

AUSTIN RETAIL MONTHLY MARKET SNAPSHOT | JUNE 2022

Pandemic uncertainties had little impact on Austin's retail market.

MARKET HIGHLIGHTS

AN ANALYSIS OF ACTIVITY DURING THE FIRST FIVE MONTHS OF THE YEAR—MAY 2022 COMPARED TO MAY 2021.

VACANCY RATE CONTRACTS TO 3.4%

Almost halfway through 2022, the overall vacancy in the Austin retail market has tightened to 3.4%, dropping 100 basis points from last year's 4.4%. Availability is at 4.7%, down 130 basis points from May 2021 at 6.0%. The difference between this figure and the vacancy rate reflects expected future move-outs. Leasing activity comprised of new leases and renewals decreased slightly year-over-year at 1.08 million sq. ft. versus 1.10 million sq. ft., while net absorption (move-ins minus move-outs) is at 610,000 sq. ft., up 17% year-over-year from 524,000 sq. ft. The top transaction so far in 2022 is Brookshire Brothers signing a lease for 43,000 sq. ft. in the Far Northwest submarket of Austin at 20900 FM 1431 in Lago Vista.

AVERAGE RETAIL NNN ASKING RENTS AT RECORD HIGH

Overall positive trends in leasing activity have driven average retail asking rents higher. The Austin metro NNN average asking rent is at an all-time high of \$22.69 per sq. ft., up 7.9% from \$21.02 last year. In spite of the pandemic of the last two years, Austin's retail market has remained resilient, which may suggest Austin landlords have been able to weather this storm better than other markets.

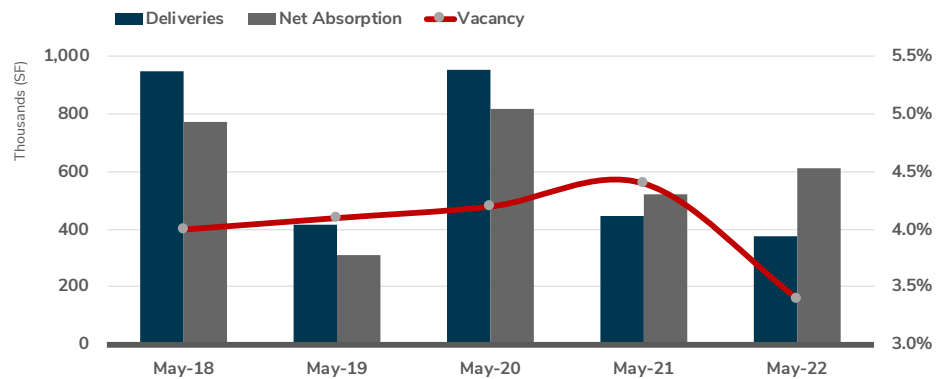
RETAIL AND ROOFTOPS

Austin's existing-home sales increased by 0.5% in April after posting a 0.8% contraction in March. This compares with the state's 0.2% gain in April and 2.2% contraction in March. Compared with 2021, year-to-date existing-home sales were down 0.6% in the metro and up 5.0% statewide. In April, median home prices reached a new high both in the metro and state. The median price of homes sold was \$529,959 in the metro—a 10.7% rise year over year. The median price in the state was \$346,760—an 11.0% jump year over year.

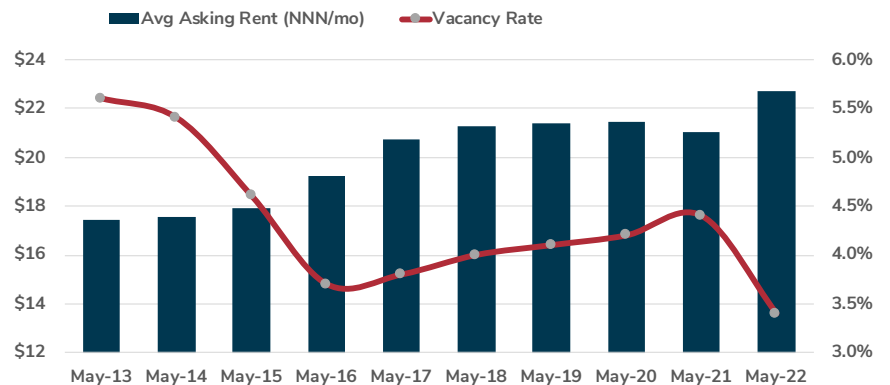
MARKET ACTIVITY

	MAY 2022	vs	MAY 2021
Vacancy	3.4%	↓	4.4%
Availability	4.7%	↓	6.0%
Under Construction SF	1,479,854	▲	1,042,029
NNN Avg Asking Rent	\$22.69	▲	\$21.02
Net Absorption SF YTD	610,242	▲	523,537
Leasing Activity SF YTD	1,083,595	↓	1,109,890
Deliveries SF YTD	375,082	↓	446,009

SUPPLY & DEMAND | MAY - YEAR OVER YEAR



LEASING ACTIVITY | MAY - YEAR OVER YEAR



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