



Boerne, TX Real Estate Market

The single family residential market in the Boerne area is similar to San Antonio's in that there are few speculative home starts and the relatively small inventory of new homes is being absorbed at a slower pace than a year ago. However, there are numerous custom homes being built in the area (some at and above the \$1,000,000 price range) and there still is demand for reasonably priced existing homes in the city limits.

There is demand for multi-family residential product but there is virtually no available land in Boerne that is suitable for apartments, duplexes, etc. due to zoning restrictions and utility service limitations.

There seems to be ongoing demand for light industrial space in Boerne but there is a lack of land with the necessary zoning and with economics that would make development feasible for this product type.

The market for retail space in Boerne appears to be stable with few vacancies. We do not foresee development of any significant new retail space in the near future.

The Boerne office market has over the past couple of years has been dominated by medical-related users. For example, the 25,000 SF Hill Country Plaza Office Condos that we have marketed are occupied mostly by medical professionals although there was no effort to make it a medical-type project. We are not aware of plans for development of any significant new office space.

There are three new hotels in Boerne that have just opened or will be opening within the next several months so it appears the local need for hotel rooms might be satisfied for the foreseeable future.

The Boerne area continues to attract real estate investors. We recently brokered the sale of a 3+ acre site on I-10 that was purchased by an investor who plans a yet to be determined commercial development. We are aware of three buildings on Main Street in downtown Boerne that we recently purchased by an investor. We are currently working on the sale of a 65-acre tract just west of Boerne to a couple of local investors.

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