



TEXAS QUARTERLY COMMERCIAL REPORT

Dr. Harold D. Hunt
RESEARCH ECONOMIST

Dr. Adam Perdue
RESEARCH ECONOMIST

Dr. Daniel Oney
RESEARCH DIRECTOR



TEXAS A&M UNIVERSITY
Texas Real Estate Research Center

TECHNICAL REPORT

2211

THIRD QUARTER 2023

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Market Summary Comparison



	Apartment				Office				Retail				Warehouse			
	Monthly Rent per SF		Vacancy		Annual Rent per SF		Vacancy		Annual Rent per SF		Vacancy		Annual Rent per SF		Vacancy	
	Current	% Δ Y-o-Y	Current	Δ Y-o-Y	Current	% Δ Y-o-Y	Current	Δ Y-o-Y	Current	% Δ Y-o-Y	Current	Δ Y-o-Y	Current	% Δ Y-o-Y	Current	Δ Y-o-Y
Austin	\$1.82	-2.85%	10.35%	1.92%	\$29.84	0.66%	20.05%	4.08%	\$25.80	9.84%	3.55%	-0.08%	\$12.30	3.03%	7.75%	2.92%
Dallas-Fort Worth	\$1.70	-0.39%	8.95%	1.45%	\$23.43	1.65%	21.75%	0.98%	\$18.95	7.12%	5.45%	-0.12%	\$8.30	19.71%	8.45%	2.18%
Houston	\$1.45	1.29%	9.80%	1.13%	\$21.05	1.00%	22.85%	0.52%	\$19.86	3.12%	5.80%	-0.20%	\$8.86	7.86%	7.90%	0.97%
San Antonio	\$1.40	-0.71%	11.10%	2.53%	\$21.27	-1.67%	15.50%	1.43%	\$18.28	6.88%	4.05%	-0.28%	\$7.67	11.59%	7.15%	3.52%

Texas

- Texas employment growth on a year-over-year (YOY) basis remains just higher than long-term trends in Dallas-Fort Worth, Houston, and San Antonio.
- Monthly employment has moderated, and YOY results are expected to moderate further through 2023, potentially moving below long-term trends but remaining positive through the end of the year.
- Apartments' under-construction levels have been falling for the last quarter or two across the major Metropolitan Statistical Areas (MSAs). Austin saw the largest swing in construction activity post COVID and deliveries remain elevated. Austin's relatively high levels of forthcoming deliveries will continue to place downward pressure on rents. Vacancies continue to increase in both Austin and San Antonio while leveling out in Dallas and Houston.



Texas

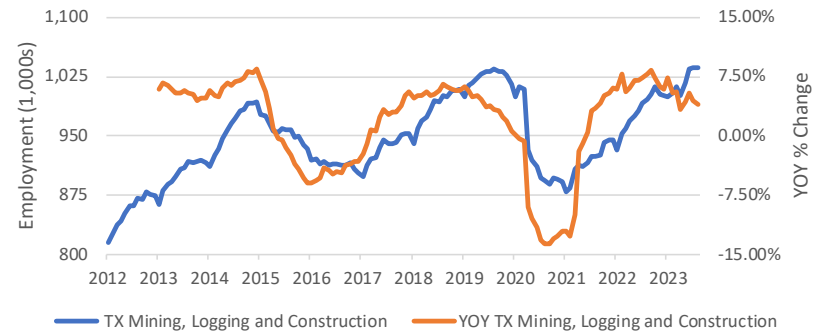
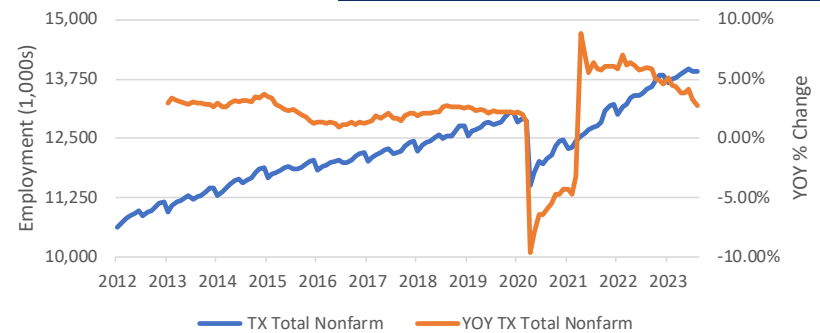
- Office absorption continues to be negative across the major metros. Austin office rents will face downward pressure due to their continuing elevated construction pipeline. Dallas-Fort Worth, Houston, and San Antonio have more moderate levels of construction relative to market size. While vacancy continues to grow in Austin, Dallas-Fort Worth, and San Antonio, it has started to show signs of leveling out in Houston.
- Retail construction has maintained normal bounds since 2020. Vacancies are at or below pre-COVID levels across the board while rents have grown.
- Warehouse construction has started to return to more subdued levels in Dallas-Fort Worth, Houston, and San Antonio while they remain elevated in Austin. Rent increases have begun to slow in Austin with larger relative levels of deliveries, but they remain elevated elsewhere. Vacancies have fallen back from an immediate post-COVID rise in Houston while bouncing back from falls elsewhere.



Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Total Nonfarm	13,907,400	13,528,800	378,600	2.80%
AUS Total Nonfarm	1,317,800	1,287,200	30,600	2.38%
DFW Total Nonfarm	4,279,500	4,124,700	154,800	3.75%
HOU Total Nonfarm	3,348,400	3,260,800	87,600	2.69%
SAT Total Nonfarm	1,154,900	1,128,700	26,200	2.32%

	Aug-23	Aug-22	Change	YOY
TX Mining, Logging and Construction	1,036,200	996,300	39,900	4.00%
AUS Mining, Logging and Construction	85,800	80,400	5,400	6.72%
DFW Mining, Logging and Construction	255,600	235,900	19,700	8.35%
HOU Mining, Logging and Construction	289,300	292,600	(3,300)	-1.13%
SAT Mining, Logging and Construction	70,900	68,800	2,100	3.05%

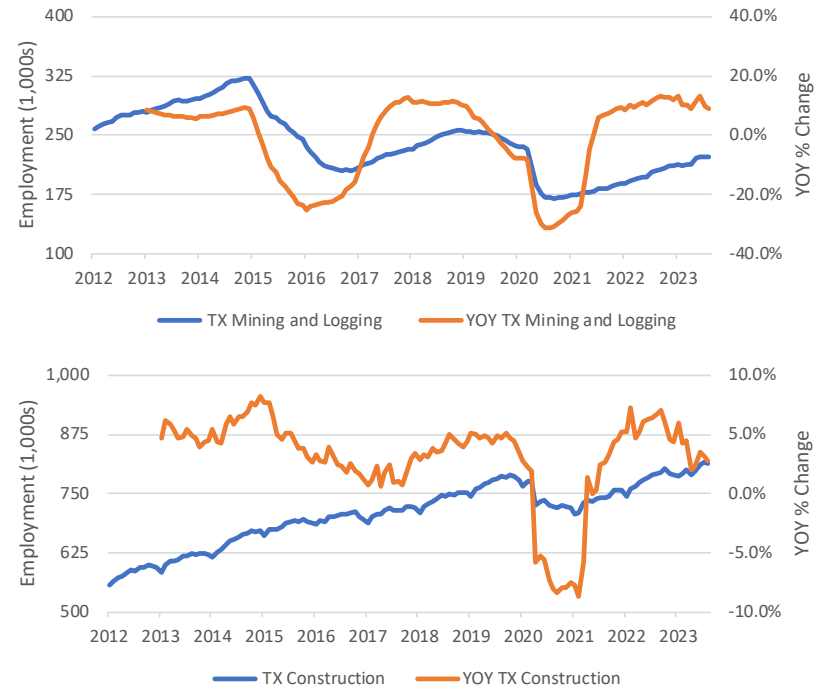


Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Mining and Logging	222,800	204,600	18,200	8.90%
AUS Mining and Logging	-	-	-	-
DFW Mining and Logging	-	-	-	-
HOU Mining and Logging	69,900	66,400	3,500	5.27%
SAT Mining and Logging	7,300	6,900	400	5.80%

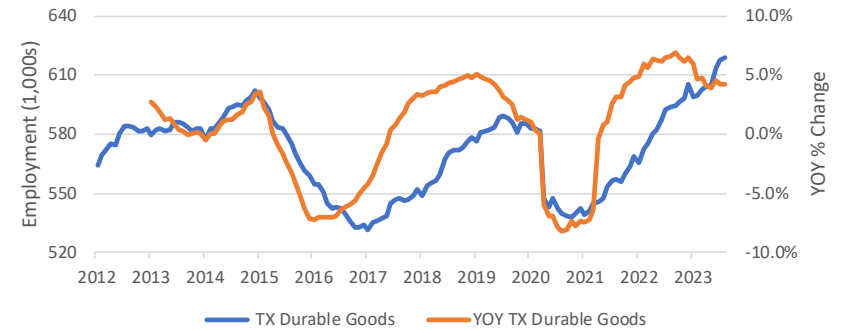
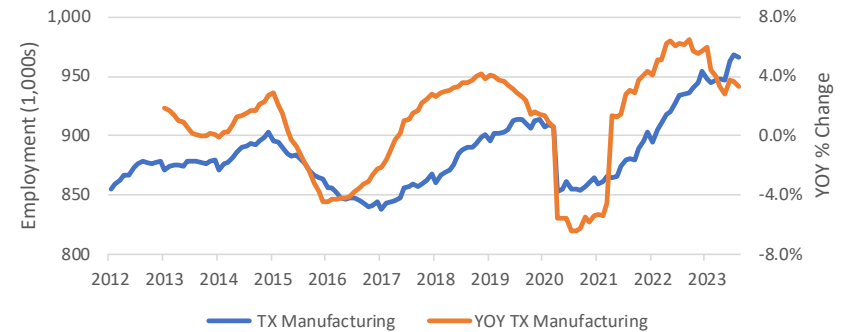
	Aug-23	Aug-22	Change	YOY
TX Construction	813,400	791,700	21,700	2.74%
AUS Construction	-	-	-	-
DFW Construction	-	-	-	-
HOU Construction	219,400	226,200	(6,800)	-3.01%
SAT Construction	63,600	61,900	1,700	2.75%



Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Manufacturing	966,400	935,400	31,000	3.31%
AUS Manufacturing	73,400	71,000	2,400	3.38%
DFW Manufacturing	311,900	301,900	10,000	3.31%
HOU Manufacturing	233,600	226,400	7,200	3.18%
SAT Manufacturing	56,900	57,800	(900)	-1.56%

	Aug-23	Aug-22	Change	YOY
TX Durable Goods	619,100	594,000	25,100	4.23%
AUS Durable Goods	-	-	-	-
DFW Durable Goods	219,300	211,100	8,200	3.88%
HOU Durable Goods	144,700	139,100	5,600	4.03%
SAT Durable Goods	39,200	39,800	(600)	-1.51%

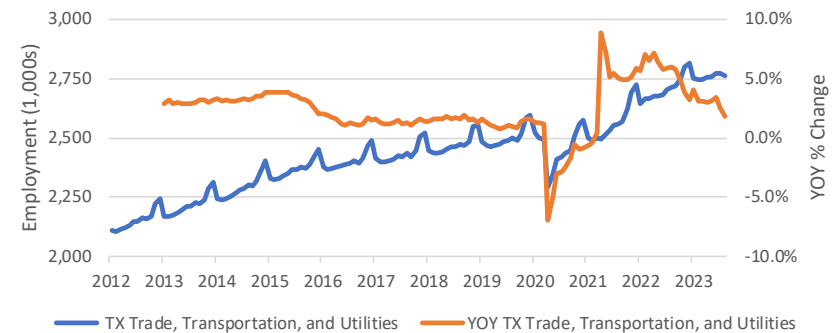
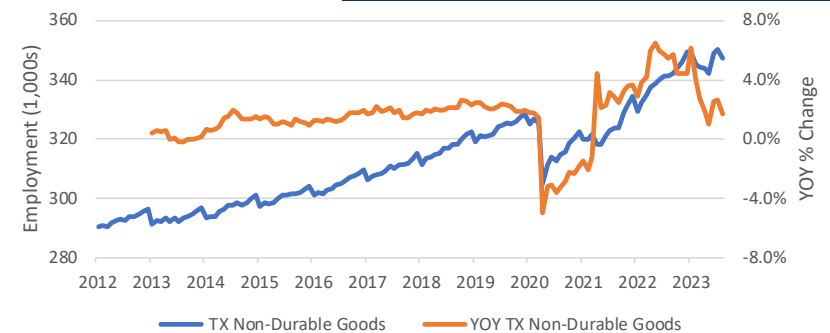


Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Non-Durable Goods	347,300	341,400	5,900	1.73%
AUS Non-Durable Goods	-	-	-	-
DFW Non-Durable Goods	92,600	90,800	1,800	1.98%
HOU Non-Durable Goods	88,900	87,300	1,600	1.83%
SAT Non-Durable Goods	17,700	18,000	(300)	-1.67%

	Aug-23	Aug-22	Change	YOY
TX Trade, Transportation, and Utilities	2,762,200	2,713,000	49,200	1.81%
AUS Trade, Transportation, and Utilities	206,700	206,400	300	0.15%
DFW Trade, Transportation, and Utilities	900,000	885,300	14,700	1.66%
HOU Trade, Transportation, and Utilities	695,000	669,500	25,500	3.81%
SAT Trade, Transportation, and Utilities	204,400	202,600	1,800	0.89%

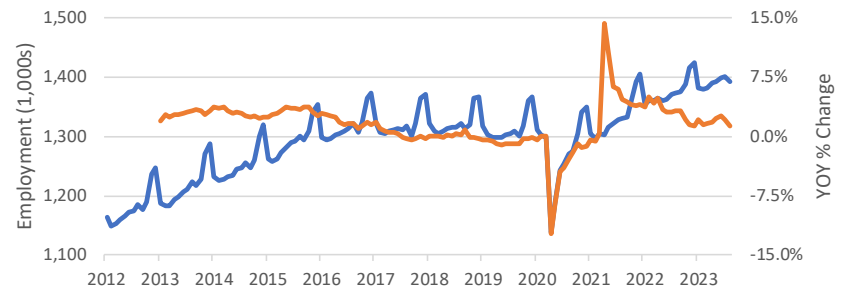
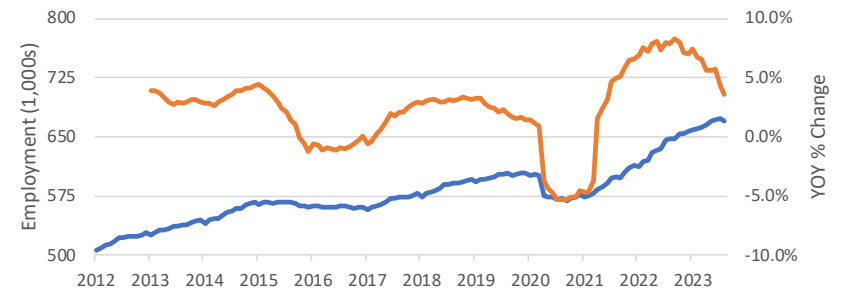


Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Wholesale Trade	670,700	647,300	23,400	3.62%
AUS Wholesale Trade	55,500	57,100	(1,600)	-2.80%
DFW Wholesale Trade	238,300	234,400	3,900	1.66%
HOU Wholesale Trade	181,000	171,000	10,000	5.85%
SAT Wholesale Trade	38,500	39,100	(600)	-1.53%

	Aug-23	Aug-22	Change	YOY
TX Retail Trade	1,393,300	1,374,600	18,700	1.36%
AUS Retail Trade	116,700	115,600	1,100	0.95%
DFW Retail Trade	385,800	386,100	(300)	-0.08%
HOU Retail Trade	319,400	313,500	5,900	1.88%
SAT Retail Trade	122,400	119,400	3,000	2.51%

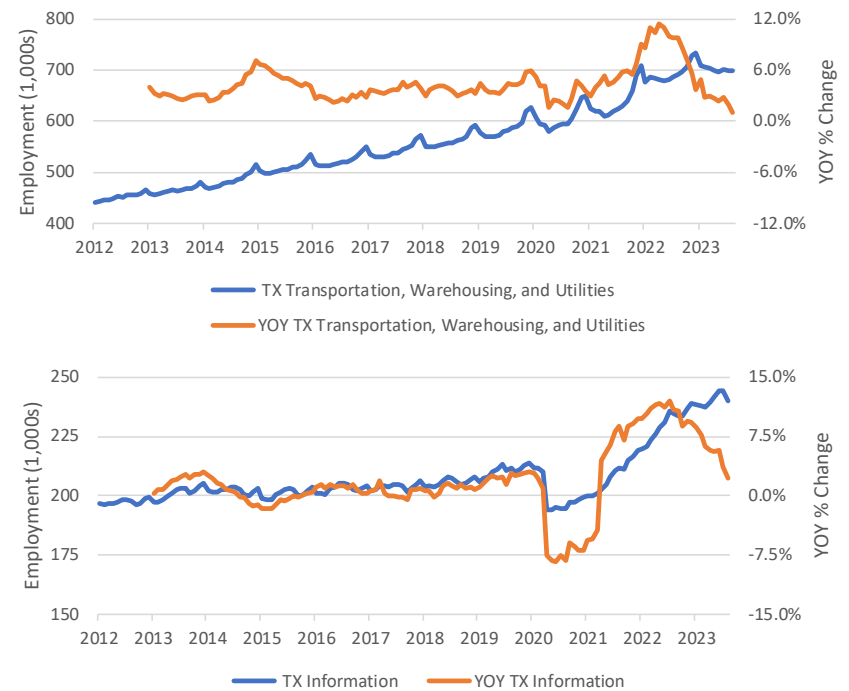


Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Transportation, Warehousing, and Utilities	698,200	691,100	7,100	1.03%
AUS Transportation, Warehousing, and Utilities	34,500	33,700	800	2.37%
DFW Transportation, Warehousing, and Utilities	275,900	264,800	11,100	4.19%
HOU Transportation, Warehousing, and Utilities	194,600	185,000	9,600	5.19%
SAT Transportation, Warehousing, and Utilities	43,500	44,100	(600)	-1.36%

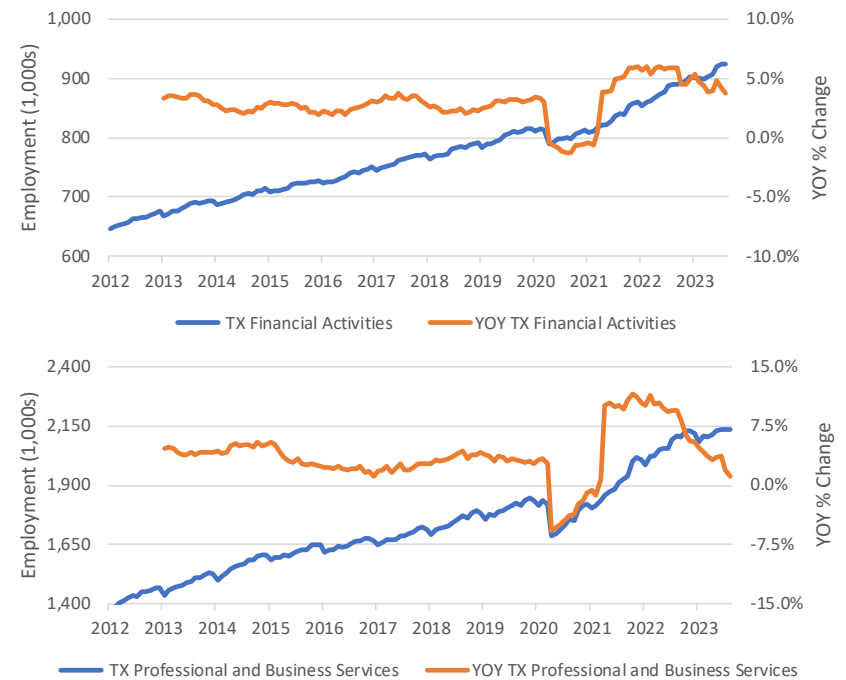
	Aug-23	Aug-22	Change	YOY
TX Information	240,000	234,700	5,300	2.26%
AUS Information	53,500	53,400	100	0.19%
DFW Information	95,500	92,000	3,500	3.80%
HOU Information	33,200	33,100	100	0.30%
SAT Information	19,400	19,000	400	2.11%



Texas Commercial Markets *key employment trends*

	Aug-23	Aug-22	Change	YOY
TX Financial Activities	924,200	890,500	33,700	3.78%
AUS Financial Activities	80,000	79,900	100	0.13%
DFW Financial Activities	379,000	363,700	15,300	4.21%
HOU Financial Activities	189,000	181,000	8,000	4.42%
SAT Financial Activities	103,200	100,000	3,200	3.20%

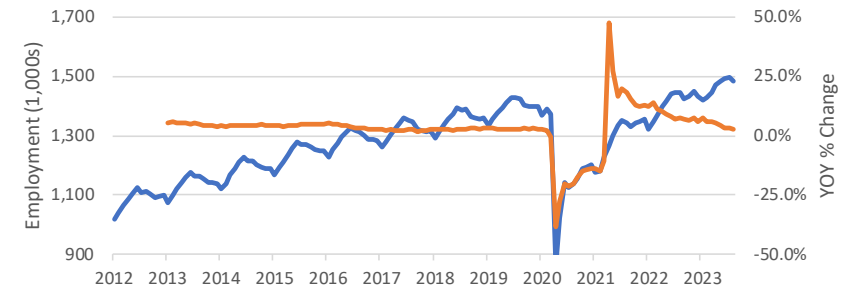
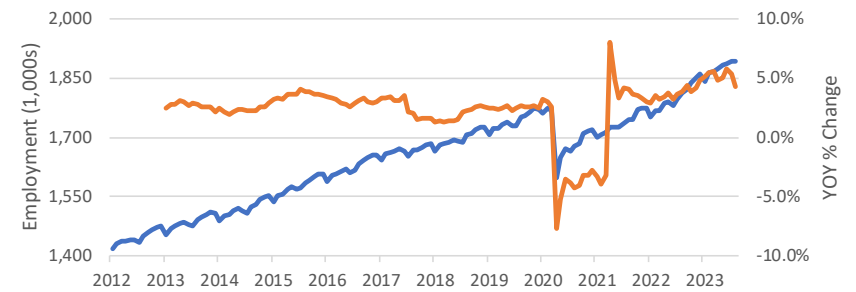
	Aug-23	Aug-22	Change	YOY
TX Professional and Business Services	2,133,900	2,109,100	24,800	1.18%
AUS Professional and Business Services	290,600	280,300	10,300	3.67%
DFW Professional and Business Services	806,300	778,800	27,500	3.53%
HOU Professional and Business Services	558,900	547,400	11,500	2.10%
SAT Professional and Business Services	159,900	161,400	(1,500)	-0.93%



Texas Commercial Markets *key employment trends*

	May-23	May-22	Change	YOY
TX Private Education and Health Services	1,876,900	1,792,000	84,900	4.74%
AUS Private Education and Health Services	146,100	142,500	3,600	2.53%
DFW Private Education and Health Services	497,600	473,700	23,900	5.05%
HOU Private Education and Health Services	447,000	422,100	24,900	5.90%
SAT Private Education and Health Services	174,300	167,900	6,400	3.81%

	May-23	May-22	Change	YOY
TX Leisure and Hospitality	1,484,600	1,418,200	66,400	4.68%
AUS Leisure and Hospitality	149,100	137,200	11,900	8.67%
DFW Leisure and Hospitality	419,900	398,600	21,300	5.34%
HOU Leisure and Hospitality	355,100	343,000	12,100	3.53%
SAT Leisure and Hospitality	147,900	137,000	10,900	7.96%



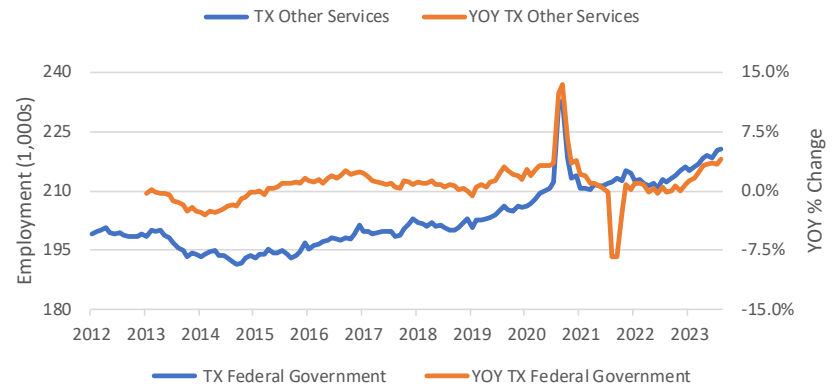
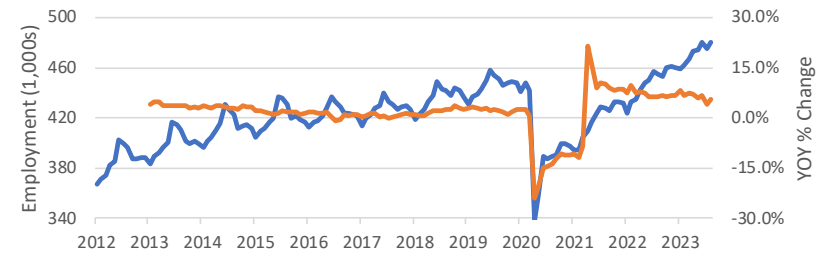
Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Texas Commercial Markets *key employment trends*



	Aug-23	Aug-22	Change	YOY
TX Other Services	480,000	455,200	24,800	5.45%
AUS Other Services	51,600	49,500	2,100	4.24%
DFW Other Services	146,500	130,400	16,100	12.35%
HOU Other Services	121,300	120,300	1,000	0.83%
SAT Other Services	40,800	39,600	1,200	3.03%

	Aug-23	Aug-22	Change	YOY
TX Federal Government	220,500	212,100	8,400	3.96%
AUS Federal Government	14,600	14,700	(100)	-0.68%
DFW Federal Government	48,700	47,500	1,200	2.53%
HOU Federal Government	33,400	32,200	1,200	3.73%
SAT Federal Government	38,500	36,900	1,600	4.34%



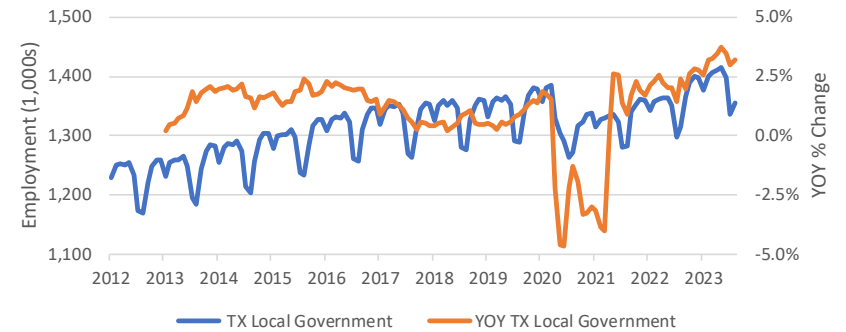
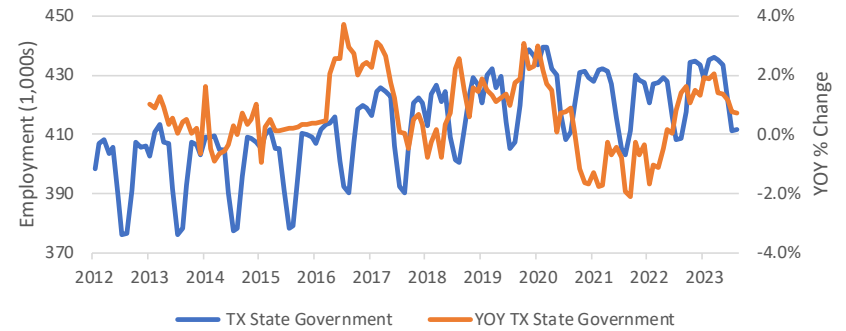
Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Texas Commercial Markets *key employment trends*



	Aug-23	Aug-22	Change	YOY
TX State Government	411,600	408,700	2,900	0.71%
AUS State Government	69,500	71,800	(2,300)	-3.20%
DFW State Government	74,000	71,500	2,500	3.50%
HOU State Government	94,800	92,500	2,300	2.49%
SAT State Government	20,600	21,200	(600)	-2.83%

	Aug-23	Aug-22	Change	YOY
TX Local Government	1,356,100	1,313,900	42,200	3.21%
AUS Local Government	97,200	94,300	2,900	3.08%
DFW Local Government	345,700	328,700	17,000	5.17%
HOU Local Government	293,100	290,000	3,100	1.07%
SAT Local Government	117,200	109,900	7,300	6.64%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Austin

- Economy
- Apartments
- Office
- Retail
- Warehouse



Austin Economy

- Total employment growth in the Austin MSA has fallen below pre-COVID rates. Slowdowns in growth are evident in the core information and professional and business services subsectors.
- Apartment deliveries remain elevated, but construction has peaked as rents continue to fall. Rent will continue to see downward pressure as deliveries remain elevated and vacancy continues to increase.
- Office absorption is negative as under-construction levels remain elevated, and both will put downward pressure on rents as vacancy grows rapidly.
- Retail construction has stayed in normal bounds in the post COVID period, although elevated rent growth has peaked while vacancy is low but rising.
- Warehouse starts and under-construction levels remain elevated as rents continue to rise, albeit at a slower rate. While vacancy dropped immediately after COVID, it has now returned to approximately pre-COVID levels.



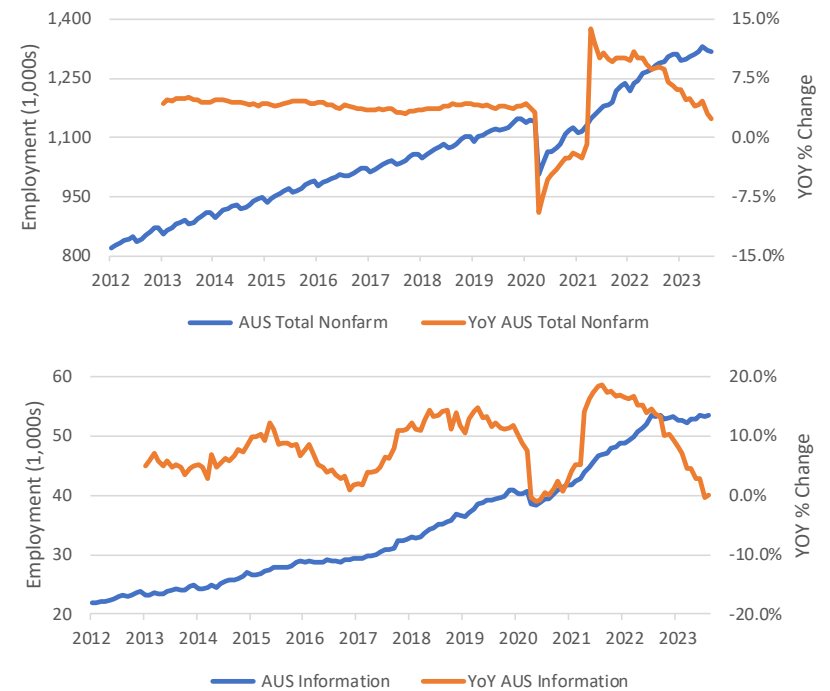
Austin Economy *key employment trends*

AUS Total Nonfarm

	Aug-23	Aug-22	Change	YoY
AUS Total Nonfarm	1,317,800	1,287,200	30,600	2.38%

AUS Information

	Aug-23	Aug-22	Change	YoY
AUS Information	53,500	53,400	100	0.19%



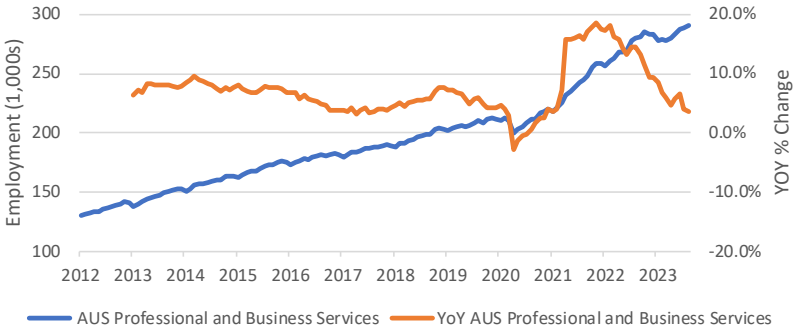
Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Austin Economy *key employment trends*



AUS Professional and Business Services

	Aug-23	Aug-22	Change	YoY
AUS Professional and Business Services	290,600	280,300	10,300	3.67%

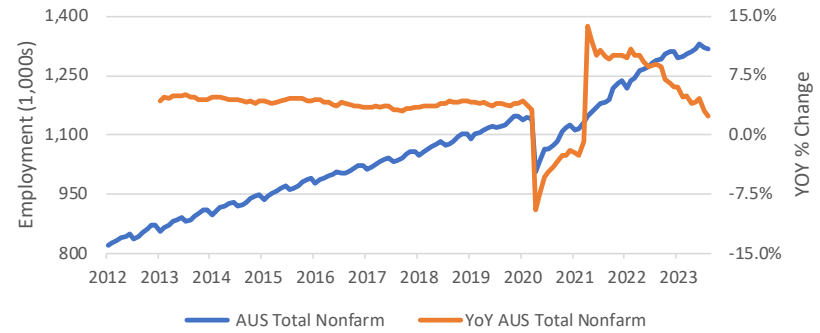


Austin Apartment Market *key employment trends*



AUS Total Nonfarm

Aug-23	Aug-22	Change	YoY
1,317,800	1,287,200	30,600	2.38%

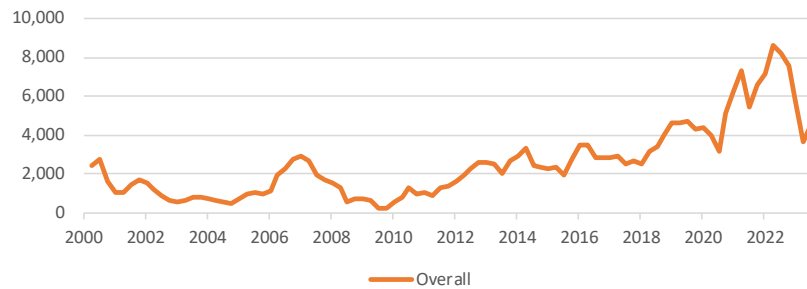


Austin Apartment Market *absorption/construction*

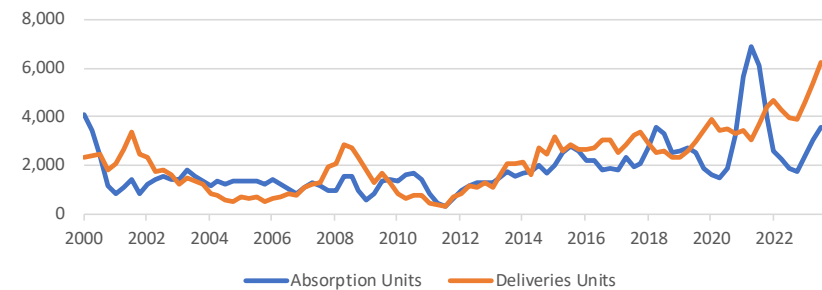
	Current	Previous Quarter	Previous Year
Starts Units	Overall 4,511	3,611	8,231
Absorption Units	Overall 3,560	3,083	1,904
Deliveries Units	Overall 6,269	5,374	3,991
Under Construction Units	Overall 49,339	51,096	48,039

Larger Than Current (Green)
Smaller Than Current (Orange)

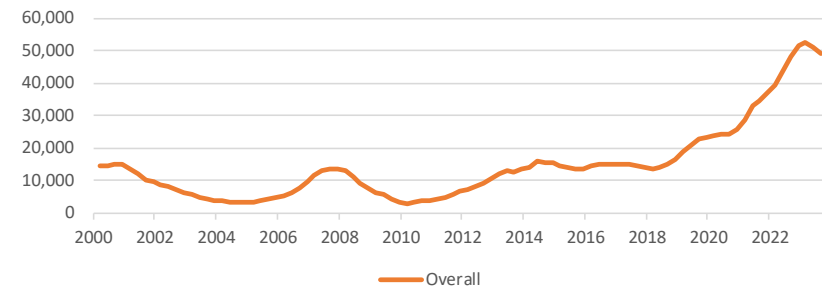
Starts Units



Absorption and Delivery Units



Under Construction Units

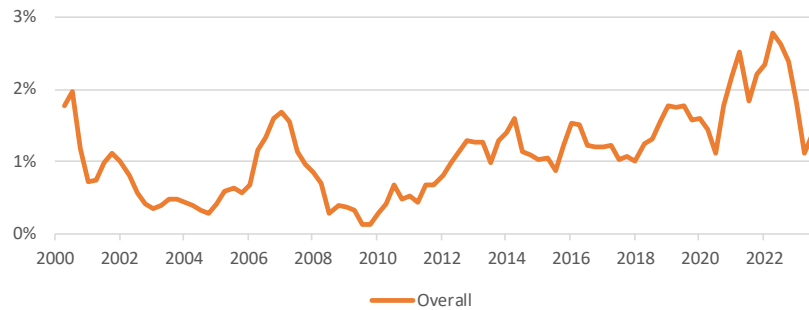


Austin Apartment Market *absorption/construction*

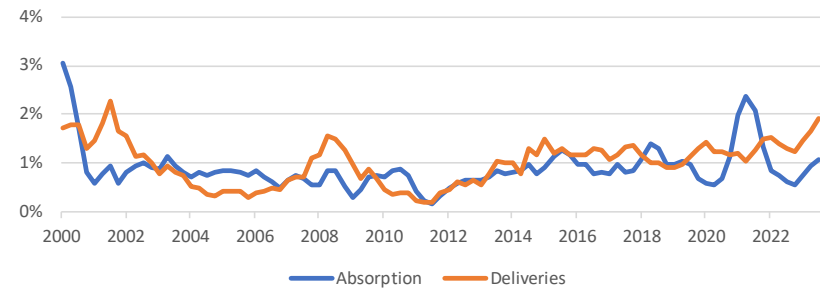
	Overall	Current	Previous Quarter	Previous Year
Starts Percent	Overall	1.37%	1.11%	2.64%
Absorption Percent	Overall	1.08%	0.95%	0.61%
Deliveries Percent	Overall	1.91%	1.65%	1.28%
Under Construction Percent	Overall	15.03%	15.71%	15.43%

Larger
Smaller
 Than Current

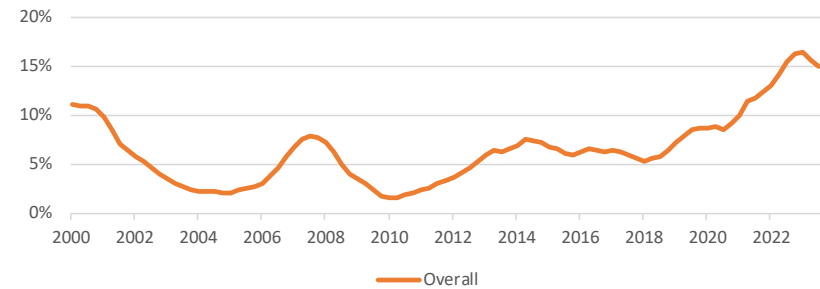
Starts as Percent of Inventory



Absorption and Delivery as Percent of Inventory



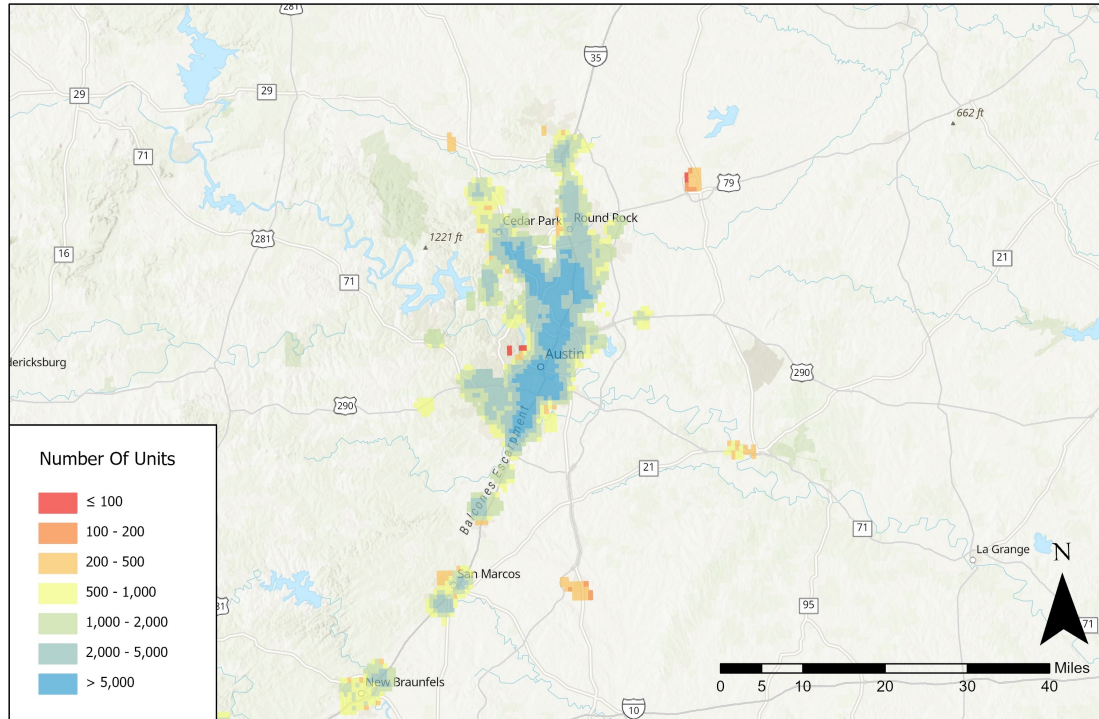
Under Construction as Percent of Inventory



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University



Austin Metro Number of Units Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Apartment Market *inventory*



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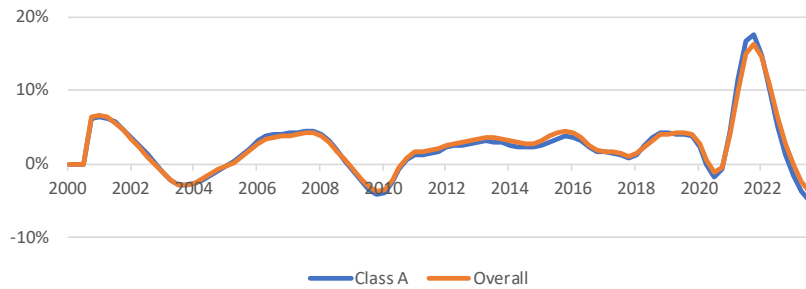
Austin Apartment Market *rent*



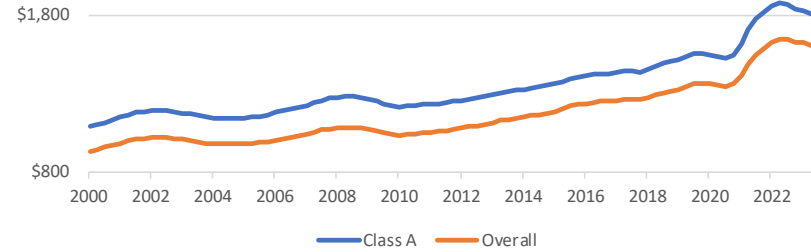
		Current	Previous Quarter	Previous Year
Effective Rent Per Unit	Class A	\$1,799	\$1,809	\$1,870
Effective Rent Per Unit	Overall	\$1,602	\$1,609	\$1,648
Effective Rent Per SF	Class A	\$1.97	1.98	2.05
Effective Rent Per SF	Overall	\$1.82	1.83	1.87

Larger Than Current
Smaller Than Current

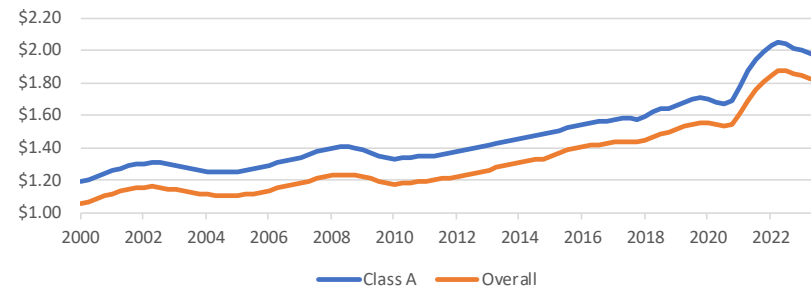
Year over Year Growth in Effective Rent



Effective Rent Per Unit

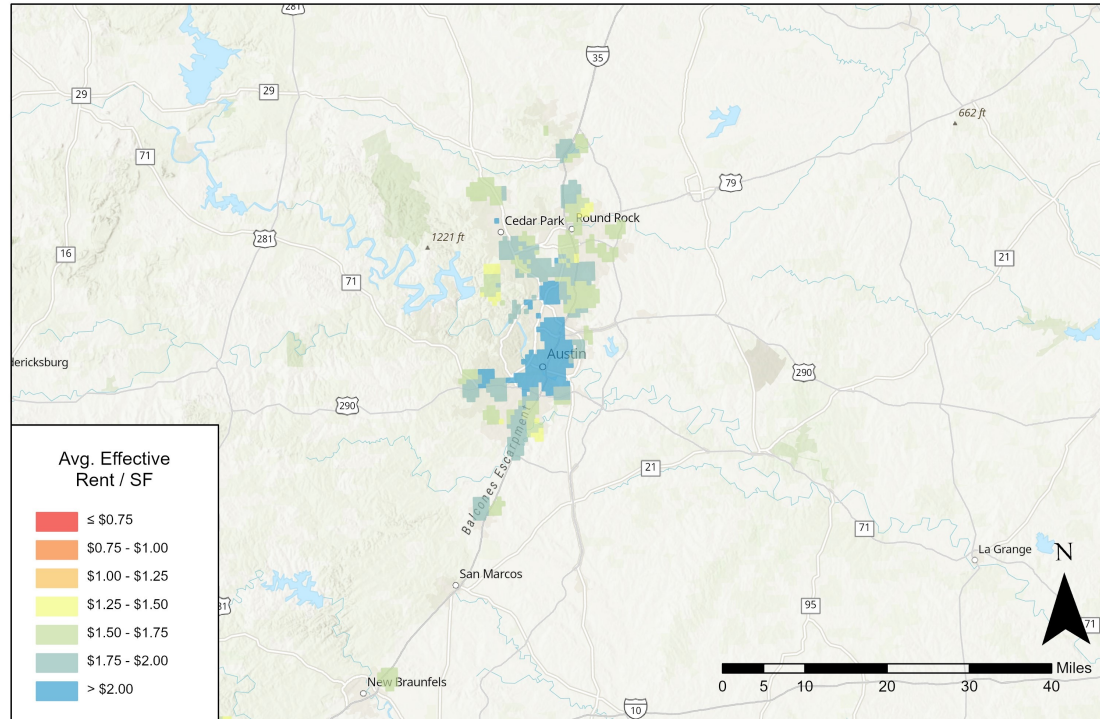


Effective Rent Per Square Foot



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Austin Metro Average Effective Rent / SF Class A Multifamily LMAs (1Q2023)



