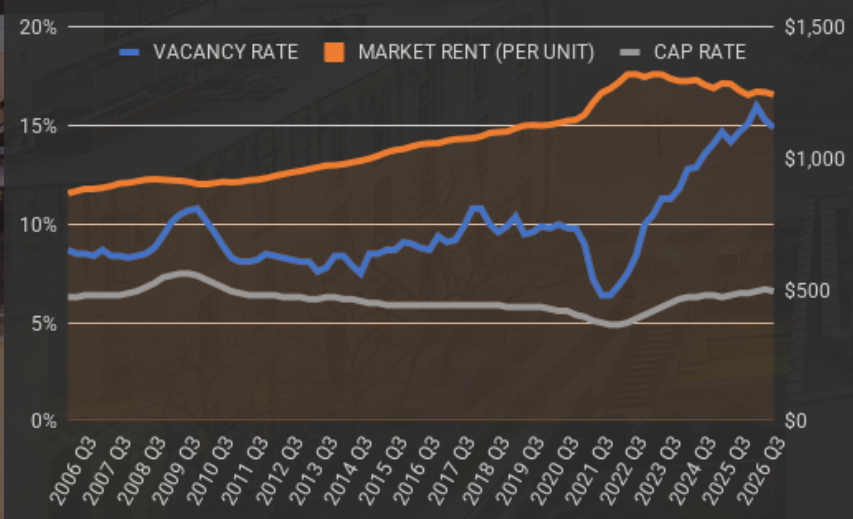
$29.22 ▼ MARKET RENT

$182 ▲ PRICE/SF

SAN ANTONIO

MULTIFAMILY

San Antonio's multifamily market is gradually absorbing its substantial inventory of recently delivered apartments, although excess supply continues to pressure rents. Vacancy declined to 14.9% in Q3 2026, while average monthly rents fell to $1,244 per unit. Newly completed luxury communities in Downtown, Midtown, and Comal County face considerable competition, with concessions encouraging renters to upgrade into newer properties. Established suburban neighborhoods generally experience less development pressure, supporting comparatively stable occupancy. Market sale prices averaged $136,449 per unit, with cap rates at 6.6%. A shrinking construction pipeline offers potential relief, but elevated vacancy, widespread incentives, and slower leasing at newer communities may postpone sustained rental recovery.



14.9% ▼ VACANCY RATE

6.6% - CAP RATE

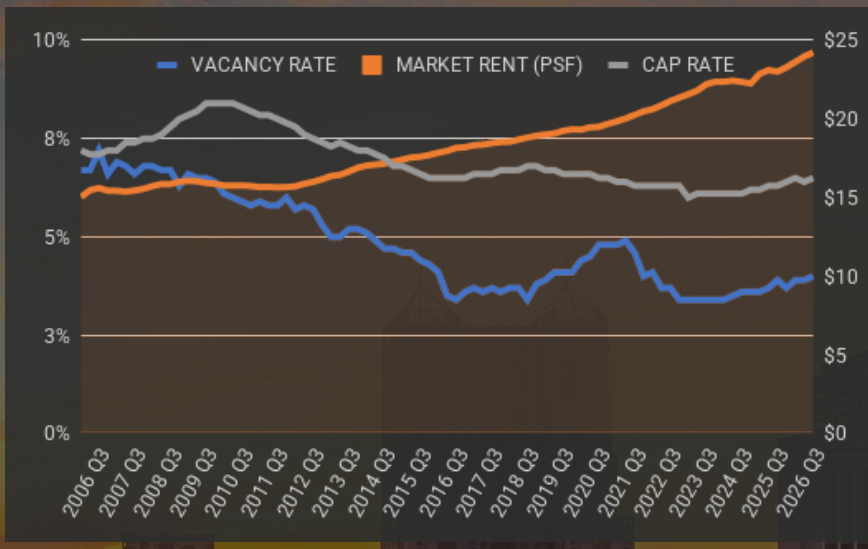
$1,244 ▼ MARKET RENT

$136,449 ▲ PRICE/UNIT

Data Source: CoStar

RETAIL

San Antonio's retail market remains tightly occupied, supported by population growth and demand for neighborhood services, despite recent national store closures. Vacancy measured 4.0% in Q3 2026, while market rents averaged $24.23 per square foot. Grocery, fitness, restaurant, and health-oriented tenants continue expanding across northern suburbs, particularly along Interstate 10 and U.S. 281. Larger vacant storefronts face greater backfill challenges, while smaller retail spaces remain attractive to local operators. Market sale prices averaged $257 per square foot, with cap rates at 6.5%. Limited construction and continued household growth should support leasing, although higher operating costs, selective consumer spending, and moderating employment gains may temper future expansion and investment activity.



