

Common Goals: San Antonio State of the Market

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San Antonio, once a quaint little city, is becoming the newest place that millennials and others from all over the country are flocking to. Residents are drawn to the great weather, the low cost of living and the increasing number of jobs available to the city's diverse and educated workforce. The city gained over 24,000 new residents between 2016 and 2017 alone, bringing the population up to 1.5 million. The I-35 corridor between San Antonio and Austin is one of the fastest growing corridors in the United States and by 2040 the population in San Antonio is expected to increase by another million. So what does this mean for the construction industry in the Central Texas region? It means we're not slowing down any time soon.

Given the steady increase in population, it's no surprise that the multifamily sector is seeing a lot

of activity. Although growth in the housing market is stabilizing, it is expected that new product will continue to be built over the next few years. Also, the education market segment is booming with both K-12 and higher education projects. Currently, New Braunfels ISD, Comal ISD, North East ISD and Northside ISD, as well as the University of Texas at San Antonio, Texas A&M University-San Antonio and Alamo College all have plans to expand.

As more people move to the San Antonio area, businesses are starting to follow. This is resulting not only in a very low unemployment rate for the city, but also in an increasing need for space. Texas now leads the nation in the development of industrial distribution and warehouse space. These facilities in the Central Texas region are predominately situated along the I-35 corridor as this location offers easy access to both San Antonio and Austin. With a surge of healthcare and tech



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jobs, San Antonio is also experiencing a spike in the office market and saw the largest percent increase in office rents of any U.S. city in 2017.

Leveraging its extensive housing construction expertise, Cadence McShane has been able to facilitate San Antonio's unprecedented growth within the multifamily sector. We are currently underway with five assignments within the area: Brookwood Senior Apartments, a 197-unit senior residence; East Meadows Apartments, which includes 119 affordable units; 6701 Blanco, a historical remodel of 300 senior living units; Acequia Lofts, a 151-unit luxury development; and 120 Ninth Street which features 220 apartment units nearing completion.

Although we live in an ever-changing market, we can expect that one thing will remain consistent in the next 20 years—San Antonio's growth. Cadence McShane is prepared for this continued growth and is ready to embrace the challenges and opportunities that will be presented to us as San Antonio and the Central Texas region rise to a new level.



Srinath Pai Kasturi, LEED AP
Executive Vice President

Srinath Pai Kasturi provides executive leadership, operational management, and extensive sales expertise. He oversees the Central Texas division of the firm and

works directly with the firm's executives at each of the offices to expand the organization's presence in major markets. Srinath is involved in both short- and long-term planning for the firm, participating and

contributing to the overall direction and growth of operations.

Srinath has been in the construction industry since 1997 and joined Cadence McShane in 2002, he provides leadership and executive oversight of the professional construction personnel. He confers with the project team as needed to meet project objectives. Srinath is the ultimate decision maker on any client issue and executes the project contract.