



Q2

SEDC Quarterly Report Q2 FY 2019-20
Quarter 2 | Jan 1 - Mar 31

SCHERTZ
ECONOMIC DEVELOPMENT CORPORATION

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.

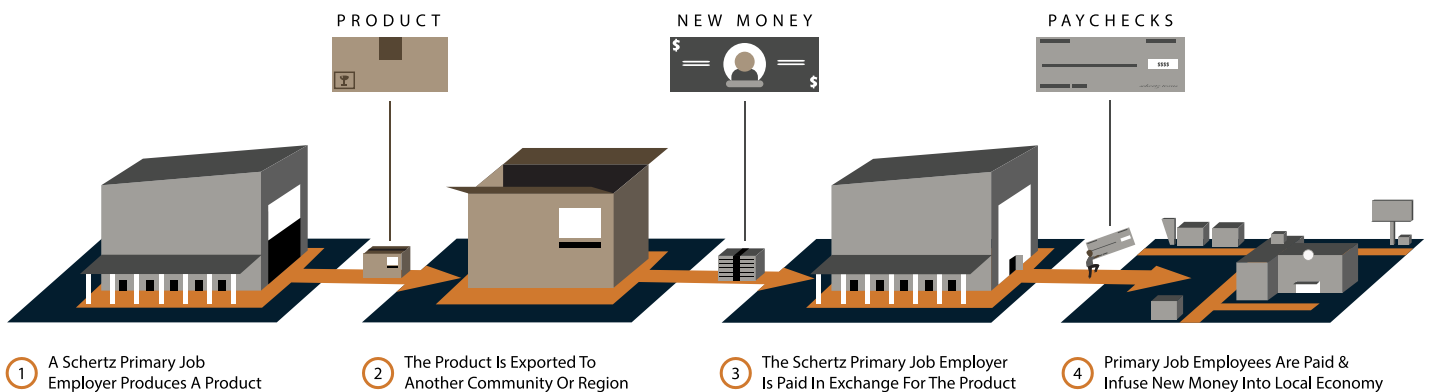
PRIMARY JOBS

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.



PROJECTS

Notable updates on SEDC Projects located in Schertz.



NEXUS

Nexus, a health care & insurance clinical review company, is working on the interior finish out of their new facility.

5600

Schertz Parkway

Occupying **36,450 sf**

Address in Schertz' Enterprise Business Park

SCHERTZ 312 PHASE I

Infrastructure has reached substantial completion. All paving is done.

Developer Titan Development

This road will open up new areas of Schertz

171

Acres Will Be Accessible



REAL ESTATE

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

Schertz	Q2 (2019)	Q3 (2019)	Q4 (2019)	Q1 (2020)	Q2 (2020)
Average Asking Price (NNN)	\$5.49	\$5.48	\$5.57	\$5.59	\$5.49
Inventory (sf)	8,991,366	8,794,887	8,901,311	8,984,021	8,984,021
Vacancy Rate	13.5%	11.0%	9.4%	8.2%	9.2%
Net Absorption (sf)	198,301	-	60,700	124,389	35,200

San Antonio

Average Asking Price (NNN)	\$5.77	\$5.48	\$5.44	\$5.56	\$5.58
Inventory (sf)	46,333,038	46,594,339	47,182,927	47,948,706	48,160,097
Vacancy Rate	10.4%	10.6%	12.0%	12.2%	11.3%
Net Absorption (sf)	412,309	120,007	195,825	120,007	107,593

NEW ACTIVITY

Space Occupied | 35,200 sf Total

- 35K sf | 1012 Assembly Circle | Frank Supply (35,200 sf)

Development In Process | 640,690 sf Total

- Construction underway on Tri County Crossing, Building 3 (96,978 sf)
- Construction underway on Tri County Crossing, Building 4 (106,424 sf)
- Construction underway on Enterprise Building 4 (250,000 sf)
- Construction underway on Enterprise Building 6 (187,288 sf)

HOUSING

Number of new residential building permits issued by the City of Schertz' Building Inspections Division.
The number of permits is **32.7%** higher than those issued during the same period last year.