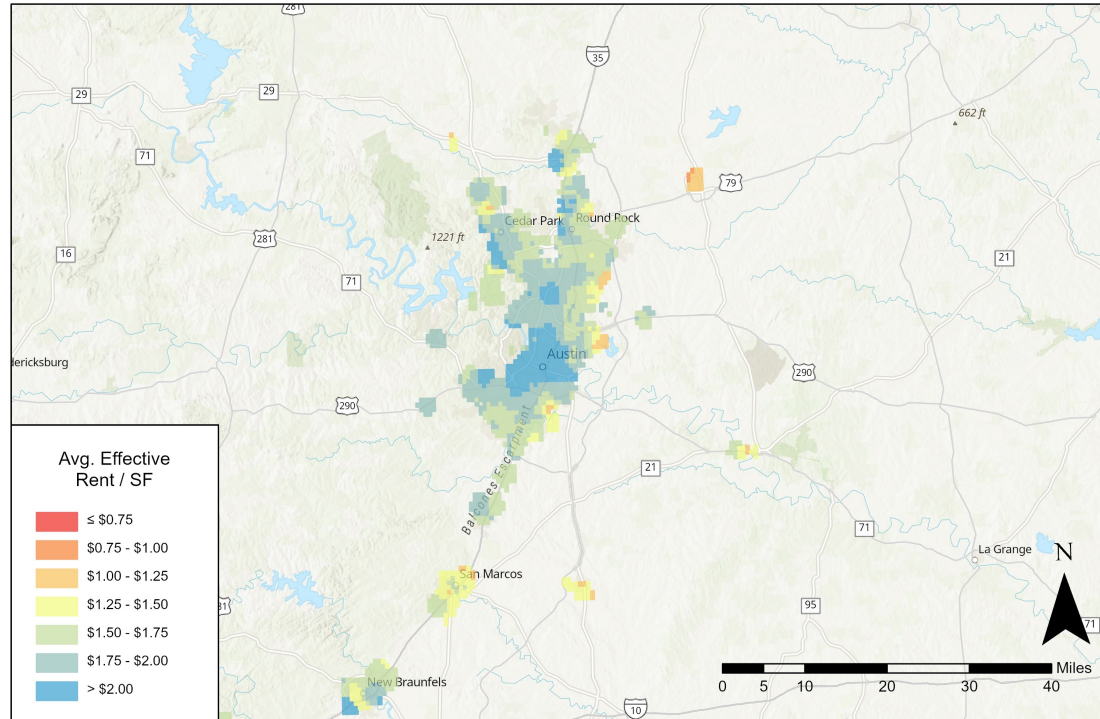
Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Apartment Market *rent*



Austin Metro Average Effective Rent / SF Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Apartment Market *rent*

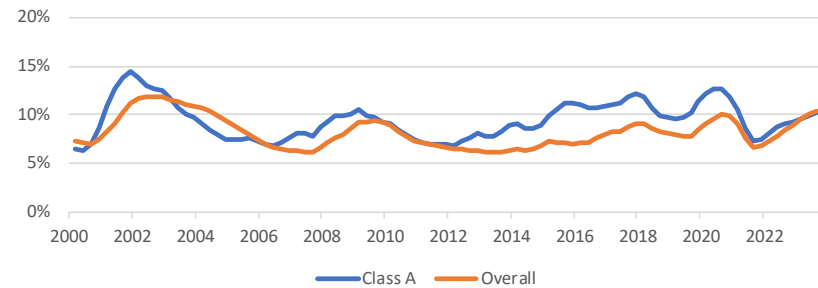


Austin Apartment Market *vacancy*

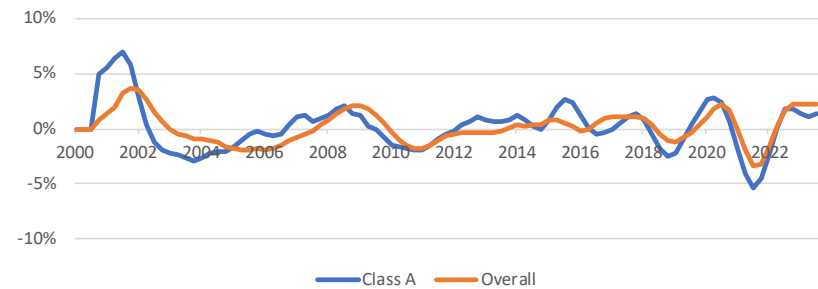
		Current	Previous Quarter	Previous Year
Vacancy Percent	Class A	10.20%	9.90%	9.13%
Vacancy Percent	Overall	10.35%	10.07%	8.43%

■ Larger Than Current
 ■ Smaller Than Current

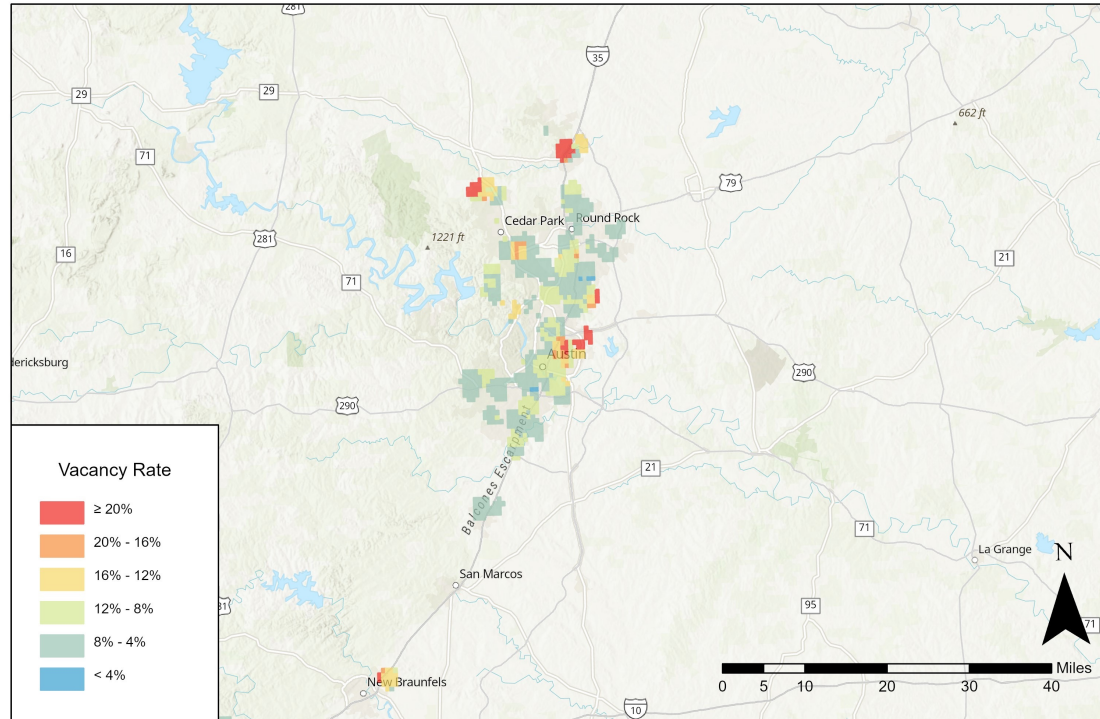
Vacancy



Vacancy Change from Previous Year



Austin Metro Vacancy Class A Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

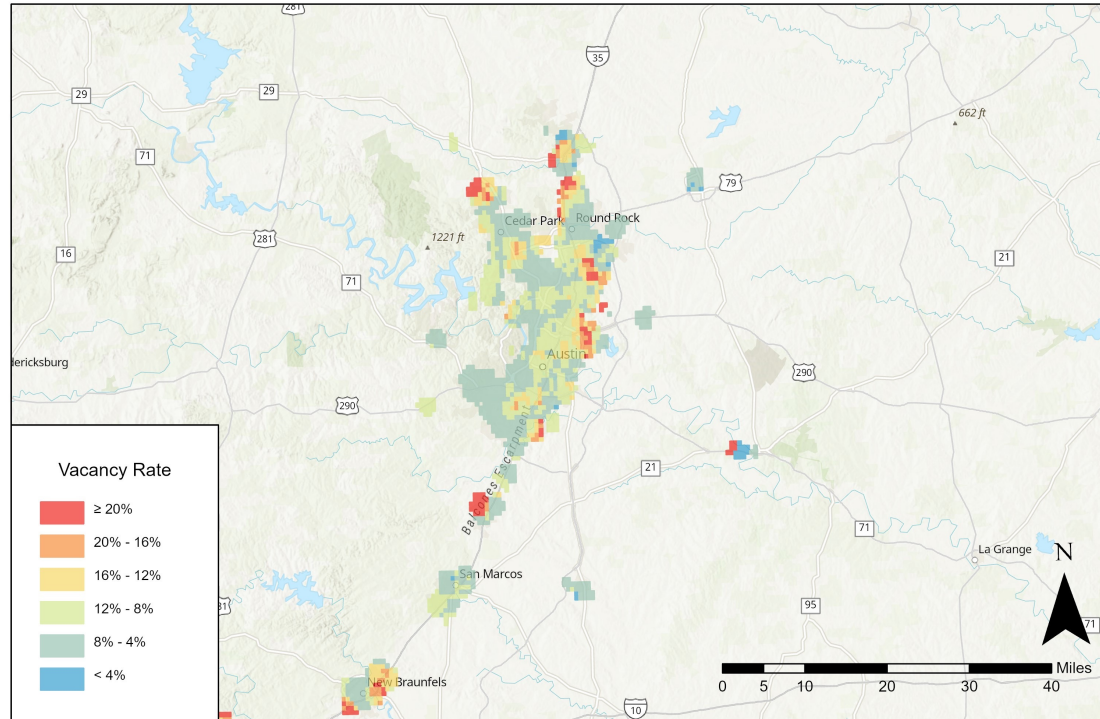
Local Market Area (LMA) Definitions

Austin Apartment Market *vacancy*



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Austin Metro Vacancy Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Apartment Market *vacancy*



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Austin Office Market *key employment trends*

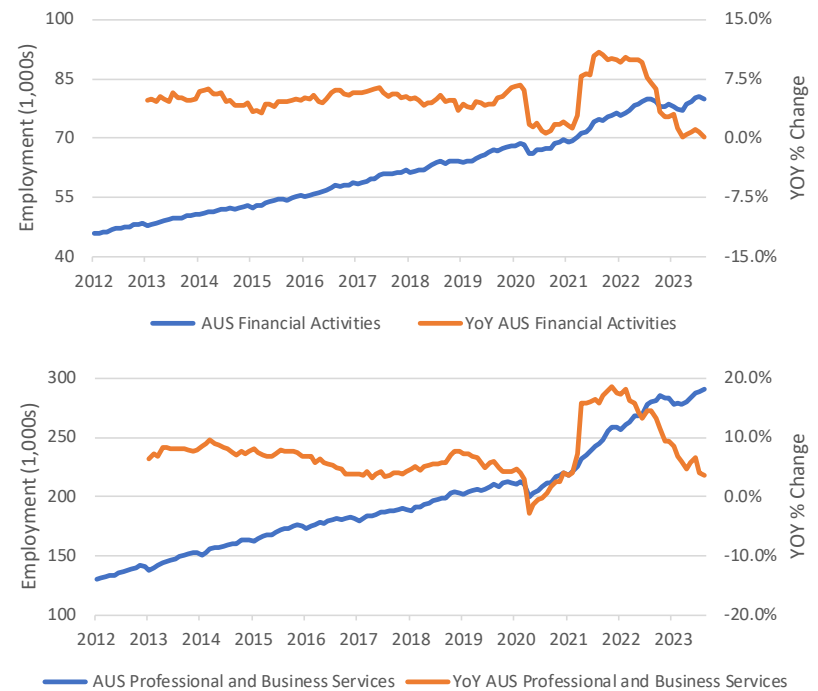


AUS Financial Activities

Aug-23	Aug-22	Change	YoY
80,000	79,900	100	0.13%

AUS Professional and Business Services

Aug-23	Aug-22	Change	YoY
290,600	280,300	10,300	3.67%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University



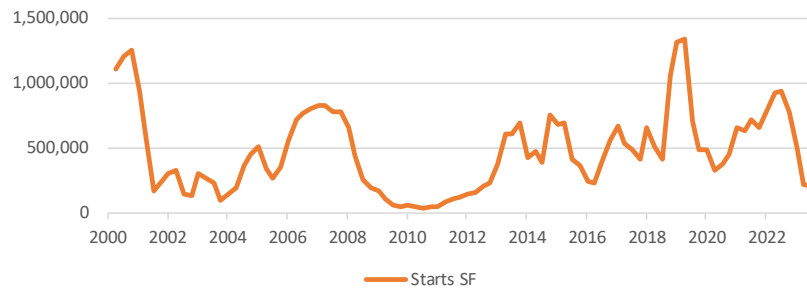
Austin Office Market *absorption/construction*



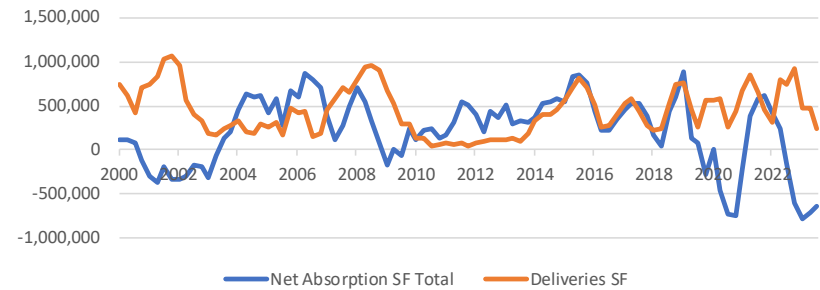
		Current	Previous Quarter	Previous Year
Starts SF	Overall	208,746	216,084	932,463
Net Absorption SF Total	Overall	-636,551	-703,289	-147,019
Deliveries SF	Overall	248,171	468,818	737,017
Under Construction SF	Overall	5,422,971	5,462,396	5,834,495

Larger
Smaller
 Than Current

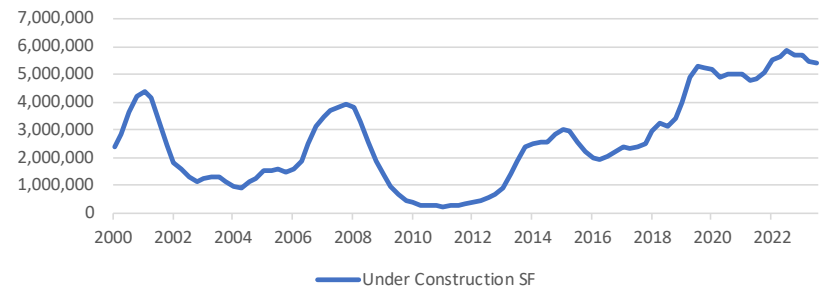
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

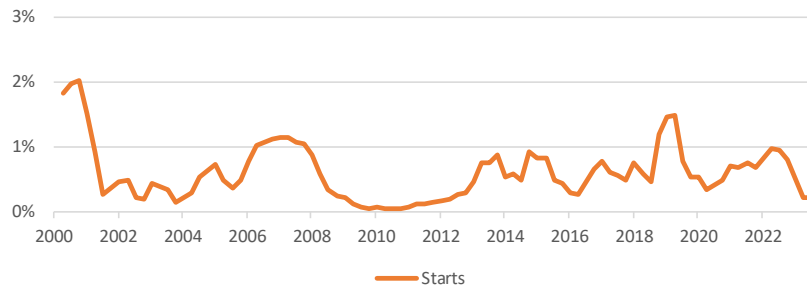


Austin Office Market *absorption/construction*

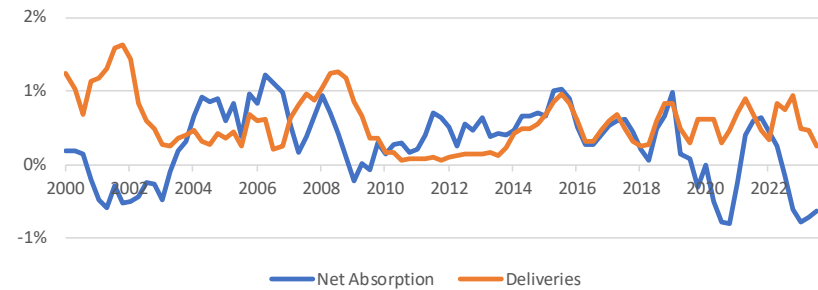
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.21%	0.22%	0.96%
Under Construction Percent	Overall	5.46%	5.51%	5.99%
Absorption Percent	Overall	-0.64%	-0.71%	-0.15%
Deliveries Percent	Overall	0.25%	0.47%	0.76%

Larger
Smaller
 Than Current

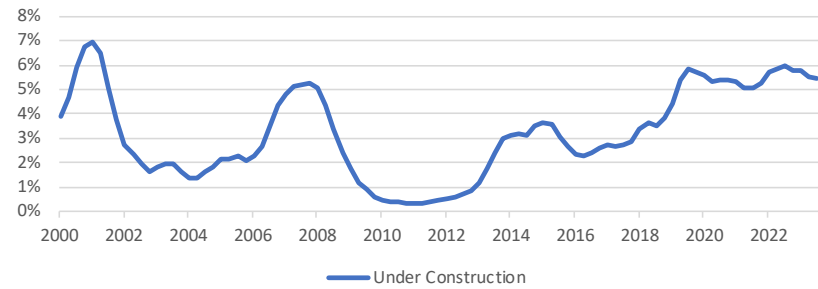
Starts as Percent of Inventory



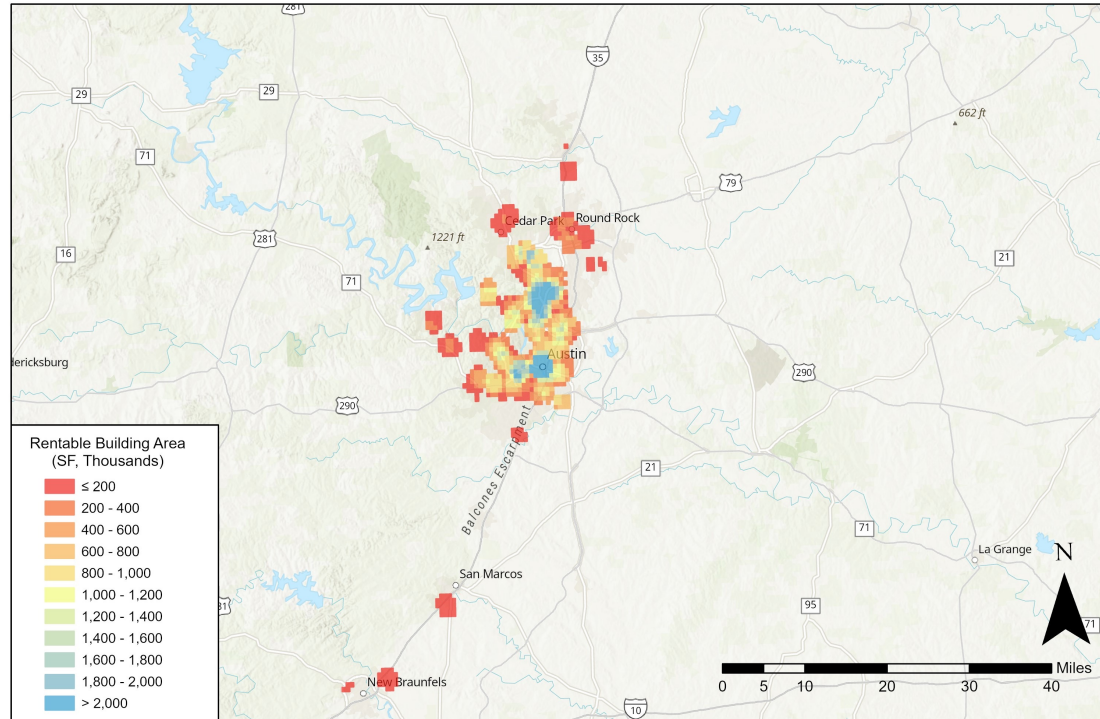
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



Austin Metro Rentable Building Area Office LMAs (4Q2022)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Office Market *inventory*



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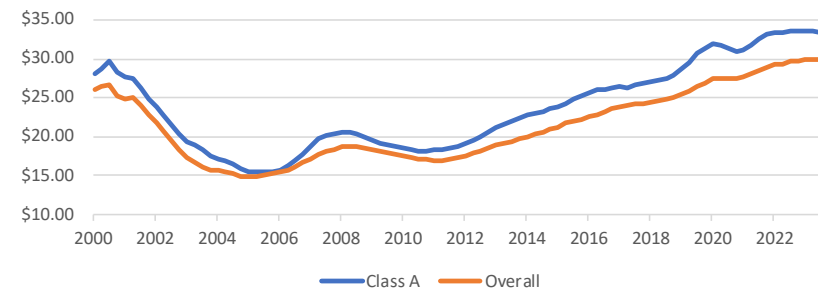
Austin Office Market *rent*



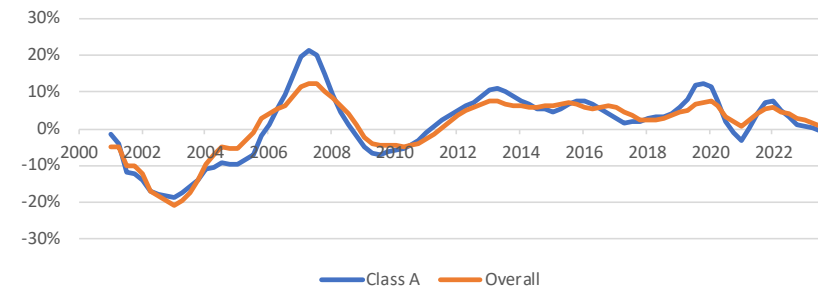
		Current	Previous Quarter	Previous Year
Base Rent	Class A	\$33.44	\$33.47	\$33.58
Base Rent	Overall	\$29.84	\$29.84	\$29.64

Larger
Smaller
 Than Current

Base Rent per square foot

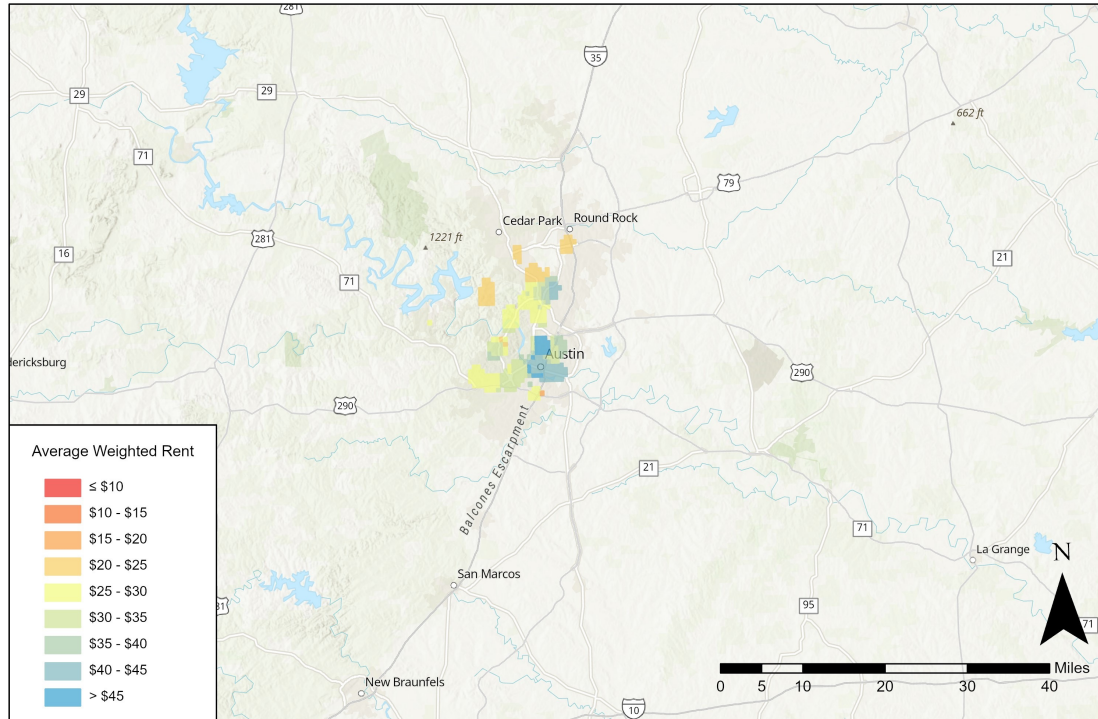


Base Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Austin Metro Average Weighted Rent Class A Office LMAs (4Q2022)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

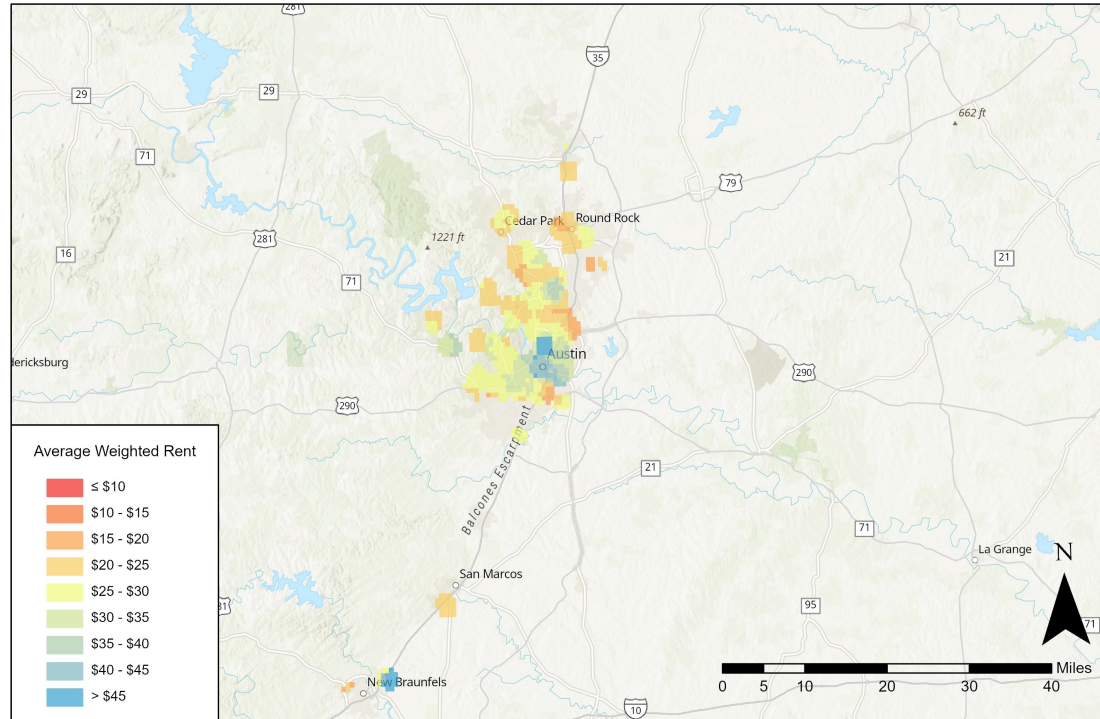
Local Market Area (LMA) Definitions

Austin Office Market *rent*



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Austin Metro Average Weighted Rent Office LMAs (4Q2022)



Source: Costar, Esri, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Office Market *rent*



Austin Office Market *vacancy*

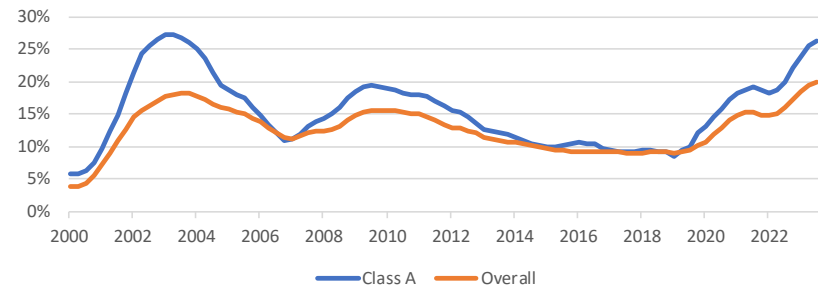


Vacant Percent % Total
 Vacant Percent % Total
 Availability less Vacancy
 Availability less Vacancy

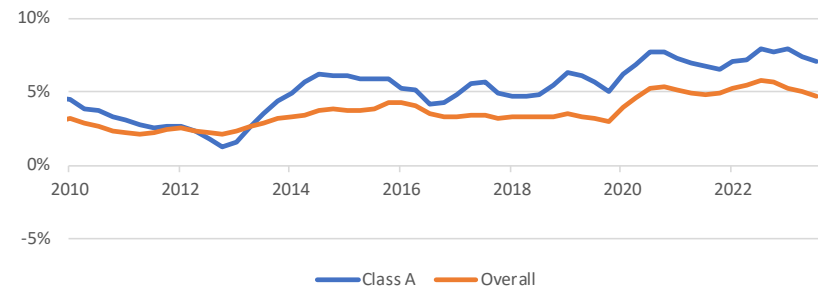
	Current	Previous Quarter	Previous Year
Class A	26.30%	25.50%	20.03%
Overall	20.05%	19.60%	15.97%
Class A	7.05%	7.43%	7.93%
Overall	4.75%	5.00%	5.83%

Larger Than Current
 Smaller Than Current

Vacancy

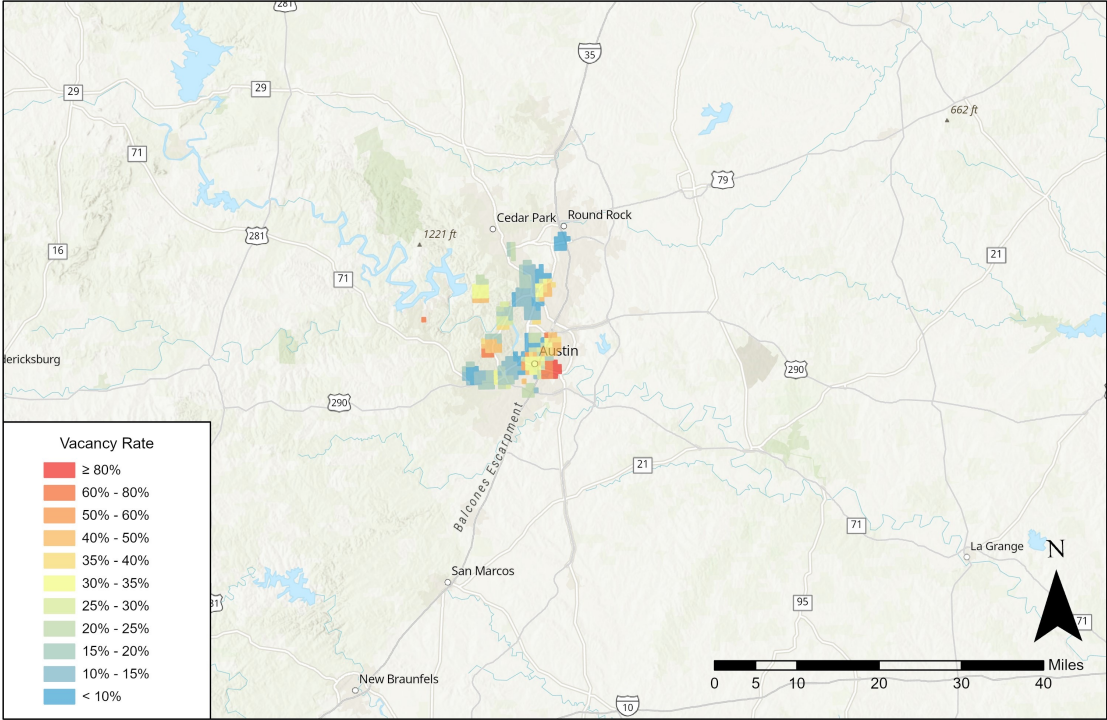


Availability less Vacancy



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Austin Metro Vacancy Class A Office LMAs (4Q2022)

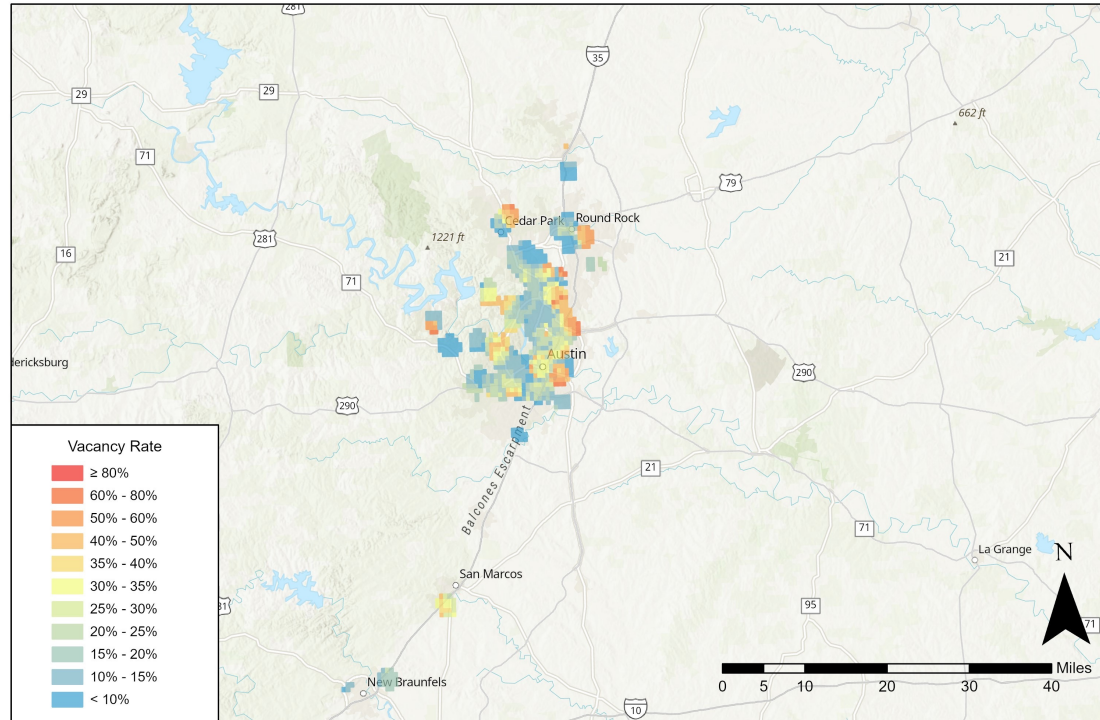


Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Office Market *vacancy*

Austin Metro Vacancy Office LMAs (4Q2022)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Office Market *vacancy*



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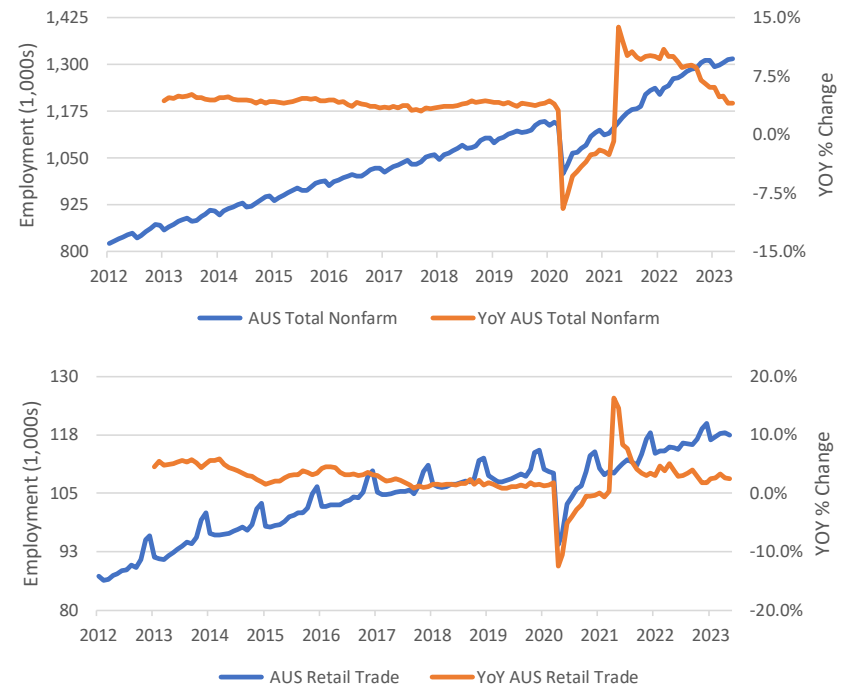
Austin Retail Market *key employment trends*

AUS Total Nonfarm

May-23	May-22	Change YoY
1,316,000	1,265,200	50,800 4.02%

AUS Retail Trade

May-23	May-22	Change YoY
117,500	114,700	2,800 2.44%



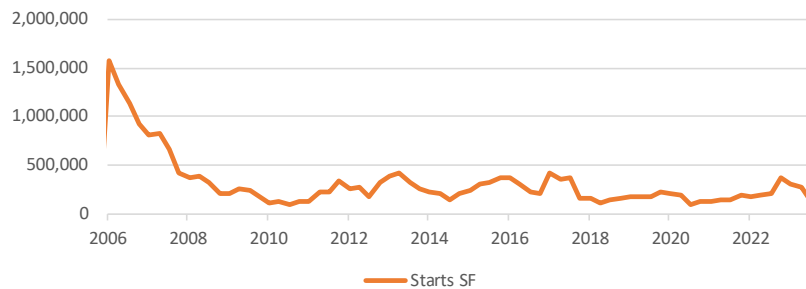
Austin Retail Market *absorption/construction*



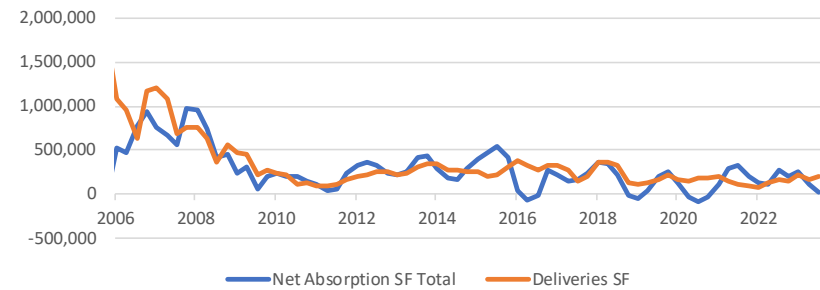
		Current	Previous Quarter	Previous Year
Starts SF	Overall	124,558	273,962	205,223
Net Absorption SF Total	Overall	30,202	112,537	272,912
Deliveries SF	Overall	201,375	170,674	174,434
Under Construction SF	Overall	1,062,211	1,139,027	725,901

Larger
Smaller
 Than Current

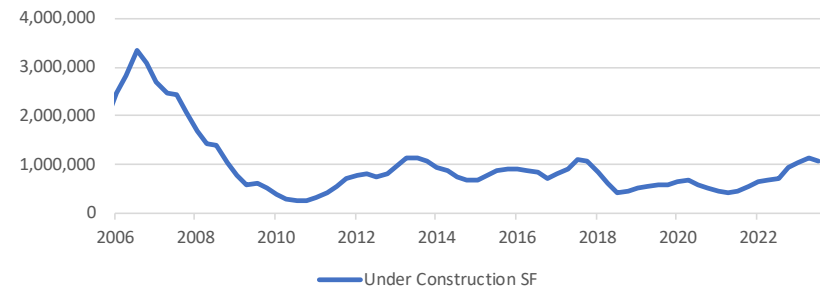
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage



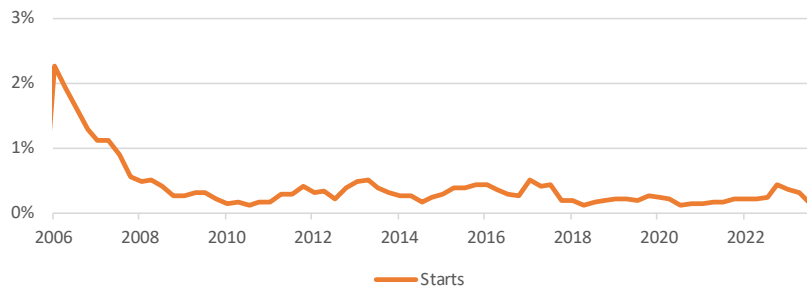
Austin Retail Market *absorption/construction*



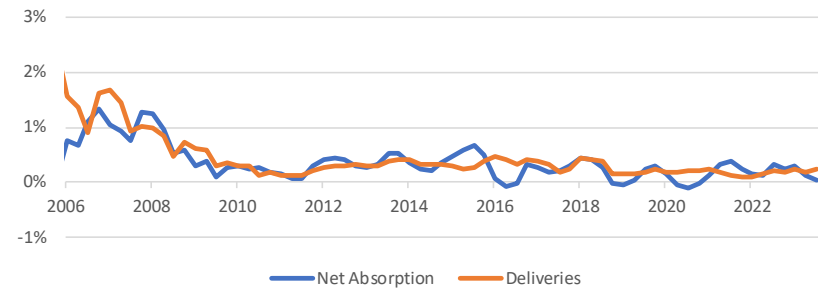
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.14%	0.31%	0.24%
Under Construction Percent	Overall	1.22%	1.31%	0.84%
Absorption Percent	Overall	0.03%	0.13%	0.31%
Deliveries Percent	Overall	0.23%	0.20%	0.20%

Larger Than Current
Smaller Than Current

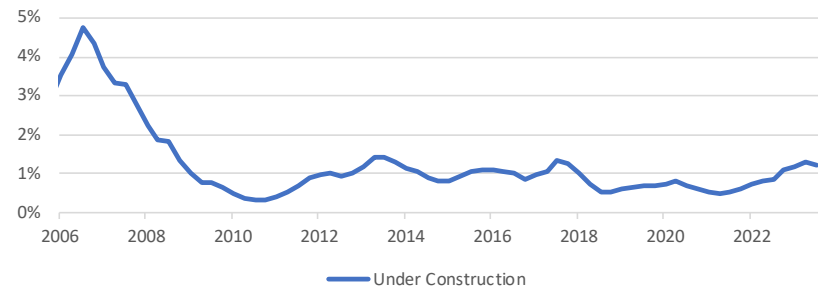
Starts as Percent of Inventory



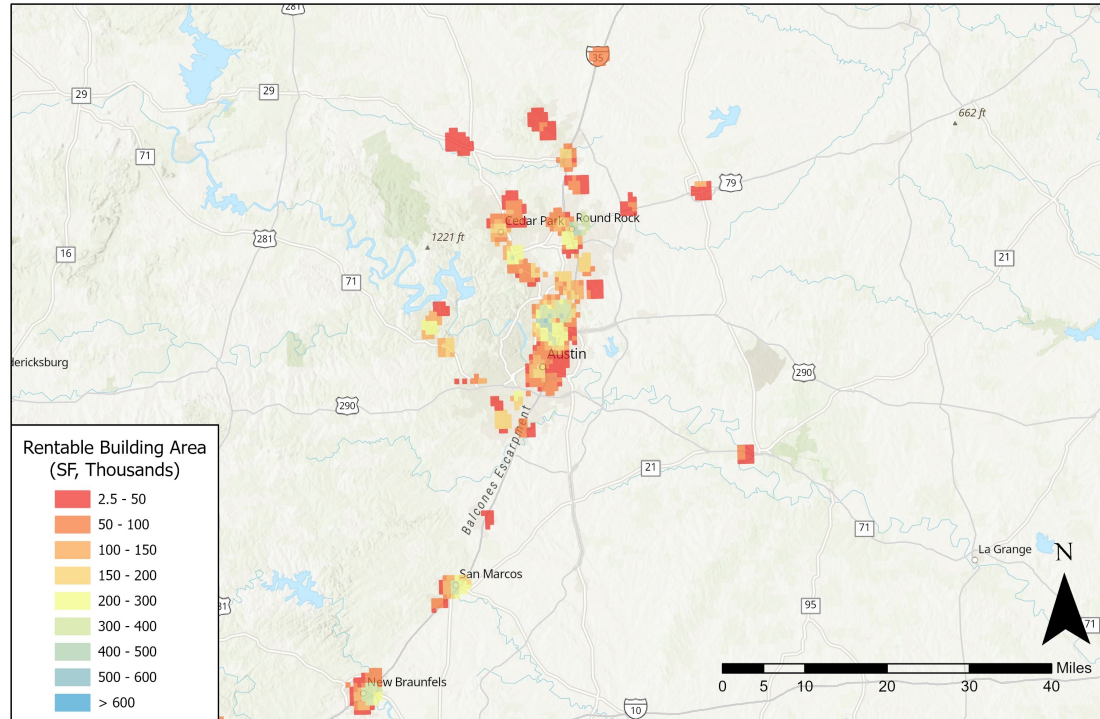
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



Austin Metro Rentable Building Area Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Retail Market *inventory*

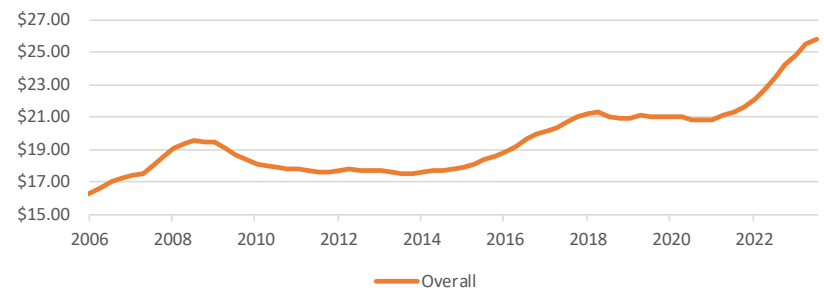


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Austin Retail Market *rent*



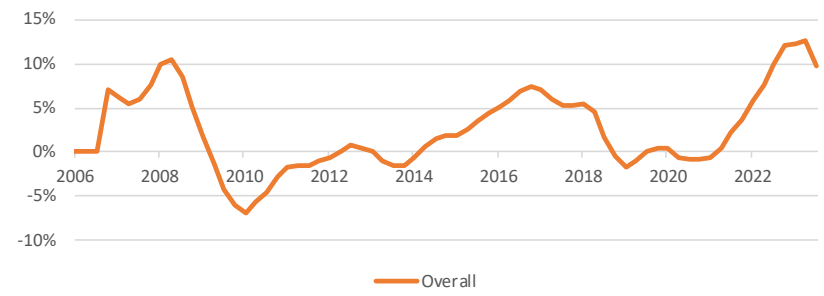
NNN Rent



Category	Current	Previous Quarter	Previous Year
Overall	\$25.80	\$25.56	\$23.48

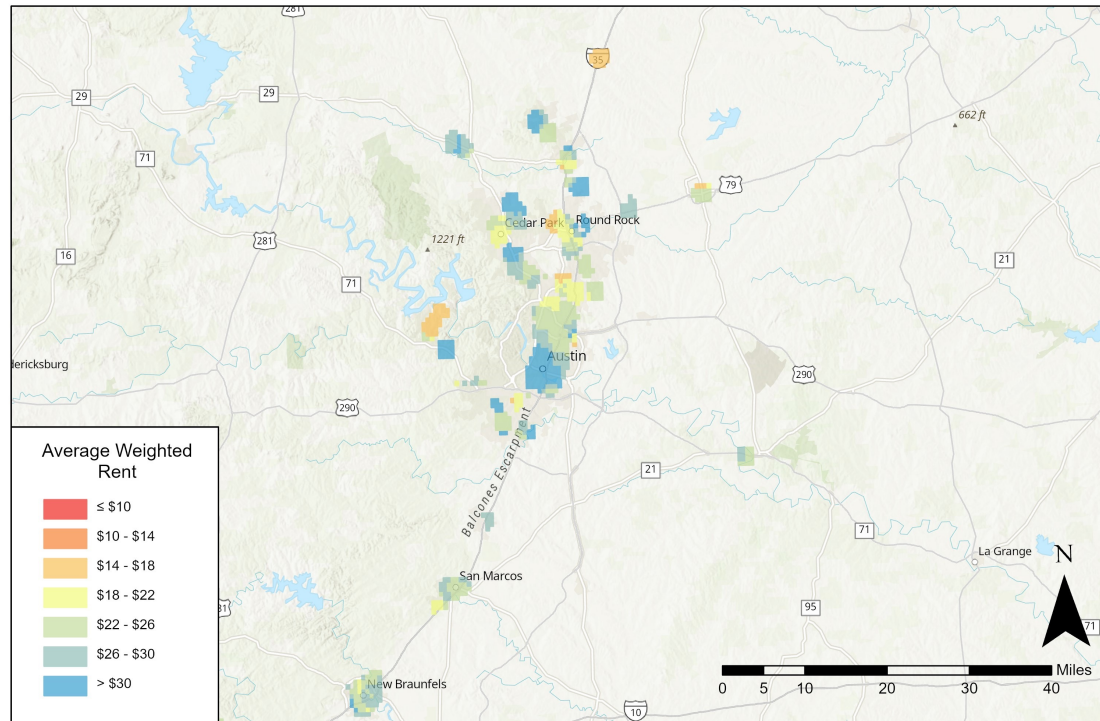
Larger
Smaller
 Than Current

NNN Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Austin Metro Average Weighted Rent Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Retail Market *rent*



