



Q1

SEDC Quarterly Report FY 2019-20
Quarter 1 | Oct 1 - Dec 31

OUR MISSION

The mission of the City of Schertz Economic Development Corporation (SEDC) is to grow the Schertz economy through Projects. Specifically, we pursue Projects that focus on the creation/retention of Primary Jobs and Infrastructure Improvements.

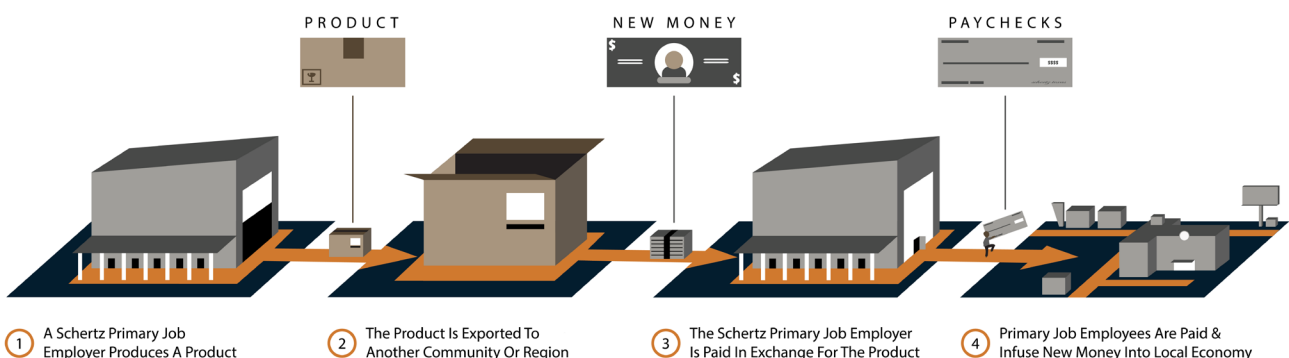
PRIMARY JOBS

One of the key elements of our mission involves **Primary Jobs** - jobs that produce goods/services for customers that are predominantly outside the region and defined by Local Government Code 501.002 (12). Primary Jobs create new money for our community by exporting products. Once an employer is paid for these Primary Job-produced goods/services, the new money is redistributed into the community through wages paid to employees; capital investments; tax payments to the City, local school districts, and counties; and through payments to local suppliers.

Schertz is fortunate to have a variety **Primary Job Employers** - companies that create Primary Jobs. In Schertz, examples of companies that create Primary Jobs are associated with our key industries of manufacturing, warehouse and distribution, and e-commerce because they export goods/services to regional, statewide, national, or international markets.

CalTex Protective Coatings is an example of a Schertz company that creates Primary Jobs. They manufacture sealants and other car-care detailing products. These products are exported to other markets, such as Kansas City, and new money is created in Schertz. This is what creates and maintains the flow of new wealth into our community.

On the other hand, an example of a business sector that does not create Primary Jobs is retail or medical. Purchases made at a local shopping center or payments made when visiting the doctor generally use existing money to pay for those goods or services. These businesses rely on new money that was created through the companies that generate Primary Jobs to fuel our local economy.



QUARTER **1** REPORT



Nexus Medical

Nexus, a health care & insurance clinical review company, is relocating their headquarters.

Groundbreaking Held **November 21**

Occupying **36,450 sf**

100+
Employees

Will be working at Nexus' new facility

Schertz 312
Phase I

Phase I is nearing completion. Utilities are in place and curbing & paving are to be done by March.

Location
Doerr Lane

Paving Complete
March 2020

When complete, this phase will open access to

171
Acres of
New Space



QUARTER 1 REPORT

REAL ESTATE

Annual comparison data for the Industrial sector for both the Schertz and San Antonio market.

Schertz	Q1 (2019)	Q2 (2019)	Q3 (2019)	Q4 (2019)	Q1 (2020)
Average Asking Price (NNN)	\$5.38	\$5.49	\$5.48	\$5.57	\$5.59
Inventory	8,984,866	8,991,366	8,794,887	8,901,311	8,984,021
Vacancy Rate	15.7%	13.5%	11.0%	9.4%	8.2%
Net Absorption (sf)	(362,371)	198,301	-	60,700	124,389

San Antonio

Average Asking Price (NNN)	\$5.95	\$5.77	\$5.48	\$5.44	\$5.56
Inventory	45,578,597	46,333,038	46,594,339	47,182,927	47,948,706
Vacancy Rate	9.9%	10.4%	10.6%	12.0%	12.2%
Net Absorption (sf)	649,342	412,309	120,007	195,825	299,880

NEW ACTIVITY

Space Occupied | 124,389 sf Total

- 77K sf | 17745 Lookout Road (Enterprise Bldg 2) | Chicago Title (77K)
- 48K SF | 17745 Lookout Road (Enterprise Bldg 5) | Undisclosed (48K)

Industrial Development In Process | 640,690 sf Total

- Tri County Crossing, Buildings 3 (96,978 sf) and 4 (106,424 sf) are under construction
- Enterprise Buildings 4 (250,000 sf) and 6 (187,288 sf) are under construction

HOUSING

Number of new residential building permits issued by the City of Schertz' Building Inspections Division.
The number of permits is **24.0%** lower than those issued during the same period last year.