QUARTER 2 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	Montessori Academy - 2510 Old Wiederstein Rd	Civic	2 buildings; 16,723 sf total
	4	Crossvine Module 1, Unit 3 Phase A	Residential	31 acres/78 lots
	5	Crossvine Module 1, Unit 3 Phase B	Residential	15 acres/40 lots
	6	Hallies Cove Unit 5	Residential	36 acres/33 lots
	7	Homestead Subdivision Unit 10	Residential	14 acres/55 lots
	8	Homestead Subdivision Unit 3B	Residential	16 acres/58 lots
	9	Homestead Subdivision Unit 4	Residential	17 acres/66 lots
	10	Homestead Subdivision Unit 7	Residential	26 acres/73 lots
Under Construction	11	UFP Schertz - 21700 FM 2252	Industrial	4,418
	12	17659 Four Oaks	Hotel	45,830
	13	144 Windy Meadows	Industrial	8,756
	14	Enterprise Building 4 - 17745 Lookout Rd	Industrial	250,428
	15	Enterprise Building 6 - 17745 Lookout Rd	Industrial	187,260
	16	Total True Automotive - 5702 FM 1103	Retail	8,720
	17	Nexus - 5600 Schertz Pwky	Office	35,575
	18	ARG Holdings - 133 Windy Meadows	Industrial	12,556
	19	Candlewood Suites - 17145 IH-35	Hotel	41,560
	20	Discount Tire - 17971 IH-35	Retail	7,680
	21	Fire Station 3 - 11917 Lower Seguin Rd	Civic	13,758
	22	Pirates Cove Car Wash - 5370 FM 1103	Retail	2,880
	23	Platform Warehouse Suites - 7637 FM 3009	Industrial	8 buildings; 87,300 sf total
	24	Samuel Clemens Expansion - 1001 Elbel Rd	Civic	Multi building; 142,000 sf total
	25	Schertz Business Park - 1996 Schertz Pkwy	Office	5 buildings; 19,800 sf total
	26	Southeastern Freight Lines - 7431 FM 3009	Industrial	40,160
	27	Tri County Crossing 3 - 17750 Lookout Rd	Industrial	96,978
	28	Tri County Crossing 4 - 17750 Lookout Rd	Industrial	106,424
	29	Wastewater Plant Expansion - 12423 Authority Ln	Civic	25,841
	30	B&E Warehouse - 6721 Guada Coma	Industrial	9,907
Complete	31	Casa Verde Farms - 7791 FM 482	Retail	46,282
	32	Fresenius Kidney Care - 1787 FM 3009	Office	10,785
	33	Guadalupe County Service Building - 1052 FM 78	Civic	46,722

DEVELOPMENT

Details on major new development and expansions throughout Schertz during the quarter.



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.

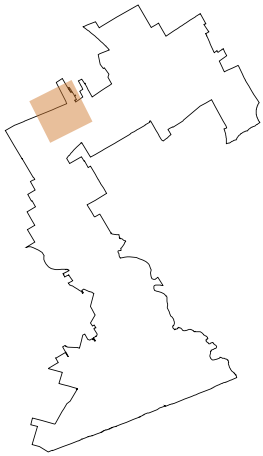


Area of Focus

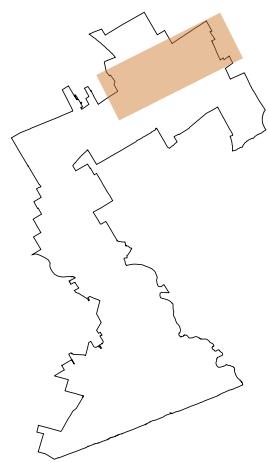
	BUILDINGS	AVAILABILITY
A	1150 Schwab Road (see following page)	385,986
B	17745 Lookout Road, Enterprise Building 3	191,862
C	17745 Lookout Road, Enterprise Building 5	47,717
D	5755 Tri County Parkway, Tri County Building 3	55,025
E	7377 Doerr Lane, Tri County Building 5	76,250
F	17750 Lookout Road, Tri County Crossing 1	37,296
G	6592 Guada Coma Drive, Tri County Building 4	21,930
H	17301 Bell North Drive	10,000
	TOTAL AVAILABILITY	826,066

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.



Area of Focus



Area of Focus



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 internally tracked by SEDC staff and confirmed through brokers every quarter.
- *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. Excludes under construction and planned buildings.
- *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.

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



FM 2252 Industrial Area Retail Area

FM 1163 Retail Area

3009
Tri County Interstate 35 & FM 3009 Service Area



3009