Austin Retail Market *vacancy*

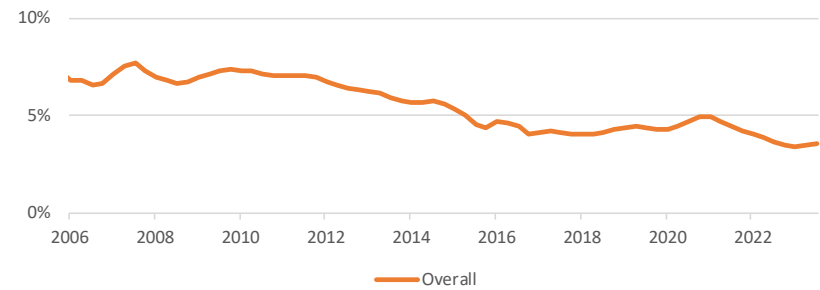


Vacant Percent % Total
Availability less Vacancy

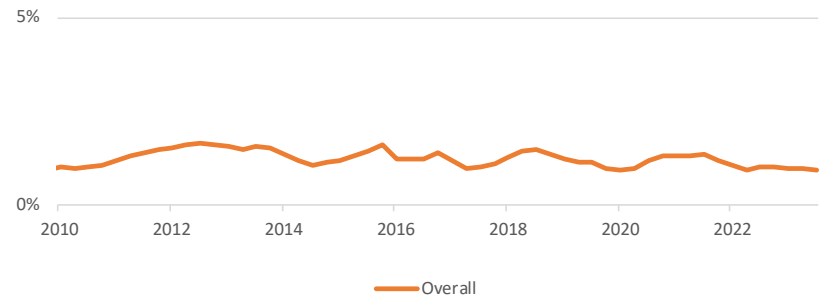
	Current	Previous Quarter	Previous Year
Overall	3.55%	3.47%	3.63%
Overall	0.95%	0.97%	1.00%

Larger Than Current
Smaller Than Current

Vacancy

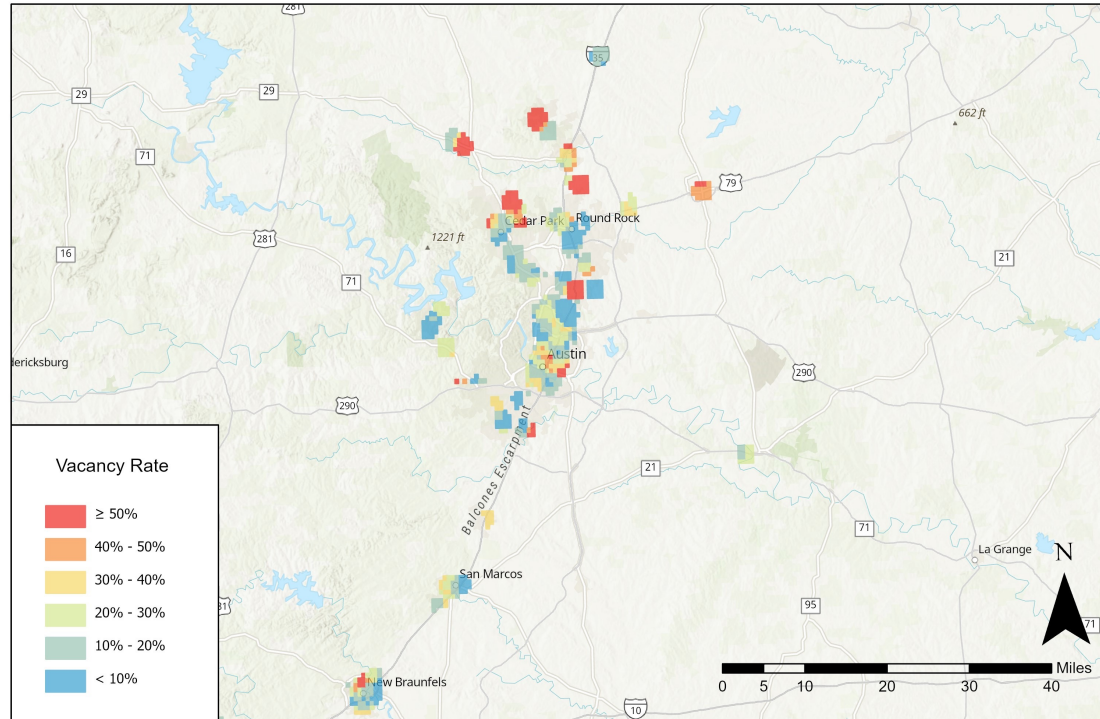


Availability less Vacancy



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Austin Metro Vacancy Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Retail Market *vacancy*

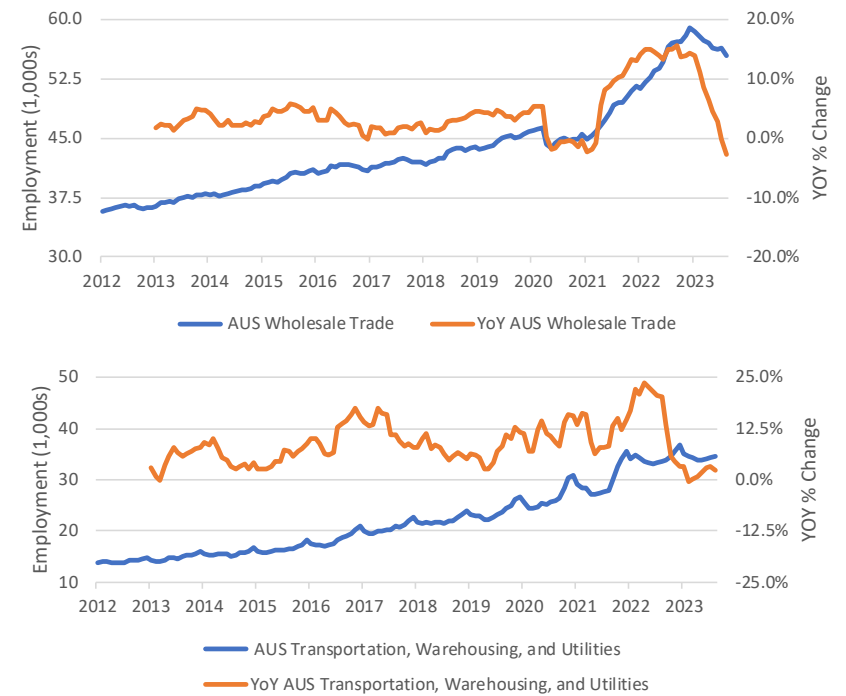


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Austin Warehouse Market *key employment trends*

	Aug-23	Aug-22	Change YoY
AUS Wholesale Trade	55,500	57,100	(1,600) -2.80%

	Aug-23	Aug-22	Change YoY
AUS Transportation, Warehousing, and Utilities	34,500	33,700	800 2.37%



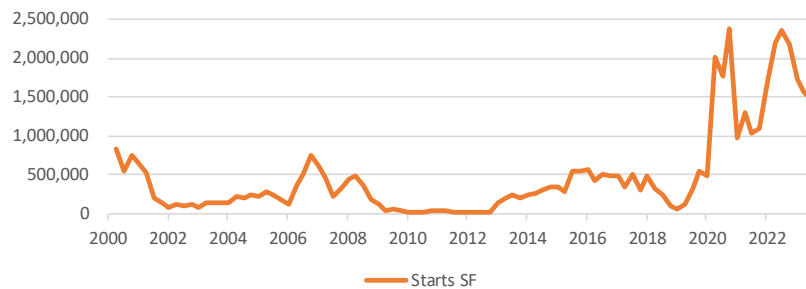
Austin Warehouse Market *absorption/construction*



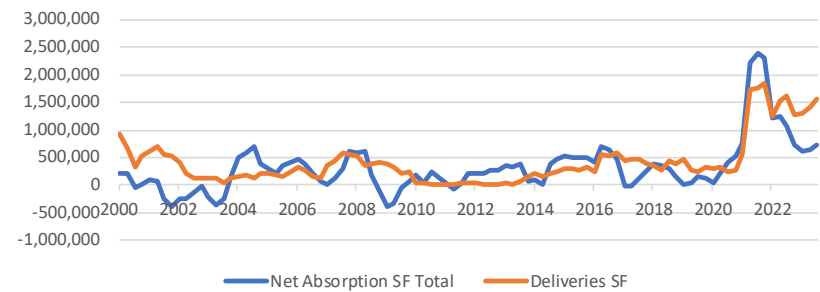
		Current	Previous Quarter	Previous Year
Starts SF	Overall	1,468,097	1,571,780	2,356,135
Net Absorption SF Total	Overall	726,935	651,341	1,067,318
Deliveries SF	Overall	1,569,658	1,418,324	1,625,400
Under Construction SF	Overall	8,031,885	8,133,445	6,674,223

Larger
Smaller
Than Current

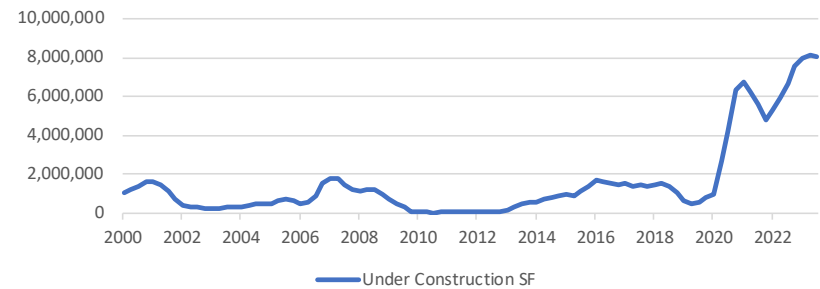
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

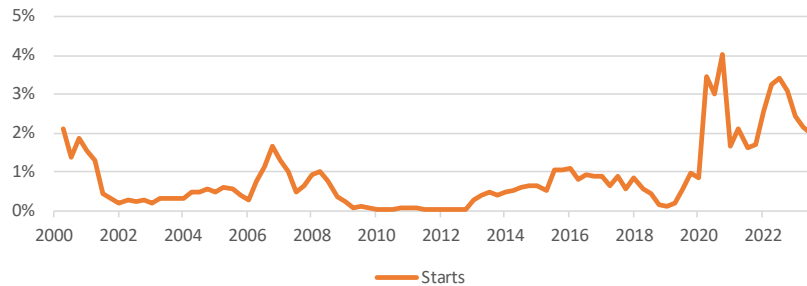


Austin Warehouse Market *absorption/construction*

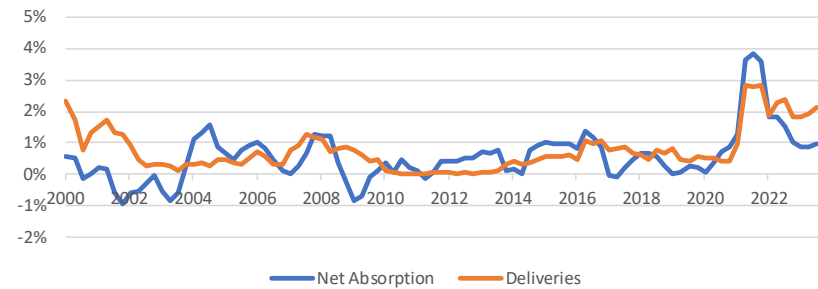
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	2.00%	2.16%	3.43%
Under Construction Percent	Overall	10.93%	11.18%	9.70%
Absorption Percent	Overall	0.99%	0.90%	1.55%
Deliveries Percent	Overall	2.14%	1.95%	2.36%

Larger
Smaller
 Than Current

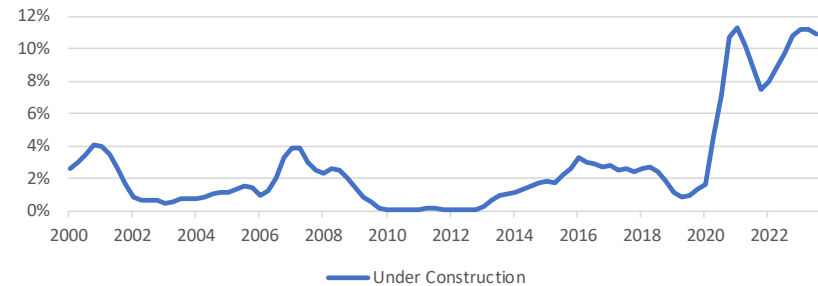
Starts as Percent of Inventory



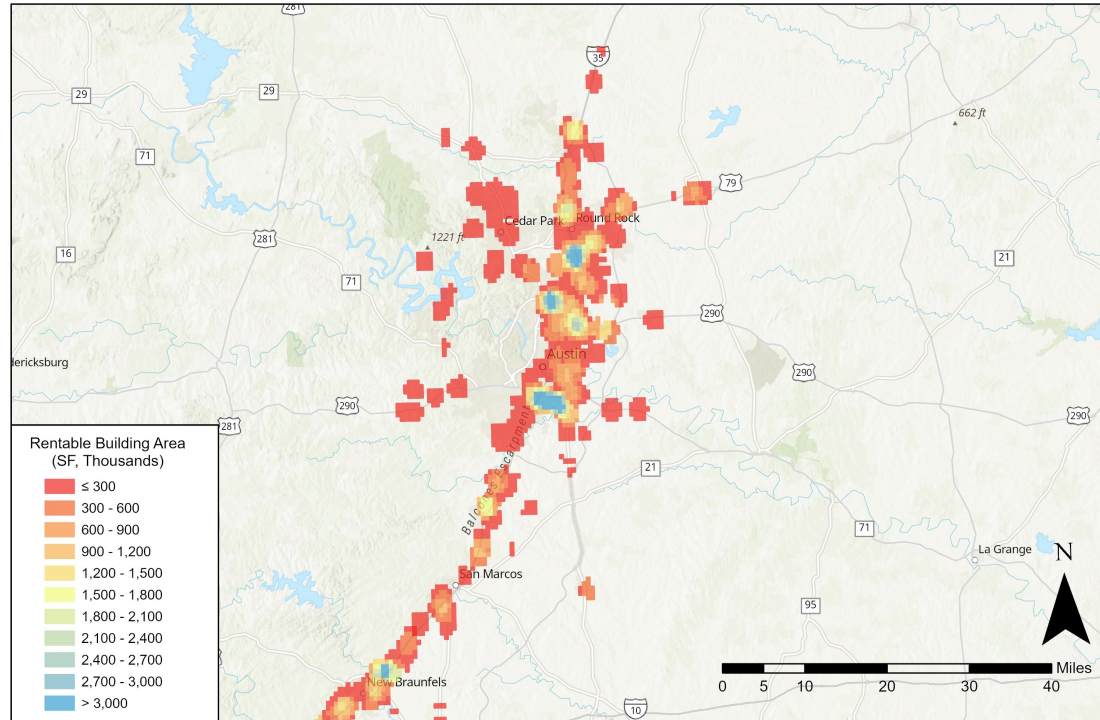
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



Austin Metro Rentable Building Area Warehouse LMAs (3Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

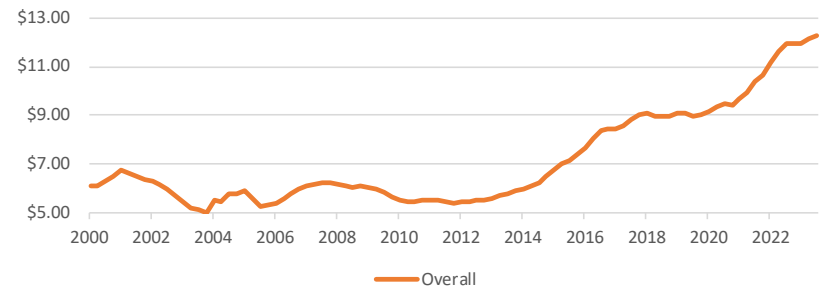
Austin Warehouse Market *inventory*



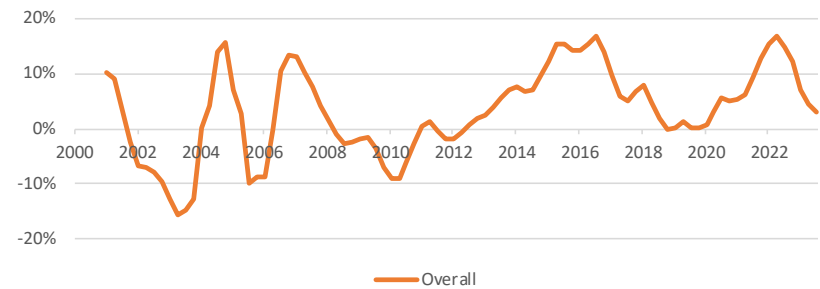
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Austin Warehouse Market *rent*

NNN Rent



NNN Rent YoY Growth



NNN Rent Overall

Overall

Current	Previous Quarter	Previous Year
\$12.30	\$12.15	\$11.93

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University



Austin Warehouse Market *vacancy*

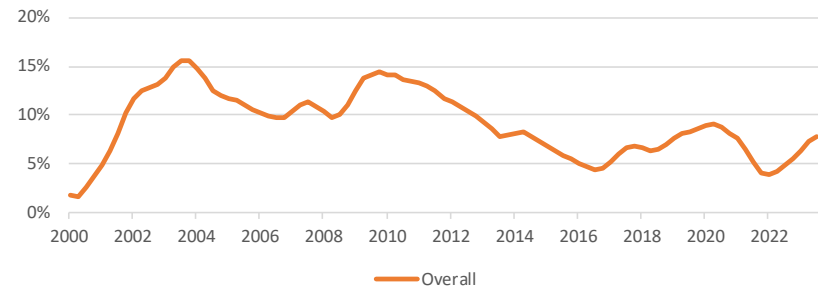


Vacant Percent % Total
Availability less Vacancy

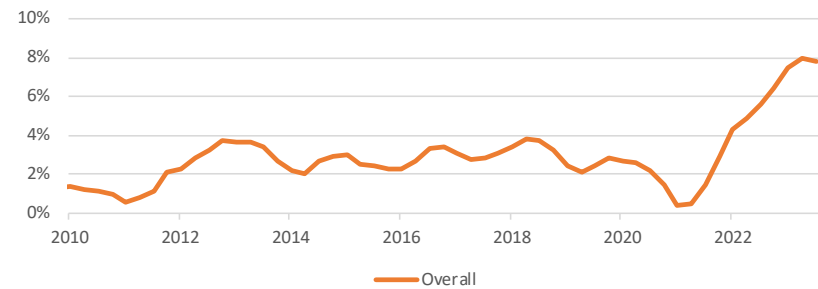
	Current	Previous Quarter	Previous Year
Overall	7.75%	7.27%	4.83%
Overall	7.80%	7.93%	5.57%

Larger Than Current
Smaller Than Current

Vacancy

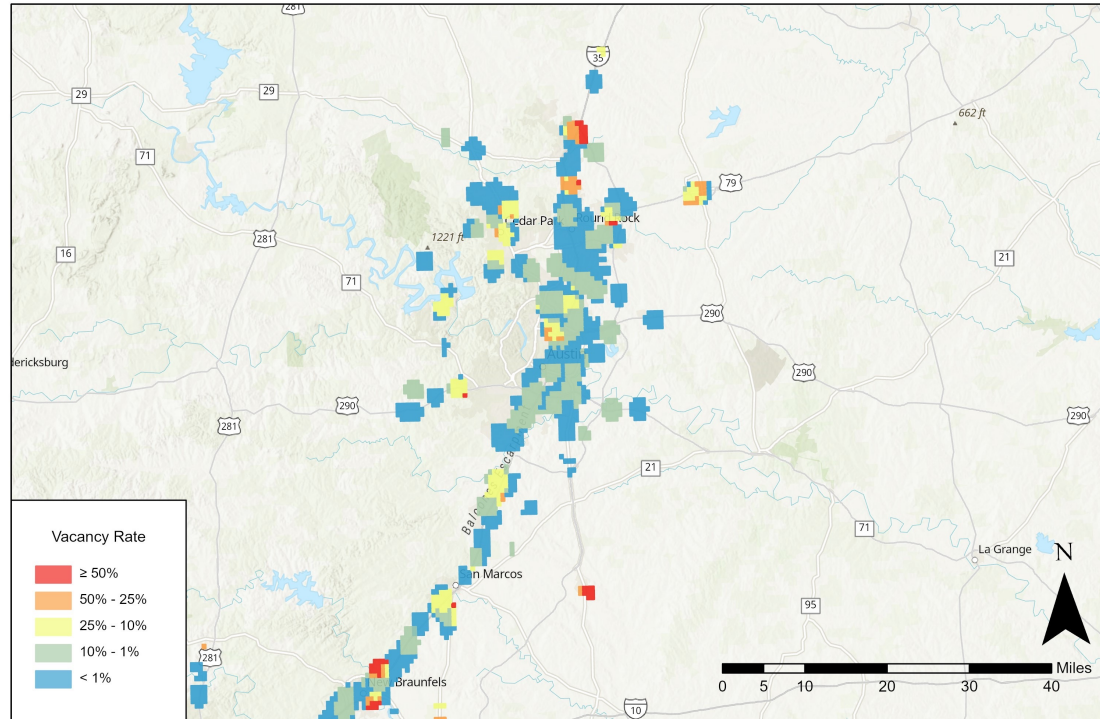


Availability less Vacancy



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Austin Metro Vacancy Warehouse LMAs (3Q2023)



Source: Costar, Esri, CGIAR, USGS, Austin Community College, Baylor University, City of Austin, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Austin Warehouse Market *vacancy*



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Dallas - Fort Worth

- Economy
- Apartments
- Office
- Retail
- Warehouse



Dallas-Fort Worth Economy

- Total employment growth in the Dallas-Fort Worth MSA continues to slow and is either near or falling below pre-COVID trend levels.
- Long-term employment growth across the economy is expected to return to pre-COVID rates but may fall below through 2024.
- Apartment deliveries remain moderate even as the under-construction pipeline peaked. Recent elevated levels of rent growth have now flatlined as vacancies increase at a slowing rate.
- Office vacancy rates continue to increase rapidly even with moderate deliveries. Absorption has recently been broadly negative. In response, rent growth rates are slowing.
- Retail construction remains subdued even with rapid rent growth that has peaked as vacancy remains low.
- Warehouse starts and the under-construction pipeline have dropped even with rising rents. Vacancy rates have risen to pre-COVID levels.



Dallas-Fort Worth Economy

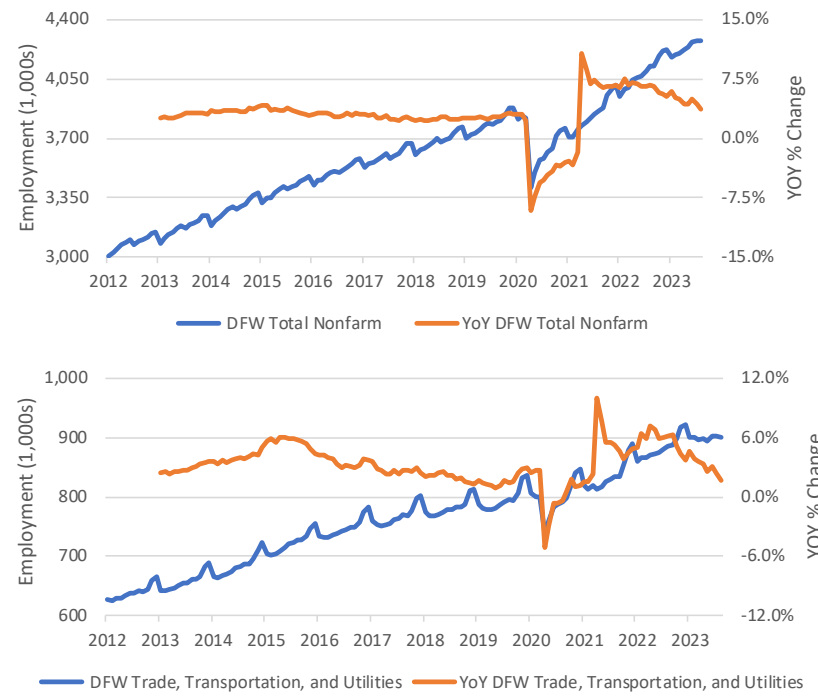
key employment trends

DFW Total Nonfarm

	Aug-23	Aug-22	Change YoY
DFW Total Nonfarm	4,279,500	4,124,700	154,800 3.75%

DFW Trade, Transportation, and Utilities

	Aug-23	Aug-22	Change YoY
DFW Trade, Transportation, and Utilities	900,000	885,300	14,700 1.66%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University



Dallas-Fort Worth Economy

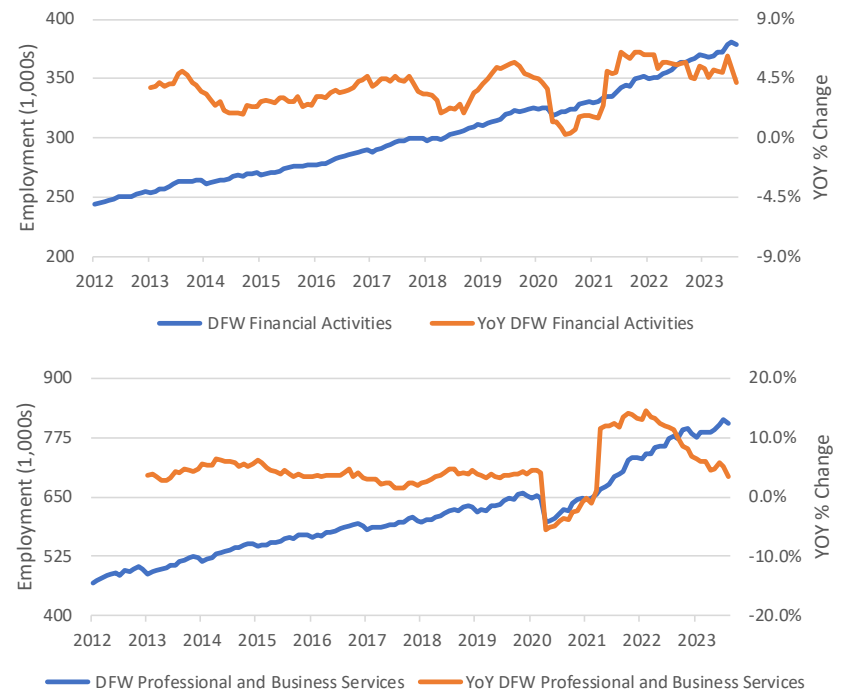
key employment trends

DFW Financial Activities

Aug-23	Aug-22	Change YoY
379,000	363,700	15,300 4.21%

DFW Professional and Business Services

Aug-23	Aug-22	Change YoY
806,300	778,800	27,500 3.53%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University



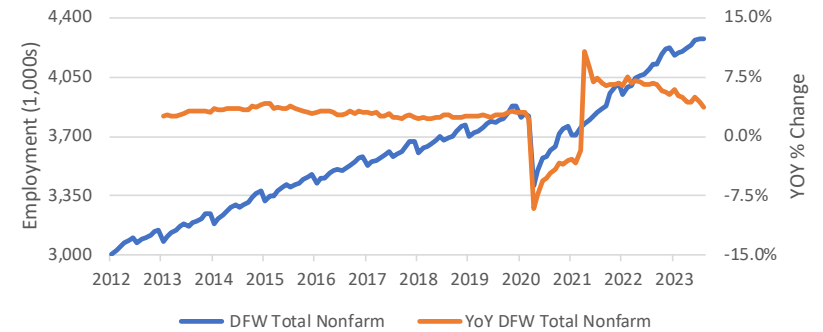
Dallas-Fort Worth Apartment Market

key employment trends



DFW Total Nonfarm

Aug-23	Aug-22	Change	YoY
4,279,500	4,124,700	154,800	3.75%



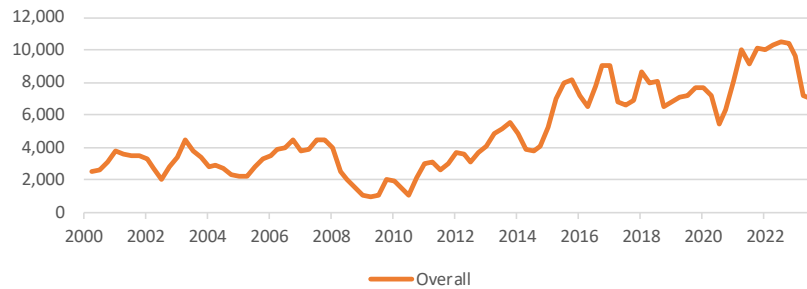
Dallas-Fort Worth Apartment Market

absorption/construction

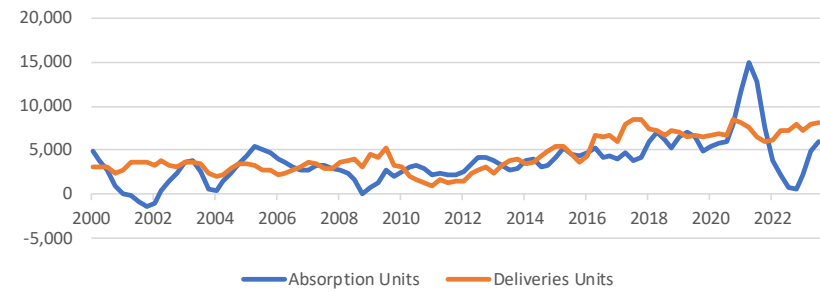
		Current	Previous Quarter	Previous Year
Starts Units	Overall	7,016	7,183	10,533
Absorption Units	Overall	5,975	4,921	830
Deliveries Units	Overall	8,208	8,034	7,197
Under Construction Units	Overall	65,499	66,690	62,512

Larger Than Current
Smaller Than Current

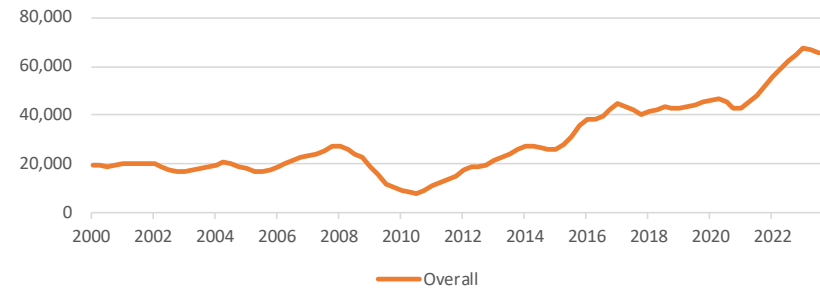
Starts Units



Absorption and Delivery Units



Under Construction Units



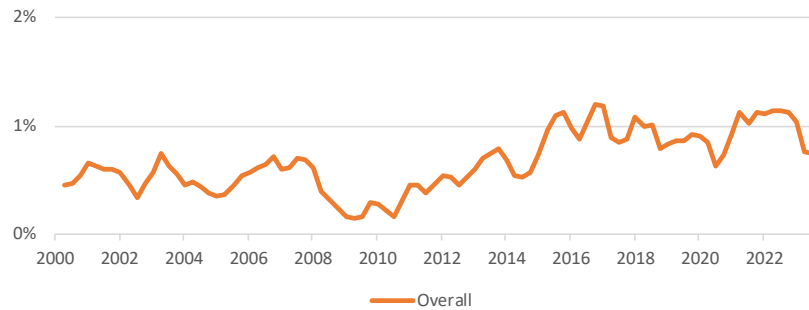
Dallas-Fort Worth Apartment Market

absorption/construction

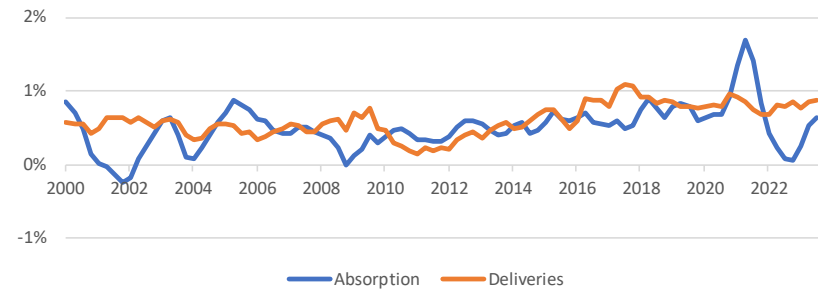
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.74%	0.76%	1.15%
Absorption Percent	Overall	0.63%	0.52%	0.09%
Deliveries Percent	Overall	0.87%	0.85%	0.78%
Under Construction Percent	Overall	6.93%	7.09%	6.81%

Larger
Smaller
 Than Current

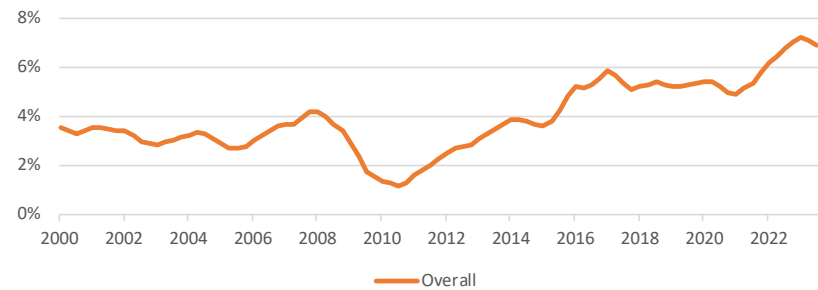
Starts as Percent of Inventory



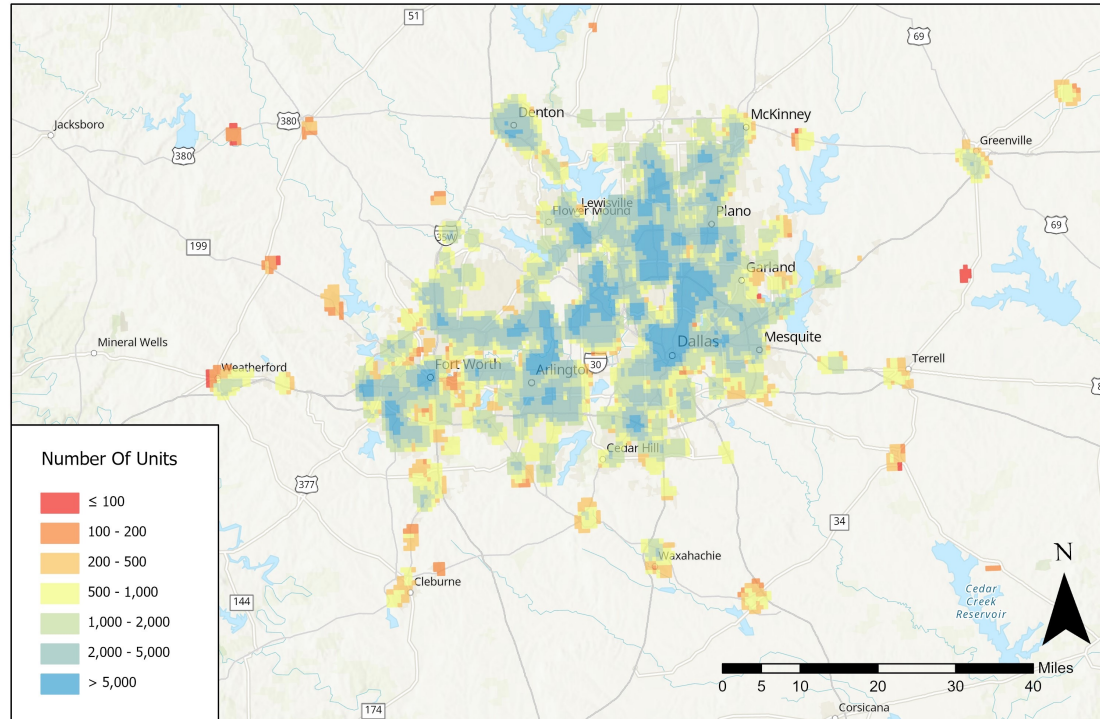
Absorption and Delivery as Percent of Inventory



Under Construction as Percent of Inventory



DFW Metro Number of Units Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Apartment Market *inventory*



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Texas Real Estate Research Center

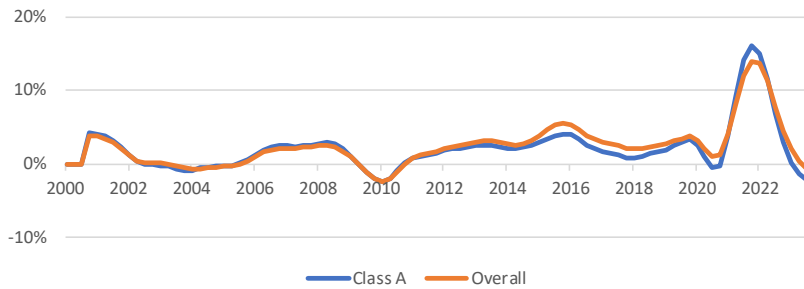
Dallas-Fort Worth Apartment Market *rent*



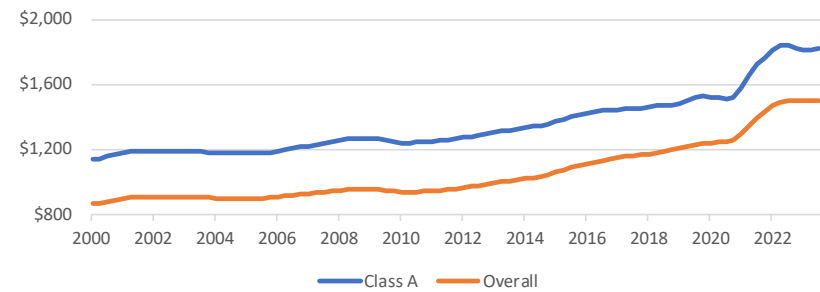
		Current	Previous Quarter	Previous Year
Effective Rent Per Unit	Class A	\$1,819	\$1,818	\$1,842
Effective Rent Per Unit	Overall	\$1,501	\$1,500	\$1,503
Effective Rent Per SF	Class A	\$1.94	1.94	1.96
Effective Rent Per SF	Overall	\$1.70	1.70	1.71

Larger
Smaller
Than Current

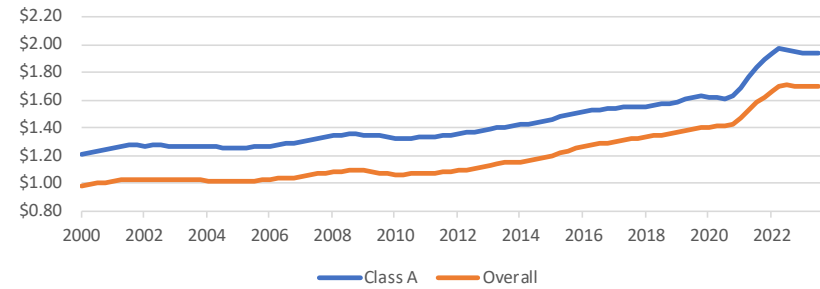
Year over Year Growth in Effective Rent



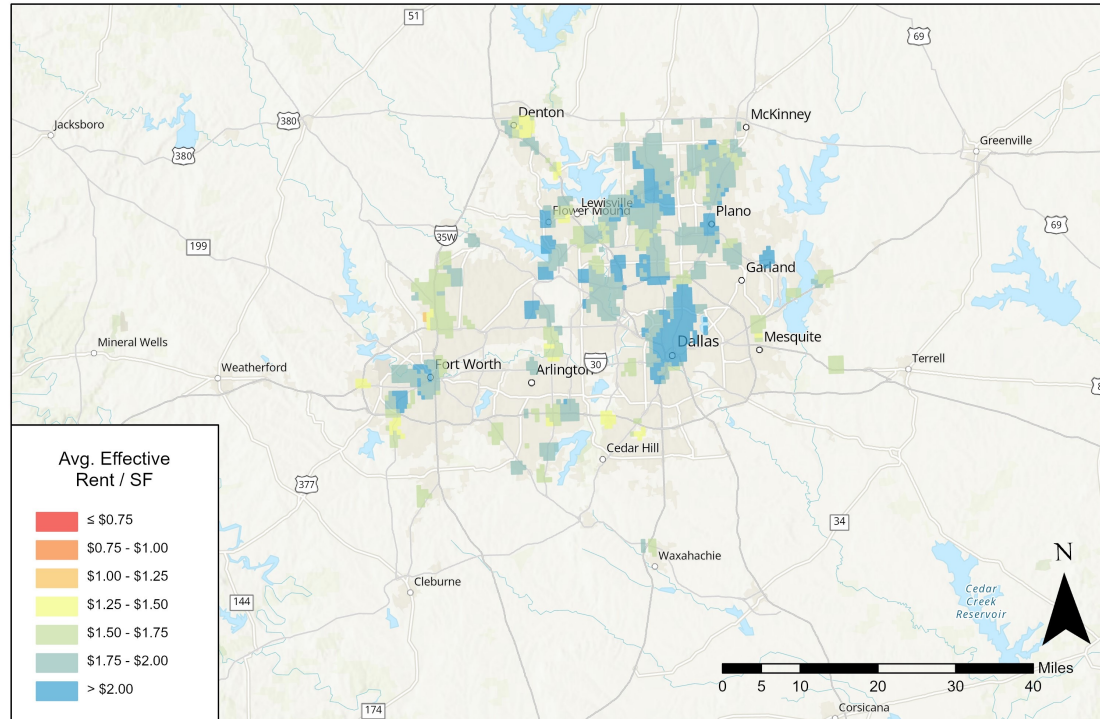
Effective Rent Per Unit



Effective Rent Per Square Foot



DFW Metro Average Effective Rent / SF Class A Multifamily LMAs (1Q2023)



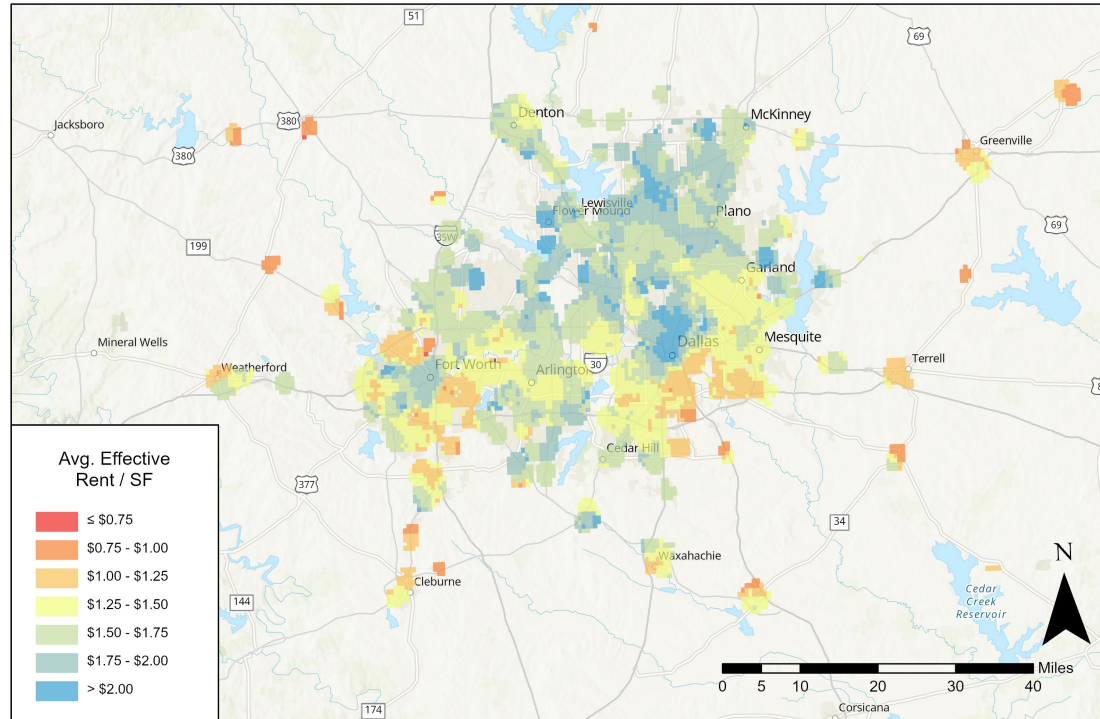
Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Apartment Market *rent*



DFW Metro Average Effective Rent / SF Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

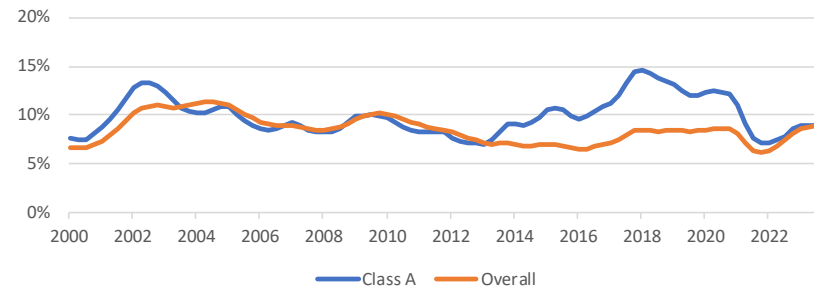
Dallas-Fort Worth Apartment Market *rent*



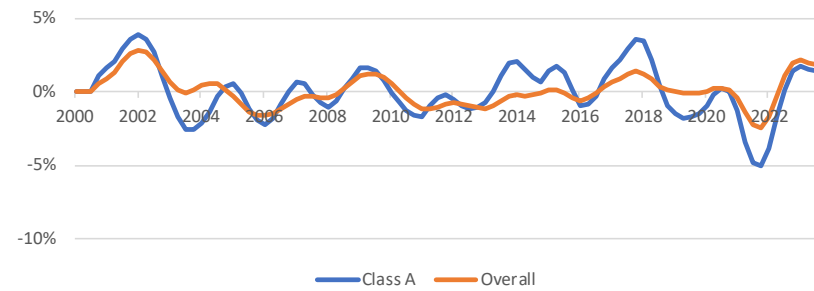
Dallas-Fort Worth Apartment Market *vacancy*



Vacancy



Vacancy Change from Previous Year

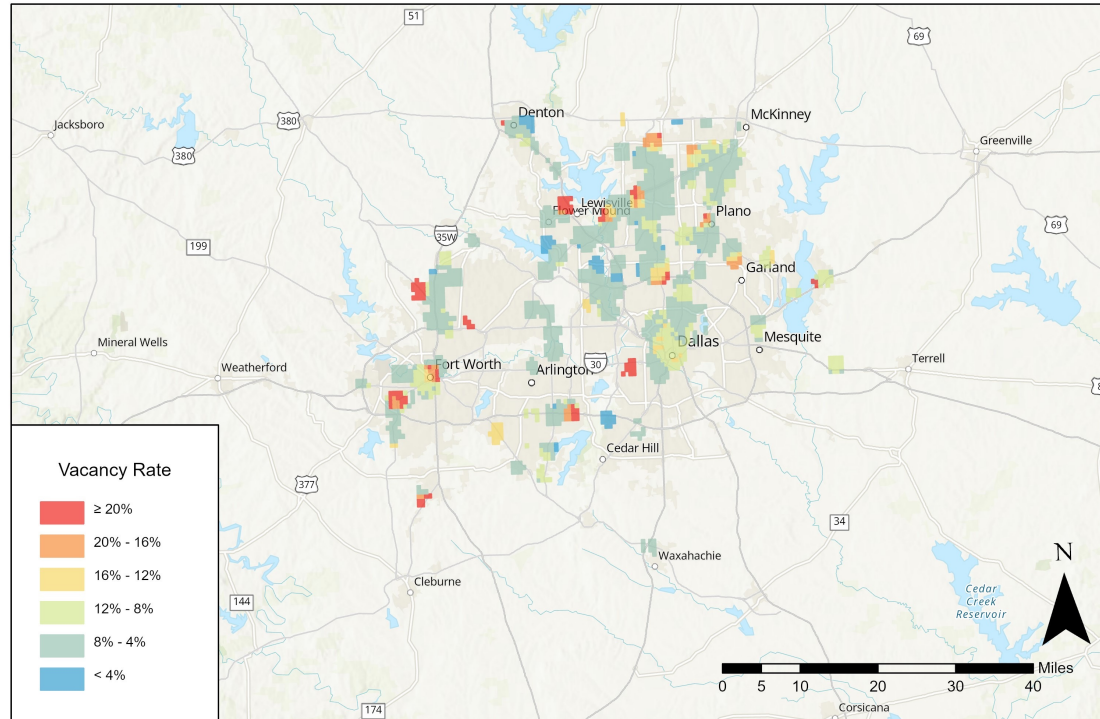


		Current	Previous Quarter	Previous Year
Vacancy Percent	Class A	8.85%	8.97%	7.80%
Vacancy Percent	Overall	8.95%	8.83%	7.50%

Larger
Smaller
 Than Current



DFW Metro Vacancy Class A Multifamily LMAs (1Q2023)