QUARTER 1 REPORT

DEVELOPMENT

Details on major new development and expansions throughout Schertz during the quarter.
See Data Dictionary section for definitions.

<i>Status</i>	<i>#</i>	<i>Development Name + Address</i>	<i>Category</i>	<i>Size (SF)</i>
Dirt Work	1	128 Windy Meadows	Industrial	8,085
	2	132 Windy Meadows	Industrial	8,050
	3	144 Windy Meadows	Industrial	8,756
	4	Enterprise Building 4 - 17745 Lookout Rd	Industrial	250,428
	5	Enterprise Building 6 - 17745 Lookout Rd	Industrial	187,260
	6	Monntessori Academy - 2510 Old Wiederstein Rd	Retail	2 buildings; 16,723 sf total
	7	Total True Automotive - 5702 FM 1103	Retail	8,720
	8	Crossvine Module 1, Unit 3 Phase A	Residential	31 acres/78 lots
	9	Crossvine Module 1, Unit 3 Phase B	Residential	14.71 acres/40 lots
	10	Hallies Cove Unit 5	Residential	35.964 acres/33 lots
	11	Homestead Subdivision Unit 10	Residential	13.92 acres/55 lots
	12	Homestead Subdivision Unit 3B	Residential	16 acres/58 lots
	13	Homestead Subdivision Unit 4	Residential	17 acres/66 lots
	14	Homestead Subdivision Unit 7	Residential	26.43 acres/73 lots
	15	Nexus - 5600 Schertz Pwky	Office	35,575
Under Construction	16	ARG Holdings - 133 Windy Meadows	Industrial	12,556
	17	B&E Warehouse - 6721 Guada Coma	Industrial	9,907
	18	Candlewood Suites - 17145 IH-35	Hotel	41,560
	19	Casa Verde Farms - 7791 FM 482	Retail	46,282
	20	Discount Tire - 17971 IH-35	Retail	7,680
	21	Fire Station 3 - 11917 Lower Seguin Rd	Civic	13,758
	22	Fresenius Kidney Care - 1787 FM 3009	Office	10,785
	23	Guadalupe County Service Building - 1052 FM 78	Civic	46,722
	24	Pirates Cove Car Wash - 5370 FM 1103	Retail	2,880
	25	Platform Warehouse Suites - 7637 FM 3009	Industrial	8 buildings; 87,300 sf total
	26	Samuel Clemens - 1001 Elbel Rd	Civic	Multi building; 142,000 sf total
	27	Schertz Business Park - 1996 Schertz Pkwy	Office	5 buildings; 19,800 sf total
	28	Southeastern Freight Lines - 7431 FM 3009	Industrial	40,160
	29	Tri County Crossing 3 - 17750 Lookout Rd	Industrial	96,978
	30	Tri County Crossing 4 - 17750 Lookout Rd	Industrial	106,424
	31	Wastewater Plant - 12423 Authority Ln	Civic	25,841
Complete	32	7-Eleven - 17501 IH 35	Retail	3,000
	33	Allure Pet Hospital - 2252 IH 35	Retail	7,523
	34	Casa Mechanical - 7770 FM 482	Industrial	71,225
	35	Ryder Truck Expansion - 9993 Doerr Ln	Industrial	19,226