4.0% ▲ VACANCY RATE

6.5% - CAP RATE

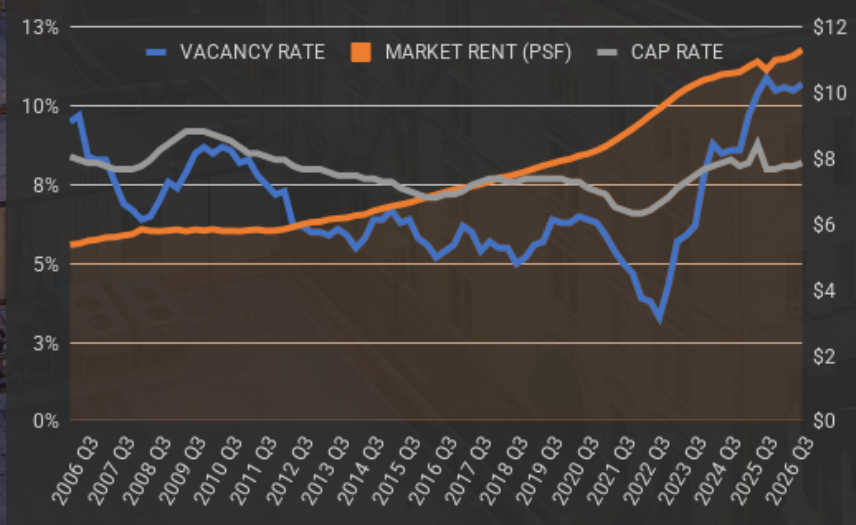
$24.23 ▲ MARKET RENT

$257 ▼ PRICE/SF

SAN ANTONIO

INDUSTRIAL

Industrial leasing across San Antonio remains uneven as substantial warehouse development continues to challenge occupancy, particularly among larger distribution properties. Vacancy measured 10.7% in Q3 2026, while market rents averaged $11.32 per square foot. Small-bay facilities and properties serving growing Northeast communities demonstrate stronger demand, while large logistics buildings face longer leasing periods and greater concessions. Development along Interstate 35 and major freight corridors reflects continued interest in manufacturing and regional distribution despite cautious expansion plans. Market sale prices averaged $125 per square foot, with cap rates at 8.2%. A substantial construction pipeline may prolong competitive pressures, although improving preleasing activity and regional population growth offer longer-term support.