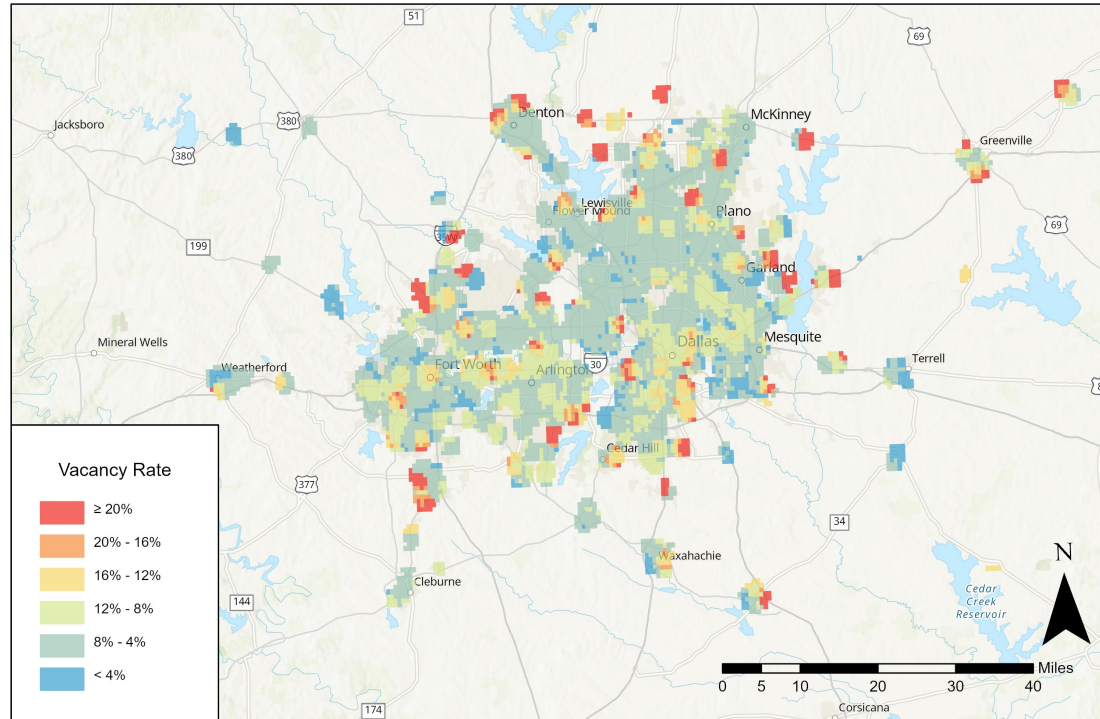
Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Apartment Market *vacancy*



DFW Metro Vacancy Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Apartment Market *vacancy*



Dallas-Fort Worth Office Market

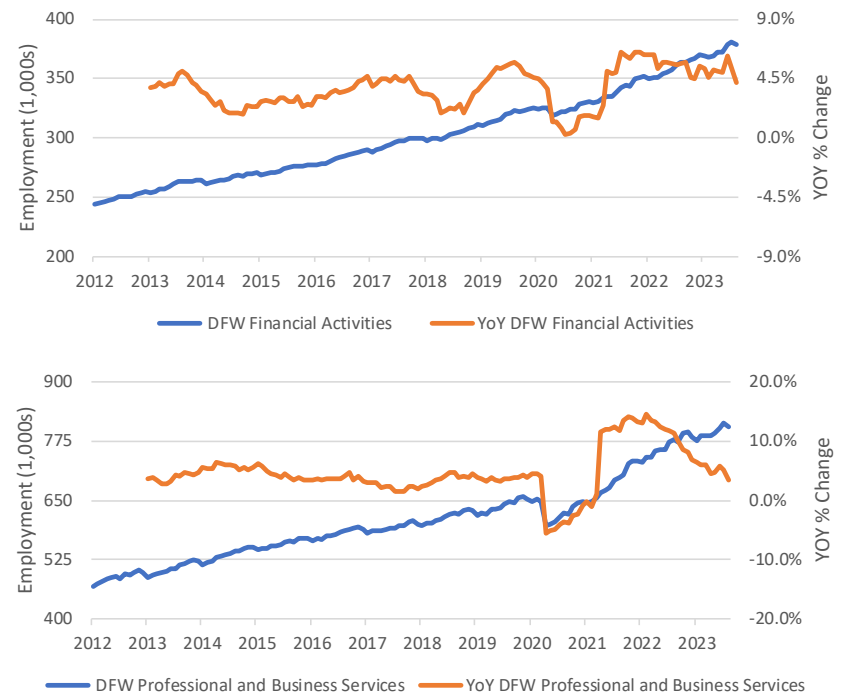
key employment trends

DFW Financial Activities

Aug-23	Aug-22	Change YoY
379,000	363,700	15,300 4.21%

DFW Professional and Business Services

Aug-23	Aug-22	Change YoY
806,300	778,800	27,500 3.53%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University



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Texas Real Estate Research Center

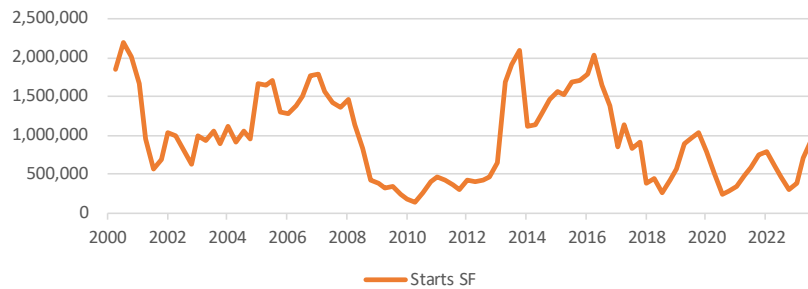
Dallas-Fort Worth Office Market

absorption/construction

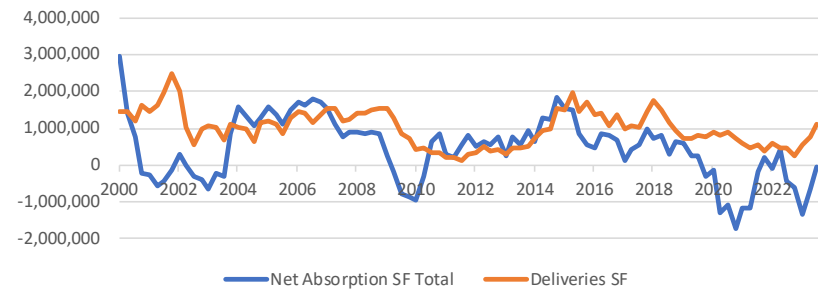
		Current	Previous Quarter	Previous Year
Starts SF	Overall	931,339	703,591	465,455
Net Absorption SF Total	Overall	-69,941	-649,166	-444,012
Deliveries SF	Overall	1,103,182	779,495	455,625
Under Construction SF	Overall	3,111,549	3,283,392	3,471,340

Larger
Smaller
 Than Current

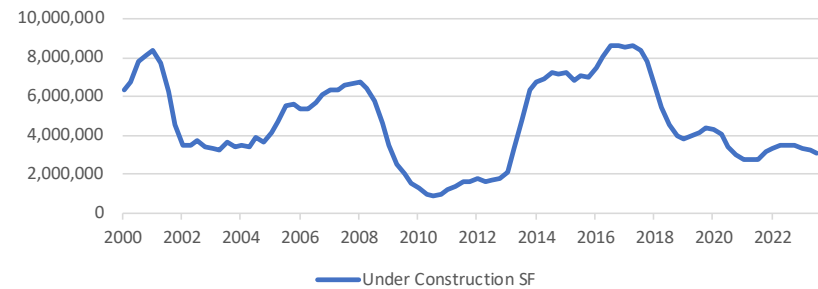
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

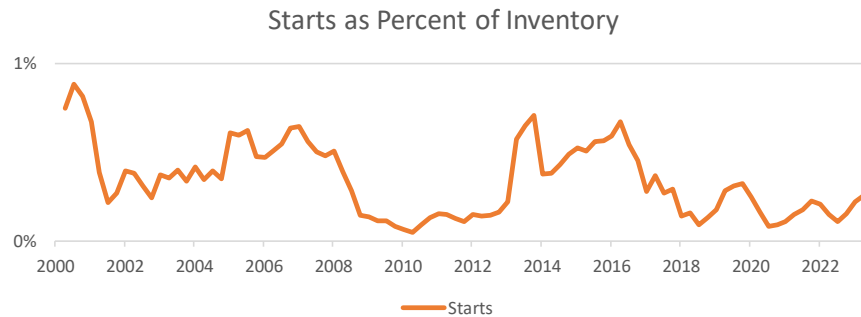


Dallas-Fort Worth Office Market

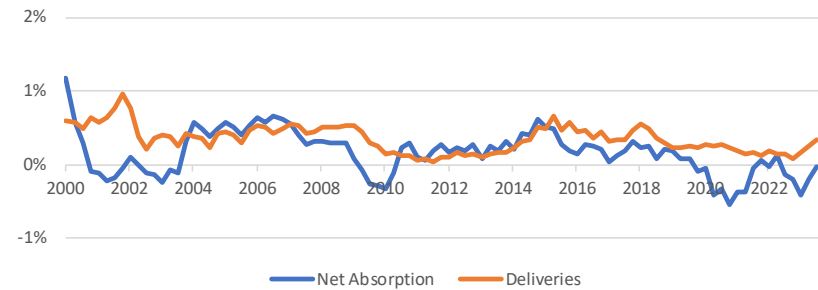
absorption/construction

		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.29%	0.22%	0.15%
Under Construction Percent	Overall	0.97%	1.02%	1.08%
Absorption Percent	Overall	-0.02%	-0.20%	-0.14%
Deliveries Percent	Overall	0.34%	0.24%	0.14%

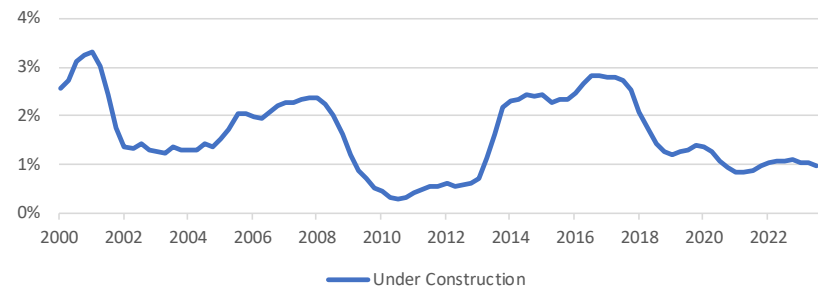
Larger
Smaller
 Than Current



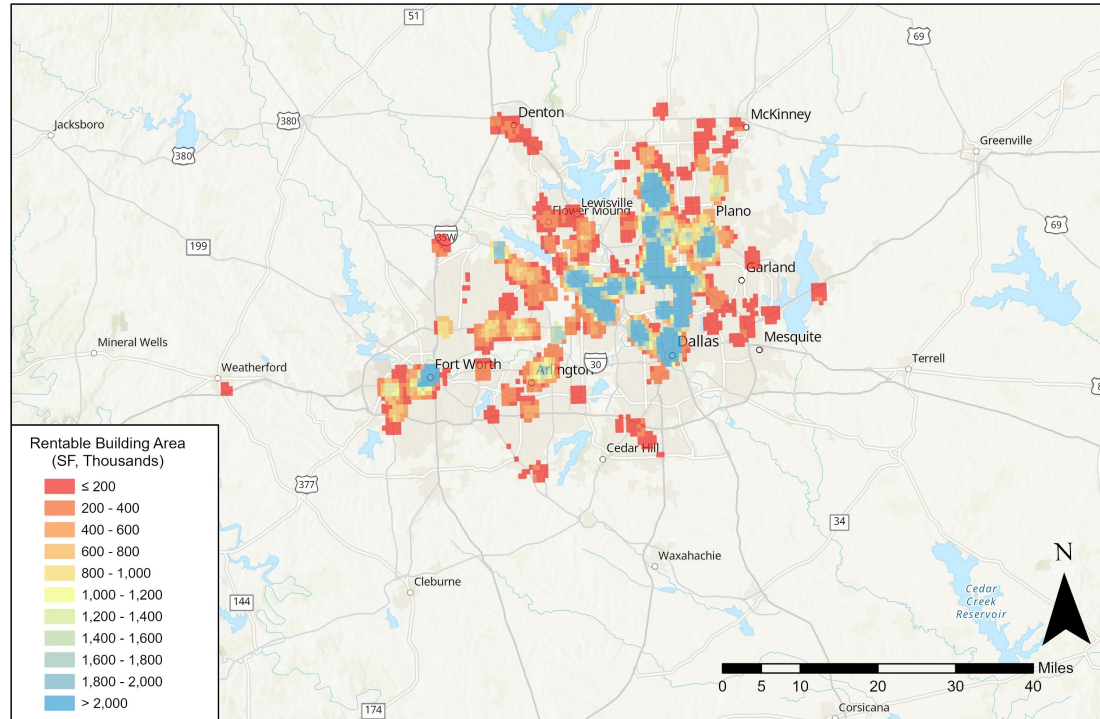
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



DFW Metro Rentable Building Area Office LMAs (4Q2022)



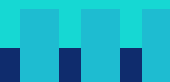
Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Office Market *inventory*



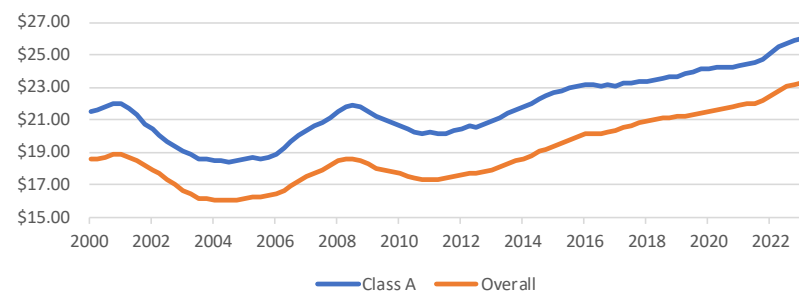
Dallas-Fort Worth Office Market *rent*



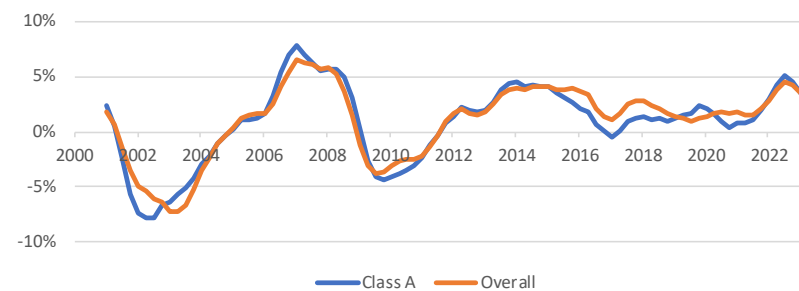
		Current	Previous Quarter	Previous Year
Base Rent	Class A	\$26.15	\$26.07	\$25.76
Base Rent	Overall	\$23.43	\$23.36	\$23.05

Larger
Smaller
 Than Current

Office Base Rent

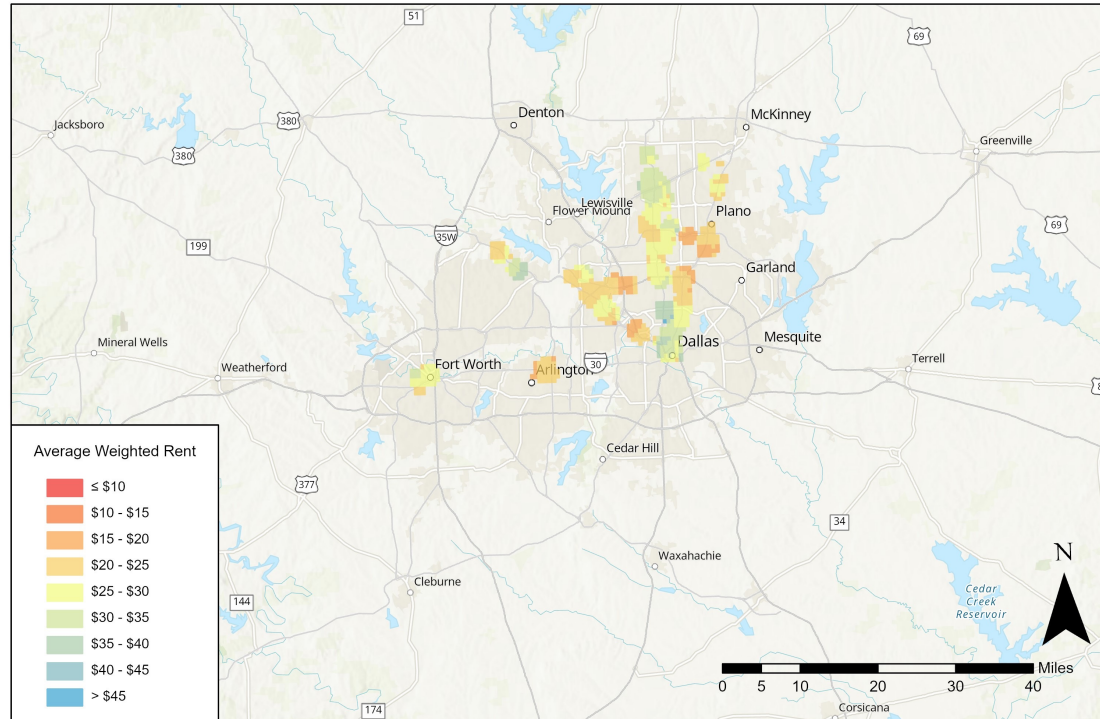


Office Base Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

DFW Metro Average Weighted Rent Class A Office LMAs (4Q2022)



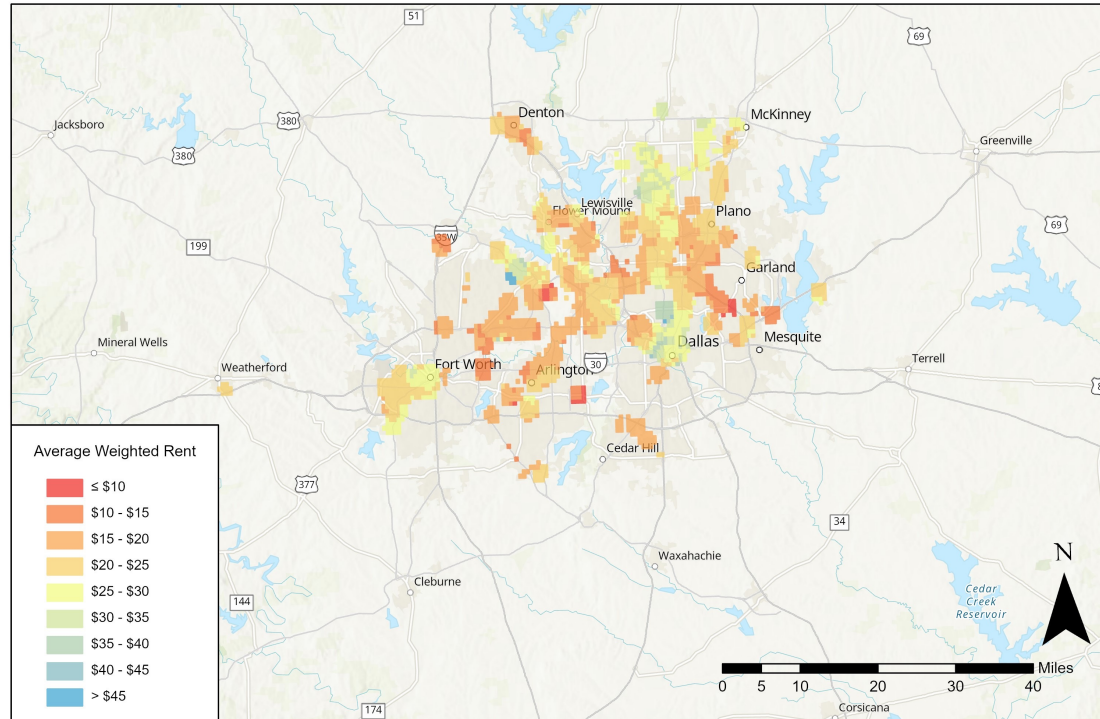
Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Office Market *rent*



DFW Metro Average Weighted Rent Office LMAs (4Q2022)



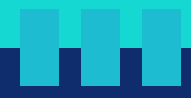
Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

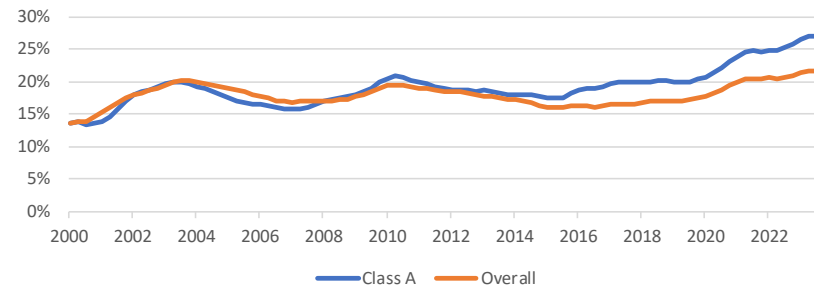
Dallas-Fort Worth Office Market *rent*



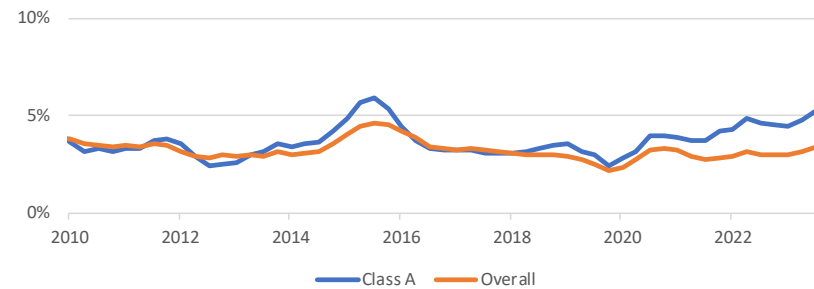
Dallas-Fort Worth Office Market *vacancy*



Vacancy



Availability less Vacancy

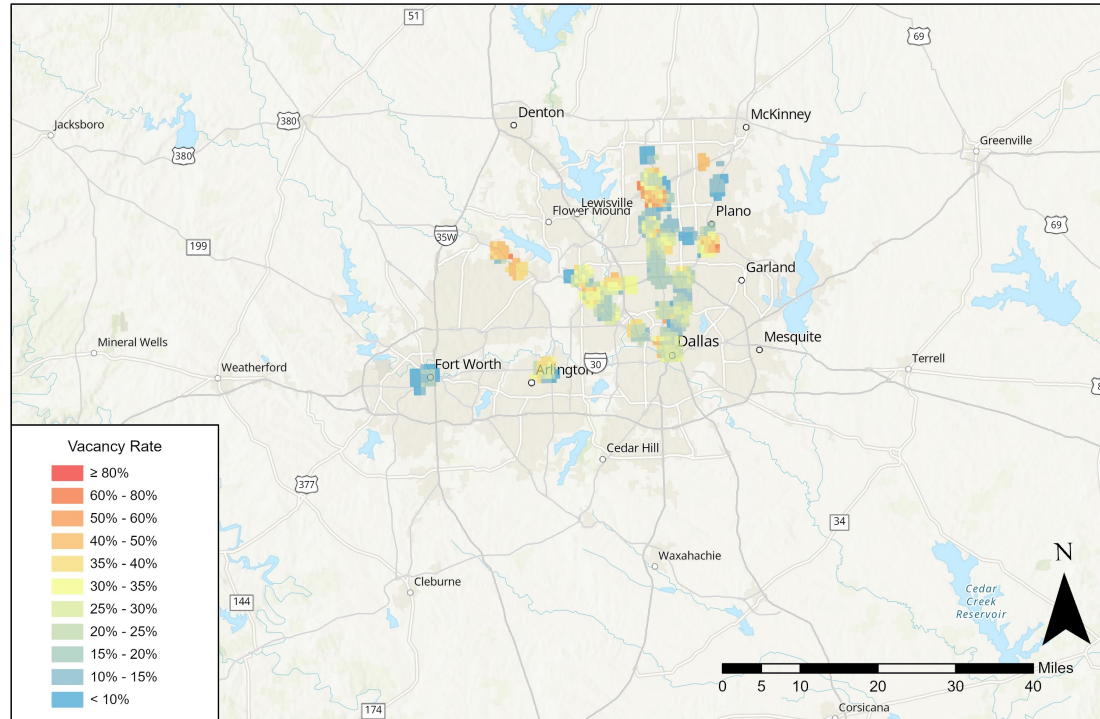


		Current	Previous Quarter	Previous Year
Vacant Percent % Total	Class A	27.00%	26.97%	25.43%
Vacant Percent % Total	Overall	21.75%	21.70%	20.77%
Availability less Vacancy	Class A	5.25%	4.80%	4.60%
Availability less Vacancy	Overall	3.40%	3.20%	3.00%

Larger Than Current ■ Smaller Than Current ■

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

DFW Metro Vacancy Class A Office LMAs (4Q2022)



Source: Costar, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

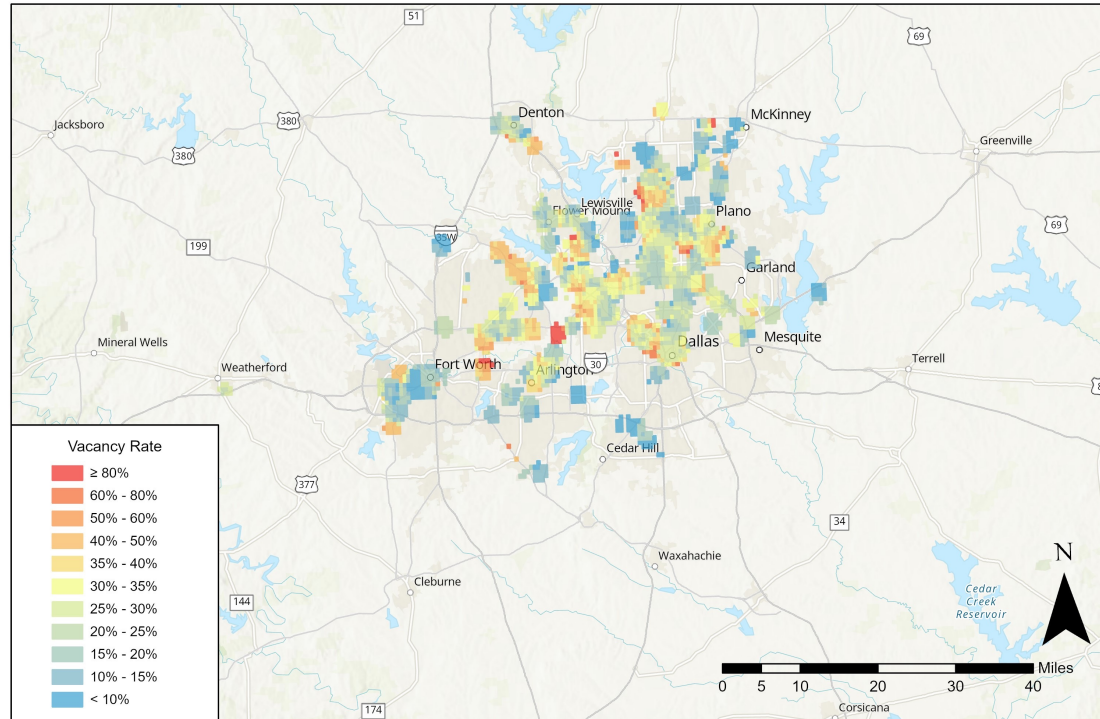
Local Market Area (LMA) Definitions

Dallas-Fort Worth Office Market *vacancy*



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Texas Real Estate Research Center

DFW Metro Vacancy Office LMAs (4Q2022)



Source: Costar, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Office Market *vacancy*



Dallas-Fort Worth Retail Market

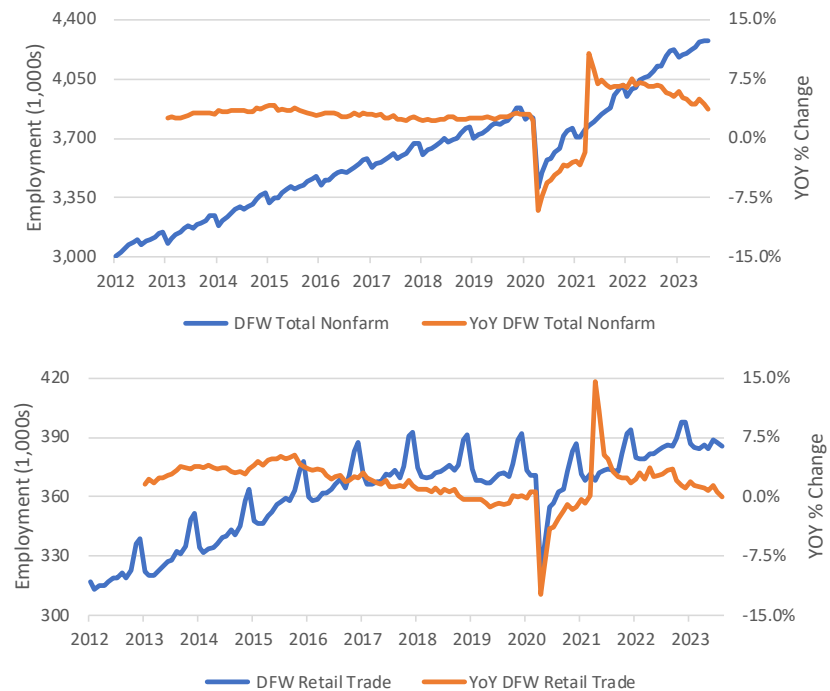
key employment trends

DFW Total Nonfarm

Aug-23	Aug-22	Change YoY
4,279,500	4,124,700	154,800 3.75%

DFW Retail Trade

Aug-23	Aug-22	Change YoY
385,800	386,100	(300) -0.08%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

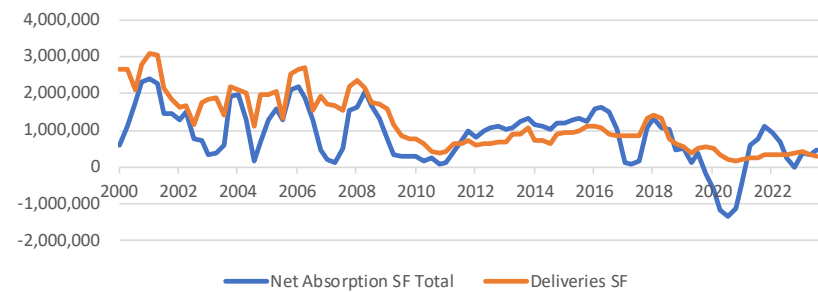
Dallas-Fort Worth Retail Market *absorption/construction*

		Current	Previous Quarter	Previous Year
Starts SF	Overall	285,361	431,231	460,489
Net Absorption SF Total	Overall	466,707	333,515	235,975
Deliveries SF	Overall	290,257	325,483	331,789
Under Construction SF	Overall	2,179,948	2,184,843	1,811,577

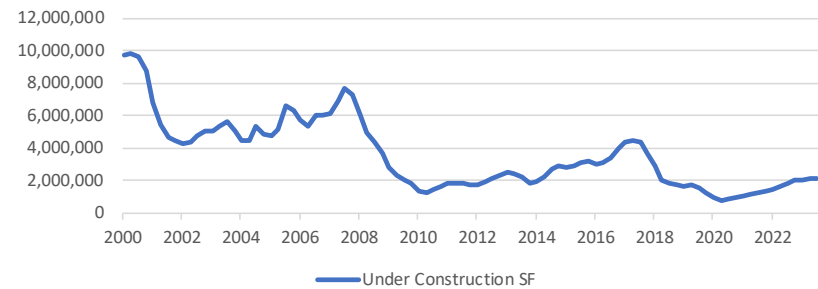
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

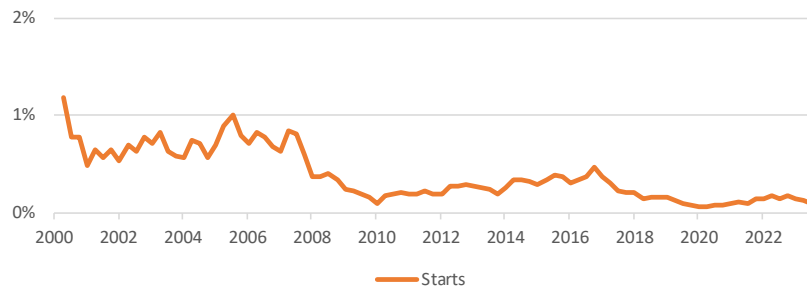


Dallas-Fort Worth Retail Market *absorption/construction*

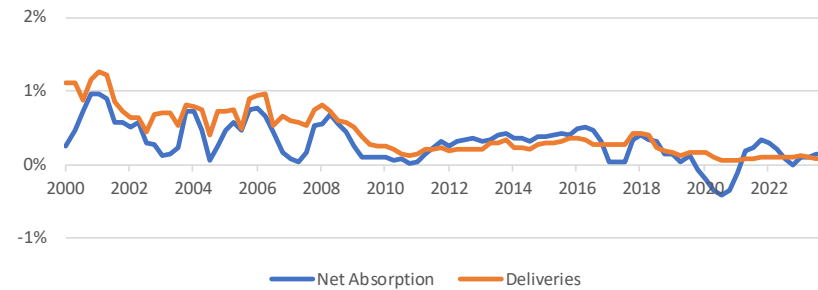
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.09%	0.13%	0.14%
Under Construction Percent	Overall	0.67%	0.67%	0.56%
Absorption Percent	Overall	0.14%	0.10%	0.07%
Deliveries Percent	Overall	0.09%	0.10%	0.10%

Larger
Smaller
Than Current

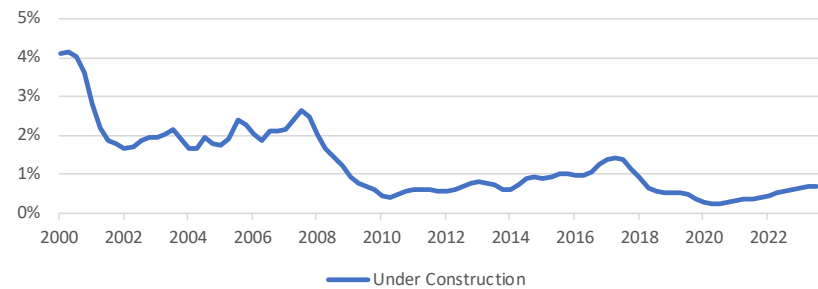
Starts as Percent of Inventory



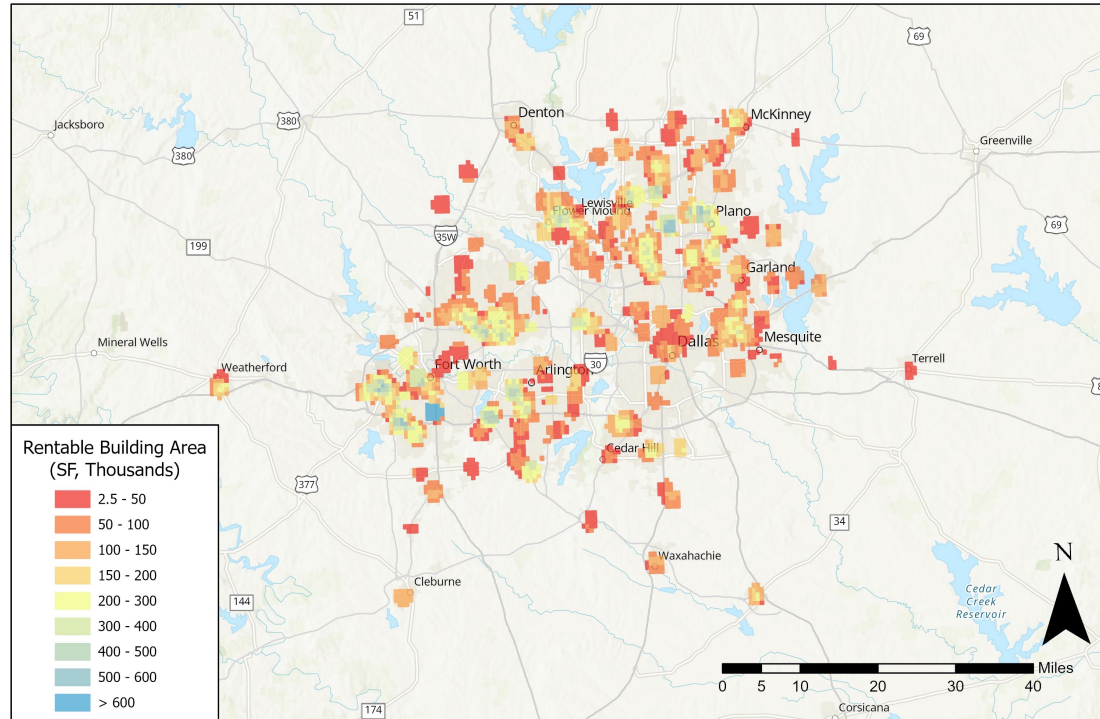
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



DFW Metro Rentable Building Area Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Retail Market *inventory*

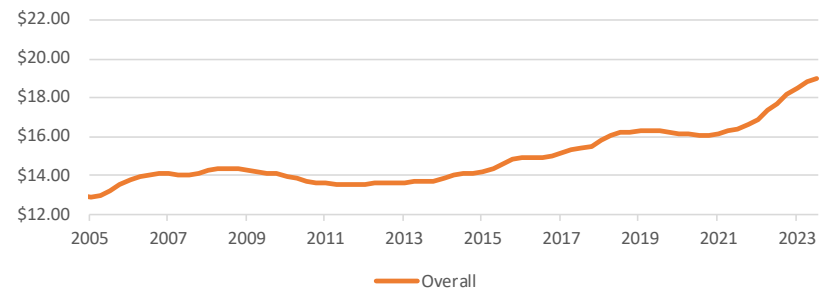


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Dallas-Fort Worth Retail Market *rent*



NNN Rent



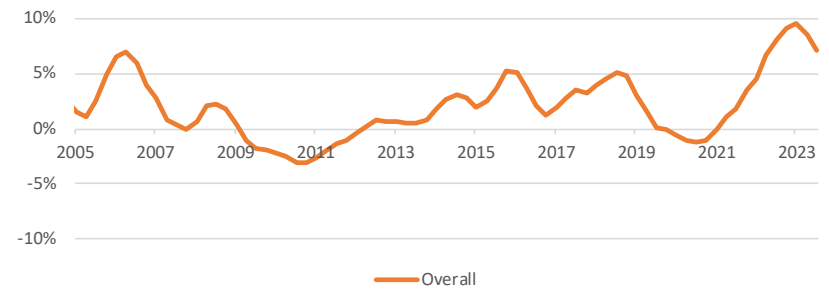
Current	Previous Quarter	Previous Year
\$18.95	\$18.85	\$17.69

NNN Rent Overall

Overall

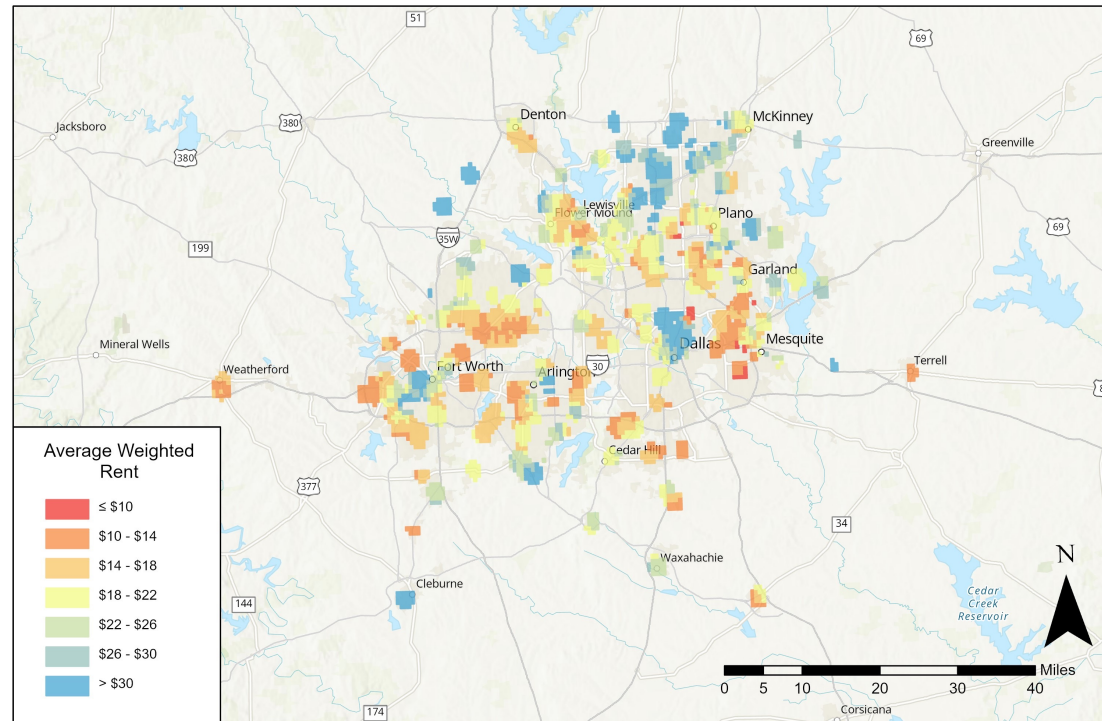
Larger Than Current
Smaller Than Current

NNN Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

DFW Metro Average Weighted Rent Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

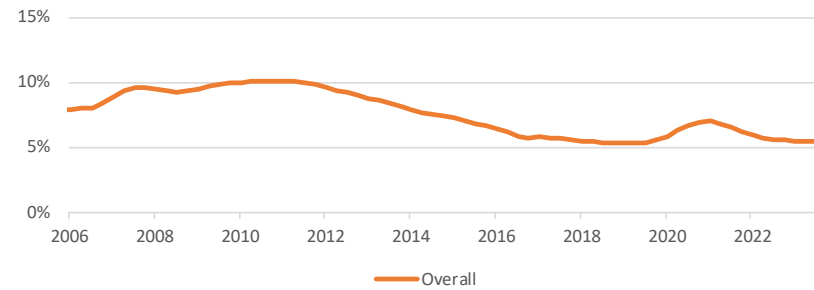
Dallas-Fort Worth Retail Market *rent*



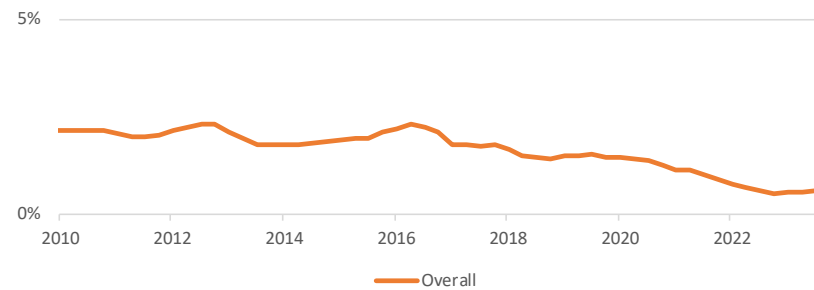
Dallas-Fort Worth Retail Market *vacancy*



Vacancy



Availability less Vacancy



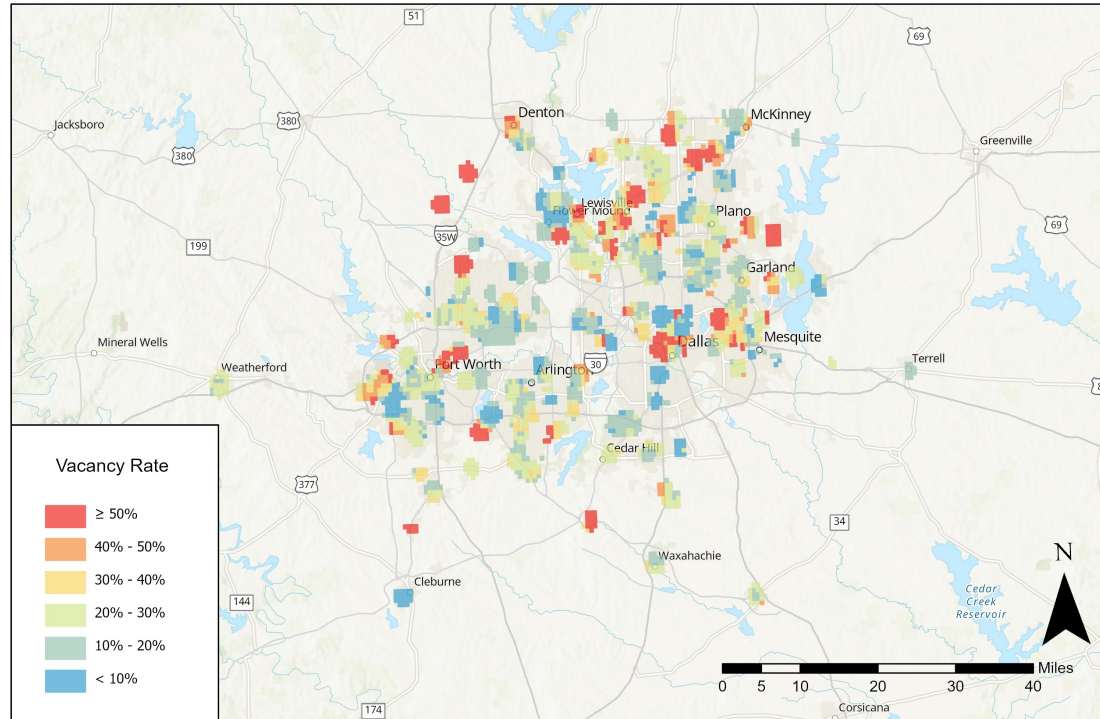
Vacant Percent % Total
Availability less Vacancy

	Current	Previous Quarter	Previous Year
Overall	5.45%	5.50%	5.57%
Overall	0.60%	0.57%	0.60%

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

DFW Metro Vacancy Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Retail Market *vacancy*



Dallas-Fort Worth Warehouse Market

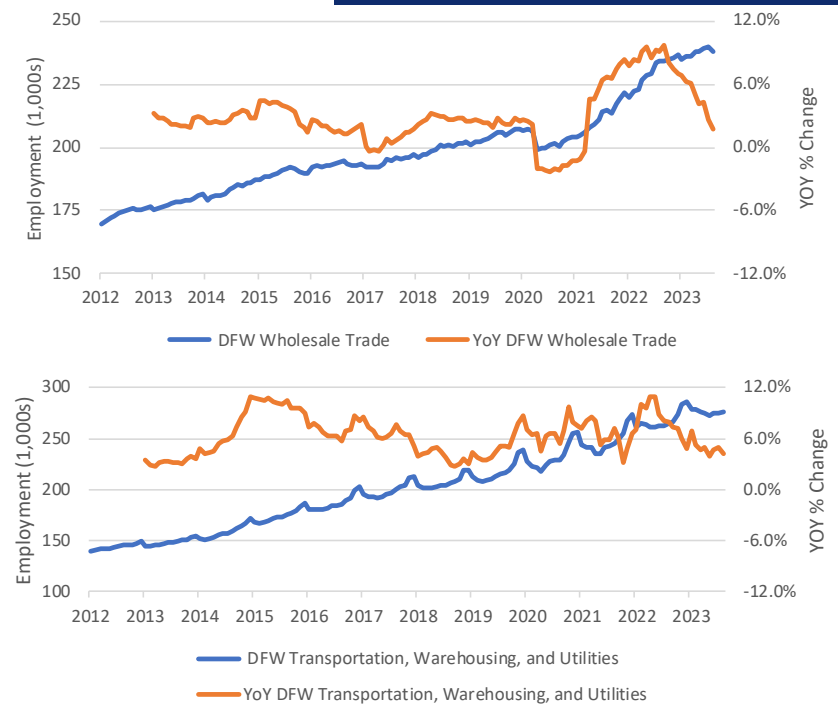
key employment trends

DFW Wholesale Trade

	May-23	May-22	Change YoY	
	238,200	228,800	9,400	4.11%

DFW Transportation, Warehousing, and Utilities

	Aug-23	Aug-22	Change YoY	
	275,900	264,800	11,100	4.19%



Dallas-Fort Worth Warehouse Market

absorption/construction

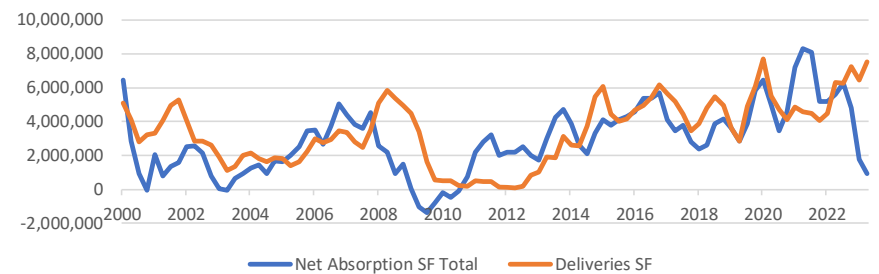
		Current	Previous Quarter	Previous Year
Starts SF	Overall	5,065,558	5,538,889	9,157,457
Net Absorption SF Total	Overall	930,329	1,753,874	5,596,431
Deliveries SF	Overall	7,525,110	6,448,943	6,291,327
Under Construction SF	Overall	35,183,004	37,642,555	31,673,536

