



# 2520 BROADWAY STREET

MEDICAL OFFICE BUILDING | 17,621 SQUARE FEET | SAN ANTONIO, TEXAS

Transwestern, as exclusive advisor, is pleased to present the opportunity to acquire 2520 Broadway (the "Property"), a well-located medical office building in the thriving Midtown submarket of San Antonio, Texas. Currently 80% leased and totaling 17,621 square feet, the Property has the stability of a strong tenant base with an average 54 months of lease term remaining plus additional value creation through the leasing of the remaining vacancy.

2520 Broadway is centrally located along one of San Antonio's most desired streets, bridging the gap between two of the metropolitan area's highest-income neighborhoods and a CBD that is seeing an explosion of non-medical development that is setting the bar for rental rates in the City with each new project delivery. The Property's proximity to the affluent Alamo Heights, Terrell Hills, and Olmos Park neighborhoods, as well as it being one of the few medical office-specific projects delivered in the last 12 years, provide that 2520 Broadway is uniquely positioned to provide a highly sought-after location for medical practices to serve an expanded patient-base.

There is a medical-office product gap in the immediate area, providing limited Class A options in the area to specifically serve the medical community, other than dated retail centers and traditional office properties. Medical office tenants seeking an opportunity to lease space in the area between the CBD and the three affluent neighborhoods must typically travel north of those neighborhoods or Downtown options that aren't medical-specific.



## OUTSTANDING INVESTMENT OPPORTUNITY:

2520 Broadway is an excellent opportunity for an investor to purchase a value-add medical office building located in an urban in-fill location in San Antonio. Demand for medical office investment in Texas continues to rise especially for medical office product that presents a value-creation opportunity through future leasing.

2520 Broadway has an exceptional location, in a desirable area. Situated at the intersection of Broadway Street and Post Avenue, tenants and visitors can easily access The Pearl to the South, the nearby high-income neighborhoods and the University of Incarnate Word to the North, and U.S 281 and Trinity University to the West. Few projects can boast the availability of as many retail or business service amenities as 2520 Broadway.

The Property's proximity to desirable demographics provide a strong existing amenity base, in an area that is the corridor for San Antonio's top-end development in the immediate future. Millions of square feet of non-medical office and retail projects are under development in the immediate area, anticipated asking rates over 40% higher than the in-place rates at 2520 Broadway in the area prohibiting competitive product around the same rental rate.

2520 Broadway is located within a two-minute drive of The Pearl, San Antonio's high-end mixed-use project, less than a five minute drive from Alamo Heights, Olmos Park, and Terrell Hills, three of the highest income areas in the city, and benefits as the only medical-centric project along the immediate corridor, which provides Landlords with the ability to capture strong rental growth as the area continues to be driven by strong demand.

## 2520 BROADWAY | PROPERTY SUMMARY

<b>Address</b>	2520 Broadway Street, San Antonio, Texas 78215
<b>Submarket</b>	Midtown
<b>Rentable Area</b>	17,621 SF
<b>Number of Floors</b>	2
<b>Year Built</b>	2007
<b>Occupancy</b>	79.9%
<b>Average Remaining Term</b>	54 months
<b>In-Place Rental Rate</b>	\$25.81 NNN
<b>Parking Capacity</b>	53 spaces plus 3 handi- capped for a total of 56 spaces
<b>Parking Ratio</b>	3.18 per 1,000
<b>Site Size (Acres)</b>	1.026 acres
<b>Zoning</b>	RIO-1, C-2



## STRONG MARKET FUNDAMENTALS:

Investors are attracted to the Texas markets because of their strong economic fundamentals. According to the 2019 Brookings Metropolitan Policy Program report, San Antonio ranked number 4 in overall economic growth from 2007 to 2017.

Rental rates continue to rise as vacancy rates decline; San Antonio saw a 3.9% increase in Class A office rental rates in 2018, with a direct vacancy rate of 16% for Class A office across the city.. Overall, the rolling 12-month citywide total net absorption is a positive 547,118 square feet. The Midtown submarket, where 2520 Broadway is located, enjoys a 4.3% direct vacancy rate for Class A product, with the lowest direct vacancy percentage of any submarket in the San Antonio area.

San Antonio's Class A office rental rates in Q1 2019 hit a new high at \$29.15 PSF full service, a 2.9% increase year-over-year. In the Midtown submarket, Class A office rental rates ended the first quarter at \$33.05 PSF full service, as one of the highest rental rate submarkets in the City. The projects under-development, immediately South of the project, will not be medical-specific and are quoting triple-net rates that equate to approximately \$55.00 PSF, full service.

While San Antonio is known for its deep-rooted history, art and ethnic diversity, this city's growth ranks high among large Texas cities and has emerged as one of the best environments for business. Local businesses and companies entering San Antonio enjoy a collaborative culture focused on creating opportunity, access to universities, quality of life, and low cost of living.



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