10.7% ▼ VACANCY RATE

8.2% - CAP RATE

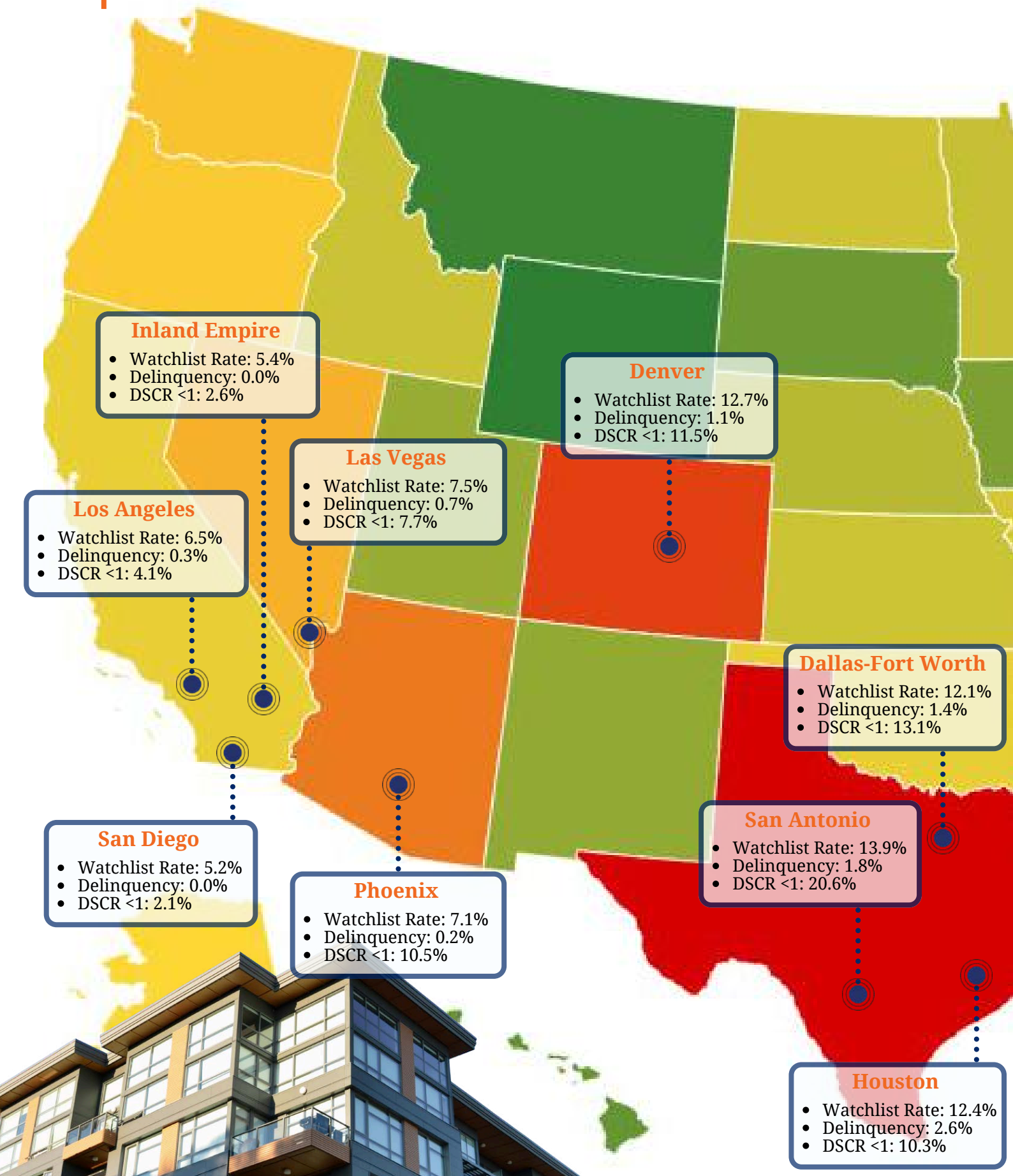
$11.32 - MARKET RENT

$125 - PRICE/SF

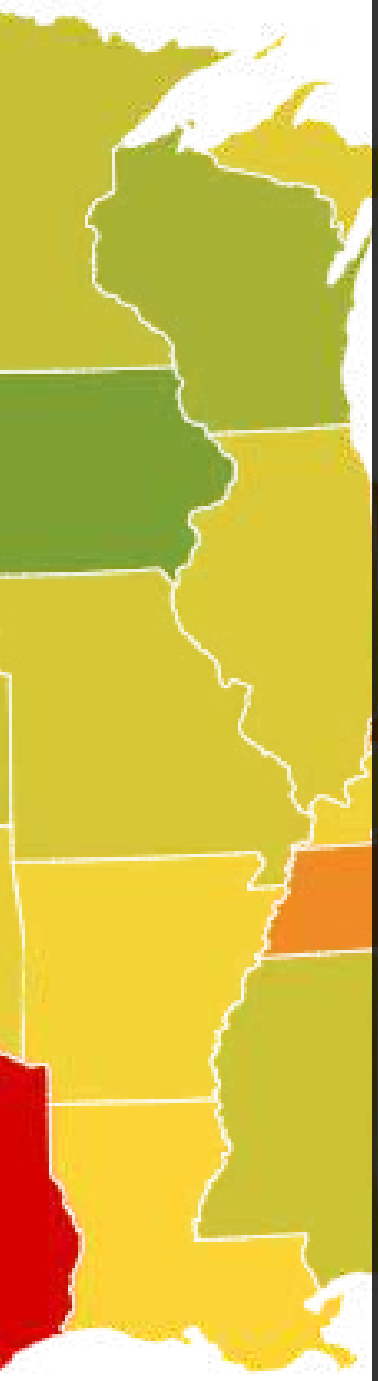
Data Source: CoStar

SOUTHWEST DISTRESS TRACKER

MULTIFAMILY



MULTIFAMILY
Distress Ranking
Watchlist % by State



1	Texas	13.69%
2	Colorado	11.66%
3	New York	10.91%
4	District of Columbia	10.62%
5	Arizona	9.85%
6	Indiana	9.65%
7	Georgia	9.56%
8	Tennessee	9.32%
9	Florida	9.32%
10	Pennsylvania	8.53%
11	Maryland	8.25%
12	Connecticut	8.13%
13	Nevada	8.09%
14	Alabama	7.89%
15	Washington	7.50%
16	North Carolina	7.48%
17	Oregon	7.32%
18	South Carolina	7.08%
19	Louisiana	6.96%
20	Alaska	6.87%
21	New Jersey	6.72%
22	Arkansas	6.54%
23	Kentucky	6.38%
24	Vermont	6.27%
25	California	6.19%

Orange = Southwest Markets

Data Source: Trepp



SVN

Q326

SOUTHWEST REGION