Larger
Smaller
Than Current

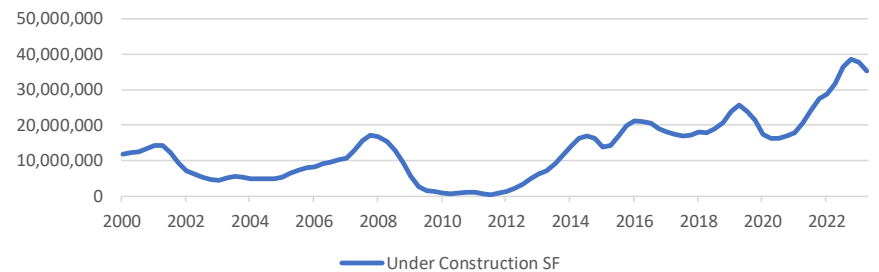
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage



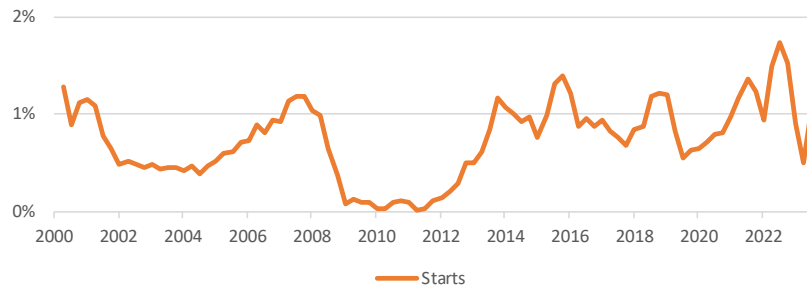
Dallas-Fort Worth Warehouse Market

absorption/construction

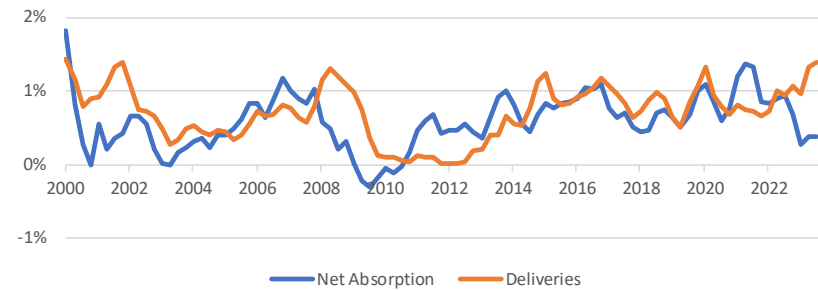
	Current	Previous Quarter	Previous Year
Starts Percent	1.06%	0.51%	1.74%
Under Construction Percent	4.90%	5.27%	5.91%
Absorption Percent	0.38%	0.39%	0.93%
Deliveries Percent	1.39%	1.33%	0.94%

Larger
Smaller
 Than Current

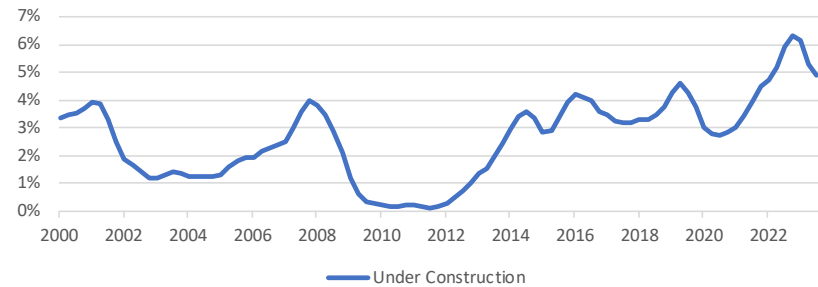
Starts as Percent of Inventory



Absorption and Deliveries as Percent of Inventory

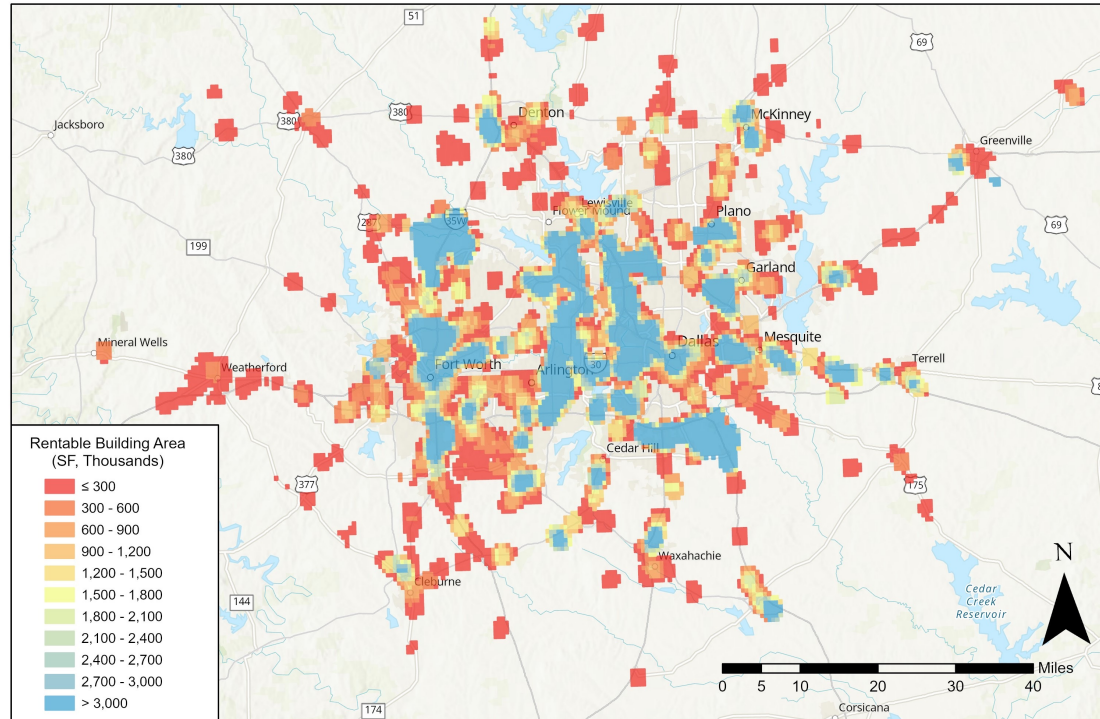


Under Construction as Percent of Inventory



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

DFW Metro Rentable Building Area Warehouse LMAs (3Q2023)



Source: Costar, Esri, CGIAR, USGS, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Warehouse Market *inventory*



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Dallas-Fort Worth Warehouse Market *rent*

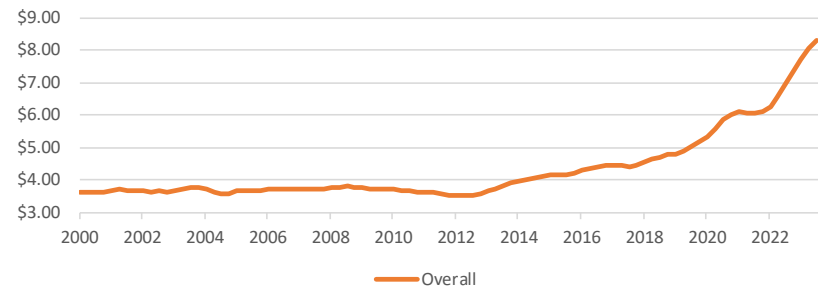


Overall	Current	Previous Quarter	Previous Year
NNN Rent Overall	\$8.30	\$8.07	\$6.93

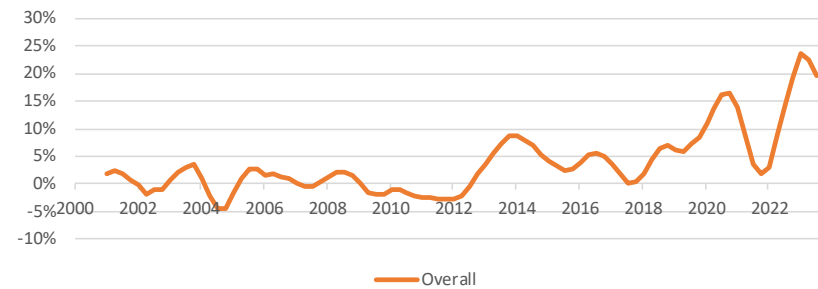
Overall

Larger Than Current
Smaller Than Current

NNN Rent



NNN Rent YoY Growth

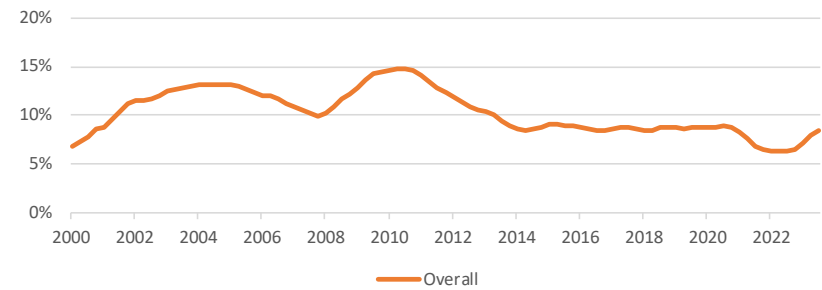


Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

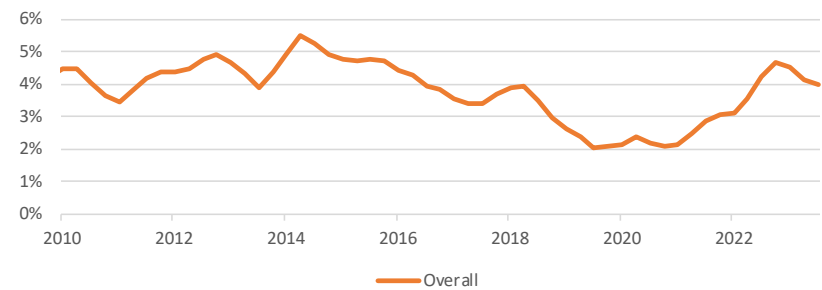
Dallas-Fort Worth Warehouse Market *vacancy*



Vacancy



Availability less Vacancy



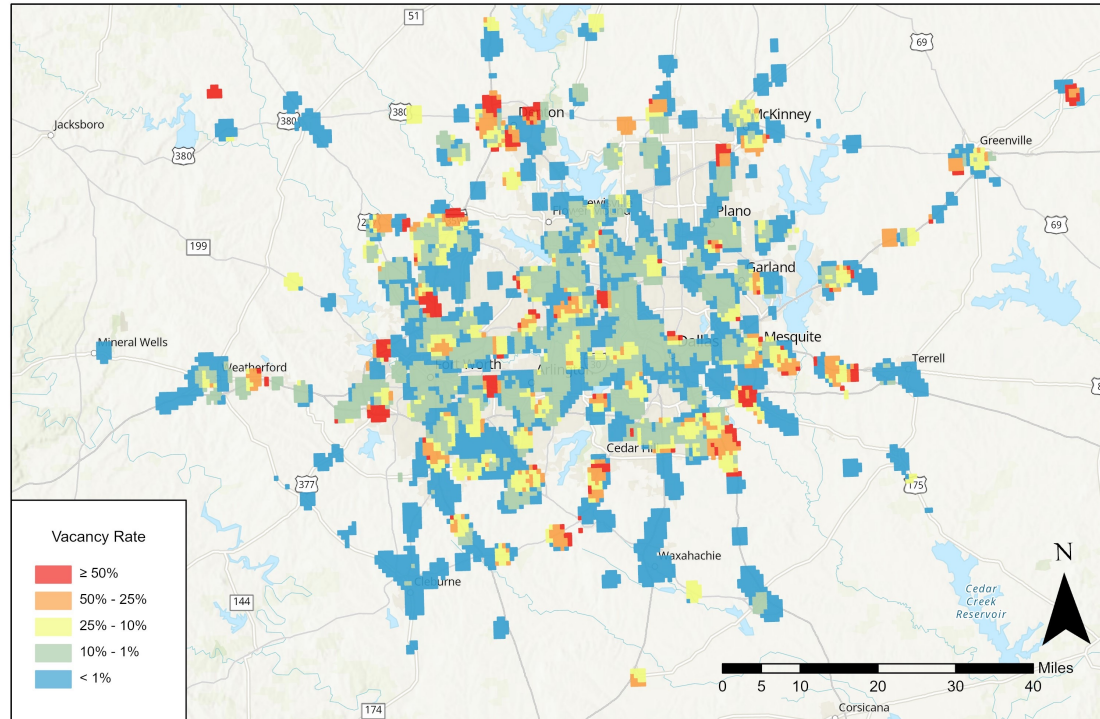
Vacant Percent % Total
Availability less Vacancy

	Current	Previous Quarter	Previous Year
Overall	8.45%	7.97%	6.27%
Overall	4.00%	4.17%	4.23%

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

DFW Metro Vacancy Warehouse LMAs (3Q2023)



Source: Costar, Baylor University, City of Fort Worth, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

Dallas-Fort Worth Warehouse Market *vacancy*



Houston

- Economy
- Apartments
- Office
- Retail
- Warehouse



Houston Economy

- Total Houston employment growth remains above the pre-COVID level, but it is slowing. Long-term employment growth across the economy is expected to trend toward pre-COVID rates but may fall below through 2024.
- Houston apartment construction did not respond to COVID and its after-effects, as happened in other markets. Rent growth is moderating as vacancy levels off.
- Houston office absorption has recently been negative. Rents remain level as higher vacancies level out at a still-elevated rate.
- After a post COVID jump, retail vacancy has fallen back to pre-COVID levels. Rents continue their steady growth as construction remains subdued.
- Warehouse construction is falling even as rent continues to rise at an elevated rate and vacancies have fallen back to pre-COVID levels.



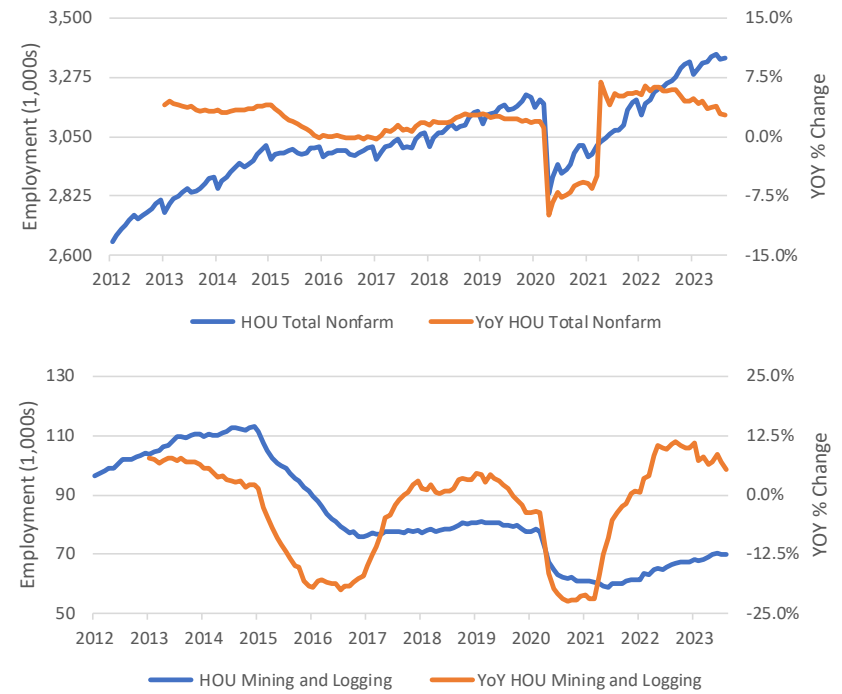
Houston Economy *key employment trends*

HOU Total Nonfarm

	Aug-23	Aug-22	Change YoY	
	3,348,400	3,260,800	87,600	2.69%

HOU Mining and Logging

	Aug-23	Aug-22	Change YoY	
	69,900	66,400	3,500	5.27%

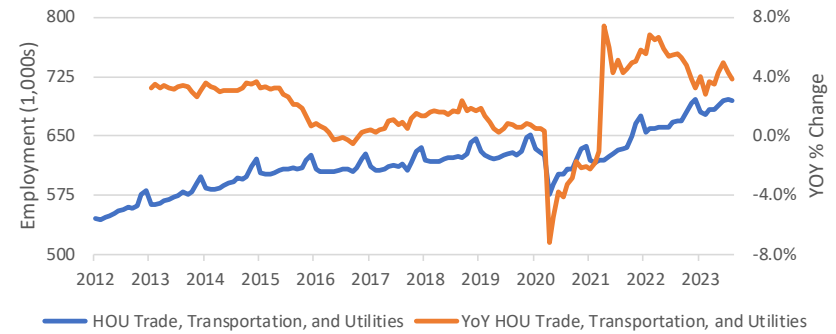


Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Houston Economy *key employment trends*



	Aug-23	Aug-22	Change YoY
HOU Trade, Transportation, and Utilities	695,000	669,500	25,500 3.81%

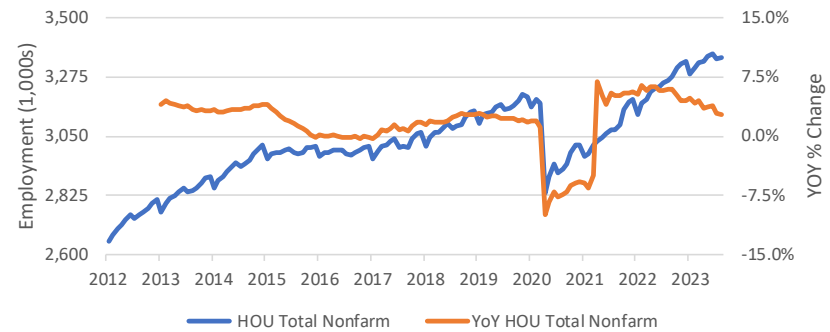


Houston Apartment Market *key employment trends*



HOU Total Nonfarm

Aug-23	Aug-22	Change YoY
3,348,400	3,260,800	87,600 2.69%

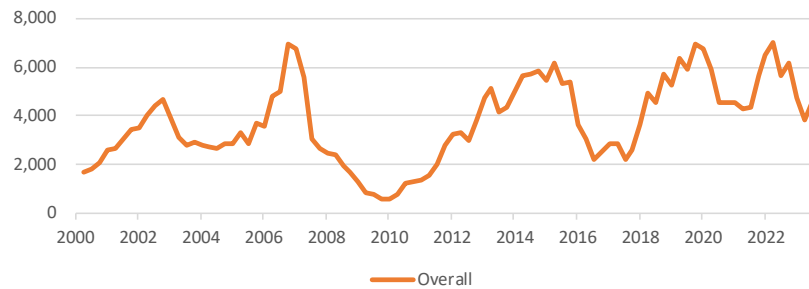


Houston Apartment Market *absorption/construction*

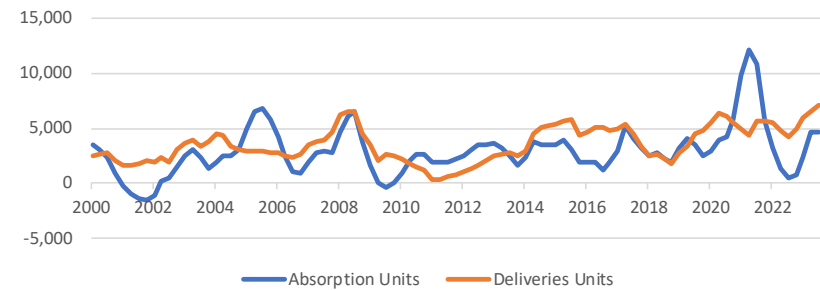
		Current	Previous Quarter	Previous Year
Starts Units	Overall	4,585	3,811	5,641
Absorption Units	Overall	4,671	4,588	413
Deliveries Units	Overall	7,032	6,542	4,211
Under Construction Units	Overall	30,314	32,761	35,413

Larger Than Current
Smaller Than Current

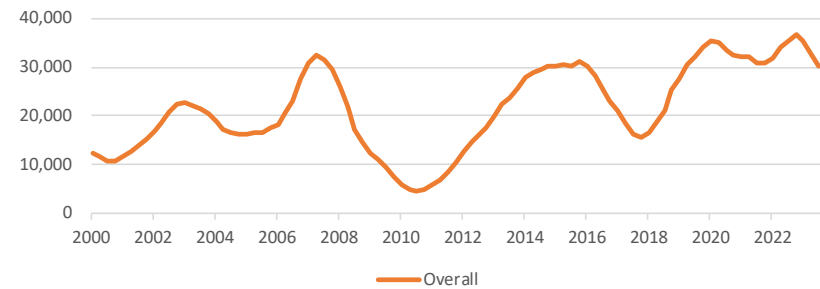
Starts Units



Absorption and Delivery Units



Under Construction Units

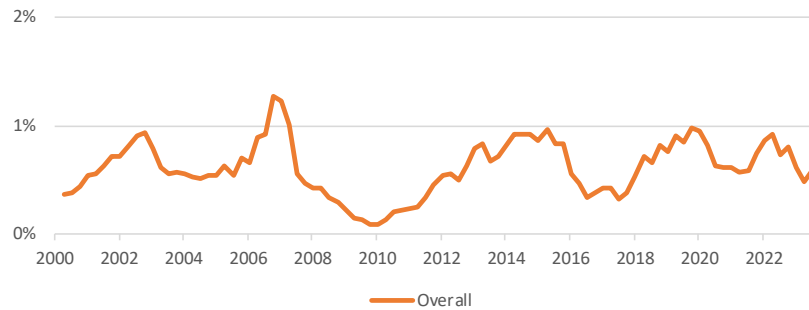


Houston Apartment Market *absorption/construction*

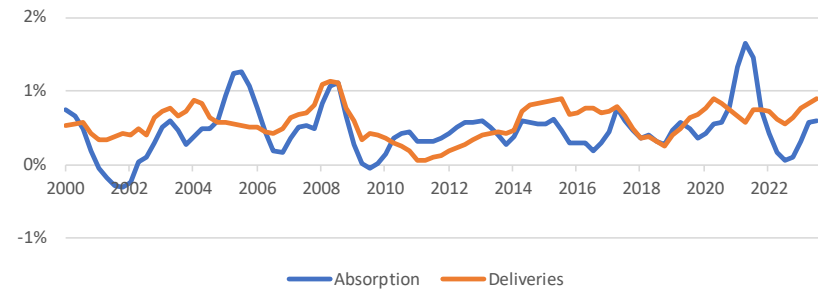
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.74%	0.57%	0.93%
Absorption Percent	Overall	0.51%	0.31%	0.20%
Deliveries Percent	Overall	0.81%	0.71%	0.64%
Under Construction Percent	Overall	4.57%	4.65%	4.54%

Larger
Smaller
Than Current

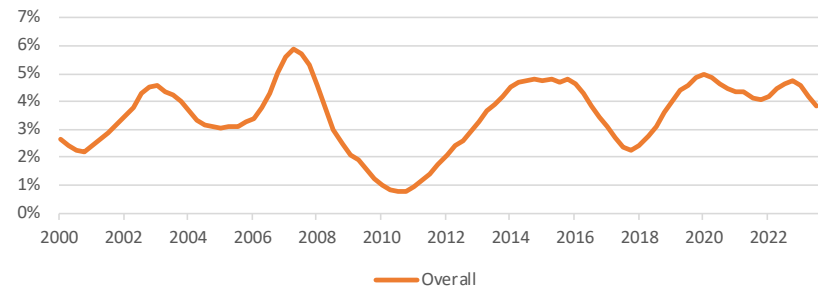
Starts as Percent of Inventory



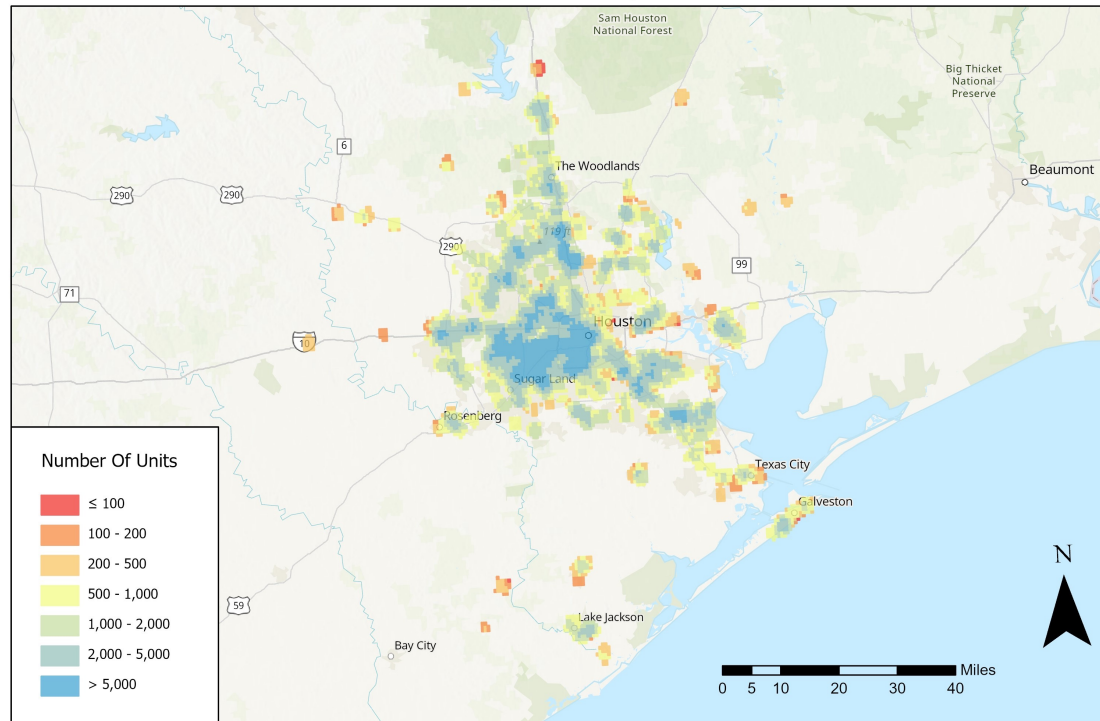
Absorption and Delivery as Percent of Inventory



Under Construction as Percent of Inventory



Houston Metro Number of Units Multifamily LMAs (1Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

Local Market Area (LMA) Definitions

Houston Apartment Market *inventory*



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Texas Real Estate Research Center

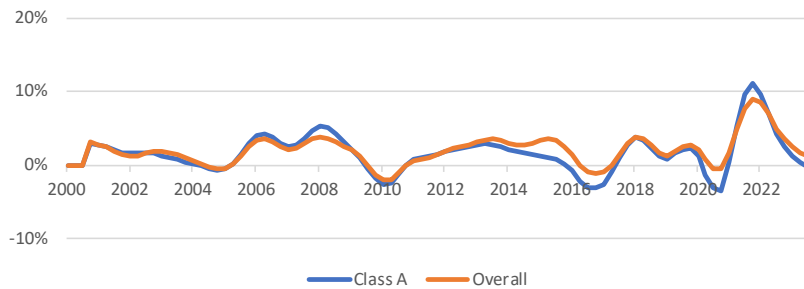
Houston Apartment Market *rent*



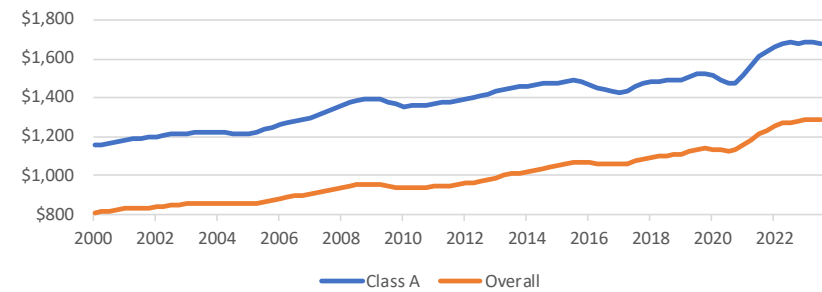
		Current	Previous Quarter	Previous Year
Effective Rent Per Unit	Class A	\$1,682	\$1,682	\$1,682
Effective Rent Per Unit	Overall	\$1,290	\$1,289	\$1,274
Effective Rent Per SF	Class A	\$1.75	1.75	1.74
Effective Rent Per SF	Overall	\$1.45	1.44	1.43

Larger
Smaller
Than Current

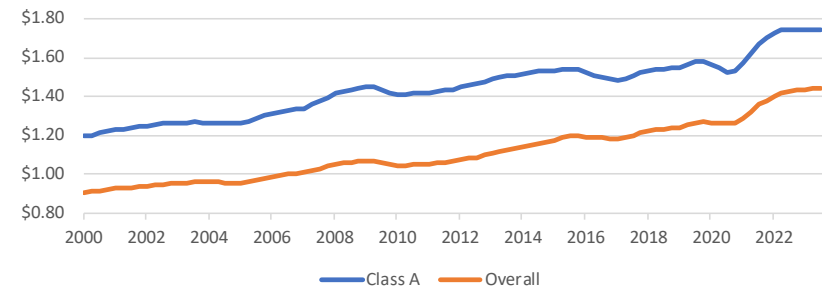
Year over Year Growth in Effective Rent



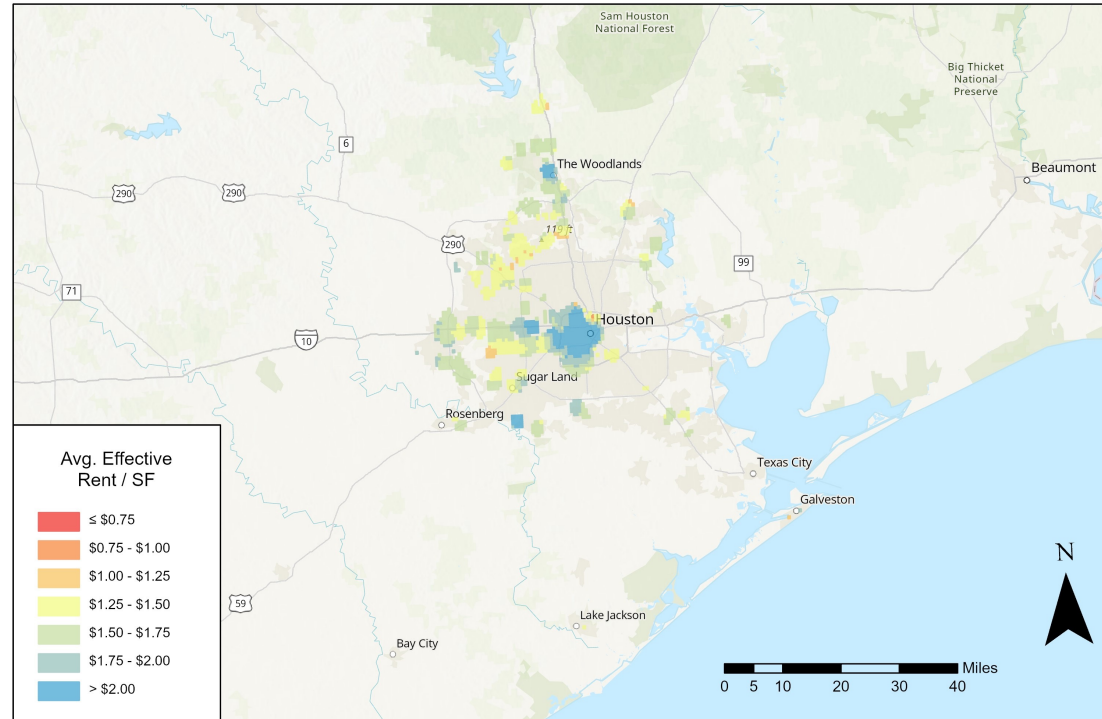
Effective Rent Per Unit



Effective Rent Per Square Foot



Houston Metro Average Effective Rent / SF Class A Multifamily LMAs (1Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

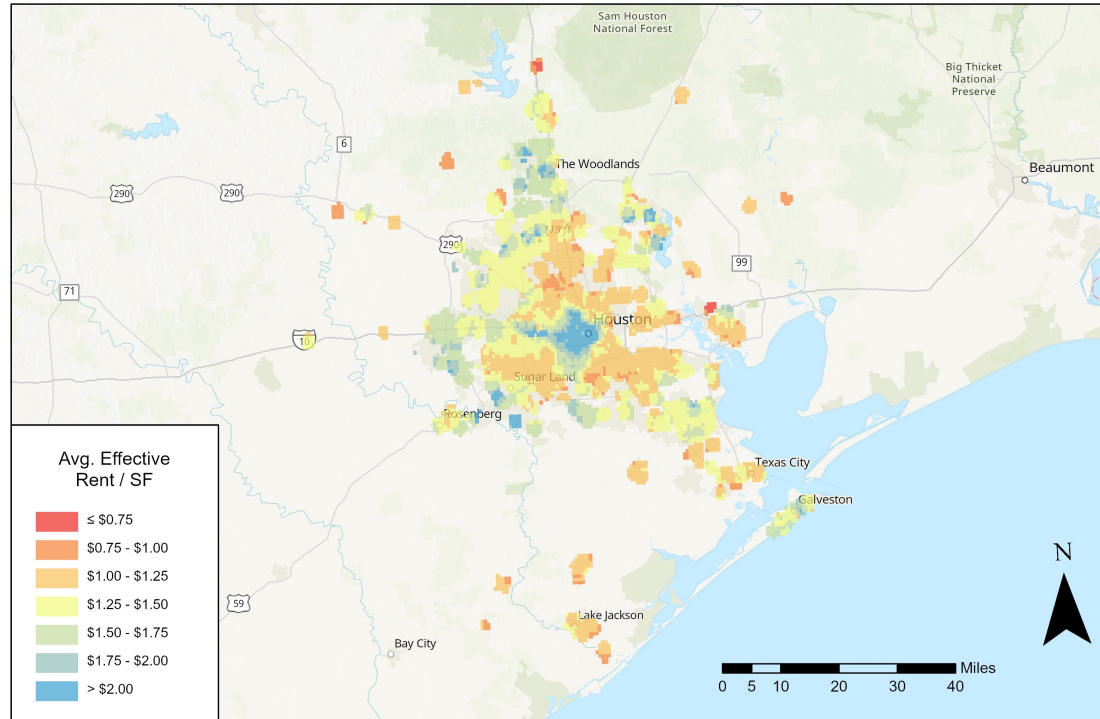
Local Market Area (LMA) Definitions

Houston Apartment Market *rent*



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Houston Metro Average Effective Rent / SF Multifamily LMAs (1Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

Local Market Area (LMA) Definitions

Houston Apartment Market *rent*



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Houston Apartment Market *vacancy*



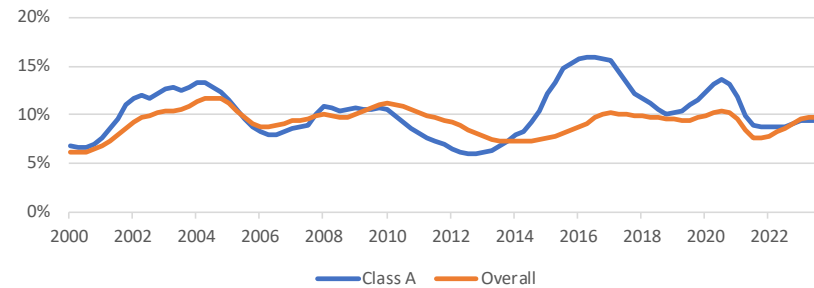
Vacancy Percent
Vacancy Percent

Class A
Overall

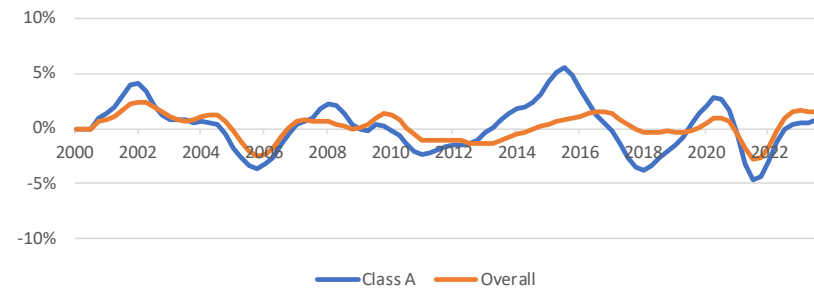
	Current	Previous Quarter	Previous Year
Class A	9.35%	9.40%	8.77%
Overall	9.80%	9.67%	8.67%

Larger Than Current
Smaller Than Current

Vacancy

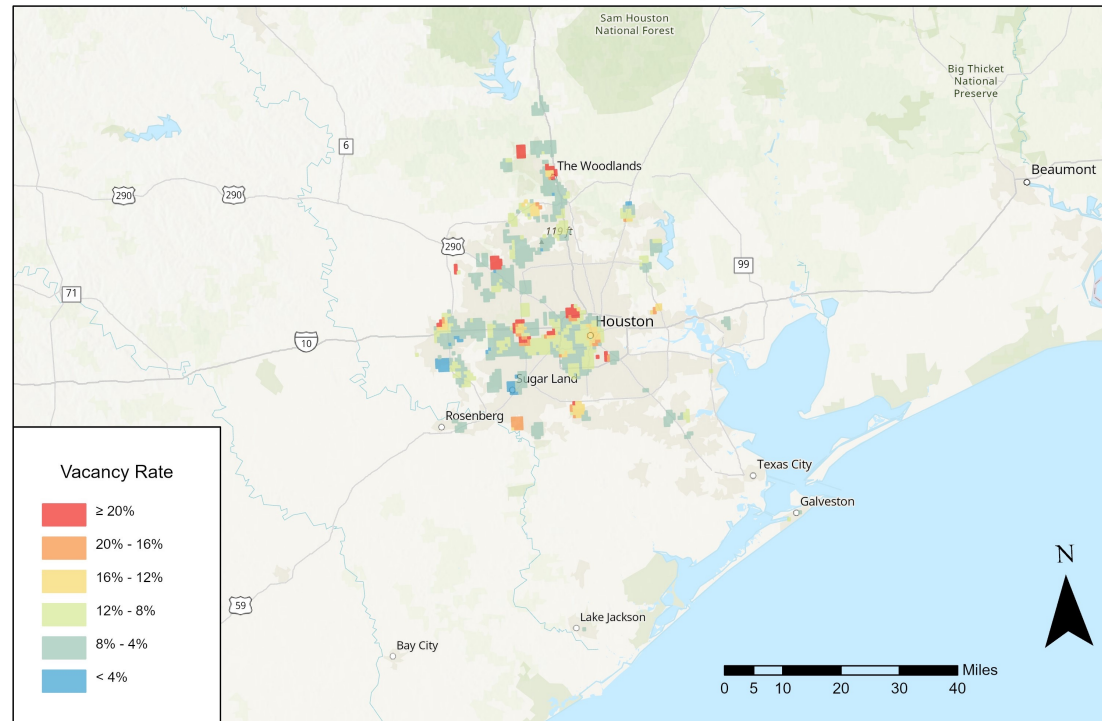


Vacancy Change from Previous Year



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Vacancy Class A Multifamily LMAs (1Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

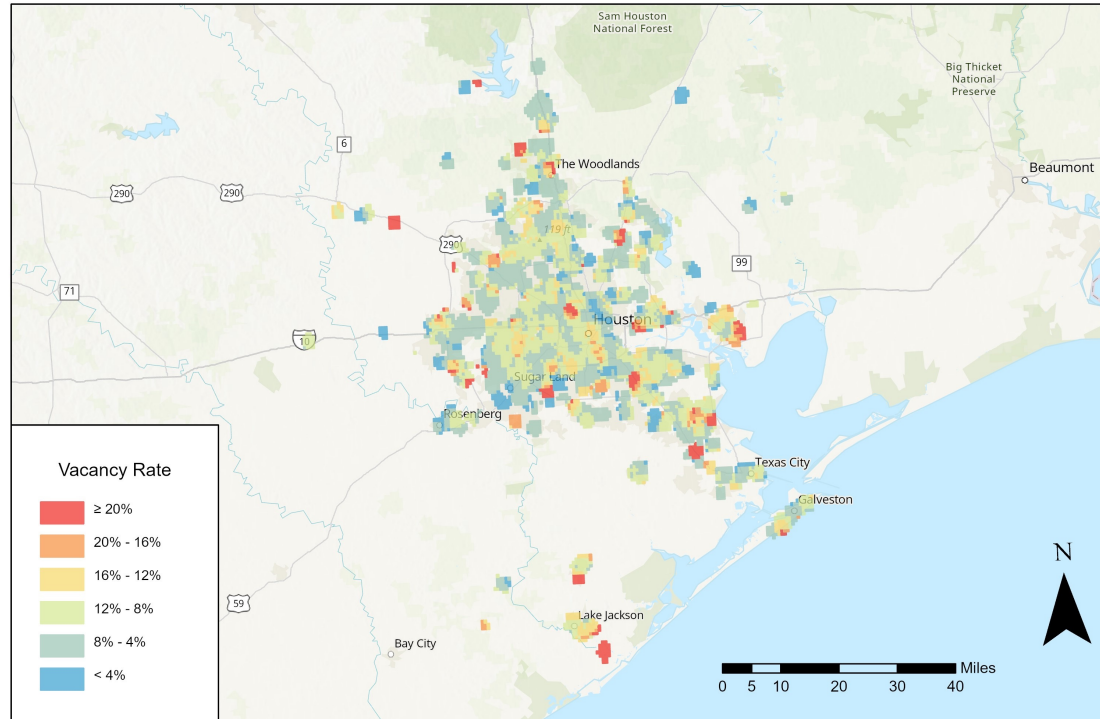
Local Market Area (LMA) Definitions

Houston Apartment Market *vacancy*



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Houston Metro Vacancy Multifamily LMAs (1Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

Local Market Area (LMA) Definitions

Houston Apartment Market *vacancy*



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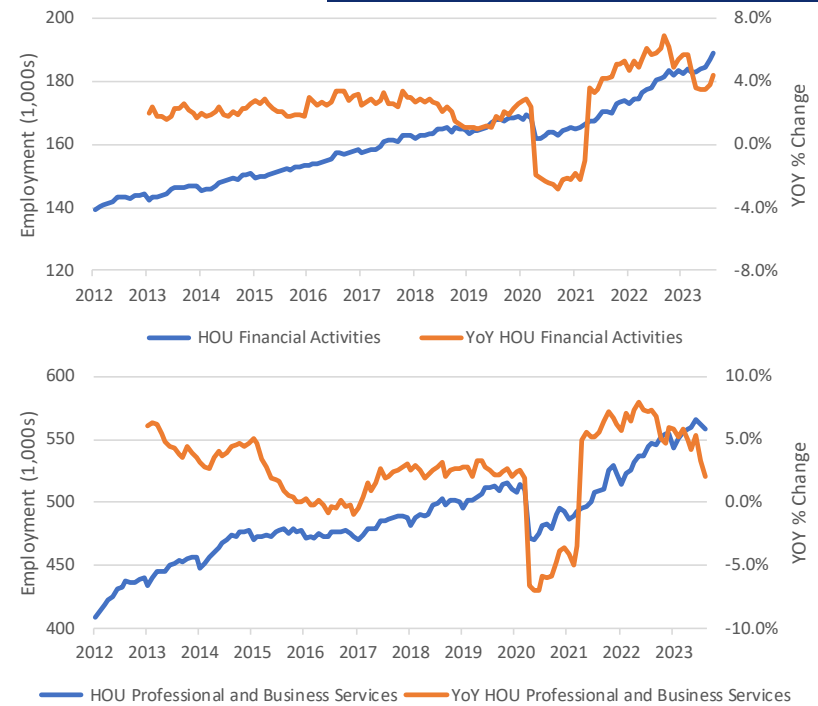
Houston Office Market *key employment trends*

HOU Financial Activities

Aug-23	Aug-22	Change YoY
189,000	181,000	8,000 4.42%

HOU Professional and Business Services

Aug-23	Aug-22	Change YoY
558,900	547,400	11,500 2.10%



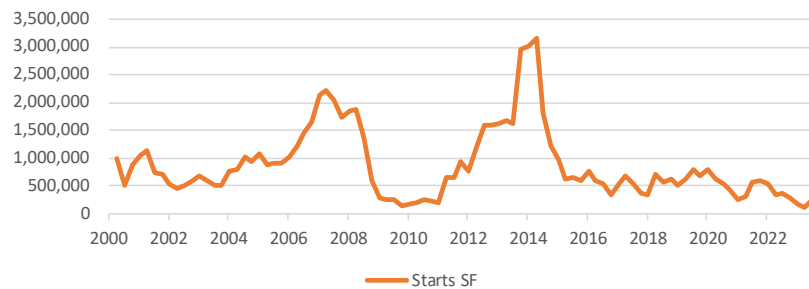
Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Houston Office Market *absorption/construction*

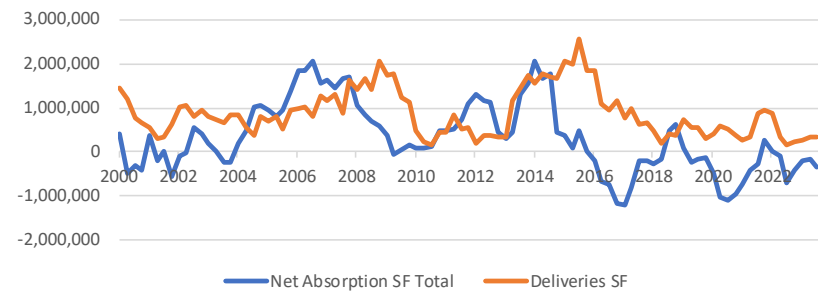
		Current	Previous Quarter	Previous Year
Starts SF	Overall	250,558	105,714	354,754
Net Absorption SF Total	Overall	-346,409	-175,968	-692,606
Deliveries SF	Overall	341,072	349,441	170,177
Under Construction SF	Overall	2,928,910	3,019,424	3,322,278

Larger
Smaller
 Than Current

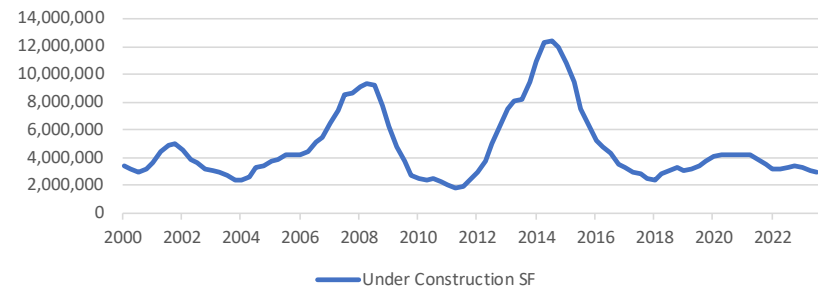
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

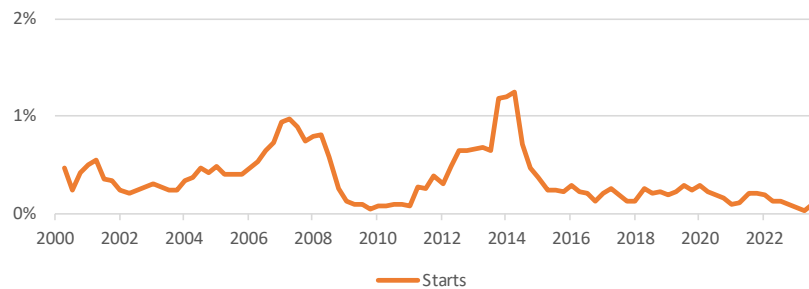


Houston Office Market *absorption/construction*

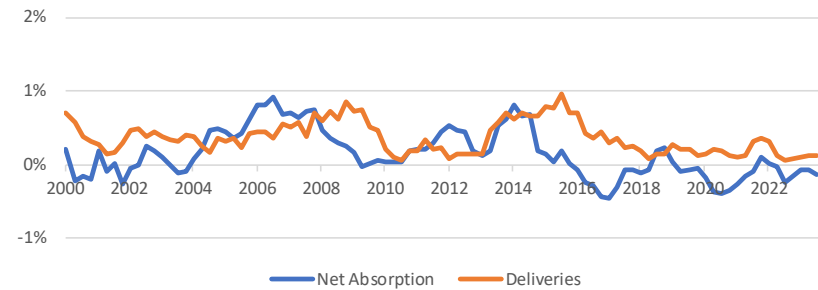
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.09%	0.04%	0.13%
Under Construction Percent	Overall	1.06%	1.09%	1.20%
Absorption Percent	Overall	-0.13%	-0.06%	-0.25%
Deliveries Percent	Overall	0.12%	0.13%	0.06%