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AVAILABILITY

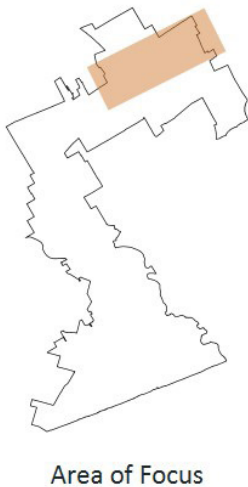
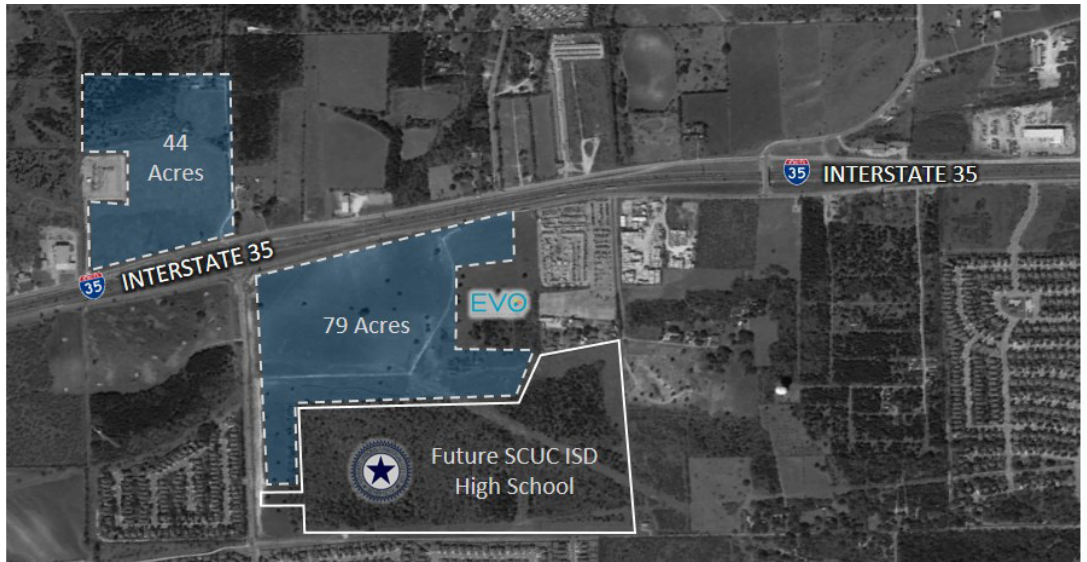
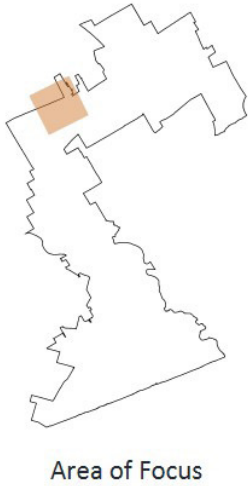
Currently available Class A industrial properties (single buildings of 15K+ square feet) & development ready sites (25+ acres). Indicated within the dashed shapes, development ready sites have immediate access to industrial grade utilities.



	ADDRESS	NAME	AVAILABILITY (SF)
1	1150 Schwab Road	N/A; See following page	385,986
2	17745 Lookout Road	Enterprise Building 3	183,036
3	7377 Doerr Lane	Tri County Building 5	76,250
4	17750 Lookout Road	Tri County Crossing 1	37,296
5	1012 Assembly Circle	Tri County Building 6	35,200
6	6592 Guada Coma Drive	Tri County Building 4	21,930
	TOTAL AVAILABILITY		739,698

AVAILABILITY

Development ready sites are indicated within the dashed shapes and have immediate access to industrial grade utilities. Properties/sections shaded in blue indicate land proposed for retail/office use.



To view more sites & download flyers, visit
SchertzEDC.com/available-properties

DATA DICTIONARY

An explanation of definitions, terms, and sources used throughout this report.

- REAL ESTATE**
- *Schertz Industrial* data is a combination of internally tracked figures and CoStar information. To provide more accurate Schertz data, the SEDC began internally tracking/reporting on our local industrial inventory for Q3 2019. Historical data (April 2017-March 2019) data provided by CoStar.
 - *San Antonio Industrial* data (current & historical) provided by JLL's San Antonio Industrial Insight Reports and Quarterly Industrial Statistics reports. The SEDC uses a fiscal year quarter whereas JLL uses a calendar year; JLL's quarters have been adjusted to fiscal year.
 - *Average Asking Price*: Amount for which landlords are offering their space per square foot, per year for lease for a listing. The NNN stands for Triple Net rent. In this type of commercial real estate rent, tenants pay the amount listed plus additional costs (usually operating expenses & taxes).
 - Inventory: Total existing square feet of space, limited to individual buildings 15,000+ sf.
 - *Vacancy Rate*: The amount of available space divided by total inventory.
 - *Net Absorption*: For existing buildings, the measure of total square feet occupied minus the total space vacated over a given time period.
 - New Residential Permits issued during the quarter, and historical building permit data, is provided by the City of Schertz Building Inspections Division.

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- DEVELOPMENT**
- *Dirt Work*: Preparing site for intended use (grading, infrastructure installation, poring pads). Residential developments and projects that consist solely of infrastructure installation appear under Dirt Work and, when finished, move directly to Complete. Commercial developments enter Dirt Work status once they have a clearing & grading permit and/or a building permit.
 - *Under Construction*: Activity between site preparation and certificate of occupancy issuance. Includes remodels of existing buildings.
 - *Complete*: A City of Schertz Certificate of Occupancy (CO) has been issued for the project. See a building operating in Schertz, but listed as Under Construction? CO's are only issued after a project has fulfilled all city requirements; some projects may be operational but lack a final CO.
 - *Categories*:
 - Retail: Primary intended use is to promote, distribute, or sell products/services.
 - Residential: Primary intended use is housing of city residents (ex: subdivisions).
 - Office: Primary intended use is housing employees of companies that produce product/services primarily for support services.
 - Industrial: Primarily used for distribution, warehouse, manufacturing, and/or transportation operations.
 - Hotel: Facility offering lodging accommodations & other services (ex: meeting space).
 - Civic: Developments related to the school district, city, county, or utility companies.
 - Development data provided by the City of Schertz Planning & Zoning Division and the [What's Developing In Schertz](#) online visualizer