Larger
Smaller
 Than Current

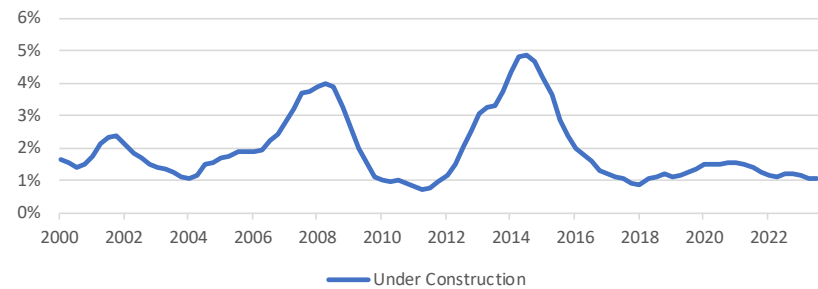
Starts as Percent of Inventory



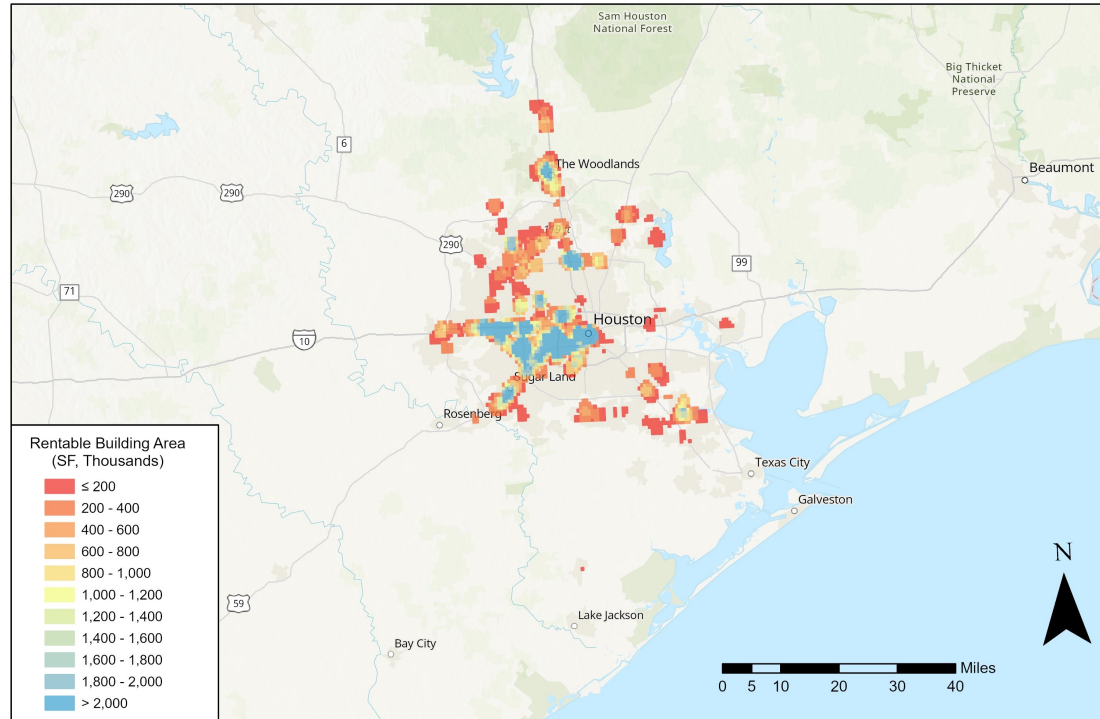
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



Houston Metro Rentable Building Area Office LMAs (4Q2022)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

Houston Office Market *inventory*



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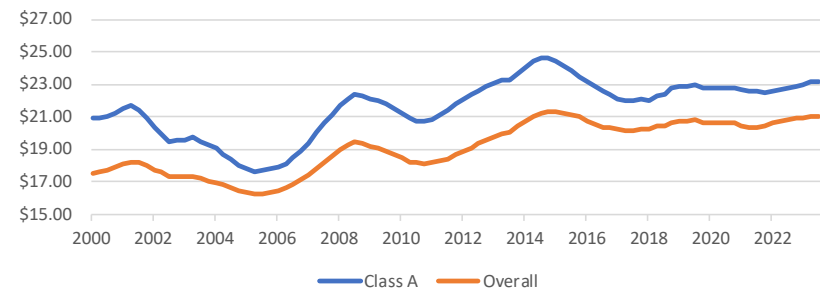
Houston Office Market *rent*



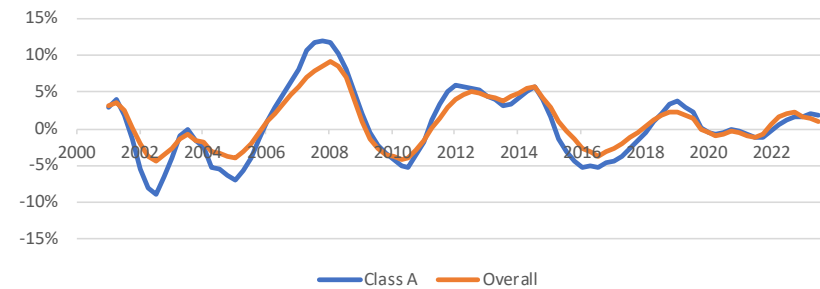
		Current	Previous Quarter	Previous Year
Base Rent	Class A	\$23.23	\$23.17	\$22.82
Base Rent	Overall	\$21.05	\$21.04	\$20.84

Larger
Smaller
 Than Current

Office Base Rent

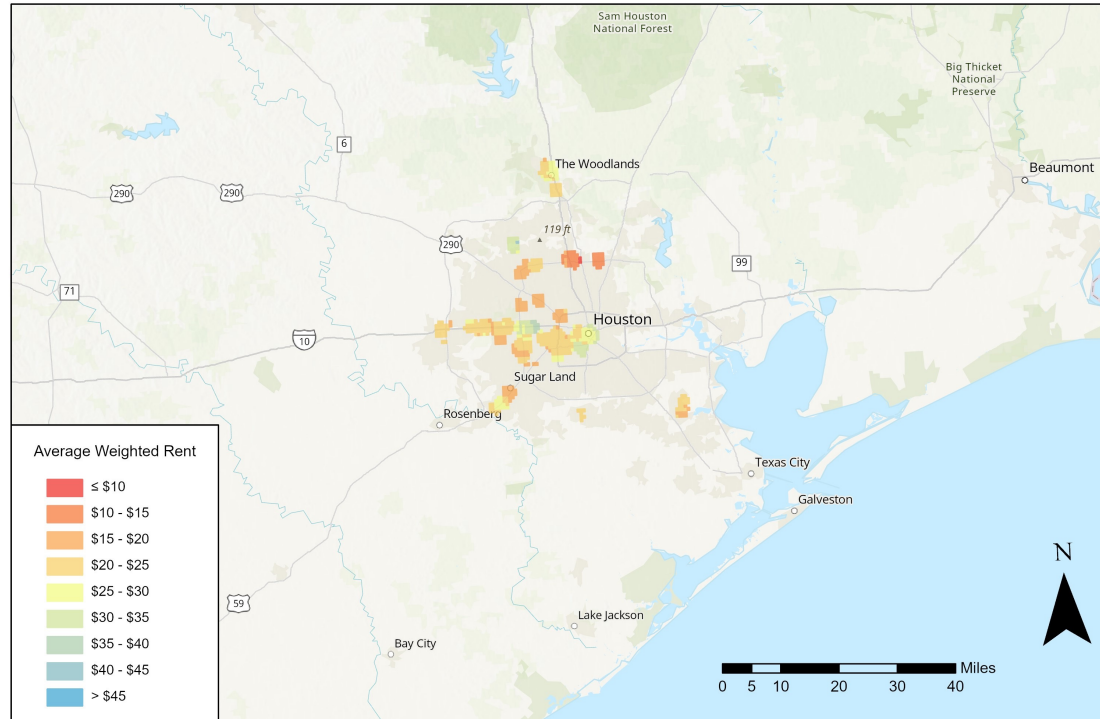


Office Base Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Average Weighted Rent Class A Office LMAs (4Q2022)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

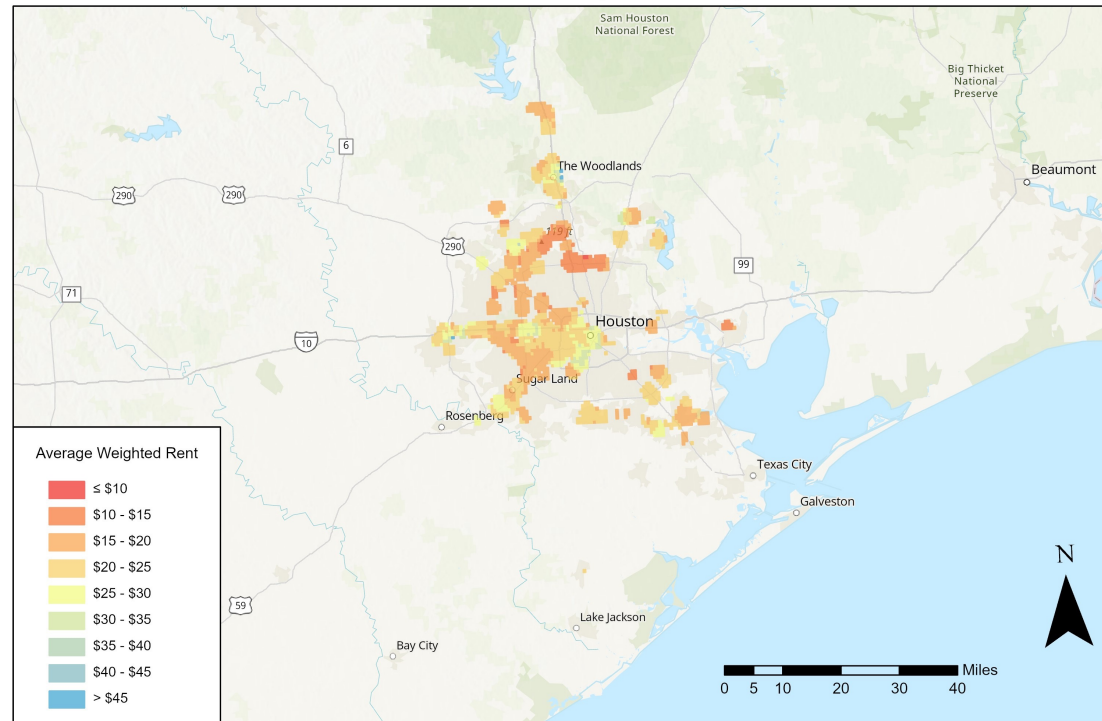
Local Market Area (LMA) Definitions

Houston Office Market *rent*



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Houston Metro Average Weighted Rent Office LMAs (4Q2022)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

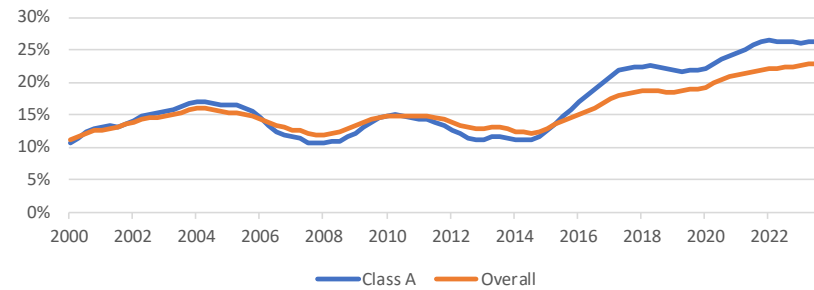
Houston Office Market *rent*



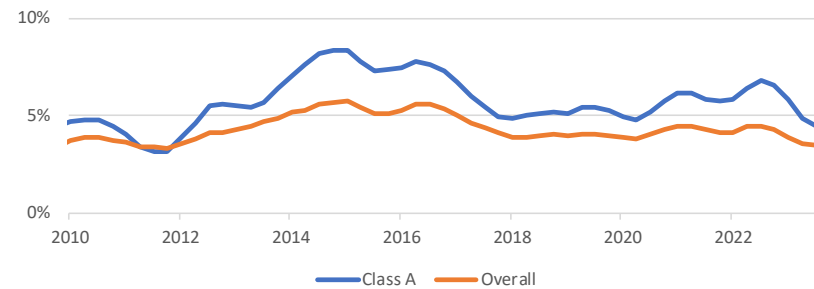
Houston Office Market *vacancy*



Vacancy



Availability less Vacancy

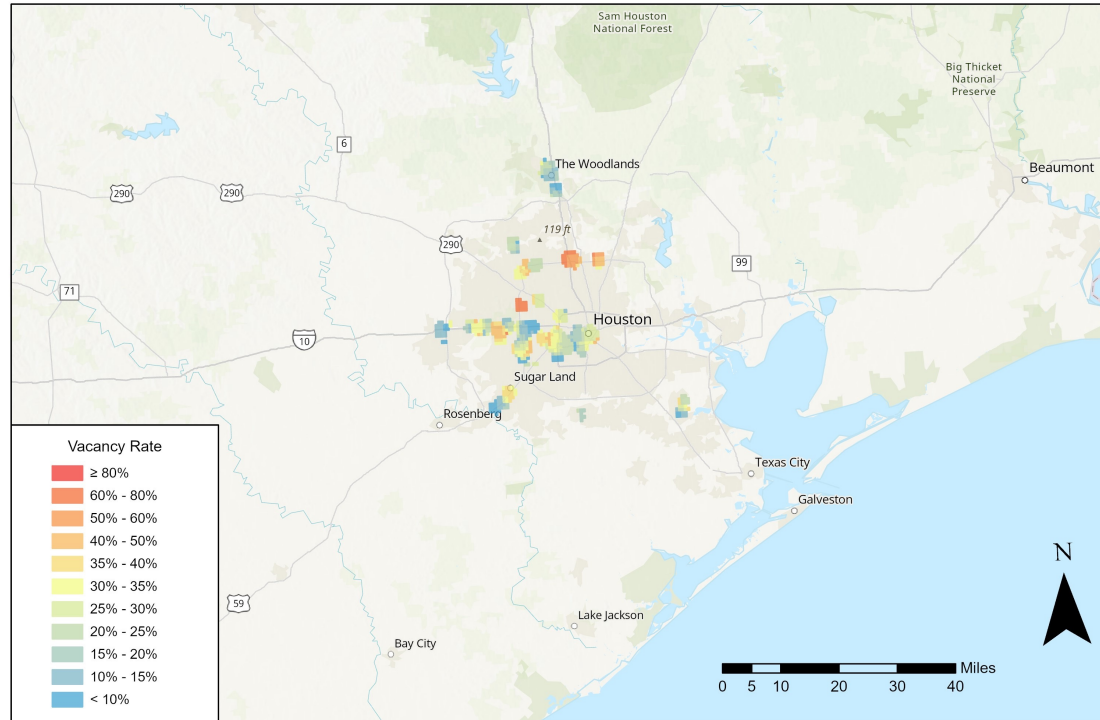


	Current	Previous Quarter	Previous Year	
Vacant Percent % Total	Class A	26.35%	26.30%	26.33%
Vacant Percent % Total	Overall	22.85%	22.80%	22.33%
Availability less Vacancy	Class A	4.50%	4.90%	6.80%
Availability less Vacancy	Overall	3.45%	3.60%	4.47%

Larger
Smaller
 Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Vacancy Class A Office LMAs (4Q2022)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, USGS

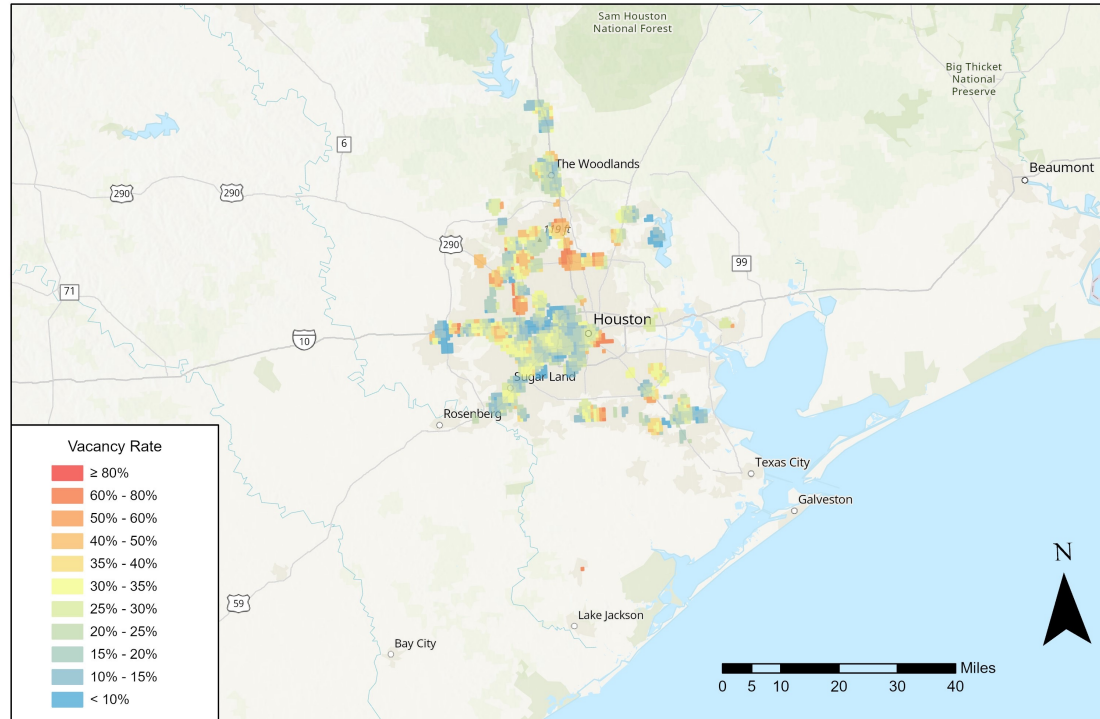
Local Market Area (LMA) Definitions

Houston Office Market *vacancy*



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Houston Metro Vacancy Office LMAs (4Q2022)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

Local Market Area (LMA) Definitions

Houston Office Market *vacancy*



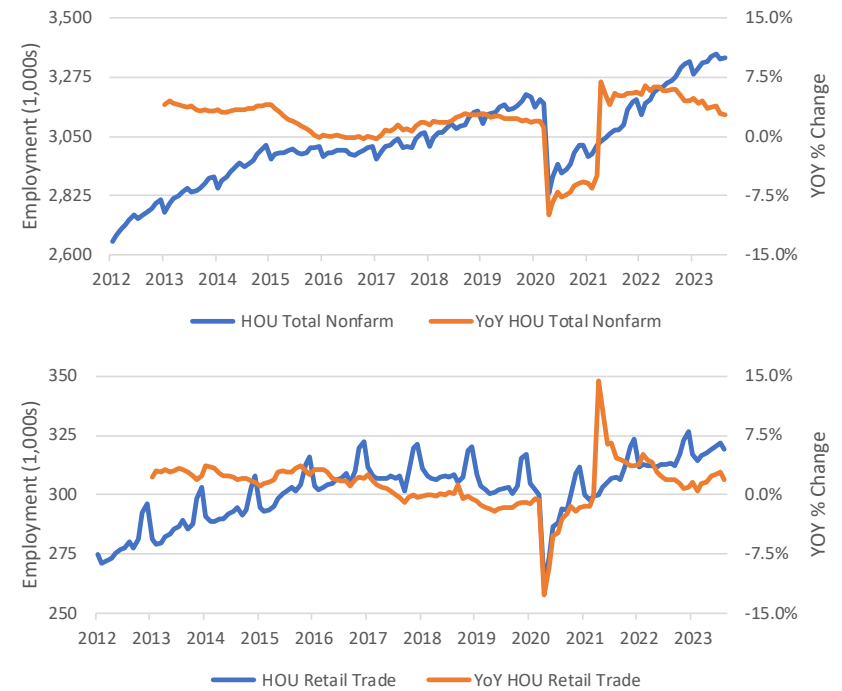
Houston Retail Market *key employment trends*

HOU Total Nonfarm

Aug-23	Aug-22	Change YoY
3,348,400	3,260,800	87,600 2.69%

HOU Retail Trade

Aug-23	Aug-22	Change YoY
319,400	313,500	5,900 1.88%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

Houston Retail Market *absorption/construction*

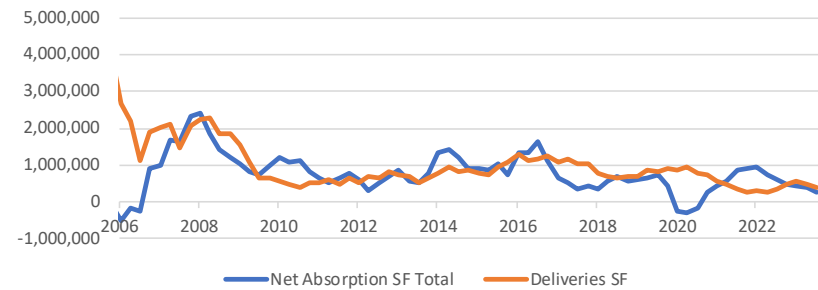
		Current	Previous Quarter	Previous Year
Starts SF	Overall	279,116	281,074	504,925
Net Absorption SF Total	Overall	273,599	377,409	596,108
Deliveries SF	Overall	381,604	484,813	347,541
Under Construction SF	Overall	1,661,745	1,764,232	1,956,139

Larger
Smaller
 Than Current

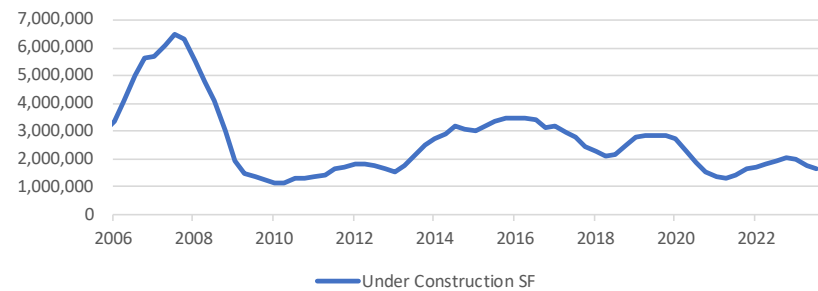
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

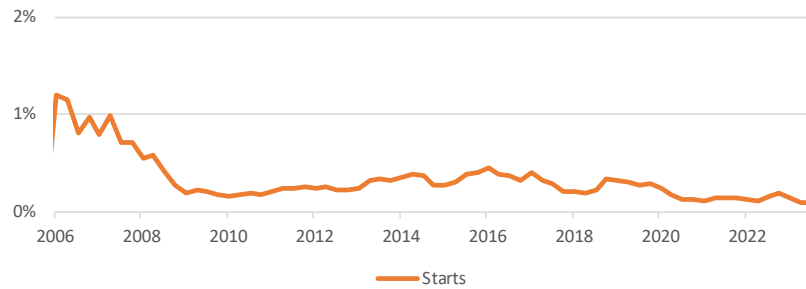


Houston Retail Market *absorption/construction*

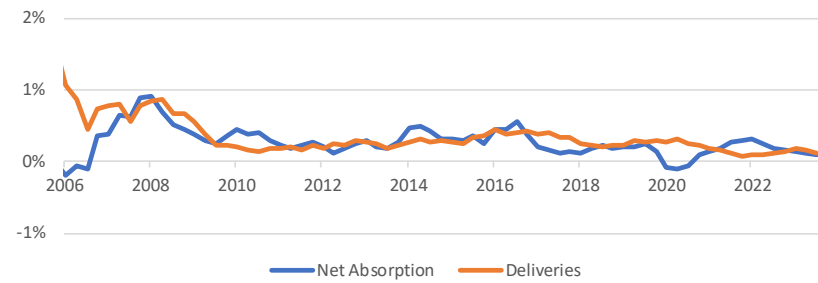
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.09%	0.09%	0.17%
Under Construction Percent	Overall	0.54%	0.58%	0.64%
Absorption Percent	Overall	0.09%	0.12%	0.20%
Deliveries Percent	Overall	0.12%	0.16%	0.11%

Larger
Smaller
 Than Current

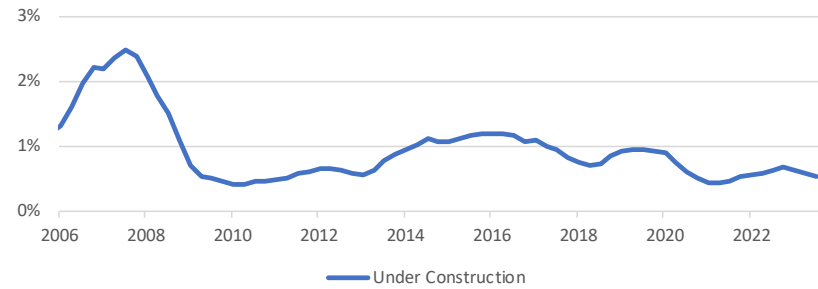
Starts as Percent of Inventory



Absorption and Deliveries as Percent of Inventory

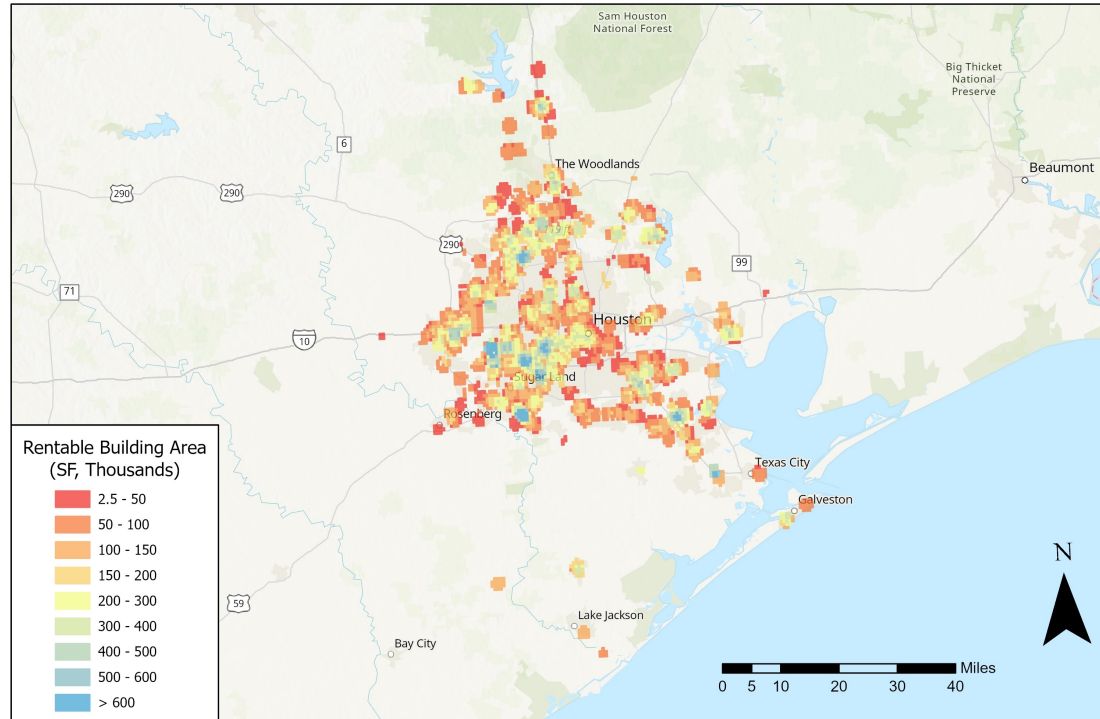


Under Construction as Percent of Inventory



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Rentable Building Area Retail LMAs (2Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

Local Market Area (LMA) Definitions

Houston Retail Market *inventory*



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Houston Retail Market *rent*



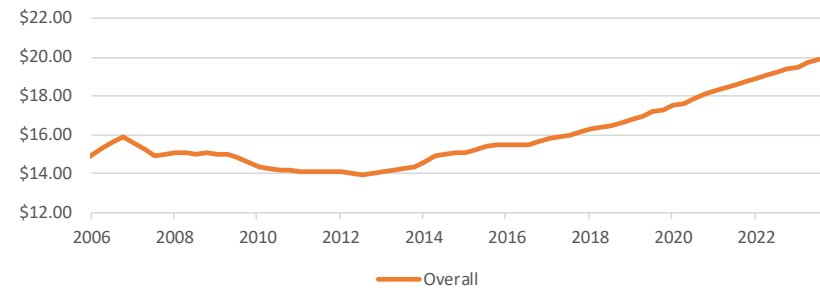
NNN Rent Overall

Overall

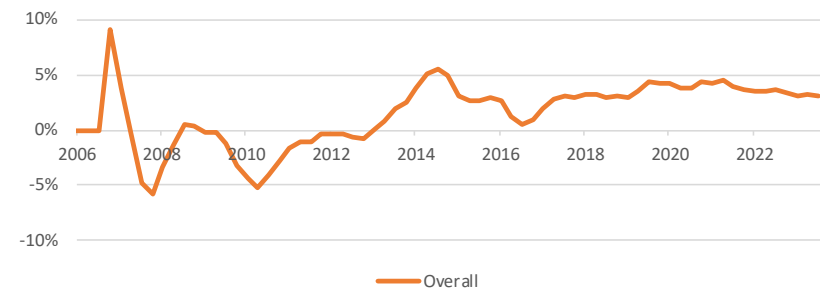
Current	Previous Quarter	Previous Year
\$19.86	\$19.71	\$19.26

Larger Than Current
Smaller Than Current

NNN Rent

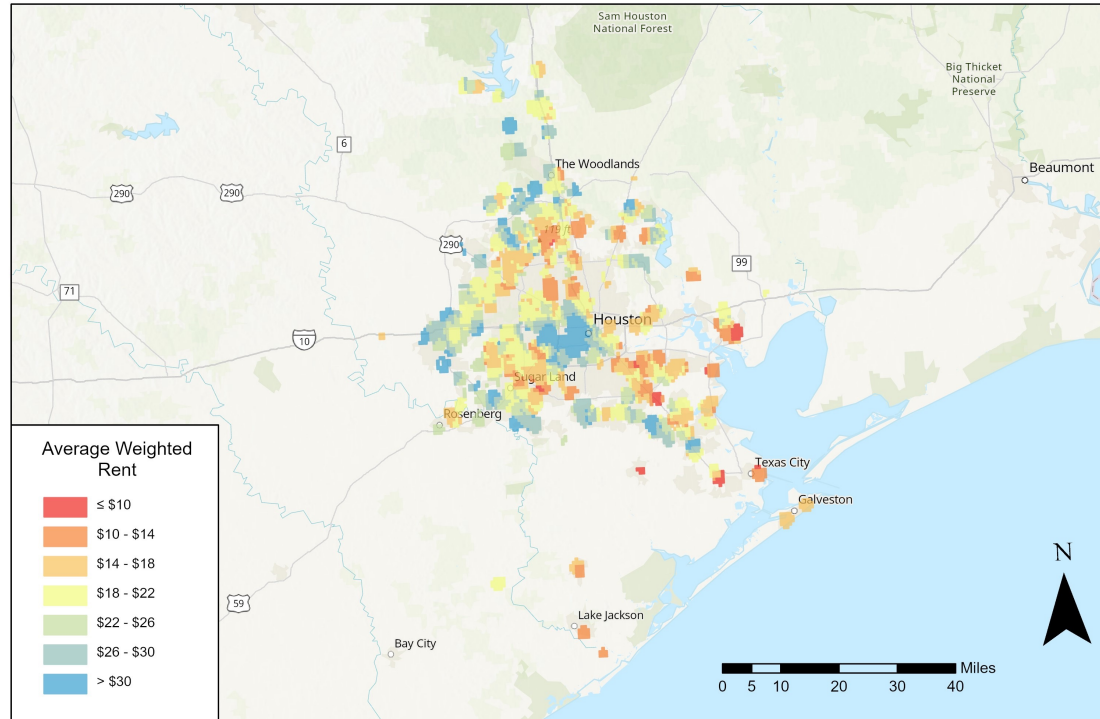


NNN Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Average Weighted Rent Retail LMAs (2Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

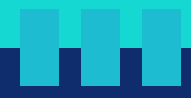
Local Market Area (LMA) Definitions

Houston Retail Market *rent*

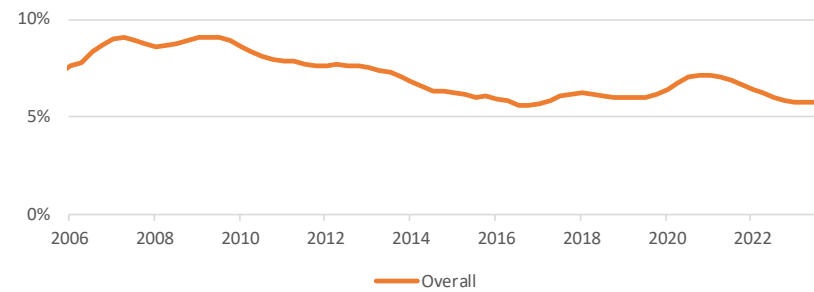


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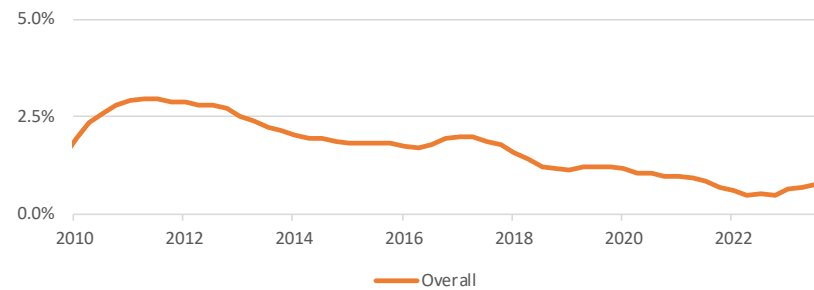
Houston Retail Market *vacancy*



Vacancy



Availability less Vacancy



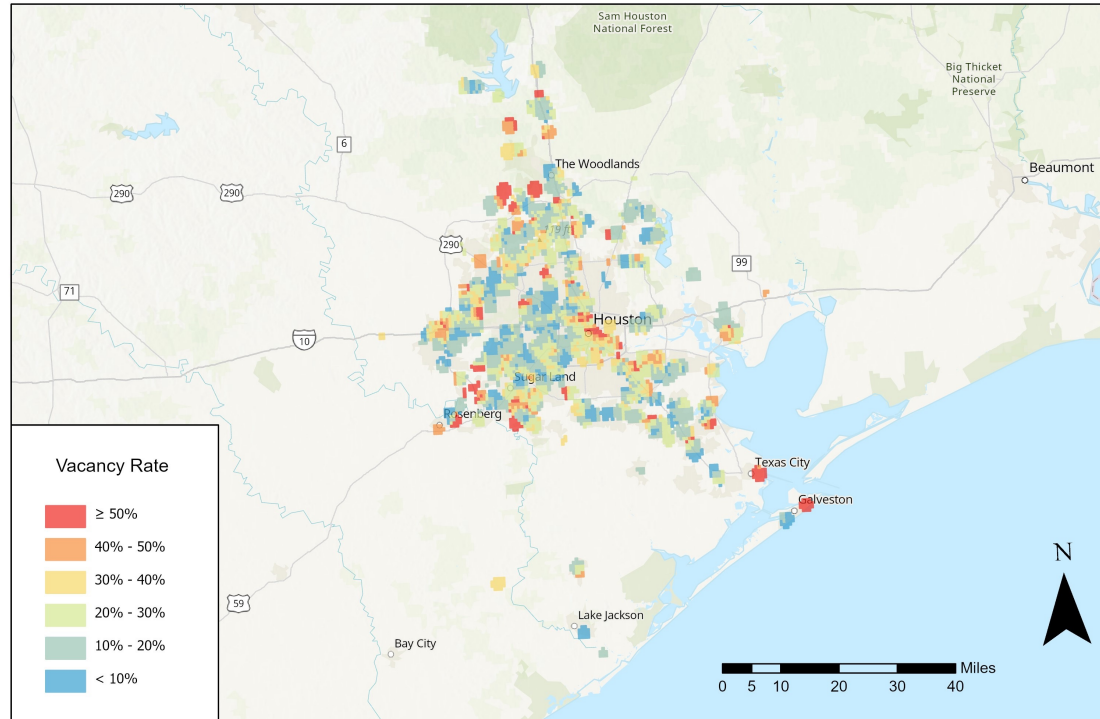
Vacant Percent % Total
Availability less Vacancy

	Current	Previous Quarter	Previous Year
Overall	5.80%	5.77%	6.00%
Overall	0.75%	0.67%	0.53%

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Vacancy Retail LMAs (2Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, CGIAR, USGS

Local Market Area (LMA) Definitions

Houston Retail Market *vacancy*

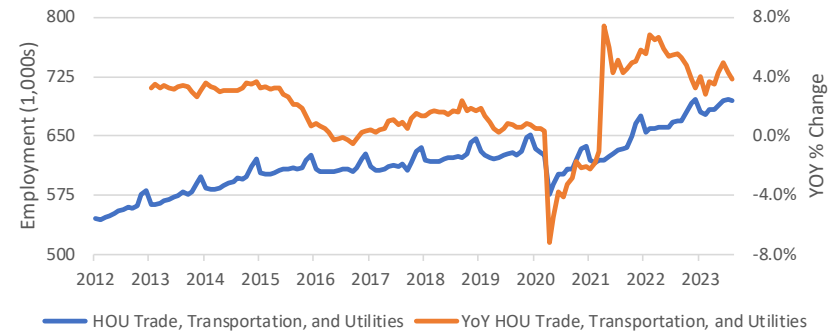


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Texas Real Estate Research Center

Houston Warehouse Market *key employment trends*



	Aug-23	Aug-22	Change	YoY
HOU Trade, Transportation, and Utilities	695,000	669,500	25,500	3.81%

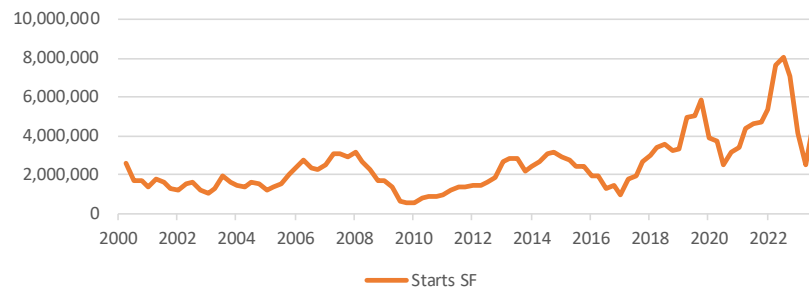


Houston Warehouse Market *absorption/construction*

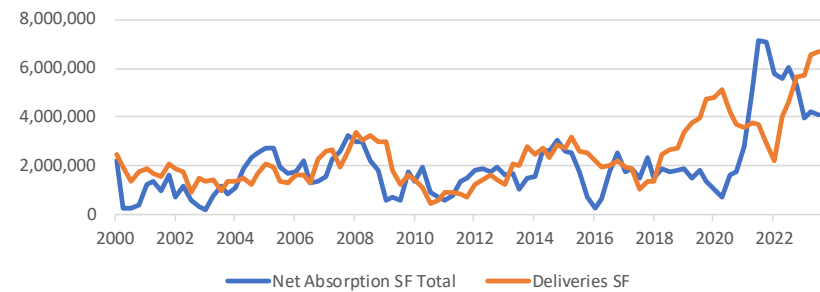
		Current	Previous Quarter	Previous Year
Starts SF	Overall	4,291,668	2,518,848	8,035,149
Net Absorption SF Total	Overall	4,106,325	4,237,112	6,057,584
Deliveries SF	Overall	6,721,312	6,556,080	4,642,745
Under Construction SF	Overall	16,315,964	18,745,607	22,948,168

Larger Than Current
Smaller Than Current

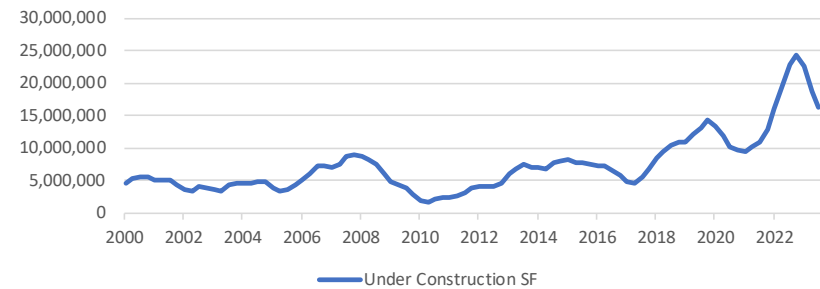
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

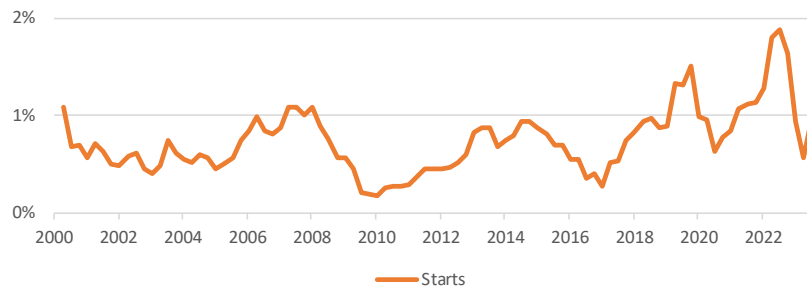


Houston Warehouse Market *absorption/construction*

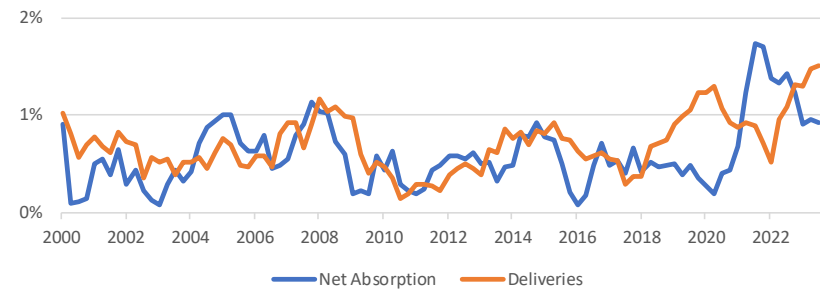
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.96%	0.57%	1.89%
Under Construction Percent	Overall	3.65%	4.23%	5.40%
Absorption Percent	Overall	0.92%	0.96%	1.42%
Deliveries Percent	Overall	1.51%	1.48%	1.09%

Larger
Smaller
Than Current

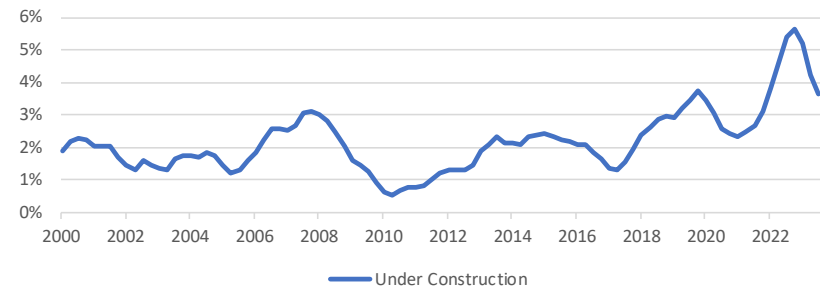
Starts as Percent of Inventory



Absorption and Deliveries as Percent of Inventory

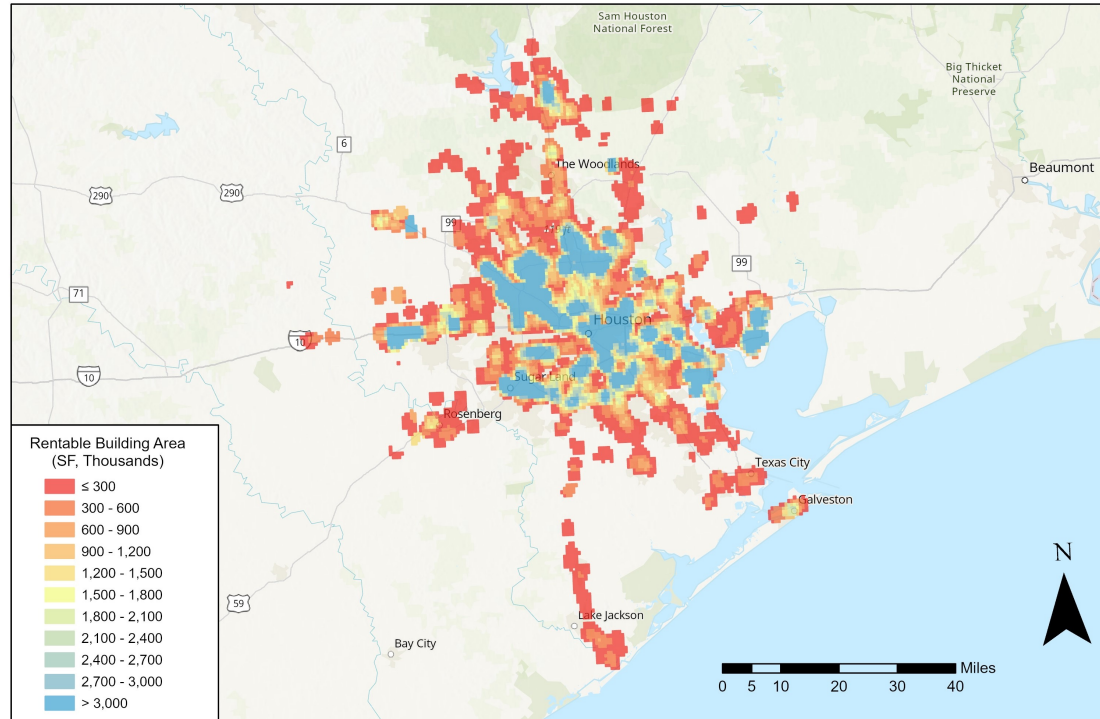


Under Construction as Percent of Inventory



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Rentable Building Area Warehouse LMAs (3Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

Houston Warehouse Market *inventory*



TEXAS A&M UNIVERSITY
Texas Real Estate Research Center

Houston Warehouse Market *rent*



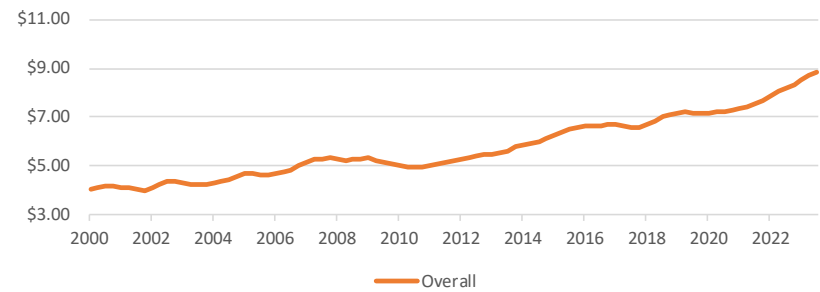
NNN Rent Overall

Overall

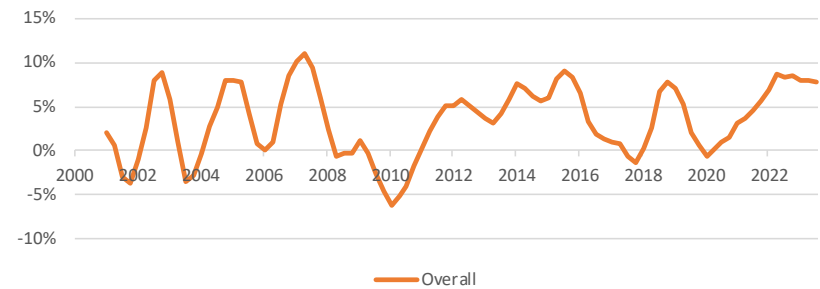
Current	Previous Quarter	Previous Year
\$8.86	\$8.75	\$8.21

Larger Than Current
Smaller Than Current

NNN Rent



NNN Rent YoY Growth

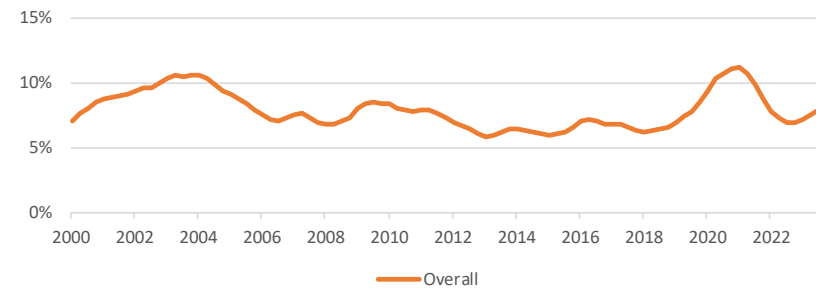


Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

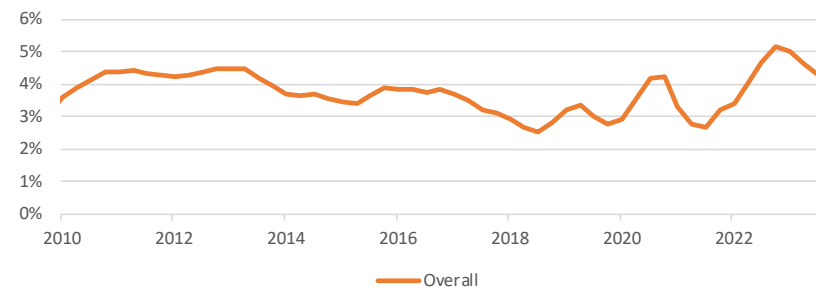
Houston Warehouse Market *vacancy*



Vacancy



Availability less Vacancy



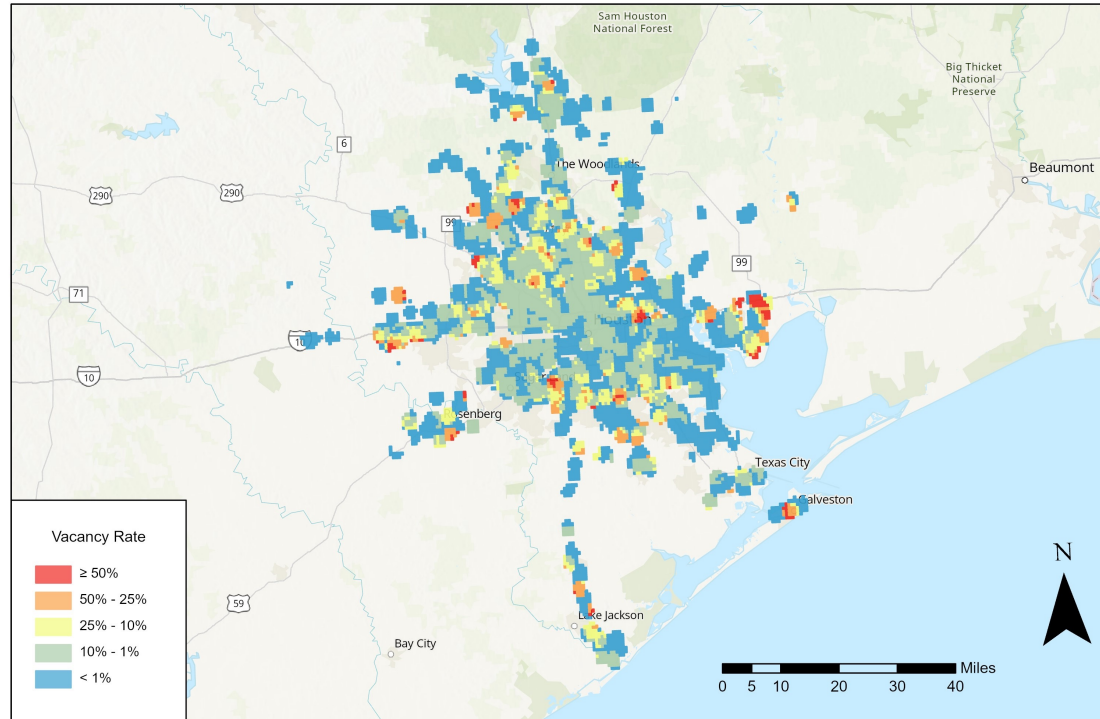
Vacant Percent % Total
Availability less Vacancy

	Current	Previous Quarter	Previous Year
Overall	7.90%	7.57%	6.93%
Overall	4.30%	4.63%	4.67%

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

Houston Metro Vacancy Warehouse LMAs (3Q2023)



Source: Costar, City of Houston, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

Houston Warehouse Market *Vacancy*



TEXAS A&M UNIVERSITY
Texas Real Estate Research Center

San Antonio

- Economy
- Apartments
- Office
- Retail
- Warehouse



San Antonio Economy

- Total YOY employment growth in San Antonio remains above pre-COVID levels but is slowing. Long-term employment growth across the economy is expected to moderate toward pre-COVID rates but may fall below those levels in the next few quarters.
- Apartment starts have returned to the pre-COVID baseline, leading to a peak in the under-construction pipeline as rents decline and vacancies continue to increase.
- Office absorption is negative even as Class A rents are down significantly. Vacancy continues to grow.
- Retail construction remains subdued even in the face of rapid rent growth and low vacancies.
- Warehouse vacancies have bounced back to the pre-COVID level after a fall in 2020. Construction activity has fallen even as rents continue to rise at an elevated rate.



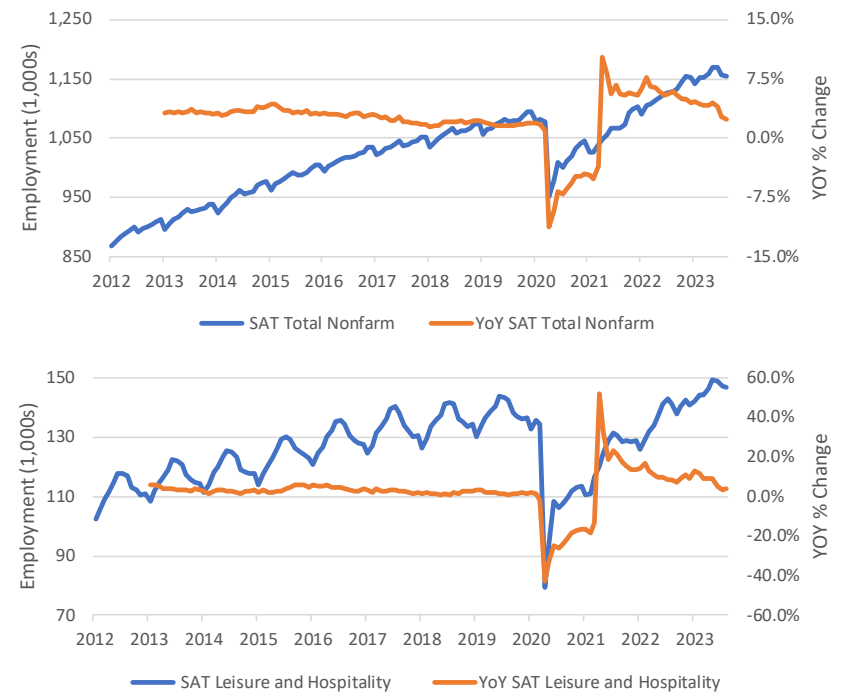
San Antonio Economy *key employment trends*

SAT Total Nonfarm

	Aug-23	Aug-22	Change	YoY
SAT Total Nonfarm	1,154,900	1,128,700	26,200	2.32%

SAT Leisure and Hospitality

	Aug-23	Aug-22	Change	YoY
SAT Leisure and Hospitality	146,900	141,500	5,400	3.82%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

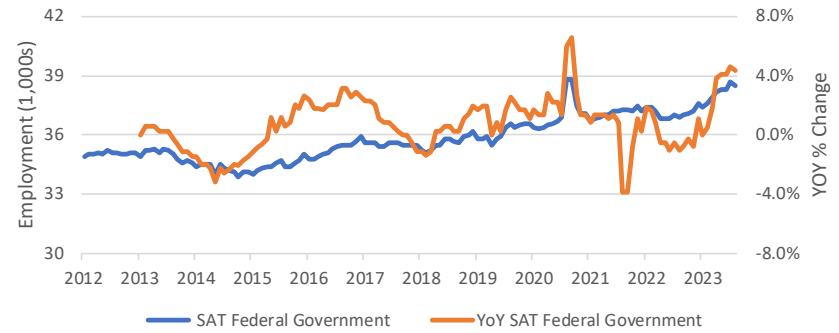


San Antonio Economy *key employment trends*



SAT Federal Government

Aug-23	Aug-22	Change	YoY
38,500	36,900	1,600	4.34%



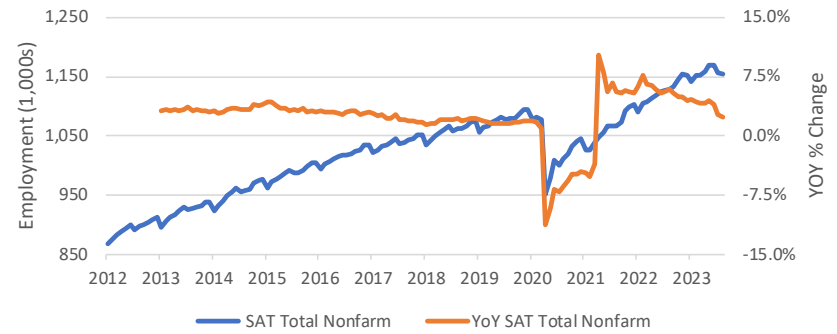
San Antonio Apartment Market

key employment trends



SAT Total Nonfarm

Aug-23	Aug-22	Change	YoY
1,154,900	1,128,700	26,200	2.32%

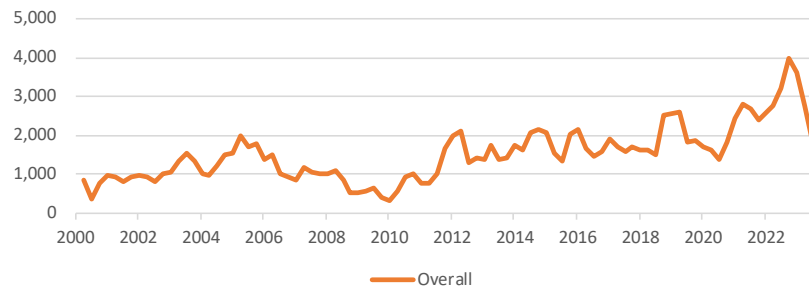


San Antonio Apartment Market *absorption/construction*

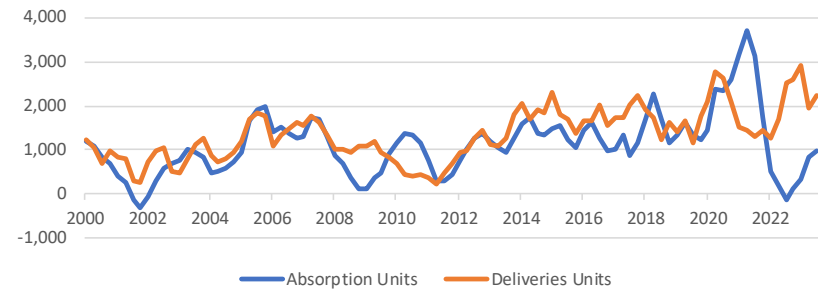
	Current	Previous Quarter	Previous Year
Starts Units	Overall 1,819	2,769	3,200
Absorption Units	Overall 993	827	-127
Deliveries Units	Overall 2,233	1,941	2,537
Under Construction Units	Overall 18,616	19,030	16,127

Larger
Smaller
 Than Current

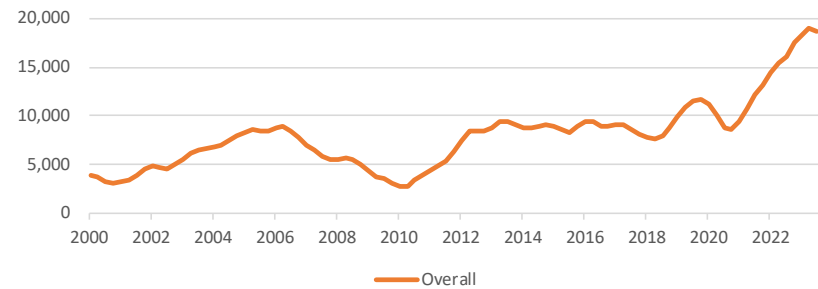
Starts Units



Absorption and Delivery Units



Under Construction Units

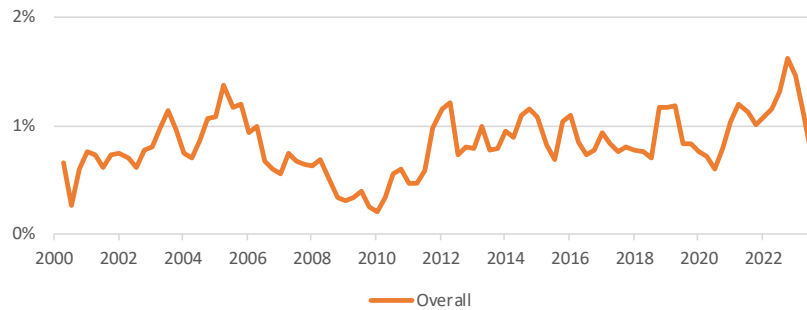


San Antonio Apartment Market *absorption/construction*

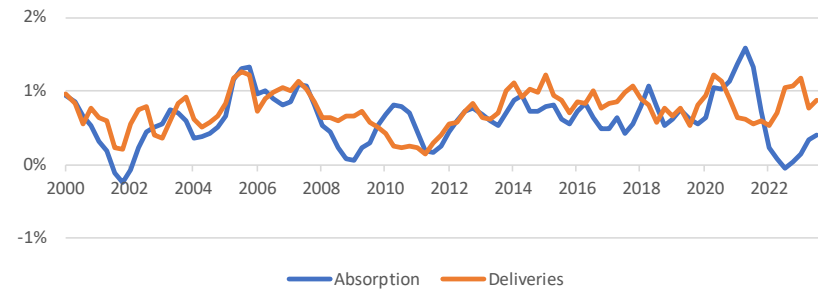
	Current	Previous Quarter	Previous Year
Starts Percent	Overall 0.72%	1.11%	1.32%
Absorption Percent	Overall 0.40%	0.33%	-0.05%
Deliveries Percent	Overall 0.89%	0.78%	1.05%
Under Construction Percent	Overall 7.41%	7.61%	6.65%

Larger
Smaller
 Than Current

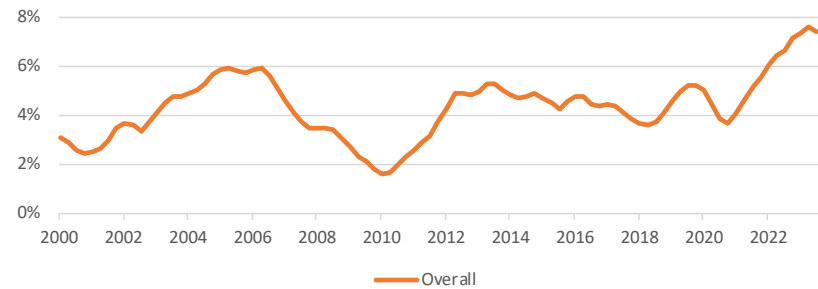
Starts Units as Percent of Inventory



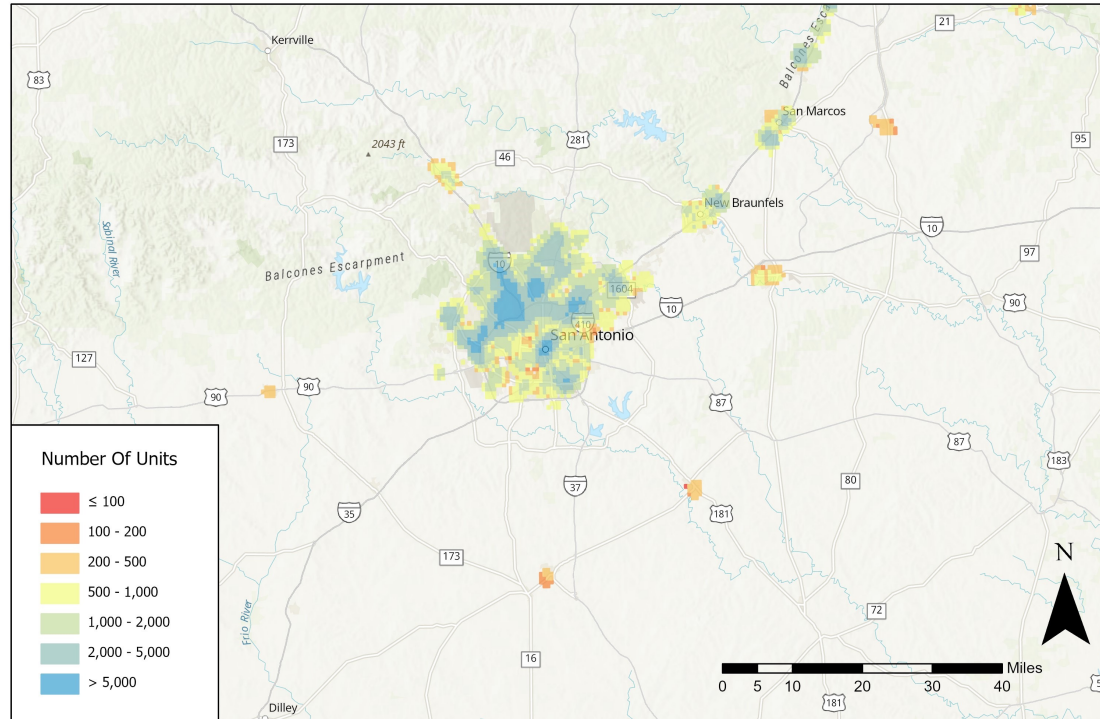
Absorption and Delivery Units as Percent of Inventory



Under Construction Units as Percent of Inventory



San Antonio Metro Number of Units Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Apartment Market *inventory*



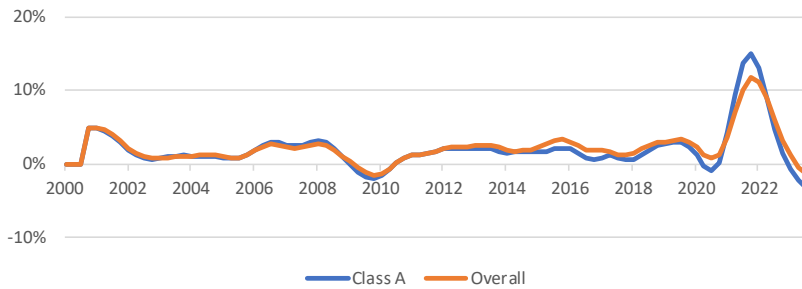
San Antonio Apartment Market *rent*



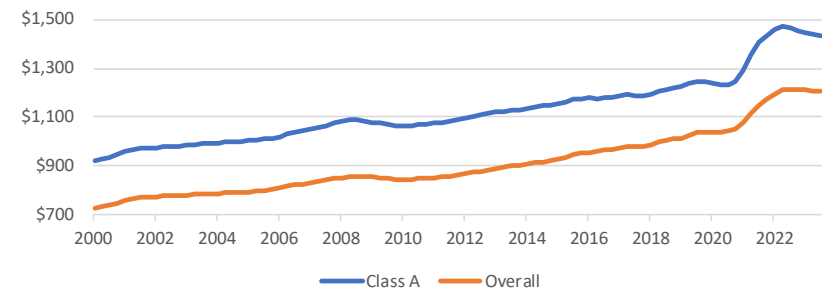
		Current	Previous Quarter	Previous Year
Effective Rent Per Unit	Class A	\$1,435	\$1,442	\$1,470
Effective Rent Per Unit	Overall	\$1,204	\$1,207	\$1,216
Effective Rent Per SF	Class A	\$1.56	1.57	1.60
Effective Rent Per SF	Overall	\$1.40	1.40	1.41

Larger Than Current
Smaller Than Current

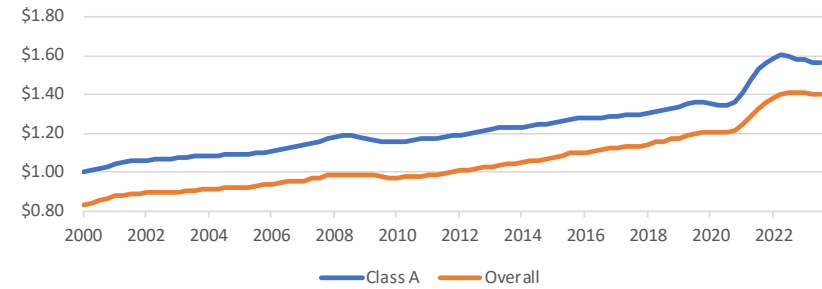
Year over Year Growth in Effective Rent



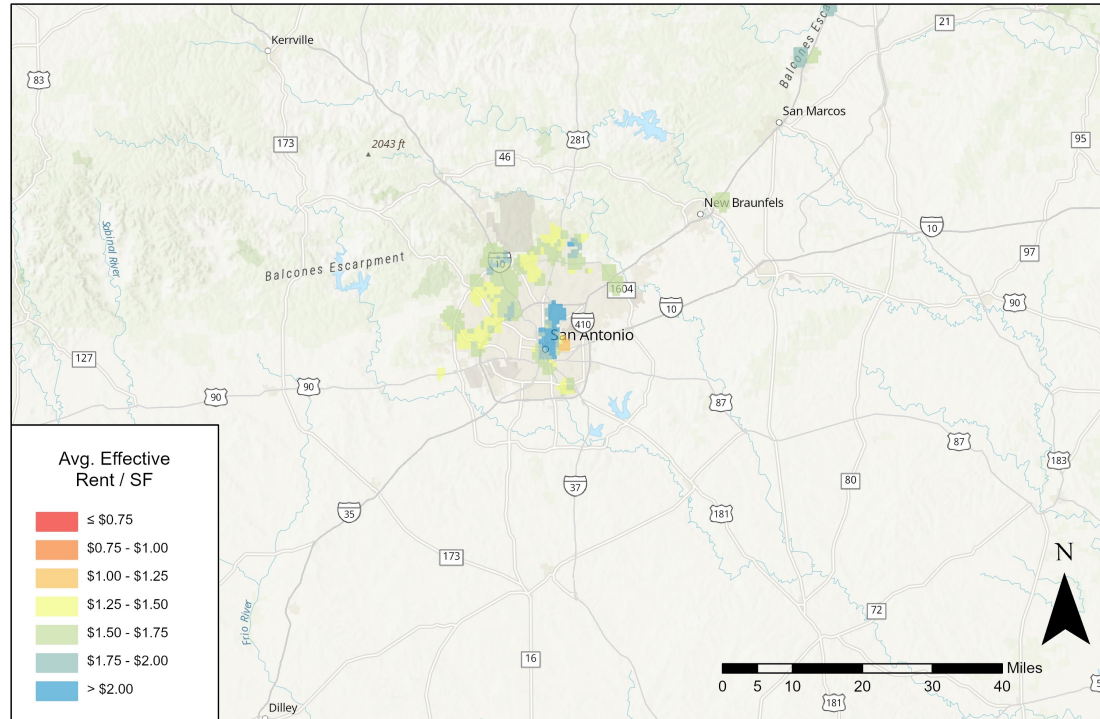
Effective Rent Per Unit



Effective Rent Per Square Foot



San Antonio Metro Average Effective Rent / SF Class A Multifamily LMAs (1Q2023)



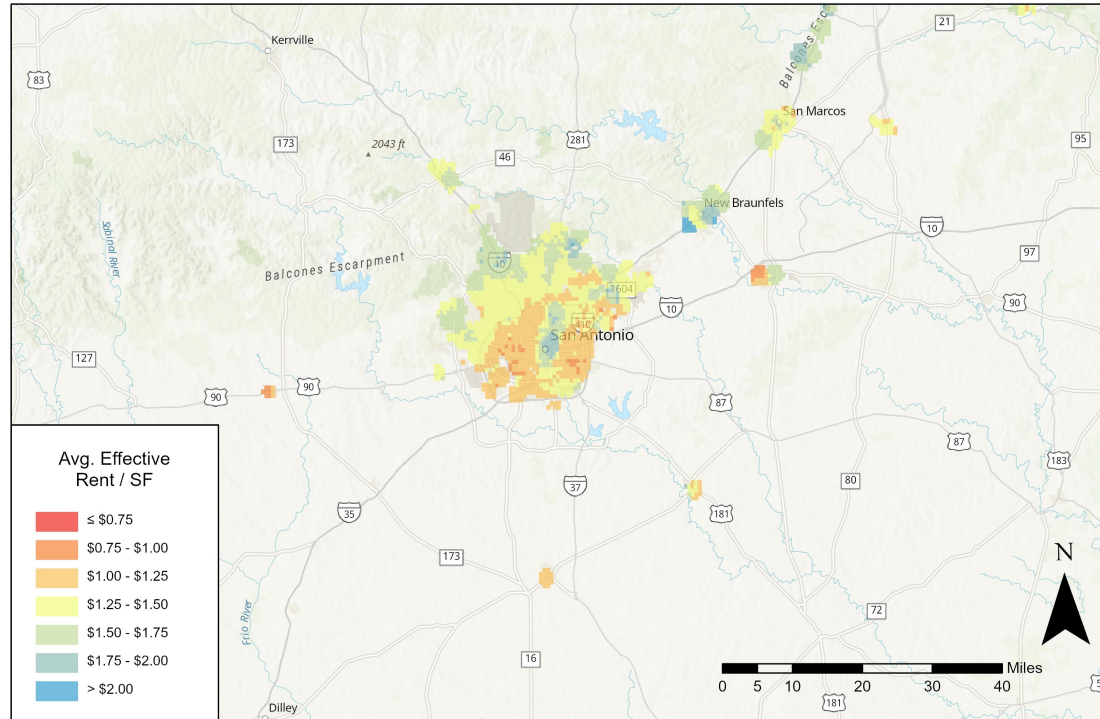
Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Apartment Market *rent*



San Antonio Metro Average Effective Rent / SF Multifamily LMAs (1Q2023)



Source: Costar, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

San Antonio Apartment Market *rent*



San Antonio Apartment Market *vacancy*



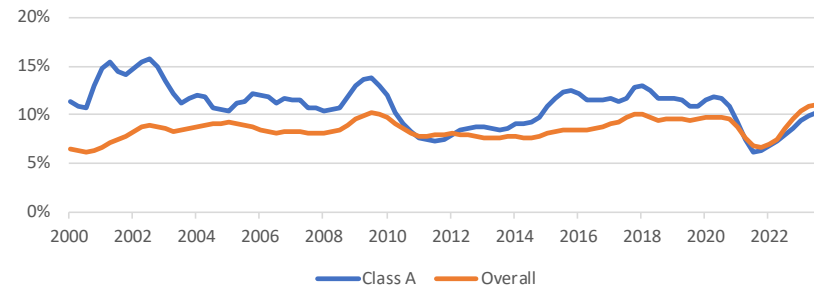
Vacancy Percent
Vacancy Percent

Class A
Overall

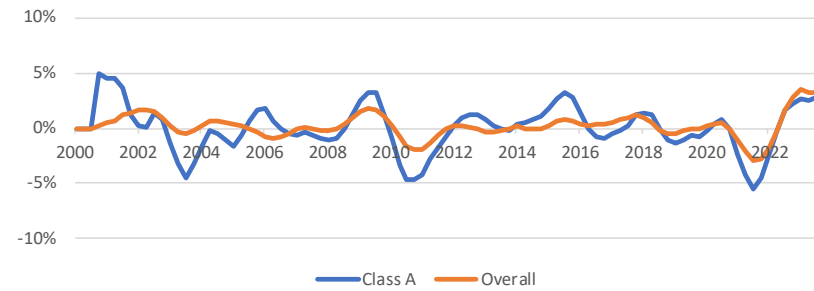
	Current	Previous Quarter	Previous Year
Class A	10.25%	9.87%	7.93%
Overall	11.10%	10.83%	8.57%

Larger Than Current
Smaller Than Current

Vacancy

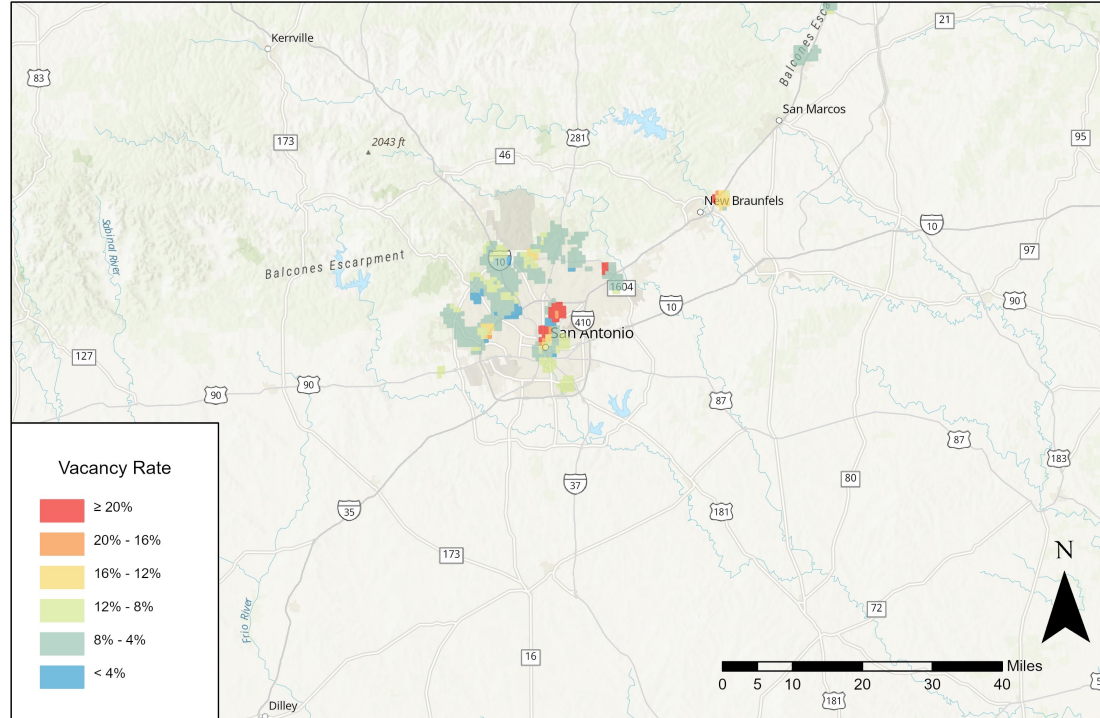


Vacancy Change from Previous Year



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Metro Vacancy Class A Multifamily LMAs (1Q2023)



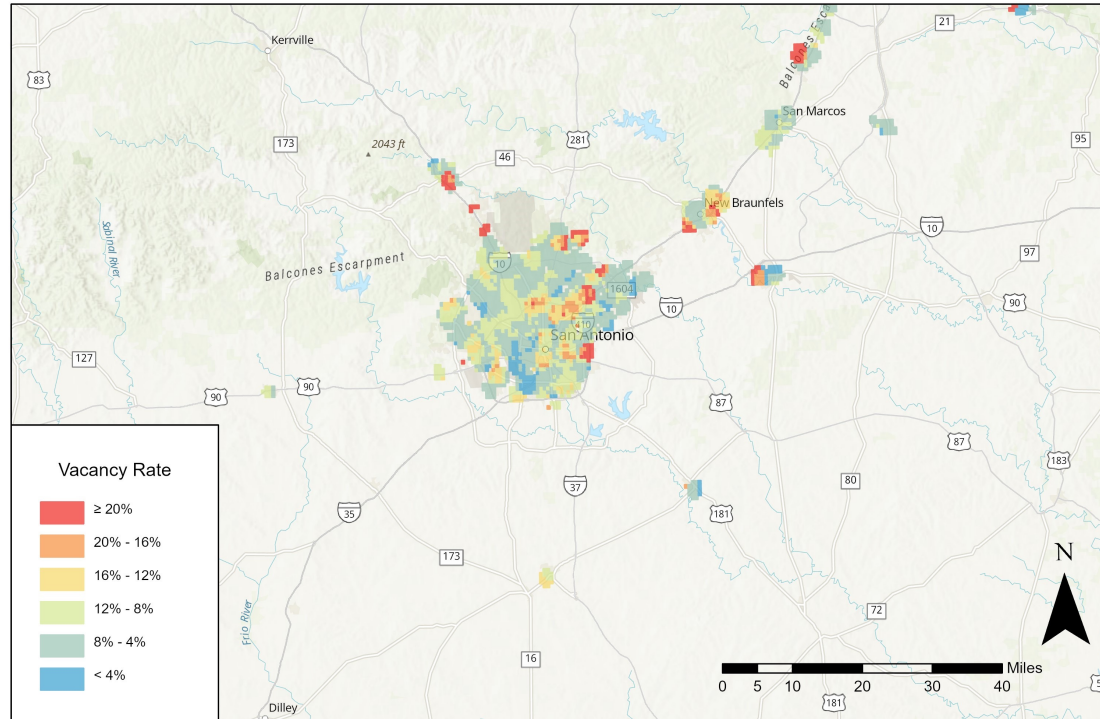
Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Apartment Market *vacancy*



San Antonio Metro Vacancy Multifamily LMAs (1Q2023)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Apartment Market *vacancy*



San Antonio Office Market

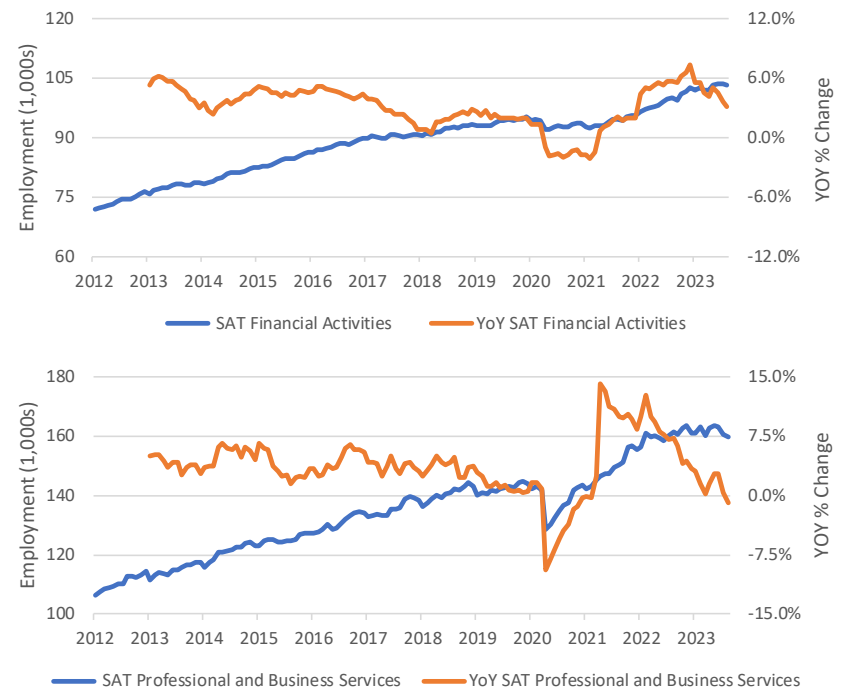
key employment trends

SAT Financial Activities

Aug-23	Aug-22	Change	YoY
103,200	100,000	3,200	3.20%

SAT Professional and Business Services

Aug-23	Aug-22	Change	YoY
159,900	161,400	(1,500)	-0.93%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

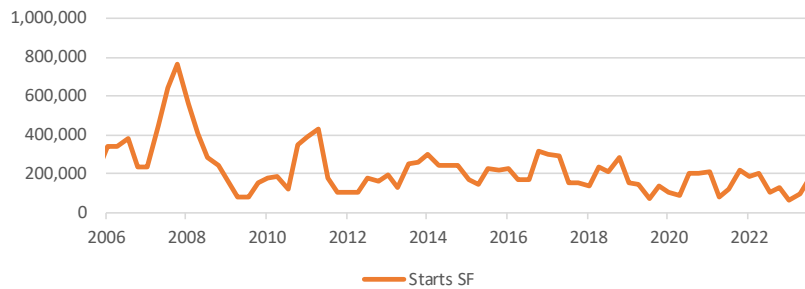


San Antonio Office Market *absorption/construction*

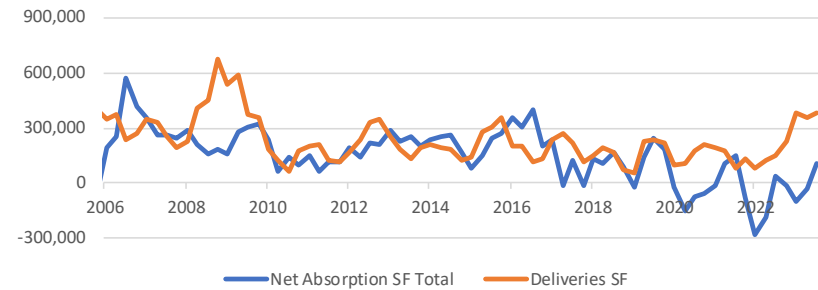
		Current	Previous Quarter	Previous Year
Starts SF	Overall	180,175	97,768	103,493
Net Absorption SF Total	Overall	105,229	-30,156	37,625
Deliveries SF	Overall	383,311	357,615	150,088
Under Construction SF	Overall	467,682	670,818	1,337,910

Larger
Smaller
 Than Current

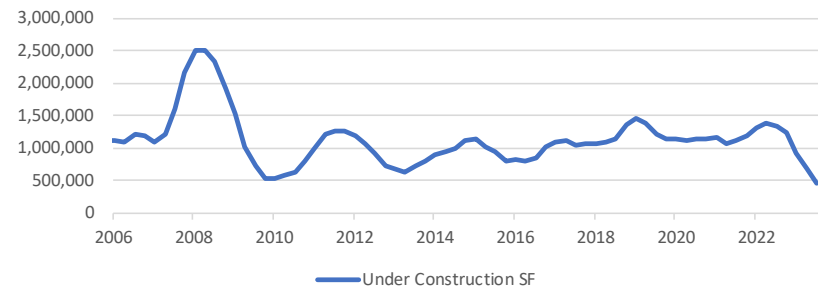
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage

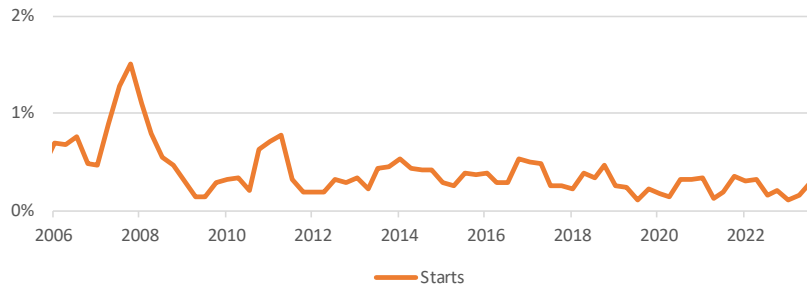


San Antonio Office Market *absorption/construction*

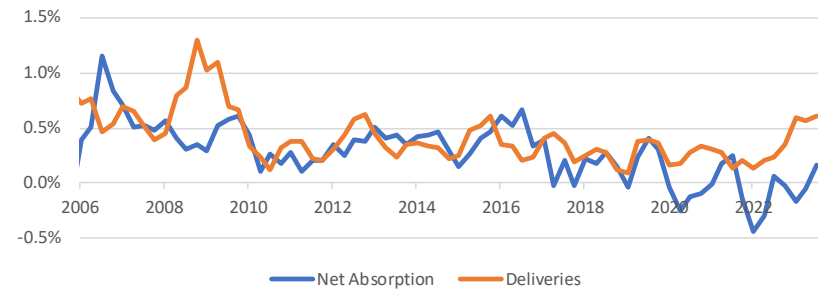
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.28%	0.15%	0.17%
Under Construction Percent	Overall	0.74%	1.06%	2.14%
Absorption Percent	Overall	0.17%	-0.05%	0.06%
Deliveries Percent	Overall	0.60%	0.57%	0.24%

Larger
Smaller
 Than Current

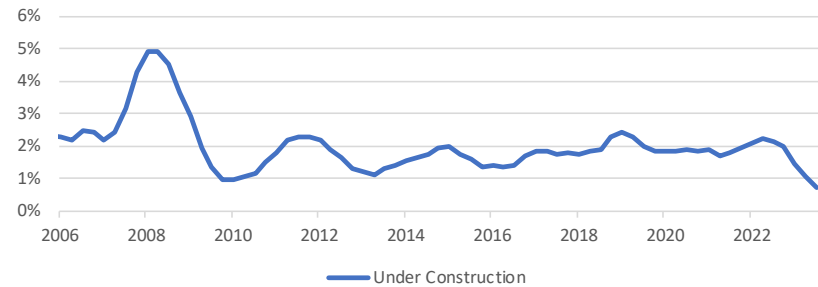
Starts as Percent of Inventory



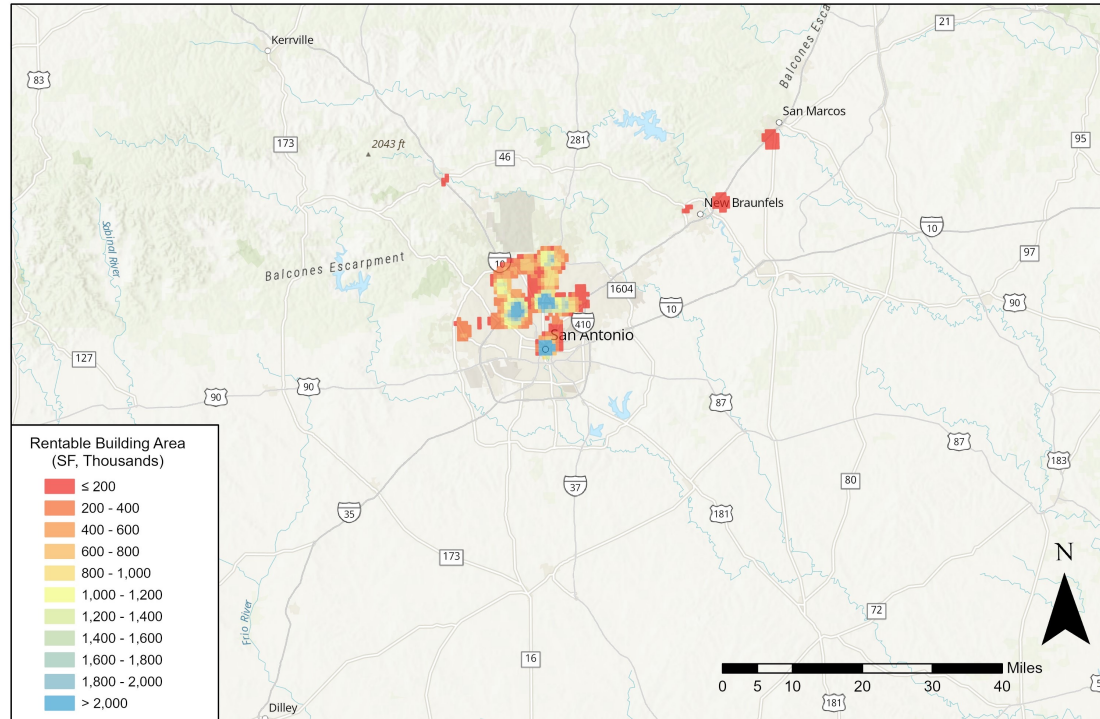
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



San Antonio Metro Rentable Building Area Office LMAs (4Q2022)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Office Market *inventory*



TEXAS A&M UNIVERSITY
Texas Real Estate Research Center

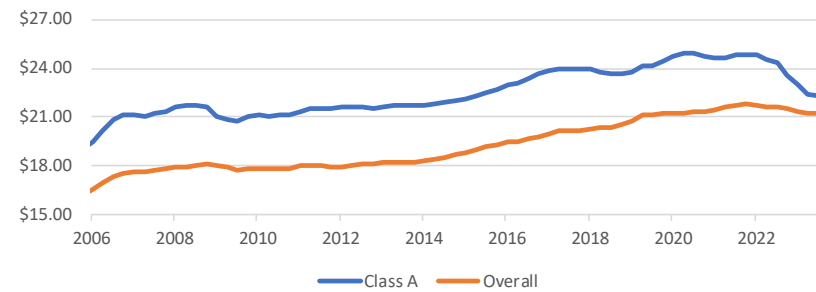
San Antonio Office Market *rent*



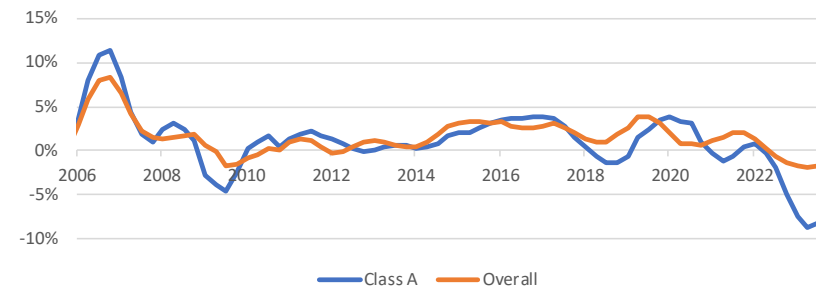
		Current	Previous Quarter	Previous Year
Base Rent	Class A	\$22.34	\$22.42	\$24.32
Base Rent	Overall	\$21.27	\$21.26	\$21.63

Larger
Smaller
 Than Current

Office Base Rent

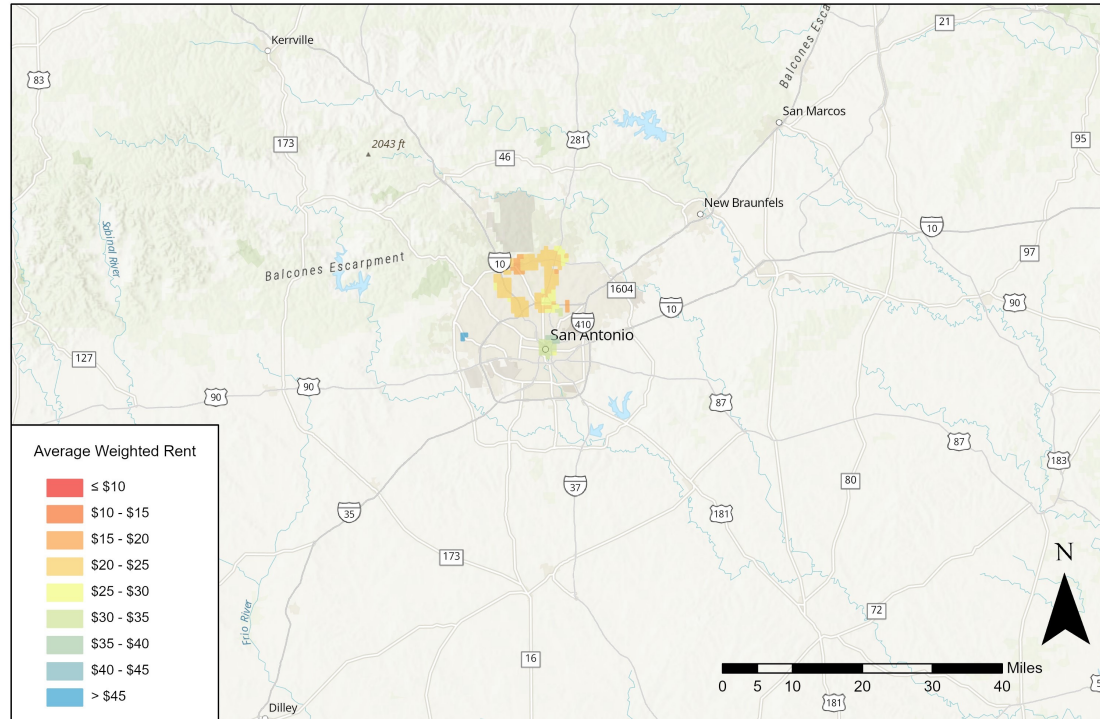


Office Base Rent YoY Growth



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Metro Average Weighted Rent Class A Office LMAs (4Q2022)



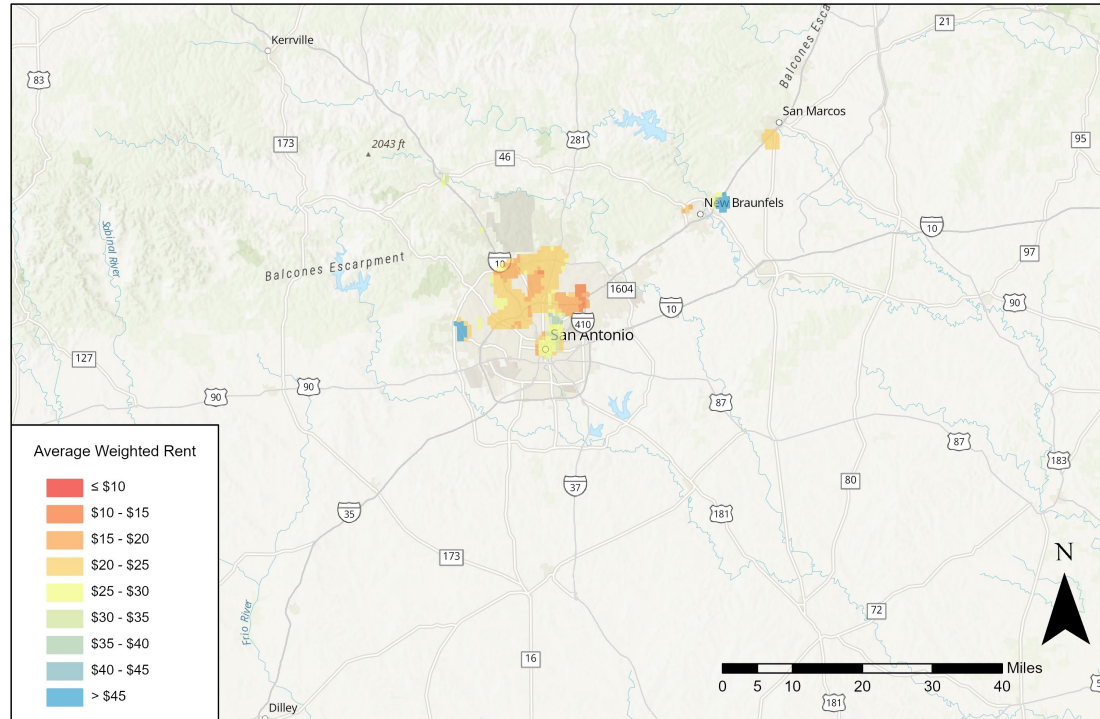
Source: Costar, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

San Antonio Office Market *rent*



San Antonio Metro Average Weighted Rent Office LMAs (4Q2022)



Source: Costar, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

San Antonio Office Market *rent*



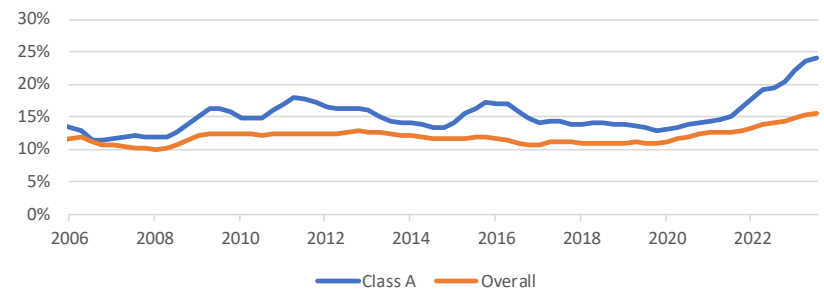
San Antonio Office Market *vacancy*



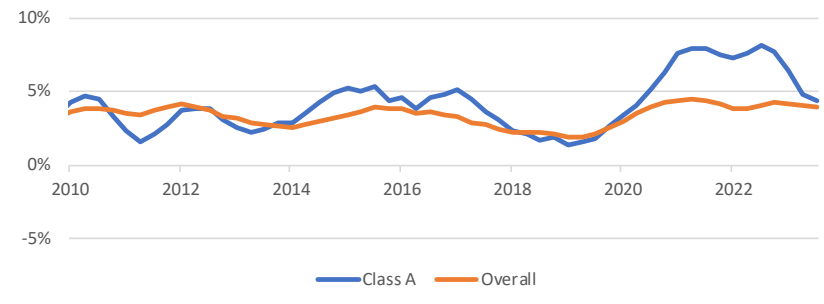
		Current	Previous Quarter	Previous Year
Vacant Percent % Total	Class A	24.15%	23.67%	19.57%
Vacant Percent % Total	Overall	15.50%	15.27%	14.07%
Availability less Vacancy	Class A	4.40%	4.83%	8.17%
Availability less Vacancy	Overall	4.00%	4.03%	4.03%

Larger
Smaller
 Than Current

Vacancy

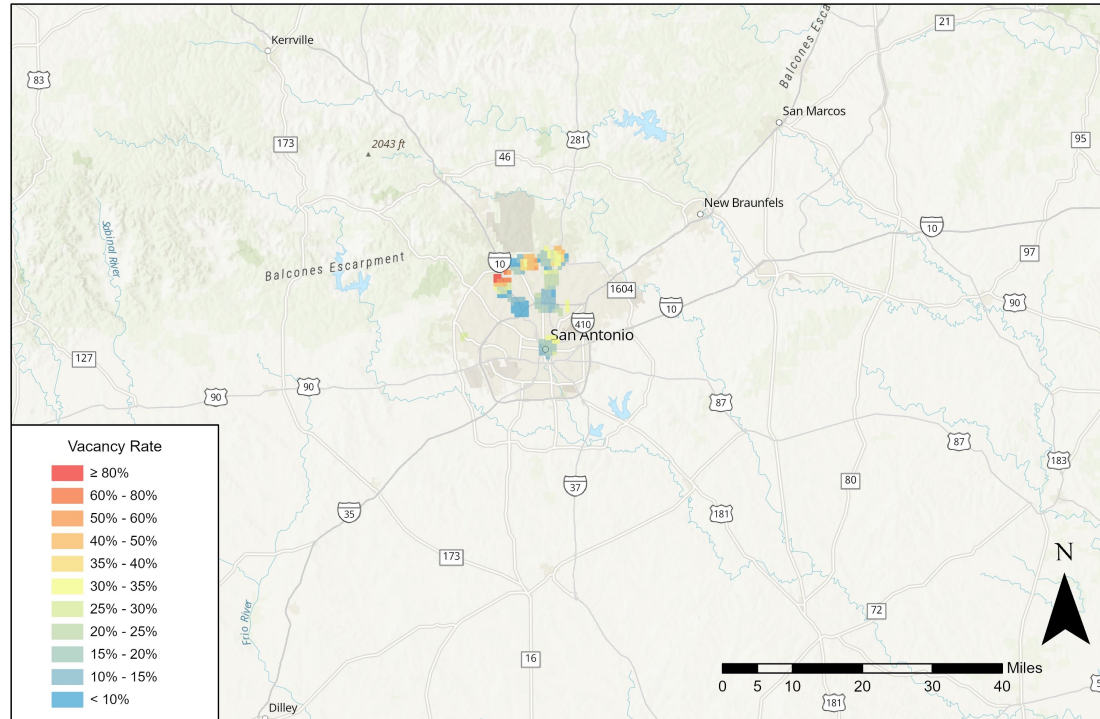


Availability less Vacancy



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Metro Vacancy Class A Office LMAs (4Q2022)



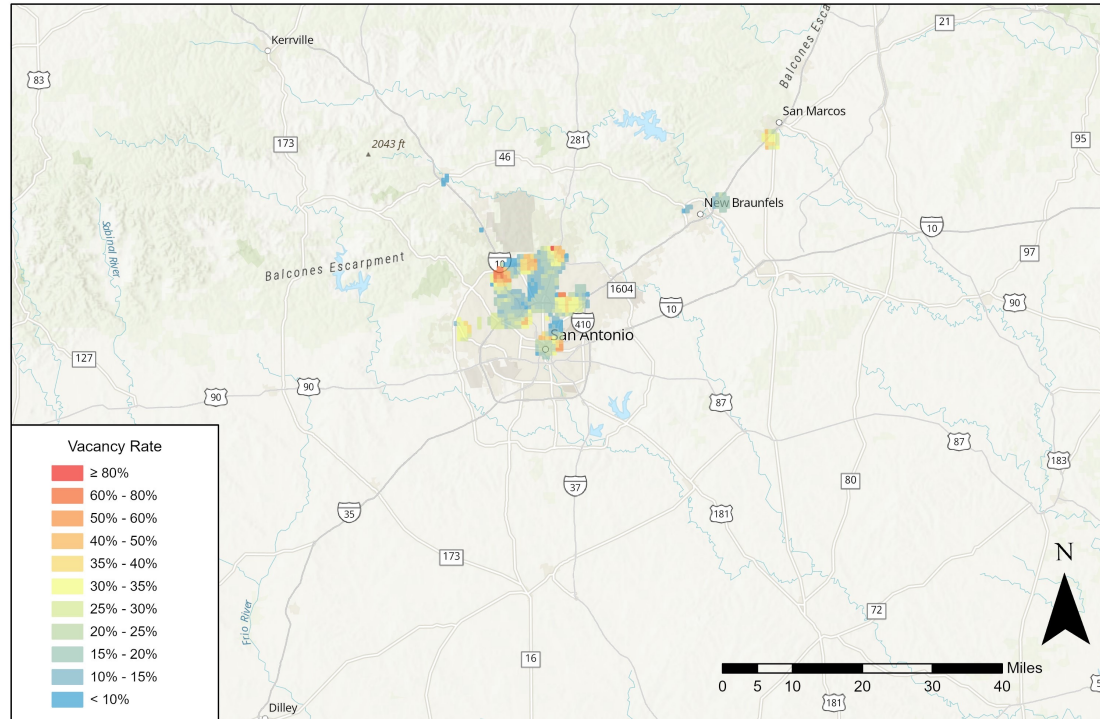
Source: Costar, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

San Antonio Office Market *vacancy*



San Antonio Metro Vacancy Office LMAs (4Q2022)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Office Market *vacancy*



San Antonio Retail Market

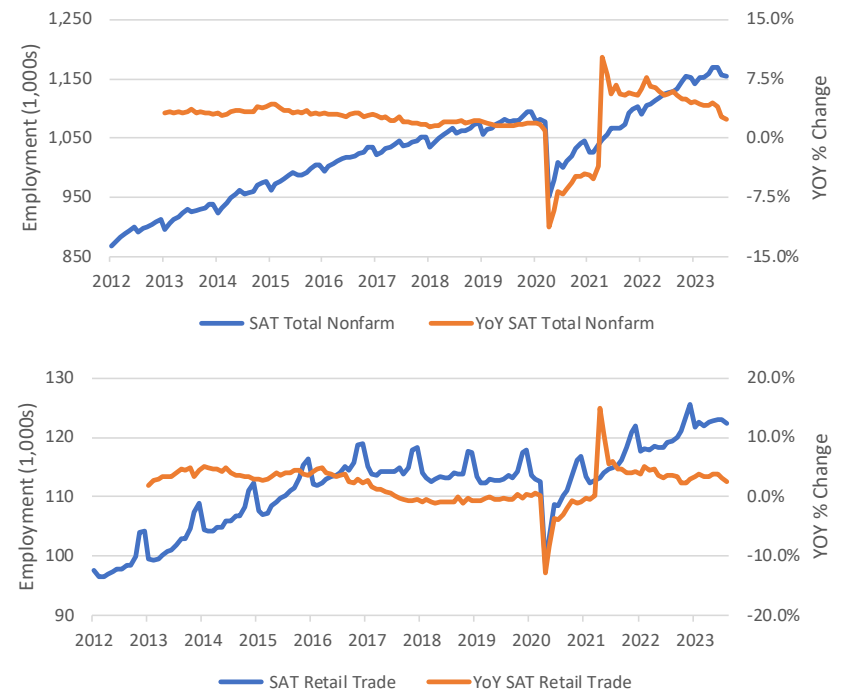
key employment trends

SAT Total Nonfarm

Aug-23	Aug-22	Change	YoY
1,154,900	1,128,700	26,200	2.32%

SAT Retail Trade

Aug-23	Aug-22	Change	YoY
122,400	119,400	3,000	2.51%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

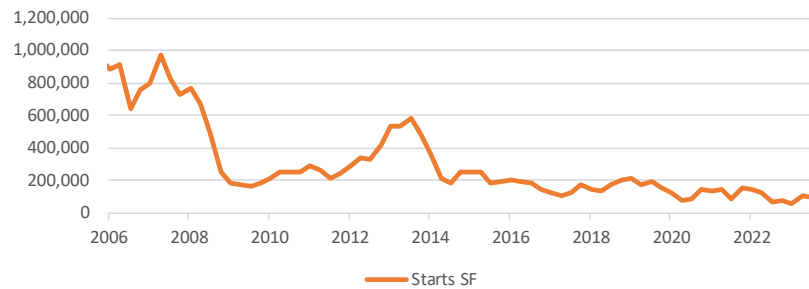


San Antonio Retail Market *absorption/construction*

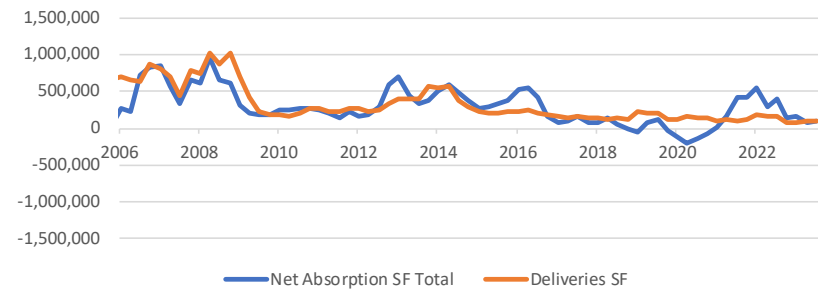
		Current	Previous Quarter	Previous Year
Starts SF	Overall	97,442	104,288	68,729
Net Absorption SF Total	Overall	97,663	73,475	397,565
Deliveries SF	Overall	100,413	89,780	157,569
Under Construction SF	Overall	319,352	322,322	328,239

Larger
Smaller
 Than Current

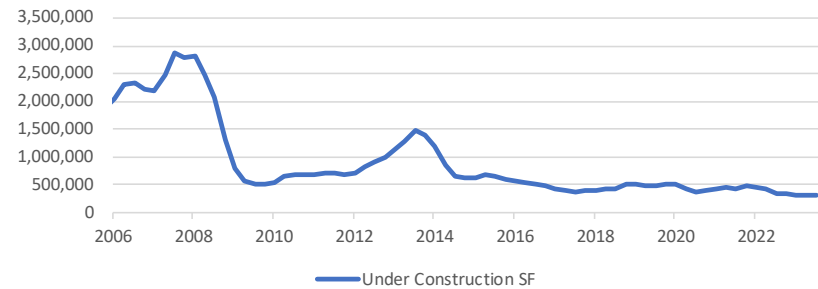
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage



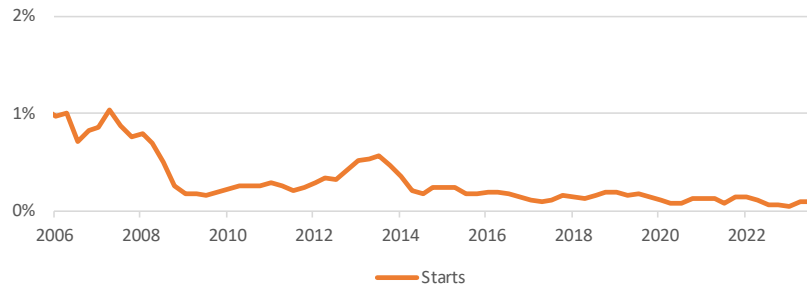
Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Retail Market *absorption/construction*

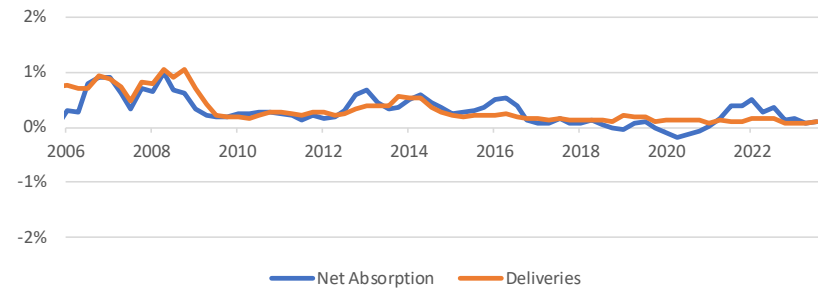
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.09%	0.10%	0.06%
Under Construction Percent	Overall	0.29%	0.30%	0.30%
Absorption Percent	Overall	0.09%	0.07%	0.37%
Deliveries Percent	Overall	0.09%	0.08%	0.15%

Larger
Smaller
Than Current

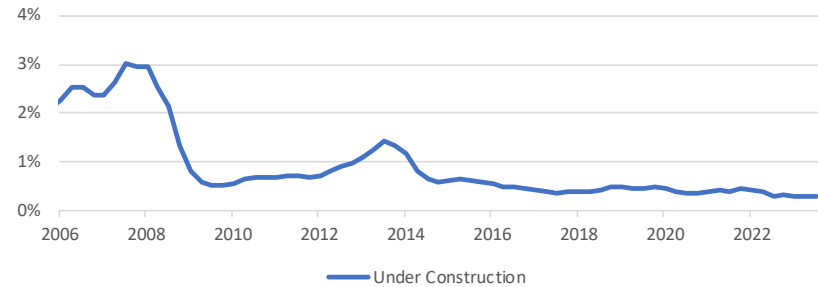
Starts as Percent of Inventory



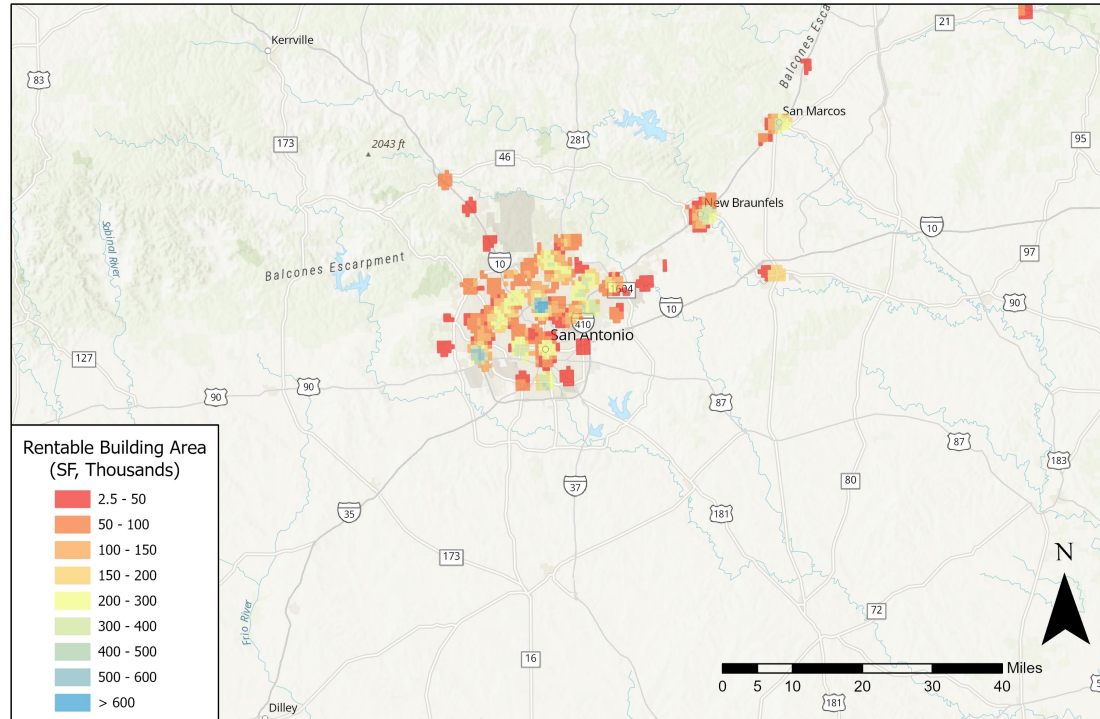
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



San Antonio Metro Rentable Building Area Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Retail Market *inventory*

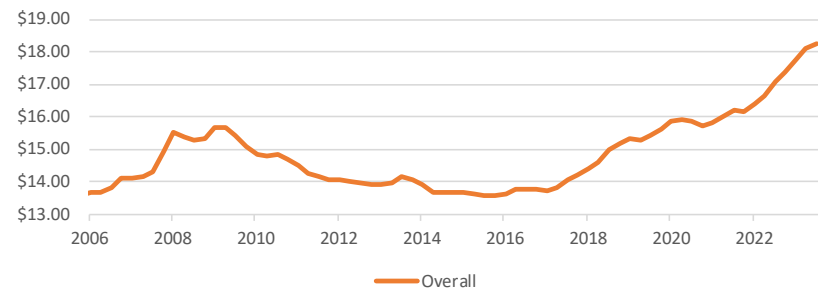


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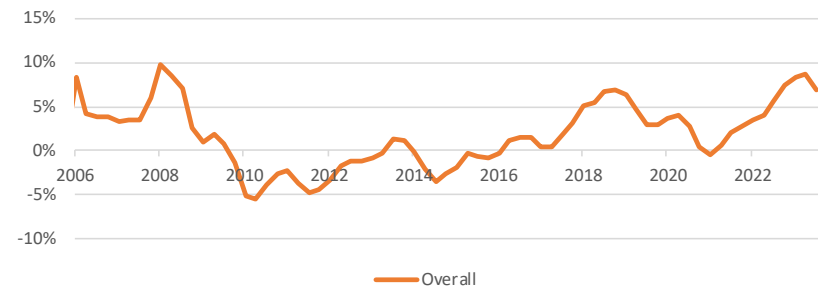
San Antonio Retail Market *rent*



NNN Rent



NNN Rent YoY Growth



NNN Rent Overall

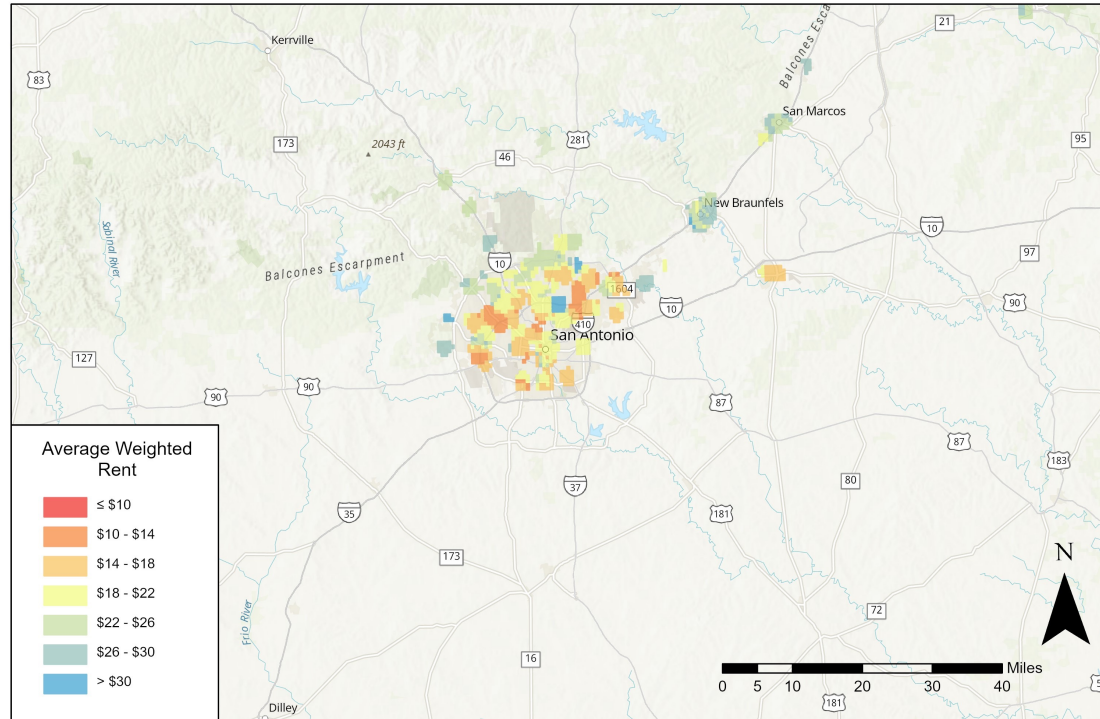
Overall

Current	Previous Quarter	Previous Year
\$18.28	\$18.10	\$17.10

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Metro Average Weighted Rent Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Retail Market *rent*



San Antonio Retail Market *vacancy*

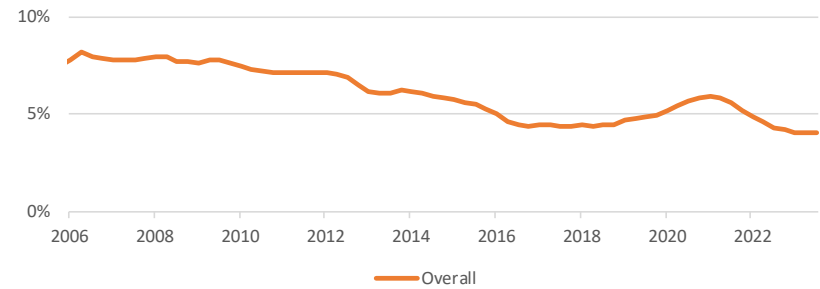


Vacant Percent % Total
Availability less Vacancy

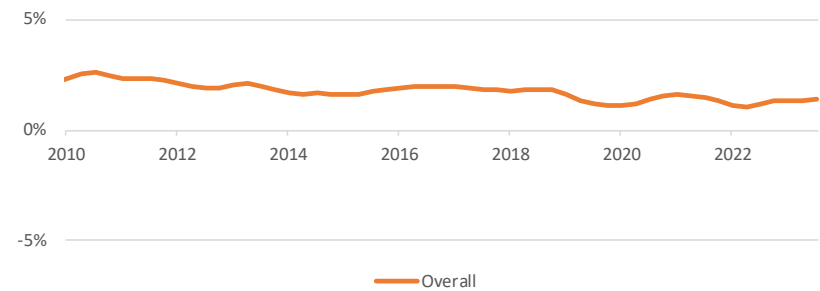
	Current	Previous Quarter	Previous Year
Overall	4.05%	4.07%	4.33%
Overall	1.40%	1.37%	1.20%

Larger Than Current
Smaller Than Current

Vacancy

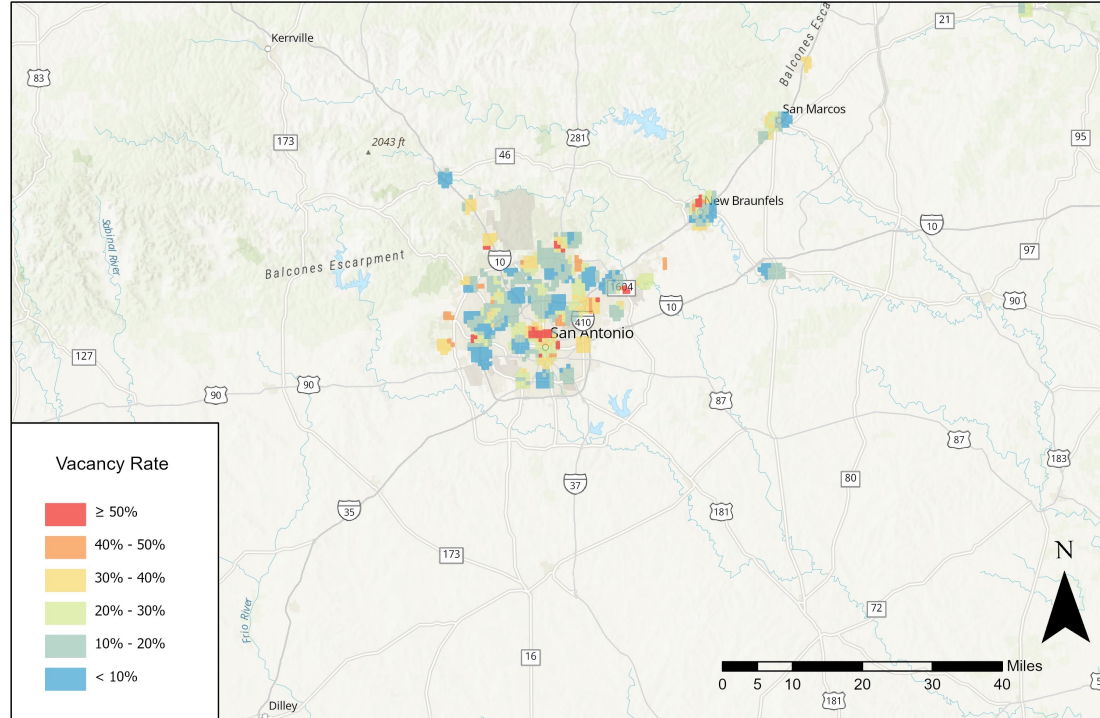


Availability less Vacancy



Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Metro Vacancy Retail LMAs (2Q2023)



Source: Costar, Esri, CGIAR, USGS, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Local Market Area (LMA) Definitions

San Antonio Retail Market *vacancy*

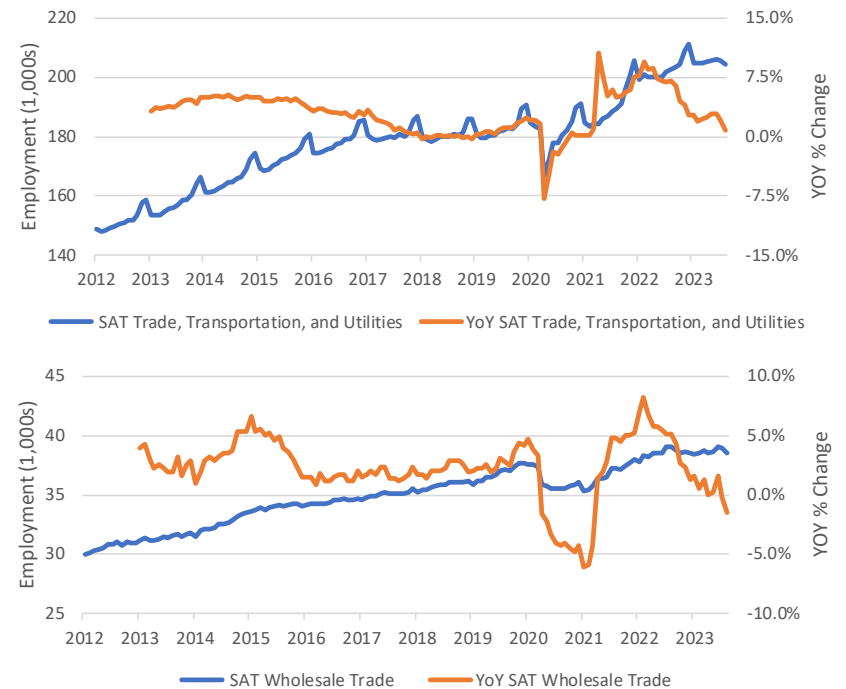


San Antonio Warehouse Market

key employment trends

	Aug-23	Aug-22	Change	YoY
SAT Trade, Transportation, and Utilities	204,400	202,600	1,800	0.89%

	Aug-23	Aug-22	Change	YoY
SAT Wholesale Trade	38,500	39,100	(600)	-1.53%



Sources: Texas Workforce Commission, Texas Real Estate Research Center at Texas A&M University

San Antonio Warehouse Market

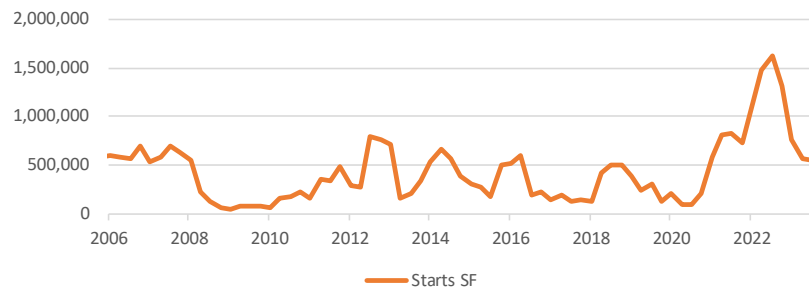
absorption/construction



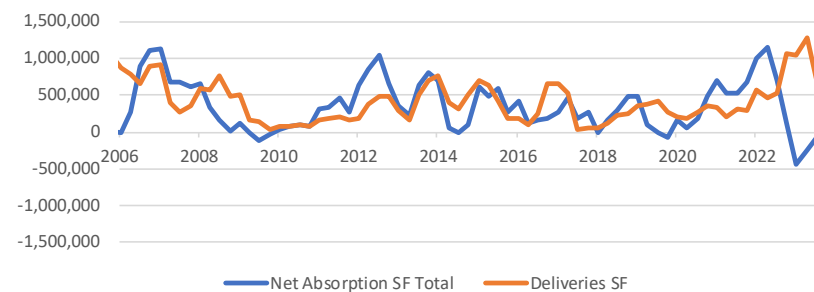
		Current	Previous Quarter	Previous Year
Starts SF	Overall	545,650	570,355	1,628,347
Net Absorption SF Total	Overall	-81,435	-243,217	695,752
Deliveries SF	Overall	700,888	1,290,631	525,482
Under Construction SF	Overall	4,333,600	4,488,838	5,242,191

Larger
Smaller
 Than Current

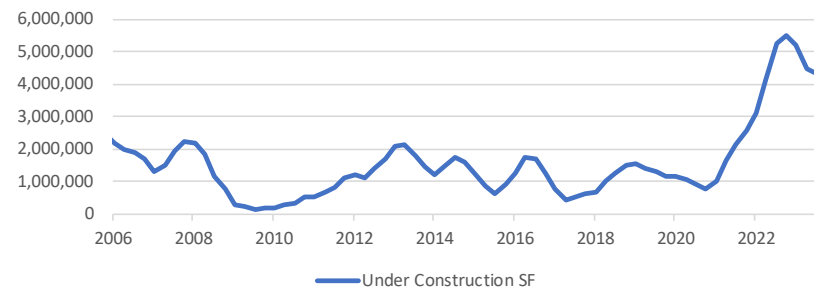
Starts Square Footage



Absorption and Delivery Square Footage



Under Construction Square Footage



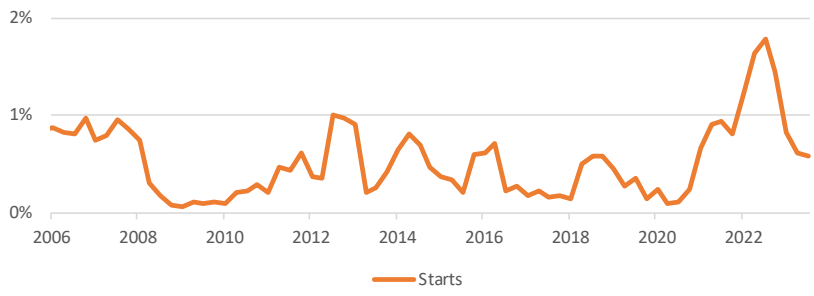
San Antonio Warehouse Market

absorption/construction

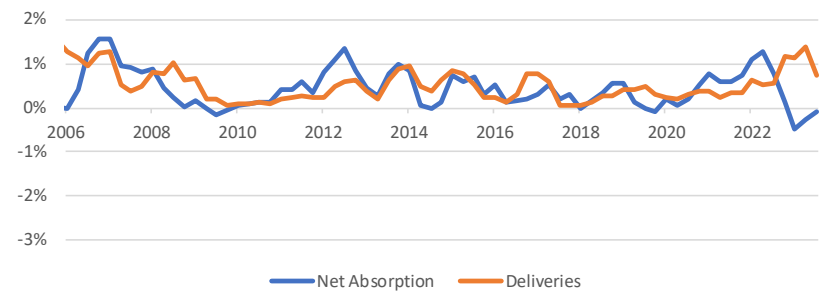
		Current	Previous Quarter	Previous Year
Starts Percent	Overall	0.58%	0.61%	1.79%
Under Construction Percent	Overall	4.62%	4.79%	5.75%
Absorption Percent	Overall	-0.09%	-0.26%	0.76%
Deliveries Percent	Overall	0.75%	1.38%	0.58%

Larger
Smaller
Than Current

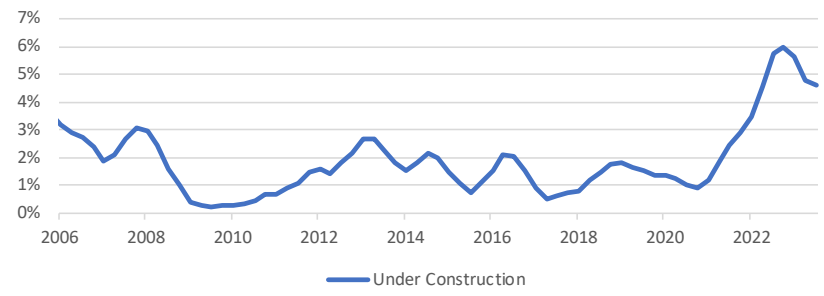
Starts as Percent of Inventory



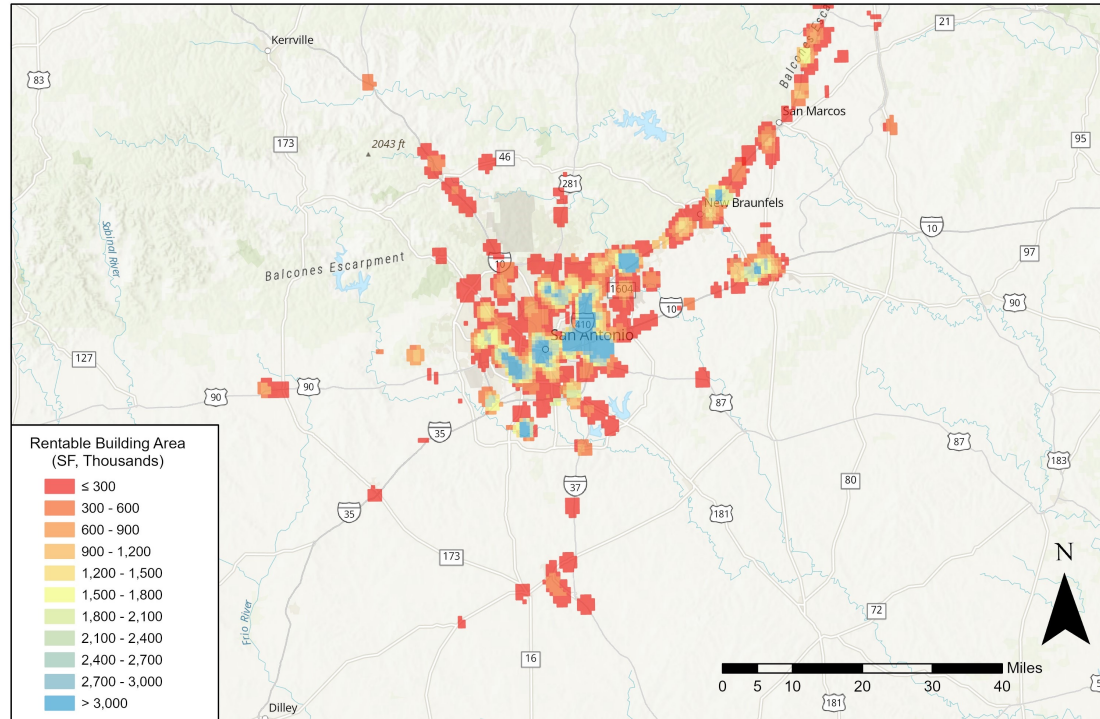
Absorption and Deliveries as Percent of Inventory



Under Construction as Percent of Inventory



San Antonio Metro Rentable Building Area Warehouse LMAs (3Q2023)



Source: Costar, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

San Antonio Warehouse Market *inventory*

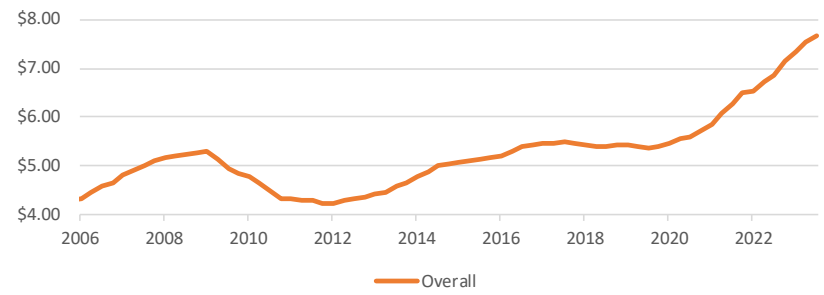


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San Antonio Warehouse Market *rent*



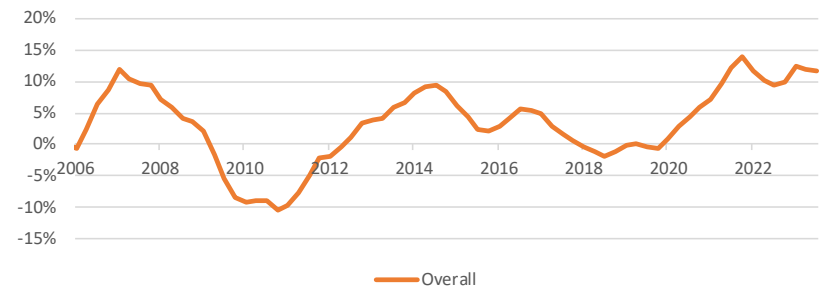
NNN Rent



Overall	Current	Previous Quarter	Previous Year
Overall	\$7.67	\$7.53	\$6.87

Larger Than Current
Smaller Than Current

NNN Rent YoY Growth

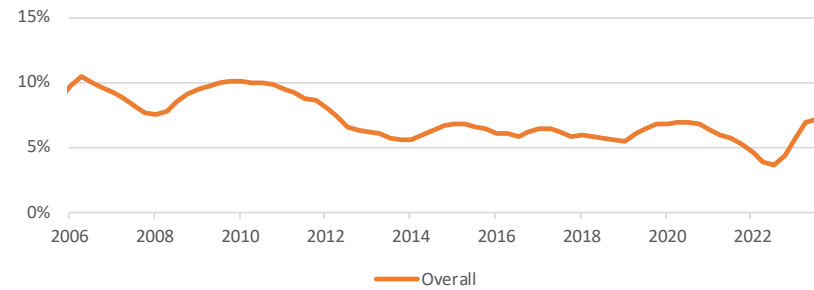


Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

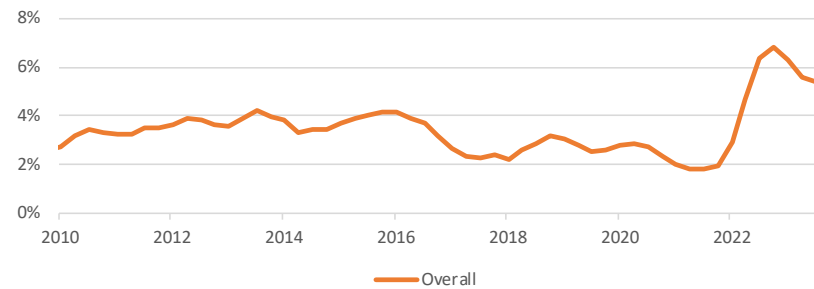
San Antonio Warehouse Market *vacancy*



Vacancy



Availability less Vacancy



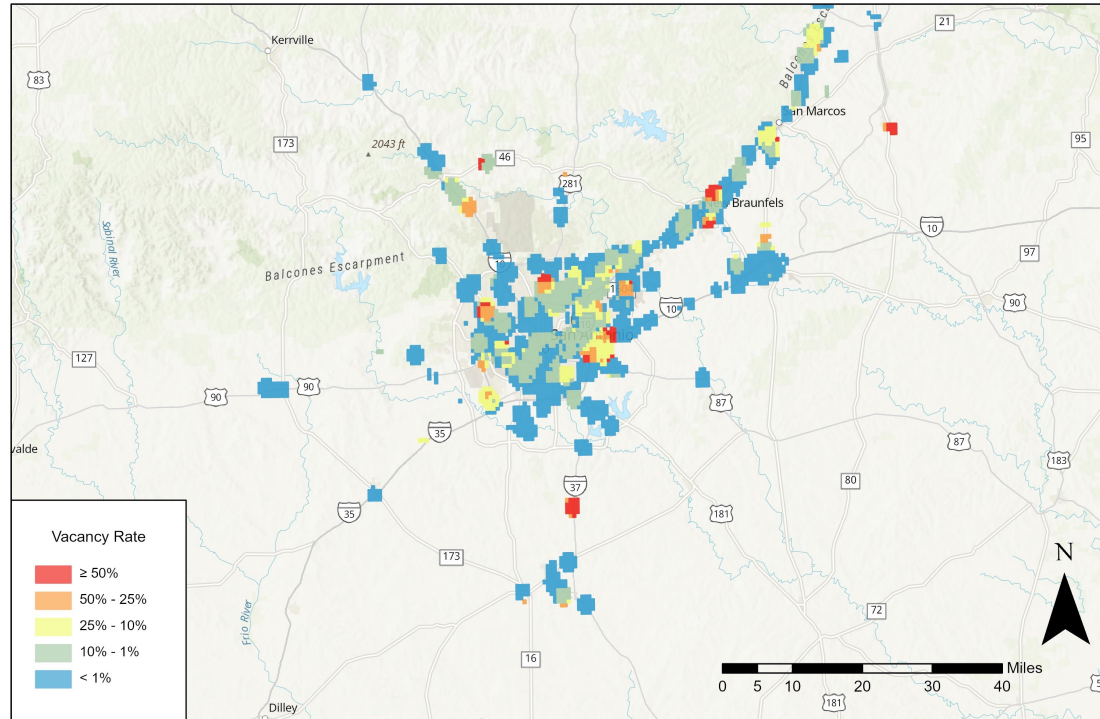
Vacant Percent % Total
Availability less Vacancy

	Current	Previous Quarter	Previous Year
Overall	7.15%	6.90%	3.63%
Overall	5.40%	5.57%	6.40%

Larger Than Current
Smaller Than Current

Sources: CoStar, Texas Real Estate Research Center at Texas A&M University

San Antonio Metro Vacancy Warehouse LMAs (3Q2023)



Source: Costar, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, Foursquare, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, USGS

Local Market Area (LMA) Definitions

San Antonio Warehouse Market *vacancy*



Notes and Definitions

- **Asking rents.** The dollar amount per square foot the landlord requests from a tenant, excluding tenant improvements and concessions. Leases typically dictate this amount paid annually.
- **Effective rents.** The dollar amount per square foot the landlord requests from a tenant after deducting concessions.
- **Absorption.** The net change in occupied space, measured in square feet, over a given period. Net absorption reflects the amount of space occupied as well as the amount of space vacated. Net absorption includes direct and sublease space.
- **Nominal.** Value or rate reflecting current prices or rates without adjusting for inflation. Values are not inflation-adjusted in this report.
- **SF.** Square feet.
- **Under construction.** The square footage being built within a particular market; applies to buildings that have not received a certificate of occupancy.
- **Vacancy rate.** A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory.



Notes and Definitions

- **Local Market Area Map Analysis.** To facilitate spatial visualization of individual building data, a grid of points was distributed across each metropolitan area with the points one-half mile apart. Key market statistics were calculated at these reference points. Local Market Area parameters are then recalculated for all the buildings within one mile of each grid point for those grid points that contain at least three buildings within one mile. At each Local Market Area point shown, the parameters calculated are for the “sub-market” within one mile of that point. **Rentable Building Area** is the sum of rentable building area within each Local Market Area. The sum of all Local Market Areas’ Rentable Building Areas will overstate total market Rentable Building Area due to the overlapping nature of the Local Market Areas. **Vacancy** is the weighted vacancy of the buildings within each Local Market Area. **Average Weighted Rent** is the weighted rent of the buildings within each Local Market Area.





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DIVISION OF ACADEMIC AND STRATEGIC COLLABORATIONS

Texas A&M University
2115 TAMU
College Station, Texas 77843-2115

<http://www.recenter.tamu.edu>
979-845-2031

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